HOUSE BILL 1

Eighteenth Legislature

2008–09 Biennium



STATE OF TEXAS
2007

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RECAPITULATION - ALL ARTICLES
(General Revenue)

	For the Years Ending August 31, 2008	August 31, 2009
ARTICLE I - General Government	$ 962,229,693	$ 864,606,727
ARTICLE II - Health and Human Services	9,312,294,356	9,534,465,654
ARTICLE III - Agencies of Education	19,488,683,939	20,748,939,094
ARTICLE IV - The Judiciary	187,623,092	187,429,321
ARTICLE V - Public Safety and Criminal Justice	3,687,702,902	3,752,215,476
ARTICLE VI - Natural Resources	252,764,595	247,987,992
ARTICLE VII - Business and Economic Development	139,564,468	139,563,347
ARTICLE VIII - Regulatory	154,221,284	154,827,511
ARTICLE IX - General Provisions	0	0
ARTICLE X - The Legislature	153,833,593	171,255,185
GRAND TOTAL, General Revenue	$ 34,338,917,922	$ 35,801,290,307

RECAPITULATION - ALL ARTICLES
(General Revenue - Dedicated)

	For the Years Ending August 31, 2008	August 31, 2009
ARTICLE I - General Government	$ 403,738,987	$ 238,246,617
ARTICLE II - Health and Human Services	431,415,054	432,674,731
ARTICLE III - Agencies of Education	1,217,154,106	1,128,663,967
ARTICLE IV - The Judiciary	15,798,423	15,799,445
ARTICLE V - Public Safety and Criminal Justice	10,878,903	10,985,989
ARTICLE VI - Natural Resources	602,353,094	561,581,697
ARTICLE VII - Business and Economic Development	205,895,077	205,031,140
ARTICLE VIII - Regulatory	110,058,709	110,332,052
ARTICLE IX - General Provisions	0	0
ARTICLE X - The Legislature	0	0
GRAND TOTAL, General Revenue - Dedicated	$ 2,997,292,353	$ 2,703,315,638

RECAPITULATION - ALL ARTICLES
(Federal Funds)

	For the Years Ending August 31, 2008	August 31, 2009
ARTICLE I - General Government	$ 324,053,848	$ 309,505,901
ARTICLE II - Health and Human Services	15,094,534,427	15,256,791,872
ARTICLE III - Agencies of Education	4,344,906,399	4,462,034,547
ARTICLE IV - The Judiciary	2,198,407	2,255,000
ARTICLE V - Public Safety and Criminal Justice	258,391,237	259,683,334
ARTICLE VI - Natural Resources	146,841,178	143,875,225
ARTICLE VII - Business and Economic Development	4,472,983,134	4,363,074,897
ARTICLE VIII - Regulatory	2,404,623	2,404,623
ARTICLE IX - General Provisions	0	0
ARTICLE X - The Legislature	0	0
GRAND TOTAL, Federal Funds	$ 24,646,313,253	$ 24,799,625,399

RECAPITULATION - ALL ARTICLES
(Other Funds)*

	For the Years Ending August 31, 2008	August 31, 2009
ARTICLE I - General Government	$ 252,756,903	$ 51,485,807
ARTICLE II - Health and Human Services	823,442,546	774,666,561
ARTICLE III - Agencies of Education	4,054,442,394	4,359,231,850
ARTICLE IV - The Judiciary	67,764,706	67,095,308
ARTICLE V - Public Safety and Criminal Justice	607,441,015	560,664,441
ARTICLE VI - Natural Resources	94,778,697	75,839,291
ARTICLE VII - Business and Economic Development	5,229,778,897	5,311,045,902
ARTICLE VIII - Regulatory	7,442,685	7,444,566
ARTICLE IX - General Provisions	0	0
ARTICLE X - The Legislature	210,000	210,000
GRAND TOTAL, Other Funds	$ 11,138,057,843	$ 11,207,683,726

* Excludes interagency contracts

RECAPITULATION - ALL ARTICLES
(All Funds)*

	For the Years Ending August 31, 2008	August 31, 2009
ARTICLE I - General Government	$ 1,942,779,431	$ 1,463,845,052
ARTICLE II - Health and Human Services	25,661,686,383	25,998,598,818
ARTICLE III - Agencies of Education	29,105,186,838	30,698,869,458
ARTICLE IV - The Judiciary	273,384,628	272,579,074
ARTICLE V - Public Safety and Criminal Justice	4,564,414,057	4,583,549,240
ARTICLE VI - Natural Resources	1,096,737,564	1,029,284,205
ARTICLE VII - Business and Economic Development	10,048,221,576	10,018,715,286
ARTICLE VIII - Regulatory	274,127,301	275,008,752
ARTICLE IX - General Provisions	0	0
ARTICLE X - The Legislature	154,043,593	171,465,185
GRAND TOTAL, All Funds	$ 73,120,581,371	$ 74,511,915,070
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	226,266.8	226,304.6

* Excludes interagency contracts

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, 2007 and ending August 31, 2009; 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, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,246,607	$ 1,154,405
GR Dedicated - Commission on the Arts Operating Account No. 334	1,535,397	1,627,600
Federal Funds	863,500	863,500
Other Funds		
Appropriated Receipts	530,405	530,405
Interagency Contracts	980,000	980,000
Subtotal, Other Funds	$ 1,510,405	$ 1,510,405
Total, Method of Financing	$ 5,155,909	$ 5,155,910
This bill pattern represents an estimated 37.9% 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	$72,500	$72,500
Items of Appropriation:		
A. Goal: ARTS AND CULTURAL GRANTS		
Provide and Support Arts and Cultural Grants.		
A.1.1. Strategy: ARTS ORGANIZATION GRANTS	$ 2,339,970	$ 2,339,971
A.1.2. Strategy: ARTS EDUCATION GRANTS	$ 888,228	$ 888,228
A.1.3. Strategy: DIRECT ADMINISTRATION	$ 698,958	$ 698,958
Total, Goal A: ARTS AND CULTURAL GRANTS	$ 3,927,156	$ 3,927,157
B. Goal: PROMOTION AND PARTICIPATION		
Promote Participation in Arts & Cultural Events.		
B.1.1. Strategy: CULTURAL TOURISM Promote Arts and Cultural Events to Attract Tourists.	$ 150,000	$ 150,000
B.1.2. Strategy: MARKETING AND FUNDRAISING Market Arts & Cultural Events; Raise Private Funds for Agency Programs.	$ 429,568	$ 429,568

B.1.3. Strategy: DIRECT ADMINISTRATION	$ 232,351	$ 232,351
Total, Goal B: PROMOTION AND PARTICIPATION	$ 811,919	$ 811,919
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 300,232	$ 300,232
C.1.2. Strategy: INFORMATION RESOURCES	$ 116,602	$ 116,602
Total, Goal C: INDIRECT ADMINISTRATION	$ 416,834	$ 416,834
Grand Total, COMMISSION ON THE ARTS	$ 5,155,909	$ 5,155,910
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 827,689	$ 827,689
Other Personnel Costs	47,677	47,677
Professional Fees and Services	186,093	186,093
Consumable Supplies	6,980	6,980
Utilities	18,103	18,103
Travel	56,373	56,373
Rent - Building	10,997	10,997
Rent - Machine and Other	10,143	10,143
Other Operating Expense	384,088	384,088
Grants	3,607,766	3,607,767
Total, Object-of-Expense Informational Listing	$ 5,155,909	$ 5,155,910
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 58,382	$ 59,258
Group Insurance	118,279	119,594
Social Security	71,951	73,030
Benefits Replacement	5,521	5,245
Subtotal, Employee Benefits	$ 254,133	$ 257,127
Debt Service		
Lease Payments	$ 2,386	$ 2,691
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 256,519	$ 259,818

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.

	2008	2009
A. Goal: ARTS AND CULTURAL GRANTS		
Outcome (Results/Impact):		
Percentage of Assistance Dollars Provided to Applications from Minority Organizations	20%	20%
Percentage of Assistance Dollars Provided to Applications from Rural and Geographically Isolated Communities	35%	35%
Percentage of Grants Funded That Are for Arts Education Programs	16%	16%
A.1.1. Strategy: ARTS ORGANIZATION GRANTS		
Output (Volume):		
Number of Funded Applications from Rural and Geographically Isolated Communities	550	550
Number of Funded Applications from Minority Organizations	300	300
Efficiencies:		
Average Grant Amount Awarded to Arts and Cultural Organizations	3,000	3,000

A.1.2. Strategy: ARTS EDUCATION GRANTS		
Efficiencies:		
Average Grant Amount Awarded for Arts Education Programs	2,600	2,600
B. Goal: PROMOTION AND PARTICIPATION		
B.1.1. Strategy: CULTURAL TOURISM		
Output (Volume):		
Number of Marketing and Public Relations Activities, Conferences, and Seminars That Promote Tourism	80	80

~~3~~2. **Interagency Agreement.** Out of amounts included above in Strategy A.1.1, Arts Organization Grants, ~~and~~ 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, ~~2005~~2007, transferred from the Texas Department of Transportation through interagency contract, to showcase the arts and cultural diversity in Texas to promote tourism.

~~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 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.~~

	~~2006~~	~~2007~~
~~Out of the General Revenue Fund:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Server Support~~	~~$ 25,000~~	~~$ 12,500~~
~~(2) Web Application Development~~	~~45,000~~	~~22,500~~
~~(3) Computer Hardware and Software~~	~~30,000~~	~~15,000~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 100,000~~	~~$ 50,000~~
~~Total, Capital Budget~~	~~$ 100,000~~	~~$ 50,000~~

4~~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.

5~~4~~. **Unexpended Balances within the Biennium.** Any unexpended balances in appropriations made to ~~Strategy~~Strategies A.1.1, Arts Organization Grants, and A.1.2, Arts Education Grants, remaining as of August 31, ~~2006~~2008, are hereby appropriated to the Commission on the Arts for the fiscal year beginning September 1, ~~2006~~2008, for the same purpose.

6~~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 $25,295 and included in fiscal year 2006)~~ (estimated to be $0) and revenue collected on or after September 1, ~~2005~~2007, (estimated to be ~~$500,000~~$384,096 in fiscal year ~~2006~~2008 and ~~$510,000~~$384,097 in fiscal year ~~2007~~2009) 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, ~~2005~~2007, and all revenue collected on or after September 1, ~~2005~~2007, are hereby appropriated for the same purpose.

Any unexpended balances as of August 31, ~~2006~~2008, out of the appropriations made herein are hereby appropriated to the Commission on the Arts for the fiscal year beginning September 1, ~~2006~~2008.

~~7~~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.

~~9~~7. **Arts Entrepreneurial Business System.** Included in the amounts appropriated above, the Commission on the Arts is hereby authorized to collect receipts from the sale of promotional items bearing the Agency's logo, estimated to be $1,000 in Appropriated Receipts for the biennium beginning September 1, ~~2005~~2007, for ~~Strategy A.1.1, Arts Organization Grants~~Strategy A.1.3, Direct Administration.

~~10~~8. **Appropriation: Texas Cultural Endowment Fund Interest and Income Earnings.** Included above in ~~Strategy B.1.2, Marketing and Fundraising~~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 ~~2006~~2008 and $83,745 in fiscal year ~~2007~~2009 for the purpose of meeting current matching obligations for restricted gifts to the Texas Cultural Endowment Fund~~, contingent upon interest earnings transferred from the Texas Cultural Endowment Fund to the General Revenue-Dedicated Commission on the Arts Operating Account No. 334 exceeding $700,000 for the biennium beginning September 1, 2005.~~ The remaining amounts of $1,067,556 in fiscal year 2008 and $1,159,758 in fiscal year 2009 out of interest and income earnings appropriated to the agency shall be used in accordance with Government Code § 444.027 (b).

Any unexpended balance of such interest and income earnings on August 31, ~~2006~~2008 is appropriated for the same purpose for the year beginning September 1, ~~2006~~2008.

~~8. **Reporting Requirements: Geographic Distribution.** The Commission on the Arts shall submit an annual report to the Legislative Budget Board and the Governor on the geographic distribution of their grants.~~

9. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Commission on the Arts are made contingent on the continuation of the Commission on the Arts by the Eighteenth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

OFFICE OF THE ATTORNEY GENERAL

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 62,456,658	$ 92,242,997
Child Support Retained Collection Account	87,862,180	62,093,036
Attorney General Debt Collection Receipts	8,300,000	8,300,000
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	3,096,405	3,096,405
Subtotal, General Revenue Fund	$ 161,715,243	$ 165,732,438
General Revenue Fund - Dedicated		
AG Law Enforcement Account No. 5006	183,482	183,482
Sexual Assault Program Account No. 5010	204,904	204,904
Attorney General Volunteer Advocate Program Plates Account No. 5036	99,934	71,000
Compensation to Victims of Crime Account No. 469	88,984,348	96,260,486
Subtotal, General Revenue Fund - Dedicated	$ 89,472,668	$ 96,719,872

Federal Funds	202,401,603	195,373,083
Other Funds		
Appropriated Receipts	8,126,044	8,181,253
Interagency Contracts	5,375,317	5,342,532
State Highway Fund No. 006	5,771,298	5,771,298
Subtotal, Other Funds	$ 19,272,659	$ 19,295,083
Total, Method of Financing	$ 472,862,173	$ 477,120,476
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	4,151.8	4,151.8
Schedule of Exempt Positions:		
Attorney General, Group 6	$125,000	$125,000
Items of Appropriation:		
A. Goal: PROVIDE LEGAL SERVICES		
Provide General Legal Services to the State and Authorized Entities.		
A.1.1. Strategy: LEGAL SERVICES Provide Counseling/Litigation/Alternative Dispute Resolution Services.	$ 63,542,816	$ 63,547,531
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.	$ 237,457,989	$ 237,451,753
B.1.2. Strategy: STATE DISBURSEMENT UNIT	$ 22,416,069	$ 22,397,231
Total, Goal B: ENFORCE CHILD SUPPORT LAW	$ 259,874,058	$ 259,848,984
C. Goal: CRIME VICTIMS' SERVICES		
Investigate/Process Applications for Compensation to Crime Victims.		
C.1.1. Strategy: CRIME VICTIMS' COMPENSATION Review Claims, Determine Eligibility/State Liability, Pay Correctly.	$ 97,432,691	$ 102,213,053
C.1.2. Strategy: VICTIMS ASSISTANCE Provide Grants & Contrcts for Victims Svcs/Sexual Asslt Vctms/Chld Adv.	$ 37,319,779	$ 36,818,075
Total, Goal C: CRIME VICTIMS' SERVICES	$ 134,752,470	$ 139,031,128
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.	$ 14,466,207	$ 14,466,210
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.	$ 885,289	$ 885,289
F. Goal: ADMINISTRATIVE REDUCTIONS		
F.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (658,667)	$ (658,666)
Grand Total, OFFICE OF THE ATTORNEY GENERAL	$ 472,862,173	$ 477,120,476
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 189,215,277	$ 189,165,109
Other Personnel Costs	5,857,331	5,857,331
Professional Fees and Services	6,198,565	6,198,565
Fuels and Lubricants	135,676	135,676

Consumable Supplies	2,138,041	2,138,041
Utilities	3,424,851	3,361,851
Travel	4,589,647	4,589,647
Rent - Building	9,682,139	9,682,139
Rent - Machine and Other	2,487,136	2,487,136
Other Operating Expense	200,266,983	204,976,778
Grants	48,826,527	48,528,203
Capital Expenditures	40,000	0
Total, Object-of-Expense Informational Listing	$ 472,862,173	$ 477,120,476
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 11,919,202	$ 12,097,990
Group Insurance	24,187,382	24,337,287
Social Security	14,461,243	14,678,162
Benefits Replacement	1,511,245	1,435,683
Subtotal, Employee Benefits	$ 52,079,072	$ 52,549,122
Debt Service		
Lease Payments	$ 6,049,826	$ 5,943,621
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 58,128,898	$ 58,492,743

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.

	2008	2009
A. Goal: PROVIDE LEGAL SERVICES		
Outcome (Results/Impact):		
Delinquent State Revenue Collected	60,000,000	60,000,000
A.1.1. Strategy: LEGAL SERVICES		
Output (Volume):		
Legal Hours Billed to Litigation and Counseling	900,000	900,000
Efficiencies:		
Average Cost Per Legal Hour	71.51	71.51
B. Goal: ENFORCE CHILD SUPPORT LAW		
Outcome (Results/Impact):		
Percent of Title IV-D Cases That Have Court Orders for Child Support	82%	82%
Percent of All Current Child Support Amounts Due That Are Collected	62%	62%
Percent of Title IV-D Cases with Arrears Due in Which Any Amount Is Paid Toward Arrears	65%	65%
Percent of Paternity Establishments for Out of Wedlock Births	95%	95%
B.1.1. Strategy: CHILD SUPPORT ENFORCEMENT		
Output (Volume):		
Amount of Title IV-D Child Support Collected (in Millions)	2,350	2,501
Efficiencies:		
Ratio of Total Dollars Collected Per Dollar Spent	9.9	10.52
B.1.2. Strategy: STATE DISBURSEMENT UNIT		
Output (Volume):		
Number of Payment Receipts Processed by the SDU Vendor	17,900,000	18,500,000
C. Goal: CRIME VICTIMS' SERVICES		
Outcome (Results/Impact):		
Amount of Crime Victims' Compensation Awarded	90,330,787	95,111,149

C.1.1. Strategy: CRIME VICTIMS' COMPENSATION		
Efficiencies:		
Average Number of Days to Analyze a Claim and Make an Award	58	58
C.1.2. Strategy: VICTIMS ASSISTANCE		
Output (Volume):		
Total Number of Counties Served by CASA Programs	213	218
D. Goal: REFER MEDICAID CRIMES		
Outcome (Results/Impact):		
Amount of Medicaid Over-payments Identified	60,900,000	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.

	2006	2007
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Child Support Hardware/Software Enhancements~~	~~$ 2,400,000~~	~~$ 300,000~~
~~b. Transportation Items~~		
~~(1) Child Support Motor Vehicles~~	~~$ 170,829~~	~~$ 0~~
~~c. Acquisition of Capital Equipment and Items~~		
~~(1) Child Support File Systems~~	~~$ 1,300,000~~	~~$ 0~~
~~Total, Capital Budget~~	~~$ 2,700, 829~~	~~$ 300,000~~
~~Method of Financing (Capital Budget):~~		
~~Federal Funds~~	~~$ 1,775,026~~	~~$ 198,000~~
~~Child Support Retained Collection Account~~	~~925,803~~	~~102,00~~
~~Total, Method of Financing~~	~~$ 2,700,829~~	~~$ 300,000~~

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Child Support Hardware/Software Enhancements	$ 1,960,000	$ 1,000,000
b. Acquisition of Capital Equipment and Items		
(1) Child Support Security Systems	$ 40,000	$ 0
Total, Capital Budget	$ 2,000,000	$ 1,000,000
Method of Financing (Capital Budget):		
Federal Funds	$ 1,320,000	$ 660,000
Child Support Retained Collection Account	680,000	340,000
Total, Method of Financing	$ 2,000,000	$ 1,000,000

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 Collections 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 2006~~7~~8 and $808,289 in fiscal year 2007~~8~~9, 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 2006~~7~~8-07~~8~~9 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 is directed to accrue and leave unexpended amounts in the Child Support Retained Collections Account sufficient to be used as the initial state funding necessary for operation of the Child Support Enforcement program during fiscal year 2008. It is the intent of the Legislature that this program be self sufficient through funding from the Child Support Retained Collections Account and related Title IV-D grant funds.~~

d. 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 Collections 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 sub account, or to such groupings thereof as may be designated by the Attorney General for purposes of reporting interest earned to the federal government.

e. 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 Collections Account as of August 31, 2005~~6~~7, in such funds to be available for use in fiscal year 2006~~7~~8. Any balances in the Child Support Trust Fund No. 994 and the Child Support Retained Collections Account on hand as of August 31, 2006~~7~~8, shall be carried forward in such funds as funding sources for the appropriation for fiscal year 2007~~8~~9. ~~It is the intent of the Legislature that the remaining balances in the Child Support Trust Fund No. 994 and the Child Support Retained Collections Account as of August 31, 2007, be carried forward into fiscal year 2008 and be appropriated for fiscal year 2008 for the child support enforcement program.~~

f. 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 2006~~7~~8-07~~8~~9 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 Collections 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 Collections 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 ~~6.a.~~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.

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.

~~9~~8. Appropriation of Receipts, Court Costs. Out of the funds appropriated above as Appropriated Receipts, $7,500,000 in each fiscal year of the biennium 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 Child Support Enforcement. 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.

~~8.~~ ~~**Client Representation.** In making a determination whether to initiate or settle litigation referred by a state agency, the Attorney General shall follow the written recommendation of the executive director of the referring state agency, or his designee, unless the Attorney General determines that good cause exists to disregard such recommendation. In that event, the Attorney General shall provide the client agency with a written explanation of the reasons for such determination.~~

~~10~~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.

~~11~~10. **Unexpended Balances: Between Fiscal Years within the Biennium.** Any unexpended balances as of August 31, 200~~6~~8, in appropriations made to the Office of the Attorney General are hereby appropriated for the same purpose for the fiscal year beginning September 1, 200~~6~~8. 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.

~~12~~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.

~~13~~12. **Victims Assistance Grants. Victims Assistance Grants.** Funds appropriated above in C.1.2, Victims Assistance, shall be spent as follows:

~~Program~~	~~FY 2006~~	~~FY 2007~~
~~(1) Victims Assistance Coordinators and Victims Liaisons~~	~~$ 2,401,065~~	~~$ 2,413,548~~
~~(2) Court Appointed Special Advocates~~	~~3,158,011~~	~~3,072,101~~
~~(3) Sexual Assault Prevention and Crisis Services Program~~	~~9,657,801~~	~~11,325,111~~
~~(4) Sexual Assault Services Program Grants~~	~~375,000~~	~~375,000~~
~~(5) Children's Advocacy Centers~~	~~3,999,003~~	~~3,999,003~~
~~(6) Legal Services Grants~~	~~2,500,000~~	~~2,500,000~~
~~(7) Other Victims Assistance Grants~~	~~10,516,379~~	~~10,435,114~~
~~(8) Statewide Victim Notification System~~	~~3,448,436~~	~~3,496,421~~
~~Total~~	~~$ 36,055,695~~	~~$ 37,616,298~~
~~**Method of Financing:**~~		
~~Compensation to Victims of Crime Fund No. 469~~	~~$ 32,155,842~~	~~$ 33,802,355~~
~~Sexual Assault Program Account No. 5010~~	~~204,904~~	~~204,904~~
~~Attorney General Volunteer Advocate Program Account No. 5036~~	~~158,011~~	~~72,101~~
~~Federal Funds~~	~~3,536,938~~	~~3,536,938~~
~~**Total, Method of Financing**~~	~~$ 36,055,695~~	~~$ 37,616,298~~

Program	FY 2008	FY 2009
(1) Victims Assistance Coordinators and Victims Liaisons	$ 2,417,574	$ 2,419,568
(2) Court Appointed Special Advocates	3,099,934	3,071,000
(3) Sexual Assault Prevention and Crisis Services Program	10,500,130	10,508,338
(4) Sexual Assault Services Program Grants	375,000	375,000
(5) Children's Advocacy Centers	3,999,003	3,999,003
(6) Legal Services Grants	2,500,000	2,500,000
(7) Other Victims Assistance Grants	10,453,018	10,461,466
(8) Statewide Victim Notification System	3,975,120	3,483,700
Total	$ 37,319,779	$ 36,818,075
Method of Financing:		
Compensation to Victims of Crime Fund No. 469	$ 33,093,574	$33,093,574
Sexual Assault Program Account No. 5010	204,904	204,904
Attorney General Volunteer Advocate Program Plates Account No. 5036	99,934	71,000
Federal Funds	3,921,367	3,448,597
Total, Method of Financing	$ 37,319,779	$ 36,818,075

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.

~~14~~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 $~~93,607~~43,934 and included in fiscal year 200~~6~~8) and revenue collected on or after September 1, 200~~5~~7 (estimated to be $~~64,404~~56,000 in fiscal year 200~~6~~8 and $~~72,101~~71,000 in fiscal year 200~~7~~9) from the sale of license plates as provided by the Transportation Code Section 504.6~~20~~11 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, 200~~5~~7 and all revenue generated on or after September 1, 200~~5~~7 are hereby appropriated for the same purpose.

Any unexpended balances remaining as of August 31, 200~~6~~8 in the appropriation made herein are hereby appropriated for the fiscal year beginning September 1, 200~~6~~8.

~~15~~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.

~~16~~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.

~~It is the intent of the Legislature that the Office of the Attorney General vigorously represent the State of Texas in all litigation involving water rights disputes with the State of New Mexico, including but not limited to issues relating to the Elephant Butte Reservoir. Before proceeding, the Attorney General shall make every effort to achieve agreement among all involved parties in the State of Texas on the related issues.~~

~~17~~16. **Excess ~~Retained~~Incentive Collections.** In addition to Child Support Retained Collections ~~funds~~ appropriated above, the Office of the Attorney General is hereby appropriated Child Support ~~Retained~~Incentive Collections receipts in excess of ~~the amounts in the Comptroller's Biennial Revenue Estimate~~ $41,320,000 in fiscal year 2008 and $43,350,000 in fiscal year 2009, ~~plus federal matching funds,~~ to be used in Strategy B.1.1, Child Support Enforcement and B.1.2, State Disbursement Unit, during the 200~~6~~8-0~~7~~9 biennium.

~~19~~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 ~~6~~No. 006 for the 200~~6~~8-0~~7~~9 biennium for litigation expenses related to the conversion of mineral rights on state property.

~~20~~18. **Interagency Contract with the Texas Department of Criminal Justice.** Notwithstanding Rider ~~10~~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.

~~18. **Crime Victims Services Publications.** It is the intent of the Legislature that any information disseminated by the Office of the Attorney General regarding crime victims services be published in both English and Spanish.~~

~~21~~19. **Interagency Contract with the Department of Public Safety.** Notwithstanding Rider ~~10~~9 above, Interagency Contracts for Legal Services, the Office of the Attorney General is appropriated any 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 2008-09 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, Section 1202.004.

21. **Criminal Investigations.** Included in amounts appropriated above in Strategy A.1.1, Legal Services, is $3,442,719 and 48.2 Full-Time Equivalent Positions in fiscal year 2008 and $3,442,723 and 48.2 Full-time Equivalent Positions in fiscal year 2009 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. **Contingency Appropriation for Senate Bill 495.** Contingent upon enactment of Senate Bill 495, or similar legislation relating to increasing the bond review fee as authorized by Government Code, § 1202.004, in addition to amounts appropriated above, the Office of the Attorney General is hereby appropriated to Strategy A.1.1, Legal Services, $4,361,965 in fiscal year 2006 and $4,411,528 in fiscal year 2007. In addition, the Number of Full-Time-Equivalent Positions (FTEs) is hereby increased by 31.0 in fiscal year 2006 and by 34.0 in fiscal year 2007 for the following purposes:~~

~~$2,433,609 in fiscal year 2006 and $2,433,609 in fiscal year 2007 for salary increases for Assistant Attorney Generals I, II, III, IV, and V;~~
~~$263,919 in fiscal year 2006 and $379,866 in fiscal year 2007 for the Open Records Division, including 6 FTEs in fiscal year 2006 and 9 FTEs in fiscal year 2007;~~
~~$915,620 in fiscal year 2006 and $915,620 in fiscal year 2007 for the Cyber Crimes Unit, including 16 FTEs each fiscal year of the biennium; and~~
~~$748,817 in fiscal year 2006 and $682,433 in fiscal year 2007 for the Post Conviction Litigation Division, including 9 FTEs each fiscal year of the biennium.~~

~~In addition and subject to passage of Senate Bill 495 or similar legislation relating to increasing the bond review fee as authorized by Government Code, § 1202.004, the Office of the Attorney General is hereby appropriated to Strategy D.1.1, Medicaid Investigation, $694,281 in General Revenue and $1,912,293 in Federal Funds in fiscal year 2006 and $694,309 in General Revenue and $1,912,293 in Federal Funds in fiscal year 2007, for Medicaid fraud investigations. In addition, the Number of Full-Time-Equivalent Positions (FTEs) is hereby increased by 62.7 FTEs each fiscal year of the biennium.~~

~~Any unexpended balances remaining as of August 31, 2006 out of the appropriations made herein are hereby appropriated for the fiscal year beginning September 1, 2006.~~

~~23.~~ ~~**Contingency for House Bill 1489.**~~ ~~Contingent upon passage of House Bill 1489, or similar legislation relating to removal of the 20 percent claims buffer required by Article 56.541 of the Code of Criminal Procedures, funds appropriated out of the Compensation to Victims of Crime Account No. 469 in this Act and any other Act enacted by the Seventy-ninth Legislature, shall not exceed the amount of "excess" funds certified by the Office of the Attorney General (OAG) as defined by Article 56.541 of the Code of Criminal Procedures.~~

~~In the event such legislation does not pass and/or appropriations exceed the excess amount certified, the Legislative Budget Board and the Office of the Governor shall determine reductions to agency appropriations contained in this Act and any other Act enacted by the Seventy-ninth Legislature, and report the reductions to the Comptroller of Public Accounts and affected state agencies not later than October 15, 2005.~~

~~The Comptroller is hereby directed to reduce agency appropriations in the amounts reported by the Legislative Budget Board and Office of the Governor.~~

~~24.~~ ~~**Disposition, Earned Federal Funds.**~~ ~~Earned Federal Funds received in connection with child support enforcement, in excess of the amounts included in the Comptroller's Biennial Revenue Estimate for earned federal funds received by the Office of the Attorney General, plus federal matching funds, are appropriated to the Office of the Attorney General for use in Strategy B.1.1, Child Support Enforcement.~~

BOND REVIEW BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 528,668	$ 528,631
Total, Method of Financing	$ 528,668	$ 528,631
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
Schedule of Exempt Positions:		
Executive Director, Group 3	$85,000	$85,000
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.	$ 130,685	$ 130,685
A.1.2. Strategy: STATE BOND DEBT Report to the Legislature on Debt Obligation and Policy Alternatives.	$ 130,685	$ 130,686
Total, Goal A: PROTECT TEXAS BOND RATING	$ 261,370	$ 261,371

B. Goal: LOCAL BOND DEBT		
Ensure That Public Officials Have Current Info on Debt Management.		
B.1.1. Strategy: ANALYZE LOCAL BOND DEBT	$ 153,481	$ 153,481
Analyze Data on Local Government Finance and Debt Management.		
C. Goal: PRIVATE ACTIVITY BONDS		
Equitably Administer the Private Activity Bond Allocation for Texas.		
C.1.1. Strategy: ADMINISTER PRIVATE ACTIVITY BONDS	$ 115,113	$ 115,113
Effectively Administer the Private Activity Bond Allocation Program.		
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (1,296)	$ (1,334)
Grand Total, BOND REVIEW BOARD	$ 528,668	$ 528,631
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 495,304	$ 495,304
Other Personnel Costs	14,400	14,400
Consumable Supplies	2,930	2,930
Travel	2,000	2,000
Rent - Machine and Other	4,300	4,300
Other Operating Expense	9,734	9,697
Total, Object-of-Expense Informational Listing	$ 528,668	$ 528,631
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 29,414	$ 29,856
Group Insurance	50,746	51,422
Social Security	38,062	38,633
Benefits Replacement	2,725	2,588
Subtotal, Employee Benefits	$ 120,947	$ 122,499
Debt Service		
Lease Payments	$ 62,130	$ 61,098
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 183,077	$ 183,597

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.

	2008	2009
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	60	60
A.1.2. Strategy: STATE BOND DEBT		
Output (Volume):		
Number of Responses to Debt Information Requests	150	250
B. Goal: LOCAL BOND DEBT		
B.1.1. Strategy: ANALYZE LOCAL BOND DEBT		
Output (Volume):		
Number of Local Government Financings Analyzed	1,200	1,150
C. Goal: PRIVATE ACTIVITY BONDS		
C.1.1. Strategy: ADMINISTER PRIVATE ACTIVITY BONDS		

Output (Volume):		
Number of Applications Reviewed	170	175

2. **Debt Issuance Technical Assistance to School Districts.** 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.

~~**3.** **Cost Analysis and Legislative Report on Interest-Only Payments on State Bonds.** The Bond Review Board shall identify, by agency and project, the total amount of general obligation and revenue bonds for which interest-only was paid on outstanding debt during fiscal years 2004 and 2005 and for which interest-only is paid on debt issued or debt outstanding in fiscal years 2006 and 2007. The Board shall determine the amount of additional costs incurred for each biennium and the long-term costs to the state if such a debt policy is continued. The Board shall report its findings to the Legislature, the Governor, and the Comptroller of Public Accounts not later than October 1, 2006.~~

BUILDING AND PROCUREMENT COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 31,886,225	$ 31,886,225
General Revenue Fund - Dedicated		
Texas Department of Insurance Operating Fund Account No. 036	1,030,083	1,030,083
Federal Surplus Property Service Charge Fund Account No. 570	1,046,045	1,046,047
Subtotal, General Revenue Fund - Dedicated	$ 2,076,128	$ 2,076,130
Other Funds		
Appropriated Receipts	2,405,037	2,405,037
Interagency Contracts	13,277,954	13,277,954
Subtotal, Other Funds	$ 15,682,991	$ 15,682,991
Total, Method of Financing	$ 49,645,344	$ 49,645,346
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 72,682	$ 72,480
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	569.4	569.4
Schedule of Exempt Positions:		
Executive Director, Group 4	$115,000	$115,000
Items of Appropriation:		
A. Goal: PROCUREMENT		
Manage a System that Ensures the State Receives Quality, Cost-eff Svcs.		
A.1.1. Strategy: STATEWIDE PROCUREMENT Provide a Competitive Procurement System.	$ 1,895,865	$ 1,895,864
A.1.2. Strategy: TRAINING AND COMPLIANCE Ensure State Purchasers Are Qualified.	$ 417,636	$ 417,636
A.1.3. Strategy: STATEWIDE HUBS Effective Promotion of HUB Business Opportunities.	$ 701,337	$ 701,337

A.1.4. Strategy: TRAVEL PROCUREMENT Minimize Statewide Travel Costs.	$ 162,951	$ 162,951
Total, Goal A: PROCUREMENT	$ 3,177,789	$ 3,177,788
B. Goal: FACILITIES CONSTRUCTION AND LEASING Provide Office Space for State Agencies through Constr/Leasing Svcs.		
B.1.1. Strategy: LEASING Provide Quality Leased Space for State Agencies at the Best Value.	$ 505,370	$ 505,370
B.1.2. Strategy: FACILITIES PLANNING Ensure State Optimizes Use of Leased/Purchased/Constructed Off Space.	$ 199,607	$ 199,607
B.2.1. Strategy: BUILDING DESIGN AND CONSTRUCTION Ensure Facilities Are Designed & Built Timely/Cost Eff/Highest Quality.	$ 3,522,601	$ 3,522,601
Total, Goal B: FACILITIES CONSTRUCTION AND LEASING	$ 4,227,578	$ 4,227,578
C. Goal: PROPERTY MANAGEMENT To Protect & Cost Effectively Manage & Maintain State-owned Facilities.		
C.1.1. Strategy: CUSTODIAL Provide Cost-effective/Efficient Custodial Svcs for State Facilities.	$ 4,994,566	$ 4,994,566
C.2.1. Strategy: FACILITIES OPERATION Provide a Comprehensive Pgm to Protect State's Invstmnt in Facilities.	$ 29,505,861	$ 29,505,861
C.2.2. Strategy: LEASE PAYMENTS Make Lease Payments on Facilities Financed by the Public Finance Auth.	$	$
Total, Goal C: PROPERTY MANAGEMENT	$ 34,500,427	$ 34,500,427
D. Goal: SUPPORT SERVICES Provide Support Services to State Agencies.		
D.1.1. Strategy: CENTRAL OFFICE SERVICES Provide for the Timely & Cost-effective Delivery of Office Services.	$ 999,646	$ 999,647
D.1.2. Strategy: FLEET MANAGEMENT Develop and Maintain a Statewide Vehicle Fleet Management System.	$ 279,787	$ 279,787
D.2.1. Strategy: SURPLUS PROPERTY MANAGEMENT Provide Timely/Appropriate/Cost-effective Disposal of Surplus Property.	$ 1,382,786	$ 1,382,787
Total, Goal D: SUPPORT SERVICES	$ 2,662,219	$ 2,662,221
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 2,288,188	$ 2,288,188
E.1.2. Strategy: INFORMATION RESOURCES	$ 1,936,524	$ 1,936,524
E.1.3. Strategy: OTHER SUPPORT SERVICES	$ 877,640	$ 877,640
Total, Goal E: INDIRECT ADMINISTRATION	$ 5,102,352	$ 5,102,352
F. Goal: ADMINISTRATIVE REDUCTIONS		
F.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (25,021)	$ (25,020)
Grand Total, BUILDING AND PROCUREMENT COMMISSION	$ 49,645,344	$ 49,645,346
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 16,039,614	$ 16,039,612
Other Personnel Costs	452,551	452,550
Professional Fees and Services	1,099,937	1,099,937
Fuels and Lubricants	112,584	112,584
Consumable Supplies	353,904	353,904
Utilities	17,975,923	17,975,924
Travel	106,278	106,278
Rent - Building	50,621	50,621

Rent - Machine and Other	180,195	180,195
Other Operating Expense	11,273,737	11,273,741
Capital Expenditures	2,000,000	2,000,000
Total, Object-of-Expense Informational Listing	$ 49,645,344	$ 49,645,346
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 944,220	$ 958,384
Group Insurance	3,757,508	3,857,348
Social Security	1,179,819	1,197,516
Benefits Replacement	130,062	123,559
Subtotal, Employee Benefits	$ 6,011,609	$ 6,136,807
Debt Service		
TPFA GO Bond Debt Service	$ 3,373,341	$ 4,018,937
Lease Payments	1,226,594	1,214,385
Subtotal, Debt Service	$ 4,599,935	$ 5,233,322
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 10,611,544	$ 11,370,129

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Building and Procurement 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 Building and Procurement Commission. In order to achieve the objectives and service standards established by this Act, the Building and Procurement Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: PROCUREMENT		
Outcome (Results/Impact):		
Number of New HUBs Certified as a Result of HUB Outreach Efforts	1,200	1,200
Percentage of Post-payment Audits Completed	50%	50%
A.1.1. Strategy: STATEWIDE PROCUREMENT		
Output (Volume):		
Number of New, Revised, and Renewed Statewide Volume Contracts Awarded	200	200
Efficiencies:		
Number of Business Days to Process Non-delegated Open Market Requisitions from Client Agencies	45	45
A.1.3. Strategy: STATEWIDE HUBS		
Output (Volume):		
Number of Historically Underutilized Business Field Audits Conducted	700	700
Number of Historically Underutilized Business Desk Audits Conducted	2,100	2,100
A.1.4. Strategy: TRAVEL PROCUREMENT		
Explanatory:		
Number of Transactions Completed by the State Contract Travel Provider	65,000	64,000
B. Goal: FACILITIES CONSTRUCTION AND LEASING		
Outcome (Results/Impact):		
Square Footage of Office Space Leased Per Full-Time Equivalent	235	230
Percentage of Completed Construction Projects on Schedule within Budget	90%	90%
B.1.1. Strategy: LEASING		
Output (Volume):		
Total Number of Leases Awarded, Negotiated, or Renewed	189	125
Efficiencies:		
Percent Reduction of Leased Square Footage of Office & Warehouse Space	2%	2%
Cost of Office Space Per FTE	3,000	3,500
Explanatory:		
Number of Emergency Leases Awarded, Negotiated, or Renewed	0	0

Total Square Footage of Office and Warehouse Space Leased	9,900,000	10,000,000
C. Goal: PROPERTY MANAGEMENT		
C.1.1. Strategy: CUSTODIAL		
Efficiencies:		
Cost Per Square Foot of TBPC-provided Custodial Services	.15	.15
Cost Per Square Foot of Privatized Custodial Services	.07	.07
C.2.1. Strategy: FACILITIES OPERATION		
Efficiencies:		
Average Cost Per Square Foot of All Building Maintenance	1.1	1.1
D. Goal: SUPPORT SERVICES		
D.2.1. Strategy: SURPLUS PROPERTY MANAGEMENT		
Output (Volume):		
Dollar Amount of Federal Surplus Property Donated	23,000,000	24,000,000

2. **Information Listing of Appropriated Funds.** ~~The appropriations made in this and other Articles of this Act to the Texas Building and Procurement 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, 2006~~	~~August 31, 2007~~
~~Strategy C.2.2, Lease Payments~~	~~$ 46,035,526~~	~~$ 46,010,658~~ ~~&UB~~
~~Method of Financing:~~		
~~General Revenue Fund~~	~~$ 42,732,980~~	~~$ 42,467,029~~
~~General Revenue-Dedicated Department of Insurance Companies Operating Fund Account No. 036~~	~~3,302,546~~	~~3,543,629~~
~~Total, Method of Financing, Lease Payments~~	~~$ 46,035,526~~	~~$ 46,010,658~~

The appropriations made in this and other Articles of this Act to the Texas Building and Procurement 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, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 44,827,129	$ 44,413,939
General Revenue-Dedicated Texas Department of Insurance Operating Fund Account No. 036	2,951,493	2,900,359
Total, Method of Financing, Lease Payments	$ 47,778,622	$ 47,314,298
Strategy C.2.2, Lease Payments	$ 47,778,622	$ 47,314,298 &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. 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.

	2006	2007
~~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) Deferred Maintenance for Critical Repairs~~	~~3,011,000~~	~~UB~~
~~(2) Deferred Maintenance for Compliance Projects~~	~~5,600,000~~	~~UB~~
~~(3) Deferred Maintenance for Asset Management~~	~~5,000,000~~	~~UB~~
~~(4) Facilities Renovation of the Texas State Library and Archives Commission~~	~~15,531,000~~	~~UB~~
~~Total, Repair or Rehabilitation of Buildings and Facilities~~	~~$ 29,142,000~~	~~$ UB~~
~~Total, Capital Budget~~	~~$ 31,142,000~~	~~$ 2,000,000~~
~~Method of Financing (Capital Budget):~~		
~~Interagency Contracts~~	~~$ 2,000,000~~	~~$ 2,000,000~~
~~Bond Proceeds - General Obligation Bonds~~	~~29,142,000~~	~~UB~~
~~Total, Method of Financing~~	~~$ 31,142,000~~	~~$ 2,000,000~~

	2008	2009
Out of Interagency Contracts:		
a. Construction of Buildings and Facilities		
(1) Construction of Buildings	$ 2,000,000	$ 2,000,000 & UB
Total, Construction of Buildings and Facilities	$ 2,000,000	$ 2,000,000
Total, Capital Budget	$ 2,000,000	$ 2,000,000

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 remaining as of August 31, 200~~5~~7, (estimated to be $0) for deferred maintenance including remaining balances for the Facilities Renovation of the Texas State Library and Archives Commission capital budget project for the 200~~6-07~~8-09 biennium to Strategy B.2.1, Building Design and Construction and Strategy C.2.1, Facilities Operation, in General Obligation Bonds. Any unobligated balances remaining as of August 31, 200~~6~~8 are hereby appropriated for the same purposes for the fiscal year beginning September 1, 200~~6~~8.

5. **Transfer Authority - Utilities.** In order to provide for unanticipated cost increases in purchased utilities during fiscal year 200~~6~~8, the Texas Building and Procurement Commission may transfer such amounts as may be necessary to cover such increases from appropriations made in fiscal year 200~~7~~9 for utilities in C.2.1, Facilities Operation, to amounts appropriated in fiscal year 200~~6~~8 for utilities. Prior to transferring fiscal year 200~~7~~9 funds into the 200~~6~~8 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 Building and Procurement 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.

~~8~~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 Building and Procurement Commission shall reimburse the General Revenue Fund for the amounts expended. Upon reimbursement, the Comptroller shall transfer these funds to unappropriated general revenue balances.

~~**7. Office Notification Policy.** Before relocation of an office, execution of a contract for lease of a state office, or before implementing a change in policy which affects office location, the Legislative members for the respective district must be notified to the extent possible.~~

~~9~~8. **Texas Building and Procurement Commission's Revolving Account.** ~~It is the intent of the Legislature that t~~The Comptroller of Public Accounts shall maintain the "Texas Building and Procurement Commission's Revolving Account" to account for the expenditures, revenues, and balances of its full cost-recovery operations of Quick Copy, Minor Construction, and Project Management. The expenditures, revenues, and balances for each operation shall be maintained separately by the Texas Building and Procurement Commission within its accounting system. Included in funds appropriated above are unexpended and unobligated balances for these operations as of August 31, 200~~5~~9 (not to exceed ~~$175,000~~ $446,000 in Interagency Contracts) for use during the 200~~6-07~~8-09 biennium, along with any revenues received during the biennium. Any unobligated balances as of August 31, 200~~6~~8, are appropriated for the same use during fiscal year 200~~7~~9.

~~10~~9. **Appropriations Limited to Revenue Collections.** ~~It is the intent of the Legislature that f~~Fees, fines and other miscellaneous revenues as authorized and generated by the operation of the Federal Surplus Property ~~p~~Program shall cover, at a minimum, the cost of the appropriations made for the Federal Surplus Property Program above for strategy item D.2.1, 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 D.2.1, Surplus Property Management, are estimated to be ~~$109,327~~ $72,682 for fiscal year 200~~6~~8 and ~~$113,332~~$72,480 for fiscal year 200~~7~~9. 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, 200~~5~~7 (estimated to be $0), in Federal Surplus Property Service Charge Account Fund 570 are hereby appropriated to the Texas Building and Procurement Commission for costs associated with the operations of the Federal Surplus Property Program during the 200~~6-07~~8-09 biennium. Any balances remaining on August 31, 200~~6~~8, are appropriated for the same use during fiscal year 200~~7~~9.

~~11~~10. **Unexpended Balances, Bidders List Fees.** The Texas Building and Procurement Commission is hereby authorized to carry forward unexpended balances received from bidders list fees collected during fiscal year 200~~6~~8 to fiscal year 200~~7~~9 for the cost of maintaining a consolidated statewide bidders list.

~~12~~11. **Standby Pay.** It is expressly provided that the Texas Building and Procurement 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.

~~13~~12. **Capitol Complex - Utilities.** Notwithstanding any other provision in this Act, the Texas Building and Procurement Commission shall be responsible for the payment of all utility costs out of appropriated funds in Strategy C.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.

~~14~~13. **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.

~~15~~14. **Night Shift Differential.** It is expressly provided that the Texas Building and Procurement Commission, to the extent provided by law, is hereby authorized to pay an additional night shift differential to Facilities Management Division employees.

~~16~~15. **Texas State Cemetery.** Out of funds appropriated above, in Strategies C.2.1, Facilities Operation ~~and B.2.1, Building Design and Construction,~~ there is hereby allocated a total of ~~$469,344~~$496,775 for each fiscal year of the biennium beginning September 1, 200~~5~~7, for the purpose of operation and maintenance~~, including constructing and furnishing facilities,~~ at the Texas State Cemetery and/or the cemetery annex and for developing and maintaining a master plan for the Texas State Cemetery.

~~18~~16. **State and Federal Surplus Property.** Included in amounts appropriated above in Strategy D.2.1, Surplus Property Management, are appropriations not to exceed ~~$2,879,006~~$2,765,573 from receipts collected for the biennium beginning September 1, 200~~5~~7 to be collected pursuant to Chapter 2175, Government Code. The Texas Building and Procurement 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 procure or develop 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, 2008 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.

~~20~~17. **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 Building and Procurement Commission on or before September 1, 200~~5~~7. Payments made to the Texas Building and Procurement Commission shall be for actual facilities management services estimated by those affected agencies in cooperation with the Texas Building and Procurement Commission. In addition, funds received by the Texas Building and Procurement 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.~~ ~~**State Office Lease Space.** The Leasing Division of the Texas Building and Procurement Commission shall make a good faith effort to provide a state agency, whose central operations are located within Travis County and that is in the process of initiating or renewing a lease~~

~~agreement for office space, with information on lease availability, terms, and rates in other Texas counties in addition to Travis County. Additionally, if an agency requests initiation or renewal of a lease agreement in Travis County, the agency shall provide the Texas Building and Procurement Commission written justification for the reason(s) the proposed lease must be located in Travis County.~~

18. **State Fleet Data Management System.** Out of funds appropriated above, in Strategy D.1.2, Fleet Management, the Texas Building and Procurement Commission shall implement and maintain a state fleet data management system for agencies to report fleet operating expenses and uses, as required by Chapter 2171.101, Government Code. The system shall be accessible through a web-based interface, provide forms for efficient entry of data required by the State Vehicle Fleet Management Plan, allow agencies to batch load relevant data from internal legacy systems, provide fiscal and managerial reports for both direct asset management and oversight needs, and be flexible enough to accommodate future agency or legislative needs. All funds collected through interagency agreements for the statewide vehicle fleet data management system shall be expended solely on the fleet system. Any unexpended balances of these funds remaining as of August 31, 2008 are hereby appropriated to the Commission for the fiscal year beginning September 1, 2008 for the development or maintenance of the system.

19. **Directed Competitive Reviews.** Out of funds appropriated above, in Strategy D.1.1, Central Office Services, the Council on Competitive Government shall conduct competitive reviews on all Texas Building and Procurement Commission facility maintenance programs, including, but not limited to: building maintenance; building management; custodial operations; grounds maintenance; minor construction; and core system operations. Recommendations resulting from the competitive reviews will be implemented under the statutory authority of the Council on Competitive Government at the discretion of its members. The Council on Competitive Government will provide reports on their findings to the Legislative Budget Board and the Governor as completed but no later than September 1, 2008.

~~**19.** **Feasibility Study.** Out of amounts appropriated above, the Building and Procurement Commission shall conduct a feasibility study on possible state use of the Veterans Affairs (VA) hospital located in Waco. The study shall address options for the state that include, but not limited to, relocating the School for the Blind and Visually Impaired from Austin to the VA hospital location. This feasibility study shall be completed by December 31, 2005.~~

~~**21.** **Historically Underutilized Business Enforcement and Audits.** It is the intent of the legislature that the Texas Building and Procurement Commission shall increase the fee it charges to vendors by $20.00 per vendor for inclusion on the Centralized Master Bidders List. The increase in Appropriated Receipts (estimated to be $250,000 for each year of the biennium) is included above in Strategy A.1.3, Statewide HUBs. It is the intent of the legislature the increased funds be used for the purpose of enforcing compliance with requirements of state purchasing statutes and the prevention of fraud in the HUB program as set forth in Chapter 2161, Texas Government Code.~~

~~**22.** **Historically Underutilized Business Disparity Study.** Out of amounts appropriated above, the Building and Procurement Commission shall conduct a Historically Underutilized Business Disparity study by December 1, 2006, to obtain information on the procurement of goods and services for targeted markets for state agencies and institutions of higher education. The study should also provide reliable information based on the current economy and the state's use of minority and women-owned businesses. The Building and Procurement Commission shall provide a copy of the study to the Legislative Budget Board upon completion.~~

CANCER COUNCIL

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	$ 3,285,677	$ 3,282,543
GR Dedicated - Texans Conquer Cancer Plates Account No. 5090	12,000	12,000
Total, Method of Financing	$ 3,297,677	$ 3,294,543
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 102,589	$ 102,655
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	7.0	7.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$57,691	$57,691
Items of Appropriation:		
A. Goal: CANCER SERVICES		
Ensure Access to Cancer Prevention Information and Services.		
A.1.1. Strategy: COORD. CANCER GRANTS & SERV Coordinate Cancer Grants and Services.	$ 2,929,953	$ 2,926,819
B. Goal: DIRECT AND INDIRECT ADMINISTRATION		
B.1.1. Strategy: DIRECT AND INDIRECT ADMINISTRATION	$ 373,839	$ 373,840
C. Goal: ADMINISTRATIVE REDUCTIONS		
C.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (6,115)	$ (6,116)
Grand Total, CANCER COUNCIL	$ 3,297,677	$ 3,294,543
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 295,109	$ 295,109
Other Personnel Costs	10,628	11,148
Professional Fees and Services	6,000	6,000
Consumable Supplies	2,500	2,500
Utilities	4,046	4,046
Travel	17,000	17,000
Rent - Building	250	250
Rent - Machine and Other	2,648	2,648
Other Operating Expense	40,743	40,223
Grants	2,918,753	2,915,619
Total, Object-of-Expense Informational Listing	$ 3,297,677	$ 3,294,543
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 16,058	$ 16,299
Group Insurance	55,656	56,611
Social Security	24,456	24,823
Benefits Replacement	3,651	3,469
Subtotal, Employee Benefits	$ 99,821	$ 101,202
Debt Service		
Lease Payments	$ 407	$ 407
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 100,228	$ 101,609

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Cancer Council. 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 Council. In order to achieve the objectives and service standards established by this Act, the Cancer Council shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: CANCER SERVICES		
A.1.1. Strategy: COORD. CANCER GRANTS & SERV		
Output (Volume):		
Number of People Served by Council-funded Cancer Prevention and Control Activities	600,000	600,000
Number of Health Care and/or Education Professionals Who Receive Council-funded Training or Materials	700,000	700,000
Number of Private and Public Funding Opportunities Pursued by the Cancer Council and Local Contractors in an Effort to Increase Funding	170	170
Number of Clock Hours Donated to Local Contractors and the Council for Public Awareness, Professional Education, Early Detection Activities, and Other Activities Implementing the Texas Cancer Plan	160,000	160,000
Efficiencies:		
Average Cost Per Health Care and/or Education Professional Trained	2.1	2.1
Explanatory:		
Annual Age-adjusted Cancer Mortality Rate	173.9	171.2

2. **Unexpended Balances Within the Biennium.** Any unexpended balances remaining as of August 31, 200~~6~~8, in the appropriations made above are hereby appropriated for the fiscal year beginning September 1, 200~~6~~8.

3. **Appropriation of All License Plates Unexpended Balances and Receipts.** Included in amounts appropriated above in Strategy A.1.1, Coordinate Cancer Grants and Services, are all estimated balances collected prior to the effective date of this Act (estimated to be $~~28,710~~0 and included in fiscal year 200~~6~~8) and revenue collected on or after September 1, 200~~5~~7 (estimated to be $12,000 each fiscal year) from the sale of license plates as provided by the Transportation Code Section 504.620 and deposited to the credit of the General Revenue Dedicated Texans Conquer Cancer ~~License~~ Plates Account No. 5090. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 200~~5~~7 and all revenue generated on or after September 1, 200~~5~~7 are hereby appropriated for the same purpose.

Any unexpended balances remaining as of August 31, 200~~6~~8 in the appropriation made herein are hereby appropriated for the fiscal year beginning September 1, 200~~6~~8.

COMPTROLLER OF PUBLIC ACCOUNTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 198,516,726	$ 198,516,726
Other Funds		
Appropriated Receipts	220,830	220,830
Interagency Contracts	175,000	175,000
Subtotal, Other Funds	$ 395,830	$ 395,830
Total, Method of Financing	$ 198,912,556	$ 198,912,556
This bill pattern represents an estimated 15.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	2,896.8	2,896.8
Schedule of Exempt Positions:		
Comptroller of Public Accounts, Group 6	$125,000	$125,000

Items of Appropriation:		
A. Goal: COMPLIANCE WITH TAX LAWS		
To Improve Voluntary Compliance with Tax Laws.		
A.1.1. Strategy: ONGOING AUDIT ACTIVITIES Perform Audits to Improve Taxpayer Compliance and Generate Revenue.	$ 55,203,817	$ 55,203,817
A.2.1. Strategy: TAX LAWS COMPLIANCE Improve Compliance with Tax Laws through Contact & Collection Program.	$ 29,944,703	$ 29,944,703
A.3.1. Strategy: TAXPAYER INFORMATION Provide Information to Taxpayers, Government Officials and the Public.	$ 18,581,364	$ 18,581,364
A.4.1. Strategy: TAX HEARINGS Provide Tax Hearings/Represent the Agency/Provide Legal Counsel.	$ 10,115,925	$ 10,115,925
Total, Goal A: COMPLIANCE WITH TAX LAWS	$ 113,845,809	$ 113,845,809
B. Goal: MANAGE FISCAL AFFAIRS		
To Efficiently Manage the State's Fiscal Affairs.		
B.1.1. Strategy: ACCOUNTING/REPORTING Proj Receipts/Disbursements; Complete Accounting/Reporting Resps.	$ 13,878,625	$ 13,878,625
B.1.2. Strategy: CLAIMS AND PAYMENTS Audit/Process Claims; Issue Payments; Provide Assistance & Training.	$ 13,255,705	$ 13,255,705
B.2.1. Strategy: PROPERTY TAX PROGRAM Conduct Property Value Study; Provide Assistance; Review Methods.	$ 9,499,396	$ 9,499,396
B.3.1. Strategy: FISCAL RESEARCH & STUDIES Provide Information & Analysis to the Public & Private Sectors.	$ 7,483,659	$ 7,483,659
B.4.1. Strategy: TREASURY OPERATIONS Ensure State's Assets, Cash Receipts, and Warrants are Prop Secured.	$ 6,697,580	$ 6,697,580
Total, Goal B: MANAGE FISCAL AFFAIRS	$ 50,814,965	$ 50,814,965
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.	$ 36,417,226	$ 36,417,226
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (2,165,444)	$ (2,165,444)
Grand Total, COMPTROLLER OF PUBLIC ACCOUNTS	$ 198,912,556	$ 198,912,556
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 147,888,869	$ 147,888,869
Other Personnel Costs	4,660,550	4,660,550
Professional Fees and Services	8,990,444	9,068,784
Fuels and Lubricants	11,500	11,500
Consumable Supplies	1,191,499	1,191,499
Utilities	4,728,380	4,728,380
Travel	4,151,655	4,151,655
Rent - Building	2,578,689	2,578,689
Rent - Machine and Other	7,252,600	7,252,600
Other Operating Expense	17,365,102	17,380,030
Capital Expenditures	93,268	0
Total, Object-of-Expense Informational Listing	$ 198,912,556	$ 198,912,556
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 9,090,931	$ 9,227,295
Group Insurance	20,761,589	21,073,035

Social Security	11,484,206	11,656,469
Benefits Replacement	1,458,806	1,385,866
Subtotal, Employee Benefits	$ 42,795,532	$ 43,342,665
Debt Service		
Lease Payments	$ 928,688	$ 944,205
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 43,724,220	$ 44,286,870

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.

	2008	2009
A. Goal: COMPLIANCE WITH TAX LAWS		
Outcome (Results/Impact):		
Percent Accuracy Rate of Reported Amounts on Original Audits	98%	98%
Average Monthly Delinquent Account Closure Rate per Enforcement Collector	325	325
Percentage of Proposed Decisions Issued by Administrative Law Judges within 40 Days of the Record Closing	98%	98%
A.1.1. Strategy: ONGOING AUDIT ACTIVITIES		
Output (Volume):		
Number of Audits and Verifications Conducted	17,000	17,000
Efficiencies:		
Average Dollars Assessed to Dollar Cost	32.5	32.5
A.2.1. Strategy: TAX LAWS COMPLIANCE		
Efficiencies:		
Delinquent Taxes Collected Per Collection-related Dollar Expended	71	79
A.3.1. Strategy: TAXPAYER INFORMATION		
Output (Volume):		
Total Number of Responses Issued by the Tax Policy, Projects, and Exemptions Areas	47,000	50,800
Efficiencies:		
Percent of Responses Issued by the Tax Policy, Projects, and Exemption Areas Section within 7 Working Days	93%	93%
A.4.1. Strategy: TAX HEARINGS		
Output (Volume):		
Number of Final Decisions Rendered by Administrative Law Judges	1,400	1,400
Efficiencies:		
Average Length of Time (Work Days) Taken to Issue a Proposed Decision Following Record Closing	9.5	9.5
B. Goal: MANAGE FISCAL AFFAIRS		
Outcome (Results/Impact):		
Percent of Fund Accounting Customers Who Return an Overall Customer Service Rating of Good or Excellent on Surveys	98%	98%
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	90	90
B.1.1. Strategy: ACCOUNTING/REPORTING		
Efficiencies:		
Number of Staff Hours Required to Produce the Comprehensive Annual Financial Report	7,250	7,250
B.2.1. Strategy: PROPERTY TAX PROGRAM		
Output (Volume):		
Number of Properties Included in the Property Value Study	133,241	133,241

B.3.1. Strategy: FISCAL RESEARCH & STUDIES		
Output (Volume):		
Number of Local Government Management Reviews Conducted	40	40
C. Goal: TAX AND FINANCIAL INFO TECHNOLOGY		
Outcome (Results/Impact):		
Time Taken to Return Tax Allocation to Local Jurisdictions (Days)	21	21
C.1.1. Strategy: REVENUE & TAX PROCESSING		
Output (Volume):		
Number of Tax Returns Processed	4,200,000	4,300,000
Efficiencies:		
Average Number of Hours to Deposit Receipts	4.2	4.2

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.

	2006	2007
~~Out of the General Revenue Fund:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Daily Operations - Capital~~	~~$ 7,230,020~~	~~$ 7,230,020~~
~~(2) Data Center Operations~~	~~$ 1,037,453~~	~~$ 1,037,453~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 8,267,473~~	~~$ 8,267,473~~
~~Total, Capital Budget~~	~~$ 8,267,473~~	~~$ 8,267,473~~

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Daily Operations - Capital	$ 9,072,611	$ 9,072,611
(2) Data Center Operations	$ 990,684	$ 990,684
(3) Upgrade Tax System for HB3, 79th, 3CS	$ 1,667,610	$ 452,271
Total, Acquisition of Information Resource Technologies	$ 11,730,905	$ 10,515,566
Total, Capital Budget	$ 11,730,905	$ 10,515,566

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, ~~It is the intent of the Legislature that~~ 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 ~~under~~ interagency contract~~,~~ which shall ~~; such support to~~ consist of the same levels of service and approximate costs as ~~was~~ provided to the Board of Tax Professional Examiners by the State Comptroller during the ~~2004-05~~ 2006-07 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 ~~2006-07~~ 2008-09 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 ~~2004-05~~ 2006-07 biennium due to efficiencies or other cost savings of the Comptroller are hereby appropriated for the ~~2006-07~~ 2008-09 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.

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, ~~2006~~ 2008, 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, ~~2006~~ 2008.

~~13~~12. **Texas Information Technology Academy.** A person while enrolled for training in the Texas Information Technology Academy or a similar program operated under the direction of the Comptroller (an "academy student") shall not be counted toward the limit on the number of full-time-equivalent positions (FTEs) allowed to the Comptroller during the period of their training and for one year following completion of the training.

A state agency that pays a salary to the student while the student is enrolled in the academy or that otherwise sponsors the student in the academy (the "sponsoring agency") shall include the number of students enrolled in the academy on all reports concerning FTE limits; however, they shall not count the student toward the limit on the number of full-time-equivalent positions allowed to the agency during the period of their training and for one year following completion of the training.

The Comptroller and/or the State Auditor shall include the number of students enrolled in the academy in all reports concerning FTE limits; however, the Comptroller and/or the State Auditor shall report the number of students enrolled in the academy and for one year following completion of the training as a separate total from FTEs.

~~**12.** **Comptroller Fiscal Oversight Responsibilities.** In order to clearly differentiate between core Comptroller functions and those functions which are for fiscal oversight or primary benefit to units of government, it is the intent of the Legislature that the Legislative Budget Board and the Governor shall work cooperatively with the Comptroller to determine appropriate activities which should be recorded under Fiscal Programs - Comptroller of Public Accounts for budget and spending purposes. Specific activities include contract activities~~

~~where outside vendors perform services for the benefit of units of local government. Examples of such programs include reviews of cities, counties, special purpose districts, or other entities where work is directed at reducing the cost of government. All such appropriate costs for the 2006-07 biennium shall be recorded under Fiscal Programs - Comptroller of Public Accounts.~~

~~Expenditures for salaries, equipment, or other operating costs for core comptroller functions are not intended to be moved to the Fiscal Programs - Comptroller of Public Accounts through this process. The Legislative Budget Board and the Governor shall have the final determination on the most appropriate budget and method of recording such expenditures and shall prepare the next biennial budget recommendations accordingly.~~

~~14~~13. **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.

~~15.~~ ~~**Cash Flow Transfer.** As required by Government Code, Section 403.092, for the state fiscal biennium beginning September 1, 2005, 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.~~

~~16.~~ ~~**Index of Statutorily Required Reports.** The Comptroller of Public Accounts shall assist the Texas State Library and Archive Commission in assuming responsibility for the index of statutorily required reports previously published by the Comptroller.~~

~~17.~~ ~~**Recovery Audit.** The Comptroller of Public Accounts shall contract with a consultant or consultants during the 2006-07 biennium for the purpose of auditing expenditures for overpayments or lost discounts and to recieve recommendations for improved accounting operations. Any reports submitted to the Comptroller of Public Accounts in connection with such a contract shall be submitted to the Legislative Budget Board, State Auditor's Office, and the Governor no later than seven days after receipt of the report by the Comptroller.~~

~~18.~~ ~~**Revenue Generation.** Included in amounts appropriated above, is $5,000,000 for the fiscal year beginning September 1, 2005 and $5,000,000 for the fiscal year beginning September 1, 2006 out of the General Revenue Fund for agency operations and other initiatives, including a limited amnesty program.~~

~~It is the intent of the Legislature that the Comptroller of Public Accounts establish, for a limited duration, a tax amnesty program under the authority of the Tax Code, Section 111.103, designed to encourage voluntary reporting by delinquent taxpayers who do not hold a permit, or are otherwise not registered for a tax administered by the Comptroller, or those permitted taxpayers that may have underreported or owe tax. Such a program should provide for the waiver of penalty or interest, or both, but shall not apply to an established tax liability or taxpayers currently under audit review. The amnesty would include tax due from purchases as defined under current state tax statutes.~~

~~The appropriation is contingent upon the Comptroller's certification that increased tax collections would provide a net gain estimated to be $254.6 million in the General Revenue Fund.~~

FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 236,781,970	$ 238,838,132
General Revenue Fund - Dedicated		
Compensation to Victims of Crime Auxiliary Account No. 494	30,000	0
Oil Overcharge Account No. 5005	34,832,339	11,699,498
Law Enforcement Officer Standards and Education Account No. 116	6,000,000	6,000,000
Subtotal, General Revenue Fund - Dedicated	$ 40,862,339	$ 17,699,498
Federal Funds	1,209,374	1,209,374
Total, Method of Financing	$ 278,853,683	$ 257,747,004
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
Items of Appropriation:		
A. Goal: CPA - FISCAL PROGRAMS		
Comptroller of Public Accounts - Fiscal Programs.		
A.1.1. Strategy: VOTER REGISTRATION Payments to Counties for Voter Registration Activity. Estimated.	$ 5,000,000	$ 1,000,000
A.1.2. Strategy: MISCELLANEOUS CLAIMS Pay misc claims/wrongful imprisonment, Gov't Code 403.074. Estimated.	$ 1,770,000	$ 1,770,000
A.1.3. Strategy: REIMBURSEMENT- COMMITMENT HEARINGS Reimburse-Commitment Hearings Ch. 591-595, 597, Health & Safety Code.	$ 2,000	$ UB
A.1.4. Strategy: REIMBURSE - BEVERAGE TAX Reimburse mix bev tax per Tax Code 183.051 at 10.7143%. Estimated.	$ 114,442,000	$ 117,876,000
A.1.5. Strategy: JUDGMENTS AND SETTLEMENTS Payment of Ch. 101, 104 CPR Code, Ch. 59 Educ Code. Fed Court Claims.	$ 2,500,000	$ UB
A.1.6. Strategy: COUNTY TAXES - UNIVERSITY LANDS Payment of County Taxes on University Lands. Estimated.	$ 2,565,016	$ 2,689,178
A.1.7. Strategy: LATERAL ROAD FUND DISTRICTS Lateral Road Fund Distribution.	$ 7,300,000	$ 7,300,000
A.1.8. Strategy: UNCLAIMED PROPERTY To Pay Legitimate Claims for Unclaimed Prop Held by State. Estimated.	$ 90,000,000	$ 95,000,000
A.1.9. Strategy: UNDERAGE TOBACCO PROGRAM Allocate Underage Tobacco Enforcement Program Grants.	$ 2,000,000	$ 2,000,000
A.1.10. Strategy: RANGER PENSIONS	$ 1,160	$ 1,160
A.1.11. Strategy: LOCAL CONTINUING EDUCATION GRANTS Allocate Local Continuing Education Grants.	$ 6,000,000	$ 6,000,000
A.1.12. Strategy: ADVANCED TAX COMPLIANCE	$ 10,659,775	$ 10,659,775
A.1.13. Strategy: SUBSEQUENT CVC CLAIMS Subsequent Crime Victim Compensation Claims. Estimated.	$ 30,000	$ 0
Total, Goal A: CPA - FISCAL PROGRAMS	$ 242,269,951	$ 244,296,113
B. Goal: ENERGY OFFICE		
Develop & Administer Programs That Promote Energy Efficiency.		
B.1.1. Strategy: ENERGY OFFICE Promote and Manage Energy Programs.	$ 2,311,055	$ 2,311,055

B.1.2. Strategy: OIL OVERCHARGE SETTLEMENT FUNDS Allocate Grants and Loans to Promote Energy Efficiency.	$ 34,272,677	$ 11,139,836
Total, Goal B: ENERGY OFFICE	$ 36,583,732	$ 13,450,891
Grand Total, FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS	$ 278,853,683	$ 257,747,004
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,538,998	$ 1,538,998
Other Personnel Costs	126,424	126,424
Professional Fees and Services	8,378,270	8,362,641
Consumable Supplies	1,800	1,800
Utilities	1,820,479	1,820,479
Travel	49,944	49,944
Rent - Building	2,798	2,798
Rent - Machine and Other	19,617	19,617
Other Operating Expense	94,884,500	97,368,129
Client Services	200,000	200,000
Grants	171,830,853	148,256,174
Total, Object-of-Expense Informational Listing	$ 278,853,683	$ 257,747,004
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 78,409	$ 79,586
Group Insurance	116,446	116,685
Social Security	100,714	102,224
Benefits Replacement	12,049	11,446
Subtotal, Employee Benefits	$ 307,618	$ 309,941
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 307,618	$ 309,941

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 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.

	2008	2009
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)	20,000,000	20,000,000

2. **Appropriation from the Compensation to Victims of Crime Auxiliary Fund.** Included in amounts appropriated above in Strategy A.1.13, Subsequent CVC Claims, are funds~~estimated balances on hand and revenues~~ received by the Comptroller from departments under Government Code § 76.013 ~~(estimated to be $30,000 for the biennium)~~, 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, ~~2005~~2007 is hereby appropriated for the same purpose. ~~The Comptroller shall pay a victim making such claim the amount of the original payment, less the collection fee, from the Compensation to Victims of Crime Auxiliary Fund No. 494 pursuant to Government Code § 76.013(d).~~

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 ~~153~~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 ~~153~~162, Tax Code, and may segregate such funds as necessary for administration of the agreement.

7. **Appropriation of Tax and Revenue Anticipation Note Fund.** 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.

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, ~~it is the intent of the Legislature that~~ 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 ~~f~~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 ~~Number~~ 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, ~~2005~~2007 (estimated to be $~~20,270,712~~22,279,672). Any unexpended balances as of August 31, ~~2005~~2007, of Oil Overcharge Funds Account No. 5005 are included in Strategy B.1.2, and are to be used by SECO for the biennium beginning September 1, ~~2005~~2007 (estimated to be $~~51,334,838~~24,252,165). In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, ~~2005~~2007 and all revenue generated on or after September 1, ~~2005~~2007 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 $~~1,549,992~~3,528,000 over the biennium based on the designations listed below. SECO is granted the discretion to prorate Oil Overcharge ~~f~~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, ~~2005~~2007, for the following purposes:

	~~2006~~	~~2007~~
~~Schools/Local Government Program~~	~~$ 129,166 & UB~~	~~$ 129,166 & UB~~
~~State Agencies/Higher Education Program~~	~~$ 129,166 & UB~~	~~$ 129,166 & UB~~
~~Renewable Energy Program~~	~~$ 129,166 & UB~~	~~$ 129,166 & UB~~
~~Housing Partnership~~	~~$ 129,166 & UB~~	~~$ 129,166 & UB~~
~~Transportation Energy Program~~	~~$ 129,166 & UB~~	~~$ 129,166 & UB~~
~~Alternative Fuels Program~~	~~$ 129,166 & UB~~	~~$ 129,166 & UB~~

	2008	2009
Schools/Local Government Program	$ 294,000 & UB	$ 294,000 & UB
State Agencies/Higher Education Program	$ 294,000 & UB	$ 294,000 & UB
Renewable Energy Program	$ 294,000 & UB	$ 294,000 & UB
Housing Partnership	$ 294,000 & UB	$ 294,000 & UB
Transportation Energy Program	$ 294,000 & UB	$ 294,000 & UB

Alternative Fuels Program	$ 294,000 & UB	$ 294,000 & UB

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 ~~$41,528,847~~23,132,841 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 ~~$18,720,720~~18,751,672 of total revenues noted above), shall remain in the program. ~~It is the intent of the Legislature that~~ ~~i~~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 US Department of Energy to fund Pantex and State energy programs are detailed below for the biennium beginning September 1, ~~2005~~2007.

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

	~~FY 2006~~	~~FY 2007~~
~~Federal Funds: Pantex Programs~~		
~~Agreement in Principle (Remedial Clean Up Action)~~	~~$1,380,000 & UB~~	~~$1,380,000 & UB~~
~~Waste Isolation Pilot Plant~~	~~$375,000 & UB~~	~~$375,000 & UB~~
~~Federal Funds: State Energy Program~~		
~~State Energy Program (SEP) Grant~~	~~$2,611,000 & UB~~	~~$2,611,000 & UB~~

	FY 2008	FY 2009
Federal Funds: Pantex Programs		
Agreement in Principle (Remedial Clean Up Action)	$1,239,486 & UB	$1,239,486 & UB
Waste Isolation Pilot Plant	$341,000 & UB	$341,000 & UB
Federal Funds: State Energy Program		
State Energy Program (SEP) Grant	$2,028,085 & UB	$2,028,085 & 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. As a specific limitation to the amount of refunds paid from funds appropriated in this Act during the ~~2006-07~~2008-09 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.

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, 2007, 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.

~~**14.** **Collection of Motor Fuel Tax.** The Comptroller of Public Accounts shall calculate the amount of General Revenue utilized for the collection of motor fuels taxes and shall allocate any unexpended portion of the 1 percent of motor fuel taxes deposited to the General Revenue Fund pursuant to Tax Code 162.501, as modified by Act of May 30, 2003, 78th Leg., R.S., ch. 1296, §2, 2003 Tex. Gen. Laws 4705.~~

~~**15.** **Tax Systems Development.** Included in amounts appropriated above in Strategy A.1.12, Advanced Tax Compliance, is $3,000,000 for the fiscal year beginning September 1, 2005 and $3,000,000 for the fiscal year beginning September 1, 2006 out of the General Revenue Fund for development and improvement of tax systems.~~

~~The appropriation is contingent upon the Comptroller's certification that increased tax collections would provide a net gain estimated to be $40.0 million in the General Revenue Fund.~~

~~**16.** **Contingency Appropriation for House Bill 2201 ("FutureGen" project).** Contingent upon enactment of House Bill 2201 or similar legislation authorizing grants for development in Texas of the coal-based integrated sequestration and hydrogen research project to be built in partnership with the United States Department of Energy (commonly referred to as the FutureGen project), $2 million out of the General Revenue Fund shall be appropriated to the State Energy Conservation Office in fiscal year 2006 for the purpose of financing a state response to a Request for Proposals to be issued by the U.S. Department of Energy regarding the FutureGen project.~~

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, 2006~~	~~August 31, 2007~~
~~**Method of Financing:**~~		
~~General Revenue, estimated~~	~~$ 432,260,137~~	~~$ 441,831,793~~
~~General Revenue-Dedicated, estimated~~	~~61,443,718~~	~~62,983,710~~
~~State Highway Fund No. 6, estimated~~	~~75,632,727~~	~~76,380,693~~
~~Federal Funds, estimated~~	~~82,597,244~~	~~81,118,582~~
~~Other Special State Funds, estimated~~	~~10,285,872~~	~~10,525,488~~
~~**Total, Method of Financing**~~	~~$ 662,219,698~~	~~$ 672,840,266~~
~~**A.Goal:** Social Security/Benefit Replacement~~		
~~Comptroller - Social Security~~		
~~**A.1.1. Strategy:** State Match - Employer~~		
~~State Match - Employer. Estimated.~~	~~$ 602,421,764~~	~~$ 616,032,230~~
~~**A.1.2. Strategy:** Benefit Replacement Pay~~		
~~Benefit Replacement Pay. Estimated.~~	~~59,797,934~~	~~56,808,036~~
~~**Total, Goal A:** Social Security/Benefit~~		
~~Replacement~~	~~$ 662,219,698~~	~~$ 672,840,266~~

For the Years Ending

	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue, estimated	$ 466,850,857	$ 476,390,543
General Revenue-Dedicated, estimated	71,619,257	73,322,190
Federal Funds, estimated	85,835,055	86,076,452
Other Funds		
State Highway Fund No. 6, estimated	83,648,523	84,287,439
Other Special State Funds, estimated	15,907,746	16,306,231
Subtotal, Other Funds	99,556,269	100,593,670
Total, Method of Financing	$ 723,861,438	$ 736,382,855
A.Goal: Social Security/Benefit Replacement		
Comptroller - Social Security		
A.1.1. Strategy: State Match - Employer		
State Match - Employer. Estimated.	$672,422,190	$687,515,569
A.1.2. Strategy: Benefit Replacement Pay		
Benefit Replacement Pay. Estimated.	51,439,248	48,867,286
Total, Goal A: Social Security/Benefit		
Replacement	$723,861,438	$736,382,855

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.

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund - Dedicated		
Advisory Commission on Emergency Communications Account No. 5007	$ 15,297,169	$ 18,072,696
911 Service Fees Account No. 5050	44,618,718	42,572,050
Subtotal, General Revenue Fund - Dedicated	$ 59,915,887	$ 60,644,746
Appropriated Receipts	240,000	240,000
Total, Method of Financing	$ 60,155,887	$ 60,884,746
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	24.0	24.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$75,000	$75,000
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	$ 39,771,464	$ 41,903,345
A.1.2. Strategy: 9-1-1 EQUIPMENT REPLACEMENT	$ 7,926,484	$ 7,920,152
A.1.3. Strategy: WIRELESS PHASE II IMPLEMENTATION	$ 2,871,975	$ 1,544,803
A.1.4. Strategy: CSEC 9-1-1 PROGRAM ADMINISTRATION	$ 1,998,228	$ 1,903,240
Total, Goal A: STATEWIDE 9-1-1 SERVICES	$ 52,568,151	$ 53,271,540
B. Goal: POISON CONTROL NETWORK		
Maintain a High Quality Poison Control Network in Texas.		
B.1.1. Strategy: POISON CALL CENTER OPERATIONS	$ 6,131,992	$ 6,131,992
B.1.2. Strategy: STATEWIDE POISON NETWORK OPERATIONS	$ 1,144,092	$ 1,169,562
B.1.3. Strategy: CSEC POISON PROGRAM MANAGEMENT	$ 150,067	$ 150,067
Total, Goal B: POISON CONTROL NETWORK	$ 7,426,151	$ 7,451,621
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 161,585	$ 161,585
Grand Total, COMMISSION ON STATE EMERGENCY COMMUNICATIONS	$ 60,155,887	$ 60,884,746
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,335,457	$ 1,335,457
Other Personnel Costs	38,950	38,950
Professional Fees and Services	221,833	221,833
Consumable Supplies	12,678	12,678
Utilities	55,719	55,719
Travel	46,567	46,567
Rent - Building	3,173	3,173
Rent - Machine and Other	7,387	7,387
Other Operating Expense	1,764,253	1,696,690
Grants	56,669,870	57,466,292
Total, Object-of-Expense Informational Listing	$ 60,155,887	$ 60,884,746
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 83,459	$ 84,711
Group Insurance	134,149	134,388

Social Security	99,140	100,627
Benefits Replacement	4,865	4,622
Subtotal, Employee Benefits	$ 321,613	$ 324,348
Debt Service		
Lease Payments	$ 52,960	$ 52,156
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 374,573	$ 376,504

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.

	2008	2009
A. Goal: STATEWIDE 9-1-1 SERVICES		
Outcome (Results/Impact):		
Percentage of Time Wireline ALI System is Operational	100%	100%
A.1.1. Strategy: 9-1-1 NETWORK OPERATIONS		
Output (Volume):		
Number of Public Safety Answering Points with Wireless Automatic Number Identification (ANI)	347	347
A.1.3. Strategy: WIRELESS PHASE II IMPLEMENTATION		
Output (Volume):		
Number of Public Safety Answering Points with Wireless Automatic Location Identification (ALI)	237	247
B. Goal: POISON CONTROL NETWORK		
Outcome (Results/Impact):		
Percentage of Time the Texas Poison Control Network is Operational	100%	100%
B.1.1. Strategy: POISON CALL CENTER OPERATIONS		
Output (Volume):		
Total Number of Poison Control Calls Processed Statewide	364,000	369,000

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, ~~2005~~2007. 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. **Regional Planning Commissions.** Included in amounts appropriated above in Strategies A.1.1, 9-1-1 Network Operations; A.1.2, 9-1-1 Equipment Replacement; and A.1.3, Wireless Phase II Implementation is $15,000,000 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 ~~2006-07~~2008-09 biennium no more than $15,000,000 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.

~~7~~4. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, ~~2006~~2008, 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, ~~2006~~2008.

~~4. **Contingent Revenue: General Revenue-Dedicated Advisory Commission on Emergency Communications Account No. 5007.** Contingent on the collection of fees in the General Revenue-Dedicated Advisory Commission on Emergency Communications Account No. 5007~~

~~in excess of $25,510,000 (Object Code 3563), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, the following amounts are included above for the Commission on State Emergency Communications:~~

~~a. in Strategy A.1.1, 9-1-1 Network Operations, the amount of $2,536,582 in fiscal year 2006 and the amount of $2,295,133 in fiscal year 2007 for Increased Network Reliability;~~

~~b. in Strategy A.1.2, 9-1-1, Equipment Replacement, the amount of $1,465,179 in fiscal year 2006 and the amount of $3,481,943 in fiscal year 2007 for equipment purchases for Public Safety Answering Points;~~

~~c. in Strategy A.1.3, Wireless Phase II Implementation, the amount of $2,022,696 in fiscal year 2006 and the amount of $862,723 in fiscal year 2007 for Wireless Phase II Implementation grants;~~

~~d. in Strategy B.1.1, Poison Call Center Operations, the amount of $151,834 in fiscal year 2006 and the amount of $151,834 in fiscal year 2007 for Call Taker Salaries; and~~

~~e. in Strategy B.1.2, Statewide Poison Network Operations, the amount of $856,791 in fiscal year 2006 for Poison Control Call Taker Equipment Upgrades.~~

~~It is the intent of the Legislature that $303,668 of the excess be applied toward Call Taker Salaries in Strategy B.1.1, Poison Call Center Operations before applying any excess collections toward Poison Control Call Taker Equipment Upgrades in Strategy B.1.2, Statewide Poison Network Operations. Additionally, it is the intent of the Legislature that $856,791 of the next available excess collections be applied toward Poison Control Call Taker Equipment Upgrades in Strategy B.1.2, Statewide Poison Network Operations prior to expenditure of excess amounts on amounts appropriated herein for increased network reliability, equipment for public safety answering points, and Wireless Phase II implementation. Such expenditures shall be in accordance with Chapter 771, Health and Safety Code.~~

~~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.~~

~~5.~~ ~~**Contingent Revenue: General Revenue-Dedicated 911 Service Fee Account No. 5050.**~~ ~~Contingent on the collection of fees in the General Revenue-Dedicated 911 Service Fee Account No. 5050 in excess of $94,264,000 (Object Code 3647), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, the following amounts are included above for the Commission on State Emergency Communications:~~

~~a. in Strategy A.1.1, 9-1-1 Network Operations, the amount of $2,137,500 in fiscal year 2006 and the amount of $2,137,500 in fiscal year 2007 for Subscriber Growth; and~~

~~b. in Strategy A.1.2, 9-1-1, Equipment Replacement, the amount of $4,068,596 in fiscal year 2006 and the amount of $2,045,500 in fiscal year 2007 for equipment purchases for Public Safety Answering Points.~~

~~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.~~
~~Contingent on the collection of fees in the General Revenue-Dedicated 911 Service Fee Account No. 5050 in excess of $94,264,000 (Object Code 3647), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, the following amounts are included above for the Commission on State Emergency Communications:~~

~~a. in Strategy A.1.1, 9-1-1 Network Operations, the amount of $2,137,500 in fiscal year 2006 and the amount of $2,137,500 in fiscal year 2007 for Subscriber Growth; and~~

~~b. in Strategy A.1.2, 9-1-1, Equipment Replacement, the amount of $4,068,596 in fiscal year 2006 and the amount of $2,045,500 in fiscal year 2007 for equipment purchases for Public Safety Answering Points.~~

~~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.~~

~~**6. Appropriation: Reimbursement of Wireless Carriers.** Out of amounts appropriated above, the Commission on State Emergency Communications may expend the amounts necessary to meet the statutory requirements for wireless carrier reimbursement of Phase I and Phase II deployment cost within Health and Safety Code, Chapter 771.0711(g), except in cases where wireless carriers have a self-recovery mechanism in place.~~

EMPLOYEES RETIREMENT SYSTEM

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 14,832,022	$ 15,400,343
General Revenue Dedicated Accounts, estimated	1,800,000	1,900,000
Total, Method of Financing	$ 16,632,022	$ 17,300,343
This bill pattern represents an estimated 7.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	299.0	299.0
Items of Appropriation:		
A. Goal: ADMINISTER RETIREMENT PROGRAM To Administer Comprehensive and Actuarially Sound Retirement Programs.		
A.1.1. Strategy: RETIREE DEATH BENEFITS Provide Lump-sum Retiree Death Benefits. Estimated.	$ 6,832,022	$ 6,900,343
B. Goal: PROVIDE HEALTH PROGRAM Provide Employees & Retirees with Quality Health Program.		
B.1.1. Strategy: POST RETIREMENT HEALTH BENEFITS Provide Supplement to Post Retirement Health Benefits. Estimated.	$ 9,800,000	$ 10,400,000
Grand Total, EMPLOYEES RETIREMENT SYSTEM	$ 16,632,022	$ 17,300,343
Object-of-Expense Informational Listing:		
Other Operating Expense	$ 9,800,000	$ 10,400,000
Client Services	6,832,022	6,900,343
Total, Object-of-Expense Informational Listing	$ 16,632,022	$ 17,300,343

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.

	~~For the Years Ending August 31, 2006~~	~~August 31, 2007~~
~~**Method of Financing:**~~		
~~General Revenue Fund, estimated~~	~~$ 801,418,310~~	~~$ 841,585,859~~
~~General Revenue-Dedicated Accounts, estimated~~	~~62,581,081~~	~~66,090,315~~
~~Federal Funds, estimated~~	~~242,914,028~~	~~256,528,434~~
~~Other Funds~~		
~~State Highway Fund No. 006, estimated~~	~~244,429,080~~	~~260,377,292~~

Other Special State Funds, estimated	8,027,657	8,383,799
Interagency Contracts	250,000	0
Subtotal, Other Funds	252,706,737	268,761,091
Total, Method of Financing	$ 1,359,620,156	$ 1,432,965,699
Number of Full-Time-Equivalents (FTE):	299.0	299.0
Schedule of Exempt Positions:		
Executive Director	$ 180,000	$ 180,000
A. Goal: ADMINISTER RETIREMENT PROGRAM		
To Administer Comprehensive and Actuarially Sound Retirement Programs.		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS		
Retirement Contributions. Estimated.	$ 309,726,399	$ 313,099,109
A.1.2. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 2		
Judicial Retirement System - Plan 2. Estimated.	$ 8,924,368	$ 9,051,094
A.1.3. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 1		
Judicial Retirement System - Plan 1. Estimated.	$ 26,076,156	$ 27,452,156
A.1.4. Strategy: PUBLIC SAFETY BENEFITS		
Public Safety Benefits. Estimated.	$ 5,479,901	$ 5,479,902
A.1.5. Strategy: RETIREE DEATH BENEFITS		
Retiree Death Benefits. Estimated	$ 6,931,297	$ 6,984,668
Total, Goal A: ADMINISTER RETIREMENT PROGRAM	$ 357,138,121	$ 362,066,929
B. Goal: PROVIDE HEALTH PROGRAM		
Provide Employees and Retirees with a Quality Health Program.		
B.1.1. Strategy: GROUP INSURANCE		
Group Insurance. Estimated.	$ 992,215,533	$ 1,060,311,859
B.1.2. Strategy: STATE KIDS INSURANCE PROGRAM		
State Kids Insurance Program (SKIP). Estimated.	$ 10,016,502	$ 10,586,911
B.1.3. Strategy: STATEWIDE DRUG COST CONTAINMENT		
Statewide Drug Cost Containment.	$ 250,000	$ 0
Total, Goal B: PROVIDE HEALTH PROGRAM	$ 1,002,482,035	$ 1,070,898,770
Grand Total, EMPLOYEES RETIREMENT SYSTEM	$ 1,359,620,156	$ 1,432,965,699
Performance Measure Targets		
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	188,830	188,830
Efficiencies:		
Average Number of Days to Provide ERS Retirement Packets	3	3
B. Goal: PROVIDE HEALTH PROGRAM		
Outcome (Results/Impact):		
Percent of HealthSelect Participants Satisfied with Network Services	85%	85%

~~**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 $ 23.30 $ 23.30~~

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 894,729,218	$ 899,112,917
General Revenue-Dedicated Accounts, estimated	54,299,924	55,185,605
Federal Funds, estimated	255,914,857	267,982,249
Other Funds		
Other Special State Funds, estimated	7,806,815	7,901,941
State Highway Fund No. 006, estimated	263,469,687	268,275,721
Subtotal, Other Funds	271,276,502	276,177,662
Total, Method of Financing	$ 1,476,220,501	$ 1,498,458,433
Number of Full-Time-Equivalents (FTE):	299.0	299.0
Schedule of Exempt Positions:		
Executive Director	$ 220,000	$ 220,000
A. Goal: ADMINISTER RETIREMENT PROGRAM		
To Administer Comprehensive and Actuarially Sound Retirement Programs.		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS		
Retirement Contributions. Estimated.	$ 338,403,990	$ 343,589,065
A.1.2. Strategy: LAW ENFORCEMENT AND CUSTODIAL OFFICER SUPPLEMENTAL RETIREMENT FUND (LECOS)		
Law Enforcement and Custodial Officer Supplemental Retirement Fund. Estimated.	$ 22,924,834	$ 23,154,082
A.1.3. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 2		
Judicial Retirement System - Plan 2. Estimated.	$ 10,058,376	$ 10,158,960
A.1.4. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 1		
Judicial Retirement System - Plan 1. Estimated.	$ 28,229,322	$ 28,511,615
A.1.5. Strategy: PUBLIC SAFETY BENEFITS		
Public Safety Benefits. Estimated.	$ 5,614,952	$ 5,671,101
A.1.6. Strategy: RETIREE DEATH BENEFITS		
Retiree Death Benefits. Estimated.	$ 6,832,022	$ 6,900,343
Total, Goal A: ADMINISTER RETIREMENT PROGRAM	$ 412,063,496	$ 417,985,166
B. Goal: PROVIDE HEALTH PROGRAM		
Provide Employees and Retirees with a Quality Health Program.		
B.1.1. Strategy: GROUP INSURANCE		
Group Insurance. Estimated.	$ 1,045,741,282	$ 1,060,909,584
B.1.2. Strategy: STATE KIDS INSURANCE PROGRAM		
State Kids Insurance Program (SKIP). Estimated.	$ 8,615,723	$ 9,163,683

B.1.3. Strategy: POST RETIREMENT HEALTH BENEFITS		
Post Retirement Health Benefits. Estimated.	$ 9,800,000	$ 10,400,000
Total, Goal B: PROVIDE HEALTH PROGRAM	$ 1,064,157,005	$ 1,080,473,267
Grand Total, EMPLOYEES RETIREMENT SYSTEM	$ 1,476,220,501	$ 1,498,458,433

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.

Performance Measure Targets		
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	193,539	193,539
Efficiencies:		
Average Number of Days to Provide ERS Retirement Packets	3	3
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	$ 16.61	$ 17.44

~~2~~**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.

~~3~~**4.** **State Contribution to Employees Retirement Program.** 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.

~~4~~**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.

~~5~~**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~~2006-07~~ 2008-09 biennium.

~~6~~7. **Administrative Cost Provision.** Funds identified above in A.1.~~3~~4 Judicial Retirement System - Plan 1, include $120,000 in each fiscal year to reimburse the Employees Retirement System for the cost of administering the Judicial Retirement Plan 1.

~~7~~8. **Administrative Cost Provision.** Funds identified above in A.1.~~4~~5, Public Safety Benefits, include $28,000 in each fiscal year to reimburse the Employees Retirement System for the cost of administering the death benefits program for public safety personnel.

~~8~~9. **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, ~~Fund~~for the purpose of paying benefits as authorized by Government Code § 815.5072.

~~9~~10. **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.

~~10~~11. **Appropriation for State Kids Insurance Program (SKIP).** Pursuant to 1551.159, Insurance Code, VTCA, 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).

~~11~~12. **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 ~~I~~nsurance and Benefits Fund No. 973, ~~to pay health claims.~~or to such fund as established by the legislature or the State Comptroller of Public Accounts to pay health claims for retired employees.

TEXAS ETHICS COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,817,116	$ 1,815,291
Appropriated Receipts	33,190	33,190
Total, Method of Financing	$ 1,850,306	$ 1,848,481
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	35.0	35.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$97,000	$97,000
General Counsel	88,000	88,000
Items of Appropriation:		
A. Goal: INFORMATION ON GOVERNMENT		
Increase Information to Public about Government/Ethics Laws.		
A.1.1. Strategy: INFORMATION FILING Serve as the Repository for Statutorily Required Information.	$ 480,310	$ 475,869
A.1.2. Strategy: ADVISORY OPINIONS Provide Advisory Opinions.	$ 184,778	$ 185,118
A.1.3. Strategy: ENFORCEMENT Respond to Complaints and Enforce Applicable Statutes.	$ 465,343	$ 466,443
A.2.1. Strategy: ETHICS EDUCATION PROGRAM Provide Ethics Education.	$ 37,890	$ 37,930
Total, Goal A: INFORMATION ON GOVERNMENT	$ 1,168,321	$ 1,165,360
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	$ 716,373	$ 718,133
C. Goal: ADMINISTRATIVE REDUCTIONS		
C.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (34,388)	$ (35,012)
Grand Total, TEXAS ETHICS COMMISSION	$ 1,850,306	$ 1,848,481
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,613,658	$ 1,613,658
Other Personnel Costs	45,400	49,740
Consumable Supplies	19,000	19,000
Utilities	1,000	1,000
Travel	10,000	10,000
Rent - Building	4,000	4,000
Rent - Machine and Other	27,000	27,000
Other Operating Expense	130,248	124,083
Total, Object-of-Expense Informational Listing	$ 1,850,306	$ 1,848,481
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 105,752	$ 107,339
Group Insurance	192,324	193,074
Social Security	126,352	128,247
Benefits Replacement	16,671	15,838
Subtotal, Employee Benefits	$ 441,099	$ 444,498
Debt Service		
Lease Payments	$ 141,609	$ 126,140
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 582,708	$ 570,638

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.

	2008	2009
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	29,000	28,910
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	400	400
Efficiencies:		
Average Time (Working Days) to Respond to Sworn Complaints	4	4

~~**2. Lobbyist Registration Fees.** Contingent on enactment of Senate Bill 1863 or similar legislation, enacted by the Seventy-ninth Legislature, relating to the continuation of the increased lobbyist registration fees and amending the use of the funds, there is hereby appropriated $87,000 in General Revenue for fiscal year 2006 and $87,000 in General Revenue for fiscal year 2007 for the purposes of information technology and customer support.~~

PUBLIC FINANCE AUTHORITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 533,068	$ 543,023
Appropriated Receipts	339,042	339,042
Total, Method of Financing	$ 872,110	$ 882,065
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	$110,000	$110,000
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	$ 438,802	$ 443,830 & UB
Analyze Agency Financing Applications and Issue Debt Cost Effectively.		

A.2.1. Strategy: MANAGE BOND PROCEEDS	$ 442,347	$ 447,415 & 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	$ 881,149	$ 891,245
B. Goal: ADMINISTRATIVE REDUCTIONS		
B.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (9,039)	$ (9,180)
Grand Total, PUBLIC FINANCE AUTHORITY	$ 872,110	$ 882,065
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 789,853	$ 788,693
Other Personnel Costs	23,920	25,660
Professional Fees and Services	1,532	4,752
Consumable Supplies	3,340	3,340
Utilities	210	310
Travel	26,169	26,169
Rent - Building	300	300
Rent - Machine and Other	3,800	3,800
Other Operating Expense	22,986	29,041
Total, Object-of-Expense Informational Listing	$ 872,110	$ 882,065
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 46,130	$ 46,822
Group Insurance	77,139	77,377
Social Security	59,792	60,689
Benefits Replacement	7,358	6,990
Subtotal, Employee Benefits	$ 190,419	$ 191,878
Debt Service		
Lease Payments	$ 58,926	$ 57,948
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 249,345	$ 249,826

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.

	2008	2009
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: ANALYZE FINANCINGS AND ISSUE DEBT		
Output (Volume):		
Number of Requests for Financings Approved	10	2
A.2.1. Strategy: MANAGE BOND PROCEEDS		
Output (Volume):		
Number of Financial Transactions Including Debt Service Payments	5,100	5,200

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, 2006~~	~~August 31, 2007~~
~~**Method of Financing:**~~		
~~General Revenue~~	~~$ 300,248,419~~	~~$ 312,633,569~~
~~General Revenue-Dedicated~~	~~24,114,456~~	~~24,646,179~~
~~Federal Funds~~	~~2,362,984~~	~~2,361,154~~
~~Other Funds~~		
~~Current Fund Balance~~	~~4,302,928~~	~~4,351,788~~
~~MH Patient Collections No. 8031~~	~~112,122~~	~~112,122~~
~~MH Appropriated Receipts No. 8033~~	~~15,828~~	~~15,828~~
~~MH Medicare Receipts No. 8034~~	~~169,322~~	~~169,322~~
~~MR Patient Collections No. 8095~~	~~120,063~~	~~120,063~~
~~MR Appropriated Receipts No. 8096~~	~~16,949~~	~~16,949~~
~~MR Medicare Receipts No. 8097~~	~~19,686~~	~~19,686~~
~~Subtotal, Other Funds~~	~~4,756,898~~	~~4,805,758~~
~~**Total, Method of Financing**~~		
~~Bond Debt Service~~	~~$ 331,482,757~~	~~$ 344,446,660 & UB~~
~~Strategy A.2.2. Bond Debt Service~~	~~$ 331,482,757~~	~~$ 344,446,660 & UB~~

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, 2008	August 31, 2009
Method of Financing:		
General Revenue	$ 312,895,466	$ 320,286,842
General Revenue-Dedicated	23,864,456	24,396,179
Federal Funds	2,362,984	2,361,154
Other Funds		
Current Fund Balance	4,348,500	982,188
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	4,613,462	1,247,150
Total, Method of Financing		
Bond Debt Service	$ 343,736,368	$ 348,291,325 & UB

Strategy A.2.2.		
Bond Debt Service	$ 343,736,368	$ 348,291,325 & 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. Balances in and revenues accruing to the State Lease Fund Account and the Texas Public Finance Authority revenue bond interest and sinking fund(s) are hereby appropriated 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 State Lease Fund Account 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. The Texas Public Finance Authority is hereby appropriated balances held in and revenues accruing to the State Lease Fund Account and Texas Public Finance Authority Master Lease Purchase Program interest and sinking fund(s) 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 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 State Lease Fund Account, 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 State Lease Fund Account 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 ~~2006~~2008 or ~~2007~~2009, 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 401 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.

FIRE FIGHTERS' PENSION COMMISSIONER

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,204,084	$ 1,237,644
Appropriated Receipts	31,500	31,500
Total, Method of Financing	$ 1,235,584	$ 1,269,144
This bill pattern represents an estimated 4.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	8.0	8.0
Schedule of Exempt Positions:		
Commissioner, Group 1	$59,280	$59,280
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.	$ 1,111,085	$ 1,142,690
A.2.1. Strategy: ASSISTANCE & EDUCATION Assist and Educate Local Firefighter Pension Fund Boards.	$ 130,886	$ 132,996
Total, Goal A: SOUND PENSION FUNDS	$ 1,241,971	$ 1,275,686
B. Goal: ADMINISTRATIVE REDUCTIONS		
B.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (6,387)	$ (6,542)
Grand Total, FIRE FIGHTERS' PENSION COMMISSIONER	$ 1,235,584	$ 1,269,144

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 341,768	$ 343,711
Other Personnel Costs	8,730	8,730
Professional Fees and Services	102,687	102,687
Consumable Supplies	5,335	5,503
Travel	14,965	14,965
Rent - Machine and Other	22,797	22,797
Other Operating Expense	739,302	770,751
Total, Object-of-Expense Informational Listing	$ 1,235,584	$ 1,269,144
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 21,695	$ 22,020
Group Insurance	53,869	54,823
Social Security	26,100	26,492
Benefits Replacement	1,714	1,628
Subtotal, Employee Benefits	$ 103,378	$ 104,963
Debt Service		
Lease Payments	$ 1,004	$ 1,133
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 104,382	$ 106,096

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.

	2008	2009
A. Goal: SOUND PENSION FUNDS		
A.1.1. Strategy: ADMINISTER PENSION FUND		
Output (Volume):		
Number of Retirement Payments Distributed	27,700	28,000
Efficiencies:		
Average Annual Administrative Cost Per Pension Plan Member	70	75
A.2.1. Strategy: ASSISTANCE & EDUCATION		
Output (Volume):		
Number of Benefit Determinations for Local Funds	330	330
Number of Attendees Completing Continuing Education Conference	250	250

2. **Texas Emergency Services Retirement System Fund.** Included in the amounts appropriated above is $709,613 in fiscal year 2008 and $741,217 in fiscal year 2009 out of the General Revenue Fund in Strategy A.1.1, Administer Pension Fund, to be transferred to the Texas Emergency Services Retirement System Fund No. 976 as provided by Government Code Sec. 865.015.

OFFICE OF THE GOVERNOR

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 9,806,217	$ 9,006,217
Other Funds		
Appropriated Receipts	13,000	13,000
Interagency Contracts	399,102	399,102
Subtotal, Other Funds	$ 412,102	$ 412,102
Total, Method of Financing	$ 10,218,319	$ 9,418,319
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 5	$115,345	$115,345
Items of Appropriation:		
A. Goal: GOVERN THE STATE		
Formulation of Balanced State Policies.		
A.1.1. Strategy: SUPPORT GOVERNOR & STATE Provide Support to Governor and State Agencies.	$ 6,415,024	$ 5,615,024
A.1.2. Strategy: APPOINTMENTS Develop and Maintain System of Recruiting, Screening, and Training.	$ 852,066	$ 852,066
A.1.3. Strategy: COMMUNICATIONS Maintain Open, Active, and Comprehensive Functions.	$ 2,679,668	$ 2,679,668
A.1.4. Strategy: GOVERNOR'S MANSION Maintain and Preserve Governor's Mansion.	$ 370,324	$ 370,324
Total, Goal A: GOVERN THE STATE	$ 10,317,082	$ 9,517,082
B. Goal: ADMINISTRATIVE REDUCTIONS		
B.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (98,763)	$ (98,763)
Grand Total, OFFICE OF THE GOVERNOR	$ 10,218,319	$ 9,418,319
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 8,169,607	$ 8,169,607
Other Personnel Costs	173,646	173,646
Professional Fees and Services	300,050	300,050
Consumable Supplies	79,841	79,841
Utilities	34,920	34,920
Travel	87,126	87,126
Rent - Building	22,500	22,500
Rent - Machine and Other	54,650	54,650
Other Operating Expense	1,295,979	495,979
Total, Object-of-Expense Informational Listing	$ 10,218,319	$ 9,418,319
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 539,255	$ 547,344
Group Insurance	1,196,545	1,221,309
Social Security	660,151	670,053
Benefits Replacement	41,000	38,950
Subtotal, Employee Benefits	$ 2,436,951	$ 2,477,656

Debt Service		
Lease Payments	$ 114,481	$ 126,883
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,551,432	$ 2,604,539

1. **Unexpended Balances Within the Biennium.** Any unexpended balances, as of August 31, ~~2006~~2008, in the appropriations made ~~herein~~ to the Office of the Governor are hereby appropriated for the same purposes for the fiscal year beginning September 1, ~~2006~~2008.

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.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Office of the Governor is hereby authorized to direct agency resources, and transfer such amounts appropriated above between appropriation items. The Governor may transfer appropriations and FTEs within the Office of the Governor and for Trusteed Programs, and may assign appropriations and the corresponding FTEs for Trusteed Programs to other agencies.

5. **Unexpended Balances Between Biennia.** Included in amounts appropriated above are unexpended balances as of August 31, ~~2005~~2007 in appropriations made to the Office of the Governor (estimated to be ~~$752,000~~800,000) for the same purpose for the biennium beginning September 1, ~~2005~~2007.

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.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 98,571,072	$ 7,413,761
GR - Hotel Occupancy Tax for Economic Development Account No. 5003	20,031,909	20,031,910
Subtotal, General Revenue Fund	$ 118,602,981	$ 27,445,671
General Revenue Fund - Dedicated		
Crime Stoppers Assistance Account No. 5012	700,000	700,000
Tourism Plates Account No. 5053	23,000	23,000
Economic Development Bank Account No. 5106	10,266,774	4,266,774
Texas Enterprise Fund Account No. 5107	120,000,000	0
Economic Development and Tourism Account No. 5110	57,000	10,000
Texas Music Foundation Plates Account No. 5113	5,000	5,000
Daughters of the Republic of Texas Plates Account No. 5115	56,000	56,000
Emerging Technology Fund Account No. 5124	25,000,000	0
Criminal Justice Planning Account No. 421	25,767,394	25,767,394
Subtotal, General Revenue Fund - Dedicated	$ 181,875,168	$ 30,828,168

Federal Funds	70,607,063	63,753,858
Other Funds		
Appropriated Receipts	468,000	468,000
Interagency Contracts	325,000	325,000
Bond Proceeds	200,000,000	0
Small Business Incubator Fund Account No. 588	958,610	990,920
Texas Product Development Fund Account No. 589	1,198,263	1,238,651
Subtotal, Other Funds	$ 202,949,873	$ 3,022,571
Total, Method of Financing	$ 574,035,085	$ 125,050,268
This bill pattern represents an estimated 90.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	136.1	136.1
Items of Appropriation:		
A. Goal: PROGRAMS ASSIGNED		
Administer Programs Assigned to the Governor.		
A.1.1. Strategy: AGENCY GRANT ASSISTANCE Provide Emergency and Deficiency Grants to State Agencies.	$ 1,575,000	$ UB
A.1.2. Strategy: DISASTER FUNDS Provide Disaster Funding.	$ 14,255,311	$ UB
A.1.3. Strategy: CRIMINAL JUSTICE Provide Money and Research and Promote Programs for Criminal Justice.	$ 98,954,146	$ 92,075,941
A.1.4. Strategy: FILM AND MUSIC MARKETING Market Texas as a Film Location and Promote the Texas Music Industry.	$ 932,664	$ 896,664
A.1.5. Strategy: DISABILITY ISSUES Inform Organizations and the General Public of Disability Issues.	$ 432,864	$ 381,864
A.1.6. Strategy: WOMEN'S GROUPS Network Statewide Women's Groups in Texas.	$ 108,980	$ 93,980
A.1.7. Strategy: COUNTY ESSENTIAL SERVICE GRANTS Provide Financial Assistance to Counties for Essential Public Services.	$ 660,000	$ 500,000
A.1.8. Strategy: TEXAS ENTERPRISE FUND Provide Financial Incentives to Entities for Economic Development.	$ 120,000,000	$ UB
A.1.9. Strategy: ECONOMIC DEVELOPMENT AND TOURISM Enhance the Economic Growth of Texas.	$ 36,600,033	$ 30,585,732
A.1.10. Strategy: MILITARY PREPAREDNESS Advise the Governor and Legislature on Military Issues.	$ 200,248,552	$ 248,552 & UB
A.1.11. Strategy: HOMELAND SECURITY Direct and Coordinate Homeland Security Activities in Texas.	$ 500,000	$ 500,000
A.1.12. Strategy: TEXAS EMERGING TECHNOLOGY FUND Provide Incentives to Entities for Emerging Technology Development.	$ 100,000,000	$ UB
Total, Goal A: PROGRAMS ASSIGNED	$ 574,267,550	$ 125,282,733
B. Goal: ADMINISTRATIVE REDUCTIONS		
B.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (232,465)	$ (232,465)
Grand Total, TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR	$ 574,035,085	$ 125,050,268
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 8,085,956	$ 8,085,956
Other Personnel Costs	194,469	194,469
Professional Fees and Services	6,104,898	6,109,894
Consumable Supplies	42,124	42,124

Utilities	42,795	42,795
Travel	338,114	338,114
Rent - Building	129,427	129,427
Rent - Machine and Other	49,345	49,345
Debt Service	2,156,872	2,229,571
Other Operating Expense	22,474,275	16,255,279
Grants	534,416,810	91,573,294
Total, Object-of-Expense Informational Listing	$ 574,035,085	$ 125,050,268
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 350,873	$ 356,136
Group Insurance	600,987	605,100
Social Security	450,634	457,393
Benefits Replacement	30,596	29,066
Subtotal, Employee Benefits	$ 1,433,090	$ 1,447,695
Debt Service		
TPFA GO Bond Debt Service	$ 23,864,456	$ 24,396,179
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 25,297,546	$ 25,843,874

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.

	2008	2009
A. Goal: PROGRAMS ASSIGNED		
Outcome (Results/Impact):		
Percentage of CJD Grants Complying with CJD Guidelines	99%	99%
In-state Expenditures Made by Film, Television, and Commercial Production in Texas (in Millions)	200	200
Number of Unduplicated Jobs Announced by Companies Receiving Grants from the Texas Enterprise Fund	6,300	6,300
Number of New Jobs Announced by Businesses Receiving Recruitment and Expansion Assistance	10,500	10,500
Number of Domestic Leisure Travelers to Texas (Millions)	143.5	144.9
Number of Defense Dependent Communities Receiving Economic Development Assistance	10	11
A.1.3. Strategy: CRIMINAL JUSTICE		
Output (Volume):		
Number of Grants Currently Operating	900	900
A.1.4. Strategy: FILM AND MUSIC MARKETING		
Output (Volume):		
Number of Individuals and Companies Assisted by Texas Music Office	16,741	17,411
A.1.5. Strategy: DISABILITY ISSUES		
Output (Volume):		
Number of Local Volunteer Committees on People with Disabilities and Communities Supported	58	58
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 Promotion	14	14
A.1.12. Strategy: TEXAS EMERGING TECHNOLOGY FUND		
Output (Volume):		
Number of Early-stage Companies Fostered by Emerging Technology Fund Investments and Guidance	8	8

Total Amount of Leveraged Funds Received as a Result of Emerging Technology Fund Research Matching Grants (in Millions)	5	5

2. **Emergency and Deficiency and Disaster Grants.** Included in amounts appropriated above, any unexpended balances as of August 31, ~~2005~~2007, in appropriations for Strategy A.1.1, Agency Grant Assistance (estimated to be $0) and Strategy A.1.2, Disaster Funds (estimated to be ~~$15,455,311~~14,255,311) for emergency and deficiency and disaster grants made in ~~House~~Senate Bill 1, Seventy- ~~eighth~~ninth Legislature, Regular Session, are hereby appropriated for the biennium beginning September 1, ~~2005~~2007. 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.

43. **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.

~~**3.** **Appropriation of Earned Federal Funds.** Included in the amounts appropriated above in Strategy A.1.3, Criminal Justice, are any unexpended balances remaining as of August 31, 2005, (estimated to be $0) per fiscal year, plus any revenues received during the biennium beginning September 1, 2005 identified as earned federal funds (estimated to be $926,250 per fiscal year) for use in the operations of the Office of the Governor. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2005 and all revenue generated on or after September 1, 2005 are hereby appropriated for the same purpose.~~

~~5~~4. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, ~~2006~~2008 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, ~~2006~~2008.

~~6~~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 ~~2006-07~~2008-09 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. Any unexpended balances (estimated to be ~~$7,417,000~~0) as of August 31, ~~2005~~2007 in the Governor's Office Federal Projects Account No. 0224 are included above for the same purpose for the biennium beginning September 1, ~~2005~~2007.

~~11~~6. **Unexpended Balances Between Biennia.** Included in amounts appropriated above, are any unexpended balances remaining in appropriations out of the following accounts and strategies as of August 31, ~~2005~~2007, to the Trusteed Programs Within the Office of the Governor for the same purposes for the biennium beginning September 1, ~~2005~~2007:

a. any unexpended balances (estimated to be $0) out of the General Revenue-Dedicated Criminal Justice Planning Account No. 421 to Strategy A.1.3, Criminal Justice;

b. any unexpended balances (estimated to be $~~737,414~~0) out of the General Revenue-Dedicated Crime Stoppers Assistance Account No. 5012 to Strategy A.1.3, Criminal Justice;

c. any unexpended balances (estimated to be $~~397,497~~400,000) out of the General Revenue Fund to Strategy A.1.3, Criminal Justice;

d. any unexpended balances ~~(estimated to be $35,706)~~ out of the General Revenue Fund (estimated to be $36,000) and Appropriated Receipts (estimated to be $0) to Strategy A.1.4, Film and Music Marketing;

e. any unexpended balances (estimated to be $~~50,625~~51,000) out of the General Revenue Fund to Strategy A.1.5, Disability Issues;

f. any unexpended balances (estimated to be $~~15,077~~15,000) out of the General Revenue Fund to Strategy A.1.6, Women's Groups;

g. any unexpended balances (estimated to be $~~490,623~~160,000) out of the General Revenue Fund to Strategy A.1.7, County Essential Service Grants;

h. any unexpended balances ~~(estimated to be $50,000)~~ out of General Revenue-related funds (estimated to be $50,000), the Small Business Incubator Fund Account No. 588 (estimated to be $0), and the Texas Product Development Fund Account No. 589 (estimated to be $0) to Strategy A.1.9, Economic Development and Tourism;

i. any unexpended balances (estimated to be $0) out of the General Revenue Fund to Strategy A.1.10, Military Preparedness; and

j. any unexpended balances (estimated to be $0) out of Federal Funds to Strategy A.1.11, Homeland Security.

~~**CRIMINAL JUSTICE**~~

7. **Reporting Requirements: Criminal Justice Division.** To ensure that Criminal Justice Planning ~~F~~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 ~~F~~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.

~~13~~8. **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, ~~2006~~2008, and January 1, ~~2007~~2009. 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 ~~2006-07~~2008-09 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 ~~2006-07~~2008-09 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.** **Criminal Justice Planning Funds.** Out of amounts appropriated above in Strategy A.1.3, Criminal Justice, the Criminal Justice Division shall transfer $3,898,843 in fiscal year 2006 and $3,878,407 in fiscal year 2007 funds from General Revenue-Dedicated Criminal Justice Planning Account No. 421 to the Texas Department of Criminal Justice (TDCJ). The amounts~~

~~transferred by this provision do not require a grant application and are not restricted to project specific purposes. CJD may require a periodic accounting from TDCJ regarding its expenditures from these funds.~~

~~15~~9. **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, ~~2005~~2007, to the Texas Historical Commission to encourage travel to the state's historical attractions.

~~9.~~ ~~**Treatment Alternative to Incarceration Program.** Out of funds appropriated above to provide emergency and deficiency grants to state agencies, $3,250,000 in fiscal year 2006 and $3,250,000 in fiscal year 2007 is allocated to the Texas Department of Criminal Justice for the Treatment Alternative to Incarceration Program.~~

~~16~~10. **Administration: Foreign Offices.**

a. ~~It is the intent of the Legislature that the Office of the Governor, Economic Development and Tourism provide services to develop trade investment and tourism in strategic world markets with specific emphasis to benefit small businesses in the State of Texas.~~ In accordance with Government Code § 481.027, foreign ~~O~~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. ~~The services shall be available to other state agencies through interagency contracts.~~ 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.~~ ~~**Drug Court Grants.** Out of the amounts appropriated above in Strategy, A.1.3, Criminal Justice, $750,000 each fiscal year out of the General Revenue Fund may be used to provide grants to drug courts. It is the intent of the Legislature that the presiding judge of a drug court must be an active judge holding elective office or a master. It is the intent of the Legislature that persons eligible for appointment may not be a former or retired judicial officer.~~

~~17~~11. **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 ~~Deposits~~for Economic Development Account No. 5003 in an amount not to exceed $2 million 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.

~~18~~12. **Limitation on Expenditures: General Revenue Hotel Occupancy Tax ~~Deposits~~for Economic Development Account No. 5003.** Of the amounts appropriated above out of the General Revenue Hotel Occupancy Tax ~~Deposits~~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 ~~2006~~2008 and $5,276,541 in fiscal year ~~2007~~2009 for expenditures other than Advertising Services (Object Code 7281) and Other Professional Fees and Services (Object Code 7253).

~~**ECONOMIC DEVELOPMENT**~~

~~**12. Texas Enterprise Fund.** Included in amounts appropriated above in Strategy A.1.8, Texas Enterprise Fund, is $140,750,000 out of the General Revenue Fund in fiscal year 2006 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, 2005 for the purposes of economic development initiatives in accordance with Government Code § 481.078.~~

~~In addition to amounts appropriated above are any unexpended balances as of August 31, 2005 remaining in appropriations out of the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 in Strategy A.1.8, Texas Enterprise Fund (estimated to be $0) for the biennium beginning September 1, 2005 for the purposes of economic development initiatives in accordance with Government Code § 481.078.~~

~~19~~13. Community Development Grants. Out of funds appropriated above to the Trusteed Programs Within the Office of the Governor, from General Revenue-Dedicated ~~Texas~~ Economic Development Bank Fund Account No. 5106, the Trusteed Programs Within the Office of the Governor shall expend $250,000 per fiscal year on grants to eligible community development financial institutions for the purpose of making grants or loans in distressed areas of the state.

~~20~~14. Unexpended Balances for the Texas Military Value Revolving Loan Program. ~~Any~~Included in amounts appropriated above are unexpended balances remaining in the Texas Military Value Revolving Loan Account No. 5114 as of August 31, ~~2005~~2007~~, are hereby appropriated~~ for the same purposes for the ~~2006-07~~2008-09 biennium in accordance with the Texas Constitution, Article III, § 49-n and Government Code, Chapter 436, Subchapter D.

~~In addition~~Included in amounts appropriated above are~~,~~ proceeds of bonds or other obligations authorized by Texas Constitution, Article III, § 49-n, that have not either been issued or expended by August 31, ~~2005~~2007 (estimated to be $200,000,000), ~~are hereby appropriated~~ for the same purposes for the ~~2006-07~~2008-09 biennium.

Further, there is appropriated elsewhere in this Act to the Texas Public Finance Authority, an amount not to exceed $~~24,114,456~~23,864,456 for fiscal year ~~2006~~2008 and $~~24,646,179~~24,396,179 for fiscal year ~~2007~~2009 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, ~~2007~~2009.

~~**14. Defense Infrastructure Support.** It is the intent of the Legislature that the Office of the Governor prepare an annual Master Plan of how the Office of the Governor shall support the defense infrastructure of the Texas economy. The plan shall contain at a minimum, information detailing the Office of the Governor's proactive strategy for providing support to the Texas defense industry, how the strategy will be implemented, what results shall be achieved and how the results will be measured and evaluated. The plan shall be made available to the Legislature at the beginning of each fiscal year. In addition, the Office of the Governor shall prepare a quarterly statement detailing the economic impact of the defense industry (military and civilian) on the Texas economy.~~

~~21~~15. Appropriation of License Plate Unexpended Balances and Receipts. Included in the amounts appropriated above are all estimated unexpended balances collected prior to the effective date of this Act and all revenue collected on or after September 1, ~~2005~~2007 for the license plates contained herein.

a. Texas Music License Plates - Included in Strategy A.1.4, Film and Music Marketing, an estimated $~~9,000~~0 in unexpended balances and $5,000 each fiscal year 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;

b. Daughters of the Republic of Texas License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated ~~$32,520~~0 in unexpended balances and ~~$34,000~~56,000 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 ~~$11,000~~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 Aerospace Commission License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated $0 in unexpended balances and $13,000 each fiscal year out of the General Revenue Fund in collected revenue to be spent in accordance with Transportation Code § 504.610; ~~and~~

e. Texas. It's Like a Whole Other Country License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated ~~$78,504~~0 in unexpended balances and ~~$35,000~~23,000 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

f. Texas Aerospace and Aviation License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated $47,000 in unexpended balances and $10,000 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 § 502.271.

In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, ~~2005~~2007 and all revenue generated on or after September 1, ~~2005~~2007 are hereby appropriated for the same purposes.

Any unexpended balances as of August 31, ~~2006~~2008, 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, ~~2006~~2008 for the same purposes.

~~23~~**16.** **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, 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 to be spent in accordance with Government Code, Chapter 489.

Included in amounts appropriated above in Strategy A.1.9, Economic Development and Tourism is ~~$1,696,665~~6,000,000 in estimated unexpended balances, remaining as of August 31, ~~2005~~2007, out of the General Revenue-Dedicated Economic Development Bank Account No. 5106 to be spent in accordance with Government Code, Chapter 489.

~~26~~**17.** **Capital Access Program.** Out of funds appropriated above to the Trusteed Programs Within the Office of the Governor, from General Revenue-Dedicated ~~Texas~~ Economic Development Bank Fund Account No. 5106, the Trusteed Programs Within the Office of the Governor shall expend $435,000 per fiscal year on small business assistance programs offered through the Capital Access Program.

18. **Texas Emerging Technology Fund.** Included in amounts appropriated above in Strategy A.1.12, Texas Emerging Technology Fund, are any unexpended balances remaining in appropriations as of August 31, 2007 out of the General Revenue-Dedicated Texas Emerging Technology Fund Account No. 5124 (estimated to be $25,000,000) for the biennium beginning September 1, 2007 for the purposes of economic development initiatives in accordance with Government Code, Chapter 490.

19. **Texas Museum of Music History.** Notwithstanding any other provisions in this Act, $10,000,000 in federal Transportation Enhancement Program funds administered by the Texas

Department of Transportation shall be made available during the biennium for whichever entity is designated as the official Texas museum of music history by the Trusteed Programs Within the Office of the Governor. The Texas Department of Transportation shall make available during the biennium $10,000,000 in federal Transportation Enhancement Program funds administered by the department for the designated entity provided that such entity's project meets federal funding requirements of the Transportation Enhancement Program as defined by federal regulation of the U.S. Department of Transportation, Federal Highway Administration under Title 23 of the United States Code. The Texas Department of Transportation will review the Texas museum of music history project to determine if it meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. Where determined by the federal grant, funds appropriated above should cover the administrative costs of the Texas museum of music history project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Texas museum of music history under the Transportation Enhancement Program to other available projects should the project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

~~22.~~ ~~**Appropriations Limited to Revenue Collections.** Fees collected from the sale of Texas Aerospace Commission and Space Shuttle Columbia license plates as authorized by Transportation Code §504.610 and §504.640, and generated by the agency, cover $24,000 per fiscal year of the cost of the General Revenue appropriations made above for Strategy A.1.9, Economic Development and Tourism. 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. Texas Aerospace Commission and Space Shuttle Columbia license plate fees deposited in excess of $24,000 per fiscal year are hereby appropriated for the 2006-07 biennium for the economic development of the aerospace industry consistent with the provision of Government Code § 481.0066.~~

~~24.~~ ~~**Contingency Appropriation for Senate Bill 1096.** Contingent upon the enactment of Senate Bill 1096, or similar legislation by the Seventy-ninth Legislature, Regular Session, 2005, all amounts transferred from the Employment and Training Investment Holding Fund to the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107, not to exceed $130,000,000, are hereby appropriated out of the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 to the Trusteed Programs Within the Office of the Governor Strategy A.1.8, Texas Enterprise Fund for the purposes of economic development initiatives in accordance with Government Code § 481.078.~~

~~25.~~ ~~**Appropriation for Grants for Fuel Ethanol and Biodiesel Production.** All funds deposited in the fuel ethanol and biodiesel production account are appropriated to the Texas Economic Development and Tourism Office for the purpose of making grants as provided under Chapter 16, Agriculture Code.~~

~~27.~~ ~~**Contingency Appropriation for Senate Bill 1100.** Contingent upon the enactment of Senate Bill 1100, or similar legislation, related to the promotion of tourism relating to the musical heritage of this state, it is the intent of the Legislature that $10 million in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available during the biennium for whichever entity is designated as the official Texas museum of music history by the Trusteed Programs Within the Office of the Governor, provided that such entity meets federal grant requirements of the federal Transportation Enhancement Program as defined by federal regulation of the U.S. Department of Transportation, Federal Highway Administration, under Title 23 of the United States Code. The Texas Department of Transportation will review the designated Texas museum of music history project to determine if the project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover allowed costs of administering the Texas museum of music history project approved for federal Transportation Enhancement Program funds.~~

~~In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Texas museum of music history under the Transportation Enhancement~~

~~Program to other available projects should the project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.~~

HISTORICAL COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 8,525,140	$ 7,158,560
GR Dedicated - Texas Preservation Trust Fund Account No. 664	450,775	450,775
Federal Funds	937,351	863,851
Other Funds		
Appropriated Receipts	363,757	363,757
Interagency Contracts	1,614,295	1,614,295
Bond Proceeds - Revenue Bonds	UB	UB
Subtotal, Other Funds	$ 1,978,052	$ 1,978,052
Total, Method of Financing	$ 11,891,318	$ 10,451,238
This bill pattern represents an estimated 63.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	121.0	121.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$88,500	$88,500
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.	$ 783,571	$ 783,571
A.1.2. Strategy: PRESERVATION TRUST FUND Provide Financial Assistance through the Preservation Trust Fund.	$ 950,775	$ 450,775
A.1.3. Strategy: ARCHEOLOGICAL HERITAGE PROTECTION Archeological Protection through Reviews, Outreach & Other Programs.	$ 1,516,212	$ 1,516,212
A.1.4. Strategy: EVALUATE/INTERPRET RESOURCES Programs & Services for Historic Resources Evaluation & Interpretation.	$ 3,539,084	$ 3,511,136
A.1.5. Strategy: COURTHOUSE PRESERVATION Courthouse Preservation Assistance.	$ 1,287,777	$ 375,645
A.2.1. Strategy: DEVELOPMENT ASSISTANCE Technical Assistance for Heritage Development/Economic Revitalization.	$ 2,616,927	$ 2,616,927
Total, Goal A: HISTORICAL PRESERVATION	$ 10,694,346	$ 9,254,266
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,361,986	$ 1,361,986
C. Goal: ADMINISTRATIVE REDUCTIONS		
C.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (165,014)	$ (165,014)
Grand Total, HISTORICAL COMMISSION	$ 11,891,318	$ 10,451,238
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 5,026,548	$ 5,026,548
Other Personnel Costs	164,466	164,466

Professional Fees and Services	170,500	170,500
Fuels and Lubricants	60,550	60,550
Consumable Supplies	116,583	116,583
Utilities	92,700	92,700
Travel	470,070	470,070
Rent - Building	23,250	23,250
Rent - Machine and Other	86,311	86,311
Debt Service	984,124	956,142
Other Operating Expense	2,214,914	2,214,948
Grants	2,384,302	972,170
Capital Expenditures	97,000	97,000
Total, Object-of-Expense Informational Listing	$ 11,891,318	$ 10,451,238
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 303,263	$ 307,812
Group Insurance	626,857	630,936
Social Security	373,394	378,995
Benefits Replacement	34,808	33,068
Subtotal, Employee Benefits	$ 1,338,322	$ 1,350,811
Debt Service		
TPFA GO Bond Debt Service	$ 4,219,698	$ 4,103,086
Lease Payments	2,024	2,270
Subtotal, Debt Service	$ 4,221,722	$ 4,105,356
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 5,560,044	$ 5,456,167

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.

	2008	2009
A. Goal: HISTORICAL PRESERVATION		
Outcome (Results/Impact):		
Number of Properties Designated Annually	2,223	2,267
Number of Individuals Provided Training and Assistance in Historic and Archeological Preservation	42,000	43,600
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	1,800	1,800
A.1.2. Strategy: PRESERVATION TRUST FUND		
Output (Volume):		
Number of Preservation Trust Fund Grants Awarded	33	33
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	190,000	190,000
A.1.4. Strategy: EVALUATE/INTERPRET RESOURCES		
Output (Volume):		
Number of Sites, Properties, and Other Historical Resources Evaluated	6,500	6,500
A.2.1. Strategy: DEVELOPMENT ASSISTANCE		
Output (Volume):		
Number of Properties and Sites Assisted	2,500	2,500

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.

	2006	2007
~~a. Construction of Buildings and Facilities~~		
~~(1) National Museum of the Pacific War~~	~~$ 0~~	~~$ 9,000,000~~
~~b. Acquisition of Information Resource Technologies~~		
~~(1) Personal Computers and Servers~~	~~$ 27,029~~	~~$ 27,029~~
~~c. Transportation Items~~		
~~(1) Purchase of Replacement Underwater Archeology Boat~~	~~$ 85,500~~	~~$ 0~~
~~d. Other Lease Payments to the Master Lease Purchase Program (MLPP)~~		
~~(1) Lease Payments, 2006-07~~	~~$ 7,858~~	~~$ 8,233~~
~~Total, Capital Budget~~	~~$ 120,387~~	~~$ 9,035,262~~
~~Method of Financing (Capital Budget):~~		
~~General Revenue Fund~~	~~$ 34,887~~	~~$ 35,262~~
~~Federal Funds~~	~~72,000~~	~~0~~
~~Appropriated Receipts~~	~~13,500~~	~~0~~
~~Bond Proceeds - Revenue Bonds~~	~~0~~	~~9,000,000~~
~~Total, Method of Financing~~	~~$ 120,387~~	~~$ 9,035,262~~

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Personal Computers, Laptops, Printers, and Servers	$ 55,000	$ 55,000
b. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Lease Payments, 2006-07	$ 8,089	$ 8,055
Total, Capital Budget	$ 63,089	$ 63,055

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 ~~$200,000~~210,000 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, 200~~5~~7. 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, 200~~6~~8, from the sale of these materials are appropriated for the fiscal year beginning September 1, 200~~6~~8.

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 $1,900 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 for the purpose of administering the Historic Cemetery Program for the biennium beginning September 1, 200~~5~~7. In addition to amounts identified herein and included above, all receipts collected on or after September 1, 200~~5~~7 are hereby appropriated for the same purpose.

6. Preservation Trust Fund. Out of the amounts appropriated above in Strategy A.1.2, Preservation Trust Fund, $500,000 in General Revenue funds may be transferred to the General Revenue-Dedicated Preservation Trust Fund Account No. 664 and are hereby appropriated to the General Revenue-Dedicated Preservation Trust Fund Account No. 664. Also included in the amounts appropriated above in Strategy A.1.2, Preservation Trust Fund, from the General Revenue-Dedicated Preservation Trust Fund account are amounts not to exceed $450,775 in fiscal year 200~~6~~8 and $450,775 in fiscal year 200~~7~~9 in interest earnings. In addition, any gifts and donations deposited in the General Revenue-Dedicated Preservation Trust Fund account on or after September 1, 200~~5~~7, are hereby appropriated to Strategy A.1.2, Preservation Trust Fund.

Any unexpended balances as of August 31, 200~~6~~8, out of the appropriations made herein are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 200~~6~~8.

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, 200~~5~~7, transferred from the Office of the Governor, Economic Development and Tourism, and $1 million during the biennium beginning September 1, 200~~5~~7, 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, 200~~6~~8, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 200~~6~~8, 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, 200~~6~~8, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 200~~6~~8, 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 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, 200~~5~~7.

12. ~~**Unexpended Balances:**~~ **Acquisition of Historical Artifacts.** ~~Included in the amounts appropriated above to the Historical Commission are any unexpended balances remaining as of August 31, 2005, from the appropriation made by the Seventy-eighth Legislature for the acquisition of historic artifacts, (estimated to be $0) for the biennium beginning September 1, 2005, for the same purpose.~~ The Historical Commission shall 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 of such acquisition.

13. **Advertisements in Agency Publications.** 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, 200~~5~~7, from the appropriation made to Strategy A.1.5, Courthouse Preservation, (estimated to be $~~600,000~~912,132 in General Revenue funds) for the biennium beginning September 1, 200~~5~~7, for the same purpose. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 200~~5~~7 are hereby appropriated for the same purpose. Any unexpended balances of these funds remaining as of August 31, 200~~6~~8, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 200~~6~~8, 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. **Texas Emancipation Juneteenth Cultural and Historical Commission.** ~~It is the intent of the Legislature that~~Notwithstanding any other provision of this Act, $~~602,645~~467,475 in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation shall be made available during the biennium for the Juneteenth Memorial Monument project if the Juneteenth Memorial Monument project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Emancipation Juneteenth Cultural and Historical Commission in conjunction with the Texas Department of Transportation will review the Juneteenth

Memorial Monument project to determine if the Juneteenth Memorial Monument project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. ~~It is the intent of the Legislature that funds~~Where permitted by the federal grant, funds appropriated above ~~would~~should cover the administration costs of the Juneteenth Memorial Monument project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Juneteenth Memorial Monument project under the Transportation Enhancement Program to other available projects should the Juneteenth Memorial Monument project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

~~It is the intent of the Legislature that the funds~~Funds awarded are to complete the construction of the Juneteenth Memorial Monument project by the end of the ~~2006-07~~2008-09 biennium~~, and that no appropriations be made to the Commission in future biennia.~~

17. ~~**Contingency for House Concurrent Resolution 94**~~**Tejano Monument.** ~~Contingent on passage of House Concurrent Resolution 94, or similar legislation approving the use of public funding from appropriations to complete the construction of a statue, monument, or exhibit on the Capitol grounds honoring contributions of Tejanos, by the Seventy-ninth Legislature, Regular Session, it is the intent of the Legislature that $602,645~~Notwithstanding any other provision in this Act, $1,000,000 in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation shall be made available during the biennium for the Tejano Monument project if the Tejano Monument project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Historical Commission in conjunction with the Texas Department of Transportation will review the Tejano Monument project to determine if the Tejano Monument project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. ~~It is the intent of the Legislature that funds~~Where permitted by the federal grant, funds appropriated above ~~would~~should cover the administration costs of the Tejano Monument project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Tejano Monument project under the Transportation Enhancement Program to other available projects should the Tejano Monument project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

18. **Courthouse Preservation Program Grants.** ~~It is the intent of the Legislature that $80 million~~Notwithstanding any other provision in this Act, $84,150,000 in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation shall be made available during the biennium for courthouse preservation projects whenever such projects are approved by the Texas Historical Commission's Courthouse Preservation Program and meet federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Historical Commission in conjunction with the Texas Department of Transportation will review courthouse preservation projects to determine if courthouse projects meet the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. ~~It is the intent of the Legislature that funds~~Where permitted by the federal grant, funds appropriated above ~~would~~should cover the costs of administering courthouse projects approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for courthouse preservation under the Transportation Enhancement Program to other available projects should such courthouse 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.

19. **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.

20. **Unexpended Balances: National Museum of the Pacific War.** Any unexpended balances in Revenue Bond proceeds for the National Museum of the Pacific War remaining as of August 31, 2007, from the appropriation made to Strategy A.1.4, Evaluate/Interpret Resources, by the Seventy-ninth Legislature, Regular Session, (estimated to be $0) are hereby appropriated to the Historical Commission for the biennium beginning September 1, 2007, for the same purpose. Any unexpended balances of these funds remaining as of August 31, 2008, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2008, for the same purpose.

21. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Historical Commission are made contingent on the continuation of the Historical Commission by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

22. **Contingency Relating to Historic Sites.** It is the intent of the Legislature that additional sporting goods sales tax collections be allocated to the Texas Parks and Wildlife Department and the Texas Historical Commission for the purpose of supporting the state park system, including historical sites, contingent on the transfer of certain historical sites from the Texas Parks and Wildlife Department to the Texas Historical Commission through legislation or agency transfer.

DEPARTMENT OF INFORMATION RESOURCES

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
Other Funds		
Appropriated Receipts	$ 23,050,038	$ 21,799,679
Interagency Contracts	58,547,522	58,490,778
Subtotal, Other Funds	$ 81,597,560	$ 80,290,457
Total, Method of Financing	$ 81,597,560	$ 80,290,457
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	222.5	222.5
Schedule of Exempt Positions:		
Executive Director, Group 5	$135,000	$135,000
Items of Appropriation:		
A. Goal: PROMOTE EFFIC. IR POLICIES/SYSTEMS		
Promote Statewide IR Policies & Innovative, Productive, & Eff Info Sys.		
A.1.1. Strategy: STATEWIDE PLANNING Produce Statewide IR Strategic Plan/Conduct Collaborative Workshops.	$ 666,936	$ 664,472
A.1.2. Strategy: RULE AND GUIDELINE DEVELOPMENT Develop Rules & Guidelines to Establish Statewide Technology Standards.	$ 921,287	$ 923,603
A.1.3. Strategy: STATEWIDE SECURITY Plan Statewide Security for IR Assets.	$ 227,707	$ 227,707
Total, Goal A: PROMOTE EFFIC. IR POLICIES/SYSTEMS	$ 1,815,930	$ 1,815,782

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	$ 8,370,619	$ 6,976,641
Manage Procurement Infrastructure for IT Commodities and Services.		
B.2.1. Strategy: DATA CENTER SERVICES	$ 2,375,226	$ 2,375,226
B.2.2. Strategy: TEXAS ONLINE	$ 772,057	$ 772,058
B.2.3. Strategy: SHARED SVCS AND/OR TECHNOLOGY CTRS	$ 135,019	$ 135,019
Implement and Maintain Shared Services and/or Technology Centers.		
Total, Goal B: MANAGE COST-EFF SVC DEL OF IT	$ 11,652,921	$ 10,258,944
C. Goal: TELECOMMUNICATIONS		
C.1.1. Strategy: CAPITOL COMPLEX TELEPHONE	$ 5,004,327	$ 5,031,765
Maintain and Increase the Capabilities of the CCTS.		
C.2.1. Strategy: NETWORK SERVICES	$ 56,344,664	$ 56,413,599
Maintain Legacy TEX-AN and Provide Enhanced TEX-AN Network Services.		
C.2.2. Strategy: NETWORK & TELECOM SECURITY SERVICES	$ 2,574,511	$ 2,566,060
Provide Network and Telecommunications Security Services.		
Total, Goal C: TELECOMMUNICATIONS	$ 63,923,502	$ 64,011,424
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,501,191	$ 1,500,291
D.1.2. Strategy: INFORMATION RESOURCES	$ 2,085,688	$ 2,085,688
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 618,328	$ 618,328
Total, Goal D: INDIRECT ADMINISTRATION	$ 4,205,207	$ 4,204,307
Grand Total, DEPARTMENT OF INFORMATION RESOURCES	$ 81,597,560	$ 80,290,457
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 13,555,803	$ 13,555,800
Other Personnel Costs	319,920	319,920
Professional Fees and Services	4,481,204	4,481,926
Fuels and Lubricants	6,000	6,000
Consumable Supplies	49,137	49,137
Utilities	1,485,520	1,581,661
Travel	267,176	263,026
Rent - Building	44,009	44,009
Rent - Machine and Other	501	501
Other Operating Expense	59,936,360	58,536,547
Capital Expenditures	1,451,930	1,451,930
Total, Object-of-Expense Informational Listing	$ 81,597,560	$ 80,290,457
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 766,518	$ 778,015
Group Insurance	1,275,585	1,285,039
Social Security	933,664	947,669
Benefits Replacement	84,505	80,279
Subtotal, Employee Benefits	$ 3,060,272	$ 3,091,002

Debt Service		
Lease Payments	$ 1,064,927	$ 1,055,319
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,125,199	$ 4,146,321

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.

	2008	2009
A. Goal: PROMOTE EFFIC. IR POLICIES/SYSTEMS		
A.1.1. Strategy: STATEWIDE PLANNING		
Output (Volume):		
Number of Project Briefs/Issue Papers Produced	7	7
A.1.2. Strategy: RULE AND GUIDELINE DEVELOPMENT		
Efficiencies:		
Average Cost Per Rule, Guideline, and Standard Produced	105	105
B. Goal: MANAGE COST-EFF SVC DEL OF IT		
Outcome (Results/Impact):		
Total Contract Cost Savings/Costs Avoided Per Dollar of Program Operating Cost	35	35
Percent of Monthly Minimum Service Level Targets Achieved for Data Center Services	92	92
B.1.1. Strategy: CONTRACT ADMIN OF IT COMM & SVCS		
Output (Volume):		
Total Contract Savings and Cost Avoidance Provided through DIR Contracts	76,000,000	76,000,000
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	.05	.05
Average Price Per Toll-free Minute on TEX-AN	.05	.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. 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.

	~~2006~~	~~2007~~
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Daily Operations~~	~~$ 29,000~~	~~$ 46,000~~
~~(2) Telecommunications Hardware/Software infrastructure repairs & maintenance~~	~~$ 812,600~~	~~$ 285,000~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 841,600~~	~~$ 331,000~~
~~Total, Capital Budget~~	~~$ 841,600~~	~~$ 331,000~~
~~Method of Financing (Capital Budget):~~		
~~General Revenue Fund~~	~~$ 3,915~~	~~$ 6,210~~

~~Other Funds~~		
~~Appropriated Receipts~~	~~130,280~~	~~52,984~~
~~Interagency Contracts~~	~~707,405~~	~~271,806~~
~~Subtotal, Other Funds~~	~~$ 837,685~~	~~$ 324,790~~
~~Total, Method of Financing~~	~~$ 841,600~~	~~$ 331,000~~

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Daily Operations	$ 50,000	$ 50,000
(2) Telecommunications Hardware/Software Infrastructure Repairs & Maintenance	$ 1,401,930	$ 1,401,930
Total, Acquisition of Information Resource Technologies	$ 1,451,930	$ 1,451,930
Total, Capital Budget	$ 1,451,930	$ 1,451,930
Method of Financing (Capital Budget):		
Other Funds		
Appropriated Receipts	254,870	254,870
Interagency Contracts	1,197,060	1,197,060
Subtotal, Other Funds	$ 1,451,930	$ 1,451,930
Total, Method of Financing	$ 1,451,930	$ 1,451,930

3. DIR Clearing Fund Account. 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~~of Indirect Cost Allocation~~ 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 ~~A~~all balances as of August 31, 200~~5~~7, (estimated to be $1,726,948) and all revenues accruing during the 200~~6~~8-0~~7~~9 biennium (estimated to be $8,370,619 in 2008 and $6,976,641 in 2009 in Strategy B.1.1, Contract Administration of IT Commodities and Services) to the Department of Information Resources ~~c~~Clearing ~~f~~Fund ~~a~~Account. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2007 and all revenue generated on or after September 1, 2007 are hereby appropriated for the same purposes~~are hereby appropriated for the 2006-07 biennium~~.

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 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 made through Cooperative Contracts and Telecommunications Services programs, 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, 2007~~7~~9.

6. TexasOnline Project. Included in the amounts appropriated above in Strategy ~~A.1.2~~B.2.2, Texas Online, is an amount not to exceed ~~$500,000~~ $1,544,115 out of Appropriated Receipts generated by the TexasOnline Project for the 2006~~8~~-07~~0~~9 biennium for the continued operation~~,~~ ~~and~~ expansion, and administration of the TexasOnline Project. 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.

~~8~~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~~'s Office of Budget, Planning and Policy~~ prior to such acquisition.

~~**7. Development of a Statewide Licensing Agreement.** Out of funds appropriated above, the Department of Information Resources shall plan, develop request for information and proposals, and contract negotiations for statewide licensing agreements, as required, for off-the-shelf licensing software. The Department of Information Resources shall assist agencies in the procurement and implementation of the licensing software.~~

~~9~~8. Telecommunications Revolving Account. Out of the funds appropriated above in Strategies C.1.1, Capitol Complex Telephone, and C.2.1, ~~TEX-AN~~ Network Services, is~~approximately $59,289,620~~ $61,348,991 in 2006~~8~~ and ~~$58,762,020~~$61,445,364 in 2007~~9~~ 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.

~~11~~9. State Revenue Share for the TexasOnline Project. It is the intent of the Legislature that the Department of Information Resources with the advice of the Legislative Budget Board and the State Auditor's Office negotiate a contract for the TexasOnline Project as authorized by Sec. 2054.252(d), Government Code. It is the intent of the Legislature that any new contract for the TexasOnline Project maintain~~increase~~ the state's share of revenue to no less than 20 percent of gross receipts from all applicable revenue sources~~beginning in fiscal year 2007~~. It is the intent of the Legislature that before the Department of Information Resources executes a new contract or approves the extension of the current contract for the TexasOnline Project, the Legislative Budget Board and the State Auditor's Office must report to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor regarding the financial details of the contract.

10. **Reporting of Network Security Revolving Fund Account.** In accordance with Government Code 2059, out of funds appropriated above in Strategies A.1.3, Statewide Security and C.2.2 Network and Telecommunication Security Services, is $2,802,218 in 2008 and $2,793,767 in 2009 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. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2007 and all revenue generated on or after September 1, 2007 are hereby appropriated for the same purpose.

Any unexpended balances remaining as of August 31, 2008 in the appropriation made herein are hereby appropriated for the fiscal year beginning September 1, 2008.

For the purposes of reporting expenditures to the Uniform Statewide Accounting System (USAS) and the Automated Budget Evaluation System of Texas (ABEST), the Department of Information Resources shall account for revenues and expenditures of all cost recovery activities related to the security of computer networks in accordance with Government Code, 2059.

~~**10.** **TexasOnline Authority.** Included in the amounts appropriated above in Strategy A.1.2, Texas Online, is $482,062 in 2006 and $482,062 in 2007 out of General Revenue Funds ($964,124 for the biennium) for the TexasOnline Authority to implement and administer electronic services.~~

LIBRARY & ARCHIVES COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 16,068,979	$ 16,194,968
GR Dedicated - Texas Reads Plate Account No. 5042	6,500	5,500
Federal Funds		
Federal Public Library Service Fund No. 118	10,755,426	11,080,426
Federal Funds	467,875	338,875
Subtotal, Federal Funds	$ 11,223,301	$ 11,419,301
Other Funds		
Appropriated Receipts	267,000	168,000
Interagency Contracts	1,314,490	1,231,408
Subtotal, Other Funds	$ 1,581,490	$ 1,399,408
Total, Method of Financing	$ 28,880,270	$ 29,019,177
This bill pattern represents an estimated 90.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	196.2	196.2
Schedule of Exempt Positions:		
Director-Librarian, Group 3	$88,500	$88,500
Items of Appropriation:		
A. Goal: DELIVERY OF SERVICES		
Improve the Availability of Library and Information Services.		
A.1.1. Strategy: LIBRARY RESOURCE SHARING SERVICES	$ 9,712,889	$ 9,848,213
Share Library Resources Among Libraries Statewide.		
A.1.2. Strategy: AID TO LOCAL LIBRARIES	$ 11,894,934	$ 11,866,435
Aid in the Development of Local Libraries.		

A.2.1. Strategy: DISABLED SERVICES Provide Direct Library Services by Mail to Texans with Disabilities.	$ 1,798,616	$ 1,850,371
Total, Goal A: DELIVERY OF SERVICES	$ 23,406,439	$ 23,565,019
B. Goal: PUBLIC ACCESS TO GOV'T INFORMATION Public Access to Government Information.		
B.1.1. Strategy: PROVIDE ACCESS TO INFO & ARCHIVES Provide Access to Information and Archives.	$ 1,468,712	$ 1,468,713
C. Goal: MANAGE STATE/LOCAL RECORDS Cost-effective State/Local Records Management.		
C.1.1. Strategy: MANAGE STATE/LOCAL RECORDS Records Management Services for State/Local Government Officials.	$ 2,175,028	$ 2,098,618
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 1,925,382	$ 1,985,066
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (95,291)	$ (98,239)
Grand Total, LIBRARY & ARCHIVES COMMISSION	$ 28,880,270	$ 29,019,177
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 7,058,283	$ 7,058,283
Other Personnel Costs	226,780	233,940
Professional Fees and Services	248,203	267,677
Fuels and Lubricants	9,760	9,760
Consumable Supplies	160,859	169,375
Utilities	36,420	36,420
Travel	99,849	104,649
Rent - Building	10,139	10,239
Rent - Machine and Other	46,600	46,600
Other Operating Expense	7,105,959	7,292,473
Grants	13,602,869	13,589,862
Capital Expenditures	274,549	199,899
Total, Object-of-Expense Informational Listing	$ 28,880,270	$ 29,019,177
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 404,735	$ 410,806
Group Insurance	1,190,888	1,207,254
Social Security	526,750	534,651
Benefits Replacement	66,385	63,065
Subtotal, Employee Benefits	$ 2,188,758	$ 2,215,776
Debt Service		
Lease Payments	$ 685,442	$ 677,380
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,874,200	$ 2,893,156

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.

	2008	2009
A. Goal: DELIVERY OF SERVICES		
Outcome (Results/Impact):		
Percent of Eligible Population Registered for Talking Book Program Services	7.35%	7.45%
A.1.1. Strategy: LIBRARY RESOURCE SHARING SERVICES		
Output (Volume):		
Number of Persons Provided Project-sponsored Services by Shared Resources	25,000,000	27,000,000
A.1.2. Strategy: AID TO LOCAL LIBRARIES		
Output (Volume):		
Number of Persons Provided Library Project-sponsored Services	4,565,000	4,945,000
A.2.1. Strategy: DISABLED SERVICES		
Output (Volume):		
Number of Persons Served	22,000	22,500
B. Goal: PUBLIC ACCESS TO GOV'T INFORMATION		
Outcome (Results/Impact):		
Percent of Customers Satisfied with State Library Reference and Information Services	95%	95%
B.1.1. Strategy: PROVIDE ACCESS TO INFO & ARCHIVES		
Output (Volume):		
Number of Assists with Information Resources	109,000	106,000
C. Goal: MANAGE STATE/LOCAL RECORDS		
C.1.1. Strategy: MANAGE STATE/LOCAL RECORDS		
Output (Volume):		
Number of Cubic Feet Stored/Maintained	377,800	378,600

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.~~

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Acquisition of New or Replacement Computer Resources for Desktop Workstations and Maintenance of the Agency Network	$ 82,078	$ 80,778
b. Transportation Items		
(1) Acquisition of Mission-Critical Delivery Vehicles for the State Records Management Program	$ 0	$ 18,000
c. Acquisition of Capital Equipment and Items		
(1) Acquisition of Microfilm or Imaging Equipment for the State and Local Records Management Division	70,000	71,225
(2) Library Collection Materials and Public Access Information Resources (including Content Databases)	$ 5,381,321	$ 5,384,874
Total, Acquisition of Capital Equipment and Items	$ 5,451,321	$ 5,456,099
Total, Capital Budget	$ 5,533,399	$ 5,554,877

Method of Financing (Capital Budget):

~~General Revenue Fund~~	~~$ 1,475,507~~	~~$ 1,475,507~~
~~GR Dedicated - Telecommunications Infrastructure Fund No. 345~~	~~2,880,875~~	~~2,880,875~~
~~Federal Public Library Service Fund No. 118~~	~~986,370~~	~~986,370~~
~~Other Funds~~		
~~Appropriated Receipts~~	~~82,947~~	~~86,500~~
~~Interagency Contracts~~	~~107,700~~	~~125,625~~
~~Subtotal, Other Funds~~	~~$ 190,647~~	~~$ 212,125~~
~~Total, Method of Financing~~	~~$ 5,533,399~~	~~$ 5,554,877~~

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.

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Acquisition of New or Replacement Computer Resources for Desktop Workstations and Maintenance of the Agency Network	$ 111,249	$ 84,099
b. Acquisition of Capital Equipment and Items		
(1) Acquisition of Microfilm or Imaging Equipment for the State and Local Records Management Division	47,500	0
(2) Library Collection Materials and Public Access Information Resources (including Content Databases)	$ 5,340,004	$ 5,490,001
Total, Acquisition of Capital Equipment and Items	$ 5,387,503	$ 5,490,001
Total, Capital Budget	$ 5,498,753	$ 5,574,100
Method of Financing (Capital Budget):		
General Revenue Fund	$ 4,138,203	$ 4,138,200
Federal Public Library Service Fund No. 118	1,204,000	1,356,000
Other Funds		
Appropriated Receipts	61,000	61,000
Interagency Contracts	95,550	18,900
Subtotal, Other Funds	$ 156,550	$ 79,900
Total, Method of Financing	$ 5,498,753	$ 5,574,100

3. **Disbursement of Library Development Funds.** The Texas State Library and Archives Commission is hereby authorized to disburse to public libraries, major resource systems, and regional library systems those General Revenue funds appropriated in Strategy A.1.2, Aid to Local Libraries, in a manner consistent with Government Code § 441.138 in order to satisfy the requirements of the federal maintenance of effort provisions in the Museum and Library Services Act of 1996, and federal regulations developed pursuant to that Act. The Commission is also authorized to promulgate rules necessary to administer these disbursements.

4. **Unexpended Balances: Imaging and Storage Fees.** Any unexpended balances on hand as of August 31, ~~2006~~2008, 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, ~~2006~~2008.

5. **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 ~~$30,000~~$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, ~~2005~~2007, as authorized by Government Code § 441.224 for costs associated with the TexShare program.

Any unexpended balances as of August 31, ~~2005~~2007 (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, ~~2005~~2007. Any unexpended balances as of August 31, ~~2006~~2008, are hereby appropriated for the same purpose for the fiscal year beginning September 1, ~~2006~~2008.

6. **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, ~~2007~~2009.

7. **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 ~~$23,000~~$1,000 and included in fiscal year ~~2006~~2008) and revenue collected on or after September 1, ~~2005~~2007, (estimated to be ~~$5,000~~$5,500 in fiscal year ~~2006~~2008 and ~~$5,000~~$5,500 in fiscal year ~~2007~~2009) 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, ~~2005~~2007, and all revenue collected on or after September 1, ~~2005~~2007, are hereby appropriated for the same purpose.

Any unexpended balances as of August 31, ~~2006~~2008, out of the appropriations made herein are hereby appropriated to the State Library and Archives Commission for the fiscal year beginning September 1, ~~2006~~2008.

8. **Report of Reports.** ~~No later than June 1, 2007~~By January 1, 2009, the Texas State Library and Archives Commission, with the assistance of ~~the Comptroller of Public Accounts~~all agencies, shall ~~use funds appropriated above to~~ prepare a complete and detailed written report indexing all ~~statutorily~~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.

9. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Texas State Library and Archives Commission are made contingent on the continuation of the Texas State Library and Archives Commission by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

PENSION REVIEW BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 406,439	$ 445,627
State Pension Review Board Fund No. 662	22,316	22,316
Total, Method of Financing	$ 428,755	$ 467,943
This bill pattern represents an estimated 95.4% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	8.0	8.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$60,000	$60,000
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.	$ 249,026	$ 249,026
A.2.1. Strategy: TECHNICAL ASSISTANCE AND EDUCATION Provide Technical Assistance; Issue Impact Statements; Educate.	$ 190,757	$ 230,757
Total, Goal A: SOUND RETIREMENT SYSTEMS	$ 439,783	$ 479,783
B. Goal: ADMINISTRATIVE REDUCTIONS		
B.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (11,028)	$ (11,840)
Grand Total, PENSION REVIEW BOARD	$ 428,755	$ 467,943
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 360,592	$ 360,592
Other Personnel Costs	9,120	9,120
Professional Fees and Services	16,000	70,000
Consumable Supplies	6,000	6,000
Utilities	1,865	1,865
Travel	10,000	10,000
Rent - Building	500	500
Rent - Machine and Other	5,000	5,000
Other Operating Expense	19,678	4,866
Total, Object-of-Expense Informational Listing	$ 428,755	$ 467,943
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 12,519	$ 12,707
Group Insurance	50,858	51,665
Social Security	25,911	26,299
Benefits Replacement	2,669	2,536
Subtotal, Employee Benefits	$ 91,957	$ 93,207
Debt Service		
Lease Payments	$ 45,368	$ 44,614
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 137,325	$ 137,821

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.

	2008	2009
A. Goal: SOUND RETIREMENT SYSTEMS		
Outcome (Results/Impact):		
Percent of Actuarially Funded Defined Benefit Texas Public Retirement Systems That Are Actuarially or Financially 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	550	350
A.2.1. Strategy: TECHNICAL ASSISTANCE AND EDUCATION		
Output (Volume):		
Number of Technical Assistance Reports Provided by Staff	200	400

~~**2.** **Appropriation for Early Warning System.** It is the intent of the Legislature that out of the amounts appropriated above out of the General Revenue Fund for Strategy A.1.1, Retirement System Reviews ($93,349 in fiscal year 2006 and $50,034 in fiscal year 2007), that the Pension Review Board will develop an early warning system that will analyze, for all actuarially funded public pension plans, the following: (1) the market value of assets at the beginning and end of the quarter; (2) the payments of benefits from the fund during the quarter; (3) the contributions to the fund during the quarter; (4) the number of new retirees during the quarter; (5) the number of active members at the end of the quarter; and (6) any benefit changes to the fund implemented or considered during the quarter.~~

PRESERVATION BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 10,731,694	$ 10,697,171
Other Funds		
Appropriated Receipts	15,000	15,000
Interagency Contracts	6,745	6,745
Subtotal, Other Funds	$ 21,745	$ 21,745
Total, Method of Financing	$ 10,753,439	$ 10,718,916
This bill pattern represents an estimated 36.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	93.7	93.5
Schedule of Exempt Positions:		
Executive Director, Group 4	$115,000	$115,000
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 Preserve State Capitol and Other Designated Buildings and Grounds.	$ 389,775	$ 377,155
A.1.2. Strategy: BUILDING MAINTENANCE Maintain State Capitol and Other Designated Buildings and Grounds.	$ 2,680,520	$ 2,685,760

A.2.1. Strategy: MANAGE EDUCATIONAL PROGRAM Manage Educational Program for State Capitol and Visitors Center.	$ 561,453	$ 562,253
A.2.2. Strategy: MANAGE STATE HISTORY MUSEUM Manage and Operate the Bob Bullock Texas State History Museum.	$ 6,303,818	$ 6,276,245
A.3.1. Strategy: MANAGE ENTERPRISES Manage Events, Exhibits, Activities and Operate Profitable Gift Shops.	$ 34,905	$ 35,115
Total, Goal A: MANAGE CAPITOL AND OTHER BUILDINGS	$ 9,970,471	$ 9,936,528
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	$ 819,488	$ 820,968
C. Goal: ADMINISTRATIVE REDUCTIONS		
C.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (36,520)	$ (38,580)
Grand Total, PRESERVATION BOARD	$ 10,753,439	$ 10,718,916
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,037,111	$ 3,023,871
Other Personnel Costs	88,020	96,360
Professional Fees and Services	25,100	25,100
Fuels and Lubricants	3,830	3,830
Consumable Supplies	49,510	49,520
Utilities	19,920	19,920
Travel	2,500	2,500
Rent - Building	900	900
Rent - Machine and Other	23,235	23,235
Debt Service	6,253,818	6,226,245
Other Operating Expense	1,249,495	1,247,435
Total, Object-of-Expense Informational Listing	$ 10,753,439	$ 10,718,916
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 372,311	$ 377,896
Group Insurance	749,061	752,702
Social Security	453,593	460,397
Benefits Replacement	25,587	24,308
Subtotal, Employee Benefits	$ 1,600,552	$ 1,615,303
Debt Service		
Lease Payments	$ 943,560	$ 1,031,291
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,544,112	$ 2,646,594

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.

	2008	2009
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	265	500
A.1.2. Strategy: BUILDING MAINTENANCE		
Efficiencies:		
Cost Per Building Square Foot of Custodial Care	2	2.04

A.2.1. Strategy: MANAGE EDUCATIONAL PROGRAM		
Output (Volume):		
Number of School-age Tours Conducted at the Visitors Center	950	975
A.2.2. Strategy: MANAGE STATE HISTORY MUSEUM		
Explanatory:		
Number of Visitors to the Museum	500,000	510,000
A.3.1. Strategy: MANAGE ENTERPRISES		
Explanatory:		
Income from Parking Meters	575,000	600,000
Number of Capitol Gift Shop Sales Transactions	82,500	94,500

~~4~~2. **Unexpended Balances: Between Fiscal Years.** Any unexpended balances as of August 31, ~~2006~~2008, from the appropriations made above are hereby appropriated to the State Preservation Board for the same purpose for the fiscal year beginning September 1, ~~2006~~2008.

~~2. **Capitol Fund.** Any funds deposited, including fees and revenue collected or earned, during the biennium beginning September 1, 2005, and any balances remaining as of August 31, 2005, in the Capitol Fund, a fund held outside the Treasury, are to be used for the benefit of the Capitol and associated programs of the agency in accordance with the intentions of the donors and the Legislature.~~

~~5~~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 ~~$6,421,858~~6,253,818 for fiscal year ~~2006~~2008 and ~~$6,358,993~~6,226,245 for fiscal year ~~2007~~2009 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 ~~2006-07~~2008-09 biennium are to be used for insurance payments as required by the Texas Public Finance Authority.

~~3. **Maintaining Paved Surfaces of Capitol Grounds.** It is the intent of the Legislature that the Texas Department of Transportation shall maintain paved surfaces on the State Capitol Grounds according to the Historic Capitol Grounds Master Plan adopted by the State Preservation Board.~~

STATE OFFICE OF RISK MANAGEMENT

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 3,941,410	$ 3,941,410
Interagency Contracts	4,288,930	4,288,930
Total, Method of Financing	$ 8,230,340	$ 8,230,340
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	122.0	122.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$95,000	$95,000
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.	$ 2,003,228	$ 2,003,228

A.2.1. Strategy: PAY WORKERS' COMPENSATION Review Claims, Determine Liability and Pay Eligible Claims.	$ 6,227,112	$ 6,227,112
Total, Goal A: MANAGE RISK AND ADMINISTER CLAIMS	$ 8,230,340	$ 8,230,340
Grand Total, STATE OFFICE OF RISK MANAGEMENT	$ 8,230,340	$ 8,230,340
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,880,770	$ 4,880,770
Other Personnel Costs	126,840	126,840
Professional Fees and Services	2,459,239	2,459,239
Consumable Supplies	53,944	53,944
Utilities	6,091	6,091
Travel	118,070	118,070
Rent - Building	6,036	6,036
Rent - Machine and Other	25,833	25,833
Other Operating Expense	553,517	553,517
Total, Object-of-Expense Informational Listing	$ 8,230,340	$ 8,230,340
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 304,631	$ 309,201
Group Insurance	655,917	659,722
Social Security	376,579	382,228
Benefits Replacement	22,498	21,373
Subtotal, Employee Benefits	$ 1,359,625	$ 1,372,524
Debt Service		
Lease Payments	$ 253,670	$ 249,457
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,613,295	$ 1,621,981

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 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.

	2008	2009
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	302.41	302.41
Cost of Workers' Compensation Coverage per $100 State Payroll	.95	.95
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	149,000	149,000
Number of Indemnity Bills Paid	45,000	45,000
Efficiencies:		
Average Cost to Administer Claim	544	544

42. **Appropriation of Unexpended Balances for Cost Containment and Workers' Compensation Networks.** Included in the amounts amounts appropriated above in Strategy A.2.1, Pay Workers' Compensation is $2,400,000 in each fiscal year out of Interagency Contract receipts to be used for the purpose of paying the medical cost containment vendor

and workers' compensation network contracts. Any unexpended balances remaining as of August 31, ~~2006~~2008, out of appropriations made 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, ~~2006~~2008 to be applied toward assessments charged to state agencies for the medical cost containment vendor and workers' compensation network contracts for fiscal year ~~2007~~2009.

~~**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.~~

	~~2006~~	~~2007~~
~~Out of Interagency Contracts:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Upgrade Personal Computers~~	~~$ 93,000~~	~~$ 93,000~~
~~Total, Capital Budget~~	~~$ 93,000~~	~~$ 93,000~~

3. Sunset Contingency. Funds appropriated above for fiscal year 2009 for the State Office of Risk Management are made contingent on the continuation of the State Office of Risk Management by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

~~**3. Risk Management Guide for State Agencies.** The State Office of Risk Management shall maintain a risk management guide for all state agencies.~~

WORKERS' COMPENSATION PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
Other Funds		
Interagency Contracts	$ 45,307,250	$ 45,307,250
Subrogation Receipts	567,750	567,750
Subtotal, Other Funds	$ 45,875,000	$ 45,875,000
Total, Method of Financing	$ 45,875,000	$ 45,875,000
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	$ 45,875,000	$ 45,875,000 & UB
Grand Total, WORKERS' COMPENSATION PAYMENTS	$ 45,875,000	$ 45,875,000
Object-of-Expense Informational Listing:		
Other Operating Expense	$ 45,875,000	$ 45,875,000
Total, Object-of-Expense Informational Listing	$ 45,875,000	$ 45,875,000

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.

WORKERS' COMPENSATION PAYMENTS
(Continued)

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), ~~it is the intent of the Legislature that~~ 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.

4. **Sunset Contingency.** Funds appropriated above for Workers' Compensation Payments are made contingent on the continuation of the State Office of Risk Management by the Eighteith Legislature. In the event that the State Office of Risk Management is not continued, the funds appropriated above are hereby appropriated to the successor agency designated to pay workers' compensation payments.

SECRETARY OF STATE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 22,090,584	$ 9,830,190
Federal Funds	2,808,381	1,414,291
Appropriated Receipts	6,377,681	6,313,921
Total, Method of Financing	$ 31,276,646	$ 17,558,402
This bill pattern represents an estimated 99.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	244.5	244.5
Schedule of Exempt Positions:		
Secretary of State, Group 4	$117,516	$117,516
Items of Appropriation:		
A. Goal: INFORMATION MANAGEMENT		
Provide and Process Information Efficiently; Enforce Laws/Rules.		
A.1.1. Strategy: DOCUMENT FILING	$ 10,210,477	$ 10,402,969
File/Reject Statutory Filings.		
A.2.1. Strategy: DOCUMENT PUBLISHING	$ 1,039,816	$ 882,659 & UB
Publish the Texas Register, Texas Administrative Code and Session Laws.		
Total, Goal A: INFORMATION MANAGEMENT	$ 11,250,293	$ 11,285,628
B. Goal: ADMINISTER ELECTION LAWS		
Maintain Uniformity & Integrity of Elections; Oversee Election Process.		
B.1.1. Strategy: ELECTIONS ADMINISTRATION	$ 3,092,637	$ 3,148,058
Provide Statewide Elections Administration.		

B.1.2. Strategy: ELECTION/VOTER REGISTRATION FUNDS	$ 12,105,175	$ 569,316 & UB
Manage Primary Election Funds; Reimburse Voter Registration Postage.		
B.1.3. Strategy: CONSTITUTIONAL AMENDMENTS	$ 959,200	$ 62,865 & UB
Publish and Interpret Constitutional Amendments.		
B.1.4. Strategy: ELECTIONS IMPROVEMENT	$ 2,808,381	$ 1,414,291
Administer the Federal Help America Vote Act (HAVA).		
Total, Goal B: ADMINISTER ELECTION LAWS	$ 18,965,393	$ 5,194,530
C. Goal: INTERNATIONAL PROTOCOL		
C.1.1. Strategy: PROTOCOL/BORDER AFFAIRS	$ 390,359	$ 396,720
Provide Protocol Services and Representation on Border Issues.		
C.1.2. Strategy: COLONIAS INITIATIVES	$ 670,601	$ 681,524
Improve Physical Living Conditions in Colonias.		
Total, Goal C: INTERNATIONAL PROTOCOL	$ 1,060,960	$ 1,078,244
Grand Total, SECRETARY OF STATE	$ 31,276,646	$ 17,558,402
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 10,821,079	$ 10,981,634
Other Personnel Costs	371,876	377,453
Professional Fees and Services	255,606	260,718
Fuels and Lubricants	250	249
Consumable Supplies	176,743	180,278
Utilities	11,425	11,655
Travel	207,118	215,373
Rent - Building	33,281	33,945
Rent - Machine and Other	67,433	68,782
Other Operating Expense	7,379,377	4,461,714
Grants	10,935,857	0
Capital Expenditures	1,016,601	966,601
Total, Object-of-Expense Informational Listing	$ 31,276,646	$ 17,558,402
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 637,041	$ 646,597
Group Insurance	1,479,517	1,495,241
Social Security	835,215	847,743
Benefits Replacement	109,310	103,844
Subtotal, Employee Benefits	$ 3,061,083	$ 3,093,425
Debt Service		
Lease Payments	$ 814,865	$ 805,236
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,875,948	$ 3,898,661

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.

	2008	2009
A. Goal: INFORMATION MANAGEMENT		
Outcome (Results/Impact):		
Percent of Business, Commercial, and Public Filings and Information Requests Completed in Three Days	97%	97%

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	3,700,500	3,700,500
Efficiencies:		
Average Cost Per Business, Commercial, and Public Filings Transaction and Public Information Request	1.75	1.78
A.2.1. Strategy: DOCUMENT PUBLISHING		
Efficiencies:		
Average Cost per Texas Register and Administrative Code Published	14,500	14,500
B. Goal: ADMINISTER ELECTION LAWS		
B.1.1. Strategy: ELECTIONS ADMINISTRATION		
Output (Volume):		
Number of Election Officials Assisted or Advised	75,533	47,208
Efficiencies:		
Average Cost per Election Authority Assisted or Advised	25.72	41.84
B.1.3. Strategy: CONSTITUTIONAL AMENDMENTS		
Output (Volume):		
Number of Constitutional Amendment Translations Mailed	1,800,300	0
C. Goal: INTERNATIONAL PROTOCOL		
C.1.2. Strategy: COLONIAS INITIATIVES		
Output (Volume):		
Count of Collaborative Meetings Coordinated	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 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.~~

	~~2006~~	~~2007~~
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Statewide Voter Registration System~~	~~$ 722,546~~	~~$ 722,546~~
~~(2) Acquisition of Information Resource Technologies~~	~~$ 390,000~~	~~$ 390,000~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 1,112,546~~	~~$ 1,112,546~~
~~Total, Capital Budget~~	~~$ 1,112,546~~	~~$ 1,112,546~~
~~Method of Financing (Capital Budget):~~		
~~Federal Funds~~	~~$ 731,213~~	~~$ 731,213~~
~~Appropriated Receipts~~	~~381,333~~	~~381,333~~
~~Total, Method of Financing~~	~~$ 1,112,546~~	~~$ 1,112,546~~

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.

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Replacement and Upgrade of Hardware and Software	$ 390,000	$ 390,000
(2) Rewrite of Existing Uniform Commercial Code Applications	$ 500,000	$ 0
(3) Upgrade Business Entity Website	$ 0	$ 450,000
(4) Web Portal for the Texas Register	$ 126,600	$ 126,600
Total, Acquisition of Information Resource Technologies	$ 1,016,600	$ 966,600
Total, Capital Budget	$ 1,016,600	$ 966,600
Method of Financing (Capital Budget):		
General Revenue	$ 126,000	$ 126,600
Appropriated Receipts	890,000	840,000
Total, Method of Financing	$ 1,016,600	$ 966,600

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 ~~20~~11 proposed constitutional amendments or referendum items. In the event that the number of proposed constitutional amendments or referendum items exceeds ~~20~~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 ~~2006~~2008 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. ~~**Unexpended Balances Between Biennia:**~~ **General Revenue-Dedicated Election Improvement Fund.** ~~In addition to~~Included in amounts appropriated above, ~~there is hereby appropriated to~~ in Strategy B.1.4, Elections Improvement, are all balances (excluding interest earned in the account) remaining in the General Revenue-Dedicated Election Improvement Fund No. 5095 as of August 31, ~~2005~~2007, (estimated to be ~~$0~~$4,222,672 in Federal Funds) for the biennium beginning September 1, ~~2005~~2007, to carry out provisions of the Help America Vote Act (HAVA)~~as implemented in House Bill 1549, Seventy-eighth Legislature, Regular Session~~. 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.

OFFICE OF STATE-FEDERAL RELATIONS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 777,601	$ 777,601
Other Funds		
Appropriated Receipts	3,250	0
Interagency Contracts	180,000	180,000
Subtotal, Other Funds	$ 183,250	$ 180,000
Total, Method of Financing	$ 960,851	$ 957,601
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	7.0	7.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$98,625	$98,625
Items of Appropriation:		
A. Goal: INFLUENCE FEDERAL ACTION		
Increase Influence over Federal Action.		
A.1.1. Strategy: ACTION PLANS Monitor Issues and Recommend Action, Implement Action Plans.	$ 677,665	$ 677,665
A.1.2. Strategy: REGULAR REPORTS Distribute Timely Information and Regular Reports.	$ 127,666	$ 124,416
Total, Goal A: INFLUENCE FEDERAL ACTION	$ 805,331	$ 802,081
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	$ 155,520	$ 155,520
Grand Total, OFFICE OF STATE-FEDERAL RELATIONS	$ 960,851	$ 957,601
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 399,825	$ 399,824
Other Personnel Costs	4,840	4,898
Professional Fees and Services	247,850	246,004
Consumable Supplies	3,999	3,986
Utilities	13,000	12,956
Travel	10,821	10,784
Rent - Building	197,172	197,828
Rent - Machine and Other	9,899	9,866
Other Operating Expense	73,445	71,455
Total, Object-of-Expense Informational Listing	$ 960,851	$ 957,601
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		

Retirement	$ 26,437	$ 26,834
Group Insurance	36,067	36,544
Social Security	31,497	31,970
Benefits Replacement	1,853	1,761
Subtotal, Employee Benefits	$ 95,854	$ 97,109
Debt Service		
Lease Payments	$ 2,149	$ 2,418
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 98,003	$ 99,527

1. **Performance Measure Targets.** 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.

	2008	2009
A. Goal: INFLUENCE FEDERAL ACTION		
Outcome (Results/Impact):		
Texas' Proportionate Share of Federal Funding	6.52%	6.52%
Percent of Customers Satisfied with OSFR Services	98%	98%
A.1.2. Strategy: REGULAR REPORTS		
Efficiencies:		
Percentage of Responses within Two Business Days	98%	98%

2. **Cost of Living Salary Supplement.** 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.

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

3. **Information and Assistance Requirements.** 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.** 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.** 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 $1,000 per month, per agency.

6. **Unexpended Balances: Between Fiscal Years Within The Biennium.** Any unexpended balances as of August 31, 200~~6~~8, 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, 200~~6~~8.

7. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Office of State-Federal Relations are made contingent on the continuation of the Office of State-Federal Relations by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

VETERANS COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 3,996,656	$ 3,996,653
GR Dedicated - Air Force Association of Texas Plates, No. 5123	7,500	7,500
Federal Funds	10,860,068	10,860,068
Total, Method of Financing	$ 14,864,224	$ 14,864,221
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	320.7	320.7
Schedule of Exempt Positions:		
Executive Director, Group 3	$90,000	$90,000
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.	$ 3,434,162	$ 3,434,161
A.1.2. Strategy: VETERANS EMPLOYMENT SERVICES	$ 8,990,135	$ 8,990,135
A.1.3. Strategy: VETERANS EDUCATION	$ 771,312	$ 771,311
A.1.4. Strategy: OUTREACH AND MARKETING	$ 279,000	$ 279,000
Total, Goal A: ASSIST VETS W/RECEIVING BENEFITS	$ 13,474,609	$ 13,474,607
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,411,996	$ 1,411,996
C. Goal: ADMINISTRATIVE REDUCTIONS		
C.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (22,381)	$ (22,382)
Grand Total, VETERANS COMMISSION	$ 14,864,224	$ 14,864,221
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 11,208,818	$ 11,208,818
Other Personnel Costs	315,512	315,271
Professional Fees and Services	45,500	45,500
Consumable Supplies	128,033	128,033
Utilities	14,932	14,932
Travel	422,124	422,123
Rent - Building	2,160,836	2,160,836
Rent - Machine and Other	30,069	30,069
Other Operating Expense	530,900	531,139
Grants	7,500	7,500
Total, Object-of-Expense Informational Listing	$ 14,864,224	$ 14,864,221

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

Employee Benefits		
Retirement	$ 402,177	$ 408,210
Group Insurance	1,267,626	1,289,028
Social Security	494,525	501,943
Benefits Replacement	53,839	51,147
Subtotal, Employee Benefits	$ 2,218,167	$ 2,250,328
Debt Service		
Lease Payments	$ 2,186	$ 2,466
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,220,353	$ 2,252,794

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.

	2008	2009
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	1,109	1,131
Amount of VA Monetary Awards (in Millions of Dollars) Paid Because of Commission Advocacy in Claims Representation for Widows or Orphans of Veterans	198.5	198.5
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	63,000	63,000
Number of Active Veterans Benefits Cases for Veterans, Their Widows, or Their Orphans Represented by the Texas Veterans Commission	138,000	140,000
Number of Appeals of Unfavorable Veterans Affairs Decisions Filed on Behalf of Veterans, Their Widows, or Their Orphans	11,000	11,000
A.1.2. Strategy: VETERANS EMPLOYMENT SERVICES		
Output (Volume):		
Veterans Employment Services Customers Served	96,000	97,000

~~3~~2. **Appropriation of All License Plate Unexpended Balances and Receipts.** ~~In addition to~~Included in ~~the~~ amounts appropriated above in Strategy A.1.1, Claims ~~Assistance~~Representation and Counseling, 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, 200~~5~~7, (estimated to be ~~$0~~$7,500 each fiscal year) from the sale of license plates as provided by Transportation Code §§ 504.413 and 504.630 and deposited to the credit of the General Revenue-Dedicated American Legion, Department of Texas ~~a~~Account and the General Revenue-Dedicated Air Force Association of Texas Plates ~~a~~Account No. 5123 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, 200~~5~~7, and all revenue collected on or after September 1, 200~~5~~7 are hereby appropriated for the same purpose.

Any unexpended balances remaining as of August 31, 200~~6~~8, in the appropriation made herein are hereby appropriated for the fiscal year beginning September 1, 200~~6~~8.

~~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 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.~~

	~~2006~~	~~2007~~
~~Out of Federal Funds:~~		
~~a. Repair or Rehabilitation of Buildings and Facilities~~		
~~(1) Repair or Rehabilitation of Buildings and Facilities~~	~~$ 0~~	~~$ 50,611~~
~~b. Acquisition of Information Resource Technologies~~		
~~(1) Phone System Replacement~~	~~0~~	~~195~~
~~(2) LAN/WAN Area Upgrade & Replacement~~	~~0~~	~~22,147~~
~~(3) PeopleSoft Financials 8.8 Upgrade~~	~~0~~	~~3,195~~
~~(4) Program Integrity & Fraud Detection Development Project~~	~~0~~	~~1,560~~
~~(5) Operations Infrastructure~~	~~$ 0~~	~~$ 2,840~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 0~~	~~$ 29,937~~
~~Total, Capital Budget~~	~~$ 0~~	~~$ 80,548~~

43. **Visitation Program to Wounded and Disabled Veterans.** ~~It is the intent of the Legislature that, within the scope of its statutory authority and out of the funds~~ Included in the amounts appropriated above in Strategy A.1.1, Claims ~~Assistance~~ Representation and Counseling, ~~in~~ is the amount of $52,000 in General Revenue each fiscal year, ~~the Veterans Commission shall~~ to ~~implement a program providing~~ 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.

4. **Cash Flow Contingency.** Contingent upon the receipt of Federal funds appropriated in 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 to be received in each fiscal year of the biennium. The General Revenue amounts utilized above the 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, 2009. All transfers of General Revenue shall be reported by the Commission to the Legislative Budget Board and the Governor.

5. **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 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.

6. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Texas Veterans Commission are made contingent on the continuation of the Texas Veterans Commission by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 65,323,136	$ 65,709,240
General Revenue Dedicated Accounts, estimated	1,303,204	1,316,871
Federal Funds, estimated	17,378,091	18,063,681
Other Funds		
Other Special State Funds, estimated	568,952	573,570
State Highway Fund No. 006, estimated	611,769	617,657
Subtotal, Other Funds	$ 1,180,721	$ 1,191,227
Total, Method of Financing	$ 85,185,152	$ 86,281,019
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 26,513,414	$ 26,911,114
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 58,671,738	$ 59,369,905
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 85,185,152	$ 86,281,019
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 85,185,152	$ 86,281,019

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 29,565,211	$ 29,944,879
General Revenue Dedicated Accounts, estimated	556,965	561,778
Federal Funds, estimated	5,765,116	5,684,894
Other Funds		
Other Special State Funds, estimated	237,559	240,905
State Highway Fund No. 006, estimated	336,612	340,126
Subtotal, Other Funds	$ 574,171	$ 581,031
Total, Method of Financing	$ 36,461,463	$ 36,772,582
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH -- EMPLOYER State Match — Employer. Estimated.	$ 32,833,747	$ 33,326,252
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	$ 3,627,716	$ 3,446,330
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 36,461,463	$ 36,772,582
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 36,461,463	$ 36,772,582

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 7,593,039	$ 8,122,023
GR Dedicated - Texas Military Revolving Loan Account No. 5114	23,864,456	24,396,179
Total, Method of Financing	$ 31,457,495	$ 32,518,202
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	$ 31,457,495	$ 32,518,202 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 31,457,495	$ 32,518,202

LEASE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 12,453,200	$ 12,401,116
Subtotal, General Revenue Fund	$ 12,453,200	$ 12,401,116
Total, Method of Financing	$ 12,453,200	$ 12,401,116
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 12,453,200	$ 12,401,116 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 12,453,200	$ 12,401,116

RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(General Revenue)

	For the Years Ending August 31, 2008	August 31, 2009
Commission on the Arts	$ 1,246,607	$ 1,154,405
Office of the Attorney General	161,715,243	165,732,438
Bond Review Board	528,668	528,631
Building and Procurement Commission	31,886,225	31,886,225
Cancer Council	3,285,677	3,282,543
Comptroller of Public Accounts	198,516,726	198,516,726
Fiscal Programs - Comptroller of Public Accounts	236,781,970	238,838,132
Employees Retirement System	14,832,022	15,400,343
Texas Ethics Commission	1,817,116	1,815,291
Public Finance Authority	533,068	543,023
Fire Fighters' Pension Commissioner	1,204,084	1,237,644
Office of the Governor	9,806,217	9,006,217
Trusteed Programs Within the Office of the Governor	118,602,981	27,445,671
Historical Commission	8,525,140	7,158,560
Library & Archives Commission	16,068,979	16,194,968
Pension Review Board	406,439	445,627
Preservation Board	10,731,694	10,697,171
State Office of Risk Management	3,941,410	3,941,410
Secretary of State	22,090,584	9,830,190
Office of State-Federal Relations	777,601	777,601
Veterans Commission	3,996,656	3,996,653
Subtotal, General Government	$ 847,295,107	$ 748,429,469
Retirement and Group Insurance	65,323,136	65,709,240
Social Security and Benefit Replacement Pay	29,565,211	29,944,879
Subtotal, Employee Benefits	$ 94,888,347	$ 95,654,119
Bond Debt Service Payments	7,593,039	8,122,023
Lease Payments	12,453,200	12,401,116
Subtotal, Debt Service	$ 20,046,239	$ 20,523,139
TOTAL, ARTICLE I - GENERAL GOVERNMENT	$ 962,229,693	$ 864,606,727

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

	For the Years Ending August 31, 2008	August 31, 2009
Commission on the Arts	$ 1,535,397	$ 1,627,600
Office of the Attorney General	89,472,668	96,719,872
Building and Procurement Commission	2,076,128	2,076,130
Cancer Council	12,000	12,000
Fiscal Programs - Comptroller of Public Accounts	40,862,339	17,699,498
Commission on State Emergency Communications	59,915,887	60,644,746
Employees Retirement System	1,800,000	1,900,000
Trusteed Programs Within the Office of the Governor	181,875,168	30,828,168
Historical Commission	450,775	450,775
Library & Archives Commission	6,500	5,500
Veterans Commission	7,500	7,500
Subtotal, General Government	$ 378,014,362	$ 211,971,789
Retirement and Group Insurance	1,303,204	1,316,871
Social Security and Benefit Replacement Pay	556,965	561,778
Subtotal, Employee Benefits	$ 1,860,169	$ 1,878,649
Bond Debt Service Payments	23,864,456	24,396,179
Subtotal, Debt Service	$ 23,864,456	$ 24,396,179
TOTAL, ARTICLE I - GENERAL GOVERNMENT	$ 403,738,987	$ 238,246,617

RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(Federal Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Commission on the Arts	$ 863,500	$ 863,500
Office of the Attorney General	202,401,603	195,373,083
Fiscal Programs - Comptroller of Public Accounts	1,209,374	1,209,374
Trusteed Programs Within the Office of the Governor	70,607,063	63,753,858
Historical Commission	937,351	863,851
Library & Archives Commission	11,223,301	11,419,301
Secretary of State	2,808,381	1,414,291
Veterans Commission	10,860,068	10,860,068
Subtotal, General Government	$ 300,910,641	$ 285,757,326
Retirement and Group Insurance	17,378,091	18,063,681
Social Security and Benefit Replacement Pay	5,765,116	5,684,894
Subtotal, Employee Benefits	$ 23,143,207	$ 23,748,575
TOTAL, ARTICLE I - GENERAL GOVERNMENT	$ 324,053,848	$ 309,505,901

RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(Other Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Commission on the Arts	$ 1,510,405	$ 1,510,405
Office of the Attorney General	19,272,659	19,295,083
Building and Procurement Commission	15,682,991	15,682,991
Comptroller of Public Accounts	395,830	395,830
Commission on State Emergency Communications	240,000	240,000
Texas Ethics Commission	33,190	33,190
Public Finance Authority	339,042	339,042
Fire Fighters' Pension Commissioner	31,500	31,500
Office of the Governor	412,102	412,102
Trusteed Programs Within the Office of the Governor	202,949,873	3,022,571
Historical Commission	1,978,052	1,978,052
Department of Information Resources	81,597,560	80,290,457
Library & Archives Commission	1,581,490	1,399,408
Pension Review Board	22,316	22,316
Preservation Board	21,745	21,745
State Office of Risk Management	4,288,930	4,288,930
Workers' Compensation Payments	45,875,000	45,875,000
Secretary of State	6,377,681	6,313,921
Office of State-Federal Relations	183,250	180,000
Subtotal, General Government	$ 382,793,616	$ 181,332,543
Retirement and Group Insurance	1,180,721	1,191,227
Social Security and Benefit Replacement Pay	574,171	581,031
Subtotal, Employee Benefits	$ 1,754,892	$ 1,772,258
Less Interagency Contracts	$ 131,791,605	$ 131,618,994
TOTAL, ARTICLE I - GENERAL GOVERNMENT	$ 252,756,903	$ 51,485,807

RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(All Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Commission on the Arts	$ 5,155,909	$ 5,155,910
Office of the Attorney General	472,862,173	477,120,476
Bond Review Board	528,668	528,631
Building and Procurement Commission	49,645,344	49,645,346
Cancer Council	3,297,677	3,294,543
Comptroller of Public Accounts	198,912,556	198,912,556
Fiscal Programs - Comptroller of Public Accounts	278,853,683	257,747,004
Commission on State Emergency Communications	60,155,887	60,884,746
Employees Retirement System	16,632,022	17,300,343
Texas Ethics Commission	1,850,306	1,848,481
Public Finance Authority	872,110	882,065
Fire Fighters' Pension Commissioner	1,235,584	1,269,144
Office of the Governor	10,218,319	9,418,319
Trusteed Programs Within the Office of the Governor	574,035,085	125,050,268
Historical Commission	11,891,318	10,451,238
Department of Information Resources	81,597,560	80,290,457
Library & Archives Commission	28,880,270	29,019,177
Pension Review Board	428,755	467,943
Preservation Board	10,753,439	10,718,916
State Office of Risk Management	8,230,340	8,230,340
Workers' Compensation Payments	45,875,000	45,875,000
Secretary of State	31,276,646	17,558,402
Office of State-Federal Relations	960,851	957,601
Veterans Commission	14,864,224	14,864,221
Subtotal, General Government	$ 1,909,013,726	$ 1,427,491,127
Retirement and Group Insurance	85,185,152	86,281,019
Social Security and Benefit Replacement Pay	36,461,463	36,772,582
Subtotal, Employee Benefits	$ 121,646,615	$ 123,053,601
Bond Debt Service Payments	31,457,495	32,518,202
Lease Payments	12,453,200	12,401,116
Subtotal, Debt Service	$ 43,910,695	$ 44,919,318
Less Interagency Contracts	$ 131,791,605	$ 131,618,994
TOTAL, ARTICLE I - GENERAL GOVERNMENT	$ 1,942,779,431	$ 1,463,845,052
Number of Full-Time-Equivalents (FTE)	9,667.6	9,667.4

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, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 141,389,630	$ 142,919,858
GR Match for Federal Funds (Older Americans Act)	4,014,449	4,014,449
GR Certified as Match for Medicaid	169,287,712	170,208,035
GR Match for Medicaid	1,731,331,429	1,764,549,672
Subtotal, General Revenue Fund	$ 2,046,023,220	$ 2,081,692,014
General Revenue Fund - Dedicated		
Home Health Services Account No. 5018	1,868,984	1,868,984
Texas Special Olympic License Plates Account No. 5055, estimated	4,620	4,620
Quality Assurance Account No. 5080	54,921,479	53,284,905
Texas Capital Trust Fund Account No. 543	139,802	139,803
Medicaid Estate Recovery Account No. 5109	0	0
Subtotal, General Revenue Fund - Dedicated	$ 56,934,885	$ 55,298,312
Federal Funds	3,174,758,400	3,162,647,343
Other Funds		
Interagency Contracts	22,371,885	22,371,884
Bond Proceeds - General Obligation Bonds	7,412,004	0
MR Collections for Patient Support and Maintenance	16,134,086	16,126,127
MR Appropriated Receipts	709,604	709,333
MR Revolving Fund Receipts	82,160	82,160
Appropriated Receipts	1,575,968	1,575,968
Subtotal, Other Funds	$ 48,285,707	$ 40,865,472
Total, Method of Financing	$ 5,326,002,212	$ 5,340,503,141
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 504,791	$ 505,492
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):	14,366.4	14,366.4
Schedule of Exempt Positions:		
Commissioner, Group 6	$141,000	$141,000
Items of Appropriation:		
A. Goal: LONG-TERM SERVICES AND SUPPORTS		
A.1.1. Strategy: INTAKE, ACCESS, & ELIGIBILITY Intake, Access, and Eligibility to Services and Supports.	$ 125,352,199	$ 125,352,199
A.1.2. Strategy: GUARDIANSHIP	$ 5,503,911	$ 5,503,911
A.2.1. Strategy: PRIMARY HOME CARE	$ 417,483,824	$ 429,044,861
A.2.2. Strategy: COMMUNITY ATTENDANT SERVICES	$ 277,807,383	$ 277,050,196
A.2.3. Strategy: DAY ACTIVITY & HEALTH SERVICES Day Activity and Health Services (DAHS).	$ 100,163,980	$ 104,790,853

A.3.1. Strategy: COMMUNITY-BASED ALTERNATIVES Community-based Alternatives (CBA).	$ 430,802,141	$ 429,653,704
A.3.2. Strategy: HOME AND COMMUNITY-BASED SERVICES Home and Community-based Services (HCS).	$ 450,404,596	$ 449,176,065
A.3.3. Strategy: COMMUNITY LIVING ASSISTANCE (CLASS) Community Living Assistance and Support Services (CLASS).	$ 114,935,429	$ 114,621,309
A.3.4. Strategy: DEAF-BLIND MULTIPLE DISABILITIES Deaf-Blind Multiple Disabilities (DBMD).	$ 6,175,932	$ 6,175,932
A.3.5. Strategy: MEDICALLY DEPENDENT CHILDREN PGM Medically Dependent Children Program (MDCP).	$ 20,489,311	$ 20,433,342
A.3.6. Strategy: CONSOLIDATED WAIVER PROGRAM	$ 3,284,330	$ 3,284,330
A.3.7. Strategy: TEXAS HOME LIVING WAIVER	$ 5,624,979	$ 5,609,604
A.4.1. Strategy: NON-MEDICAID SERVICES	$ 128,856,442	$ 128,856,441
A.4.2. Strategy: MR COMMUNITY SERVICES Mental Retardation Community Services.	$ 96,277,726	$ 96,277,727
A.4.3. Strategy: PROMOTING INDEPENDENCE PLAN Promoting Independence through Outreach, Awareness, and Relocation.	$ 1,300,000	$ 1,300,000
A.4.4. Strategy: IN-HOME AND FAMILY SUPPORT	$ 4,106,091	$ 4,106,091
A.4.5. Strategy: MENTAL RETARDATION IN-HOME SERVICES	$ 5,000,000	$ 5,000,000
A.5.1. Strategy: ALL-INCLUSIVE CARE - ELDERLY (PACE) Program of All-inclusive Care for the Elderly (PACE).	$ 25,051,060	$ 25,051,060
A.6.1. Strategy: NURSING FACILITY PAYMENTS	$ 1,782,005,360	$ 1,764,323,118
A.6.2. Strategy: MEDICARE SKILLED NURSING FACILITY	$ 141,561,352	$ 146,920,759
A.6.3. Strategy: HOSPICE	$ 192,089,299	$ 208,664,217
A.6.4. Strategy: PROMOTING INDEPENDENCE SERVICES Promote Independence by Providing Community-based Client Services.	$ 82,019,243	$ 89,118,463
A.7.1. Strategy: INTERMEDIATE CARE FACILITIES - MR Intermediate Care Facilities - Mental Retardation (ICF/MR).	$ 313,285,511	$ 312,434,637
A.8.1. Strategy: MR STATE SCHOOLS SERVICES	$ 459,618,277	$ 458,362,489
A.9.1. Strategy: CAPITAL REPAIRS AND RENOVATIONS	$ 7,693,834	$ 281,831
Total, Goal A: LONG-TERM SERVICES AND SUPPORTS	$ 5,196,892,210	$ 5,211,393,139
B. Goal: REGULATION, CERTIFICATION, OUTREACH Regulation, Certification, and Outreach.		
B.1.1. Strategy: FACILITY/COMMUNITY-BASED REGULATION Facility and Community-Based Regulation.	$ 56,639,514	$ 56,639,514
B.1.2. Strategy: CREDENTIALING/CERTIFICATION	$ 1,064,816	$ 1,064,816
B.1.3. Strategy: LTC QUALITY OUTREACH Long-Term Care Quality Outreach.	$ 5,751,339	$ 5,751,339
Total, Goal B: REGULATION, CERTIFICATION, OUTREACH	$ 63,455,669	$ 63,455,669
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 34,194,835	$ 34,194,835
C.1.2. Strategy: IT PROGRAM SUPPORT Information Technology Program Support.	$ 22,078,391	$ 22,078,391
C.1.3. Strategy: OTHER SUPPORT SERVICES	$ 9,381,107	$ 9,381,107
Total, Goal C: INDIRECT ADMINISTRATION	$ 65,654,333	$ 65,654,333
Grand Total, DEPARTMENT OF AGING AND DISABILITY SERVICES	$ 5,326,002,212	$ 5,340,503,141
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 416,694,385	$ 416,694,385
Other Personnel Costs	20,245,344	20,245,345

Professional Fees and Services	55,583,092	55,583,093
Fuels and Lubricants	1,059,520	1,059,520
Consumable Supplies	8,824,050	8,824,050
Utilities	18,563,257	18,563,257
Travel	10,373,167	10,373,169
Rent - Building	1,253,815	1,253,814
Rent - Machine and Other	5,443,924	5,443,923
Other Operating Expense	118,660,891	119,202,577
Client Services	4,458,553,437	4,480,466,369
Food for Persons - Wards of State	8,612,084	8,612,084
Grants	187,083,978	187,083,976
Capital Expenditures	15,051,268	7,097,579
Total, Object-of-Expense Informational Listing	$ 5,326,002,212	$ 5,340,503,141
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 25,202,217	$ 25,580,251
Group Insurance	107,714,720	109,672,307
Social Security	32,419,876	32,906,174
Benefits Replacement	4,621,247	4,390,185
Subtotal, Employee Benefits	$ 169,958,060	$ 172,548,917
Debt Service		
TPFA GO Bond Debt Service	$ 15,764,616	$ 14,940,155
Lease Payments	148,761	148,729
Subtotal, Debt Service	$ 15,913,377	$ 15,088,884
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 185,871,437	$ 187,637,801

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.

	2008	2009
A. Goal: LONG-TERM SERVICES AND SUPPORTS		
Outcome (Results/Impact):		
Percent of Long-term Care Clients Served in Community Settings	70.67%	71.08%
Average Number of Clients Served Per Month: Medicaid Non-waiver Community Services and Supports	109,846	112,384
A.1.1. Strategy: INTAKE, ACCESS, & ELIGIBILITY		
Output (Volume):		
Average Monthly Number of Consumers with Mental Retardation (MR) Receiving Assessment and Service Coordination	7,390	7,390
A.2.1. Strategy: PRIMARY HOME CARE		
Output (Volume):		
Average Number of Clients Served Per Month: Primary Home Care	55,502	57,195
Efficiencies:		
Average Monthly Cost Per Client Served: Primary Home Care	626.83	625.12
A.2.2. Strategy: COMMUNITY ATTENDANT SERVICES		
Output (Volume):		
Average Number of Clients Served Per Month: Community Attendant Services	37,117	37,117
Efficiencies:		
Average Monthly Cost Per Client Served: Community Attendant Services	623.72	622.02

A.2.3. Strategy: DAY ACTIVITY & HEALTH SERVICES		
Output (Volume):		
Average Number of Clients Served Per Month: Day Activity and Health Services	17,227	18,072
Efficiencies:		
Average Monthly Cost Per Client Served: Day Activity and Health Services	484.53	483.21
A.3.1. Strategy: COMMUNITY-BASED ALTERNATIVES		
Output (Volume):		
Average Number of Clients Served Per Month: Medicaid Community-based Alternatives (CBA) Waiver	27,138	27,138
Efficiencies:		
Average Monthly Cost Per Client Served: Medicaid Community-based Alternatives (CBA) Waiver	1,317.61	1,314.01
A.3.2. Strategy: HOME AND COMMUNITY-BASED SERVICES		
Output (Volume):		
Average Number of Clients Served Per Month: Home and Community Based Services (HCS)	11,542	11,542
Efficiencies:		
Average Monthly Cost Per Client Served: Home and Community Based Services (HCS)	3,246.44	3,237.57
A.3.3. Strategy: COMMUNITY LIVING ASSISTANCE (CLASS)		
Output (Volume):		
Average Number of Clients Served Per Month: Medicaid Related Conditions Waiver (CLASS)	3,268	3,268
Efficiencies:		
Average Monthly Cost Per Client Served: Medicaid Related Conditions Waiver (CLASS)	2,930.83	2,922.82
A.3.4. Strategy: DEAF-BLIND MULTIPLE DISABILITIES		
Output (Volume):		
Average Number of Clients Served Per Month: Medicaid Deaf-blind with Multiple Disabilities Waiver	131	131
Efficiencies:		
Average Monthly Cost Per Client Served: Medicaid Deaf-blind with Multiple Disabilities Waiver	3,928.71	3,928.71
A.3.5. Strategy: MEDICALLY DEPENDENT CHILDREN PGM		
Output (Volume):		
Average Number of Clients Served Per Month: Medically Dependent Children Program	1,292	1,292
Efficiencies:		
Average Monthly Cost Per Client Served: Medically Dependent Children Program	1,321.55	1,317.94
A.3.7. Strategy: TEXAS HOME LIVING WAIVER		
Output (Volume):		
Average Number of Clients Served Per Month: Texas Home Living Waiver	1,001	1,001
Efficiencies:		
Average Monthly Cost Per Client Served: Texas Home Living Waiver	468.28	467
A.4.2. Strategy: MR COMMUNITY SERVICES		
Efficiencies:		
Average Monthly Cost Per Non-Medicaid Customer with Mental Retardation (MR) Receiving Community Residential Services	3,594.52	3,594.52
A.4.4. Strategy: IN-HOME AND FAMILY SUPPORT		
Output (Volume):		
Average Number of Clients Per Month Receiving In-home Family Support (IHFS)	3,914	3,914
Efficiencies:		
Average Monthly Cost of In-home Family Support Per Client	87.42	87.42
A.4.5. Strategy: MENTAL RETARDATION IN-HOME SERVICES		
Output (Volume):		
Number of Consumers with Mental Retardation (MR) Receiving In-Home and Family Support Per Year	2,674	2,674
Efficiencies:		
Average Annual Grant Per Consumer with Mental Retardation (MR) Receiving In-home and Family Support Per Year	1,869.86	1,869.86

A.5.1. Strategy: ALL-INCLUSIVE CARE - ELDERLY (PACE)		
Output (Volume):		
Average Number of Recipients Per Month: Program for All Inclusive Care (PACE)	894	894
Efficiencies:		
Average Monthly Cost Per Recipient: Program for All Inclusive Care (PACE)	2,335.11	2,335.11
A.6.1. Strategy: NURSING FACILITY PAYMENTS		
Output (Volume):		
Average Number of Clients Receiving Medicaid - Funded Nursing Facility Services per Month	57,361	57,358
Efficiencies:		
Net Nursing Facility Cost Per Medicaid Resident Per Month	2,569.97	2,551.37
A.6.2. Strategy: MEDICARE SKILLED NURSING FACILITY		
Output (Volume):		
Average Number of Clients Receiving Copaid Medicaid/Medicare Nursing Facility Services Per Month	6,866	7,191
Efficiencies:		
Net Payment Per Client for Copaid Medicaid/Medicare Nursing Facility Services Per Month	1,713.45	1,702.6
A.6.3. Strategy: HOSPICE		
Output (Volume):		
Average Number of Clients Receiving Hospice Services Per Month	6,526	7,128
Efficiencies:		
Average Net Payment Per Client Per Month for Hospice	2,446.17	2,439.49
A.6.4. Strategy: PROMOTING INDEPENDENCE SERVICES		
Output (Volume):		
Average Number of Promoting Independence Clients Served Per Month	5,101	5,590
Efficiencies:		
Average Monthly Cost Per Client Served: Promoting Independence	1,336.26	1,328.54
A.7.1. Strategy: INTERMEDIATE CARE FACILITIES - MR		
Output (Volume):		
Average Number of Persons in ICF/MR Medicaid Beds Per Month	6,314	6,314
Efficiencies:		
Monthly Cost Per ICF/MR Medicaid Eligible Consumer	4,134.8	4,123.57
A.8.1. Strategy: MR STATE SCHOOLS SERVICES		
Output (Volume):		
Average Monthly Number of Mental Retardation (MR) Campus Residents	4,795	4,795
Efficiencies:		
Average Monthly Cost Per Mental Retardation (MR) Campus Resident	7,965.98	7,965.98
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	55%	55%
B.1.1. Strategy: FACILITY/COMMUNITY-BASED REGULATION		
Output (Volume):		
Total Dollar Amount Collected from Fines	1,661,543	1,480,372
B.1.2. Strategy: CREDENTIALING/CERTIFICATION		
Output (Volume):		
Number of Licenses Issued or Renewed Per Year: Nursing Facility Administrators	927	838

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.

	2006	2007
~~a. Repair or Rehabilitation of Buildings and Facilities~~		
~~(1) Repairs of State Owned Bond Homes and State Schools~~	~~$ 8,251,302~~	~~$ 19,704,303 & UB~~
~~b. Acquisition of Information Resource Technologies~~		
~~(1) Replacement of Information Resource Technologies~~	~~633,626~~	~~633,626~~
~~(2) Computers / Telecommunications Items (MLPP)~~	~~3,300,000~~	~~UB~~
~~(3) TILES to RUGS~~	~~0~~	~~0~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 3,933,626~~	~~$ 633,626~~
~~c. Transportation Items~~		
~~(1) Replacement of Transportation Items (MLPP)~~	~~800,000~~	~~UB~~
~~d. Acquisition of Capital Equipment and Items~~		
~~(1) Replacement of Furniture and Equipment (MLPP)~~	~~2,400,000~~	~~UB~~
~~e. Other Lease Payments to the Master Lease Purchase Program (MLPP)~~		
~~(1) Payments to Master Lease Purchase Program (Utility Savings)~~	~~1,367,754~~	~~2,383,822~~
~~Total, Capital Budget~~	~~$ 16,752,682~~	~~$ 22,721,751~~
~~Method of Financing (Capital Budget):~~		
~~General Revenue Fund~~		
~~General Revenue Fund~~	~~$ 8,157,334~~	~~$ 2,673,402~~
~~GR Match for Medicaid~~	~~67,000~~	~~67,000~~
~~Subtotal, General Revenue Fund~~	~~$ 8,224,334~~	~~$ 2,740,402~~
~~General Revenue Fund - Dedicated~~		
~~Texas Capital Trust Fund Account No. 543~~	~~139,802~~	~~139,803~~
~~Subtotal, General Revenue Fund - Dedicated~~	~~$ 139,802~~	~~$ 139,803~~
~~Federal Funds~~	~~277,046~~	~~277,046~~
~~Bond Proceeds - General Obligation Bonds~~	~~8,111,500~~	~~19,564,500~~
~~Total, Method of Financing~~	~~$ 16,752,682~~	~~$ 22,721,751~~

	2008	2009
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Repairs of State Owned Bond Homes and State Schools	$ 7,679,855	$ 267,850 & UB
b. Acquisition of Information Resource Technologies		
(1) Lease of Personal Computers	$ 1,761,556	$ 1,761,554

c. Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Payment of MLPP - Telecommunications	$ 773,050	$ 773,050
(2) Payment of MLPP - Transportation	$ 541,311	$ 541,311
(3) Payment of MLPP - Furniture & Equipment	$ 1,673,548	$ 1,673,548
(4) Payment of MLPP - Energy Conservation	$ 3,777,656	$ 3,777,656
Total, Lease Payments to the Master Lease Program (MLPP)	$ 6,765,565	$ 6,765,565
Total, Capital Budget	$ 16,206,976	$ 8,794,969
Method of Financing (Capital Budget):		
General Revenue Fund		
General Revenue Fund	$ 7,201,104	$ 7,201,104
GR Match for Medicaid	635,777	635,776
Subtotal, General Revenue Fund	$ 7,836,881	$ 7,836,880
Texas Capital Trust Fund Account No. 543	125,823	125,822
Federal Funds	832,268	832,267
Bond Proceeds - General Obligation Bonds	7,412,004	0
Total, Method of Financing	$ 16,206,976	$ 8,794,969

43. **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, 2005~~7~~, are hereby appropriated for the biennium ending August 31, 2007~~9~~, for the purpose of carrying out the provisions of this Act.

~~**3.** **Medical Assistance Payments.** General revenue funds appropriated herein above for all Medicaid services shall be made available to the agency by the Comptroller of Public Accounts in equal monthly installments on the first day of each calendar month; provided, however, that any balances on hand in such funds may be carried over from month to month during each fiscal year and from fiscal year 2006 to fiscal year 2007, and such funds are appropriated to the department for the 2006-07 biennium.~~

~~5~~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. Limitation of Per Day Cost of Alternate Care.

~~(1) Subject to the exception in (2), no funds shall be expended by the Department of Aging and Disability Services for alternate care where the cost per patient per day exceeds the average Medicaid Nursing or ICF-MR Facility rate or the patient's nursing or ICF-MR facility rate, whichever is greater, except for cases individually exempted by the Commissioner of the Department of Aging and Disability Services.~~

(~~2~~1) The department may not disallow or jeopardize community services for individuals currently receiving services under Medicaid waivers if those services are required for that individual to live in the most integrated setting, the reimbursement rate paid for needed services does not exceed 133.3 percent of the reimbursement rate that would have been paid for that same individual to receive comparable services in an institution over a twelve month period, and the department continues to comply with cost-effectiveness requirements from the Centers for Medicare and Medicaid Service.

(~~3~~2) The department shall "grandfather" on September 1, 2003 those individuals receiving services in a medical assistance waiver program, under authority granted in the Department of Human Services's budget rider 7 in the 2004-05 General Appropriations Act, Seventy-eighth Legislature, when continuation of these services is necessary for the individual to live in the most integrated setting appropriate to his/her needs and the department continues to comply with the cost-effectiveness requirements from the Centers for Medicare and Medicaid Service.

c. 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.

d. 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.

e. Nursing Facility Competition. It is the intent of the Legislature that the department encourage competition among contracted nursing facilities.

~~7~~**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, ~~Long Term Care~~ Credentialing/Certification, and the Home Health and Community Support Services Agencies program in Strategy B.1.1, ~~Long Term Care Facility Regulation~~Facility & Community-Based Regulation, 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 ~~$234,393~~348,929 for fiscal year 200~~6~~8 and ~~$234,393~~348,929 for fiscal year 200~~7~~9. Direct costs for the Home and Community Support Services Agencies program are estimated to be ~~$2,065,119~~1,547,260 for fiscal year 200~~6~~8 and ~~$2,065,120~~1,547,260 for fiscal year 200~~7~~9. "Other direct and indirect costs" for the Nursing Facility Administrator program are estimated to be ~~$76,243~~89,290 or fiscal year 200~~6~~8 and ~~$78,644~~89,412 for fiscal year 200~~7~~9. "Other direct and indirect costs" for the Home and Community Support Services Agencies program are estimated to be ~~$444,248~~415,501 for fiscal year 200~~6~~8 and ~~$458,249~~416,080 for fiscal year 200~~7~~9. 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.

~~8~~**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.

~~**6. Appropriation of Receipts: Civil Monetary Damages and Penalties.** Included in the General Revenue Funds appropriated above is $2,660,000 for the biennium from funds collected as civil monetary damages and penalties under Human Resources Code § 32.021. Any amounts above $2,660,000 are hereby appropriated to the department in amounts equal to the costs of the investigation and collection proceedings conducted under that section, and any amounts collected as reimbursement for claims paid by the department.~~

~~9~~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.

~~10~~8. **Pediatric Care in Nursing Facilities.** In determining the appropriate placement for children who currently receive care in nursing facilities, the department shall, within the requirements of federal law, consider the requests of parents concerning either a continued stay in a nursing facility providing skilled pediatric care or an alternate placement.

~~11~~9. **Limitation: Medicaid Transfer Authority.** Notwithstanding the transfer provisions in the general provisions (general transfer provisions) of this Act, none of the funds appropriated by this Act to the Department of Aging and Disability Services for the following Medicaid Strategies:

a. A.1.1. Intake, ~~and~~ Access ~~to Services and Support~~ and Eligibility;
~~b. A.1.2. Long Term Care Functional Eligibility;~~
~~c~~b.A.2.1. Primary Home Care;
~~d~~c.A.2.2. Community Attendant Services (formerly Frail Elderly);
~~e~~d.A.2.3. Day Activity and Health Services (DAHS);
~~f~~e.A.3.1. Community-based Alternatives (CBA);
~~g~~f.A.3.2. Home and Community-based Services (HCS);
~~h~~g.A.3.3. Community Living Assistance and Support Services (CLASS);
~~i~~h.A.3.4. Deaf-Blind Multiple Disabilities (DBMD);
~~j~~i.A.3.5. Medically Dependent Children Program (MDCP);
~~k~~j A.3.6. Consolidated Waiver Program;
~~l~~k.A.3.7. Texas Home Living Waiver;
~~m~~l.A.5.1. Program of All-inclusive Care for the Elderly (PACE);
~~n~~m. A.6.1. Nursing Facility Payments;
~~o~~n.A.6.2. Medicare Skilled Nursing Facility;
~~p~~o.A.6.3. Hospice;
~~q~~p.A.6.4. Promoting Independence Services;
~~r~~q.A.7.1. Intermediate Care Facilities - Mental Retardation (ICF/MR); and
~~s~~r.B.1.1. ~~Long-Term Care Facility Regulation~~Facility and Community-Based Regulation

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.

However, transfers may be made between Medicaid Strategies in accordance with other provisions in this Act, including the general transfer provisions~~.~~, and transfers may be made from Medicaid strategies 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.

Transfers from one Medicaid appropriation item to another Medicaid appropriation item or account that exceed $1,000,000 in General Revenue-related Funds of the appropriation item from which the transfer is made are subject to the following reporting requirements. The department must provide written notification of a proposed transfer 30 days prior to the actual transfer. The notification shall be made to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts. The notification shall identify the amount, purpose, caseload impact, and affected strategies, as well as any other information requested by the Legislative Budget Board.

~~12~~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 ~~Care Continuum~~ 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.

(~~2~~4) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.

(~~3~~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.

~~14~~11. Revolving Account for the Consolidated Health and Human Services Print Shop. It is the intent of the Legislature that the Department of Aging and Disability 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 Aging and Disability Services within its accounting system. Any unobligated balances as of August 31, 200~~6~~8, are appropriated for the same use during fiscal year 200~~7~~9. For the purpose of meeting cash flow needs, the Department of Aging and Disability Services may temporarily transfer funds from Strategy C.1.3, Other Support Services, to the revolving account. Transfers must be returned by the end of the fiscal year.

~~15~~12. 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, 200~~7~~9 to fiscal year ending August 31, 200~~6~~8, 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 200~~6~~8, or

(2) for any other emergency expenditure requirements, including expenditures necessitated by public calamity.

(3) if appropriated receipts generated through the MR related programs required to fund appropriations contained in this Act for fiscal year 200~~6~~8 are less than those contained in the method of finance for the department for fiscal year 200~~6~~8.

b. Transfers may not exceed $50,000,000 in ~~g~~General ~~r~~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.

~~16~~13. 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. Earned Federal Funds.**~~

~~a. The Department of Aging and Disability Services shall submit a monthly report to the Legislative Budget Board and the Governor which details revenues, expenditures, and balances for earned federal funds as of the last day of the prior month. The report shall be prepared in a format approved by the Legislative Budget Board.~~

~~b. The method of financing item, Earned Federal Funds, for appropriations made above includes unexpended balances of earned federal funds remaining as of August 31, 2005 (estimated to be $2,235,255), and receipts earned in fiscal years 2006 and 2007.~~

~~17~~14. Survey of Nursing Facility Residents. Out of funds appropriated above, the Department of Aging and Disability Services is allocated

a. Up to $360,000 in All Funds, of which up to $180,000 is General Revenue Funds, in fiscal year 2006 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, 200~~7~~9, 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.

~~18~~15. Promoting Independence-Client Services. It is the intent of the Legislature that as clients relocate from nursing facilities to community care services, funds will be transferred from Nursing Facilities to Community Care Services to cover the cost of the shift in services.

~~19~~16. 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.

~~20~~17. Centers of Excellence. It is the intent of the Legislature that out of amounts appropriated above to Strategy B.1.1, ~~Long-Term Care Facility Regulation~~ Facility and Community-based Regulation, and funds obtained through a grant from a national foundation, the Department of Aging and Disability Services shall allocate funds for a Centers for Excellence program. The department shall partner with an institution of higher education to promote positive outcomes for the residents of Long-Term Care facilities, identify best practices and improve service delivery. Not later than January 15, 200~~7~~9, the department shall submit to the Legislature and the Governor a report which identifies progress made towards achieving these goals.

~~24~~18. 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.

~~25~~19. State School Medicaid Revenues.

a. **Proportionality of Funds.** Pursuant to Article IX, Sec 6.11, Salaries to Be Proportionate By Funds, 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 200~~6~~8-0~~7~~9 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 CFO of the department by October 1, 200~~5~~7 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.

b. **Quality Assurance Fee Funds - Informational Item.** Appropriations from the Quality Assurance Fee Funds in this Act total $60,276,196 in fiscal year 2008 (including a UB from fiscal year 2007 estimated to be $8,136,705) and $58,672,618 in fiscal year 2009. Out of funds appropriated above in Strategy A.1.7, ICF/MR and A.8.1, State Schools Services, $54,921,479 in fiscal year 2008 and $53,284,905 in fiscal year 2009 in Quality Assurance Fee Funds are provided for mental retardation services. Estimated amounts of $5,354,717 in fiscal year 2008 and $5,387,713 in fiscal year 2009 are appropriated elsewhere in this Act for employee benefits for State School employees. Pursuant to Article IX, Sec. 6.11, Benefits Paid Proportional by Funds, benefits for State School Employees reflect the proportion by fund type as used for salaries.

~~26~~20. Home and Community-Based Services (HCS) Waiver Program. The department shall ensure the cost-effectiveness of the HCS program by limiting the average annual HCS expenditure per client to 80 percent of the average annual per client ICF-MR expenditure. Expenditures for individual clients may exceed this cap as long as the overall average expenditure for HCS clients remains below 80 percent of the ICF-MR annual average. Furthermore, it is the intent of the Legislature that, in order to increase the number of clients served, the overall average monthly expenditure per client may not exceed $~~3,508~~3,308 per month in fiscal year~~s~~ 200~~6~~8 and $3,299 per month in fiscal year 200~~7~~9. The Department of Aging and Disability Services and the Health and Human Services Commission shall report to the Legislative Budget Board and Governor by October 1 of each year of the biennium, on the measures taken to decrease the average cost per person and to increase the number of clients served in the HCS program.

~~27~~21. 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.

~~**21. Payment of August 2007 Payments for MR Community Services.** Funds appropriated above include a reduction of $5,300,000 in General Revenue Funds to Strategy A.4.3, Mental Retardation Community Services, and $200,000 in General Revenue Funds to Strategy A.4.4, Mental Retardation Community Services Residential, for fiscal year 2007. The Department of Aging and Disability Services is authorized to defer the August 2007 payments to MR community centers until September of 2007.~~

~~28~~22. **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. The methodology should be based on the number of residents in each school and the needs of those residents.

~~22.~~ ~~**Community Care Services.** It is the intent of the Legislature that the Department of Aging and Disability Services shall maintain a community care assessment tool that focuses primarily on a client's ability to perform functional tasks.~~

~~29~~23. **Use of Timber Receipts for Capital Projects.** The Department of Aging and Disability Service is hereby authorized to sell timber located on department land. Revenues generated from the sale of timber, estimated at zero for the biennium, shall be deposited into the Texas Capital Trust Fund Account No. 543.

~~23.~~ ~~**Maximization of Community Care Services.** The Department of Aging and Disability Services shall maximize services utilizing the most efficient and effective combination of functional needs score and hours of service to best meet the needs of community care clients. It is the intent of the Legislature that the department utilize all available flexibility to ensure the maximization of community care resources.~~

~~30~~24. **State School Funding and Staffing Levels.** It is the intent of the Legislature that funding for state schools shall be based on the number of residents in each state school at the beginning of the fiscal year 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.

~~31~~25. **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.

~~33~~26. **Unexpended Construction Balances.** Any unexpended construction, repair, or renovation balances from previous appropriations, estimated to be ~~$1,590,000~~7,412,004 from fiscal year 200~~5~~7 to fiscal year 200~~6~~8 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. At least 45 days prior to budgeting such appropriated funds, the Department of Aging and Disability Services shall report on the appropriated fund sources, amounts and year of appropriation and on the proposed use of these funds to the Legislative Budget Board and the Governor.

~~34~~27. **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.

~~36~~28. **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.

~~37~~29. Appropriation and Unexpended Balances of Funds Recouped from Local Authorities. Notwithstanding other provisions of this Act, any state funds appropriated for fiscal year 200~~6~~8 recouped by the Department of Aging and Disability Services from a local mental retardation authority for failing to fulfill its performance contract with the State, are hereby ~~re~~appropriated to the department to reallocate to other local mental retardation authorities to use for a related purpose in fiscal year 200~~7~~9. In conjunction with the reallocation of funds, the department 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.

~~38~~30. Expenditures on Bond Homes. ~~It is the intent of the Legislature that~~ Eexpenditures 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.

~~41~~31. 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 (~~$840,000~~500,000 for the biennium). ~~The Department of Aging and Disability Services shall submit a report to the Legislative Budget Board and the Governor by October 1 of each year. The report shall identify for the prior fiscal year the amount of fees collected and deposited into the General Revenue Fund, the dollar value of grants issued with such funds, the number of persons or entities receiving grants, and the specific purposes for which grants were issued.~~

Any unexpended balances in fees collected to promote affordable housing for the elderly for the fiscal year ending August 31, 200~~6~~8, may be carried forward into fiscal year 200~~7~~9, 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.

~~42~~32. 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.

33. 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.

~~43~~34. Appropriation: GR-Dedicated Account No. 5055 License Plate Revenue. Included in funds appropriated above in Strategy A.4.~~3~~2, MR Community Services, is ~~$4,488~~9,240 for the biennium in revenue generated from the sale of specialized "Special Olympics Texas" license plates and collected in GR-Dedicated Account No. 5055. Any balances on hand (estimated to be $3,080) as well as any additional revenues generated in 08-09 by the sale of specialized "Special Olympics Texas" plates above ~~$4,488~~9,240 ~~is~~ are hereby appropriated to the agency ~~(estimated to be $0)~~ for the 200~~6~~8-0~~7~~9 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.

~~46~~35. **Promoting Community Services for Children.** It is the intent of the Legislature, 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 2006-07 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 ICF/MR strategy to Community Care Services Strategies to cover the cost of the shift in services. The Executive Commissioner may develop rules that would allow decertification of the ICF/MR beds upon such transition to prevent additional costs being incurred.

36. Revolving Fund Services: Canteen Services and Sheltered Workshops.

~~a. Canteen Services. Each of the mental retardation facilities under control and management of the Department of Aging and Disability Services, except the State Office, may establish, maintain and operate a canteen for the convenience of its residents. Any balances remaining in each canteen operation fund are appropriated for the biennium beginning with the effective date of this Act in an amount estimated to be $150,000 from balances on hand on August 31, 2005 and included above in Strategy A.8.1, MR State Schools Services. Any unobligated balances as of August 31, 2006, are appropriated for the same use during fiscal year 2007. All receipts deposited to its credit, estimated to be $2,052,559 in fiscal year 2006 and $2,052,559 in fiscal year 2007 and included above in Strategy A.8.1, MR State Schools Services, are appropriated for all costs necessary for the operation of a canteen for the next fiscal year. Funds appropriated for canteen services are reflected in the method of finance above as MR Revolving Fund Receipts. Each of the mental retardation facilities under control and management of the department that contracts with the Department of Assistive and Rehabilitative Services for the operation of its canteen shall deposit the amount of monies originally appropriated for its Canteen Operation Fund into the General Revenue Fund. The balance remaining in the facility's Canteen Operation Fund, after the amount originally appropriated is deposited to the General Revenue Fund, shall be deposited to the Benefit Fund created at the facility under the provisions of Health and Safety Code § 551.004.~~

~~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 shall be prescribed by the Legislative Budget Board.~~

~~b. Sheltered Workshops. The Department of Aging and Disability Services may maintain a revolving fund for its management responsibilities related to sheltered workshops. Any balances remaining in the sheltered workshop funds are appropriated for the biennium beginning with the effective date of this Act in an amount estimated to be $992,286 from balances on hand remaining on August 31, 2005 and included above in Strategy A.8.1, MR State Schools Services. Any unobligated balances as of August 31, 2006, are appropriated for the same use during fiscal year 2007. All receipts deposited to the credit of the sheltered workshops, estimated to be $1,144,018 in fiscal year 2006 and $1,144,018 in fiscal year 2007 and included above in Strategy A.8.1, MR State Schools Services, are appropriated for all costs necessary for the operation of sheltered workshops. Funds appropriated for sheltered workshops are reflected in the method of finance above as MR Revolving Fund Receipts.~~

~~The department shall provide information on related revenues, expenditures, 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 Appropriations Requests, and Annual Financial Reports. The timetable, format, and content for additional monthly reports related to the Sheltered Workshop Revolving Fund shall be prescribed by the Legislative Budget Board.~~

Each of the mental retardation facilities under control and management of the Department of Aging and Disability Services (DADS), except the State Office, may establish, maintain and operate a canteen and a related canteen operation fund for the convenience of its residents, and DADS may maintain a revolving fund for its management responsibilities related to sheltered workshops. Out of funds appropriated above in Strategy A.8.1, MR State Schools Services,

$10,396,181 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.

~~47~~37. ~~Contingency Appropriation for Senate Bill 6 Transfer of~~ Guardianship Services ~~Contracts~~. ~~Contingent upon passage of Senate Bill 6 or similar legislation related to the transfer of the guardianship program to the Department of Aging and Disability Services:~~

~~a. All contracts of the Department of Family and Protective Services (DFPS) with a local guardianship program for the provision of guardianship services shall become a contract between the Department of Aging and Disability Services (DADS) and that same local guardianship program. All powers, duties, funds, and obligations under that contract that were the powers, duties, funds, and obligations of DFPS shall become the powers, duties, funds, and obligations of DADS. For fiscal year 2006, DADS may continue any existing contracts for guardianship services transferred under this section and may enter into new contracts with the same or different entities without the use of competitive procurement unless so directed by the Executive Commissioner of the Health and Human Services Commission.~~

~~b.~~ 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.

~~53~~38. 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.

~~54~~39. CPS Reform Plan. Out of funds appropriated above in Strategy A.3.2, Home and Community-Based Services, $1,182,270 in General Revenue Funds, and the associated federal funds, are set aside each fiscal year for children aging out of Foster Care.

~~39.~~ ~~Data on RSVP Matching Funds Required.~~ ~~It is the intent of the Legislature that the Department of Aging and Disability Services maintain data on the amount of matching funds required for federal grants to local retired senior volunteer programs. By October 1 of each fiscal year, the department shall submit to the Legislative Budget Board and the Governor a report in such detail as the two offices may require.~~

40. 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 provide 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.

~~40.~~ ~~Unit Cost Reporting Required.~~ ~~It is the intent of the Legislature that the Department of Aging and Disability Services maintain a reporting system that clearly and accurately identifies the unit cost of each service provided by each Area Agency on Aging and that the results of this unit cost reporting be provided to the Legislative Budget Board and the Governor semi-annually and in a form that the two offices may require.~~

44. **Cost Comparison Report.** The department shall develop a report for the Legislature analyzing state and federally funded residential and nonresidential services in HCS, Texas Home Living, and ICF/MR for people with mental retardation.

a. The report shall include:

(1) the monthly average cost to the state per person for individuals residing in state-operated and non-state operated Intermediate Care Facilities for individuals with Mental Retardation (ICF/MR) by rate class;

(2) the combined average monthly cost to the state per person participating in the HCS and Texas Home Living Waivers; and

(3) a comparison of severity across settings by level of need (LON).

b. With respect to the cost to the state per person residing in a state operated ICF/MR facility, the department shall include all costs, such as SWICAP, 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 facilities, non-state operated ICF/MR facilities and the HCS and Texas Home Living waivers, the department shall include all Medicaid costs that are not included in the waiver rate for those programs and all costs to administer and license those programs.

c. Costs for waiver recipients will cover the time a person is 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.

45. **Additional Program of All-Inclusive Care for the Elderly (PACE) Sites.** Out of funds appropriated above and notwithstanding any other provisions of this Act, the Commissioner of the Department of Aging and Disability Services may transfer funds to Strategy A.5.1, Program of All-inclusive Care Elderly (PACE), to create two (2) additional PACE sites. Each of these two new PACE sites will not exceed 150 recipients by August 31, 2007.

48. **Payment of August 2007 Payments.** Funds included above for the Department of Aging and Disability Services include a reduction of $359,953,852in All Funds including $140,000,000 in General Revenue Related Funds, for the August 2007 payments of the following strategies:

A.2.1, Primary Home Care
A.2.2, Community Attendant Services
A.2.3, Day Activity and Health Services
A.3.1, Community-Based Alternatives
A.3.2, Home and Community-Based Services
A.3.3, Community Living Assistance (CLASS)
A.6.1, Nursing Facility Payments
A.6.2, Medicare Skilled Nursing Facility
A.6.3, Hospice
A.6.4, Promoting Independence Services
A.7.1, Intermediate Care Facilities - MR

The Department of Aging and Disability Services is authorized to defer payment of the August 2007 payments until September 2007. These deferred payments will be paid from fiscal year 2008 appropriations. The department may allocate the deferral/savings as appropriate among the strategies indicated above.

49. **Contingency Appropriation out of the Quality Assurance Account.** Amounts appropriated above out of the Quality Assurance Account No. 5080 in strategies A.7.1, Intermediate Care Facilities-MR, and A.8.1, MR State Schools Services, totaling $50,416,140 in fiscal year 2006 and $50,455,727 in fiscal year 2007, are contingent upon the enactment of legislation by the Seventy-ninth Legislature, Regular Session, relating to the continuation of the Quality Assurance Fee on Intermediate Care Facilities for Persons with Mental Retardation.

~~**50.** **Pilot Project for Persons with Developmental Disabilities.** The Department of Aging and Disability Services (DADS) is required to continue a project in Midland County which identified and served 16 individuals who have required long-term care services in the past and are still in need of and eligible for services in a § 1915(c) Medicaid waiver program. For purposes of continuing this project, DADS shall expend, out of funds appropriated, for fiscal years 2006 and 2007, an amount sufficient to continue DADS waiver program services to individuals participating in this project as long as those individuals meet programmatic eligibility criteria. The project must meet all current department rules and federal Medicaid requirements, including ensuring choice of provider and choice of service option. DADS will evaluate the effectiveness of the project with regard to meeting personal outcomes as identified by project participants as well as costs associated with the project.~~

~~**51.** **Contingent Appropriations for Nursing Facilities and Hospice Payments.** Appropriations made above from nursing facility quality assurance fee (QAF) revenues are contingent upon the enactment of authorizing legislation and federal approval of necessary waiver requests and state plan amendments required to comply with federal regulations under 42 C.F.R. Section 433.68(e). It is the intent of the Legislature that appropriations from this source be used to enhance the quality of care provided to nursing home residents, improve payment rates to providers and finance the transition to a more effective reimbursement methodology. Appropriations made above include the amounts necessary to fund the following specific purposes: 1) the Medicaid rate increase required to reimburse providers for the QAF associated with Medicaid units of service ($132,346,268 GR-Dedicated, Estimated and $207,700,669 in Federal Funds); 2) increased costs resulting from increased resident acuity ($14,733,470 GR-Dedicated, Estimated and $23,310,378 in Federal Funds); 3) restoration of rates to FY 2003 levels ($30,764,589 GR-Dedicated, Estimated and 48,280,878 in Federal Funds); 4) provider rate payments ($166,100,000 GR-Dedicated, Estimated and $260,671,752 in Federal Funds); and 5) costs associated with a rate reimbursement methodology for Nursing Facilities based upon a Resource Utilization Groups Resident Classification System - RUGS III ($3,300,000 GR-Dedicated, Estimated and $3,300,000 in Federal Funds).~~

~~**52.** **Contingent Appropriations for Home and Community-based (HCS) Waiver Services Program, Community Living Assistance and Support Services (CLASS) Waiver Services Program.** Appropriations made above from HCS and CLASS Waiver Services Program quality assurance fee (QAF) revenues are contingent upon enactment of authorizing legislation and federal approval of necessary waiver requests and state plan amendments required to comply with federal regulations under 42 C.F.R. Section 433.68(e). It is the intent of the Legislature that appropriations from this source be used to enhance the quality of care provided to HCS and CLASS waiver services program residents and improve payment rates to providers. Appropriations made above include the amounts necessary to fund the following specific purposes: 1) the Medicaid rate increase required to reimburse HCS and CLASS providers for the QAF associated with Medicaid units of service ($20,308,533 GR-Dedicated, Estimated and $31,871,665 in Federal Funds); 2) restoration of HCS, CLASS, and Community ICF-MR rates to FY 2003 levels ($8,444,965 GR-Dedicated, Estimated and $13,253,297 in Federal Funds); 3) HCS, CLASS, and Community ICF-MR provider rate increases ($17,747,880 GR-Dedicated, Estimated and $27,853,035 in Federal Funds); and 4) restore rates above the base related to Demographic Growth and 10% Waiting List Exceptional Items ($3,872,759 GR-Dedicated, Estimated and $6,138,811 in Federal Funds).~~

~~**55.** **Non-Medicaid Services-Title XX and In-Home and Family Support Transfers.** Out of funds appropriated above, the Department of Aging and Disability Services shall expend $1,200,000 in General Revenue Funds in Strategy A.4.1, Non-Medicaid Services - Title XX, and $800,000 in General Revenue Funds in Strategy A.4.8, In-Home and Family Support, to provide services to clients on waiting lists. The department is authorized to make transfers between strategies for this purpose. The department shall notify the Legislative Budget Board and the Governor at least 45 days prior to transferring funds of the amounts to be transferred and the affected strategies.~~

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 6,160,413	$ 6,166,176
GR Match for Medicaid	1,827,602	1,915,765
GR for Vocational Rehabilitation	49,802,302	50,743,584
GR Certified as Match for Medicaid	25,839,704	27,220,922
General Revenue for ECI	2,284,391	847,485
Subtotal, General Revenue Fund	$ 85,914,412	$ 86,893,932
General Revenue Fund - Dedicated		
Business Enterprise Program Trust Fund	523,220	523,219
I Love Texas License Plate Acct. No. 5086, estimated	11,736	11,736
Comprehensive Rehabilitation Account No. 107	11,285,064	11,285,064
Business Enterprise Program Account No. 492	1,539,740	1,539,740
Subtotal, General Revenue Fund - Dedicated	$ 13,359,760	$ 13,359,759
Federal Funds		
Federal Funds	434,947,248	453,684,952
Subtotal, Federal Funds	$ 434,947,248	$ 453,684,952
Other Funds		
Appropriated Receipts	195,997	195,997
Interagency Contracts	654,107	654,107
Interagency Contracts - Transfer from Foundation School Fund No. 193	16,498,102	16,498,102
Universal Services Fund Reimbursements	671,556	671,556
Subrogation Receipts	276,000	276,000
Interagency Contracts for VR	544,652	544,652
Appropriated Receipts for VR	42,658	42,658
Subtotal, Other Funds	$ 18,883,072	$ 18,883,072
Total, Method of Financing	$ 553,104,492	$ 572,821,715
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 36,201	$ 35,767
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	3,181.6	3,221.8
Schedule of Exempt Positions:		
Commissioner, Group 5	$125,000	$125,000
Items of Appropriation:		
A. Goal: CHILDREN WITH DISABILITIES		
Ensure Children and Their Families Reach Their Developmental Goals.		
A.1.1. Strategy: ECI ELIGIBILITY AWARENESS Ensure Eligible Children Are Identified.	$ 609,739	$ 609,739
A.1.2. Strategy: ECI ELIGIBILITY DETERMINATION Eligibility Determination Services.	$ 43,111,554	$ 44,108,228
A.1.3. Strategy: ECI COMPREHENSIVE SERVICES Administer System of Comprehensive Services.	$ 111,701,625	$ 116,246,368
A.1.4. Strategy: ECI RESPITE SERVICES Respite Services.	$ 400,000	$ 400,000
A.1.5. Strategy: ENSURE QUALITY ECI SERVICES Ensure Quality ECI Services by Training, Evaluation and Assistance.	$ 1,810,651	$ 1,810,652
A.2.1. Strategy: HABILITATIVE SERVICES FOR CHILDREN Habilitative Services for Blind and Visually Impaired Children.	$ 3,006,088	$ 3,006,088
Total, Goal A: CHILDREN WITH DISABILITIES	$ 160,639,657	$ 166,181,075

B. Goal: PERSONS WITH DISABILITIES		
Rehabilitation Services for Persons with Disabilities.		
B.1.1. Strategy: INDEPENDENT LIVING SERVICES - BLIND	$ 2,207,214	$ 2,207,213
B.1.2. Strategy: BLINDNESS EDUCATION Blindness Education, Screening and Treatment Program.	$ 490,774	$ 490,774
B.1.3. Strategy: VOCATIONAL REHABILITATION - BLIND Voc Rehab Services for Persons Who are Blind or Visually Impaired.	$ 42,533,982	$ 43,775,869
B.1.4. Strategy: BUSINESS ENTERPRISES OF TEXAS Provide Employment in Food Service Industry for Persons Who are Blind.	$ 2,166,655	$ 2,166,655
B.1.5. Strategy: BUSN ENTERPRISES OF TEX TRUST FUND Admin Trust Funds for Retirement & Benefits. Est & Nontransferrable.	$ 523,220	$ 523,219
B.2.1. Strategy: CONTRACT SERVICES - DEAF Contract For Services for Persons Who Are Deaf or Hard of Hearing.	$ 2,258,453	$ 2,258,453
B.2.2. Strategy: EDUC, TRAINING, CERTIFICATION-DEAF Ensure the Quality of Programs through Educ., Training, & Regulation.	$ 629,899	$ 629,897
B.2.3. Strategy: TELEPHONE ACCESS ASSISTANCE Ensure Telephone Access for Deaf and Persons with Other Disabilities.	$ 671,556	$ 671,556
B.3.1. Strategy: VOCATIONAL REHABILITATION - GENERAL Rehabilitate & Place People w/Disabilities in Competitive Employment.	$ 189,053,270	$ 191,814,920
B.3.2. Strategy: INDEPENDENT LIVING CENTERS Work w/Independent Living Centers & State Independent Living Council.	$ 1,439,283	$ 1,439,283
B.3.3. Strategy: INDEPENDENT LIVING SERVICE - GEN Provide Consumer-driven Independent Living Services.	$ 3,679,525	$ 3,676,030
B.3.4. Strategy: COMPREHENSIVE REHABILITATION Provide Services to People with Spinal Cord/Traumatic Brain Injuries.	$ 12,799,364	$ 12,799,364
Total, Goal B: PERSONS WITH DISABILITIES	$ 258,453,195	$ 262,453,233
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.	$ 110,604,852	$ 120,780,614
D. Goal: PROGRAM SUPPORT		
D.1.1. Strategy: CENTRAL PROGRAM SUPPORT	$ 12,142,676	$ 12,142,678
D.1.2. Strategy: REGIONAL PROGRAM SUPPORT	$ 1,157,677	$ 1,157,677
D.1.3. Strategy: OTHER PROGRAM SUPPORT	$ 5,622,473	$ 5,622,474
D.1.4. Strategy: IT PROGRAM SUPPORT Information Technology Program Support.	$ 5,459,155	$ 5,459,157
Total, Goal D: PROGRAM SUPPORT	$ 24,381,981	$ 24,381,986
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (975,193)	$ (975,193)
Grand Total, DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES	$ 553,104,492	$ 572,821,715
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 128,979,110	$ 130,674,452
Other Personnel Costs	5,292,245	5,400,839
Professional Fees and Services	13,131,613	13,476,998

Fuels and Lubricants	130,817	130,908
Consumable Supplies	2,181,000	2,177,880
Utilities	4,209,245	4,271,988
Travel	3,364,853	3,401,317
Rent - Building	8,231,104	8,415,816
Rent - Machine and Other	2,891,423	2,910,116
Other Operating Expense	26,883,341	28,520,502
Client Services	215,529,496	226,275,089
Grants	141,123,328	146,073,932
Capital Expenditures	1,156,917	1,091,878
Total, Object-of-Expense Informational Listing	$ 553,104,492	$ 572,821,715
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 8,333,378	$ 8,567,399
Group Insurance	23,230,425	23,792,486
Social Security	10,524,592	10,820,148
Benefits Replacement	1,239,137	1,177,181
Subtotal, Employee Benefits	$ 43,327,532	$ 44,357,214
Debt Service		
Lease Payments	$ 2,339,965	$ 2,281,547
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 45,667,497	$ 46,638,761

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.

	2008	2009
A. Goal: CHILDREN WITH DISABILITIES		
Outcome (Results/Impact):		
Percent of Population under Age Three Served	3.83%	3.93%
A.1.2. Strategy: ECI ELIGIBILITY DETERMINATION		
Output (Volume):		
Number of Children Receiving Follow Along Services	7,500	7,654
Number of Children Receiving Eligibility Services	50,261	51,601
A.1.3. Strategy: ECI COMPREHENSIVE SERVICES		
Output (Volume):		
Number of Children Served in Comprehensive Services	52,952	55,141
Efficiencies:		
Average Cost Per Child: Comprehensive Services State and Federal Funds	2,081	2,081
A.1.4. Strategy: ECI RESPITE SERVICES		
Output (Volume):		
Number of Children Receiving Respite Services	1,000	1,000
A.1.5. Strategy: ENSURE QUALITY ECI SERVICES		
Output (Volume):		
Number of Training and Technical Assistance Events Provided	230	230
A.2.1. Strategy: HABILITATIVE SERVICES FOR CHILDREN		
Output (Volume):		
Number of Children Receiving Habilitative Services	3,100	3,100
Efficiencies:		
Average Cost Per Child Served	970	970
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	4,000	4,000
Efficiencies:		
Average Cost Per Consumer Served	535	535
B.1.2. Strategy: BLINDNESS EDUCATION		
Output (Volume):		
Number of Individuals Receiving Screening and Treatment Services in the BEST Program	7,644	7,644
Efficiencies:		
Average Cost Per Individual Receiving Screening and Treatment Services in the BEST Program	64	64
B.1.3. Strategy: VOCATIONAL REHABILITATION - BLIND		
Output (Volume):		
Number of Consumers Served	9,424	9,517
Efficiencies:		
Average Cost Per Consumer Served	4,374	4,461
B.1.4. Strategy: BUSINESS ENTERPRISES OF TEXAS		
Output (Volume):		
Number of Indiv. Employed by BET Businesses (Managers and Employees)	1,260	1,265
B.2.2. Strategy: EDUC, TRAINING, CERTIFICATION-DEAF		
Output (Volume):		
Number of Consumers Educated and Interpreters Trained	700	700
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	16,530	16,530
B.3.1. Strategy: VOCATIONAL REHABILITATION - GENERAL		
Output (Volume):		
Number of Consumers Served	84,609	84,201
Number of Consumers Who Achieved Employment Outcomes	12,861	12,799
Efficiencies:		
Cost Per Consumer Served	2,164	2,208
B.3.2. Strategy: INDEPENDENT LIVING CENTERS		
Output (Volume):		
Number of People Receiving Services from Independent Living Centers	6,800	6,800
B.3.3. Strategy: INDEPENDENT LIVING SERVICE - GEN		
Output (Volume):		
Number of People Receiving DRS Supported Independent Living Services	1,662	1,662
B.3.4. Strategy: COMPREHENSIVE REHABILITATION		
Output (Volume):		
People Receiving Comprehensive Rehabilitation Services	401	401
Efficiencies:		
Cost Per CRS Consumer	31,919	31,919
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	323,692	336,640
Efficiencies:		
Cost Per Disability Case Determination	342	359

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.

	2006	2007
~~Out of the Federal Funds:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) SSA Redesign Refresh & Reconfiguration of State DDS~~	~~$ 1,181,002~~	~~$ 1,181,002~~
~~(2) Seat Management Services~~	~~2,661,067~~	~~2,661,067~~
~~(3) Infrastructure and Development Platform Refresh~~	~~840,722~~	~~840,720~~
~~(4) Consumer Case Management System~~	~~$ 1,669,000~~	~~$ 767,400~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 6,351,791~~	~~$ 5,450,189~~
~~b. Transportation Items~~		
~~(1) Vehicles~~	~~$ 46,500~~	~~$ 47,500~~
~~c. Acquisition of Capital Equipment and Items~~		
~~(1) Establish and Refurbish Food Service Facilities~~	~~$ 340,000~~	~~$ 340,000~~
~~Total, Capital Budget~~	~~$ 6,738,291~~	~~$ 5,837,689~~

	2008	2009
Out of Federal Funds:		
a. Acquisition of Information Resource Technologies		
(1) Seat Management Services	$ 2,000,000	$ 2,000,000
(2) Infrastructure and Development Platform Refresh	$ 840,401	$ 839,346
(3) Consumer Case Management System	$ 800,960	$ 0
Total, Acquisition of Information Resource Technologies	$ 3,641,361	$ 2,839,346
b. Transportation Items		
(1) Vehicles	$ 46,500	$ 47,500
c. Acquisition of Capital Equipment and Items		
(1) Establish and Refurbish Food Service Facilities	$ 340,000	$ 340,000
Total, Capital Budget	$ 4,027,861	$ 3,226,846

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	$10,540
Board for Evaluation of Interpreters	$ 4,500
Rehabilitation Council of Texas	$76,845

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.

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 ~~$172,926,408~~ 189,099,792 in fiscal year 200~~6~~8 and ~~$174,835,126~~ 192,162,127 in fiscal year 200~~7~~9 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 200~~6~~8 or 200~~7~~9 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.

~~(2)~~(3) Narrative explanations of significant budget adjustments, ongoing issues, and other items as appropriate.

~~(3)~~(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.

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.

~~9~~8. Reporting on Early Childhood Intervention. The Department of Assistive and Rehabilitative Services shall submit quarterly reports to the Legislative Budget Board, the Governor, and the Health and Human Services Commission, that provide information about the number of children served in Strategies A.1.1, A.1.2, A.1.3 and A.1.5, Early Childhood Intervention Awareness and Services, and funded services.

The reports should include, but are not limited to:

a. a copy of the CMS64 Medicaid report. Such reports shall be submitted to the Legislative Budget Board and the Governor no later than the date the report is submitted to the federal government,

b. a report that details types of services provided and cost of provision by method of finance. Other data available through the Texas Kids Intervention Data System (T-KIDS) and HHSAS shall be included upon request. Such reports shall be submitted to the Legislative Budget Board and the Governor no later than the date the agency Performance Measures are due in ABEST.

c. the amounts for all early intervention services, by Medicaid source including Developmental Rehabilitation Services, projected, claimed and collected either by the agency or local contractors.

d. any other information requested by the Legislative Budget Board or the Governor.

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

~~**8. Earned Federal Funds**. The Department of Assistive and Rehabilitative Services shall submit a monthly report to the Legislative Budget Board and the Governor which details revenues, expenditures, and balances for earned federal funds as of the last day of the prior month. The report shall be prepared in a format approved by the Legislative Budget Board.~~

~~10~~9. Funding for Early Childhood Intervention (ECI) Services at the Department of Assistive and Rehabilitative Services.

a. Within the biennium, if it becomes necessary in order to qualify for federal funds, 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 that revenues needed to continue to serve all eligible children in Strategies A.1.1, A.1.2, A.1.3, and A.1.5, Early Childhood Intervention Awareness and Services, will exceed available revenue. 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.

DARS shall supply the following information to the Legislative Budget Board, the Governor, and the Executive Commissioner of Health and Human Services at the time of any authorization of additional need:

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

All transfers made shall be subject to the prior 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, A.1.2, A.1.3, and A.1.5, Early Childhood Intervention Awareness and 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.

~~11~~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.

~~12~~11. Education Funding. Included in the Method of Financing in Other Funds above is $16,498,102 in fiscal year 200~~6~~8 and $16,498,102 in fiscal year 200~~7~~9 set aside from the Special Education Allotment and transferred to the Department of Assistive and Rehabilitative Services. Prior to expenditure of Other Funds received through interagency contract with the Texas Education Agency, the agency shall report in writing to the Governor and the Legislative Budget Board the amount of funds the agency intends to allocate to each local provider, the number of children each local provider is expected to serve, and details of the amount of funds that will be allocated for each of the following: eligibility determination services, comprehensive services and transition 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 for eligibility determination services, including the initial determination of eligibility and subsequent eligibility assessments occurring after the initial individualized family service plan, comprehensive services and transition services, as specified. 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, 200~~5~~7 and October 1, 200~~6~~8.

~~13~~12. Medicaid Billing of Developmental Rehabilitation Services. The Department of Assistive and Rehabilitative Services (DARS) shall, in coordination with the Health and Human Services Commission, maintain procedures and monitor contractors for compliance to ensure that local providers bill Medicaid for Developmental Rehabilitation Services (DRS) provided by Early Childhood Intervention (ECI) Specialists prior to use of state appropriations and resources and federal Individuals with Disabilities Education Act (IDEA) Part C funds. DARS

shall maintain procedures for reducing allocations to local providers based on projected Medicaid reimbursements of all ECI services that are Medicaid reimbursable including DRS.

To ensure that all DRS services provided by local programs are approved for Medicaid reimbursement, DARS shall maintain agency policy and procedures requiring that local program staff, including certified teachers, that deliver DRS are certified in the ECI competency demonstration system.

~~14~~13. Medical Assistance Payments. General revenue funds appropriated hereinabove for Medicaid services (GR Match for Medicaid and GR Certified as Match for Medicaid) may be carried over from fiscal year 200~~6~~8 to fiscal year 200~~7~~9 and used for the same purpose.

~~15~~14. Limitation: Transfer Authority for Early Childhood Intervention (ECI) Strategies. Notwithstanding the transfer provisions in the general provisions (general transfer provisions) of this Act, none of the funds appropriated by this Act to the Department of Assistive and Rehabilitative Services (DARS) for the following ECI strategies, ECI Awareness and Services:

a. A.1.1, ECI Eligibility Awareness;
b. A.1.2, ECI Eligibility Determination;
c. A.1.3, ECI Comprehensive Services;
d. A.1.4, ECI Respite Services; and
e. A.1.5, Ensure Quality ECI Services

may be transferred to any other item of appropriation or expended for any other 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; however funds may be transferred between ECI strategies in accordance with other provisions of this Act, including the general transfer provisions.

~~16~~15. Appropriation: Unexpended Balances in Interagency Contracts for Administrative Fees. Unexpended and unobligated balances remaining as of August 31, 200~~5~~7, in the appropriation of Interagency Contracts for Administrative Fees made to the Department of Assistive and Rehabilitative Services (DARS) by ~~House~~Senate Bill 1, Seventy-~~eighth~~ninth 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, ~~Consumer and Interpreter~~ Education, Training, & Certification - Deaf, for the biennium beginning September 1, 200~~5~~7, and any unexpended balances remaining as of August 31, 200~~6~~8 are appropriated for the same purpose for the fiscal year beginning September 1, 200~~6~~8 (estimated to be $0).

~~17~~16. Appropriation: Unexpended Balances in Summer Camp Program. Any unexpended and unobligated balances remaining as of August 31, 200~~5~~7, in the appropriation made to the Department of Assistive and Rehabilitative Services (DARS) by ~~House~~Senate Bill 1, Seventy-~~eighth~~ninth 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, ~~Consumer and Interpreter~~ Education, Training, & Certification - Deaf, for the biennium beginning September 1, 200~~5~~7, for the purpose of expenses related to the Summer Camp Program (estimated to be $0). Unexpended and unobligated balances remaining as of August 31, 200~~6~~8, in the Summer Camp program are hereby appropriated to DARS for fiscal year 200~~7~~9, and included in amounts above in Strategy B.2.2, ~~Consumer and Interpreter~~ Education, Training, & Certification - Deaf, for use in the Summer Camp Program (estimated to be $0).

~~18~~17. Unexpended Balances for the Board of Evaluation of Interpreters (BEI) Program. Unexpended and unobligated balances remaining as of August 31, 200~~6~~7, in certification fees for Strategy B.2.~~3~~2, ~~Interpreters~~ 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, 200~~6~~7, for the purpose of developing evaluation materials, validating interpreter evaluation materials, and expenses related to the Department's Certification Program (estimated to be $0).

~~19~~18. BEI Test License and Marketing. The Department of Assistive and Rehabilitative Services (DARS) is authorized to license any tests that it develops in its Board of Evaluation of Interpreters Program and may sell these tests. Any revenue generated from these sales is hereby appropriated to DARS (estimated to be $0).

~~20~~19. 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.~~3~~2, ~~Interpreters~~ 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 ~~$25,339~~ $36,201 in fiscal year 200~~6~~8 and ~~$26,151~~ $35,767 in fiscal year 200~~7~~9. 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, 2008 are hereby appropriated for the fiscal year beginning September 1, 2008.

~~21~~20. Appropriation: GR-Dedicated Account No. 5086 License Plate Revenue. Included in funds appropriated above in Strategy B.2.2, ~~Consumer and Interpreter~~ Education, Training, & Certification - Deaf, is an estimated appropriation of ~~$38,182~~ 23,472 for the biennium in revenue generated from the sale of specialized "I Love Texas" license plates and collected in GR-Dedicated Account No. 5086. Any balances on hand (estimated to be $8,117) as well as any additional revenues generated in 08-09 by the sale of specialized "I Love Texas" license plates above ~~$38,182~~ 23,472 are ~~is~~ hereby appropriated to the agency ~~(estimated to be $0)~~ for the 200~~6~~8-0~~7~~9 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.

~~22~~21. 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.

~~23~~22. Employee Work Assignments. For ~~E~~employees assigned to the Criss Cole Rehabilitation Center or to special project facilities operated by the agency, ~~may, to the extent required for the effective direct provision of services to clients, be excepted from usual state policies regarding working hours, working days, and holidays. I~~insofar as possible, the work days and work hours of such employees shall 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.

~~24~~23. 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 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.

~~25~~24. 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.

~~26~~25. Appropriation of Donations: Blindness Education Screening and Treatment. Included in the amounts above in Strategy B.1.2 is ~~$518,845~~ 490,774 in fiscal year 200~~6~~8 and ~~$518,845~~ 490,774 in fiscal year 200~~7~~9 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 200~~6~~8 and fiscal year 200~~7~~9, in amounts not to exceed ~~$1,037,690~~ 981,548 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 unexpended balances remaining as of August 31, 200~~6~~8 are hereby appropriated to DARS for the same purpose for the fiscal year beginning September 1, 200~~6~~8. 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.

~~27~~26. **Appropriation: GR-Dedicated Account No. 5043 Business Enterprises of Texas Trust Fund.** Amounts above in Strategy B.1.5, Business Enterprise~~s of Texas~~ Program 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 Enterprise~~s of Texas~~ Program 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 Enterprise~~s of Texas~~ Program 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 Business Enterprise~~s of Texas~~Program Trust Fund, GR-Dedicated 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 ~~quarterly~~ 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.

~~28~~27. **GR-Dedicated Account No. 492 Business Enterprises of Texas.** ~~Included in amounts above in the Method of Finance "Business Enterprises of Texas Account No. 492" is $ 2,982,148 for the biennium from revenue deposited into the account in object codes 3747 and 3802.~~Included in the amounts appropriated above in Strategy B.1.4, Business Enterprises of Texas, is $1,539,740 in fiscal year 2008 and $1,539,740 in fiscal year 2009 from the Business Enterprise Program Account No. 492 from revenue deposited into the account in object codes 3747 and 3802.

~~29~~28. **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 200~~6~~8-0~~7~~9 biennium. Appropriations included in Strategy B.3.1. above, $~~450,000~~ 249,749 in each fiscal year of the biennium, are from subrogation receipt collections from Vocational Rehabilitation cases. Appropriations included in Strategy B.3.4 above, $~~50,000~~ 26,251 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).

~~30~~29. **GR-Dedicated Account No. 107 Comprehensive Rehabilitation Fund.** ~~The method of financing noted above, GR-Dedicated Comprehensive Rehabilitation Account No. 107, includes unexpended and unobligated balances of Comprehensive Rehabilitation funds remaining as of August 31, 2005, and receipts earned in fiscal year 2006 and fiscal year 2007, not to exceed $21,012,291 for the biennium. 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 in Revenue Object Code 3713 during the 2006-07 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.~~

Included in the amounts appropriated above in Strategy B.3.4, Comprehensive Rehabilitation, is $11,285,064 in fiscal year 2008 and $11,285,064 in fiscal year 2009 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, 2007. 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 in Revenue Object Code 3713 during the 2008-09 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).

~~31.~~ ~~**Contingency for House Bill 2.** Contingent upon enactment of House Bill 2 or similar legislation relating to public education and public school finance matters, by the Seventy-ninth Legislature, Regular Session, $1,657,877 in fiscal year 2006 and $3,267,736 in fiscal year 2007 shall be set aside from the special education allotment out of funds appropriated to the Texas Education Agency, and transferred to the Department of Assistive and Rehabilitative Services via interagency contract for the purpose of providing transition services to students with disabilities through the Vocational Rehabilitation program. These funds shall be classified as Interagency Contracts - Transfer from Foundation School Fund No. 193. The matching Vocational Rehabilitation Federal Funds are estimated to be $6,125,524 in fiscal year 2006 and $12,073,631 in fiscal year 2007.~~

~~Funds shall be transferred by October 1 of each fiscal year. In addition to the TEA special education funds, it is the intent of the legislature that VR federal funds be used to fund this program in the amount of $1,657,877 in fiscal year 2006 and $3,267,736 in fiscal year 2007.~~

~~Prior to expenditure of other funds received through interagency contract with the Texas Education Agency DARS shall report in writing to the Legislative Budget Board and the Governor the amount of state and federal funds the agency will allocate to transition services in Strategies B.1.3 and B.3.1 in each fiscal year of the biennium. The report shall include the number of students with disabilities expected to be served, services to be provided with the funds, and any other details of the transition services requested by the Legislative Budget Board or the Governor.~~

~~Contingent upon enactment of House Bill 2 or similar legislation, DARS is required to enter into a Memorandum of Understanding (MOU) with the Texas Education Agency for the purpose of providing transition services to students with disabilities through the Vocational Rehabilitation program. The MOU may include provisions the agencies deem necessary. DARS shall provide a signed copy of the MOU to the Legislative Budget Board and the Governor, no later than September 1, 2005 and September 1, 2006.~~

~~DARS shall submit quarterly reports to the Legislative Budget Board and the Governor that provide information about the number of students with disabilities served in Strategies B.1.3 and B.3.1 and details of funded services. The format of the reports and details of information included shall be specified by the Legislative Budget Board.~~

~~Performance measure targets will be adjusted upon enactment of House Bill 2 for Strategy B.1.3 (Number of Consumers Served) and Strategy B.3.1 (Number of Consumers Served) to reflect the contingency appropriation.~~

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 350,664,100	$ 353,290,842
GR Match for Medicaid	20,337,171	20,592,522
GR MOE for Temporary Assistance for Needy Families	6,282,087	6,282,087
GR Match for Title IV-E Foster Care/Adoption Payments	121,642,311	128,979,813
Subtotal, General Revenue Fund	$ 498,925,669	$ 509,145,264
GR Dedicated - Child Abuse and Neglect Prevention Operating Account No. 5084	6,989,793	6,989,791
Federal Funds	665,968,818	678,648,269
Other Funds		
DFPS Appropriated Receipts - Child Support Collections	1,120,384	1,120,384
Appropriated Receipts	5,172,780	5,171,897
Interagency Contracts	286,285	286,285
Subtotal, Other Funds	$ 6,579,449	$ 6,578,566
Total, Method of Financing	$ 1,178,463,729	$ 1,201,361,890
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	9,820.2	9,820.2
Schedule of Exempt Positions:		
Commissioner, Group 6	$160,000	$160,000
Items of Appropriation:		
A. Goal: PROTECTIVE SERVICES		
Protect Clients by Developing and Managing a Service Delivery System.		
A.1.1. Strategy: STATEWIDE INTAKE SERVICES Provide System to Receive/Assign Reports of Abuse/Neglect/Exploitation.	$ 12,453,728	$ 12,453,728
A.2.1. Strategy: CPS DIRECT DELIVERY STAFF Provide Direct Delivery Staff for Child Protective Services.	$ 223,917,177	$ 223,917,174
A.2.2. Strategy: CPS PROGRAM SUPPORT Provide Program Support for Child Protective Services.	$ 29,598,972	$ 29,598,972
A.2.3. Strategy: TWC FOSTER DAY CARE TWC Foster Day Care Purchased Services.	$ 5,113,218	$ 5,113,218
A.2.4. Strategy: TWC PROTECTIVE DAY CARE TWC Protective Day Care Purchased Services.	$ 8,596,268	$ 8,596,268
A.2.5. Strategy: ADOPTION PURCHASED SERVICES	$ 3,995,506	$ 3,995,506
A.2.6. Strategy: POST-ADOPTION PURCHASED SERVICES	$ 3,648,845	$ 3,648,845
A.2.7. Strategy: PAL PURCHASED SERVICES Preparation for Adult Living Purchased Services.	$ 7,017,233	$ 7,017,232
A.2.8. Strategy: SUBSTANCE ABUSE PURCHASED SERVICES	$ 2,615,114	$ 2,615,113
A.2.9. Strategy: OTHER CPS PURCHASED SERVICES Other Purchased Child Protective Services.	$ 22,550,059	$ 22,550,059
A.2.10. Strategy: FOSTER CARE PAYMENTS	$ 410,705,345	$ 425,920,478
A.2.11. Strategy: ADOPTION SUBSIDY PAYMENTS	$ 130,343,927	$ 137,783,577
A.2.12. Strategy: STAR PROGRAM Services to At-Risk Youth (STAR) Program.	$ 21,000,861	$ 21,000,860
A.2.13. Strategy: CYD PROGRAM Community Youth Development (CYD) Program.	$ 7,847,599	$ 7,847,598
A.2.14. Strategy: TEXAS FAMILIES PROGRAM Texas Families: Together and Safe Program.	$ 4,121,878	$ 4,121,878
A.2.15. Strategy: CHILD ABUSE PREVENTION GRANTS Provide Child Abuse Prevention Grants to Community-based Organizations.	$ 1,795,849	$ 1,795,849

A.2.16. Strategy: OTHER AT-RISK PREVENTION PROGRAMS Provide Funding for Other At-Risk Prevention Programs.	$ 4,655,867	$ 4,655,866
A.2.17. Strategy: AT-RISK PREVENTION PROGRAM SUPPORT Provide Program Support for At-Risk Prevention Services.	$ 1,855,604	$ 1,855,604
A.3.1. Strategy: APS DIRECT DELIVERY STAFF Provide Direct Delivery Staff for Adult Protective Services.	$ 46,432,819	$ 46,432,819
A.3.2. Strategy: APS PROGRAM SUPPORT Provide Program Support for Adult Protective Services.	$ 4,671,102	$ 4,671,104
A.3.3. Strategy: MH and MR INVESTIGATIONS	$ 5,470,342	$ 5,470,342
A.4.1. Strategy: CHILD CARE REGULATION	$ 21,844,933	$ 21,844,933
Total, Goal A: PROTECTIVE SERVICES	$ 980,252,246	$ 1,002,907,023
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 10,496,311	$ 10,496,311
B.1.2. Strategy: OTHER SUPPORT SERVICES	$ 164,008	$ 164,008
B.1.3. Strategy: REGIONAL ADMINISTRATION	$ 1,551,320	$ 1,551,320
B.1.4. Strategy: IT PROGRAM SUPPORT	$ 9,000,413	$ 9,000,414
B.1.5. Strategy: AGENCY-WIDE AUTOMATED SYSTEMS	$ 14,368,598	$ 14,361,981
Total, Goal B: INDIRECT ADMINISTRATION	$ 35,580,650	$ 35,574,034
C. Goal: CPS REFORM Child Protective Services Reform.		
C.1.1. Strategy: CPS REFORM DIRECT DELIVERY STAFF Provide Additional CPS Direct Delivery Staff.	$ 67,712,007	$ 67,712,007
C.1.2. Strategy: CPS REFORM REGIONAL SCREENERS Provide Staff to Screen Reports of Child Abuse/Neglect.	$ 1,991,923	$ 1,991,923
C.1.3. Strategy: CPS REFORM CASE RECORDS COMPLIANCE Provide Staff to Search, Merge and Purge Case Records.	$ 662,427	$ 662,427
C.1.4. Strategy: CPS REFORM FUNCTIONAL UNITS Establish Functional Units for Child Protective Services (All Stages).	$ 33,295,779	$ 33,295,779
C.1.5. Strategy: CPS REFORM EXPANDED TRAINING Provide Staff to Expand CPS Training.	$ 2,297,924	$ 2,547,924
C.1.6. Strategy: CPS REFORM MOBILE CASEWORKER Provide Mobile Caseworker Technology for Child Protective Services.	$ 7,857,203	$ 7,857,203
C.1.7. Strategy: CPS REFORM TELEMEDICINE ASSESSMENTS Provide Telemedicine Assessments for Child Protective Services.	$ 3,000,816	$ 3,000,816
C.1.8. Strategy: CPS REFORM PURCHASED SERVICES Purchase Additional CPS Client Services.	$ 21,660,112	$ 21,660,112
C.1.9. Strategy: CPS REFORM SALARY PACKAGE Provide Supplemental Pay for CPS Investigative Caseworkers.	$ 12,294,100	$ 12,294,100
C.1.10. Strategy: CPS REFORM CHILD SAFETY SPECIALISTS Provide Child Safety Specialists for Child Protective Services.	$ 1,161,169	$ 1,161,169
C.1.11. Strategy: CPS REFORM DILIGENT SEARCH Provide Staff to Perform Diligent Searches and Background Checks.	$ 203,444	$ 203,444
C.1.12. Strategy: CPS REFORM MANAGEMENT STRUCTURE Provide Staff to Enhance the CPS Management Structure.	$ 6,699,030	$ 6,699,030
C.1.13. Strategy: CPS REFORM OPERATIONS SUPPORT Provide Staff to Support Agency Operations.	$ 1,314,668	$ 1,314,668

C.1.14. Strategy: CPS REFORM HUMAN RESOURCES CONTRACT Provide Funding for Human Resources Contract Cost Increase.	$ 371,376	$ 371,376
C.1.15. Strategy: CPS REFORM CONTRACT MANAGEMENT Provide Funding for Residential Contract Management and State Audits.	$ 500,000	$ 500,000
C.1.16. Strategy: CPS REFORM ADMINISTRATOR/EVALUATOR Provide Funding for Independent Administrator and Evaluator.	$ 1,225,195	$ 1,225,195
C.1.17. Strategy: CPS REFORM CONTRACT OVERSIGHT Provide Staff to Oversee Contracts and Assure Quality.	$ 553,344	$ 553,344
C.1.18. Strategy: CPS REFORM STAFF TRANSITION Reduce Staff due to Transition of Services to Private Sector.	$ 0	$ 0
Total, Goal C: CPS REFORM	$ 162,800,517	$ 163,050,517
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (169,684)	$ (169,684)
Grand Total, DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES	$ 1,178,463,729	$ 1,201,361,890
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 340,802,706	$ 340,802,706
Other Personnel Costs	9,925,088	9,925,088
Professional Fees and Services	26,907,044	27,157,044
Fuels and Lubricants	34,075	34,075
Consumable Supplies	6,985,331	6,985,331
Utilities	6,663,839	6,663,839
Travel	33,021,920	33,021,920
Rent - Building	12,656,959	12,656,959
Rent - Machine and Other	6,779,423	6,779,423
Other Operating Expense	67,011,312	66,955,438
Client Services	665,443,782	688,098,561
Food for Persons - Wards of State	78,951	78,951
Grants	30,870	30,870
Capital Expenditures	2,122,429	2,171,685
Total, Object-of-Expense Informational Listing	$ 1,178,463,729	$ 1,201,361,890
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 21,037,859	$ 21,353,427
Group Insurance	51,406,597	51,778,128
Social Security	27,491,947	27,904,326
Benefits Replacement	2,125,920	2,019,624
Subtotal, Employee Benefits	$ 102,062,323	$ 103,055,505
Debt Service		
Lease Payments	$ 769,359	$ 718,355
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 102,831,682	$ 103,773,860

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.

	2008	2009
A. Goal: PROTECTIVE SERVICES		
Outcome (Results/Impact):		
Average Hold Time (in Minutes) for Statewide Intake Phone Calls in the English Queue	8	8.6
Percent of Children in FPS Conservatorship for Whom Legal Resolution Was Achieved within 12 Months	63.3%	63.3%
Child Protective Services Caseworker Turnover Rate	27.8%	26.8%
Percent of CYD Youth Not Referred to Juvenile Probation	99.6%	99.6%
Percent of Elderly Persons and Persons with Disabilities Found to Be in a State of Abuse/Neglect/Exploitation Who Receive Protective Services	80.4%	80.9%
Incidence of Abuse/Neglect/Exploitation per 1,000 Persons Receiving Services in Mental Health and Mental Retardation Settings	4.1	4.1
Adult Protective Services Caseworker Turnover Rate	18.2%	18.2%
Percent of Validated Occurrences Where Children Are Placed at Serious Risk	41.9%	41.9%
A.1.1. Strategy: STATEWIDE INTAKE SERVICES		
Output (Volume):		
Number of CPS Reports of Child Abuse/Neglect	214,213	219,097
A.2.1. Strategy: CPS DIRECT DELIVERY STAFF		
Output (Volume):		
Number of Completed CPS Investigations	171,370	175,278
Number of Confirmed CPS Cases of Child Abuse/Neglect	44,556	45,572
Number of Children in FPS Conservatorship Who Are Adopted	3,664	3,908
Efficiencies:		
CPS Daily Workload Equivalency Measure (WEM)	26.8	28.8
Explanatory:		
CPS Daily Caseload Per Worker: Investigation	22.9	23.3
A.2.3. Strategy: TWC FOSTER DAY CARE		
Output (Volume):		
Average Number of Days of TWC Foster Day Care Paid Per Month	42,440	42,440
A.2.4. Strategy: TWC PROTECTIVE DAY CARE		
Output (Volume):		
Average Number of Days of TWC Protective Day Care Paid Per Month	52,999	52,999
A.2.10. Strategy: FOSTER CARE PAYMENTS		
Output (Volume):		
Average Number of FPS-paid Days of Foster Care Per Month	633,936	666,549
Average Number of Children (FTE) Served in FPS-paid Foster Care Per Month	20,785	21,914
Efficiencies:		
Average Monthly FPS Expenditures for Foster Care	33,193,700	34,461,628
Average Monthly FPS Payment Per Foster Child (FTE)	1,597.02	1,572.59
A.2.11. Strategy: ADOPTION SUBSIDY PAYMENTS		
Output (Volume):		
Average Number of Children Provided Adoption Subsidy Per Month	23,953	25,801
Efficiencies:		
Average Monthly Payment Per Adoption Subsidy	441.06	433.5
A.2.12. Strategy: STAR PROGRAM		
Output (Volume):		
Average Number of STAR Youth Served Per Month	6,275	6,275
A.2.13. Strategy: CYD PROGRAM		
Output (Volume):		
Average Number of CYD Youth Served Per Month	7,055	7,055
Efficiencies:		
Average Monthly Cost Per CYD Youth Served	92.69	92.69
A.3.1. Strategy: APS DIRECT DELIVERY STAFF		
Output (Volume):		
Number of Completed APS Investigations	76,467	79,985
Number of Confirmed APS Investigations	56,203	58,789
Efficiencies:		
APS Daily Workload Equivalency Measure (WEM)	22.8	23.8
Explanatory:		
APS Daily Caseload Per Worker (In Home)	37.5	39.2
A.3.3. Strategy: MH and MR INVESTIGATIONS		
Output (Volume):		
Number of Completed Investigations in Mental Health and Mental Retardation Settings	8,130	8,409

Efficiencies:		
Average Monthly Cost Per Investigation in Mental Health and Mental Retardation Settings	483.43	467.06
A.4.1. Strategy: CHILD CARE REGULATION		
Output (Volume):		
Number of New Licenses, Certifications, Registrations and Listings Issued	4,143	4,162

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.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Desktop Services Lease for Computer Hardware and Software	$ 4,454,901	$ 4,700,191
(2) IMPACT Operational Enhancement	2,466,900	600,000
(3) Infrastructure Upgrades (MLPP)	1,037,991	300,430
(4) IMPACT Enhancements - APS Reform	237,600	0
(5) APS/MHMR Mobile Caseworker	1,046,312	1,092,398
(6) APS Telemedicine Automation	51,000	0
(7) IMPACT Enhancements - CPS Reform	2,199,050	2,199,050
(8) Mobile Caseworker System - CPS Reform	7,394,965	4,236,955
(9) Telemedicine - CPS Reform	85,000	804,100
(10) IMPACT Hardware - CPS Reform	799,244	624,000
(11) Statewide Intake Technology (MLPP)	237,346	182,615
(12) Desktop Services Lease for Computer Hardware and Software - CPS Reform	$ 759,705	$ 1,001,883
Total, Acquisition of Information Resource Technologies	$ 20,770,014	$ 15,741,622
Total, Capital Budget	$ 20,770,014	$ 15,741,622
Method of Financing (Capital Budget):		
General Revenue Fund		
General Revenue Fund	$ 4,634,832	$ 2,520,347
GR Match for Medicaid	340,489	272,602
Subtotal, General Revenue Fund	$ 4,975,321	$ 2,792,949
Federal Funds	6,941,148	5,833,585
Economic Stabilization Fund	8,853,545	7,115,088
Total, Method of Financing	$ 20,770,014	$ 15,741,622

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Desktop Services Lease for Computer Hardware and Software	$ 4,496,686	$ 4,496,686
(2) IMPACT Operational Enhancement	1,533,450	1,533,450
(3) APS/MH and MR Mobile Caseworker	1,308,355	1,308,355
(4) CPS Mobile Caseworker	$ 6,527,583	$ 6,527,583
Total, Acquisition of Information Resource Technologies	$ 13,866,074	$ 13,866,074

b. Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Lease Payments to Master Lease Purchase Program (2006-2007)	$ 1,247,018	$ 1,239,271
Total, Capital Budget	$ 15,113,092	$ 15,105,345

Method of Financing (Capital Budget):

General Revenue Fund		
General Revenue Fund	$ 9,220,194	$ 9,212,353
GR Match for Medicaid	539,030	546,055
Subtotal, General Revenue Fund	$ 9,759,224	$ 9,758,408
Federal Funds	5,353,868	5,346,937
Total, Method of Financing	$ 15,113,092	$ 15,105,345

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 general revenue funds appropriated to the department may be used to make such payments.

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, 200~~5~~7, are hereby appropriated for the biennium ending August 31, 200~~7~~9 (estimated to be $0), for the purpose of carrying out the provisions of this Act. ~~(Estimated to be $0)~~

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 monthly 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 200~~6~~8-0~~7~~9 biennium. The department may transfer funds into Strategy A.2.10, Foster Care Payments, for the purpose of maintaining these rates. The department may not transfer funds out of Strategy A.2.10, 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 A.2.10, 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.

c. The department may utilize up to $~~$15,582,241~~9,641,896 from funds appropriated above in Strategy A.2.10, Foster Care Payments, for ~~statewide expansion of~~ the ~~r~~Relative and Other Designated Caregiver Monetary Assistance ~~placement reimbursement pilot p~~Program. The department shall conduct ~~an~~ 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.

~~11~~9. Substitute Care Permanency Goal. ~~In order to comply with 45 CFR 1356.21, it is the intent of the Legislature that the Department of Family and Protective Services actively seek permanent homes for the children who are in the department's substitute care program for long periods. To this end, the department shall seek to limit the number of children under the department's responsibility who are in substitute care for a period longer than 24 months. The department shall strive to assure that no more than 45 percent of the children in paid placements are in substitute care for more than 24 months for fiscal years 2006 and 2007.~~

~~Further, i~~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.

~~**9. 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 $8,500 per year, is limited to the Texas Multidisciplinary Task Force on Children's Justice.~~

~~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.~~

~~12~~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.

(~~3~~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.

~~**10. Appropriation and Reporting of Earned Federal Funds.**~~

~~a. The Department of Family and Protective Services shall submit a monthly report to the Legislative Budget Board and the Governor which details revenues, expenditures, and balances for earned federal funds as of the last day of the prior month. The report shall be prepared in a format approved by the Legislative Budget Board.~~

~~b. The authority to receive and expend earned federal funds in excess of those appropriated above is subject to the following limitations:~~

~~(1) At least 45 days prior to budgeting or expending earned federal funds above levels indicated in the appropriation above, the department shall report the earned federal funds received and provide documentation of the proposed use of these funds to the Legislative Budget Board, Governor, and Health and Human Services Commission.~~

~~(2) Notifications shall include information regarding the need which will be served with the additional revenue. In the event program expansions are under consideration, information shall be forwarded regarding the population to be served; criteria for eligibility; and impact upon existing programs.~~

~~(3) Notifications shall also identify the impact on established performance targets, measures, and full-time equivalent positions.~~

~~c. The method of financing item, Earned Federal Funds, for appropriations made above includes unexpended and unobligated balances of earned federal funds remaining as of August 31, 2005 (estimated to be $405,533), and receipts earned in fiscal years 2006 and 2007.~~

~~13~~**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 A.2.10, Foster Care Payments, and Strategy A.2.11, Adoption Subsidy Payments, for fiscal year 200~~7~~9 to fiscal year 200~~6~~8, 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 200~~6~~8;

b. Transfers from Strategy A.2.10, 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 A.2.11, Adoption Subsidy Payments, may not exceed $6,200,000 in General Revenue Funds;

~~b~~d. A transfer authorized by this section must receive the prior approval of the Legislative Budget Board and the Governor; and

~~c~~e. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

~~14~~12. **Limitation on Expenditures for Administrative Overhead.** Funds appropriated above in Strategy A.2.3, TWC Foster Day Care, and Strategy A.2.4, 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.

~~15~~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.

~~16~~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.

~~17~~15. **Provision of Direct Services.** The Children's Trust Fund state plan for child abuse and neglect primary prevention programs shall emphasize funding for programs that provide direct services such as mentoring, parenting skills, early intervention and prevention, services for high-risk parents, and services to families in crisis.

~~18~~16. **Appropriation of Unexpended Balances.** All unexpended balances appropriated above to Strategy A.2.12, STAR Program, Strategy A.2.13, CYD Program, Strategy A.2.14, Texas Families Program, Strategy A.2.15, Child Abuse Prevention Grants, Strategy A.2.16, Other At-Risk Prevention Programs, and Strategy A.2.17, At-Risk Prevention Program Support, for the fiscal year ending August 31, 200~~6~~8, are hereby appropriated for the same purposes for the fiscal year beginning September 1, 200~~6~~8.

~~19~~17. **Adult Protective Services and Mental Health and Mental Retardation Investigations.** Out of the funds appropriated above for Strategy A.3.1, APS Direct Delivery Staff, Strategy A.3.2, APS Program Support, and Strategy A.3.3, MH and MR Investigations, the Department of Family and Protective Services shall maximize the use of federal Medicaid funding.

~~21~~18. **Faith-based Foster Family Recruitment and Training.** From funds appropriated above, up to $500,000 in fiscal year 200~~6~~8 and up to $706,000 in fiscal year 200~~7~~9 shall be used for the purposes of developing and implementing a program to recruit and train foster families from faith-based communities.

~~22~~19. **Limitation on Transfers: CPS and APS Direct Delivery Staff.**

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 A.2.1, CPS Direct Delivery Staff, and Strategy A.3.1, 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.

Full-time-equivalent (FTE) Positions. Out of the FTE positions appropriated above to the Department of Family and Protective Services, ~~4,675.2~~4,785.7 positions for fiscal year 200~~6~~8 and ~~4,675.2~~4,785.7 positions for fiscal year 200~~7~~9 are allocated to Strategy A.2.1, CPS Direct Delivery Staff, and ~~579.0~~811.7 positions for fiscal year 200~~6~~8 and ~~610.0~~811.7 positions for fiscal year 200~~7~~9 are allocated to Strategy A.3.1, 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 A.2.1, CPS Direct Delivery Staff, and Strategy A.3.1, 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.

~~23~~**20.** **Reimbursement of Advisory Council Members.** Pursuant to Human Resources Code §117.027, 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 $5,700 per fiscal year.

~~**20.** **Training for CPS Caseworkers.** It is the intent of the Legislature that the training curriculum for CPS Caseworkers funded out of Strategy A.2.2, CPS Program Support, include instruction in the Fourth Amendment to the U.S. Constitution and parents' rights.~~

~~24~~**21.** **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 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.

~~28~~**22.** **At-Risk Prevention Programs.** The Department of Family and Protective Services may only use funds appropriated above in Strategy A.2.16, Other At-Risk Prevention Programs, for at-risk prevention services that are competitively procured.

~~29~~**23.** **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.

24. **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.

Included in the amounts appropriated above are the following amounts of federal entitlement revenue for these programs:

(1) Strategy A.2.1, CPS Direct Delivery Staff: $9,224,391 in Medicaid Federal Funds and $23,587,214 in Title IV-E Federal Funds for fiscal year 2008, and $9,172,474 in Medicaid Federal Funds and $23,587,202 in Title IV-E Federal Funds for fiscal year 2009;

(2) Strategy A.2.2, CPS Program Support: $651,577 in Medicaid Federal Funds and $8,226,190 in Title IV-E Federal Funds for fiscal year 2008, and $646,375 in Medicaid Federal Funds and $8,226,190 in Title IV-E Federal Funds for fiscal year 2009; and

(3) Goal C, CPS Reform: $6,104,101 in Medicaid Federal Funds and $16,339,202 in Title IV-E Federal Funds for fiscal year 2008, and $6,062,937 in Medicaid Federal Funds and $16,365,968 in Title IV-E Federal Funds for fiscal year 2009.

It is the intent of the Legislature that the Department shall expend federal entitlement revenue from the Medicaid and Title IV-E Foster Care and Adoption Assistance programs in lieu of General Revenue Funds and TANF Federal Funds to the maximum extent practicable. 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.

The Department shall notify the Legislature Budget Board and the Governor in writing at least 30 days prior to budgeting or spending more than $1 million in federal entitlement revenue

from the Medicaid or Title IV-E Foster Care and Adoption Assistance programs in excess of the amounts noted above for either fiscal year. The notice shall include the following:

a. the reason for the additional federal entitlement revenue;

b. the amount of state funds freed-up due to the additional federal entitlement revenue; and

c. plans for using the freed-up state funds that describe the impact of using the state funds on specific programs, FTEs, capital budget, and performance measures.

25. **At-Risk Youth Prevention Services.** Notwithstanding any other provisions in this Act, out of funds appropriated above in Strategy A.2.16, Other At-Risk Prevention Programs, in each year of the biennium the Department of Family and Protective Services shall allocate not less than $2.7 million to the Texas Alliance of Boys & Girls Clubs to enhance community-based prevention and mentoring programs throughout the state for the purpose of alleviating conditions that lead to substance abuse, juvenile crime, school failure, and other negative consequences for children.

a. The recipient organization must:

(1) provide structured after school activities for at-risk youth,
(2) provide tested, proven, and nationally-recognized programs,
(3) match state dollars received,
(4) offer after school and summer access to programs
(5) maintain trained staff, and
(6) maintain a dedicated facility.

b. None of the funds allocated by this rider may be used for construction or capital construction-related activities.

c. The Department of Family and Protective Services shall report to the Legislative Budget Board and the Governor on the outcome of the at-risk prevention services provided.

~~**25.** **Payment of August 2007 Foster Care Payments.** Funds appropriated above include a reduction of $34,278,127 in All Funds, including $12,400,000 in General Revenue Funds, in Strategy A.2.10, Foster Care Payments for the August 2007 foster care payment. The Department of Family and Protective Services is authorized to defer payment of the August 2007 payment until September of 2007.~~

~~**26.** **Regional Funding Methodology.** None of the funds appropriated above for Adult Protective Services to the Department of Family and Protective Services for fiscal years 2006 and 2007 shall be expended or distributed unless the department puts into effect, by September 1, 2005, a regional funding methodology that removes the use of closed abuse or neglect cases for distributional purposes. The department shall report the details of the new methodology to the Legislative Budget Board and the Governor as soon as possible after the effective date of this Act. The Legislative Budget Board and the Governor shall work with the department regarding appropriate performance measures regarding this new methodology.~~

~~**27.** **Performance Measure Improvements.** The Department of Family and Protective Services shall work with the Legislative Budget Board and the Governor to modify current Child Protective Services (CPS) performance measures which may have the effect of encouraging case closures. Examples of these would include "Number of Completed CPS Investigations" and "Average Number of Open CPS Investigations per Month." The department shall work on performance measures that more accurately reflect workload and reduce pressure to close cases prematurely. Examples might include "Number of Assigned Investigations per Month" and "Abuse Rates per 1,000 Population."~~

~~**30.** **Funding Allocation Plan for CPS Reform Appropriations.** Funds appropriated above in Strategy C.1.1, CPS Reform (or House Bill 10), include $200,039,844 in Other Funds (Economic Stabilization Fund) and $248,100,549 in All Funds, for the following purposes in amounts as estimated:~~

	2006	**FTEs**	**2007**	**FTEs**
Salary and Other Support Costs for Direct Delivery Staff	$28,745,567	822.0	$61,780,156	1,519.0
Regional Screeners	$ 2,016,635	41.0	$ 1,851,821	41.0
Case Records Compliance	$ 1,059,100	20.0	$ 644,380	20.0
Functional Units for All Stages of Service	$ 11,499,174	383.0	$26,664,296	758.0
Expanded Training	$ 3,560,542	33.0	$ 2,782,359	50.0
Technology (Mobile Caseworker)	$ 8,558,850		$ 5,692,426	
Forensic Medical Assessment and Telemedicine	$ 546,664		$ 3,804,916	
IMPACT Modifications	$ 2,199,050		$ 2,199,050	
Purchased Client Services	$21,660,111		$21,660,111	
Salary Package	$ 9,162,176		$ 9,331,987	
Child Safety Specialists	$ 1,155,564	20.0	$ 1,064,502	20.0
Diligent Search and Background Check Staff	$ 225,551	6.0	$ 189,286	6.0
CPS Management Structure	$ 6,530,927	116.0	$ 6,096,964	116.0
Agency Operations Support	$ 1,220,092	28.0	$ 1,059,472	28.0
Human Resources Contract Cost Increase	$ 364,743		$ 378,008	
Foster Care Residential Contract Management and SAO Audits	$ 500,000		$ 500,000	
Independent Administrator And Evaluation Costs	$ 1,000,000		$ 1,450,388	
Contract Oversight and Program Quality Assurance			$ 445,681	10.0
Transition of Agency Staff (One Region Beginning 4/1/07)				(45.0)
Foster Care Child Passport	$ 500,000			
Total CPS Reform	**$100,504,746**	**1,469.0**	**$147,595,803**	**2,523.0**

Method of Financing:

Economic Stabilization Fund	$81,478,439	$118,561,405
Federal Funds	$19,026,307	$ 29,034,398
Total, All Funds	**$100,504,746**	**$147,595,803**

Funds appropriated above in Strategy C.1.1, CPS Reform (or House Bill 10) shall be expended in accordance with the following conditions:

a. ~~The Department of Family and Protective Services shall submit to the Legislative Budget Board and the Governor, by September 1, 2005, an expenditure plan for fiscal year 2006 and fiscal year 2007, that includes quarterly goals relating to caseworker recruitment, retention, and workload; identifies the amounts expected to be expended (by purpose and method of finance); identifies the impact on full-time-equivalent positions; and recommends adjustments to key performance measure targets and the capital budget. Not later than 30 days following the close of each fiscal quarter, the Department shall update the expenditure plan and report on the progress and status of the CPS reform initiative.~~

b. ~~The Department of Family and Protective Services shall notify the Legislative Budget Board and the Governor at least 30 days prior to making an expenditure for a purpose not listed above or for a purpose listed above in an amount which is more than 10 percent greater than the amount estimated. The notification shall be in writing and indicate the need for the expenditure; the amounts that will be expended (by purpose and method of finance); and the impact of these expenditures on quarterly goals, full-time-equivalent positions, key performance measure targets, and the capital budget.~~

DEPARTMENT OF STATE HEALTH SERVICES

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 502,378,070	$ 502,428,544
GR for Mental Health Block Grant	209,185,640	209,185,640
GR for Substance Abuse Prevention and Treatment Block Grant	24,117,023	24,117,023
GR for Maternal and Child Health Block Grant	40,208,729	40,208,729
GR for HIV Services	35,775,601	35,775,601
GR Match for Medicaid	6,598,871	6,598,871
GR Certified as Match for Medicaid	61,528,938	61,528,938
GR - Insurance Companies Maintenance Tax and Insurance Department Fees	5,890,877	5,890,877
Vendor Drug Rebates—Public Health, estimated	1,393,000	1,393,000
Subtotal, General Revenue Fund	$ 887,076,749	$ 887,127,223
General Revenue Fund - Dedicated		
General Revenue Dedicated Accounts	(67,470)	(67,470)
Perpetual Care Account No. 5096	317,850	317,850
Health Services Laboratory Financing Fees (formerly 3595), estimated	2,875,931	2,870,731
Public Health Services Fee Account No. 524	11,171,327	11,171,327
WIC Rebates (formerly 3597), estimated	230,126,268	232,813,818
Vital Statistics Account No. 019	3,685,072	3,685,072
Hospital Licensing Account No. 129	1,118,037	1,118,037
Food and Drug Retail Fee Account No. 341	1,654,032	1,654,032
Bureau of Emergency Management Account No. 512	2,156,876	2,156,876
Commission on State Emergency Communications Account No. 5007	1,820,943	1,820,943
Asbestos Removal Licensure Account No. 5017	3,124,196	3,124,196
Workplace Chemicals List Account No. 5020	591,763	591,763
Certification of Mammography Systems Account No. 5021	351,623	351,623
Oyster Sales Account No. 5022	252,000	252,000
Food and Drug Registration Account No. 5024	4,638,131	4,638,131
Permanent Fund for Health and Tobacco Education and Enforcement Account No. 5044, estimated	7,997,482	8,104,449
Permanent Fund for Children & Public Health Account No. 5045, estimated	4,047,868	4,047,868
Permanent Fund for EMS & Trauma Care Account No. 5046, estimated	3,952,333	3,952,333
Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease Account No. 5048, estimated	990,502	990,502
State Owned Multicategorical Teaching Hospital Account No. 5049	10,000,000	10,000,000
EMS, Trauma Facilities, Trauma Care Systems Account No. 5108	2,380,379	2,380,379
Designated Trauma Facility and EMS Account No. 5111	51,762,132	51,762,132
Childhood Immunization Account No. 5125	239,613	239,613
Animal Friendly Plates Account No. 5032, estimated	1,050,000	1,050,000
Subtotal, General Revenue Fund - Dedicated	$ 346,236,888	$ 349,026,205
Federal Funds	1,184,414,568	1,188,250,590
Other Funds		
Appropriated Receipts	7,684,085	7,684,086
State Chest Hospital Fees and Receipts	1,898,140	1,898,140
DSHS Public Health Medicaid Reimbursements	13,739,761	13,739,761
MH Collections for Patient Support and Maintenance	7,051,515	7,051,515
MH Appropriated Receipts	5,550,445	5,550,445
Interagency Contracts	53,160,102	53,160,103
Bond Proceeds - General Obligation Bonds	39,578,167	0
Subtotal, Other Funds	$ 128,662,215	$ 89,084,050
Total, Method of Financing	$ 2,546,390,420	$ 2,513,488,068
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 6,277,101	$ 6,287,324

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	11,623.1	11,623.1
Schedule of Exempt Positions:		
Commissioner, Group 6	$175,000	$175,000
Items of Appropriation:		
A. Goal: PREPAREDNESS AND PREVENTION		
Preparedness and Prevention Services.		
A.1.1. Strategy: PUBLIC HEALTH PREP. & COORD. SVCS	$ 119,333,185	$ 119,333,185
Public Health Preparedness and Coordinated Services.		
A.1.2. Strategy: REGISTRIES, INFO, & VITAL RECORDS	$ 26,536,470	$ 26,517,129
Health Registries, Information, and Vital Records.		
A.2.1. Strategy: IMMUNIZE CHILDREN & ADULTS IN TEXAS	$ 49,305,816	$ 49,305,816
Immunize Children and Adults in Texas.		
A.2.2. Strategy: HIV/STD PREVENTION	$ 148,297,660	$ 148,297,660
A.2.3. Strategy: INFECTIOUS DISEASE PREV/EPI/SURV	$ 29,689,818	$ 29,689,818
Infectious Disease Prevention, Epidemiology and Surveillance.		
A.3.1. Strategy: CHRONIC DISEASE PREVENTION	$ 6,639,203	$ 6,639,203
Health Promotion & Chronic Disease Prevention.		
A.3.2. Strategy: ABSTINENCE EDUCATION	$ 5,653,783	$ 5,653,783
A.3.3. Strategy: KIDNEY HEALTH CARE	$ 23,046,308	$ 23,046,308
A.3.4. Strategy: CHILDREN WITH SPECIAL NEEDS	$ 38,555,482	$ 38,555,482
Children with Special Health Care Needs.		
A.3.5. Strategy: EPILEPSY HEMOPHILIA SERVICES	$ 1,261,102	$ 1,261,102
A.4.1. Strategy: LABORATORY SERVICES	$ 35,685,241	$ 35,685,241
Total, Goal A: PREPAREDNESS AND PREVENTION	$ 484,004,068	$ 483,984,727
B. Goal: COMMUNITY HEALTH SERVICES		
B.1.1. Strategy: WIC/FARMER'S MARKET NUTRITION SVCS	$ 731,513,554	$ 743,990,781
Provide WIC Services: Benefits, Nutrition Education & Counseling.		
B.1.2. Strategy: WOMEN & CHILDREN'S HEALTH SERVICES	$ 70,924,412	$ 70,945,933
Women and Children's Health Services.		
B.1.3. Strategy: FAMILY PLANNING SERVICES	$ 50,483,107	$ 50,483,107
B.1.4. Strategy: COMMUNITY PRIMARY CARE SERVICES	$ 13,206,996	$ 13,206,996
B.2.1. Strategy: MENTAL HEALTH SVCS-ADULTS	$ 290,903,986	$ 289,940,750
Mental Health Services for Adults.		
B.2.2. Strategy: MENTAL HEALTH SVCS-CHILDREN	$ 65,682,268	$ 65,492,081
Mental Health Services for Children.		
B.2.3. Strategy: NORTHSTAR BEHAV HLTH WAIVER	$ 97,940,434	$ 97,340,930
NorthSTAR Behavioral Health Waiver.		
B.2.4. Strategy: SUBSTANCE ABUSE PREV/INTERV/TREAT	$ 149,226,475	$ 149,226,475
Substance Abuse Prevention, Intervention and Treatment.		
B.2.5. Strategy: REDUCE USE OF TOBACCO PRODUCTS	$ 9,239,728	$ 9,346,695
Develop a Statewide Program to Reduce the Use of Tobacco Products.		
B.3.1. Strategy: EMS AND TRAUMA CARE SYSTEMS	$ 60,099,481	$ 60,099,481
B.3.2. Strategy: FQHC INFRASTRUCTURE GRANTS	$ 5,000,000	$ 5,000,000
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 County Indigent Health Care Services.	$ 7,374,877	$ 7,374,877
Total, Goal B: COMMUNITY HEALTH SERVICES	$ 1,561,595,318	$ 1,572,448,106
C. Goal: HOSPITAL FACILITIES AND SERVICES		
Hospital Facilities Management and Services.		
C.1.1. Strategy: TX CENTER FOR INFECTIOUS DISEASE Texas Center for Infectious Disease.	$ 9,932,932	$ 9,932,932
C.1.2. Strategy: SOUTH TEXAS HEALTH CARE SYSTEM	$ 7,061,273	$ 7,061,273
C.1.3. Strategy: MENTAL HEALTH STATE HOSPITALS	$ 315,959,716	$ 315,653,975
C.2.1. Strategy: MENTAL HEALTH COMMUNITY HOSPITALS	$ 20,164,248	$ 20,164,248
Total, Goal C: HOSPITAL FACILITIES AND SERVICES	$ 353,118,169	$ 352,812,428
D. Goal: CONSUMER PROTECTION SERVICES		
D.1.1. Strategy: FOOD (MEAT) AND DRUG SAFETY	$ 19,033,647	$ 19,033,647
D.1.2. Strategy: ENVIRONMENTAL HEALTH	$ 7,624,121	$ 7,624,121
D.1.3. Strategy: RADIATION CONTROL	$ 8,453,303	$ 8,453,303
D.1.4. Strategy: HEALTH CARE PROFESSIONALS	$ 7,886,114	$ 7,886,114
D.1.5. Strategy: HEALTH CARE FACILITIES	$ 6,168,679	$ 6,168,679
D.1.6. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 1,049,240	$ 1,049,240
Total, Goal D: CONSUMER PROTECTION SERVICES	$ 50,215,104	$ 50,215,104
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 16,702,013	$ 16,722,240
E.1.2. Strategy: IT PROGRAM SUPPORT Information Technology Program Support.	$ 5,734,486	$ 5,738,261
E.1.3. Strategy: OTHER SUPPORT SERVICES	$ 10,952,505	$ 10,964,658
E.1.4. Strategy: REGIONAL ADMINISTRATION	$ 1,433,871	$ 1,434,431
Total, Goal E: INDIRECT ADMINISTRATION	$ 34,822,875	$ 34,859,590
F. Goal: CAPITAL ITEMS		
F.1.1. Strategy: LABORATORY (AUSTIN) BOND DEBT	$ 2,875,931	$ 2,870,731
F.1.2. Strategy: CONSTRUCT HLTH FACILITIES, TCID Construction: Health Care Facilities, TCID.	$ 19,126,378	$ UB
F.1.3. Strategy: CONSTRUCT HLTH FACILITIES, S. TX Construction: Health Care Facilities, South Texas Health Care system.	$ 12,950,693	$ UB
F.1.4. Strategy: REPAIR & RENOVATION: MH FACILITIES Capital Repair and Renovation: Mental Health Facilities.	$ 9,455,368	$ 1,982,498 & UB
F.2.1. Strategy: CAPITAL ITEMS - PUBLIC HEALTH	$ 19,117,494	$ 15,205,862
Total, Goal F: CAPITAL ITEMS	$ 63,525,864	$ 20,059,091
G. Goal: ADMINISTRATIVE REDUCTIONS		
G.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (890,978)	$ (890,978)
Grand Total, DEPARTMENT OF STATE HEALTH SERVICES	$ 2,546,390,420	$ 2,513,488,068
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 391,665,346	$ 391,665,346
Other Personnel Costs	19,275,932	19,275,932
Professional Fees and Services	62,635,823	62,635,823
Fuels and Lubricants	982,546	982,547
Consumable Supplies	10,737,396	10,737,396
Utilities	13,999,926	13,999,926
Travel	7,732,404	7,732,404
Rent - Building	6,248,132	6,248,132
Rent - Machine and Other	5,540,527	5,402,646

Debt Service	2,875,931	2,870,731
Other Operating Expense	225,001,808	224,713,442
Client Services	888,578,948	900,456,670
Food for Persons - Wards of State	4,030,320	4,030,320
Grants	847,544,320	846,519,385
Capital Expenditures	59,541,061	16,217,368
Total, Object-of-Expense Informational Listing	$ 2,546,390,420	$ 2,513,488,068
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 25,331,652	$ 25,711,627
Group Insurance	91,080,913	92,789,014
Social Security	32,283,170	32,767,418
Benefits Replacement	4,070,332	3,866,816
Subtotal, Employee Benefits	$ 152,766,067	$ 155,134,875
Debt Service		
TPFA GO Bond Debt Service	$ 15,896,132	$ 16,745,739
Lease Payments	1,752,304	1,688,188
Subtotal, Debt Service	$ 17,648,436	$ 18,433,927
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 170,414,503	$ 173,568,802

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.

	2008	2009
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	7.5	7.5
A.1.1. Strategy: PUBLIC HEALTH PREP. & COORD. SVCS		
Output (Volume):		
Number of Educational Hours Provided on Bioterrorism and Public Health Preparedness	34,500	34,700
A.1.2. Strategy: REGISTRIES, INFO, & VITAL RECORDS		
Efficiencies:		
Average Number of Days to Certify or Verify Records	11	11
A.2.1. Strategy: IMMUNIZE CHILDREN & ADULTS IN TEXAS		
Output (Volume):		
Number of Doses Administered	12,246,628	12,246,628
Explanatory:		
Dollar Value (in Millions) of Vaccine Provided by the Federal Government	189	189
A.2.2. Strategy: HIV/STD PREVENTION		
Output (Volume):		
Number of Persons Served by the HIV Medication Program	14,187	15,039
A.2.3. Strategy: INFECTIOUS DISEASE PREV/EPI/SURV		
Output (Volume):		
Number of Disease Investigations Conducted	102,000	102,000
A.3.1. Strategy: CHRONIC DISEASE PREVENTION		
Output (Volume):		
Number of Diabetes-related Prevention Activities	266,000	266,000
A.3.2. Strategy: ABSTINENCE EDUCATION		

Output (Volume):		
Number of Persons Served in Abstinence Education Programs	323,200	323,200
A.3.3. Strategy: KIDNEY HEALTH CARE		
Output (Volume):		
Number of Kidney Health Clients Provided Services	21,130	21,941
A.3.4. Strategy: CHILDREN WITH SPECIAL NEEDS		
Output (Volume):		
Number of CSHCN Clients Receiving Medical Services	2,240	2,240
Explanatory:		
Number of Clients Removed from Waiting List and Provided Services	66	133
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	20%	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	80%	80%
Percent of Adults Receiving Community Mental Health Services Whose Functional Level Stabilized or Improved	81%	81%
Percent of Children Receiving Community Mental Health Services Who Were Admitted to a Level of Care (Service Package) Following Assessment	80%	80%
B.1.1. Strategy: WIC/FARMER'S MARKET NUTRITION SVCS		
Output (Volume):		
Number of WIC Participants Provided Nutritious Food Supplements Per Month	963,177	1,005,000
Explanatory:		
Incidence (Percent) of Low Birth Weight Babies Born to Women, Infants and Children (WIC) Nutrition Program Mothers	5.7	5.5
B.1.2. Strategy: WOMEN & CHILDREN'S HEALTH SERVICES		
Output (Volume):		
Number of Infants <1 and Children Age 1-21 Years Provided Services by the Maternal and Child Health Program	44,700	44,700
Number of Women over 21 Provided Services by the Maternal and Child Health Program (Title V)	45,475	45,475
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	79,055	79,055
B.2.1. Strategy: MENTAL HEALTH SVCS-ADULTS		
Output (Volume):		
Average Monthly Number of Adults Receiving Community Mental Health Services	47,944	47,944
Average Monthly Number of Persons Receiving Community Mental Health New Generation Medications	18,105	18,105
Efficiencies:		
Average Monthly Cost Per Adult Receiving Community Mental Health Services	360	360
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	11,126	11,126

Efficiencies:		
Average Monthly Cost Per Child Receiving Community Mental Health Services	445	445
B.2.3. Strategy: NORTHSTAR BEHAV HLTH WAIVER		
Explanatory:		
Average Monthly Number of Persons Covered by NorthSTAR Behavioral Health Services Waiver	974,385	999,079
B.2.4. 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	2,386	2,386
Average Monthly Number of Adults Served in Treatment Programs for Substance Abuse	3,695	3,695
Average Monthly Number of Youth Served in Treatment Programs for Substance Abuse	625	625
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	2,255	2,255
C. Goal: HOSPITAL FACILITIES AND SERVICES		
Outcome (Results/Impact):		
Percent of Consumers 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
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	378	378
Average Monthly Cost of New Generation Medications Per State Mental Health Facility Consumer Receiving New Generation Medication Services	437	437
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	142.11	142.11
D.1.2. Strategy: ENVIRONMENTAL HEALTH		
Efficiencies:		
Average Cost Per Surveillance Activity	150.78	150.78
D.1.3. Strategy: RADIATION CONTROL		
Efficiencies:		
Average Cost Per Surveillance Activity	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	77,524	77,524

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.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Laboratory - Bond Debt Service	$ 2,894,786	$ 2,874,519
(2) Hospital Construction	32,326,582	960,000 & UB
Total, Construction of Buildings and Facilities	$ 35,221,368	$ 3,834,519
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Laboratory Renovations	280,000	400,000
(2) Construction of MH Facilities	6,410,000	16,931,000 & UB
(3) Energy Performance Contracting - MH	1,475,070	2,092,092
Total, Repair or Rehabilitation of Buildings and Facilities	$ 8,165,070	$ 19,423,092
c. Acquisition of Information Resource Technologies		
(1) Information Systems Improvement	997,718	5,002,343
(2) Surveillance Systems	112,000	0
(3) Lab Information Systems	1,198,800	1,187,920
(4) Clinical Management and Claims Processing for Behavioral Health	583,910	467,910
(5) WIC Clinic PC Replacement	1,849,583	1,936,027
(6) IT Infrastructure	3,606,189	2,673,171
(7) WIC EBT II (Pilot & Deployment Project)	2,758,000	111,000
(8) IT Infrastructure (Lease)	2,400,000	2,400,000
(9) Communications Equipment (MLPP)	550,000	550,000
(10) Vital Statistics System Improvement	500,000	0
Total, Acquisition of Information Resource Technologies	$ 14,556,200	$ 14,328,371
d. Transportation Items		
(1) Vehicles	103,860	72,860
(2) Vehicles (MLPP)	500,000	500,000
Total, Transportation Items	$ 603,860	$ 572,860
e. Acquisition of Capital Equipment and Items		
(1) Misc Lab Equipment	1,291,000	558,200
(2) Equipment, MH Facilities (MLPP)	550,000	550,000
Total, Acquisition of Capital Equipment and Items	$ 1,841,000	$ 1,108,200
Total, Capital Budget	$ 60,387,498	$ 39,267,042

Method of Financing (Capital Budget):

General Revenue Fund		
General Revenue Fund	$ 6,727,689	$ 7,302,233
GR Match for Medicaid	24,226	23,587
Subtotal, General Revenue Fund	$ 6,751,915	$ 7,325,820

~~General Revenue Fund - Dedicated~~		
~~Vital Statistics Account No. 019~~	~~500,000~~	~~0~~
~~Department of State Health Public Health Services Fee Account No. 524~~	~~2,894,786~~	~~2,874,519~~
~~Subtotal, General Revenue Fund - Dedicated~~	~~$ 3,394,786~~	~~$ 2,874,519~~
~~Federal Funds~~	~~10,104,415~~	~~10,424,703~~
~~Other Funds~~		
~~Appropriated Receipts~~	~~423,800~~	~~400,000~~
~~DSHS Public Health Medicaid Reimbursements~~	~~976,000~~	~~351,000~~
~~Bond Proceeds - General Obligation Bonds~~	~~38,736,582~~	~~17,891,000~~
~~Subtotal, Other Funds~~	~~$ 40,136,382~~	~~$ 18,642,000~~
~~Total, Method of Financing~~	~~$ 60,387,498~~	~~$ 39,267,042~~

	2008	2009
a. Construction of Buildings and Facilities		
(1) Laboratory - Bond Debt Service	$ 2,875,931	$ 2,870,731
(2) Hospital Construction - South Texas Health Care System	12,950,693	UB
(3) Hospital Construction - Texas Center for Infectious Disease	19,126,378	UB
Total, Construction of Buildings and Facilities	$ 34,953,002	$ 2,870,731
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Construction of MH Facilities	7,501,096	UB
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) WIC EBT II (New Card Development)	3,100,000	0
(4) Seat Management	2,741,433	2,603,554
Total, Acquisition of Information Resource Technologies	$ 17,577,420	$ 13,620,191
d. Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Payment of MLPP - Telecommunications	$ 365,694	$ 361,521
(2) Payment of MLPP - Vehicles	$ 689,792	$ 748,455
(3) Payment of MLPP - Furniture & Equipment-MH	$ 484,588	$ 475,695
(4) Payment of MLPP - Energy Conservation-MH	$ 1,954,272	$ 1,982,498
Total, Lease Payments to the Master Lease Purchase Program (MLPP)	$ 3,494,346	$ 3,568,169
Total, Capital Budget	$ 63,525,864	$ 20,059,091
Method of Financing (Capital Budget):		
General Revenue Fund	$ 5,882,482	$ 5,932,956
Health Services Laboratory Financing Fees	2,875,931	2,870,731
Federal Funds	15,189,284	11,255,404

Bond Proceeds-General Obligation Bonds	39,578,167		UB
Total, Method of Financing	$ 63,525,864	$	20,059,091

~~5~~3. **Criminal Justice/Substance Abuse Initiative.** Out of funds appropriated above in Strategy B.2.~~6~~4, Substance Abuse ~~Treatment~~ 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.

~~3. Agreements With Native American Population Authorities. The Department of State Health Services may enter into agreements with Native American population authorities for the provision of substance abuse programs aimed at dealing with the prevention, intervention, and treatment of alcoholics and drug abusers among the Native American population.~~

~~6~~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.**

~~a. Use of Funds for Services Previously Funded From Other Sources.~~
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 ~~to fund services previously funded from other federal sources~~, which total $135,160,342 for fiscal year 2008 and $135,160,342 for fiscal year 2008. This notification shall ~~include~~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.

~~b. Use of Additional Federal Funds.~~
~~In addition, DSHS shall notify the Legislative Budget Board and the Governor of its intent to use federal funds in excess of the amounts specified above. The notification shall identify the amount of the specific grant to be used, indicating if any portion represents a carry forward of federal authority; address the use of funds, indicating the impact on performance measures and FTE levels; and indicate if services and FTEs are temporary or on-going. Written notification shall be submitted at least 45 days prior to budgeting or expending funds in excess of the amounts identified above. Written notification is also required 45 days prior to any decision or action by any agency personnel to budget or expend funds in excess of the amounts identified above.~~

~~8~~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 (l).

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 million 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.

(3) Collections, expenditures, and balances for revenues generated by the department as of the last day of the prior month.

~~(3)~~(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.

~~10~~**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.

~~7.~~ ~~**Limitation of Specific Strategy Transfers.** The transfer of appropriations from Strategy C.1.3, Mental Health State Hospitals, to any other strategy is limited to 17.5 percent without the prior approval of the Legislative Budget Board and the Governor. Transfers from Strategy C.1.3 may only be made to Strategy B.2.1, Mental Health Services for Adults; Strategy B.2.2, Mental Health Services for Children; or Strategy C.2.1, Mental Health Community Hospitals.~~

~~11~~**8.** **Performance Contracts.** Funds in Strategy C.2.1, Mental Health Community Hospitals, shall be allocated through performance contracts with local mental health authorities.

~~13~~**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:

	2008 ~~2006~~	2009 ~~2007~~
State Mental Health Hospitals	~~$ 226,707,123~~	~~$ 226,707,124~~
	$ 281,967,623	$ 281,967,623
Harris County Psychiatric Center	12,847,942	12,847,942
Texas Center for Infectious Disease	~~7,865,061~~	~~7,831,061~~
	9,420,602	9,420,602
	$ 304,236,167	$ 304,236,167

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.

~~**9. Reporting of Earned Federal Funds.**~~

~~a. The Department of State Health Services shall submit a monthly report to the Legislative Budget Board and the Governor that details revenues, expenditures, and balances for earned federal funds as of the last day of the prior month. The report shall be prepared in a format approved by the Legislative Budget Board.~~

~~b. The method of financing item, Earned Federal Funds, for appropriations made above includes unexpended and unobligated balances of earned federal funds remaining as of August 31, 2005 (estimated to be $0), and receipts earned in fiscal years 2006 and 2007.~~

~~14~~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.

~~15~~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 2008~~2006~~ and $400,000 in General Revenue for fiscal year 2009~~2007~~ for the Galveston Community Hospital, specifically for the purpose of providing outpatient medication services.

~~16~~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, 2007~~2005~~, are hereby appropriated for the biennium ending August 31, 2009~~2007~~, for the purpose of carrying out the provisions of this Act. (Estimated to be $0.)

~~**12. Rusk State Hospital Timber Sales.** The Department of State Health Services is authorized to sell timber located on department land at Rusk State Hospital. Revenues generated from the sale of timber, estimated at $0 for the biennium, shall be deposited into the Texas Capital Trust Fund Account No. 543.~~

~~18~~13. Unexpended Construction Balances: Mental Health Facilities. Any unexpended construction, repair, or renovation balances from previous appropriations, estimated to be $7,501,096~~$1,410,000~~ from fiscal year 2007~~2005~~ to fiscal year 2008~~2006~~ and included in the method of finance above as General Obligation Bond proceeds in Strategy F.1.4~~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, provided that the expenditure of such appropriated funds shall require the approval of the Commissioner of State Health Services. At least 45 days prior to expenditure of such funds, DSHS shall report on the appropriated fund sources, amounts and year of appropriation and on the proposed use of these funds to the Legislative Budget Board and the Governor.

~~19~~14. Unexpended Balances: JCAHO. Except as otherwise provided, unexpended and unobligated balances, not to exceed $5 million, remaining from appropriations for the first year of the biennium to the Department of State Health Services are appropriated to the department for the purpose of complying with Joint Commission for the Accreditation of Healthcare Organizations (JCAHO) standards dealing with residential, non-residential, and community based mental health 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.

~~20~~15. 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, 2009~~2007~~, to the fiscal year ending August 31, 2008~~2006~~, subject to the following conditions provided by this section:

a. Transfers under this section may be made only:

(1) If appropriated receipts required to fund appropriations contained in this Act for fiscal year 2008~~2006~~ are less than those contained in the method of finance for the department for fiscal year 2008~~2006~~;

(2) For any emergency expenditure requirements, including expenditures necessitated to ensure the continuation of Medicaid client services to maintain fiscal year 2007~~2005~~ Medicaid caseloads.

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.

~~22~~16. 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.

~~23~~17. Recoupment of Funds from Local Authorities. Notwithstanding other provisions of this Act, any state funds appropriated for fiscal year 2008~~2006~~ recouped by the Department of State Health Services (DSHS) from a local mental health authority for failing to fulfill its performance contract with the State, are hereby reappropriated to DSHS to reallocate to other local mental health authorities to use for a related purpose in fiscal year 2009~~2007~~. In conjunction with the reallocation of funds, DSHS 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.

~~**17. Medical Assistance Payments and Unexpended Balances.** General Revenue Funds appropriated above for all Medicaid services shall be made available to the agency by the Comptroller of Public Accounts in equal monthly installments on the first day of each calendar month, provided, however, that any balances on hand in such funds may be carried over from month to month during each fiscal year and from fiscal year 2006 to fiscal year 2007, and such funds are appropriated to the department for the 2006-07 biennium.~~

~~24~~18. Limitation: Medicaid Transfer Authority.

a. Notwithstanding the transfer provisions in the general provisions (general transfer provisions) of this Act, none of the funds appropriated by this Act to the Department of State Health Services for the following Medicaid strategies:

~~a.~~(1) B.2.1, Mental Health Services for Adults;
~~b.~~(2) B.2.2, Mental Health Services for Children; and
~~c.~~(3) C.1.3, Mental Health State Hospitals

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; however, funds may be transferred between Medicaid strategies in accordance with other provisions in this Act, including the general transfer provisions and the provisions of section b~~.~~, and transfers may be made from Medicaid strategies 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.

b. The transfer of appropriations from Strategy C.1.3, Mental Health State Hospitals, to any other strategy is limited to 17.5 percent without the prior approval of the Legislative Budget Board and the Governor. Transfers from Strategy C.1.3 may only be made to the Medicaid strategies identified above and Strategy C.2.1, Mental Health Community Hospitals.

~~26~~19. **Use of Timber Receipts for Capital Projects.** The Department of State Health Services is hereby authorized to sell timber located on department land. Revenues generated from the sale of timber, estimated at $0 for the biennium, shall be deposited into the Texas Capital Trust Fund Account No. 543.

~~27~~20. **Laboratory Funding.**

a. All receipts generated by the Department of State Health Services (DSHS) from laboratory fees during the 2008-09~~2006-07~~ 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 $10,919,442 per year from General Revenue-Dedicated Account No. 524. These amounts include an unexpended balance of $3,800,000 from the 2006-07 biennium.

~~28~~21. **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 ~~$8,798,519~~6,277,101 for fiscal year ~~2006~~2008 and ~~$9,046,890~~6,287,324 for fiscal year ~~2007~~2009. 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~~Glue and Paint 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~~Professions~~ Fees, for Sanitarian Registration and Pesticide Use and Application Program); and 3573 (Health Licenses for Camps, for ~~Migrant Camps and~~ Youth Camps).
D.1.3. Radiation Control	5021 Certification~~Certificate~~ 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~~Radiation Control~~).
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~~Profession~~ Fees, for Medical Physicists, Hearing Aid Dispensers, Marriage and Family Therapists, 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.1.3. Maintain Vital Records~~
A.1.2 Health Registries, Information, and Vital Records

019 Vital Statistics

22. Revolving Fund Services: Canteen Services and Sheltered Workshops.

~~a. **Canteen Services**. Each of the facilities under control and management of the Department of State Health Services, except the Central Office, may establish, maintain and operate a canteen for the convenience of its patients. Any balances remaining in each canteen operation fund are appropriated for the biennium beginning with the effective date of this Act in an amount estimated to be $391,799 from balances on hand on August 31, 2005, and included above in Strategy C.1.3, Mental Health State Hospitals. Any unobligated balances as of August 31, 2006, are appropriated for the same use during fiscal year 2007. All receipts deposited to its credit, estimated to be $759,500 in fiscal year 2006 and $759,500 in fiscal year 2007 and included above in Strategy C.1.3, Mental Health State Hospitals, are appropriated for all costs necessary for the operation of a canteen for the next fiscal year. Funds appropriated for canteen services are reflected in the method of finance above as MH Revolving Fund Receipts. Each of the facilities under control and management of the department that contracts with the Department of Assistive and Rehabilitative Services for the operation of its canteen shall deposit the amount of monies originally appropriated for its Canteen Operation Fund into the General Revenue Fund. The balance remaining in the facility's Canteen Operation Fund, after the amount originally appropriated is deposited to the General Revenue Fund, shall be deposited to the Benefit Fund created at the facility under the provisions of Health and Safety Code, §551.004.~~

~~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 shall be prescribed by the Legislative Budget Board.~~

~~b. **Sheltered Workshops**. The Department of State Health Services may maintain a revolving fund for its management responsibilities related to sheltered workshops. Any balances remaining in the sheltered workshop funds are appropriated for the biennium beginning with the effective date of this Act in an amount estimated to be $0 from balances on hand remaining on August 31, 2005, and included above in Strategy C.1.3, Mental Health State Hospitals. Any unobligated balances as of August 31, 2006, are appropriated for the same use during fiscal year 2007. All receipts deposited to the credit of the sheltered workshops, estimated to be $30,000 in fiscal year 2006 and $30,000 in fiscal year 2007 and included above in Strategy C.1.3, Mental Health State Hospitals, are appropriated for all costs necessary for the operation of sheltered workshops. Funds appropriated for sheltered workshops are reflected in the method of finance above as MH Revolving Fund Receipts. The department shall provide information on related revenues, expenditures, 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 Appropriations Requests, and Annual Financial Reports. The timetable, format, and content for additional monthly reports related to the Sheltered Workshop Revolving Fund shall be prescribed by the Legislative Budget Board.~~

Each of the mental health facilities under control and management of the Department of State Health Services (DSHS), except the State Office, may establish, maintain, and operate a canteen and a related canteen operation fund for the convenience of its residents and the

DSHS may maintain a revolving fund for its management responsibilities related to 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.

~~29~~23. **Funding for Abstinence Sexual Education.** It is the intent of the Legislature that funds appropriated in Strategy A.3.2, Abstinence Education, be utilized for the purpose of implementing abstinence sexual education programs to reduce the need for future family planning services for unwed minors. 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.

~~30~~24. **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.

~~31~~25. **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.

~~25.~~ ~~**Transfer Authority.** Notwithstanding Article IX, Section 6.08, Appropriation Transfers, and subject to the limitations contained in provisions No. 7, Limitation of Specific Strategy Transfers, and No. 63, Children with Special Health Care Needs, and notwithstanding any other provision, appropriations contained in this Act to the Department of State Health Services may be transferred from one appropriation item to another appropriation item in amounts not to exceed 25 percent of All Funds for the fiscal year, at the discretion of the Commissioner of State Health Services. Transfers from one appropriation item to another item that exceed the lesser of $250,000 or 10 percent in All Funds of the appropriation item from which the transfer is made are subject to the approval of the Executive Commissioner of Health and Human Services, the Commissioner of State Health Service, or the designee under statute or by rule, and are subject to the following reporting requirements.~~

~~a. At least 45 days prior to any transfer of funds between items of appropriation notification shall be made to the Governor and the Legislative Budget Board.~~

~~b. At least 45 days prior to any program expansion, notification shall be made to the Governor and the Legislative Budget Board. Program expansion is defined as any modification of current policy that would result in an increase in services delivered or clients served, including any increase in funds budgeted in the program.~~

~~c. Notifications shall include information regarding the source of funds to be transferred; any changes in Federal Funds related to the proposed transfer; the strategy from which the transfer is to be made and the strategy to which the transfer is to be made; the need~~

~~which was to be served through the original appropriation and the basis for the decrease in need; the need to be served in the strategy receiving the funds and the basis for such selection and the amounts of funds to be spent on direct client services as opposed to both general and operating support costs. In the event program expansions are under consideration, information shall be forwarded regarding the population to be served; criteria for eligibility; source of funding; and impact on existing programs.~~

~~Transfers approved by the Commissioner of State Health Services will be reported to the Executive Commissioner of Health and Human Services, the Legislative Budget Board, and the Governor quarterly.~~

~~32~~26. **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.

~~33~~27. **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.

~~34~~28. **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 Health and Safety Code, §773.122(c). 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.

~~35~~29. **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.

~~36~~30. **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 monthly allocations of these costs to the original strategies.

~~37~~31. **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.

~~38~~32. State Health Care Facility Provisions. The State Health Care Facilities ~~(formerly known as State Chest Hospitals)~~ 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.

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.

~~39~~33. 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.

~~40~~34. 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: ~~Informational and Educational Subcommittee of the Family Planning Program,~~ State Preventive Health Advisory Committee, Texas Radiation Advisory Board, ~~Asbestos Advisory Committee~~, ~~and~~ Preparedness Coordinating Council~~.~~, and the Texas Organ, Tissue, and Eye Donor Council.

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, ~~Device Distributors and Manufacturers' Advisory Committee,~~ Registered Sanitarian Advisory Committee, Code Enforcement Officer's Advisory Committee, Promotora ~~Advisory~~ 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, ~~and~~ 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.

~~41~~35. 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 $15,000 per fiscal year, at the rate specified in the general provisions of this Act.

~~43~~36. Unexpended Balances - Preparedness and Prevention, and Consumer Protection Services. Subject to the approval of the Commissioner of Health and Human Services, the Commissioner of State Health Services, or the designee under statute or by rule, 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, 20082006, are hereby appropriated for the fiscal year beginning September 1, 20082006. The Department of State Health Services shall submit a report to the Legislative Budget Board and the Governor identifying any appropriations carried forward into fiscal year 20092007 pursuant to this provision no later than 14 days after approval. The report shall be prepared in a format prescribed by the Legislative Budget Board.

4837. 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. The department shall establish a preference, within these programs, for the purchase of pharmaceutical products from those manufacturers that participate in the State Health Programs Drug Manufacturer Rebate Program for the CSHCN program and the KHC program.

4938. Childhood Lead Registry. Out of funds appropriated above in Strategy A.1.2, Health Registries, Information, and Vital Records, ~~A.1.5, Health Registries, Information, and Analysis,~~ a total of $80,700 in All Funds ~~total funds~~ and $65,000 in General Revenue funds each fiscal year of the 2008-092006-07 biennium shall be used for the Childhood Lead Registry.

5039. 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.

5140. 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 a quarterly basis regarding hospital performance: revenue collections at the hospital, by payor type; 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.

5241. 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.

5342. Transfer for Health Professions Council. Out of funds appropriated above in Strategy D.1.4, Health Care Professionals, an amount equal to $11,571~~$13,465~~ in fiscal year ~~2006~~2008 and $11,571~~$14,741~~ in fiscal year ~~2007~~2009 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.

~~**42. Appropriation of Receipts: Civil Monetary Damages and Penalties.** Out of funds appropriated above related to civil monetary damages and penalties under Health and Safety Code, §431.047, there are appropriated to the department amounts equal to the costs of the investigation and collection proceedings conducted under that section, and any amounts collected as reimbursement for claims paid by the department.~~

5543. Rabies Control. Out of amounts appropriated above, up to $4,737,981 in fiscal year 20082006 and $4,237,981 in fiscal year 20092007 is allocated above to Strategy A.2.3,

Infectious Disease Prevention, Epidemiology, and Surveillance, ~~A.2.4, Zoonotic Diseases,~~ for rabies control.

~~56~~44. **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 2008~~2006~~ and $100,000 in fiscal year 2009~~2007~~ in the General Revenue Dedicated, Account No. 5022, Oyster Sales, 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.

~~44. **Contingent Revenue, Food and Drug Retail Fees.** The Department of State Health Services is hereby appropriated any additional revenues generated in General Revenue-Dedicated Account No. 341, Food and Drug Retail Fees, above the amounts identified in fiscal years 2006 and 2007 for Account No. 341 in the Comptroller of Public Accounts' Biennial Revenue Estimate, for the purpose of restaurant inspections. The dollar amounts identified above in the Method of Financing are contained in the Comptroller of Public Accounts' Biennial Revenue Estimate 2006-07 for Revenue Objects deposited into Account No. 341.~~

~~57~~45. **Expenditures Related to School Health.** The Department of State Health Services (DSHS) shall expend up to $3,241,189 in All Funds for the biennium ~~in total funds~~, for the purpose of school health services. Further, the DSHS shall continue to award new contracts for school health services at the rate of at least two per contract award period of the biennium. Nothing in this provision is intended to require DSHS to contract with an applicant that does not meet the department's qualification criteria.

~~45. **Laboratory Revenue.** The Department of State Health Services is hereby appropriated any additional laboratory revenues, generated in General Revenue-Dedicated Account No. 524, above the amounts identified in fiscal years 2006 and 2007 for Account No. 524 in the Comptroller of Public Accounts' Biennial Revenue Estimate, for the purpose of laboratory operations. This appropriation does not include any amounts deposited into Revenue Object 3561. The dollar amounts above are contained in the Comptroller of Public Accounts' Biennial Revenue Estimate 2006-07 for Revenue Objects deposited into Account No. 524 and exclude amounts estimated for Revenue Object 3561. Laboratory revenues deposited into Revenue Object No. 3561 are statutorily dedicated for laboratory debt service and may not be used for any other purpose.~~

~~58~~46. **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 2008~~2006~~ and $5,000,000 in fiscal year 2009~~2007~~ of the funds appropriated in Strategy B.3.2, FQHC Infrastructure Grants, be expended exclusively to sustain existing Federally Qualified Health Centers (FQHCs) and to aid FQHCs 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~~B.1.5~~, Community Primary Care Services.

b. It is the intent of the Legislature that a total of $302,100 for the 2008-09~~2006-07~~ biennium appropriated in Strategy B.1.4~~B.1.5~~, Community Primary Care Services, be expended exclusively for the Parkland Senior Care Project. No more than $800,000 may be used each year in Strategy B.1.4~~B.1.5~~, 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~~B.1.5~~, 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 $321,398 in fiscal year 2008~~2006~~ and $321,398 in fiscal year 2009~~2007~~ of the funds appropriated in Strategy A.1.1, Public Health

Preparedness and Coordinated Services,~~A.1.4, Special Health Initiatives~~, be expended exclusively for the Office for the Elimination of Health Disparities.

~~**46.** **Asbestos Revenue.** The Department of State Health Services is hereby appropriated any additional revenues generated in Revenue Object 3175 General Revenue-Dedicated, Account No. 5017, Asbestos Removal Licensure, above the amounts identified in fiscal year 2006 and fiscal year 2007 in the Comptroller's Biennial Revenue Estimate, for the purpose of asbestos inspections and regulatory activities.~~

~~59~~**47.** **State Owned Multicategorical~~Multi-categorical~~ Teaching Hospital Account.** Out of funds appropriated above in Strategy B.3.3, Indigent Health Care Reimbursement (UTMB), from the State Owned Multicategorical~~Multi-categorical~~ Teaching Hospital Account No. 5049 ("Account"), and contingent upon $20,000,000 being collected and deposited in the Account for the 2008-09~~2006-07~~ biennium, the amount of $20,000,000 is allocated to the Department of State Health Services (DSHS) for reimbursement to University of Texas Medical Branch at Galveston (UTMB) for the provision of health care services provided to indigent patients. All unexpended balances at the close of the fiscal year ending August 31, 2008~~2006~~, are hereby appropriated for the fiscal year beginning September 1, 2008~~2006~~.

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 care provided by UTMB to indigent patients. 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~~will~~ 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.

~~**47.** **Additional Appropriation for Quality Patient Care Regulation.** The Department of State Health Services (DSHS) is hereby appropriated for the biennium any revenues above the Comptroller of Public Accounts' Biennial Revenue Estimate that are deposited in the General Revenue Fund by DSHS under Comptroller Objects 3616, 3560, and 3562 for the purpose of regulating social workers, health-related professionals (marriage and family therapists, dietitians, medical physicists, respiratory care practitioners, and massage therapists), and midwifery training. Funds appropriated in this item may be transferred to the appropriate strategies for the purpose of regulating social workers, health related professionals, and midwifery training.~~

~~60~~**48.** **Appropriation of License Plate Revenue.** Out of funds appropriated above, the Department of State Health Services shall allocate $1,050,000~~$500,000~~ from revenues deposited in the General Revenue-Dedicated Fund, Account No. 5032, Animal Friendly Plates, under Health and Safety Code, §828.014 per fiscal year~~for fiscal year 2006~~ 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 $1,600,000) from the 2006-07 biennium; any additional unexpended balance on hand in the account as of August 31, 2007 is appropriated to the agency. Any unexpended balances as of August 31, 2008~~2006~~, from the amounts appropriated may be carried forward and expended in fiscal year 2009~~2007~~ for the same purposes.

~~62~~**49.** **End Stage Renal Disease.** 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.

~~63~~**50.** **Children with Special Health Care Needs.**

~~a. The Department of State Health Services (DSHS) shall calculate and reserve from transfer the amount of General Revenue and Federal Funds needed to provide services to children who are enrolled in the Children's Health Insurance Program and who also are eligible through the Children with Special Health Care Needs (CSHCN) Program to receive health care benefits excluding family support services not provided in the CHIP benefits package.~~

~~b.~~a. Amounts appropriated above to DSHS in Strategy A.3.4, Children with Special Health Care Needs, may only be transferred to Strategy B.3.4~~B.1.4~~, County Indigent Health Care Services, and to the Health and Human Services Commission (HHSC) Strategy B.1.4, Children and Medically Needy. Transfers to HHSC from DSHS Strategy A.3.4 may only be made if General Revenue Funds are made available by CSHCN-eligible children becoming eligible for Medicaid. Any transfers pursuant to this provision are subject to prior notification of the Legislative Budget Board and the Governor that such a transfer is to take place. Funds may not be transferred from Strategy A.3.4 if such a transfer would result in a loss of, or reduction in, services or a loss of, or reduction in, persons otherwise eligible for CSHCN services. ~~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. Further, the department shall make expenditures from Strategy A.3.4 from state funds in proportion to the source of funds budgeted for the strategy. The department shall report quarterly on compliance with this provision to the Legislative Budget Board and the Governor. The Comptroller of Public Accounts shall monitor compliance with these provisions and establish additional procedures, if necessary.~~

~~c. DSHS shall evaluate actuarial projections and projected expenditures for the CSHCN program on a quarterly basis. If the department makes a finding of fact that projected expenditures are less than projected available appropriations for that fiscal year, the department shall first report this finding and related analysis to the Legislative Budget Board and Governor at least 15 days prior to adding clients from the waiting list to the program rolls. The department should add clients from the waiting list in order that projected expenditures equal projected available appropriations for the fiscal year.~~

b. 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.

c. DSHS shall provide written notification to the Legislative Budget Board and the Governor prior to exceeding the performance measure targets identified above for the Number of CSHCN Clients Receiving Medical Services. If the department makes a finding of fact that projected expenditures are less than projected available appropriations for the fiscal year, DSHS shall report this finding and related analysis to the Legislative Budget Board and the Governor 15 days prior to adding clients from the waiting list to the program rolls, if adding clients to the program rolls would result in the department exceeding the performance measure target for the fiscal year. The department should add clients from the waiting list in order that projected expenditures equal projected available appropriations for the fiscal year.

d. 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.

(3) Continue programmatic changes implemented to achieve cost effectiveness within the CSCHN program without reducing the quality of care provided to CSHCN clients and their families.

e. DSHS shall submit to the Legislative Budget Board and the Governor the following information on a biannual basis (no later than September 1 and February 1 each fiscal year) regarding the demographics of the clients served by this program, including income levels, insured status and citizenship.

~~64~~**51. 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

~~65~~52. 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 unexpended appropriations made above as of August 31, 2008~~2006~~, are hereby appropriated to the same agencies and institutions for the same purposes for fiscal year 2009~~2007~~.

~~66~~53. 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~~bill~~ exceed 3 percent. Grants and program costs must compose at least 97 percent of the expenditures to implement the provisions of the statute~~bill~~.

~~67~~54. Tobacco Use Goals.

a. It is the intent of the Legislature that the Department of State Health Services (DSHS) or any other grantee or agency that receives funds for tobacco reduction or cessation in the State of Texas create the following goals;

(1) In areas where the state funds tobacco cessation programs at a level of $3.00 per capita, there should be a demonstrated reduction in underage use of cigarettes, snuff, and smokeless tobacco of 60 percent by the year 2010 by all Texans 22 years and younger; and

(2) In areas where the state funds tobacco prevention and cessation programs at a level of $3.00 per capita, the use of cigarettes, snuff, and smokeless tobacco by all Texans 22 years and younger should be eliminated by the year 2018.

b. The agency should focus on achieving these goals by creating and using programs permitted under Government Code~~,~~ §403.105.

c. The agency, or any other grantee or agency receiving funds for tobacco reduction or cessation in the state, shall prepare a report by December 1, 2008~~2006~~, on the agency's progress in achieving the above goals. The report shall include an evaluation of the agency's progress and recommendations on how to improve the programs. The report shall be submitted to the Eighty-first~~Eightieth~~ Legislature.

~~**54. Increase Immunization.** The Department of State Health Services shall report to the Legislative Budget Board and the Governor no later than September 30 of each year of the biennium on plans to increase immunization rates in Texas, focusing on immunization of pre-school age children. It is the intent of the Legislature that this report be used by the department in managing state and federal resources to increase immunization rates. The report shall detail the following:~~

~~a. Methodology used to determine rates of immunization;~~

~~b. Current immunization rates by geographic region of the state, where available, focusing on areas in which pre-school children are immunized at rates less than the state average;~~

~~c. Specific approaches planned for the fiscal year of the report to address geographic areas of under-immunization, including:~~

~~(1) Changes to agency procedures to more effectively reach under-immunized areas;~~

~~(2) Contracted services and contract provisions to focus on under-immunized areas;~~

~~(3) Performance measures, relating to increased immunization rates, which will be included in contract provisions;~~

~~(4) Estimated cost for each approach; and~~

~~d. Estimates of the impact that each approach will make individually, and that the approaches will make collectively, to increase immunization rates (for geographic areas when appropriate) and to change other appropriate performance measures.~~

~~61~~55. **Emergency Care Attendant (ECA) Training.** Out of funds appropriated above, the Department of State Health Services (DSHS) shall allocate $50,000 in fiscal year 2008~~2006~~ and $50,000 in fiscal year 2009~~2007~~ 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.

~~69~~56. **Funding for the Children's Outreach Heart Program.** Out of funds appropriated above in Strategy A.3.1, Health Promotion and Chronic Disease Prevention~~Cardiovascular Disease, Diabetes, and Injury Prevention~~, $247,000 in General Revenue funds in each fiscal year of the 2008-09~~2006-07~~ biennium shall be used for the purposes of the Children's Outreach Heart Program.

~~70~~57. **County Indigent Health Care.** The Department of State Health Services may not distribute more than 10~~20~~ percent of the total funds appropriated for the County Indigent Health Care program strategy to any single county. If funds remain due to a lack of counties which meet the threshold for participation, the department may not retain any unexpended balances.

~~73~~58. **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, 2007~~2005~~.

~~74~~59. **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 2008~~2006~~ and 2009~~2007~~ 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. These programs should match state funds with private funds and follow the guidelines and criteria developed through the pilot program for medically fragile children established and funded by Rider 57 to the appropriations made to the Department of Health during the Seventy-seventh Legislature, Regular Session.

~~76~~60. **Construction of the Texas Center for Infectious Disease and South Texas Health Care System.** The Department of State Health Services (DSHS) shall not expend funds or award a contract for construction of facilities in South Texas prior to awarding a contract for the construction of the Texas Center for Infectious Disease. Funds appropriated for the Texas Center for Infectious Disease may only be expended to construct a new facility. DSHS may expend funds for the design of facilities in South Texas prior to awarding a contract for construction of the Texas Center for Infectious Disease. Funds appropriated for either of these projects may only be expended for each phase of the project after DSHS provides a detailed description of the project phase and cost to the Legislative Budget Board and the Governor prior to implementation of the project phase, and the Legislative Budget Board and the Governor approve the plan. DSHS, in conjunction with county health authorities~~the Rio Grande Valley Health Services District~~, shall submit to the Legislative Budget Board and the Governor, before requesting approval for the next phases of the South Texas project~~awarding a contract for the construction of the facilities in South Texas~~, a ~~transition~~ plan to fund in full the facilities' operating costs with local funds and other state and federal program funds as available for the provision of public health care services.

~~78~~61. Appropriation of Unexpended Balances: General Obligation Bonds for Health Care Facilities. ~~Out of funds appropriated above to Strategy F.1.2, Construction of Health Care Facilities, $33,286,582 in General Obligation Bonds for the 2006-07 biennium is allocated for the purposes of constructing, maintaining, or repairing health care facilities operated by the Department of State Health Services.~~

~~Appropriation of Unexpended Balances~~: ~~Any~~ unexpended balances of General Obligation Bonds for health care facilities from previous appropriations, estimated to be $19,126,378~~$24,200,000~~ from fiscal year 2007~~2005~~ to fiscal year 2008~~2006~~ and included ~~in the method of finance above as General Obligation Bonds~~ in Strategy F.1.2, Construction: Health Care Facilities, TCID, and estimated to be $12,950,693 from fiscal year 2007 to fiscal year 2008 and included in Strategy F.1.3, Construction: Health Care Facilities, South Texas Health Care System~~Strategy F.1.2, Construction of Health Care Facilities~~, are hereby appropriated to the Department of State Health Services for the same purposes, contingent upon the following:

a. The expenditure of such appropriated funds shall require the approval of the Commissioner of State Health Services,

b. At least 45 days prior to the expenditure of such funds to implement a particular project phase, the department shall provide a detailed description of the project phase and cost to the Legislative Budget Board and the Governor.

~~79~~62. 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 2007, 2008, and 2009~~2005, 2006, and 2007~~. 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.

~~81~~63. 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 2008-09~~2006-07~~ biennium shall be set aside for family planning services provided by Federally Qualified Health Centers (FQHCs) and 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~~grantees~~. FQHCs funded under this strategy shall assure 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~~grantees~~ to assure that reporting requirements are aligned with FQHC eligibility, payment, and reporting requirements.

~~83~~64. Vaccine Education - Inclusion of Information Related to Respiratory Syncytial Virus. 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. The inclusion of information related to RSV may be completed at the next regular printing.

~~86~~65. Texas Cancer Registry. Out of funds appropriated above in Strategy A.1.2, Health Registries, Information, and Vital Records,~~A.1.5, Health Registries, Information, and Analysis,~~ the Department of State Health Services shall use $875,000 in fiscal year 2008~~2006~~ and $1,000,000 in fiscal year 2009~~2007~~ from Interagency Contracts (Other Funds) with the Higher Education Coordinating Board and/or the Health-Related Institutions of Higher Education and one FTE in each year for the purpose of enhancing the infrastructure of the cancer registry.

66. Appropriation: Contingent Revenue. The Department of State Health Services (DSHS) is hereby appropriated for the purposes identified below any additional revenue generated by DSHS above the amounts identified in fiscal year 2008 or fiscal year 2009 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 2008 or fiscal year 2009 and does not include any balances that have accrued in the account or revenue object.

a. Account No. 341, Food and Drug Retail Fees, for restaurant inspections. [Rider 44]

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. [Rider 45 and 71]

c. Revenue Object 3175, Account No. 5017, Asbestos Removal Licensure, for asbestos inspections and regulatory activities. [Rider 46]

d. Account No. 5021, Certification of Mammography Systems, contingent upon the department being authorized by the Food and Drug Administration (FDA) to be a certifying body for the purpose of certification of mammography facilities. The department shall provide documentation to the Comptroller of Public Accounts of the FDA authorization. [Rider 77]

e. Account No. 5096, Perpetual Care Account, for purposes authorized in Health and Safety Code, Section 401.305, and pursuant to a memorandum of understanding with the Texas Commission on Environmental Quality relating to the regulations for control of radiation. The department shall provide documentation to the Comptroller of Public Accounts of the memorandum of understanding. [Rider 82]

f. Revenue Objects 3616, 3560, and 3562 in the General Revenue Fund for the purpose of regulating health professionals. [Rider 47]

~~80~~67. Mentally Ill Offender Screening. ~~The Department of State Health Services shall use funds appropriated above to require local mental health authorities to conduct CARE system database checks within 72 hours of referrals for local and county jails to determine if offenders have a history of state mental healthcare and report such information to the requesting jail. Quarterly reports of activities shall be provided to the Texas Department of Criminal Justice – Texas Correctional Office on Offenders with Medical and Mental Impairments as part of the community of care mandate.~~ Pursuant to Government Code Sections 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 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, Government 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 Government Code Section 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.

68. 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 2008 and $1,049,240 in fiscal year 2009 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 2008-09 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.

~~68.~~ ~~**Automated External Defibrillator (AED) Placement in State Buildings.** Out of funds appropriated above, the Department of State Health Services shall allocate $125,000 in fiscal year 2006 and $125,000 in fiscal year 2007 for the purchase and placement of AEDs in state-owned and leased buildings. These placements should occur in a manner consistent with the study authorized by Senate Bill 531, Seventy-seventh Legislature. The department shall establish criteria to identify up to 100 key locations for placement by December 31, 2005. Any unexpended balances remaining at the end of fiscal year 2006 may be expended in fiscal year 2007 to fulfill the purposes of the rider.~~

~~71.~~ ~~**Appropriation: HIV Medications Program.** The Department of State Health Services is hereby appropriated any additional revenues generated from co-pays that are assessed by the HIV Medication program, are deposited in General Revenue-Dedicated Account 0524, and are above the amounts identified for fiscal years 2006 and 2007 in the Comptroller of Public Accounts' Biennial Revenue Estimate. The additional revenues are appropriated for the purchase of medications for the treatment of HIV disease. This appropriation does not include laboratory revenues deposited in General Revenue-Dedicated Account 0524 under Revenue Object 3595 or any amounts deposited into Revenue Object 3561, which are statutorily dedicated for laboratory debt service and may not be used for any other purpose.~~

~~72.~~ ~~**Appropriation: J-1 Visa Waiver Program.** The Department of State Health Services (DSHS) is hereby appropriated any additional revenues generated from administrative fees assessed by the J-1 Visa Waiver Program deposited in General Revenue-Dedicated Account 0524 and above the amounts identified for fiscal years 2006 and 2007 in the Comptroller of Public Accounts' Biennial Revenue Estimate. The additional revenues are appropriated for the purpose of administering the J-1 Visa Waiver Program for physicians serving in health professional shortage areas. This appropriation does not include laboratory revenue deposited in General Revenue-Dedicated Account 524 under Revenue Object 3595, any amounts deposited into Revenue Object 3561, which are statutorily dedicated for laboratory debt service and may not be used for any other purpose, or any co-pays deposited for the purpose of the HIV Medication Program. It is the intent of the Legislature that applications submitted under this program be prioritized by DSHS to the areas of greatest need and that DSHS consider relative specialty need as well.~~

~~75.~~ ~~**Additional Transfer Authority: State-funded Immunizations.** Subject to the limitations on transfer authority prescribed by Rider 25, Transfer Authority, the Department of State Health Services may transfer appropriations from one or more other appropriation items to appropriation item A.2.1, Immunize Children and Adults in Texas, in the amounts the Commissioner of State Health Services considers necessary for the purpose of providing current and effective immunizations coverage for recipients of state-funded immunizations comparable to the immunizations coverage received by persons covered by the state Medicaid program or private insurance.~~

~~77.~~ ~~**Contingent Revenue Mammography Certification Fees.** Contingent upon the Department of State Health Services (DSHS) being authorized by the Food and Drug Administration (FDA) to be a certifying body for the purpose of certification of mammography facilities, all~~

revenues above amounts identified in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2006-07 and deposited into the Certificate of Mammography Systems Account No. 5021 are hereby appropriated to the DSHS.

82. **Estimated Appropriations: Perpetual Care Account.** In the event of an incident necessitating the decontamination, decommissioning, stabilization, reclamation, maintenance, surveillance, control, storage, or disposal of radioactive materials by the Department of State Health Services (DSHS), DSHS is hereby appropriated any revenues from DSHS licensees, including the proceeds of securities, deposited to the credit of the Perpetual Care Account pursuant to Health and Safety Code, Section 401.305(b) and Section 401.301(d), above amounts included in the Comptroller of Public Accounts' Biennial Revenue Estimate during the biennium beginning September 1, 2005 (estimated to be $0 each fiscal year). These funds shall be used for purposes authorized in Health and Safety Code, Section 401.305, and pursuant to a memorandum of understanding with the Texas Commission on Environmental Quality relating to the regulations for control of radiation. Funds appropriated herein may be transferred to other appropriate strategies to implement the provisions set out in Health and Safety Code, Section 401.305.

84. **Estimated Appropriation: Designated Trauma Facility and EMS Account.** The Department of State Health Services is hereby appropriated any additional revenues generated in General Revenue-Dedicated Account 5111, Designated Trauma Facility and EMS, above $59,419,000 in fiscal year 2006 and $80,368,000 in fiscal year 2007, for the purpose of trauma facility and EMS activities. The dollar amounts above are contained in the Comptroller of Public Accounts' Biennial Revenue Estimate, 2006-07 for this account. This appropriation is contingent upon the department notifying and receiving approval from the Legislative Budget Board and the Governor of its intent to access additional revenues from this account. Such an appropriation shall be considered to be approved if neither the Legislative Budget Board nor the Governor issues a written disapproval not later than:

a. the 10th business day after the date the staff of the Legislative Budget Board concludes its review of the proposed appropriation 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; and

b. the 10th business day after the receipt of the proposed appropriation by the Governor.

85. **Contingent Appropriation of Additional Fee Revenues.**

a. Included in amounts appropriated above in Strategy D.1.1, Food (Meat) and Drug Safety is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund under Comptroller Object Codes 3142, 3180, 3400, 3414, or 3554 (estimated to be $444,367 in both fiscal years 2006 and 2007) or General Revenue Dedicated Accounts No. 341, Food and Drug Fee Account (estimated to be $70,104 in both fiscal years 2006 and 2007), No. 5022, Oyster Sales (estimated to be $12,600 in both fiscal years 2006 and 2007), or No. 5024, Food and Drug Registration Account (estimated to be $158,304 in both fiscal years 2006 and 2007), above the Comptroller of Public Accounts' Biennial Revenue Estimate.

b. Included in amounts appropriated above in Strategy D.1.2, Environmental Health, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund under Comptroller Object Codes 3123, 3141, 3175, 3180, 3555, 3562, or 3573 (estimated to be $167,214 in both fiscal years 2006 and 2007) or General Revenue Dedicated Accounts No. 5017, Asbestos Removal Licensure Account (estimated to be $97,868 in both fiscal years 2006 and 2007), or No. 5020, Workplace Chemicals List Account (estimated to be $27,306 in both fiscal years 2006 and 2007), above the Comptroller of Public Accounts' Biennial Revenue Estimate.

c. Included in amounts appropriated above in Strategy D.1.3, Radiation Control, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund under Comptroller Object Code 3589 (estimated to be $679,596 in both fiscal years 2006 and 2007) or General Revenue Dedicated Account No. 5021, Certificate of Mammography Systems Account (estimated to be $15,332 in both fiscal years 2006 and 2007), or the Perpetual Care Account (estimated to be $7,150 in both

~~fiscal years 2006 and 2007) above the Comptroller of Public Accounts' Biennial Revenue Estimate. Of these amounts, an estimated $300,663 in each fiscal year is intended to be used for the purpose of addressing technical staffing issues in the strategy.~~

~~d. Included in amounts appropriated above in Strategy D.1.4, Health Care Professionals, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund under Comptroller Object Codes 3175, 3560, 3562, 3616, or 3727 (estimated to be $223,816 in both fiscal years 2006 and 2007) or General Revenue Dedicated Account No. 512, Bureau of Emergency Management Account (estimated to be $36,845 in both fiscal years 2006 and 2007), above the Comptroller of Public Accounts' Biennial Revenue Estimate.~~

~~e. Included in amounts appropriated above in Strategy D.1.5, Health Care Facilities, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund under Comptroller Object Codes 3180 or 3557 (estimated to be $83,986 in both fiscal years 2006 and 2007) or General Revenue Dedicated Account No. 129, Hospital Licensing Account (estimated to be $44,088 in both fiscal years 2006 and 2007), above the Comptroller of Public Accounts' Biennial Revenue Estimate.~~

~~f. Included in amounts appropriated above in Strategy A.1.3, Maintain Vital Records, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund (estimated to be $52,554 in both fiscal years 2006 and 2007) or General Revenue Dedicated Account No. 19, Vital Statistics Account (estimated to be $108,404 in both fiscal years 2006 and 2007), above the Comptroller of Public Accounts' Biennial Revenue Estimate.~~

~~g. Included in amounts appropriated above in Strategy E.1.1, Central Administration, Strategy E.1.2, IT Program Support, and Strategy E.1.3, Other Support Services, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Dedicated Accounts No. 19 (estimated to be $15,068 in both fiscal years 2006 and 2007), No. 129 (estimated to be $3,684 in both fiscal years 2006 and 2007), No. 341 (estimated to be $4,945 in both fiscal years 2006 and 2007), No. 512 (estimated to be $1,981 in both fiscal years 2006 and 2007), No. 5017 (estimated to be $12,152 in both fiscal years 2006 and 2007), No. 5020 (estimated to be $2,441 in both fiscal years 2006 and 2007), No. 5021 (estimated to be $2,597 in both fiscal years 2006 and 2007), or No. 5024 (estimated to be $20,344 in both fiscal years 2006 and 2007) above the Comptroller of Public Accounts' Biennial Revenue Estimate.~~

~~These appropriations are contingent on the Department of State Health Services assessing fees sufficient to generate, during the 2006-07 biennium, additional revenue in excess of amounts contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2006 and 2007. The Executive Commissioner of the Health and Human Services Commission, the Commissioner of State Health Services or the designee under statute or by rule, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of any information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

HEALTH AND HUMAN SERVICES COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
GR for Medicaid		
Medicaid Program Income, estimated	$ 2,897,025	$ 2,897,025
Vendor Drug Rebates—Medicaid, estimated	197,449,697	209,761,151
GR Match for Medicaid	4,150,329,471	4,311,936,602
Tobacco Settlement Receipts Match for Medicaid	244,554,089	226,842,496
Cost Sharing - Medicaid Clients, estimated	6,297,487	7,972,186
Vendor Drug Rebates-Supplemental Rebates, estimated	35,665,635	37,428,049
Medicare Giveback Provision	294,706,292	297,195,288
GR for CHIP		
Premium Co-Payments, Low Income Children, estimated	7,355,310	7,540,965
Tobacco Settlement Receipts	36,690,173	38,075,367
GR Match for Title XXI (CHIP)	880,258	882,894
Tobacco Settlement Receipts Match for CHIP	226,777,738	243,121,137
Experience Rebates-CHIP, estimated	2,028,952	2,132,980
Vendor Drug Rebates—CHIP, estimated	2,578,299	2,710,665
Other GR		
General Revenue Fund	27,348,159	25,444,704
GR MOE for Temporary Assistance for Needy Families	64,520,229	64,283,633
GR Match for Food Stamp Administration	116,924,398	116,115,012
Subtotal, General Revenue Fund	$ 5,417,003,212	$ 5,594,340,154
Federal Funds	9,391,554,866	9,520,255,190
Other Funds		
Appropriated Receipts - Match for Medicaid	672,510,200	670,733,497
State Highway Fund No. 006 - Medicaid Match	10,000,000	10,000,000
Appropriated Receipts	7,566,974	7,566,975
Interagency Contracts	161,216,708	161,234,875
Medicaid Subrogation Receipts (State Share), estimated	24,205,100	24,205,100
Subtotal, Other Funds	$ 875,498,982	$ 873,740,447
Total, Method of Financing	$ 15,684,057,060	$ 15,988,335,791
This bill pattern represents an estimated 79.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	9,229.1	9,229.1
Schedule of Exempt Positions:		
Executive Commissioner, Group 6	$200,000	$200,000
Items of Appropriation:		
A. Goal: HHS ENTERPRISE OVERSIGHT & POLICY		
HHS Enterprise Oversight and Policy.		
A.1.1. Strategy: ENTERPRISE OVERSIGHT & POLICY	$ 27,120,261	$ 27,120,255
Enterprise Oversight and Policy.		
A.1.2. Strategy: INTEGRATED ELIGIBILITY & ENROLLMENT	$ 511,740,868	$ 511,740,864
Integrated Eligibility and Enrollment (IEE).		
A.2.1. Strategy: CONSOLIDATED SYSTEM SUPPORT	$ 119,448,132	$ 119,448,126
Total, Goal A: HHS ENTERPRISE OVERSIGHT & POLICY	$ 658,309,261	$ 658,309,245
B. Goal: MEDICAID		
B.1.1. Strategy: MEDICARE AND SSI	$ 2,076,389,001	$ 2,151,102,405
Medicare and SSI Risk Groups.		
B.1.2. Strategy: TANF ADULTS & CHILDREN	$ 407,073,378	$ 377,690,566
TANF Adults & Children Risk Groups.		
B.1.3. Strategy: PREGNANT WOMEN	$ 999,609,750	$ 1,003,881,391
Pregnant Women Risk Group.		
B.1.4. Strategy: CHILDREN & MEDICALLY NEEDY	$ 3,008,881,857	$ 3,011,354,923
Children & Medically Needy Risk Groups.		

B.1.5. Strategy: MEDICARE PAYMENTS For Clients Dually Eligible for Medicare and Medicaid.	$ 993,485,279	$ 1,047,083,637
B.1.6. Strategy: STAR+PLUS (INTEGRATED MANAGED CARE)	$ 1,122,808,251	$ 1,163,089,771
B.2.1. Strategy: COST REIMBURSED SERVICES	$ 425,024,731	$ 450,209,793
B.2.2. Strategy: MEDICAID VENDOR DRUG PROGRAM	$ 1,848,970,218	$ 1,924,217,826
B.2.3. Strategy: MEDICARE FEDERAL GIVE BACK Prescription Drug Coverage for Dual-Eligibles.	$ 294,706,292	$ 297,195,288
B.2.4. Strategy: MEDICAL TRANSPORTATION	$ 43,456,681	$ 44,206,246
B.2.5. Strategy: MEDICAID FAMILY PLANNING	$ 35,393,655	$ 47,028,105
B.2.6. Strategy: UPPER PAYMENT LIMIT	$ 1,521,347,255	$ 1,497,484,457
B.3.1. Strategy: HEALTH STEPS (EPSDT) MEDICAL	$ 35,006,978	$ 35,141,203
B.3.2. Strategy: HEALTH STEPS (EPSDT) DENTAL	$ 387,506,476	$ 395,674,068
B.3.3. Strategy: EPSDT COMPREHENSIVE CARE PROGRAM Health Steps (EPSDT) Comprehensive Care Program.	$ 345,285,702	$ 355,432,673
B.4.1. Strategy: STATE MEDICAID OFFICE	$ 13,840,046	$ 13,840,040
Total, Goal B: MEDICAID	$ 13,558,785,550	$ 13,814,632,392
C. Goal: CHIP SERVICES		
C.1.1. Strategy: CHIP Children's Health Insurance Program (CHIP).	$ 379,336,802	$ 393,452,835
C.1.2. Strategy: IMMIGRANT HEALTH INSURANCE Immigrant Children Health Insurance.	$ 19,525,615	$ 20,262,524
C.1.3. Strategy: SCHOOL EMPLOYEE CHILDREN INSURANCE	$ 9,842,786	$ 10,214,259
C.1.4. Strategy: CHIP PERINATAL SERVICES	$ 311,967,343	$ 339,755,903
C.1.5. Strategy: CHIP VENDOR DRUG PROGRAM	$ 122,087,053	$ 129,641,789
Total, Goal C: CHIP SERVICES	$ 842,759,599	$ 893,327,310
D. Goal: ENCOURAGE SELF SUFFICIENCY		
D.1.1. Strategy: TANF GRANTS Temporary Assistance for Needy Families Grants.	$ 139,506,098	$ 142,912,265
D.1.2. Strategy: NUTRITION ASSISTANCE	$ 267,053,693	$ 267,053,686
D.1.3. Strategy: REFUGEE ASSISTANCE	$ 27,323,279	$ 27,323,279
D.2.1. Strategy: FAMILY VIOLENCE SERVICES	$ 22,940,946	$ 22,940,946
D.2.2. Strategy: ALTERNATIVES TO ABORTION Alternatives to Abortion. Nontransferable.	$ 2,500,000	$ 2,500,000
Total, Goal D: ENCOURAGE SELF SUFFICIENCY	$ 459,324,016	$ 462,730,176
E. Goal: PROGRAM SUPPORT		
E.1.1. Strategy: CENTRAL PROGRAM SUPPORT	$ 13,420,410	$ 13,420,407
E.1.2. Strategy: IT PROGRAM SUPPORT Information Technology Program Support.	$ 14,018,265	$ 14,018,259
E.1.3. Strategy: REGIONAL PROGRAM SUPPORT	$ 72,731,837	$ 72,731,833
Total, Goal E: PROGRAM SUPPORT	$ 100,170,512	$ 100,170,499
F. Goal: INFORMATION TECHNOLOGY PROJECTS		
F.1.1. Strategy: TIERS Texas Integrated Eligibility Redesign System.	$ 23,059,730	$ 17,517,780
G. Goal: OFFICE OF INSPECTOR GENERAL		
G.1.1. Strategy: OFFICE OF INSPECTOR GENERAL	$ 42,703,503	$ 42,703,500
H. Goal: ADMINISTRATIVE REDUCTIONS		
H.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (1,055,111)	$ (1,055,111)
Grand Total, HEALTH AND HUMAN SERVICES COMMISSION	$ 15,684,057,060	$ 15,988,335,791
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 337,062,554	$ 337,062,555
Other Personnel Costs	17,391,149	17,391,140
Professional Fees and Services	541,368,144	538,354,877
Fuels and Lubricants	186,441	186,429
Consumable Supplies	4,797,591	4,797,582

Utilities	29,034,644	29,034,633
Travel	7,776,122	7,776,112
Rent - Building	53,775,397	53,775,389
Rent - Machine and Other	8,166,027	8,166,014
Other Operating Expense	128,426,163	128,610,815
Client Services	14,478,895,456	14,787,966,682
Food for Persons - Wards of State	4,436,000	4,436,000
Grants	57,278,365	57,278,355
Capital Expenditures	15,463,007	13,499,208
Total, Object-of-Expense Informational Listing	$ 15,684,057,060	$ 15,988,335,791
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 20,462,968	$ 20,769,912
Group Insurance	69,106,378	70,260,422
Social Security	27,781,210	28,197,928
Benefits Replacement	4,404,972	4,184,723
Subtotal, Employee Benefits	$ 121,755,528	$ 123,412,985
Debt Service		
Lease Payments	$ 1,771,431	$ 1,701,545
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 123,526,959	$ 125,114,530

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.

	2008	2009
A. Goal: HHS ENTERPRISE OVERSIGHT & POLICY		
A.1.2. Strategy: INTEGRATED ELIGIBILITY & ENROLLMENT		
Output (Volume):		
Average Number of Families Determined Eligible Monthly-TANF	11,648	11,648
Average Number of Households Determined Eligible Monthly-Food Stamps	158,069	154,696
Explanatory:		
Percent of Poverty Met by TANF, Food Stamps, and Medicaid Benefits	76.5%	76.5%
B. Goal: MEDICAID		
Outcome (Results/Impact):		
Average Medicaid Acute Care (Includes STAR+PLUS) Recipient Months Per Month	2,865,192	2,939,751
Average Medicaid Acute Care (Includes STAR+PLUS) Cost Per Recipient Month	208.95	209.44
B.1.5. Strategy: MEDICARE PAYMENTS		
Output (Volume):		
Average Supplemental Medical Insurance Part B (SMIB) Recipient Months Per Month	514,681	530,279
Average Qualified Medicare Beneficiaries (QMBs) Recipient Months Per Month	81,156	85,262
Efficiencies:		
Average SMIB Premium Per Month	96.63	98.27
B.1.6. Strategy: STAR+PLUS (INTEGRATED MANAGED CARE)		
Output (Volume):		
Avg Aged and Medicare-eligible Recipient Months Per Month: STAR+PLUS	81,696	83,515
Average Disabled and Blind Recipient Months Per Month: STAR+PLUS	76,927	80,314

Efficiencies:		
Average Cost Per Aged and Medicare-eligible Recipient Month: STAR+PLUS Acute Care	147.04	147.04
Average Cost Per Aged and Medicare-eligible Recipient Month: STAR+PLUS Long Term Care	316.56	316.56
Average Cost Per Disabled and Blind Recipient Month: STAR+PLUS Acute Care	372.47	372.47
Average Cost Per Disabled and Blind Recipient Month: STAR+PLUS Long Term Care	133.38	133.38
B.2.1. Strategy: COST REIMBURSED SERVICES		
Output (Volume):		
Average Number of Undocumented Persons Recipient Months Per Month	10,393	10,947
Efficiencies:		
Average Undocumented Persons Cost Per Recipient Month	2,989.17	2,989.17
B.2.2. Strategy: MEDICAID VENDOR DRUG PROGRAM		
Output (Volume):		
Total Medicaid Prescriptions Incurred	28,163,154	29,083,675
B.3.3. Strategy: EPSDT COMPREHENSIVE CARE PROGRAM		
Output (Volume):		
Average Number of EPSDT-CCP Recipient Months per Month	373,310	379,518
B.4.1. Strategy: STATE MEDICAID OFFICE		
Output (Volume):		
Medicaid Acute Care Recipient Months Per Month: Managed Care	2,098,180	2,157,016
C. Goal: CHIP SERVICES		
Outcome (Results/Impact):		
Average CHIP Programs Recipient Months Per Month (Includes all CHIP Programs)	440,677	460,225
Average CHIP Programs Benefit Cost without Prescription Benefit Per Recipient Month (Includes all CHIP Programs)	97.38	97.37
Average CHIP Programs Benefit Cost with Prescription Benefit Per Recipient Month (Includes all CHIP Programs)	121.66	121.65
C.1.4. Strategy: CHIP PERINATAL SERVICES		
Output (Volume):		
Average Perinate Recipient Months Per Month	95,480	101,977
C.1.5. Strategy: CHIP VENDOR DRUG PROGRAM		
Output (Volume):		
Total Number of CHIP Prescriptions (Includes all CHIP Programs)	1,595,331	1,655,645
Efficiencies:		
Average Cost Per CHIP Prescription (Includes all CHIP Programs)	63.04	63.04
D. Goal: ENCOURAGE SELF SUFFICIENCY		
D.1.1. Strategy: TANF GRANTS		
Output (Volume):		
Average Number of TANF Recipients Per Month	131,820	131,820
Average Number of TANF State-paid Recipients Per Month	5,488	5,488
Average Number of TANF One-time Payments Per Month	1,400	1,531
Efficiencies:		
Average Monthly Grant: TANF	65.67	66.66
Average Monthly Grant: TANF-State Paid	63.88	65.15
D.1.2. Strategy: NUTRITION ASSISTANCE		
Output (Volume):		
Average Number of Children and Adults Served Meals through Child and Adult Care Food Program Per Day	267,941	281,547
D.1.3. Strategy: REFUGEE ASSISTANCE		
Output (Volume):		
Number of Refugees Receiving Contracted Social Services, Financial Assistance, or Medical Assistance	7,100	7,100
D.2.1. Strategy: FAMILY VIOLENCE SERVICES		
Output (Volume):		
Number of Women and Children Served	87,102	87,102
Efficiencies:		
Health and Human Services Average Cost Per Person Receiving Emergency Shelter and/or Nonresident Services	266.23	266.23

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.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Compliance with Federal HIPAA (Health Insurance Portability and Accountability Act) Regulations Across HHS Agencies	$ 6,089,356	$ 6,089,356
(2) Infrastructure Maintenance	8,875,410	8,303,395
(3) Health and Human Services Administrative System (HHSAS) Project	8,250,775	6,794,726
(4) TIERS Debt Service	2,837,279	683,907
(5) Texas Integrated Eligibility Redesign System	14,903,873	14,903,873
(6) TIERS Lease Payments to Master Lease Program	10,367,058	8,803,107
Total, Acquisition of Information Resource Technologies	$ 51,323,751	$ 45,578,364
Total, Capital Budget	$ 51,323,751	$ 45,578,364

Method of Financing (Capital Budget):

GR Match for Medicaid	$ 12,512,083	$ 11,122,542
GR MOE for Temporary Assistance for Needy Families	113,518	90,328
Earned Federal Funds	48,976	32,345
GR Match for Food Stamp Administration	9,960,696	8,595,625
General Revenue Fund	3,351,192	2,818,981
Subtotal, General Revenue Fund	$ 25,986,465	$ 22,659,821
Federal Funds	22,556,768	20,627,735
Interagency Contracts	2,780,518	2,290,808
Total, Method of Financing	$ 51,323,751	$ 45,578,364

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Seat Management	7,176,753	7,066,753
(2) Texas Integrated Eligibility Redesign System	17,641,870	14,063,710
Total, Acquisition of Information Resource Technologies	$ 24,818,623	$ 21,130,463
b. Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) TIERS Lease Payments to Master Lease Program	$ 5,417,859	$ 3,454,070
Total, Capital Budget	$ 30,236,482	$ 24,584,533

Method of Financing (Capital Budget):

GR Match for Medicaid	$ 5,719,251	$ 4,804,813
GR MOE for Temporary Assistance for Needy Families	37,474	37,722
GR Match for Title XXI	4,639	4,745
GR Match for Food Stamp Administration	5,357,053	4,547,668
Tobacco Settlement Receipts Match for CHIP	170,760	173,396
General Revenue Fund	5,558,792	3,571,624
Subtotal, General Revenue Fund	$ 16,847,969	$ 13,139,968
Federal Funds	12,594,041	10,760,093
Interagency Contracts	794,472	684,472
Total, Method of Financing	$ 30,236,482	$ 24,584,533

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 $39,565 per year, is limited to the following advisory committees: Hospital Payment Advisory Committee, Medical Care 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.

~~7~~**5.** **Assessments to Health and Human Services Agencies.** The Health and Human Services Commission shall notify the Legislative Budget Board and the Governor by ~~September~~November 1 of each fiscal year of the annual amount of funds to be transferred by interagency contract by each agency under the authority of the Health and Human Services Commission in Government Code, Chapter 531. The report shall provide an explanation of each contract. ~~The Health and Human Services Commission shall provide quarterly updates to the Legislative Budget Board and the Governor, indicating amounts that have actually been transferred and amounts that remain to be transferred.~~

~~5.~~ ~~**Appropriation of Receipts: Civil Monetary Damages and Penalties.** Included in the GR Match for Medicaid appropriated above is $1,414,870 for the biennium from funds collected as civil monetary damages and penalties under Human Resources Code § 32.039. Any amounts above $1,414,870 are hereby appropriated to the Health and Human Services Commission in amounts equal to the costs of the investigation and collection proceedings conducted under the authority of that section.~~

~~10~~**6.** **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~~. 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)~~;

b. **CHIP.** The Health and Human Servi~~v~~ces Commission is authorized to expend CHIP rebate revenues and related interest earnings appropriated above in Strategy C.1.4~~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 200~~6~~8 and 200~~7~~9. 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.1.4~~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~~; and~~.

~~(3) The Commission shall report monthly to the Legislative Budget Board, the Governor, and the Comptroller's Office on Medicaid and CHIP vendor drug receipts, expenditures (including expenditures from the General Revenue Fund, made pursuant to this section), and anticipated revenues and balances.~~

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. TIERS Oversight.** It is the intent of the Legislature in funding the Texas Integrated Eligibility Redesign System (TIERS) initiative at the Health and Human Services Commission that the agency shall continue in its project oversight role to assure that client eligibility systems among other health and human services agencies and the Workforce Commission are appropriately accommodated in the design and implementation of TIERS.~~

~~11~~**7. 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 200~~6~~8 and fiscal year 200~~7~~9. 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~~; and~~.

~~c. The Commission shall report monthly to the Legislative Budget Board, the Governor, and the Comptroller's Office on Medicaid Subrogation Receipts, expenditures, and anticipated revenues and 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.

~~12~~8. **Appropriation Transfer 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 200~~7~~9 to fiscal year 200~~6~~8. 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 200~~6~~8, or

(2) for any other emergency expenditure requirements, including expenditures necessitated by public calamity.

b. A transfer authorized by this section must receive the prior 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. **Custody Relinquishment Prevention Plan.** The Health and Human Services Commission is hereby authorized to develop and implement a plan to prevent custody relinquishment of youth with serious emotional disturbances. To the extent required to implement the plan, the Health and Human Services Commission is authorized to request any necessary waivers or authorizations from the federal government. The Health and Human Services Commission may delay implementing the plan until necessary waivers, authorizations, and funding are provided.~~

~~13~~9. **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. **Limitation: Medicaid and CHIP Transfer Authority.**~~

~~a. Goal B, Medicaid. Notwithstanding the transfer provisions in the general provisions (general transfer provisions) of this Act, none of the funds appropriated by this Act to the Health and Human Services Commission for Medicaid Strategies in Goal B may be transferred to any other item of appropriation or expended for any other 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; however, transfers may be made between Medicaid Strategies in Goal B in accordance with other provisions in this Act, including the general transfer provisions.~~

~~b. Goal C, CHIP Services. Notwithstanding the transfer provisions in the general provisions (general transfer provisions) of this Act, none of the funds appropriated by this Act to the Health and Human Services Commission for CHIP Strategies in Goal C may be transferred to any other item of appropriation or expended for any other 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; however, transfers may be made between CHIP Strategies in Goal C in accordance with other provisions in this Act, including the general transfer provisions.~~

~~c. Exception to Limitations on Transfers. As an exception to limitations on transfers found in subsections (a) and (b) of this provision, up to a total of $14.0 million in General~~

~~Revenue for the biennium from Goal B, Medicaid and Goal C, CHIP Services, may be transferred within the Commission's bill pattern to fund Integrated Eligibility. The Commission shall provide notification to the Legislative Budget Board and the Governor of its intent to transfer funding under authority of this subsection. The proposed expenditure shall be considered to be approved if neither the Legislative Budget Board nor the Governor issues a written disapproval not later than:~~

~~(1) The 10th business day after the date the staff of the Legislative Budget Board concludes its review of the proposed expenditures 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; and~~

~~(2) The 10th business day after the receipt of the proposed expenditures by the Governor.~~

~~14~~10. 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.

~~17~~11. 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.

~~21~~12. 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 ~~disproportionate share~~these payments ~~or payments as specified by rider 30, Graduate Medical Education,~~ 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.

~~22~~13. Transfers: Authority and Limitations.

Medicaid and CHIP
None of the funds appropriated by this Act to the Health and Human Services Commission for Medicaid Strategies in Goal B and for CHIP Strategies in Goal C may be transferred to any other item of appropriation or expended for any other 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. However, transfers may be made between Medicaid Strategies in Goal B and between CHIP strategies in Goal C in accordance with the

notification requirements of this provision. These transfers are not subject to the twenty-five percent limit outlined below. Transfers may be made from Medicaid strategies 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.

Other Programs and Administration
~~Subject to the limitations contained in rider 9, Limitation: Medicaid and CHIP Transfer Authority, and n~~Notwithstanding any other provision, appropriations contained in this Act to the Health and Human Services Commission may be transferred from one appropriation item to another appropriation item in amounts not to exceed 25 percent of All Funds for the fiscal year, upon approval by the Commissioner, subject to the following reporting requirements:

a. At least ~~45~~30 days prior to any transfer of funds between items of appropriation, notification shall be made to the Governor and the Legislative Budget Board.

b. At least ~~45~~30 days prior to adopting or implementing a program expansion, notification shall be made to the Governor and the Legislative Budget Board. Program expansion is defined as any modification of current policy that would result in delivery of new or additional services not previously provided or the delivery of services to additional client populations.

c. Notifications shall include information regarding the source of funds to be transferred; any changes in Federal Funds related to the proposed transfer; the strategy from which the transfer is to be made and the strategy to which the transfer is to be made; ~~the need which was to be served through the original appropriation and the basis for the decrease in need;~~ and the need to be served in the strategy receiving the funds and the basis for such selection~~; and the amounts of funds to be spent on direct client services as opposed to both general and operating support costs~~. In the event program expansions are under consideration, information shall be forwarded regarding the population to be served; criteria for eligibility; source of funding; and impact on existing programs.

~~2~~14. 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 200~~6~~8 and 200~~7~~9. 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~~; and~~

~~c. The Commission shall report monthly to the Legislative Budget Board, the Governor, and the Comptroller's Office on program income receipts, expenditures, and anticipated revenues and 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.

~~25~~15. 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, ~~and~~ School Employee Health Insurance, and CHIP Perinatal programs. Expenditures shall be made from CHIP Experience Rebates generated in fiscal years 200~~6~~8 and 200~~7~~9. 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, 200~~5~~7, and receipts earned in fiscal years 200~~6~~8 and 200~~7~~9.

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:

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~~; and~~.

~~c. The Commission shall report monthly to the Legislative Budget Board, the Governor, and the Comptroller's Office on CHIP Experience Rebate receipts, expenditures, and anticipated revenues and 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. Medical Assistance Payments and Unexpended Balances.** General Revenue funds appropriated above in Goal B for Medicaid services shall be made available to the agency by the Comptroller of Public Accounts in equal monthly installments on the first day of each calendar month; provided, however, that any balances on hand in such funds may be carried over from month to month during each fiscal year and from fiscal year 2006 to fiscal year 2007, and such funds are appropriated to the Commission for the 2006-07 biennium.~~

~~27~~16. CHIP: Unexpended Balances and Allocation of Funds.

a. The Health and Human Services Commission is hereby appropriated any unexpended balances remaining as of August 31, 200~~5~~7, from the appropriations for the Children's Health Insurance Program (estimated to be $0). Balances appropriated may only be expended in the manner provided for by this section.

b. It is the intent of the Legislature that tobacco settlement receipts appropriations made above in Goal C, CHIP Services, include ~~$187.1~~252.6 million for fiscal year 200~~6~~8 and ~~$239.5~~270.3 million for fiscal year 200~~7~~9 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 200~~6~~8 and fiscal year 200~~7~~9 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.

c. Any unexpended balances remaining from appropriations made in Goal C, CHIP Services, for fiscal year 200~~6~~8 may be carried over to fiscal year 200~~7~~9.

~~16.~~ **~~Risk Stabilization Reserve.~~** ~~Out of funds appropriated above, the agency shall contract with an independent audit entity to audit the closeout of the Medicaid claims payment contract with the National Heritage Insurance Company (NHIC). In lieu of pursuing a contract and at the discretion of the State Auditor, the State Auditor's Office may conduct the audit. Special attention shall be paid to those adjustments made after December 31, 2003, when NHIC was no longer responsible for processing claims. The scope of the audit shall be provided to the Legislative Budget Board and the Comptroller of Public Accounts 45 days prior to the start of the audit. All findings shall be reported to the Governor, the Legislative Budget Board, and the Comptroller within 30 days of completion of the audit. The state's share of any identified unexpended balance in the risk stabilization reserve and/or trust account, or of other funds owed to the state, shall be deposited into the General Revenue Fund and such funds are not appropriated to the Health and Human Services Commission.~~

~~If the agency determines that an audit has already met these requirements, it will be at the discretion of the State Auditor to review the audit and determine if any further audit is warranted.~~

~~28~~17. **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.

~~31~~18. ~~**Contingent Appropriation:**~~ **Cost Sharing - Medicaid Clients.** ~~Contingent upon federal approval, t~~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.~~ **~~Payment of Hospital Providers.~~** ~~At the hospital's option, all payments from funds appropriated for acute care services made to hospitals (1) with more than 100 licensed beds, located in a county that is not a metropolitan statistical area (MSA) as defined by the U.S. Office of Management and Budget, and designated by Medicare as Sole Community Hospital (SCH) or Rural Referral Center (RRC), or (2) with 100 or fewer licensed beds may be reimbursed under a cost reimbursement methodology authorized by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) using the most current available cost figures. Hospitals reimbursed under TEFRA cost principles shall be paid without the imposition of the TEFRA cap. Hospitals that meet this criteria as of September 1, 2005, retain this reimbursement methodology in fee-for-service and managed care models.~~

~~At initial cost settlement of the hospital's fiscal year, the Health and Human Services Commission shall determine the amount of reimbursement the hospital would have been paid under TEFRA cost principles, and if the amount of reimbursement under the TEFRA principles is greater than the amount of reimbursement received by the hospital under the prospective payment system, the Health and Human Services Commission shall reimburse the hospital the difference. These payments shall be made out of the funds appropriated above for acute care hospital services.~~

~~32~~19. **Food Stamp Program Funds Appropriated.** The Health and Human Services Commission is hereby designated as the state agency to establish and operate a statewide Food Stamp 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 Food Stamp 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 ~~department~~commission.

~~**19.**~~ ~~**Payments to Rural Hospitals under Medicaid Managed Care.** All payments from funds appropriated for acute care services made to rural hospitals with 100 or fewer licensed beds in counties with fewer than 50,000 persons that are in a Medicaid managed care program must be reimbursed at a rate calculated using the higher of the prospective payment system rate or cost reimbursement methodology authorized under the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). Hospitals reimbursed under TEFRA cost principles shall be paid without the imposition of the TEFRA cap. Under a full-risk managed care pilot project, the participating managed care organizations shall reimburse the hospitals. This section applies only to a managed care contract that is entered into or renewed on or after September 1, 1997.~~

~~33~~**20.** **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.** **Payments to Rural Physicians under Medicaid Managed Care.** All payments made to physicians who practice in rural counties with fewer than 50,000 persons and who participate in a Medicaid managed care program must be reimbursed at the Medicaid fee schedule, or in the case of a full-risk managed care model, at a rate using the current Medicaid fee schedule, including negotiated fee for service. Under a primary care case management system model, primary care physicians also shall be paid a monthly case management fee. This section applies only to a managed care contract that is entered into or renewed on or after September 1, 1997.~~

~~35~~**21.** **Child Support Supplemental Payments.** Out of the funds appropriated above in Strategy D.1.1, TANF Grants, and child support collections from the Child Support Trust Fund (No. 994), the commission shall make supplemental payments to families receiving welfare who would be eligible to receive child support "pass through" and "first excess" payments under the Social Security Act Title IV-D child support distribution requirements prior to passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. These payments shall equal the amount of the "pass through" and "first excess" payment the family would have received under prior law. Child support collections shall comprise a portion of each total payment. The portion of the total payment funded with child support collections shall equal the state share of the Federal Medical Assistance Percentage (FMAP) for the fiscal year. ~~If child support "pass through" or "first excess" payment distribution requirements are modified by federal law after enactment of this provision, the commission, in cooperation with the Office of the Attorney General, shall adjust the supplemental payments as necessary to be consistent with federal law and to not exceed the total the family would have received prior to welfare reform.~~ The commission shall report any change to child support supplemental payments to the Governor and Legislative Budget Board.

~~36~~**22.** **Temporary Emergency Assistance for Families At-Risk of Welfare Dependency.** Out of funds appropriated above in Strategy D.1.1, TANF Grants, the commission shall provide a one-time emergency assistance payment to applicants for Temporary Assistance for Needy Families (TANF) 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 TANF program.

~~37~~**23.** **High Performance Bonus for Administration of the Food Stamp Program.** 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 ~~for administrative costs paid in a prior fiscal year~~ is provided in Article IX, Sec. 6.26. Definition, Appropriation, Reporting and Audit of Earned Federal Funds and is subject to the following additional conditions:

~~a. Within 30 days of receiving notice of the state's eligibility for a performance bonus, the Health and Human Services Commission shall notify the Legislative Budget Board and the Governor;~~

~~b. At least 45 days prior to budgeting a performance bonus, the Health and Human Services Commission shall provide documentation of the proposed use of these funds to the Legislative Budget Board and the Governor. The report shall identify the impact on established performance targets, measures, and full-time equivalent positions, and shall be prepared in a format specified by the Legislative Budget Board.~~

~~c. In the event that the state receives a performance bonus, the Health and Human Services Commission is appropriated all funds received by the agency as Earned Federal Funds (General Revenue) subject to all limitations in this rider and to the following:~~

~~(1)~~

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~~; and~~.

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.
~~(2)~~

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 Food Stamps.

~~(3) Any High Performance bonus received by the Health and Human Services Commission between June 2, 2005 and August 31, 2005 is hereby appropriated to the commission.~~

~~d.~~(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~~s~~ employed in the program, and ~~whose~~demonstrate performance that meets expectations.

~~e.~~(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.

~~f. 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 required in section (c) and file those reports with the standing committees of the Senate and House of Representatives having primary jurisdiction over health and human services.~~

~~**23. Medicaid Provider Reimbursement.** The Health and Human Services Commission shall establish and maintain a provider reimbursement methodology that recognizes and rewards high volume Medicaid practitioners, to include those along the Texas-Mexico border and in medically underserved inner-city areas, where Medicaid funding is vital to the health care delivery system.~~

~~38~~**24. 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 Grants, $~~68,657,338~~64,520,229 in general revenue is appropriated for TANF maintenance of effort for fiscal year 200~~6~~8, and $~~68,657,338~~64,283,633 in general revenue is appropriated for TANF maintenance of effort for fiscal year 200~~7~~9. None of the general revenue appropriated for TANF maintenance of effort in Strategy D.1.1, TANF 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 Grants, within the appropriate fiscal year;

b. The amount of general revenue transferred from Strategy D.1.1, TANF Grants, shall be expended within Strategy A.1.2, Integrated Eligibility and Enrollment, for TANF program operating costs, within the appropriate fiscal year; and

c. At least 45 days prior to transferring general revenue funds between Strategy D.1.1, TANF 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.

~~39~~25. Earned Income Disregard. ~~It is the intent of the Legislature that o~~Out of amounts appropriated above to Strategy D.1.1, TANF Grants, the Health and Human Services Commission ~~is to~~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.

~~40~~26. Performance Reporting for the Prescription Drug Rebate Program. The Commission shall report on an ~~semi-~~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. ~~In addition, the Commission shall provide no later than August 31, 2006 a separate report to the Legislative Budget Board, State Auditor's Office and the Governor's Office detailing the outstanding Medicaid prescription drug rebates and interest balances for the period from 1991 through the second quarter of calendar year 1995 in the format specified above.~~

~~In order to fully comply with this rider, the Commission should address data integrity issues related to the calculation of outstanding balance, cited in the State Auditor's Office report number 03-029 *An Audit Report on the Health & Human Services Commission Prescription Drug Rebate Program.*~~

~~**26. Language Interpreter Services.** It is the intent of the Legislature that the Health and Human Services Commission provide recipients of medical assistance with oral and written language interpreter services financed solely by contributions from local governmental entities and federal matching funds available under the medical assistance program.~~

~~41~~27. TANF Grants. ~~It is the intent of the Legislature that~~Out of funds appropriated above in Strategy D.1.1, TANF 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.

~~42~~28. Texas Integrated Eligibility Redesign Systems (TIERS). To fund the debt related to TIERS, the ~~department~~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 ~~$3,521,186 (amounts needed for debt service) and an amount not to exceed $19,170,165~~8,871,929 (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.

~~43~~29. 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, Limitation on Expenditures - Capital Budget, of the General Provisions of this Act, nor to HHSC R~~r~~ider 2, Capital Budget.

~~**29. Mental Retardation Provider Cost Reporting.** The Health and Human Services Commission shall review and revise its mental retardation provider cost reporting rules, regulations and procedures for the purposes of simplifying the cost reporting process and reducing overall administrative costs to the state and providers while providing fair and accurate financial information to the state necessary to the proper planning and funding of mental retardation services. In so doing, the Health and Human Services Commission shall seek to capture any and all costs, follow GAAP standards and to the extent possible, utilize financial statements similar to those prepared for banking, tax, and other common business financial planning, evaluation and reporting purposes.~~

~~In implementing this directive, the Commission shall work with providers, advocates, agency staff, and private sector financial experts, and shall ensure a clear separation between the rate setting and analysis functions from the audit functions.~~

~~44~~30. 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 $10,825 per fiscal year, at the rates specified in the general provisions of this Act.

~~**30. Graduate Medical Education.** The Health and Human Services Commission is authorized to spend up to $80.9 million in Appropriated Receipts - Match for Medicaid and an amount of Federal Funds estimated to be $124.4 million for the biennium out of Strategy B.2.1. Cost Reimbursed Services, for Graduate Medical Education payments to teaching hospitals, contingent upon receipt of allowable funds from public 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. The Commission shall develop a payment methodology that allocates funds for Medicaid Graduate Medical Education to all public and private teaching hospitals, and mitigates negative fiscal impacts on contributing hospitals and other state funding.~~

~~45~~31. Other Reporting Requirements.

a. Federal Reports. The Health and Human Services Commission 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 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) 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.

(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.

4732. 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 $100,320 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.

4833. 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.

4934. Family Planning. Of funds appropriated for Medicaid Family Planning, no state funds may be used to dispense prescription drugs to minors without parental consent.

~~**34. Appropriation and Reporting of Earned Federal Funds.**~~

~~a. The Health and Human Services Commission shall submit a monthly report to the Legislative Budget Board and the Governor which details revenues, expenditures, and balances for earned federal funds as of the last day of the prior month. The report shall be prepared in a format approved by the Legislative Budget Board.~~

~~b. The authority to receive and expend earned federal funds generated in the 20068~~ 079 ~~biennium in excess of those appropriated above is subject to the following limitations:~~

~~(1) At least 45 days prior to budgeting or expending earned federal funds above levels indicated in the appropriation above, the commission shall report the earned federal funds received and provide documentation of the proposed use of these funds to the Legislative Budget Board and the Governor.~~

~~(2) Notifications shall include information regarding the need that will be served with the additional revenue. In the event program expansions are under consideration, information shall be forwarded regarding the population to be served; criteria for eligibility; and impact upon existing programs.~~

~~(3) Notifications shall also identify the impact on established performance targets, measures, and full-time-equivalent positions.~~

~~c. The method of financing item, Earned Federal Funds, for appropriations made above includes unexpended and unobligated balances of earned federal funds remaining as of August 31, 2005~~7 ~~(estimated to be $0), and receipts earned in fiscal years 2006~~8 ~~and 2007~~9~~.~~

~~50~~**35.** **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 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.

~~52~~**36.** **Appropriation of Unexpended Balances - Revenue Bonds.** Any unexpended balances of Bond Proceeds - Revenue Bonds for the TIERS project from previous appropriations, estimated to be $0, from fiscal year 200~~5~~7 to fiscal year 200~~6~~8 are hereby appropriated to the Health and Human Services Commission for the same purposes, contingent upon the commission providing 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.

~~57~~**37.** **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.

~~62~~**38.** **Medicaid Reimbursement for Immunizations.** The Health and Human Services Commission, in conjunction with the Department of State Health Services, shall develop and implement a reimbursement fee schedule for its immunization program that compensates providers based on the number of antigens delivered to the patient. In no event shall the reimbursement for administering immunizations be less than the current program if it were based on an antigen delivered fee schedule. The Commission shall ensure that the change to an antigen-based fee schedule will not require higher overall reimbursement.

~~64~~**39.** **Unexpended Balance Authority for Eligibility Determination Services.** Any unexpended balances remaining from appropriations made in Strategy A.1.2, Integrated Eligibility and Enrollment, for fiscal year 200~~6~~8 may be carried over to fiscal year 200~~7~~9.

~~67~~**40.** **Continued Medicaid Coverage of 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 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).

~~69~~**41.** **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 ~~develop~~maintain a pilot project directed at enhancing the well being and care of citizens who are dually diagnosed with mental retardation and mental illness.

~~The project will create and design a regional delivery system that ensures a dually diagnosed individual access to a full array of services and supports as needed. This system will include the clinical best practice model for successful outcomes. The system will include input and participation with local MHAs, local MRAs, community health centers, state mental retardation, and mental health facilities within the region, community providers, and advocates. The grantee is expected to actively seek supplemental funding sources to support~~

~~the project. A report including project status, outcomes and additional funding secured will be submitted to the 80th Legislature.~~

~~73~~42. **Upper Payment Limit Reimbursement for Children's Hospitals.** Out of the funds appropriated above in Strategy B.2.6, Upper Payment Limit, the Health and Human Services Commission shall use the amounts of $12,500,000 in fiscal year 200~~6~~8 and $12,500,000 in fiscal year 200~~7~~9 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 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.

43. Health Insurance Premium Payment (HIPP) Program.

a. Medicaid HIPP Outreach and Public Awareness. Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission shall use at least $1.7 million in the 2008-09 biennium to increase awareness and public knowledge about Medicaid's Health Insurance Premium Payment program in order to increase enrollment and retention of enrollees. Texas businesses and segments of the Medicaid-eligible population most likely to have access to employer-sponsored insurance should be the targets for the outreach and public awareness efforts.

b. HIPP Program Training. Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission shall provide training on an ongoing basis about the Health Insurance Premium Payment program to workers who have contact with people inquiring or applying for benefit assistance.

c. HIPP Automated Referral System. Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission shall incorporate into the Texas Integrated Eligibility Redesign System (TIERS) an automated referral system whereby referrals to the Health Insurance Premium Payment program occur at the time of application for benefit assistance.

d. HIPP Repayment Period Reduced. Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission shall work with the Health Insurance Premium Payment vendor and other entities to reduce the Health Insurance Premium Payment client reimbursement period to less than seven days.

e. HIPP Program Status Report. The Health and Human Services Commission shall submit a report that includes an overview and evaluation of the state's Health Insurance Premium Payment (HIPP) program and recommendations to improve it. The report should address, but not be limited to, the progress the Health Insurance Premium Payment program has made in the following areas:

(1) The number of businesses responding when HIPP personnel request health insurance information and the number of those who do not.
(2) Reporting the number of Medicaid-eligible Texans exposed to HIPP outreach or public awareness efforts.
(3) Increasing HIPP referrals each year.
(4) Increasing the rate of HIPP enrollees from referrals.
(5) Increasing number of HIPP participants by 30 percent from previous fiscal year.
(6) Decreasing the reimbursement two week waiting period (with the ultimate goal being less than seven days).
(7) Decrease the referral time to HIPP program with the ultimate goal of referral occurring at eligibility determination.
(8) The report should be submitted to the Governor and the Legislative Budget Board by October 1, 2008.

44. Informational Listing - Supplemental Medicaid Payments. The following is an informational listing of estimated federal funds appropriated to the Health and Human

Services Commission to provide Medicaid supplemental payments to providers as authorized by the federal Disproportionate Share Hospital Program and the Upper Payment Limit (UPL) provision, and does not make appropriations.

UPL Payments:	Federal Funds FY 2008	Federal Funds FY 2009
Large Urban Public Hospitals	$414,372,083	$405,192,842
State-owned Hospitals	36,293,011	35,565,155
Rural Hospitals	34,704,097	34,059,951
Children's Hospitals	19,185,678	18,781,281
Private Hospitals	345,271,410	336,293,428
State Hospital Physicians	67,704,943	65,647,442
Tarrant County Physicians	3,644,541	3,549,568
Total	$921,175,763	$899,089,668

DSH Payments:	Federal Funds FY 2008	Federal Funds FY 2009
Non-state-owned Hospitals	$611,913,672	$614,346,151
State-owned Hospitals	288,797,328	286,364,849
Total	$900,711,000	$900,711,000

45. **Medicaid Reform Waiver.** Contingent on findings that a Medicaid reform waiver is cost effective and feasible, the Health and Human Services Commission shall seek a Medicaid reform waiver or waivers from the Centers for Medicare and Medicaid Services. The Medicaid reform waiver(s) should incorporate the following principles:

a. efficiently leverage state, local, federal and other funding to:

(1) increase state flexibility in its use of Medicaid funding;

(2) allow the state to be a more prudent purchaser and payer of health care;

(3) build on private market approaches and insurance-based premiums;

(4) reduce the state's uninsured through private market-based solutions; and

(5) promote the transition of consumers from public insurance to private insurance.

b. support increased personal planning and investments in long term care needs;

c. support consumer empowerment and choice;

d. create incentives for healthier behaviors;

e. align state policy and financial incentives by creating a more transparent, systematic, and efficient approach for allocating available funding within the health care system; and

f. solicit broad-based stakeholder input.

Further it is the intent of the Legislature that Medicaid reform waiver(s) recognizes the unique needs of the state's rural providers, trauma centers, and primary care residency programs.

~~**46.** **Medicaid Eligibility Determinations for Children.** It is the intent of the Legislature that the initial Medicaid certification be determined without a face-to-face interview. The Health and Human Services Commission may develop procedures that require an initial Medicaid certification to be conducted by a personal interview only when it is determined that there are~~

no other reasonable means to verify the information needed to satisfactorily determine initial eligibility.

For recertification of Medicaid eligibility, the Health and Human Services Commission may develop procedures to determine the need for a personal interview, based on a system of objective, risk-based factors and conditions. Such procedures shall be intended to focus only on a targeted and limited number of recertifications for which there is a high probability that eligibility has not continued.

51. Appropriations Reduction for Integrated Eligibility. Pursuant to the Seventy-eighth Legislature, House Bill 2292, Section 2.06, regarding the implementation of call centers, the appropriations to the Health and Human Services Commission made above for eligibility determination are hereby reduced by $14,471,184 in General Revenue and $16,905,312 in Federal Funds (including $2,238,156 in Temporary Assistance for Needy Families) for fiscal year 2006 and $50,591,837 in General Revenue and $58,951,746 in Federal Funds (including $7,804,838 in Temporary Assistance for Needy Families) for fiscal year 2007 to reflect savings associated with the transition to integrated eligibility determination and the use of call centers.

The number of authorized FTE positions for the Health and Human Services Commission is hereby reduced by 829.0 in fiscal year 2006 and 3,980 in fiscal year 2007. FTE reductions may be made incrementally during the fiscal year, and the agency may exceed the appropriated FTE cap for the first two quarters of each year of the biennium. However, the agency shall report on a quarterly basis beginning December 1, 2005 to the Legislative Budget Board and the Governor on the actual and cumulative FTE reductions and savings achieved. The agency shall achieve an overall FTE reduction of 3,472 in fiscal year 2006 and 4,487 in fiscal year 2007. The commission may allocate no more than 7 percent of both the funding and FTE reductions to the Department of Aging and Disability Services for long term care functional eligibility determination.

53. Federal Payment for Drug Coverage for Dual Eligible Recipients. The amount of funding appropriated above in Strategy B.2.3, Medicare Federal Give Back Provision, is made for monthly payments to the federal government, which will begin in January 2006 pursuant to the maintenance of effort requirement in the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, for the provision of prescription drugs to clients who are dually eligibile for Medicare and Medicaid.

54. Collection of Rebates on Physician Administered Prescription Drugs. The Health and Human Services Commission is required to make necessary changes to the Medicaid Management Information System to collect rebates on single-source and multi-source physician administered drugs. Additional rebates collected on physician administered drugs are appropriated to the Commission for purposes consistent with the use of the Vendor Drug Rebates-Medicaid specified elsewhere in this Act.

55. Medicaid Quality Initiative Pilot Project. Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission is authorized to establish a pilot program in one of the Primary Care Case Management service areas to test implementation of quality initiatives designed to reduce non-emergent use of the emergency room. The pilot program shall include public awareness efforts aimed at educating Medicaid clients about appropriate use of the emergency room and, at a minimum, one of the following: higher reimbursement to primary care providers who extend their routine office hours to include evenings and weekends; contracts with urgent care clinics to provide after-hour care; a case management program targeted to clients who use the emergency room for non-emergent conditions; an additional per member per month quality enhancement fee to primary care providers and/or an administrative entity for the purposes of implementing quality initiatives to reduce non-emergent use of the emergency room; or other option designed to reduce non-emergent use of the emergency room determined by the Commission. The Commission shall submit a workplan by September 1, 2005, to the Legislative Budget Board and the Governor that details the quality initiative(s) to be implemented by the Commission. The Commission shall conduct a study to test the effectiveness of the pilot program at reducing non-emergent use of the emergency room and Medicaid costs and submit a report to the Legislative Budget Board and the Governor by February 1, 2007.

~~**56.** **Analysis of Multi-state Medicaid Drug Purchasing Pool.** Out of funds appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, the Health and Human Services Commission shall conduct an analysis to determine the cost-benefit and feasibility of establishing or joining a multi-state Medicaid drug purchasing pool. Analysis shall include the identification of other states with which pooling of Medicaid drug purchasing provides the greatest opportunity to achieve savings in Texas. The Commission shall report the results of this analysis to the Legislative Budget Board and the Governor not later than January 15, 2006.~~

~~**58.** **Patient Protection Activities.** Out of amounts appropriated above for the Health and Human Services Commission, there is hereby included one additional FTE to act as an ombudsman in matters relating to health and human services licensing agencies. This FTE shall be associated with the agency's 2-1-1 program.~~

~~**59.** **Ambulance Services.** Out of funds appropriated above, the Health and Human Services Commission shall conduct a study of ambulance service rates in Texas and their equivalence to comparable Medicare fee schedules as well as rates paid in other states under Medicaid services. The Commission shall provide a copy of this report to the Legislative Budget Board and the Governor's Office no later than December 31, 2005.~~

~~**60.** **Medicaid Provider Reimbursement.** From funds appropriated above, the Health and Human Services Commission shall convene a workgroup to assist the Executive Commissioner in studying and making recommendations for changes in the hospital (both inpatient and outpatient services) reimbursement rate methodology. These recommendations shall include cost inflators, rebasing of the rates, and other alternatives, such as waivers that would combine Disproportionate Share Hospital (DSH), Graduate Medical Education (GME) and Upper Payment Limit (UPL) funds. Alternatives could be considered in determining hospital rates that would reward efficient providers, critical care providers, rural hospitals and special children hospitals, as well as incentives for hospitals to serve Medicaid clients and control medical cost. Workgroup members shall be composed of agency staff familiar with inpatient hospital rate methodology, external groups and representatives of the various hospital organizations. The Health and Human Services Commission shall prepare a report for consideration by the Eightieth Legislature. The report should contain options and the fiscal impact of the recommended changes to the hospital rate methodology submitted to the Legislative Budget Board and Governor by October 1, 2006.~~

~~**61.** **Study Regarding Uncompensated Care.** The Health and Human Services Commission shall conduct a study of the components and assumptions used to calculate Texas hospitals' uncompensated care amounts. The Commission shall provide a report to the 80th Legislature with recommendations for standardizing hospitals' uncompensated care amounts.~~

~~**63.** **Medicaid Support and Information Services.** Out of the funds appropriated above in Goal B: Medicaid, such funds as are necessary to implement the project are allocated for the Medicaid Help Line authorized under § 531.0213, Government Code. It is the intent of the Legislature that, under the authority of the Commissioner of Health and Human Services, the Health and Human Services Commission shall operate this service for Medicaid recipients enrolled in managed care plans.~~

~~**65.** **Additional Generic Substitution in the Medicaid Program.** Appropriations to the Health and Human Services Commission made above for the Medicaid Vendor Drug program have been reduced by $1,934,841 in General Revenue Funds and $3,026,290 in Federal Funds for fiscal year 2006, and $1,934,841 in General Revenue Funds and $3,026,290 in Federal Funds for fiscal year 2007 to reflect savings from the anticipated adoption of rule changes by the Board of Pharmacy to allow for generic substitution of drugs not evaluated in the Approved Drug Products with Therapeutic Equivalence Evaluations publication.~~

~~**66.** **Payment of August 2007 Payments for Medicaid Managed Care and Children's Health Insurance Program (CHIP).** Funds appropriated above include a reduction of $52.7 million in General Revenue and $134.6 million in All Funds out of Strategy B.1.4, Children and Medically Needy, for fiscal year 2007 and a reduction of $5.0 million in General Revenue and $17.9 million in All Funds out of Strategy C.1.1, CHIP, for fiscal year 2007. The Health and Human Services Commission is authorized to defer the August 2007 payments for Medicaid Managed Care and CHIP until September of 2007.~~

~~**68.** **Contingent Appropriation for Mental Health Services.** Out of the General Revenue amounts appropriated above for Medicaid mental health benefits in Strategy B.1.1, Aged and Disabled, $17,314,248 in fiscal year 2006 and $17,314,248 in fiscal year 2007 is contingent on revenue deposited in General Revenue Dedicated Account 5100, System Benefit Fund, exceeding the Comptroller of Public Accounts' Biennial Revenue Estimate by $11,201,653 for fiscal year 2005, by $10,629,577 for fiscal year 2006 and by $12,797,266 for fiscal year 2007. The contingent appropriation shall be equal to the amounts generated above the Biennial Revenue Estimate for the referenced years, not to exceed $34,628,496 for the biennium.~~

~~**70.** **Perinatal and Prenatal Care.** From funds appropriated above, the Health and Human Services Commission may expend funds to provide unborn child health benefit coverage under the Texas Title XXI Health Plan.~~

~~**71.** **Women's Health Waiver.** Contingent upon enactment of Senate Bill 747 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to a women's health waiver, and out of the funds appropriated above, the Commission shall submit the necessary application for a waiver to the Centers for Medicare and Medicaid Services no later than December 31, 2005 for a five-year demonstration project through the medical assistance program under state law to expand access to preventative health and family planning services for adult women, between the ages of 18-64, who are living at or below 185 percent of the federal poverty level. It is the intent of the Legislature that any waiver obtained by the Commission shall not be used to provide abortion services or require appropriations of general revenue that exceed the cost savings to be realized by the waiver in the first two years of implementation and in future biennia.~~

~~**72.** **Advanced Practice Nurse and Physician Assistant Reimbursement.** The Health and Human Services Commission shall adopt rules to provide that the Commission shall not pay for any Medicaid service provided by an Advanced Practice Nurse or Physician Assistant unless it is billed under the Advanced Practice Nurse's or Physician Assistant's provider number.~~

~~**74.** **Contingency for Senate Bill 747.** Contingent upon enactment of Senate Bill 747 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to a women's health waiver, and contingent upon federal approval of the waiver, the Health and Human Services Commission shall transfer $20 million in General Revenue and $30 million in Federal Funds in fiscal year 2007 from Strategy B.1.3, Pregnant Women, to Strategy B.1.4, Children and Medically Needy. It is the intent of the Legislature that the agency re-direct savings accrued from implementation of the bill in order to reduce the amount of non-General Revenue funding for the provision of Medicaid services to the Medically Needy. These General Revenue funds shall be expended as specified in this provision only in the event that the Commission receives a contribution of local matching funds for the Medically Needy program.~~

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 257,400,903	$ 254,516,331
General Revenue Dedicated Accounts, estimated	4,760,567	4,841,794
Federal Funds, estimated	180,833,869	191,021,316
Total, Method of Financing	$ 442,995,339	$ 450,379,441
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 100,368,074	$ 101,982,616

RETIREMENT AND GROUP INSURANCE
(Continued)

A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 342,627,265	$ 348,396,825
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 442,995,339	$ 450,379,441
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 442,995,339	$ 450,379,441

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 84,135,569	$ 85,152,594
General Revenue Dedicated Accounts, estimated	3,133,161	3,158,870
Federal Funds, estimated	59,693,674	59,923,058
Total, Method of Financing	$ 146,962,404	$ 148,234,522
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH -- EMPLOYER State Match — Employer. Estimated.	$ 130,500,795	$ 132,595,994
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	$ 16,461,609	$ 15,638,528
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 146,962,404	$ 148,234,522
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 146,962,404	$ 148,234,522

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 29,032,802	$ 29,059,778
Federal Funds	2,362,984	2,361,154
Other Funds		
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	$ 31,660,748	$ 31,685,894
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE To Texas Public Finance Authority for Payment of Bond Debt Service.	$ 31,660,748	$ 31,685,894 & UB
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 31,660,748	$ 31,685,894

LEASE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 6,781,820	$ 6,538,364
Total, Method of Financing	$ 6,781,820	$ 6,538,364
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 6,781,820	$ 6,538,364 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 6,781,820	$ 6,538,364

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 p.m. to 11 p.m. or the 11 p.m. to 7 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.

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 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. Disposition of State Funds Available Resulting from Federal Match Ratio Change. In the event the Federal Medical Assistance Percentage (FMAP) should be greater than ~~60.66~~60.53 percent for federal fiscal year 200~~6~~8 and ~~61.55~~60.00 percent for federal fiscal year 200~~7~~9, or the Enhanced Federal Medical Assistance Percentage (EFMAP) should be greater than ~~72.46~~72.37 percent for federal fiscal year 200~~6~~8 and ~~73.09~~72.00 percent for federal fiscal year 200~~7~~9, the Health and Human Services Commission and the health and human services agencies listed in Chapter 531, Government Code, shall be authorized to expend the state funds thereby made available due to the greater FMAP or EFMAP only to the extent authorized in writing by the Legislative Budget Board and Governor. A copy of such authorization shall be provided to the Comptroller of Public Accounts to assist in monitoring compliance with this provision.

~~General Revenue appropriations made to health and human services agencies in association with projected more favorable FMAP and related program percentages for fiscal year 2007 are hereby reduced as follows for a total of $185,600,000:~~

~~Department of Aging and Disability Services - $52,900,000 in General Revenue Funds~~
~~Health and Human Services Commission - $129,800,000 in General Revenue Funds~~
~~Department of Family and Protective Services - $2,900,000 in General Revenue Funds.~~

~~Federal Funds appropriations to health and human services agencies in association with projected more favorable FMAP and related program percentages for fiscal year 2007 are hereby increased as follows for a total of $185,600,000:~~

~~Department of Aging and Disability Services - $52,900,000 in Federal Funds~~
~~Health and Human Services Commission - $129,800,000 in Federal Funds~~
~~Department of Family and Protective Services - $2,900,000 in Federal Funds.~~

~~The Health and Human Services Commission, in cooperation with the respective agencies, shall identify the strategies to be adjusted by amount by September 1, 2005 and shall forward schedules identifying the adjustments to the Legislative Budget Board, Governor, and Comptroller of Public Accounts by March 1, 2006.~~

Sec. 8. Costs Related to Co-location of Services and to Inter-agency Sharing of Support Functions and Services. To provide an efficient and effective method of paying common support costs related to co-location of human services as required pursuant to the provision of ~~Chapter~~§§ 531.024 and 531.0271 of the Government Code, and/or costs of performing support functions for multiple agencies, funds may be transferred between agencies for payment of such costs and agencies are authorized to deposit those funds into separate accounts for the purpose of paying shared costs including, but not limited to, postage, occupancy costs, equipment repair, telephones and telephone system costs, office printing costs, supplies, freight and transport costs, electronic data processing systems, or other business functions. Each agency shall be responsible for quarterly allocations of these costs to the original strategies.

Sec. 9. 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. 10. 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 jointly select one or more Assistant Attorneys General to be assigned to the respective agency.

Sec. 11. Medicaid Managed Care Contracts. Regarding the use of funds appropriated elsewhere in this Act for payment of managed care contracts, t~~T~~he 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. 12. Children's Medicaid Review.** The Health and Human Services Commission and other agencies determining Medicaid eligibility shall implement procedures to automatically review children's eligibility for Medicaid when their families become ineligible for Temporary Assistance for Needy Families (TANF) and to ensure that their Medicaid coverage continues uninterrupted if they are eligible. The Health and Human Services Commission and other Medicaid operating agencies shall cooperate to ensure that the child continues to receive medical assistance without a gap in eligibility if the review required by this rider indicates that the child is eligible for medical assistance on another basis. The Health and Human Services Commission and other Medicaid operating agencies shall make expenditures, out of funds appropriated above, in the Medicaid program for children determined to be eligible for the Medicaid program. No child shall receive Medicaid unless they are eligible because of their income level.~~

Sec. ~~13~~12. Limitations on Transfer Authority.

a. Notwithstanding ~~agency specific limitations on transfer authority in this Article or~~ 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 the following transfers subject to the prior approval of the Legislative Budget Board and the Governor:

(1) A transfer of funds appropriated for non-capital budget items between agencies, and between the strategies of an agency, for the purpose of achieving the efficient and effective operation of the Medicaid program and for the purposes outlined in § 531.0271, Government Code;

(2) A transfer of funds appropriated for capital budget items between agencies for existing capital budget purposes;

(3) A transfer of funds appropriated for capital budget items from a capital budget item to a non-capital item at the agency or from one agency to another agency; and

(4) A transfer of full-time-equivalent positions between agencies, provided there is no net increase in the total number of full-time equivalent positions authorized for those agencies in this Act.

b. No one transfer action between agencies may exceed 10 percent of the total yearly appropriation amount of the agency from which funds are being transferred.

c. The Executive Commissioner of the Health and Human Services Commission shall notify the Legislative Budget Board and the Governor of a proposed transfer no later than 10 business days prior to the transfer action. Notification for purposes of this section is defined as receipt by the Legislative Budget Board and the Governor of a signed letter with the following information:

(1) The source of funds to be transferred and any change in federal funds related to the proposed transfer,

(2) The agency and the strategy from which the transfer is to be made and the agency and the strategy to which the transfer is to be made,

(3) The need that was to be served through the original appropriation and the basis for the decrease in need,

(4) The need that is to be served in the strategy receiving the funds and the basis for selecting the strategy,

(5) Any potential impact on client populations and the affected agencies' ability to operate existing programs, and

(6) The purpose established in Chapter 531, Government Code, to be achieved by the transfer.

d. A proposed transfer shall be considered to be approved if neither the Legislative Budget Board nor the Governor issues a written disapproval of the proposal not later than:

(1) The 10th business day after the date the staff of the Legislative Budget Board concludes its review of the proposed transfer 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; and

(2) The 10th business day after the receipt of the proposed transfer by the Governor.

e. The Executive Commissioner of the Health and Human Services Commission shall report to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts, each approved transfer made pursuant to this provision within 14 days of the transfer action. The report shall include information regarding affected strategies; method of finance; performance measure changes; and full-time-equivalent positions.

f. For the purposes of this Section, in addition to the Health and Human Services Commission, 'agency' means a health and human services agency listed in Chapter 531, Government Code, and 'agencies' means the health and human services agencies listed in Chapter 531, Government Code.

Sec. ~~14~~13. 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 exempt and 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.

Sec. ~~15~~14. 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, 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. ~~18~~15. Medicaid Informational Rider. 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, related to the Medicaid program, include the following:

~~**Agency Name**~~	~~**2006**~~	~~**2007**~~
~~Department of Aging and Disability Services~~	~~$4,767,363,199~~	~~$4,669,961,700~~
~~Department of Assistive and Rehabilitative Services~~	~~49,354,395~~	~~49,104,734~~
~~Department of Family and Protective Services~~	~~17,752,523~~	~~18,409,931~~
~~Health and Human Services Commission~~	~~13,244,264,107~~	~~13,195,144,323~~
~~Department of State Health Services~~	~~212,183,090~~	~~212,182,454~~
~~Article II, Special Provisions~~	~~(92,850,000)~~	~~(184,700,000)~~
~~Department of Transportation~~	~~28,334,139~~	~~29,910,578~~
~~**Total, Medical Assistance Program**~~	~~**$18,226,401,453**~~	~~**$17,990,013,720**~~
~~**Method of Financing:**~~		
~~General Revenue for Medicaid~~	~~$6,392,411,022~~	~~$6,210,354,618~~
~~Tobacco Settlement Receipts for Medicaid~~	~~277,324,407~~	~~211,260,612~~
~~Subtotal, General Revenue Funds~~	~~6,669,735,429~~	~~6,421,615,230~~
~~General Revenue - Dedicated~~	~~80,768,209~~	~~82,619,669~~
~~Federal Funds~~	~~11,049,156,325~~	~~11,070,779,742~~
~~Medicaid Subrogation Receipts~~	~~14,757,948~~	~~14,757,948~~
~~Appropriated Receipts--Match for Medicaid~~	~~373,382,660~~	~~359,962,504~~
~~Fund No. 6--Match for Medicaid~~	~~38,334,139~~	~~39,910,578~~
~~Economic Stabilization Fund--Match for Medicaid~~	~~266,743~~	~~368,049~~
~~Subtotal, Other Funds~~	~~426,741,490~~	~~414,999,079~~
~~**Total, All Funds**~~	~~**$18,226,401,453**~~	~~**$17,990,013,720**~~

Agency Name	**2008**	**2009**
Department of Aging and Disability Services	$4,959,738,867	$4,980,121,841
Department of Assistive and Rehabilitative Services	67,231,980	70,012,338

Department of Family and Protective Services	51,189,484	51,212,328
Health and Human Services Commission	13,881,586,780	14,135,605,188
Department of State Health Services	199,190,737	197,134,248
Department of Transportation	41,958,639	43,423,086
Total, Medical Assistance Program	**$19,200,896,487**	**$19,477,509,029**
Method of Financing:		
General Revenue for Medicaid	$6,706,597,034	$6,922,305,026
Tobacco Settlement Receipts for Medicaid	244,554,089	226,842,496
Subtotal, General Revenue Funds	6,951,151,123	7,149,147,522
General Revenue - Dedicated	54,921,479	53,284,905
Federal Funds	11,416,146,918	11,496,719,851
Interagency Contracts	15,230,894	15,230,893
Medicaid Subrogation Receipts	24,205,100	24,205,100
Appropriated Receipts--Match for Medicaid	672,510,200	670,733,497
Fund No. 6--Match for Medicaid	51,958,639	53,423,086
MR Collections for Patient Support and Maintenance	14,772,134	14,764,175
Subtotal, Other Funds	778,676,967	778,356,751
Total, All Funds	**$19,200,896,487**	**$19,477,509,029**

~~**Sec. 16. Leases.** No funds appropriated under this Act may be expended by the Health and Human Services Commission or health and human services agencies listed in Chapter 531, Government Code, for leased office or building space where the agency determines that the leased space is no longer needed due to 1) the implementation of changes that result in a reduction in staff, 2) consolidations of office or building space to achieve cost efficiencies, or 3) a change in client demographics resulting in the need to relocate staff to other locations. Prior to lease cancellation the agency will:~~

~~a. provide written notice to the lessor at least 180 days prior to the date of lease cancellation, and~~

~~b. notify the Texas Building and Procurement Commission that space is available for use by another state tenant.~~

Sec. ~~19~~16. 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.

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. 17. Limitation on Use of Tobacco Funds.**~~

~~a. State agencies that are appropriated funds from the receipts collected pursuant to the Comprehensive Tobacco Settlement Agreement and Release in this Article, including distributions from funds, shall submit a budget by November 1 of each year of the biennium to the Legislative Budget Board and the Governor. This budget shall describe the purposes and amounts for which such funds will be expended by the state agency. No funds described in this budget may be expended by the state agency or institution of higher education until the Legislative Budget Board and the Governor receive the budget.~~

~~b. Authorized managers of permanent funds and endowments whose earnings are appropriated to the Department of State Health Services in this article shall provide a copy of year-end financial reports to the Legislative Budget Board and the Governor by November 1 of each year of the biennium. These reports should include, at a minimum, an income statement and balance sheet for each fund, and a summary of the investment return of the fund during the preceding fiscal year.~~

~~c. Agencies directly appropriated tobacco settlement receipts, tobacco settlement receipts match for Medicaid, and tobacco settlement receipts match for CHIP in this Article shall only expend such funds for direct client services and for activities, such as eligibility determination and indirect administration related to Medicaid and CHIP as set forth in a federally approved cost allocation plan, that support direct client services.~~

Sec. ~~20~~17. Rate Analysis and Reporting Requirements.

a. No later than September 1 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 Medicaid, CHIP, foster care, and adoption subsidy rates in effect on September 1 of the fiscal year and rates in effect for the prior fiscal year. The list shall be prepared in a format specified by the Legislative Budget Board.

(2) A schedule and description of the rate-setting process that will be followed for the Medicaid, CHIP, foster care, and adoption subsidy programs during the fiscal year. The schedule and description shall be prepared in a format specified by the Office of the State Auditor.

b. The Executive Commissioner of the Health and Human Services Commission shall notify the Legislative Budget Board, the Governor, and the State Auditor in writing at least 45 days prior to any action to increase rates for the Medicaid, CHIP, foster care, and adoption subsidy programs that would have an annual fiscal impact greater than $1 million in general revenue-related funds or TANF Federal Funds based on the most current caseload forecast. The notification shall be provided in a format specified by the Legislative Budget Board.

c. The Legislative Budget Board, the Governor, or the State Auditor may request the Executive Commissioner of the Health and Human Services Commission to provide 45-day prior notification of intent to increase any other rate regardless of the fiscal impact.

d. Notifications submitted pursuant to subsection (b) and subsection (c) must contain a certification by the Executive Commissioner and the ~~Chief Financial Officer~~Deputy Executive Commissioner Financial Services of the Health and Human Services Commission that the information provided is true and correct based upon information and belief together with supporting documentation. Additionally, the Executive Commissioner and the ~~Chief Financial Officer~~ Deputy Executive Commissioner Financial Services of the Health and Human Services Commission must either indicate that the proposed action is within biennial appropriated/available funding or estimate the amounts (including General Revenue, Temporary Assistance for Needy Families, and All Funds) by which the proposed action will exceed biennial appropriated/available funding.

e. The Office of the State Auditor may review the fiscal impact information provided under subsection (b) and subsection (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 rate increase 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.

g. In the event that authority to set rates is transferred to another health and human services agency listed in Chapter 531, Government Code, the requirement for the Executive Commissioner of the Health and Human Services Commission to provide a list of rates, schedule, and description of the rate-setting process under subsection (a), a notification under subsection (b), a certification under subsection (c), or supporting documentation and justification under subsection (d) shall apply to the other health and human services agency.

Sec. ~~21~~18. Audit of Medicaid Funds. All transactions involving the payment, transfer, or investment of any funds of the Title XIX Medicaid program~~, held in trust or reserve~~ for the state by any non-governmental entity shall be subject to audit by the State Auditor's Office.

Sec. ~~22~~19. 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 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. ~~24~~20. 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.

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 State Schools, 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) Service Coordination Services as approved in the State Medicaid Plan provided by Mental Health Authorities and Mental Retardation Authorities; and

(5) Medicaid Administrative Claims as approved in the State Medicaid Plan which are based on certain activities of Mental Health Authorities and Mental Retardation Authorities.

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.

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. ~~25~~21. 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, and Merchandise Sales~~
(~~2~~1) 3719: Fees for Copies or Filing of Records
(~~3~~2) 3722: Conference, Seminar, and Training Registration Fees
(~~4~~3) 3738: Grants-Cities/Counties
(~~5~~4) 3739: Grants-Other Political Subdivisions
(~~6~~5) 3740: Grants/Donations-Operating/Capital Grants and Contributions
(~~7~~6) 3750: Sale of Furniture and Equipment
(~~8~~7) 3752: Sale of Publication/Advertising (General)
(~~9~~8) 3754: Other Surplus~~/~~ or Salvage~~d~~ Property/Material Sales
(~~10~~9) 3767: Supplies/Equipment/Services/Federal/Other (General)
(~~11~~10) 3769: Forfeitures
(~~12~~11) 3773: Insurance & Damages

(~~13~~12) 3802: Reimbursements-Third Party
(~~14~~13) 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 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. ~~26~~22. 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 ~~Buildings~~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. 23. Alternative Delivery Model.** From funds appropriated in Article II, the Health and Human Services Commission is authorized to expend state and/or federal funds, if available, through the Department of State Health Services and other enterprise agencies to conduct a pilot project using an alternative service delivery model in Dallas County that uses a school-based youth and family center with existing primary and behavioral health programs. The targeted population is high-risk students. In addition to treatment, the program shall provide information, education, early intervention and care. In conducting the pilot project, the Health and Human Services Commission shall not negatively affect existing programs.~~

Sec. ~~27~~23. Mental Health (MH) and Mental Retardation (MR) Medicare Receipts.

~~a. For the purposes of this section and appropriation authority, the Department of State Health Services shall use ABEST Method of Financing Code 8034 as an Other Fund, and the Department of Aging and Disability Services shall use ABEST Method of Financing Code 8097 as an Other Fund, to report expenditures and request legislative appropriations from Medicare funds deposited in Revenue Object Code 3634 that are collected by the departments 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; and~~

~~(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).~~

~~b. **Appropriation authority and accounting for MH and MR Medicare Receipts.** 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 Department of State Health Services and the Department of Aging and Disability Services are authorized to receive and expend MH and MR Medicare 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 Medicare Receipts, the departments are hereby appropriated and authorized to expend these state funds hereby made available. The expenditure of MH and MR Medicare 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 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 Medicare 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 Medicare Receipts; and~~

~~(3) 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. **Exclusive appropriation authority.** The preceding subsections of this provision shall be the exclusive appropriation authority for MH and MR Medicare Receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.~~

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:

a. hospital, physician and other services rendered to Medicare-eligible individuals in state mental health and mental retardation facilities operated by the departments;

b. 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

c. prescription drugs reimbursed through the Medicare, Part D, prescription drug program.

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.

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 $16,297,820 per year for the 2008-09 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 $18,525,021 per year (excluding any amounts needed to comply with Article IX, Sec. 6.11, Benefits Paid Proportional by Fund) are hereby appropriated to the department for expenditures in Strategy C.1.3, Mental Health State Hospitals, pursuant to the limitations of this provision.

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, is $10,035,960 per year for the 2008-09 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. Appropriations made elsewhere in this Act for employee benefits include approximately $376,533 per year from MR Medicare Receipts. MR Medicare Receipts collections above $10,412,493 per year (excluding any amounts needed to comply with Article IX, Sec. 6.11, Benefits Paid Proportional by Fund) are hereby appropriated to the department for expenditures in Strategy A.8.1., MR State Schools, pursuant to the limitations of this provision.

Sec. ~~28~~24. Cash Flow Contingency. Contingent upon the receipt of MH or MR Medicare Receipts, MH or MR Collections for Patient Support and Maintenance, and of federal funds allocated from the Medicaid Program for mental health and mental retardation services, the Department of State Health Services and the Department of Aging and Disability Services may temporarily utilize additional general revenue funds, pending receipt of reimbursement, in an amount not to exceed the anticipated reimbursement, in each year of the biennium. The general revenue amounts utilized above the general revenue method of finance must be repaid upon receipt of reimbursement 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 in accordance with procedures established by the Comptroller. All transfers of the method of finance shall be reported by the departments to the Legislative Budget Board and the Governor.

Sec. ~~30~~25. Community Mental Health and Mental Retardation Centers. 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, §§ 534.038-534.040, to protect the funds appropriated under this Act and ensure the continued provision of services.

Sec. ~~31~~26. Medicaid and Medicare Collections. The Department of State Health Services and the Department of Aging and Disability Services shall 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. ~~34~~27. 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.

Sec. ~~37~~28. 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. 29. Funding Equity Among Local Mental Health and Mental Retardation Authorities.** It is the intent of the Legislature that the Department of State Health Services and the Department of Aging and Disability Services shall implement a long-term plan to achieve equity in state funding allocations among local mental health and mental retardation authorities. The plan shall be implemented from fiscal years 2006-2013. The goal of the plan shall be to achieve equity to the greatest extent possible by fiscal year 2013, however, any funding reductions to a local authority for the purpose of achieving equity may not exceed 5 percent of allocated general revenue in a fiscal year. The plan shall also provide for improving funding equity to be a priority in distributing any new state or federal funds that may become available for allocation to community centers.~~

~~In assessing the equity of funding the departments may use alternatives other than basing equity calculations solely on the total population served by each local authority. Additional factors, such as incidence of poverty, may be considered if they help to provide a better estimate of the need for state funded mental health or mental retardation services in the areas served by each local authority. The departments shall submit the long-term equity plan to the Office of the Governor and the Legislative Budget Board by December 31, 2005. The departments shall include in legislative appropriations requests a table showing how implementation of the equity plan will affect projected allocations to community centers at the baseline current services funding level.~~

Sec. ~~38~~29. 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. ~~39~~30. 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. ~~40~~31. 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. 32. Third Party Reimbursement for Community Mental Health and Mental Retardation Centers.** It is the intent of the Legislature that community mental health and mental retardation centers maximize third-party reimbursement from Medicaid and the Children's Health Insurance Program for all eligible individuals.~~

Sec. ~~33~~32. Barber and Cosmetology Services. The Department of State Health Services and the Department of Aging and Disability Services may charge fees for barber and cosmetology services in state mental health and mental retardation facilities provided the fees charged are consistent with an individual's ability to pay. These fees 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. 41~~33~~. 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. 42~~34~~. 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. 35. Road Construction and Maintenance at State Facilities.** Notwithstanding any other provision in law, the Texas Department of Transportation shall construct, repair, and maintain roads in and providing access to and from Department of State Health Services and Department of Aging and Disability Services mental health and mental retardation facilities.~~

Sec. 36~~35~~. Collection of Fees from the Copyright of Training Materials and Patent of Technologies Developed. 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 ~~c~~Commission; and

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 ~~c~~Commission.

The ~~c~~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 ~~c~~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. 43~~36~~. 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	$3,412 per month
Physician Interns	$2,925 per month
Psychologist Trainees	$2,749 per month

Registered Nurse Trainees	$2,295 per month
Chaplain Interns	$2,161 per month
Physical, Occupational, or Registered Therapist Trainees	$2,036 per month
Social Worker Trainees	$1,921 per month
Medical Technologist Trainees	$1,921 per month
Licensed Vocational Nurse Trainees	$1,716 per month
Health Physicist Interns	$2,161 per month
Health Physicist Trainees	$1,621 per month

Sec. 44<u>37</u>. Limit on Spending New Generation Medication Funds.

a. It is the intent of the Legislature that the Department of State Health Services and the Department of Aging and Disability Services utilize funds appropriated for New Generation Medications for no other purpose than the provision of New Generation Medications. This limitation shall apply to funds appropriated for New Generation Medications in the following strategies at the Department of State Health Services: B.2.1, Mental Health Services for Adults, B.2.2, Mental Health Services for Children, B.2.3, NorthSTAR Behavioral Health Waiver, and C.1.3, Mental Health State Hospitals; and in the following strategy at the Department of Aging and Disability Services: 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 are able to obtain private sector donations of medications for clients and/or financial contributions for the purchase of New Generation Medications in Strategies B.2.1 and B.2.2, 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.

Sec. 45<u>38</u>. Purchasing of Medication. The Department of State Health Services and the Department of Aging and Disability Services shall require local mental health and mental retardation authorities to 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. 46<u>39</u>. 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. 47<u>40</u>. Contracted Medical Services. ~~It is the intent of the Legislature that~~<u>Out of funds appropriated above,</u> the Department of State Health Services (DSHS) and the Department of Aging and Disability Services (DADS) ~~will~~<u>shall</u> 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. 4841. 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. Local mental health and mental retardation authorities shall also maximize third party billing opportunities, including 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.4.32, MR Community Services, or Strategy A.4.45, MR CommunityIn-Home Services Residential, to supplement the rate-based payments they receive to fund their costs as providers of waiver or ICF-MR services.

Sec. 5142. 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. 5243. Transfers of Funds for Consolidated Support Services. The Health and Human Services Commission (HHSC) is authorized to return funding at the Commission to the appropriate HHS agency for support functions and programs consolidated at the Commission. HHSC shall notify the Legislative Budget Board, Governor, and the Comptroller prior to making the transfers.

a. Funds related to consolidated programs and support services shall be returned to the Department of Aging and Disability Services (DADS), the Department of Assistive and Rehabilitative Services (DARS), the Department of Family and Protective Services (DFPS), and the Department of State Health Services (DSHS). These funds will be matched with available federal funds and expended under interagency memoranda between HHSC and each agency.

b. Transfer limitations elsewhere in this Act do not apply to this provision.

c. By July 1 preceding the start of each fiscal year, the agencies of Article II shall provide a report by strategy that reduces funding at HHSC and increases funding by the same amount at DADS, DARS, DFPS, and DSHS.

d. The transfers shall be made prior to the start of the fiscal year.

e. The loss of funds at HHSC shall be replaced by increased interagency contracts in the method of finance.

f. This transfer shall not result in a change in total funding in Article II.

Sec. 5344. Exemption of Federal Funds from Article IX, Capital Budget Provisions. To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements for the receipt and expenditure of federal funds, the Department of Aging and Disability Services, the Department of Assistive and Rehabilitative Services, the Department of Family and Protective Services, the Department of State Health Services, and the Health and Human Services Commission are hereby exempted from the Capital Budget Rider Provisions contained in Article IX of this Act, "Limitations on Expenditures — Capital Budget," when federal funds are received in excess of amounts identified in the agency's Capital Budget Rider and when such funds are designated for the purchase of capital items. The agency shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds, including the amount received and the items to be purchased, and shall not expend such funds without approval of the Legislative Budget Board and the Governor. The proposed expenditure shall be considered to be approved if neither the Legislative Budget Board nor the Governor issues a written disapproval not later than:

a. the 10th business day after the date the staff of the Legislative Budget Board concludes

its review of the proposed expenditures 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; and

b. the 10th business day after the receipt of the proposed expenditures by the Governor.

Sec. 45. General Revenue for Medicaid. General Revenue Funds appropriated for the Medicaid program (GR Match for Medicaid and GR Certified as Match for Medicaid) shall be made available by the Comptroller of Public Accounts to the agencies listed below according to the following stipulations:

a. One-sixth of annual funding shall be distributed on the first month of a fiscal year, with equal portions of the remaining funding distributed in the following ten months. This disbursement formula is designed to promote cash management and expenditure accountability; however, the Comptroller of Public Accounts may adjust the formula to account for deferred payments.

b. Any balances on hand in such funds may be carried over from one month to another during each fiscal year and from one fiscal year to the next within the biennium, and such funds are appropriated to the respective departments for that biennium.

c. To the extent practicable, enforcement of this provision shall be made at the agency or goal level, rather than at the strategy level.

d. This provision shall apply to the following agencies:

(1) Health and Human Services Commission;

(2) Department of Aging and Disability Services; and

(3) Department of State Health Services.

Sec. 46. Appropriation of Receipts: Civil Monetary Damages and Penalties. Included in the amounts appropriated above for the 2008-09 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. 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 that section, and any amounts collected as reimbursement for claims paid by the agency.

Sec. 47. Reporting Requirements Related to Consumer-directed Services and Service Responsibility Option. The Department of Aging and Disability Services and the Health and Human Service Commission shall report the following consumer directed services (CDS) and service responsibility option (SRO) information to the Legislative Budget Board and the Governor no later than November 1, 2007:

a. The Department of Aging and Disability Services, in coordination with the Health and Human Services Commission and the consumer directed services workgroup, shall report barriers the agency has identified to be obstructing the use of CDS and SRO, and strategies the agency will employ to reduce or eliminate those barriers.

b. The Health and Human Services Commission, in coordination with the Department of Aging and Disability Services and the consumer directed services workgroup, shall report a plan for the continuing evaluation and reporting of the cost-effectiveness of CDS and SRO. The plan should include, but is not limited to:

(1) analysis of programs other than the community living assistance and support services program in which CDS and SRO are an option, if utilization is of a quantity to produce statistically significant analysis;

(2) comparative analysis of start-up years versus later years;

(3) comparative analysis of different functional eligibility groups and program populations;

(4) modification of data systems and use of alternative data if necessary;

(5) consideration of acute and other long-term care costs, such as deferring uptake into institutional settings; and

(6) estimates of savings.

Sec. 48. Contingent Appropriation of Medicare Part D Savings.

a. Appropriations made elsewhere in this Act to the Department of State Health Services and the Department of Aging and Disability Services for prescriptions for clients enrolled in Medicare Part D are contingent upon the departments receiving prior written approval of plans to expend savings resulting from the implementation of Medicare Part D. Appropriations made elsewhere in this Act include the following estimated amounts for prescriptions for clients enrolled in Medicare Part D:

Department of State Health Services-$5,617,379 in General Revenue and $10,808,437 in Federal Funds in fiscal year 2008 and $6,035,330 in General Revenue and $11,612,619 in Federal Funds in fiscal year 2009 in Strategy A.2.2, HIV/STD Prevention.

Department of State Health Services-$2,946,647 in General Revenue in fiscal year 2008 and $2,946,647 in General Revenue in fiscal year 2009 in Strategy A.3.3, Kidney Health Care. Amounts do not include Vendor Drug Rebates-Public Health in Strategy A.3.3, Kidney Health Care.

Department of Aging and Disability Services-$3,634,918 in General Revenue in fiscal year 2008 and $3,634,918 in General Revenue in fiscal year 2009 in Strategy A.8.1, MR State Schools Services.

b. Each department shall submit a plan that includes

(1) updated estimates of Medicare Part D savings for the programs identified in Subsection "a." of this rider;

(2) caseload and cost assumptions for savings estimates; and

(3) a description of proposed uses for Medicare Part D savings, including proposed program expansions, cost increases, or rate increases. Program expansion is defined as any modification to current policy that would result in an increase in services delivered or clients served.

c. Each department must receive written approval for its plan from the Legislative Budget Board and the Governor prior to expending the amounts identified above in Subsection "a." of this rider for the department.

~~**Sec. 49. Appropriation Reduction for the Provision of Services to the Medicaid Aged/Blind/Disabled Population.** Appropriations to the Health and Human Services Commission made elsewhere in this Act are hereby reduced by $36,500,000 in General Revenue Match for Medicaid and an estimated $56,350,000 in Federal Funds for fiscal year 2006, and by $73,000,000 in~~

~~General Revenue Match for Medicaid, and an estimated $111,700,000 in Federal Funds for fiscal year 2007. In order to achieve the level of savings anticipated by this provision, it is the intent of the Legislature that the Commission utilize cost-effective models to better manage the care of the aged/blind/disabled Medicaid population including primary care case management (PCCM), HMO carve-out, or integrated care management (ICM).~~

~~It is specifically provided, however, that funds appropriated for the provision of services to the Medicaid aged/blind/disabled population may not be expended to expand the use of any capitated managed care model which would eliminate existing federal matching payments to local public hospitals under federal upper payment limit (UPL) regulations. The implementation or expansion of managed care models is further subject to the following provisions:~~

~~a. The Commission shall develop an equitable allocation of the appropriation reductions made herein to each of the service delivery areas listed below and shall establish an appropriate share of the savings target to each managed care organization in that service delivery area-Bexar, Dallas, El Paso, Harris, Lubbock, Nueces, Tarrant, and Travis.~~

~~b. As authorized by law, the Commission shall develop an Integrated Care Management model for the provision of medical and health care services to the aged/blind/disabled population in the Dallas service delivery area. Subject to competitive procurement requirements and any necessary federal approval, the Commission shall implement the model by September 1, 2006 or as soon thereafter as practicable. Not later than August 1, 2006, the Commission shall establish an actuarial estimate of the savings expected to be achieved by the ICM model. To the extent necessary, the Commission is directed to adjust payments to hospitals, physicians, and home health providers in the service delivery area to ensure that the savings target is achieved.~~

~~c. In any service delivery area where a capitated managed care model for the aged/blind/disabled population is utilized (HMO carve-out), not later than August 1, 2006 the Commission shall establish an actuarial estimate of the apportioned share of savings expected to be achieved by each managed care organization. To the extent necessary, the Commission is directed to adjust payments for administration, risk, and profit to ensure that the savings target is achieved.~~

~~d. The Commission may utilize the Primary Care Case Management model for the aged/blind/disabled population in a service delivery area only if the actuarial estimate of savings achieves the savings target for that area.~~

~~e. It is the intent of the Legislature that the Commission consult with public hospital officials and appropriate county officials in each service delivery area in determining the managed care model to be utilized in that area.~~

~~f. Contingent upon federal approval of any necessary waiver changes, the Commission may expend funds appropriated to the provision of services to the Medicaid aged/blind/disabled population to convert the Harris County Star+Plus model to an HMO carve-out model as soon as practicable.~~

~~g. 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 2006-07 biennium to support the implementation of models of care under sections (b), (c), and (d). The Commission shall notify the Legislative Budget Board and the Governor of the amounts to be transferred for this purpose. The notification shall indicate the impact to performance measures at both agencies. The Commission shall provide a final notification update November 1, 2006 on amounts to be transferred and the impact to performance measures.~~

Sec. 49. 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. 50. Alternatives to Abortion.** From funds appropriated in Strategy B.1.3, Family Planning Services, Department of State Health Services, $2,500,000 each year of TANF federal funds initially designated to be converted to the Title XX Social Services Block Grant is transferred to the Health and Human Services Commission to be expended as TANF federal funds through grant or contract. The Health and Human Services Commission shall expend these funds, consistent with federal and state law, to implement a statewide program for women seeking alternatives to abortion focused on pregnancy support services that promote childbirth.~~

~~**Sec. 54. Contingency Reduction for House Bill 10: Department of Aging and Disability Services.** Contingent upon enactment of House Bill 10 by the Seventy-ninth Legislature, Regular Session, or similar legislation that appropriates approximately $62,200,000 in General Revenue and $85,800,000 in Federal Funds to provide reimbursement for nursing facility services and community center services delivered in August 2005, the Department of Aging and Disability Services' appropriations in the following strategies are hereby decreased for fiscal year 2006 by the amounts indicated: Strategy A.6.1, Nursing Facility Payments, $56,700,000 in General Revenue Funds and $85,800,000 in Federal Funds; A.4.3. MR Community Services, $5,300,000 in General Revenue Funds; and A.4.4. MR Community Services Residential, $200,000 in General Revenue Funds.~~

~~**Sec. 55. Contingency Reduction for House Bill 10: Department of Family and Protective Services (CPS Reform).** Contingent upon enactment of House Bill 10 by the Seventy-ninth Legislature, Regular Session, or similar legislation that appropriates approximately $200,039,844 in General Revenue Funds or Economic Stabilization Funds (Other Funds) and approximately $248,100,549 in All Funds for child protective services reform, the appropriations made above to the Department of Family and Protective Services in Strategy C.1.1, CPS Reform, are hereby reduced by $200,039,844 in General Revenue Funds and $248,100,549 in All Funds.~~

RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(General Revenue)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Aging and Disability Services	$ 2,046,023,220	$ 2,081,692,014
Department of Assistive and Rehabilitative Services	85,914,412	86,893,932
Department of Family and Protective Services	498,925,669	509,145,264
Department of State Health Services	887,076,749	887,127,223
Health and Human Services Commission	5,417,003,212	5,594,340,154
Subtotal, Health and Human Services	$ 8,934,943,262	$ 9,159,198,587
Retirement and Group Insurance	257,400,903	254,516,331
Social Security and Benefit Replacement Pay	84,135,569	85,152,594
Subtotal, Employee Benefits	$ 341,536,472	$ 339,668,925
Bond Debt Service Payments	29,032,802	29,059,778
Lease Payments	6,781,820	6,538,364
Subtotal, Debt Service	$ 35,814,622	$ 35,598,142
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	$ 9,312,294,356	$ 9,534,465,654

RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(General Revenue - Dedicated)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Aging and Disability Services	$ 56,934,885	$ 55,298,312
Department of Assistive and Rehabilitative Services	13,359,760	13,359,759
Department of Family and Protective Services	6,989,793	6,989,791
Department of State Health Services	346,236,888	349,026,205
Subtotal, Health and Human Services	$ 423,521,326	$ 424,674,067
Retirement and Group Insurance	4,760,567	4,841,794
Social Security and Benefit Replacement Pay	3,133,161	3,158,870
Subtotal, Employee Benefits	$ 7,893,728	$ 8,000,664
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	$ 431,415,054	$ 432,674,731

RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(Federal Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Aging and Disability Services	$ 3,174,758,400	$ 3,162,647,343
Department of Assistive and Rehabilitative Services	434,947,248	453,684,952
Department of Family and Protective Services	665,968,818	678,648,269
Department of State Health Services	1,184,414,568	1,188,250,590
Health and Human Services Commission	9,391,554,866	9,520,255,190
Subtotal, Health and Human Services	$ 14,851,643,900	$ 15,003,486,344
Retirement and Group Insurance	180,833,869	191,021,316
Social Security and Benefit Replacement Pay	59,693,674	59,923,058
Subtotal, Employee Benefits	$ 240,527,543	$ 250,944,374
Bond Debt Service Payments	2,362,984	2,361,154
Subtotal, Debt Service	$ 2,362,984	$ 2,361,154
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	$ 15,094,534,427	$ 15,256,791,872

RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(Other Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Aging and Disability Services	$ 48,285,707	$ 40,865,472
Department of Assistive and Rehabilitative Services	18,883,072	18,883,072
Department of Family and Protective Services	6,579,449	6,578,566
Department of State Health Services	128,662,215	89,084,050
Health and Human Services Commission	875,498,982	873,740,447
Subtotal, Health and Human Services	$ 1,077,909,425	$ 1,029,151,607
Bond Debt Service Payments	264,962	264,962
Subtotal, Debt Service	$ 264,962	$ 264,962
Less Interagency Contracts	$ 254,731,841	$ 254,750,008
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	$ 823,442,546	$ 774,666,561

RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(All Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Aging and Disability Services	$ 5,326,002,212	$ 5,340,503,141
Department of Assistive and Rehabilitative Services	553,104,492	572,821,715
Department of Family and Protective Services	1,178,463,729	1,201,361,890
Department of State Health Services	2,546,390,420	2,513,488,068
Health and Human Services Commission	15,684,057,060	15,988,335,791
Subtotal, Health and Human Services	$ 25,288,017,913	$ 25,616,510,605
Retirement and Group Insurance	442,995,339	450,379,441
Social Security and Benefit Replacement Pay	146,962,404	148,234,522
Subtotal, Employee Benefits	$ 589,957,743	$ 598,613,963
Bond Debt Service Payments	31,660,748	31,685,894
Lease Payments	6,781,820	6,538,364
Subtotal, Debt Service	$ 38,442,568	$ 38,224,258
Less Interagency Contracts	$ 254,731,841	$ 254,750,008
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	$ 25,661,686,383	$ 25,998,598,818
Number of Full-Time-Equivalents (FTE)	48,220.4	48,260.6

ARTICLE III

EDUCATION

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 and institutions of education.

TEXAS EDUCATION AGENCY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 252,138,835	$ 251,690,055
Available School Fund No. 002, estimated	977,800,000	1,502,400,000
State Textbook Fund No. 003, estimated	498,552,132	2,056,292
Foundation School Fund No. 193, estimated	8,948,508,705	10,059,530,049
Certification and Assessment Fees (General Revenue Fund), estimated	20,077,067	20,150,066
GR MOE for Temporary Assistance for Needy Families	2,000,000	2,000,000
Lottery Proceeds, estimated	1,034,800,000	1,039,900,000
Educator Excellence Fund No. 5135	263,056,920	319,114,000
Subtotal, General Revenue Fund	$ 11,996,933,659	$ 13,196,840,462
General Revenue Fund - Dedicated		
Telecommunications Infrastructure Fund No. 345	91,000,000	0
Read to Succeed Account No. 5027	29,198	29,198
YMCA License Plates Account No. 5089	673	673
Knights of Columbus Plates No. 5118	10,898	10,898
Share the Road Plates No. 5121	45,371	45,371
Subtotal, General Revenue Fund - Dedicated	$ 91,086,140	$ 86,140
Federal Funds		
Federal Health, Education and Welfare Fund No. 148	2,860,091,541	2,860,091,541
Federal School Lunch Fund No. 171	1,295,391,475	1,411,976,708
Federal Funds	12,801,350	12,801,350
Subtotal, Federal Funds	$ 4,168,284,366	$ 4,284,869,599
Other Funds		
Appropriated Receipts, estimated	973,700,000	1,020,500,000
State Highway Fund No. 006	50,000,000	50,000,000
Permanent School Fund No. 044	7,014,821	7,014,821
Interagency Contracts	668,220	668,220
Subtotal, Other Funds	$ 1,031,383,041	$ 1,078,183,041
Total, Method of Financing	$ 17,287,687,206	$ 18,559,979,242
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 1,715,017	$ 1,718,995
This bill pattern represents an estimated 41.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	879.3	879.3
Schedule of Exempt Positions:		
Commissioner of Education, Group 6	$164,748	$164,748

Items of Appropriation:		
A. Goal: PROGRAM LEADERSHIP		
A.1.1. Strategy: FSP - EQUALIZED OPERATIONS Foundation School Program - Equalized Operations.	$ 11,507,895,840	$ 12,631,900,000
A.1.2. Strategy: FSP - EQUALIZED FACILITIES Foundation School Program - Equalized Facilities.	$ 677,000,000	$ 658,200,000
A.2.1. Strategy: STUDENT SUCCESS Statewide Initiatives to Further Student Achievement.	$ 458,136,134	$ 458,136,134
A.2.2. Strategy: ACHIEVEMENT OF STUDENTS AT RISK Resources for Low-income and Other At-risk Students.	$ 1,321,071,531	$ 1,321,071,531
A.2.3. Strategy: STUDENTS WITH DISABILITIES Resources for Mentally/Physically Disabled Students.	$ 937,177,878	$ 937,177,878
A.2.4. Strategy: SCHOOL IMPROVEMENT & SUPPORT PGMS Grants for School and Program Improvement and Innovation.	$ 413,389,167	$ 469,146,247
A.2.5. Strategy: ADULT EDUCATION & FAMILY LITERACY	$ 62,951,575	$ 62,951,575
Total, Goal A: PROGRAM LEADERSHIP	$ 15,377,622,125	$ 16,538,583,365
B. Goal: OPERATIONAL EXCELLENCE		
B.1.1. Strategy: ASSESSMENT & ACCOUNTABILITY SYSTEM	$ 89,500,000	$ 84,500,000
B.2.1. Strategy: EDUCATIONAL TECHNOLOGY	$ 23,222,333	$ 23,222,333
B.2.2. Strategy: SAFE SCHOOLS School Safety Programs and Education in Disciplinary Programs.	$ 44,769,788	$ 44,900,001
B.2.3. Strategy: CHILD NUTRITION PROGRAMS	$ 1,309,791,475	$ 1,426,376,708
B.2.4. Strategy: WINDHAM SCHOOL DISTRICT Educational Resources for Prison Inmates.	$ 59,425,745	$ 59,425,744
B.3.1. Strategy: IMPROVING TEACHER QUALITY Funds for Teacher Training and Education Service Centers.	$ 276,010,548	$ 276,010,548
B.3.2. Strategy: AGENCY OPERATIONS	$ 53,528,750	$ 53,296,103
B.3.3. Strategy: STATE BOARD FOR EDUCATOR CERT OPS State Board for Educator Certification Operations.	$ 4,541,547	$ 4,541,546
B.3.4. Strategy: CENTRAL ADMINISTRATION	$ 13,135,537	$ 13,135,537
B.3.5. Strategy: INFORMATION SYSTEMS - TECHNOLOGY	$ 25,606,282	$ 25,381,281
B.3.6. Strategy: CERTIFICATION EXAM ADMINISTRATION Educator Certification Exam Services - Estimated and Nontransferable.	$ 11,062,000	$ 11,135,000
Total, Goal B: OPERATIONAL EXCELLENCE	$ 1,910,594,005	$ 2,021,924,801
C. Goal: ADMINISTRATIVE REDUCTIONS		
C.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (528,924)	$ (528,924)
Grand Total, TEXAS EDUCATION AGENCY	$ 17,287,687,206	$ 18,559,979,242
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 51,891,001	$ 51,891,001
Other Personnel Costs	1,605,678	1,605,678
Professional Fees and Services	150,105,835	144,411,187
Fuels and Lubricants	6,923	6,923
Consumable Supplies	438,075	438,075
Utilities	122,704	122,704
Travel	1,429,993	1,429,993
Rent - Building	318,101	318,101
Rent - Machine and Other	1,625,591	1,625,591
Other Operating Expense	506,522,125	10,036,284
Client Services	7,890,965	7,890,965

Grants	16,563,363,586	18,337,836,111
Capital Expenditures	2,366,629	2,366,629
Total, Object-of-Expense Informational Listing	$ 17,287,687,206	$ 18,559,979,242
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,819,437	$ 2,861,729
Group Insurance	7,894,507	8,088,881
Social Security	3,523,819	3,576,676
Benefits Replacement	274,319	260,603
Subtotal, Employee Benefits	$ 14,512,082	$ 14,787,889
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 14,512,082	$ 14,787,889

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Education Agency. 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 Education Agency. In order to achieve the objectives and service standards established by this Act, the Texas Education Agency shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: PROGRAM LEADERSHIP		
Outcome (Results/Impact):		
Percent of Students Completing High School	94.6%	94.6%
Percent of African-American Students Completing High School	93.3%	93.3%
Percent of Hispanic Students Completing High School	91.8%	91.8%
Percent of White Students Completing High School	97.1%	97.1%
Percent of Asian-American Students Completing High School	97.4%	97.4%
Percent of Native American Students Completing High School	94%	94%
Percent of Economically Disadvantaged Students Completing High School	92%	92%
Percent of Students Graduating under the Distinguished Achievement High School Program	16%	18%
Percent of Students with Disabilities Who Graduate High School	94.6%	94.6%
Percent of Eligible Students Taking Advanced Placement/International Baccalaureate Exams	21%	22%
Percentage of AP/IB Exams Taken on Which the Score Qualifies for Potential College Credit or Advanced Placement	50.5%	51%
Percent of Students Exiting Bilingual/English as a Second Language Programs Successfully	70%	71%
Percent of Students Retained in Grade 3	3.3%	3.3%
Percent of Students Retained in Grade 5	3.3%	3.4%
Percent of Students Retained in Grade 8	2.1%	3.9%
Percent of Students in State-funded Optional Extended-year Programs Promoted to the Next Grade Level as a Result of the Program	92.5%	93%
Percent of Adult Learners Who Complete the Level in Which They Are Enrolled	73%	74%
Percent of Parents Participating in AVANCE Programs Who Complete the Adult Education Level at Which They Are Enrolled	52%	55%
Percent Campuses That Meet Adequate Yearly Progress	75%	70%
A.1.1. Strategy: FSP - EQUALIZED OPERATIONS		
Output (Volume):		
Total Average Daily Attendance (ADA) - Includes Regular and Charter Schools	4,341,064	4,423,238
Total Average Daily Attendance (ADA) - Open-enrollment Charter Schools Only	77,429	83,180
Number of Students Served by Compensatory Education Programs and Services	2,363,652	2,433,786
Number of Textbooks and Digital Content Purchased from Conforming Lists	8,090,399	8,570,928

Number of Textbooks and Digital Content Purchased from Nonconforming Lists	898,933	952,325
Explanatory:		
Special Education Full-time Equivalents (FTEs)	161,446	164,008
Compensatory Education Average Daily Attendance	2,612,585	2,707,103
Career and Technology Education Full-time Equivalents (FTEs)	163,032	162,852
Bilingual Education/English as a Second Language Average Daily Attendance	632,964	662,485
Gifted and Talented Average Daily Attendance	213,812	217,003
A.1.2. Strategy: FSP - EQUALIZED FACILITIES		
Output (Volume):		
Number of Districts Receiving IFA	408	408
Total Amount of State and Local Funds Allocated for Debt for Facilities (Billions)	3.11	3.11
A.2.1. Strategy: STUDENT SUCCESS		
Output (Volume):		
Number of Students Served in Prekindergarten Grant Programs	46,727	46,727
Number of Students Participating in the Student Success Initiative Accelerated Reading Program	450,000	500,000
Number of Students in Tech-prep Programs	160,000	160,000
Number of Students Served in Summer School Programs for Limited English-proficient Students	53,000	54,000
A.2.2. Strategy: ACHIEVEMENT OF STUDENTS AT RISK		
Output (Volume):		
Number of Title I Campuses Rated Exemplary or Recognized	1,511	1,661
A.2.3. Strategy: STUDENTS WITH DISABILITIES		
Output (Volume):		
Number of Students Served by Regional Day Schools for the Deaf	4,959	5,059
Number of Students Served by Statewide Programs for the Visually Impaired	8,226	8,458
A.2.4. Strategy: SCHOOL IMPROVEMENT & SUPPORT PGMS		
Output (Volume):		
Number of Pregnant Teens and Teen Parents Served by Teen Pregnancy and Parenting Programs	26,000	27,000
Number of Students Served by State-funded Optional Extended-year Programs	176,000	176,500
Number of Case-Managed Students Participating in Communities in Schools	75,000	75,000
Efficiencies:		
Average State Cost Per Communities in Schools Participant	268	268
Explanatory:		
Number of Open-enrollment Charter Schools	208	213
A.2.5. Strategy: ADULT EDUCATION & FAMILY LITERACY		
Output (Volume):		
Number of Students Served through State Adult Education Cooperatives	147,000	148,000
B. Goal: OPERATIONAL EXCELLENCE		
Outcome (Results/Impact):		
Percent of Students Passing All Tests Taken	71%	73%
Percent of African-American Students Passing All Tests Taken	53%	56%
Percent of Hispanic Students Passing All Tests Taken	59%	61%
Percent of White Students Passing All Tests Taken	87%	90%
Percent of Asian-American Students Passing All Tests Taken	91%	93%
Percent of Native American Students Passing All Tests Taken	78%	81%
Percent of Economically Disadvantaged Students Passing All Tests Taken	61%	63%
Percent of Students Passing TAKS Reading	91%	92%
Percent of Students Passing TAKS Mathematics	79%	81%
Percent of Students Whose Assessment Results Are Included in the State Accountability System	93%	93%
Percent of Special Education Students Who Are Tested and Included in the State Accountability System	91%	91%
Percent of Limited English-proficient Students Who Are Tested and Included in the State Accountability System	85%	85%
Annual Statewide Dropout Rate for All Students	2.8%	2.8%
Percent of Districts Rated Exemplary or Recognized	23%	8%
Percent of Campuses Rated Exemplary or Recognized	40%	22%

Percent of Districts Rated Academically Unacceptable in the Prior Year Which Earn an Academically Acceptable or Higher Accreditation Rating in the Current Year	75%	70%
Percent of Campuses Rated Low-performing in the Prior Year Which Earn an Academically Acceptable or Higher Accreditation Rating in the Current Year	65%	60%
Percent of Charter Schools Rated Academically Unacceptable	24%	28%
Annual Drug Use and Violence Incident Rate on School Campuses, Per 1,000 Students	22.5	23
Percent of Incarcerated Students Who Complete the Level in Which They Are Enrolled	34%	34%
Percent of Eligible Windham Inmates Who Have Been Served by a Windham Education Program during the Past Five Years	87%	87%
Percent of Formula Grant Applications Processed within 60 Days	76%	80%
Percent of Discretionary Grant Applications Processed within 60 Days	58%	60%
Percent of School District Annual Textbook Orders Processed by May 31	92%	93%
% Eligible Campuses Awarded Grants under Awards for Student Achievement Program	93.5%	95%
Teacher Retention Rate at Campuses Participating in the Awards for Student Achievement Program	81.7	84.41
Percent Eligible Districts Awarded Grant under Educator Excellence Awards Program	60%	65%
Teacher Retention Rate at Campuses Participating in the Educator Excellence Awards Program	85.6	86
B.2.2. Strategy: SAFE SCHOOLS		
Output (Volume):		
Number of Students in Disciplinary Alternative Education Programs (DAEPs)	102,350	102,850
B.2.4. Strategy: WINDHAM SCHOOL DISTRICT		
Output (Volume):		
Number of Contact Hours Received by Inmates within the Windham School District	16,638,655	16,638,655
Number of Offenders Passing General Education Development (GED) Tests	4,397	4,397
Efficiencies:		
Average Cost Per Contact Hour in the Windham School District	3.52	3.52
B.3.2. Strategy: AGENCY OPERATIONS		
Output (Volume):		
Number of LEAs Participating in Interventions Related to Student Assessment Participation	55	50
Number of Certificates of High School Equivalency (GED) Issued	31,955	31,877
Efficiencies:		
Performance in Excess of Assigned Benchmark (Internal Managers)	101%	101%
Explanatory:		
Average Percent Equity Holdings in the Permanent School Fund (PSF)	67%	67%
Market Value of the Financial Assets of the Permanent School Fund (PSF) in Billions	24.3	25.4

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 purposes of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Mainframe, Servers and Client Infrastructure~~	~~$ 5,517,248~~	~~$ 2,904,072~~
~~Total, Capital Budget~~	~~$ 5,517,248~~	~~$ 2,904,072~~

~~Method of Financing (Capital Budget):~~

~~General Revenue Fund~~	~~$ 2,590,818~~	~~$ 1,268,550~~
~~State Textbook Fund No. 003~~	~~180,434~~	~~94,199~~
~~Permanent School Fund No. 044~~	~~76,548~~	~~39,963~~
~~Federal Health, Education and Welfare Fund No. 148~~	~~2,156,535~~	~~1,134,785~~
~~Foundation School Fund No. 193~~	~~482,027~~	~~335,689~~
~~Certification and Assessment Fees (General Revenue Fund)~~	~~30,886~~	~~30,886~~
~~Total, Method of Financing~~	~~$ 5,517,248~~	~~$ 2,904,072~~

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Hardware Software Infrastructure	$ 4,414,106	$ 3,831,260
(2) Texas Records Exchange - a.k.a. HB1 Electronic Student Records System	$ 300,000	$ 300,000
(3) HB1 Public Access to PEIMS Data/Agency Internet Renovation	$ 100,000	$ 100,000
(4) FSP Re-Write	$ 902,056	$ 574,762
(5) Consolidated Entitlements Management System	$ 1,071,000	$ 1,122,000
Total, Capital Budget	$ 6,787,162	$ 5,928,022

Method of Financing (Capital Budget):

General Revenue Fund	$ 2,748,967	$ 2,215,223
State Textbook Fund No. 003	104,339	91,502
Permanent School Fund No. 044	204,330	179,192
Federal Health, Education and Welfare Fund No. 148	2,734,701	2,604,924
Foundation School Fund No. 193	672,936	596,988
Certification and Assessment Fees (General Revenue Fund)	321,889	240,193
Total, Method of Financing	$ 6,787,162	$ 5,928,022

3. **~~Chapter 42 and 46 Formula Funding.~~ Foundation School Program and Instructional Materials Funding.** Out of the funds appropriated above, a total of ~~$12,524,000,000~~ $12,324,200,000 in fiscal year ~~2006~~2008 and ~~$11,954,000,000~~ $13,424,500,000 in fiscal year ~~2007~~2009 shall represent the sum-certain appropriation to the Foundation School Program. ~~(~~The total appropriation may not exceed the sum-certain amount.~~)~~ This appropriation includes allocations under Chapters 41, 42 and 46~~§ 42.253 and under Chapter 46~~ of the Texas Education Code, as well as allocations for textbooks and the technology allotment.

Formula Funding: The Commissioner shall make allocations to local school districts under Chapters 41, 42 and 46~~§ 42.253 and under Chapter 46~~ based on the March ~~2005~~2007 estimates of average daily attendance and local district tax rates as determined by the Legislative Budget Board and the final ~~2004~~2006 property values. Property values shall be increased by ~~5.03~~5.00 percent for fiscal year ~~2007~~2009.

For purposes of distributing the Foundation School Program basic tier state aid appropriated above and in accordance with §42.101 and §42.302(a-1)(1) of the Texas Education Code, the Basic Allotment is $2,991 in 2008 and $3,130 in 2009, and the Guaranteed Yield is $34.78 in 2008 and $36.40 in 2009.

For purposes of distributing the Foundation School Program enrichment tier state aid appropriated above and in accordance with §41.002(a)(2) and §42.302(a-1)(2) of the Texas Education Code, the Guaranteed Yield is $44.52 in 2008 and $46.15 in 2009.

Notwithstanding any other provision of this Act, the Texas Education Agency may make transfers as appropriate between Strategy A.1.1, FSP-Equalized Operations, and Strategy A.1.2, FSP-Equalized Facilities. The TEA shall notify the Legislative Budget Board and the Governor of any such transfers at least 45 days prior to the transfer.

~~The funds appropriated above in Strategy A.1.1, FSP - Equalized Operations, include appropriations for the following items:~~
State Cost of Property Tax Relief: Not included in the appropriations above or appropriations identified by this rider are amounts that represent the state cost of property tax relief under a state compression percentage of 0.6667, estimated to be $6,956,400,000 in fiscal year 2008 and $7,234,700,000 in fiscal year 2009.

Textbooks and Technology Allotment: Included in the sum-certain amounts above in fiscal year 2008 is $496,000,000 for textbooks, any unexpended balance of which, as of August 31, 2008, is hereby appropriated for fiscal year 2009 for the same purpose. Also included in the sum-certain amounts above is $115,000,000 annually in fiscal year 2008 and in fiscal year 2009 for payment of the technology allotment to school districts.

~~a. State Textbook Funds and Economic Stabilization Funds for instructional materials, any balances of which as of August 31, 2006 are hereby appropriated for fiscal year 2007 for the same purposes;~~

~~b. Telecommunications Infrastructure Funds for the technology allotment;~~

~~c. General Revenue for an annual compensation supplement (pass-through). Contingent on passage and enactment of House Bill 3540, or similar legislation by the Seventy-ninth Legislature, Regular Session, the annual rate at which supplemental compensation is paid shall be $500 for eligible full-time employees and $250 for eligible part-time employees for the 2006-07 biennium.~~

The Texas Education Agency shall submit reports on the prior month's expenditures on programs described by this rider no later than the 20th day of each month to the Legislative Budget Board and the Governor's Office in a format determined by the Legislative Budget Board in cooperation with the agency.

~~704~~. **Foundation School Program Set-Asides.** The programs and their funding levels identified in this rider represent all programs at the Texas Education Agency and other state agencies that are funded with amounts set aside from the Foundation School Program. The amounts listed in this rider are for informational purposes only, and do not constitute an appropriation:

	~~2006~~	~~2007~~
~~Gifted and Talented Performance Standards~~	~~$437,500~~	~~$437,500~~
~~Residential Placement~~	~~$1,000,000~~	~~$1,000,000~~
~~Juvenile Justice Alternative Education Program~~	~~$8,187,641~~	~~$8,951,455~~
~~Early Childhood Intervention~~	~~$16,498,102~~	~~$16,498,102~~
~~Extended Year Programs~~	~~$16,500,000~~	~~$16,500,000~~
~~Investment Capital Fund~~	~~$4,650,000~~	~~$4,650,000~~
~~LEP Student Success Initiative~~	~~$10,000,000~~	~~$10,000,000~~
~~Communities in Schools~~	~~$15,788,865~~	~~$15,788,865~~
~~Teen Parenting Education Programs~~	~~$10,000,000~~	~~$10,000,000~~
~~TAKS Assessments and Study Guides~~	~~$42,326,350~~	~~$42,326,350~~
~~MATHCOUNTS Program~~	~~$200,000~~	~~$200,000~~
~~TOTAL, FSP Set-Asides~~	~~$125,588,458~~	~~$126,352,272~~

	2008	2009
Gifted and Talented Performance Standards	$437,500	$437,500
Juvenile Justice Alternative Education Program	$8,418,331	$8,548,544
Early Childhood Intervention	$16,498,102	$16,498,102
Extended Year Programs	$15,300,000	$15,300,000
Investment Capital Fund	$4,497,478	$4,497,478

LEP Student Success Initiative	$9,700,000	$9,700,000
Communities in Schools	$15,930,976	$15,630,976
Teen Parenting Education Programs	$10,000,000	$10,000,000
TAKS Assessments and Study Guides	$58,493,703	$53,493,703
MATHCOUNTS Program	$200,000	$200,000
TOTAL, FSP Set-Asides	$139,176,090	$134,306,303

5. **Transportation Cost Allotment.** Pursuant to § 42.155 of the Texas Education Code, the appropriation for funding regular transportation programs for the ~~2005-06~~2007-08 and ~~2006-07~~2008-09 school years shall be calculated on the following basis:

Linear Density Grouping	Allocation Per Mile of Approved Route
2.40 and above	$1.43
1.65 to 2.40	1.25
1.15 to 1.65	1.11
.90 to 1.15	.97
.65 to .90	.88
.40 to .65	.79
up to .40	.68

Pursuant to § 42.155 of the Texas Education Code, the maximum mileage rate for special education transportation shall be $1.08 per mile. Private transportation rates shall be $0.25 per mile or a maximum of $816 per pupil for both special education and isolated areas as defined in sub-sections 42.155(g) and 42.155(e).

~~**5.** **Education Service Centers.** The Commissioner shall furnish reports as required by § 8.102 of the Texas Education Code to the State Board of Education for transmittal, along with recommendations for change, modification, or improvement, to the Legislative Budget Board and the Governor. Regional Education Service Centers shall be prohibited from purchasing land and acquiring buildings without prior authorization from the Commissioner of Education.~~

6. **Windham Schools.** The funds appropriated above in Strategy B.2.4, Windham School District, are to be expended only for academic and vocational educational programs approved by the Texas Education Agency. The Commissioner of Education shall allocate funds to the Windham Schools based on contact hours for the best 180 of 210 school days in each year of the biennium. The contact hour rates for the ~~2006-07~~2008-09 biennium are the following: $3.97558 for academic education, $3.24582 for vocational education.

~~Funds appropriated above for fiscal year 2007 for the Windham School District are made contingent on the continuation of the Windham School District by the Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of Windham School District operations.~~

The Windham School District shall use funds appropriated above to serve those students whose participation will help achieve the goals of reduced recidivism and the increased success of former inmates in obtaining and maintaining employment. To achieve these goals, younger offenders with the lowest educational levels should receive high priority. This policy shall not preclude the Windham School District from serving other populations according to needs and resources. The Windham School District will report to the Eighty-first Legislature regarding its effort and success in implementing this prioritization.

7. **Appropriation of Audit Adjustments, Settle-Up Funds and Attendance Credit Revenues.** When reviews and audits of allocations to school districts reveal the allocations previously made were greater or less than the amounts found to be due, the Texas Education Agency is authorized to recover or pay the sums necessary to adjust to the correct amounts. All such amounts recovered shall become a part of the Foundation School Fund or General Revenue Fund, and the amounts necessary to make such additional payments to the school districts are hereby appropriated from the Foundation School Fund or General Revenue Fund.

All funds received from local school districts as recovery for overpayment pursuant to the provisions of § 42.258 of the Texas Education Code are hereby appropriated to the Texas Education Agency for distribution to local school districts for Foundation School Program purposes.

All unexpended balances and all funds received from the payment of school districts for attendance credits in excess of the amounts appropriated above pursuant to the provisions of § 41.094 of the Texas Education Code, are hereby appropriated to the Texas Education Agency for distribution to school districts for Foundation School Program purposes.

8. **State Textbook Fund.** Except as explicitly allowed elsewhere in this Act, any amount expended for Textbook Administration, including new textbooks, rebinding, and other related expenses, shall be paid out of the State Textbook Fund ~~or Economic Stabilization Funds~~ appropriated for that purpose. A transfer of funds from the Available School Fund to the State Textbook Fund is authorized in an amount which, together with other revenues of the State Textbook Fund, is sufficient to finance the sum-certain appropriation from the State Textbook Fund for each fiscal year. Penalties assessed by the State Board of Education shall be deposited to the credit of the Textbook Fund.

9. **Day-care Expenditures.** It is expressly provided that the pre-school day care programs, such as the Early Childhood Program for Educationally Disadvantaged Children and Special Education and Training for Pre-School Children with Disabilities administered by the Texas Education Agency, are day-care programs. The funds expended in those programs on behalf of children meeting eligibility requirements in accordance with interagency contracts with the Texas Education Agency under the day care program of the Social Security Act shall be considered as expenditures for day care.

10. **Loss Due to Property Value Decline.**

a. The Commissioner of Education is authorized to distribute no more than $26,000,000 in each fiscal year under § 42.2521 of the Texas Education Code, to the extent that excess funds are available under the Foundation School Program.

It is the intent of the Legislature that, in expending these funds by making adjustments in the local share under § 42.2521, that the Commissioner shall consider only the amount of property value decline in each school district that is in excess of 4 percent in taxable values.

b. Except as expressly provided by this rider, and notwithstanding the limitations in Rider 3~~3~~1, Limitation: Transfer Authority, none of the funds in this rider may be expended for any other purpose.

c. It is the intent of the Legislature that any excess funds available under the Foundation School Program be applied first to fund adjustments under § 42.2521 of the Texas Education Code, second to fund adjustments under § 42.2522, and third to fund adjustments under § 42.2531.

11. ~~**Training Programs**~~**State Level Professional Development for School Personnel and Parents of Students with Autism.** It is the intent of the Legislature that the Texas Education Agency continue to implement ~~a program of~~ state level professional development for school personnel and parents of students with autism. A sum not to exceed $1~~5~~0,000 in each fiscal year shall be expended for this purpose.

12. **Student Testing Program.** The Commissioner shall use the Federal Funds appropriated above in Strategy B.1.1, Assessment and Accountability System, to cover the cost of preparing, administering and grading assessment instruments in the student testing program. In accordance with the provisions of § 42.152 and Chapter 39, Subchapter B of the Texas Education Code, the funds appropriated from the Foundation School Fund for the Compensatory Education allotment may be used for any remaining assessment costs, in amounts not to exceed the General Revenue amounts appropriated above in Strategy B.1.1, Assessment and Accountability System. ~~The expenditure of such funds shall not be subject to the limitation in Rider 33, Limitation: Transfer Authority.~~

Out of funds appropriated above in Strategy B.1.1, Assessment and Accountability System, the Commissioner shall evaluate the cost effectiveness of the current system of study guide materials and applications. Based on the results of the evaluation, the Commissioner shall make any changes to the system that reduce its cost without impairing the ability of students to obtain necessary assistance in studying for the state assessments. The Commissioner shall report the results of the evaluation and any system changes made to the Eighty-first Legislature.

13. **Reimbursement of Advisory Committee Members.** Pursuant to Government Code § 2110.004 reimbursement of expenses for advisory committee members, out of the funds appropriated above, is limited to the following advisory committees:

a. Title 1, Committee of Practitioners/Ed Flex State Panel
b. Continuing Advisory Committee for Special Education
c. Communities in Schools State Advisory Committee
d. State Textbook Advisory Committee

It is the intent of the Legislature that advisory committees of the Texas Education Agency use videoconferencing technology to conduct meetings in lieu of physical assembly whenever possible.

14. **Vacation Leave for Commissioner of Education.** Notwithstanding any provision of the General Appropriations Act to the contrary, the Commissioner of Education is entitled to accrue and carry forward vacation leave at the highest rate authorized for employees by the General Provisions of this Act.

15. ~~**Limits on Allocations and Expenditures**~~**Reporting on Program Transfers to Regional Education Service Centers.** ~~Except as explicitly allowed elsewhere in this Act, the Commissioner shall not contract with Regional Education Service Centers to administer all or part of general revenue-funded programs or services without prior approval from the Governor and the Legislative Budget Board. The Commissioner shall submit to the Governor and Legislative Budget Board for review a summary of the programs and services to be transferred and the funding level associated with the proposed transfer.~~At the end of each fiscal year, the Commissioner shall submit a report to the Legislative Budget Board and the Governor describing all programs and funding amounts transferred to Regional Education Service Centers during the fiscal year. The report shall identify instances in which a transfer added to the administrative cost of a program and any evidence suggesting that a transfer delayed the distribution of program funds to school districts. No funds transferred to Regional Education Service Centers or to school districts may be used to hire a registered lobbyist.

16. **Regional Day Schools for the Deaf.** Funds appropriated above for Regional Day Schools for the Deaf shall be allocated on a weighted full time equivalent basis. Notwithstanding other provisions of this Act, if the allocations total more than $33,133,200 in each fiscal year, the Commissioner shall transfer sufficient amounts from other available funds to provide the full allocation.

17. **Summer School for Children with Limited English Proficiency.** Out of Federal Funds appropriated for Strategy A.2.2, Achievement of Students at Risk, $3,800,000 in each fiscal year is allocated for summer school programs for children with limited English proficiency as authorized under § 29.060 of the Texas Education Code.

~~**19**~~**18.** **Statewide Services for Students With Visual Impairments.** Out of funds appropriated for Strategy A.2.3, Students with Disabilities, $5,655,268 in each fiscal year is allocated for statewide services for students with visual impairments as authorized under § 30.002 of the Texas Education Code.

~~**18.** **Engineering and Science Recruitment Fund.** Out of funds appropriated for Strategy A.2.1, Student Success, $394,920 in each fiscal year is allocated to the Engineering and Science Recruitment Fund for programs outlined in Subchapter M of Chapter 51 of the Texas Education Code.~~

~~20~~19. Non-educational Community-based Support Services. Out of funds appropriated for Strategy A.2.3, Students with Disabilities, $987,300 in each fiscal year is allocated for non-educational community-based support services for certain students with disabilities as authorized under § 29.013 of the Texas Education Code.

~~21~~20. Professional Development for ~~Serving~~the Provision of Access to the General Curriculum for Students with Disabilities in ~~Integrated Settings~~ the Least Restrictive Environment. Out of the federal discretionary funds awarded to the Texas Education Agency through the Individuals with Disabilities Education Act (IDEA), Part B and appropriated above, the Commissioner shall set aside 10.5 percent during the biennium to fund capacity building projects, including follow-up professional development and support, for school districts to ~~serve~~provide access to the general curriculum for students with disabilities in ~~integrated settings~~the least restrictive environment.

~~22~~21. Appropriation for State Schools. Out of General Revenue related funds appropriated above in Strategy A.2.3, Students with Disabilities, an amount not to exceed $110,000 in each fiscal year is allocated for payments to state operated schools under §§ 30.025 and 30.056 of the Texas Education Code.

~~23~~22. Estimated Appropriation for Incentive Aid. Out of Foundation School Program funds appropriated above, the Commissioner may allocate an estimated amount of $1,500,000 in each fiscal year for incentive aid payments under Subchapter G of Chapter 13 of the Texas Education Code.

~~24~~23. Payments to Texas School for the Blind and Visually Impaired and Texas School for the Deaf. Pursuant to § 30.003(g) of the Texas Education Code, the State Board of Education shall adopt rules that ensure that all local school districts whose students are placed at the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf shall share in the cost of each student's education as required by § 30.003(a). It is the intent of the Legislature that school districts subject to Chapter 41, Texas Education Code, reimburse the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf from the General Operating Fund of those districts within 60 days of receipt of a voucher from the receiving school.

For all discretionary grants of state or federal funds by the Texas Education Agency, the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf shall be considered independent school districts for purposes of eligibility determination, unless the Commissioner of Education and the school Superintendents mutually agree to an alternate consideration.

~~Contingent upon the enactment of House Bill 2, or similar legislation related to the reduction of local school district property taxes and replacement of the reduced revenues with state funds by the 79th Legislature, Regular Session, the Commissioner shall, for each year of the 2006-07 biennium, calculate the amount of local revenue that would have been received by the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf under § 30.003, Texas Education Code, had those reductions in revenues not occurred. At the beginning of each fiscal year of the 2006-07 biennium, out of the funds appropriated above in Strategy A.1.1., FSP - Equalized Operations, the Commissioner shall allocate to each school an amount equal to the difference between the calculated revenue and the amount of local revenue to be received by the school during that year.~~

~~26~~24. Permanent School Fund. In its annual report on the Permanent School Fund, completed by February 28 of each year, the Texas Education Agency shall report on the actual and projected costs of administering the Permanent School Fund for the year covered by the report and the following three years.

~~27~~25. Texas Advanced Placement Incentive Program. Out of the funds appropriated above in Strategy A.2.1, Student Success, ~~$13,500,000~~11,700,000 in fiscal year 200~~6~~8 and ~~$13,500,000~~11,700,000 in fiscal year 200~~7~~9 is allocated for both the pre-Advanced Placement/International Baccalaureate activities and for the Advanced Placement Incentive Program. Any balances on August 31, 200~~6~~8 are appropriated for the 200~~7~~9 fiscal year.

In using funds allocated by this rider, the Texas Education Agency shall prioritize the examination fee subsidies for students. For funds allocated by this rider that are used for teacher training, the Texas Education Agency shall give funding priority to teachers at public school campuses that do not offer Advanced Placement/International Baccalaureate courses.

It shall be the goal of the Texas Education Agency that Advanced Placement/International Baccalaureate courses are available at as many public school campuses as possible, without regard to the rural/urban status of the campus and the socioeconomic characteristics of its students. For campus incentive awards given under this program, consideration may be given to school districts and charter schools in their 1st or 2nd year of operating an Advanced Placement/International Baccalaureate program.

~~25.~~ ~~**Notification of Changed Accreditation Status or Internal Investigation Findings.** At the time a school district is notified of a change in its accreditation status, the Texas Education Agency shall also notify the State Senators and Representatives that represent the affected school district. The agency also shall notify the State Senators and Representatives that represent districts directed by the Texas Education Agency to perform internal investigations of the findings of such investigations prior to the agency release of the findings.~~

~~28~~26. **MATHCOUNTS and Academic Competitions.** Out of Foundation School Program Gifted and Talented funds appropriated in B.3.1, Improving Teacher Quality, the Commissioner shall set aside $200,000 in each year of the biennium for the MATHCOUNTS Program. In addition, out of funds appropriated in A.2.1, Student Success, not less than $500,000 in each fiscal year of ~~2006-07~~2008-09 biennium shall be allocated to programs that foster academic competition for predominantly high school students.

~~29~~27. **Communities in Schools.** Out of funds appropriated above for Strategy A.2.4, School Improvement and Support Programs, $~~12,788,865~~15,930,976 in State Compensatory Education Funds and $4,842,342 in TANF funds in fiscal year 200~~6~~8, and $~~12,788,865~~15,630,976 in State Compensatory Education Funds and $4,842,341 in TANF funds in fiscal year 200~~7~~9 are allocated for the Communities in Schools Program.

~~In addition to the amounts above, out of State Compensatory Education Funds appropriated above for Strategy A.2.4, School Improvement and Support Programs, $3,000,000 in fiscal year 2006 and $3,000,000 in fiscal year 2007 are allocated for the Communities in Schools Program. It is the intent of Legislature that the Commissioner and representatives of the Communities in Schools program mutually agree upon and implement performance measures related to the effectiveness of new Communities in Schools programs provided by these funds.~~ From funds appropriated above, the Texas Education Agency shall conduct a review of the effectiveness of the Communities in Schools program in meeting the needs of at-risk students. Expenditures for the review shall not exceed $300,000 without the prior approval of the Legislative Budget Board and the Governor. The Texas Education Agency shall submit a report to the Legislature no later than January 31, 2009.

~~30~~28. **Extended Year Programs.** Out of Foundation School Program Compensatory Education Funds appropriated in Strategy A.2.4, School Improvement and Support Programs, the Commissioner shall distribute an amount not to exceed $~~16,500,000~~15,300,000 in fiscal year 200~~6~~8 and $~~16,500,000~~15,300,000 in fiscal year 200~~7~~9 to finance extended year programs under § 42.152(p), Texas Education Code.

~~31~~29. **Allocation of Funds to South Texas Independent School District.** Out of funds appropriated above for Strategy A.1.1, FSP - Equalized Operations, the Commissioner of Education shall provide the South Texas Independent School District with adequate access to funding under Tier 2 of the Foundation School Program. The Commissioner shall adjust payments to the South Texas Independent School District to equal an amount to which the district would be entitled at the average effective tax rate in other school districts in Cameron County less the tax rate set by the district itself.

~~32~~30. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that, for the following fee-supported programs in Goals A, Program Leadership, and B, Operational Excellence, fees, fines, and other miscellaneous revenues as authorized and generated by the Texas Education Agency cover, at a minimum, the cost of the appropriations made to support the programs, as well as the "other direct and indirect costs" associated with those functions appropriated elsewhere in this Act. "Other direct and indirect costs" for these programs are

estimated to be ~~$594,829~~1,715,017 in fiscal year 200~~6~~8 and ~~$618,088~~1,718,995 in fiscal year 200~~7~~9 including employee matching costs and other indirect operating costs:

Guaranteed Program for School District Bonds
General Education Development (GED)
Driver ~~Training~~Education
Electronic Course Pilot Program
Educator Certification

For each individual fee program listed above with the exception of State Board for Educator Certification functions funded in Strategies B.3.3, B.3.4, and B.3.5, all fees collected in excess of the Comptroller of Public Accounts Biennial Revenue Estimate are hereby appropriated to the Texas Education Agency.

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

~~In Strategy C.1.1, Educator Quality and Credentialing, Strategy C.1.2, Certification Exam Administration, Strategy C.1.3, Retention, Recruitment, and Strategy C.1.4, Educator Professional Conduct above, it is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by this agency cover, at a minimum, the cost of the appropriations made in Goal C, as well as the "other direct and indirect costs" associated with these functions, appropriated elsewhere in this Act. "Other direct and indirect costs" for these functions are estimated to be $836,840 in fiscal year 2006 and $857,568 in fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the cost identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority above to be within the amount of revenue expected to be available.~~

~~33~~**31.** **Limitation: Transfer Authority.** Notwithstanding the General Provisions of this Act, none of the funds appropriated above ~~or in any other legislation passed by the Seventy-ninth Legislature~~ in Goal A, Program Leadership, ~~Strategies A.1.1, FSP-Equalized Operations, and A.1.2, FSP-Equalized Facilities, with the exception of appropriations for instructional materials, and not more than one percent of the General Revenue Funds appropriated above or in any other legislation passed by the Seventy-ninth Legislature in Goal A, Strategies A.2.1. - A.2.5,~~ and Goal B, Operational Excellence, Strategies B.1.1.-B.3.1., ~~and appropriations for instructional materials in Strategy A.1.1. and the Student Success Initiative in Strategy A.2.1,~~ may be transferred to Goal B, Strategies B.3.2.-B.3.~~4~~6. ~~This transfer may not exceed $8.1 million for each year of the 2006-07 biennium.~~

~~The Commissioner shall notify the Governor and the Legislative Budget Board of any planned transfer between program and administrative strategies allowed by the provisions of this rider at least 45 days prior to the execution of the transfer.~~

None of the funds appropriated to the Texas Education Agency for the purpose of funding the Foundation School Program under Chapter 42 and 46, Texas Education Code, may be transferred to any other item of appropriation or expended for any other purpose unless the Commissioner of Education provides written notice to the Legislative Budget Board and to the Governor of intent to transfer such funds at least 45 days prior to the execution of the transfer. Such transfers from the Foundation School Program to other items of appropriation shall not exceed $10 million in each fiscal year of the ~~2006-07~~2008-09 biennium. Any unexpended and unencumbered balances remaining after the last day of a fiscal year in any of the appropriations made for a purpose described by this provision shall lapse and accrue to the benefit of the unappropriated balance of the General Revenue Fund after taking into account the "settle-up" provision found in § 42.253 (i), Texas Education Code.

To the extent necessary to avoid reductions in state aid as authorized by § 42.253(h), Texas Education Code, the Commissioner of Education is authorized to transfer Foundation School Program funds from fiscal year 200~~7~~9 to fiscal year 200~~6~~8. Such transfers are subject to prior approval by the Governor and the Legislative Budget Board. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

~~34~~32. Additional Funding Sources. If the appropriations provided by this Act for the Foundation School Program are not sufficient to provide for expenditures for enrollment growth, district tax rate or taxable value of property, after accounting for any other appropriations made to the TEA and available for transfer for this purpose, 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 TEA from appropriations made elsewhere in this Act.

~~35~~33. Reduction in Districts Tier One Allotment. To fund appropriations for programs from the ~~e~~Compensatory ~~e~~Education allotments~~,~~ the Commissioner of Education shall reduce each district's tier one allotment. The reductions shall be made in the same manner as described for a reduction in allotments under § 42.253, Texas Education Code, and the Commissioner shall allocate funds to each district accordingly.

~~36~~34. Disciplinary Alternative Education Programs. Out of the funds appropriated above in Strategy B.2.2, Safe Schools, there is hereby allocated the amount of $4,750,000 for each fiscal year of the biennium for safe schools programs under Texas Education Code § 37.008.

~~37~~35. Funding for Juvenile Justice Alternative Education Programs. Out of the funds appropriated above in Strategy B.2.2, Safe Schools, ~~$8,187,641~~8,418,331 in fiscal year 200~~6~~8 and ~~$8,951,455~~8,548,544 in fiscal year 200~~7~~9 shall be set aside from the Compensatory Education ~~A~~allotment in each year and transferred to the Juvenile Probation Commission for the support of Juvenile Justice Alternative Education Programs. This set-aside shall not effect the calculation of the number of students in weighted average daily attendance under Texas Education Code § 42.302.

~~38~~36. FSP Funding for the Texas Youth Commission. Out of the funds appropriated above in Strategy B.2.2, Safe Schools, the Texas Education Agency shall allocate to the Texas Youth Commission the basic allotment of the Foundation School Program minus the amounts allocated to the commission pursuant to Texas Education Code § 30.102 (a) for each student in average daily attendance. These amounts are estimated to be ~~$9,811,899~~10,309,881 in fiscal year 200~~6~~8 and ~~$9,811,899~~10,309,881, in fiscal year 200~~7~~9. This transfer shall not be subject to the limitation in Rider 3~~3~~1, Limitation: Transfer Authority.

~~40~~37. Regional Education Service Center Dyslexia and Related Disorders Coordinators. ~~It is the intent of the Legislature that the Regional Education Service Centers establish a~~Out of the funds appropriated above in Strategy B.3.1, Improving Teacher Quality, the Commissioner of Education may allocate $150,000 in each year of the biennium to assist the joint program of coordinators for dyslexia and related disorders services at the Regional Education Service Centers pursuant to § 38.003 of the Texas Education Code. The joint program shall not include regulatory oversight functions. The Regional Education Service Centers shall ensure that the program uses resources efficiently to provide a coordinator to any school district or charter school that needs one. ~~Out of the funds appropriated above in Strategy B.3.1, Improving Teacher Quality, the Commissioner of Education may direct $150,000 in each year of the biennium to assist in the funding of such coordinators.~~

~~41~~38. School Improvement and Parental Involvement Initiative. Out of the funds appropriated above in Strategy A.2.4, School Improvement and Support Programs, the Commissioner shall allocate $850,000 in each fiscal year of the ~~2006-07~~2008-09 biennium to the AVANCE family support and education program.

~~42~~39. Special Foundation School Program Payments. The Texas Academy of Leadership in Humanities is entitled to Foundation School Program (FSP) allotments for each student enrolled in the academy as if it were a school district, except that the local share applied is equal to the Beaumont ISD's local share. The same methodology shall apply to the Texas Academy of Mathematics and Science with a local share equal to Denton ISD's and to the Seaborne Conservation Corps, with a local share equal to Galveston ISD's.

~~**39. Early Childhood Education and Care Coordination.** It is the intent of the Legislature that the Texas Education Agency participate to the extent practicable in interagency early childhood education and care coordination initiatives. This includes but is not limited to participation in the Head Start collaboration project or any other interagency entity formed to address the coordination of early childhood care and education service delivery and funding.~~

~~43~~40. **Texas Reading, Math and Science Initiatives.** Out of the funds appropriated above in Strategy A.2.1, Student Success, $~~9,000,000~~8,068,730 in General Revenue Funds in fiscal year 200~~6~~8 and $~~9,000,000~~8,068,731 in General Revenue Funds in fiscal year 200~~7~~9, with $14,650,000 in Federal Funds in fiscal year 200~~6~~8 and $14,650,000 in Federal Funds in fiscal year 200~~7~~9, shall be allocated to the Texas Reading, Math and Science Initiatives. These funds shall be allocated in the following manner:

a. The Commissioner shall fund reading, math, and science diagnostic instruments to be made available to independent school districts and charter schools. The Commissioner may fund the distribution of non-consumable materials, to include electronic formats, in reading, math, and science.

~~b. Out of the Federal Funds identified above, the Commissioner shall allocate funds for the development and implementation of research-based educator training programs and materials in reading, math, and science. Out of the funds appropriated for this part, the Commissioner may allocate an amount not to exceed $5,000,000 in each fiscal year of the biennium for the development of educator training programs at regional education service centers, in a manner that ensures access to training for small and mid-sized school districts and charter schools.~~

~~Funds shall be distributed by the Commissioner on a competitive grant basis to be used by schools for the implementation of scientific, research-based science programs designed to improve the academic science performance of students, including programs designed to address the gender gap in performance. To be eligible for funding, schools must demonstrate a high need for additional intervention as evidenced by student performance, and must partner with a science department of an institution of higher education.~~

~~c. The Commissioner may transfer up to 10 percent of the appropriation among strategies in Goals A and B, Strategies B.1.1, Assessment and Accountability System, to B.3.1, Improving Teacher Quality.~~

~~d. Out of funds identified above, an amount not to exceed $1,000,000 each year of the biennium may be distributed to schools by the Commissioner on a noncompetitive grant basis for the purchase of non-consumable materials to be used in teaching Integrated Physics and Chemistry in high school. The materials must be appropriate for use in class time dedicated to lab investigations. The Commissioner shall develop criteria for distribution of grant funds and for materials eligible for purchase. The criteria must give priority to districts with high percentages of economically disadvantaged students.~~

~~e. Out of the amounts identified above, the Commissioner may use funds to support the State Marine Science Center in Palacios.~~

~~f. The Texas Education Agency shall collect data on the implementation of educator professional development programs at the local and regional level and report to the Legislature on the best practices of these programs by December 1, 2006.~~

~~g. Out of the amounts identified above, the Commissioner may use funds to evaluate the effectiveness of the Master Teacher programs and National Board Certification in improving student performance.~~

b. Out of the funds identified above, the Commissioner may distribute an amount not to exceed $1,500,000 in each fiscal year of the biennium for Master Reading, Master Mathematics, and Master Science Teacher stipends to school districts with certified Master Reading, Master Mathematics, and/or Master Science Teachers.

~~h~~c. Any balances as of August 31, 200~~6~~8, are appropriated for the 200~~7~~9 fiscal year.

~~44~~41. **Funding for Tuition Credit Program.** Out of the funds appropriated above there is hereby transferred via interagency contract to the Texas Higher Education Coordinating Board an amount of funds, estimated to be $~~7,525,000~~7,502,501 in each fiscal year of the biennium, from the Foundation School Fund sufficient to pay for the Early High School Graduation Scholarship Program, and tuition and fee exemptions in accordance with Texas Education Code, §§ 54.212, ~~and~~ 54.214, and 56.202.

~~45~~42. Certification of Pre-kindergarten Expenditures. Out of the funds appropriated above in Strategy A.1.1, FSP - Equalized Operations, and Strategy A.2.1, Student Success, the Texas Education Agency shall certify each year of the biennium the maximum pre-kindergarten expenditures allowable under federal law as maintenance of effort for Temporary Assistance for Needy Families (TANF) and state match for the Child Care Development Fund.

~~46~~43. Early Childhood School Readiness Program. Out of the funds appropriated in Strategy A.2.1, Student Success, $~~7,500,000~~6,750,000 in fiscal year 200~~6~~8 and $~~7,500,000~~6,750,000 in fiscal year 200~~7~~9 shall be used for the Early Childhood School Readiness Program, for programs providing an educational component to public pre-kindergarten, Head Start, university early childhood programs, or private non-profit early childhood care programs that have entered into an integrated program with a public school. The Texas Education Agency shall expend these funds in accordance with the following provisions and the provisions of Texas Education Code § 29.156, Grants for Educational Components of Head Start, and with the following provisions:

a. Funds shall be distributed on a competitive grant basis to preschool programs to provide scientific, research-based, pre-reading instruction, with the goal of directly improving the pre-reading skills of three- and four-year-old children and identifying cost-effective models for pre-reading interventions. To be eligible for the grants, applicants must serve at least 75 percent low-income students, as determined by the Commissioner. Grants may be awarded in two or more consecutive grant periods to an applicant provided the monies are used to expand the grant programs to additional facilities previously not receiving Early Childhood School Readiness grant funds in the immediate past grant cycle. It is the intent of the Legislature that the Texas Education Agency participate to the extent practicable in interagency early childhood education and care coordination initiatives. This includes but is not limited to participation in the Head Start collaboration project or any other interagency entity formed to address the coordination of early childhood care and education service delivery and funding.

~~b. The Commissioner shall set aside up to $225,000 in each fiscal year of the biennium for research and evaluation of the program. A report describing the findings shall be delivered to the Legislature no later than January 1, 2007.~~

~~c~~b. Any balances as of August 31, 200~~6~~8, are appropriated for the 200~~7~~9 fiscal year.

~~48~~44. Student Success Initiative. Out of the funds appropriated above in Strategy A.2.1, Student Success, $~~158,005,369~~139,856,091 in fiscal year 200~~6~~8 and $~~158,005,369~~139,856,090 in fiscal year 200~~7~~9 are allocated for the Student Success Initiative. The Commissioner shall expend these funds for allocations to schools for the purpose of implementation of scientific, research-based programs for students who have been identified as unlikely to achieve the third grade TAKS reading standard by the end of the third grade, including those students with dyslexia and related disorders, students unlikely to achieve the TAKS reading or math standards by the end of the fifth grade, and/or students unlikely to achieve TAKS reading or math standards in the eighth grade assessments administered in 2008.

a. From funds appropriated for the Student Success Initiative, the Commissioner may set aside $15 million for intensive reading instruction programs for schools that have failed to improve student performance in reading and $5 million for intensive math instruction programs for schools that have failed to improve student performance in math. The Commissioner shall determine which schools have achieved the least gains in reading or math performance, and shall require those schools to submit a reading or math improvement plan detailing proposed efforts to improve reading or math performance as a condition of receiving funding. The reading or math improvement plan must establish the performance outcome of literacy or numeracy among its student population and outline specific steps that will be taken to achieve that goal. The plan may include the use of technology to achieve reading or math goals. A school identified as in need of improvement in reading or math instruction shall implement only those assessments, progress monitoring instruments, reading or math strategies and programs approved by the Commissioner. Programs must demonstrate a record of proven success in improving student reading or math achievement.

b. Adolescent Literacy Initiative. Out of any funds appropriated to the agency, the Commissioner shall set aside $2 million for each year of the ~~2006-2007~~2008-09 biennium for the development of a supplemental diagnostic screening instrument and intensive reading instruction programs for students determined at risk to not perform at proficient levels on the 8th grade TAKS reading assessment. It is the intent of the legislature that the Texas Education Agency pursue federal funds to provide training in the use of the diagnostic instrument and distribution of the instrument to school districts and charter schools. Any balances as of August 31, 200~~6~~8 are appropriated for fiscal year 200~~7~~9 for the same purpose.

c. Any balances as of August 31, 200~~6~~8, are appropriated for fiscal year 200~~7~~9 for the same purposes.

~~50~~**45.** **Arts Education.** Out of the Foundation School Program funds appropriated to the Texas Education Agency in this Act, $300,000 in fiscal year 200~~6~~8, and $300,000 in fiscal year 200~~7~~9 shall be directed to and expended by the Commission on the Arts under the commission's Strategy A.1.2, Arts Education Grants, for the purpose of awarding grants for arts education. It is the intent of the Legislature that grantees receiving funds under this program fulfill a 1:1 match requirement. These amounts shall be directed and expended in addition to funds separately appropriated under this Act to the Commission on the Arts under Strategy A.1.2, Arts Education Grants.

~~51~~**46.** **Learning Through Listening.** Out of the funds appropriated above in Strategy A.2.3, Students with Disabilities, the Commissioner shall expend $200,000 in fiscal year 200~~6~~8 and $200,000 in fiscal year 200~~7~~9 to continue a program of providing state-adopted textbooks using recorded material technology for students with visual impairment, reading disabilities and other disabilities as appropriate in kindergarten through 12th grade.

Out of the funds appropriated above in Strategy A.2.3, Students with Disabilities, the Commissioner shall expend $1,000,000 in fiscal year 2008 and $1,000,000 in fiscal year 2009 for the purpose of implementing an educational outreach program tied to digital audio textbooks which assists individuals with print disabilities affording reading accommodation by providing instruction and training using digitally recorded audiobooks, playback equipment, and other resources. The program shall target economically disadvantaged students in kindergarten through 12th grade with learning disabilities, dyslexia, vision impairment, and physical disabilities.

~~52~~**47.** **Pre-kindergarten Early Start Grant Programs.** Out of the funds appropriated above in Strategy A.2.1, Student Success, the Commissioner of Education shall allocate ~~$92,500,000~~82,620,000 in fiscal year 200~~6~~8 and ~~$92,500,000~~82,620,000 in fiscal year 200~~7~~9 for the purpose of providing grants for pre-kindergarten programs consistent with the provisions of Texas Education Code § 29.155. Any unexpended balances as of August 31, 200~~6~~8, are appropriated for any early childhood programs authorized by this Act for the 200~~7~~9 fiscal year, subject to the approval of the Commissioner of Education.

a. Out of any state or federal funds available to the agency for this purpose, the Commissioner may set aside an amount not to exceed $3 million to implement a competitive procurement system to award two-year contracts to government organizations, public nonprofit agencies, or community-based organizations to implement multi-age programs serving 3-, 4-, and 5-year olds that assure that English language learning children receive appropriate activities to enter school prepared to succeed. The pilot programs must provide many opportunities for the acquisition of English, while supporting the child's first language including social services, appropriate training and modeling, and research-based curricula and supplies to enhance the development of both languages. Instruction must be in both languages so children can learn concepts in the language they understand while developing their English skills. Programs must include bilingual education specialists and continued professional education to support the teachers. Priority shall be given to entities that serve a high percentage of limited English proficient children.

b. A portion of the funds received by entities participating in this pilot shall be used to perform an evaluation and review of student performance and improvement. These results shall be reported to the Legislature by the agency no later than January 1, 200~~7~~9.

~~47.~~ ~~**Master Reading, Mathematics, and Science Teachers.** Out of the funds appropriated above in Strategy B.3.1, Improving Teacher Quality, $4,000,000 in General Revenue in each fiscal year of the 2006-07 biennium is allocated for Master Reading, Master Mathematics, and Master Science Teacher stipends for school districts with certified Master Reading, Master Mathematics, and/or Master Science Teachers. Any balances as of August 31, 2006 are appropriated for the 2007 fiscal year.~~

~~54~~**48.** **Adult Education.** Priority shall be given to adult literacy programs in the expenditure of adult education funds appropriated above. It is the intent of the Legislature that, in providing educational programs, the administering agency or agencies shall provide appropriate training to recipients of Temporary Assistance for Needy Families (TANF) in accordance with the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Out of the $8,885,700 in General Revenue Funds appropriated each year above in Strategy A.2.5, Adult Education and Family Literacy, an amount not less than $2,000,000 each fiscal year shall be allocated to TEA's adult education cooperatives to provide education and training services to TANF recipients. In addition, out of the Federal TANF funds appropriated above in Strategy A.2.5, $3,800,000 in fiscal year 200~~6~~8 and $3,800,000 in fiscal year 200~~0~~9 shall be directed for services for adults who are eligible for TANF. Families that include a child living at home are deemed eligible for TANF-funded adult education services if a family member receives any of the following forms of assistance: Food Stamps, Medicaid, Children's Health Insurance Program, Child Care and Development Fund, or Free or Reduced Priced Child Nutrition Program meals. To implement these provisions, TEA shall enter into contracts or arrangements with the agency or agencies administering welfare reform and may work with other community-based organizations to offer services directly to adult TANF recipients. All providers of adult education shall meet the requirements defined in the Texas Education Code. Federal funds appropriated for this purpose shall be used for administrative expenditures only to the extent allowable under Federal regulations.

~~55~~**49.** **Local Educational Agency Risk Pool.** Out of the funds appropriated ~~in~~ above in Strategy A.2.3, Students with Disabilities, the Commissioner shall implement the provisions of the Individuals with Disabilities Education ~~Improvement~~ Act (IDE~~I~~A) of 2004, pertaining to a local educational agency risk pool. The Commissioner shall allocate allowable amounts under the Act for the 200~~6~~8 fiscal year and the 200~~7~~9 fiscal year to establish the high cost fund to assist districts with high need students with disabilities. It is the intent of the Legislature that the use of these funds by school districts and charter schools does not violate the least restrictive environment requirements of IDE~~I~~A of 2004, relating to placement and state funding systems that distribute funds based on type of setting.

~~49.~~ ~~**Coordination of Assistance to School Districts.** The Texas Education Agency shall work in cooperation with the Texas Comptroller of Public Accounts to assist school districts in the investment of funds and with the Bond Review Board to assist school districts entering into bonded indebtedness or lease purchase agreements.~~

~~56~~**50.** **Early Childhood Intervention.** Out of the funds appropriated above in Strategy A.2.3, Students with Disabilities, $16,498,102 in 200~~6~~8 and $16,498,102 in 200~~7~~9 shall be set aside from the Special Education ~~A~~allotment and transferred to the Department of Assistive and Rehabilitative Services to support Early Childhood Intervention eligibility determination, and comprehensive and transition services. This set-aside shall not affect the calculation of the number of students on weighted average daily attendance under Texas Education Code § 42.302.

~~57~~**51.** **Average Daily Attendance Decline.** Out of the funds appropriated above in Strategy A.1.1, FSP-Equalized Operations, $11 million in each year of the ~~2006-07~~2008-09 biennium shall be used to implement § 42.005, Texas Education Code. Expenditures pursuant to this provision shall not exceed $22 million for the ~~2006-07~~2008-09 biennium.

~~58~~**52.** **Academic Enrichment.** Out of funds appropriated in Strategy A.2.4, School Improvement and Support Programs, the Commissioner shall distribute the amount appropriated in Federal 21st Century Community Learning Centers (CCLC) funds, estimated to be ~~$166,074,792~~172,078,050, for the ~~2006-07~~2008-09 biennium to be distributed through competitive grants to support the establishment and implementation of supplemental services, programs, and activities designed to enrich or extend student learning experiences outside of the regular school day. In awarding grants pursuant to this rider, the Commissioner shall give emphasis to schools with high concentrations of economically disadvantaged students.

Entities eligible to receive Federal 21st CCLC Funds are those entities identified in United States Code, Title 20, Chapter 70, Subchapter IV, Part B,~~the~~ 21st Century Community Learning Centers ~~statute~~, including, but not limited to, districts that qualify for the Optional Extended Year Program, districts that contain zip codes with high juvenile crime rates, the Alliance Organizations, AVANCE, Do Something, Communities in Schools, Area Interfaith, and One Community/One Child, as well as other organizations identified as eligible by statute, provided all entities comply with the 21st CCLC statutory requirements. It is the intent of the Legislature that the Commissioner give funding priority to existing collaborations between school districts and community organizations.

In addition to the amount identified above, the Commissioner shall allocate an amount not to exceed $~~4,650,000~~4,497,478 in each year of the biennium to the Investment Capital Fund. Of that total, an amount not to exceed $2,500,000 in each year shall be set aside from the Compensatory Education allotment, and an amount not to exceed $~~2,150,000~~1,997,478 in each year shall be allocated directly from the Foundation School Program. Grants made from the Investment Capital Fund pursuant to this rider are subject to the provisions contained in § 7.024 of the Texas Education Code, and grants may only be made to entities that meet the criteria set forth in that section.

~~59~~53. Texas High School ~~Initiative~~Project. ~~Out of the funds appropriated above in Strategy A.2.1, Student Success, the Commissioner shall allocate $29,000,000 in General Revenue in each fiscal year to support the establishment and implementation of sustainable comprehensive high school completion and success initiatives. Funds shall be expended in accordance with the following provisions:~~

Contingent on passage and enactment of legislation establishing the Texas High School Project, out of the funds appropriated above in Strategy A.2.1, Student Success, the Commissioner shall allocate $28,710,000 in each year of the 2008-09 biennium to support the improvement of high school graduation rates and post-secondary readiness.

~~a. Schools that receive funds under this program must ensure that all students have an individualized graduation plan. Available sources of student-level performance data should be utilized in the development of individualized graduation plans. Graduation plans must also ensure that students at risk of not graduating from high school are afforded instruction from highly qualified teachers, have access to online diagnostic and assessment instruments, and are provided accelerated instruction in areas of academic weakness identified in the plan.~~

~~b. Funds must be expended on programs that show the most potential to improve high school completion and success and that encourage students toward post-secondary education and training, including programs for high school students who have not earned sufficient credit to advance to the next grade, after-school programs designed to promote high school completion, literacy programs for struggling high school readers, ninth-grade acceleration or enrichment programs, programs to improve the academic achievement of limited English proficient high school students, and middle-college or early-college programs that encourage at-risk students and students who wish to accelerate their education undertake courses of study that allow both high school and college level work.~~

~~c. Funds may also be expended on programs for high school students that create flexible scheduling; personalized learning environments; and multiple pathways to post-secondary education and training, including partnerships with institutions of higher education, businesses, and community organizations. Funds may also be expended on the implementation of sustainable innovative models for school restructuring and reform in academically unacceptable high schools participating in an innovative redesign of the campus to improve campus performance.~~

~~d. The Commissioner may set aside no more than five percent of total program funds for the purpose of research and evaluation of innovative programs that support high school completion and success. The agency shall deliver a report to the Legislature summarizing expenditures made with program funds as well as research and evaluation findings no later than December 1, 2006.~~

~~e. The Commissioner is authorized to receive grants from private sources and foundations for the provision of jointly funded high school completion and restructuring programs and may use a portion of appropriate state and federal funds as matching funds for such programs. School districts receiving funds may contract with private sector organizations for all or part of the program. The Commissioner is authorized to use a portion of appropriated state and federal funds to support technical assistance services for school restructuring and reform programs. The agency may contract with private sector organizations for all or part of such services.~~

~~**53. Windham School District Priorities.** It is the intent of the Legislature that the Windham School District target its programs to serve those students whose participation will help achieve the goals of reduced recidivism and the increased success of former inmates in obtaining and maintaining employment. To achieve these goals, younger offenders with the lowest educational levels should receive high priority. This policy shall not preclude the Windham School District from serving other populations according to needs and resources. The Windham School District will report to the Eighteith Legislature regarding their effort and success in implementing this prioritization.~~

~~60~~54. Reimbursement for Classroom Supplies. The Commissioner shall establish a program to reimburse classroom teachers and campus library media specialists for personal funds spent on classroom supplies. It is the intent of the legislature that funds shall be provided to school districts that match local funds expended for this purpose. Funds allocated are intended for the direct benefit of students and use of the funds is solely the discretion of the classroom teacher or campus library media specialist. The Texas Education Agency shall establish rules by which matching funds are allocated to individual teachers within the school district. These funds may not be used to supplant local funds being provided for classroom supplies.

Funds for this purpose may be allocated out of available federal consolidated administrative funds and from funds subject to the federal "Ed-Flex" statute. The agency and local school districts may also use any allowable unexpended balances in federal funds at the end of each fiscal year of the biennium to provide these reimbursements.

~~61~~55. Life Skills Program for Student Parents. Out of Foundation School Program funds appropriated above in Strategy A.2.4, School Improvement and Support Programs, $10,000,000 in each fiscal year of the biennium is allocated for the Life Skills Program for Student Parents, Texas Education Code § 29.085. The Texas Education Agency shall distribute funds for this program directly to eligible school districts. Any balances as of August 31, 200~~6~~8 are appropriated to the 200~~7~~9 fiscal year for the same purpose.

~~62~~56. Funding for Regional Education Service Centers. Out of the funds appropriated above in Strategy B.3.1, Improving Teacher Quality, the Commissioner shall distribute $21,375,000 in fiscal year 200~~6~~8 and $21,375,000 in fiscal year 200~~7~~9 to Regional Education Service Centers to provide professional development and other technical assistance services to school districts. The formula for distribution shall be determined by the Commissioner but shall provide enhanced funding to Regional Education Service Centers that primarily serve small and rural school districts. The Commissioner shall obtain approval for the distribution formula from the Legislative Budget Board and the Governor.

~~63~~57. Computation of Aid for Certain Educational Entities. Notwithstanding the provisions of Texas Education Code § 42.304, the Commissioner of Education shall compute state aid under the Foundation School Program for the following districts and schools using the average tax rate and property value per student of school districts in the county in which the district or school is located:

(1) school district located on a federal military installation; and

(2) the Moody State School~~; and~~

~~(3) Masonic Home Independent School District.~~

~~The state aid distributed to Masonic Home Independent School District pursuant to Texas Education Code, Chapter 42, Subchapter F (Guaranteed Yield Program) shall not exceed $90,000 for each fiscal year of the 2006-07 biennium.~~

~~65~~58. **Textbook Purchases.** Of the Federal Funds appropriated above in A.2.3, Students with Disabilities, $8,500,000 in the ~~2006-07~~2008-09 biennium shall be used for the purchase of Braille, large-type and related materials for students with special needs.

In accordance with Texas Education Code § 31.103(b), the Commissioner shall use a school district's enrollment growth or decline for the prior three years as the basis for determining the additional percentage of attendance for which a school district may requisition textbooks.

The Commissioner shall provide juvenile justice alternative education programs with instructional materials necessary to support classroom instruction in those programs. The cost of the instructional materials shall be covered by State Textbook Funds appropriated to the agency for the 2008-09 biennium.

~~66~~59. **Title II, Improving Teacher Quality Federal Funds.** The Texas Education Agency and the Higher Education Coordinating Board shall coordinate the distribution of Title II federal funds for improving teacher quality to ensure compatibility between these two agencies' activities. ~~Prior to the implementation of or the awarding of federal funds for improving teacher quality activities, the two agencies shall submit a joint plan to the Legislative Budget Board and the Governor.~~

~~68~~60. **Receipt and Use of Grants, Federal Funds, and Royalties.** The Commissioner of Education is authorized to apply for, receive and disburse funds in accordance with plans or applications acceptable to the responsible federal agency or other public or private entity that are made available to the State of Texas for the benefit of education and such funds are appropriated to the specific purpose for which they are granted. ~~It is the intent of the Legislature that when entering into any contract or plan with the federal government or other entity, prime consideration shall be given to preserving maximum local control for school districts. It is also the intent of the Legislature that any contract or plan entered into with any entity, excluding the federal government, shall be non-exclusive.~~ For the ~~2006-07~~2008-09 biennium, the Texas Education Agency is appropriated any royalties and license fees from the sale or use of education products developed through federal and state funded contracts managed by the agency. The Texas Education Agency shall report on a quarterly basis to the Legislative Budget Board and to the Governor on grants or earnings received pursuant to the provisions of this rider, and on the planned use of those funds.

Any grant or royalty balances as of August 31, 200~~6~~8 are appropriated for the 200~~7~~9 fiscal year for the same purpose.

~~69~~61. **Per Pupil Allotment.** Funds allocated above in Strategy A.1.1, FSP - Equalized Operations, include funds sufficient to ensure the maintenance of the $110 per weighted student allocation authorized in Rider 82, page III-23, 2003 General Appropriations Act, as modified by House Bill 3459, Seventy-eighth Legislature, 2003.

The total amount of payment under this section is subject to reduction to the extent that districts not otherwise entitled to state aid from the Foundation School Fund receive a benefit from the change in the distributions from the Available School Fund caused by the adoption of amendments to the Texas Constitution, Article VII, § 5, at the election held September 13, 2003.

~~The Texas Education Agency shall develop and promulgate rules as necessary to carry out this provision. Such rules are subject to prior approval by the Legislative Budget Board and the Governor.~~The reduction will be calculated according to rules set forth in the Texas Administrative Code, § 61.1016.

~~64~~62. **Career and Technology Education Allotment ~~Programs Eligibility~~.** ~~Funds appropriated above in Strategy A.1.1, FSP- Equalized Operations, for the Career and Technology Education allotment shall not be used to provide weighted funding for programs identified by the Commissioner as least in need of the additional funding provided by the allotment. Courses to be excluded from weighted funding include, but are not limited to, Business Law, Crime in America, Career Studies, Principles of Marketing, Business Communication, Entrepreneurship, Family & Career Management, Retailing, Family Health Needs, Banking & Financial Systems, Courts & Criminal Procedure, and Introduction to Criminal Justice Careers.~~

~~Additionally, it is the intent of the Legislature that~~ With regard to funds appropriated above in Strategy A.1.1, FSP - Equalized Operations, no more than 10 percent of each school district's Foundation School Program Career and Technology Education allotment under the Texas Education Code § 42.154 may be expended for indirect costs related to the career and technology education programs.

~~71~~63. **Motor Vehicle Fees for Specially Designed License Plates.** Pursuant to the Texas Transportation Code, Chapter 504, Subchapter G, revenues generated from the sale of specialty license plates identified below in excess of amounts appropriated above in Strategy A.2.1, Student Success, are hereby appropriated to the agency for the purpose of distribution as required by that statute:

Read to Succeed -- § 504.607
Texas YMCA -- § 504.623
100th Football Season of Stephen F. Austin High School -- § 504.624
Share the Road -- § 504.633
Knights of Columbus -- § 504.638
~~Texas Music -- § 504.639~~
Star Day School Library Readers Are Leaders -- § 504.643
Keeping Texas Strong -- § 504.650

Any remaining balances as of August 31, 200~~5~~7 are appropriated for the ~~2006-07~~2008-09 biennium. Any remaining balances as of August 31, 200~~6~~8 are appropriated for fiscal year 200~~7~~9.

~~73~~64. ~~**Notification of**~~ **Use of Federal Discretionary and Consolidated Administrative Funds.** ~~The Commissioner shall notify the Legislative Budget Board and the Governor at least 45 days prior to allocations of federal state-level discretionary and consolidated administrative funds for particular programs or purposes that are not explicitly identified in this Act.~~Except as otherwise directed by this Act, the Commissioner shall use all available federal state-level discretionary and consolidated administrative funds to offset General Revenue appropriations above for the Teacher Mentor Program and the Student Success Initiative. The Commissioner may make exceptions to this allocation only upon the prior approval of the Legislative Budget Board and the Governor.

~~74~~65. **LEP Student Success Initiative.** Out of the funds appropriated above in Strategy A.2.1, Student Success, $~~10,000,000~~9,700,000 in each fiscal year of the ~~2006-07~~2008-09 biennium shall be set aside from the Compensatory Education allotment and allocated for the purpose of funding intensive programs of instruction for limited English-proficient (LEP) students and teacher training resources specific to instruction of LEP students, pursuant to Texas Education Code § 39.024(e).

~~81~~66. **Child Nutrition Program.** It is the intent of the ~~Seventy-ninth~~ Legislature that the Child Nutrition Program payments to independent school districts be budgeted at the Texas Education Agency. Included in the amounts appropriated above to the Texas Education Agency for the ~~2006-07~~2008-09 biennium is $~~2,162,000,000~~2,707,368,183 out of Federal Funds and $28,800,000 out of the General Revenue Fund to provide reimbursements for the School Lunch, Breakfast, After School Snack, and Seamless Summer programs.

It is also the intent of the Legislature that the Texas Department of Agriculture administer the Child Nutrition Program. Included in the amounts appropriated elsewhere in this Act to the Texas Department of Agriculture for the ~~2006-07~~2008-09 biennium is $~~20,600,000~~21,400,000 out of Federal Funds and $398,248 out of the General Revenue Fund in Strategy D.1.1, Support Nutrition Programs, to administer the Child Nutrition Program.

~~84~~67. **Programs to Encourage Certification to Teach Bilingual Education, English as a Second Language, or Spanish.** From funds appropriated above that may be used for educator training or support in bilingual education, English as a second language, or Spanish, the Texas Education Agency, in consultation with the affected institutions of higher education and the Texas Higher Education Coordinating Board, shall develop and operate a program to assist students enrolled at institutions of higher education in educator preparation programs in bilingual education, English as a second language, or Spanish by providing financial incentives, such as tuition assistance, to encourage those students to become certified to teach bilingual education, English as a second language, or Spanish.

~~67.~~ **~~Windham School District Cost Savings.~~** ~~It is the intent of the Legislature that, in implementing any reductions to programs or staff, the Windham School District achieve cost savings through reductions in administrative costs, attrition, early retirement options, voluntary benefit reductions or other strategies that preserve direct services in programs such as literacy and vocational education. The Windham School District shall provide written notification to the Governor and the Legislative Budget Board on proposed savings at least 45 days prior to implementation.~~

~~85~~68. **Intensive Reading Instruction and English Language Proficiency Pilot Program.** From the funds appropriated for the Student Success Initiative and from state and Federal ESL/LEP funds, the Commissioner may set aside an amount not to exceed $1 million for establishing an intensive reading instruction and English language proficiency pilot program for schools that have failed to improve student performance in reading and English language proficiency. The pilot program shall require the use of neuroscience based, scientifically validated programs, interventions of instructional tools that are proven to accelerate learning, cognitive ability and English language proficiency. The pilot program shall provide for participating schools to perform assessments on participating students prior to entering the program, and upon completion of the program to measure improvements in both their reading and English language proficiency. A school identified as eligible to participate in the pilot program shall implement only those interventions, programs or instructional tools approved by the Commissioner.

~~88~~69. **Educator Certification Test Development.** The State Board for Educator Certification shall continue to consider the use of standard exams that are not specific to Texas curricula to complement a core of Texas-specific exams and/or replace certain Texas-specific exams planned or under development. The board shall consider the following factors when determining whether a Texas-specific exam is necessary: the number of Texas educators likely to take the exam; the extent to which educators from states that use a standard exam pass similar Texas-specific exams; the similarity of content covered in a standard exam versus the planned Texas-specific exam, understanding that 100 percent of alignment is not necessary; and the relative cost to the state and to examinees of a standard exam versus a Texas-specific exam.

The State Board for Educator Certification is hereby authorized to expend funds appropriated in Strategy ~~C.1.2~~B.3.6, Certification Exam Administration, for test development or for the evaluation and purchase of standard exams, if the Board finds that a standard exam is appropriate.

The State Board for Educator Certification shall seek federal funds to provide for the development of new certification examinations. Any federal funds received by the State Board for Educator Certification for this purpose are hereby appropriated to the agency.

~~90~~70. **Communication of New Rules.** It is the intent of the Legislature that the State Board for Educator Certification communicate the adoption of new rules directly to school districts and institutions of higher education by electronic mail or regular mail in a timely manner. The Board will also post newly adopted rules on the Internet for review.

~~91~~71. **Reporting of Teacher Misconduct.** From funds appropriated, the State Board for Educator Certification, the Texas Education Agency and the University of Texas System shall coordinate to work with school districts to ensure timely and accurate reporting of teacher misconduct as required by statute or rule.

~~96~~72. **Renewing Our Communities.** The Texas Education Agency is hereby appropriated all amounts deposited into the Renewing Our Communities Account, an account hereby established in the General Revenue fund. The account is eligible to receive gifts, grants, or donations from public or private sources and shall be administered by the Texas Education Agency. Funds deposited into this account are to be used to increase the organizational capacity of faith and community-based organizations to deliver charitable and social services to persons in this state.

~~72.~~ **~~Audio Webcast of State Board of Education Meetings.~~** ~~Out of funds appropriated above in Strategy B.3.4, Information Systems - Technology, the agency shall allocate funds as~~

~~necessary to provide a live audio broadcast, freely available on the internet, of all public meetings of the State Board of Education held in the William B. Travis Building in Austin, Texas.~~

73. **Student Achievement and Educator Excellence Awards Programs.** Out of Educator Excellence Funds appropriated above in Strategy A.2.4, School Improvement & Support Programs, the Commissioner shall expend an amount not to exceed $263,056,920 in fiscal year 2008 and $319,114,000 in fiscal year 2009 for the purpose of establishing the Awards for Student Achievement and Educator Excellence Awards programs in accordance with Texas Education Code Chapter 21, Subchapters N and O.

Of these amounts, the Commissioner shall expend an amount not to exceed $100,000,000 in fiscal year 2008 and $100,000,000 in fiscal year 2009 for the Awards for Student Achievement program and the remaining amounts in each fiscal year for the Educator Excellence Awards program.

74. **Teacher Mentor Program.** Out of the funds appropriated above in Strategy B.3.1, Improving Teacher Quality, the Commissioner shall expend $15,000,000 in fiscal year 2008 and $15,000,000 in fiscal year 2009 for the teacher mentor program in accordance with Texas Education Code § 21.458(c).

75. **JJAEP Accountability.** The Commissioner shall provide information to the Juvenile Probation Commission for the purpose of preparing the juvenile justice alternative education program performance assessment report, to be submitted to the Legislative Budget Board and the Governor by May 1, 2008. The Commissioner shall provide the requested information if the request provides a minimum of 20 business days in which to respond.

~~**75.** **FTE Designation: Texas Council for Developmental Disabilities.** It is the intent of the Legislature that, out of the full-time equivalent positions authorized above, in each fiscal year 17 are designated for the Texas Council for Developmental Disabilities.~~

76. **Permanent School Fund Distribution Rate.** At least 45 days prior to the adoption of the distribution rate from the Permanent School Fund to the Available School Fund by the State Board of Education, the Texas Education Agency shall report to the Legislative Budget Board and the Governor on the following:

a. The distribution rate or rates under consideration;
b. The assumptions and methodology used in determining the rate or rates under consideration;
c. The annual amount per student the distribution rate or rates under consideration are estimated to provide, and the difference between them and the annual distribution amounts per student for the preceding three biennia; and
d. The optimal distribution amount for the preceding biennium, based on an analysis of intergenerational equity, and the difference between it and the actual distribution amount.

~~**76.** **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Texas Education Agency are made contingent on the continuation of the Texas Education Agency by the Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

77. **Training to Improve and Expand Shared Service Arrangements.** Out of the funds appropriated above in Strategy, B.3.2, Agency Operations, the Commissioner shall develop a training program that will improve the mangement of existing shared service arrangements and encourage the creation of new arrangements. During the 2008-09 biennium, no more than $180,000 shall be expended to provide this training for Education Service Center regions 1, 2, 4, 5, 7, 8, 10, 11, 13, and 19. The Commissioner shall submit a report to the Eighty-first Legislature by January 8, 2009 on the implementation and effectiveness of this program.

~~**77.** **Internet-based System for School District Waiver Submissions.** Out of funds appropriated to Strategy B.3.4, Information Systems - Technology, the agency shall allocate funds as necessary to provide an Internet-based system to allow school districts to submit waiver requests and related information electronically to the agency. The agency shall collect class-~~

~~size waiver data at the district, campus and classroom level. The data collected by this system shall be linked with the Public Education Information Management System (PEIMS) to facilitate data accuracy, waiver monitoring, and analysis.~~

78. **Align Adult Basic Education and Postsecondary Education.** Out of the funds appropriated above in Strategy, A.2.5, Adult Education & Family Literacy, the Texas Education Agency shall coordinate with the Texas Higher Education Coordinating Board to develop and implement immediate and long-range coordinated action plans to align Adult Basic Education and postsecondary education. To increase the number, success and persistence of students transitioning, these action plans shall address at a minimum:

a. Outreach and advising;
b. Assessment, curriculum, and instruction;
c. Persistence interventions;
d. State-level accountability systems to monitor performance;
e. Service-provider-level performance measures and program evaluation;
f. Standards to enhance data quality and sharing among state agencies and service-providers;
g. Needs assessment of students and service-providers to identify other structural issues and barriers; and
h. Grants (including Federal Funds and other funds) to maximize effective use of limited General Revenue funds.

The Texas Education Agency and the Texas Higher Education Coordinating Board shall develop and agree to, consistent with Texas Workfoce Investment Council provisions under Education Code 2308.1016, a revised memorandum of understanding that establishes the respective responsibilities of each agency for the implementation of action plans necessary to successfully transition students enrolled in adult basic education into postsecondary education. The memorandum of understanding shall establish a point of responsibility and provide sufficient resources within each agency for implementation by that agency of the requirements of the memorandum of understanding. The updated memorandum of understanding must be completed by December 31, 2007.

The Texas Education Agency and the Texas Higher Education Coordinating Board shall report on the implementation of these provisions to the Texas Workforce Investment Council, the Governor and the Legislative Budget Board by September 1, 2008.

~~**78.** **Textbook Proclamations.** It is the intent of the Legislature that the State Board of Education forego the issuance of all Proclamations of textbook purchases until such time as the Legislature has implemented reforms to the system by which the state and school districts procure and purchase textbooks.~~

~~Contingent upon passage and enactment of House Bill 2, or similar legislation relating to public school finance by the Seventy-ninth Legislature, First Called Session, 2005, it is the intent of the Legislature that the State Board of Education rescind Proclamation 2004 and conduct activities related to instructional materials in accordance with the provisions of House Bill 2.~~

~~**79.** **Study of the Windham School District.** The Texas Education Agency shall update its limited purpose review of the Windham School District to include an evaluation of the structure, management, and operations of the district, and the impact of its programs. The agency shall report the results of the review to the Eightieth Legislature no later than December 1, 2006.~~

~~**80.** **Instructional Materials for Juvenile Justice Alternative Education Programs.** The Commissioner shall provide juvenile justice alternative education programs with instructional materials necessary to support classroom instruction in those programs. The cost of the instructional materials shall be covered by State Textbook Funds appropriated to the agency for the 2006-07 biennium.~~

~~**82.** **Development of Workplace and Workforce Literacy Curriculum.** Out of Federal Funds appropriated above in Strategy A.2.5, Adult Education and Family Literacy, the Commissioner shall allocate an amount not to exceed $850,000 in fiscal year 2006 for the development of a demand-driven workplace literacy and basic skills curriculum. The Texas~~

Workforce Commission shall provide resources, industry-specific information and expertise identified as necessary by the Texas Education Agency to support the development and implementation of the curriculum.

83. **Assessment of Contract Controls.** The State Auditor's Office (SAO) shall assess controls over contract management and procedures on payments for purchasing contracts at the Texas Education Agency (TEA). In the assessment, the SAO shall answer the following questions:

a. Does the TEA effectively monitor and control contract payments?

b. Does the TEA have the information necessary to support contract decision-making?

c. Has the TEA established and maintained a database that documents specific information about vendor contracts at all independent school districts throughout the State of Texas?

The SAO shall report its findings to the Legislature no later than December 1, 2006.

86. **Exam Locations.** The State Board for Educator Certification shall continue to ensure that sites in the state of Texas that provide the main certification examination for educators (a.k.a. ExCET or TExES) are located such that there is a site within 50 miles of every Board-approved educator preparation program.

87. **Integrated Reporting System.** The State Board for Educator Certification, the Texas Education Agency, and the Higher Education Coordinating Board shall coordinate regarding sharing, integrating, and housing pre-kindergarten through grade 16 (P-16) public education data. The three agencies shall work together to ensure that common and related data held by each agency is maintained in standardized, compatible formats to enable the efficient exchange of information between agencies and for matching of individual student records for longitudinally-based studies and analysis. It is the intent of the Legislature that individual initiatives interact seamlessly across agency systems to facilitate efforts to integrate the relevant data from each agency into a longitudinal public education data resource to provide a widely accessible P-16 public education data warehouse.

89. **Federal Funds for Test Development.** In coordination with the Texas Education Agency, the State Board for Educator Certification shall seek federal funds to provide for the development of new certification examinations. Any federal funds received by the State Board for Educator Certification for this purpose are hereby appropriated to the agency.

92. **Sunset Contingency.** Funds appropriated above in Goal C, for fiscal year 2007 for the State Board for Educator Certification are made contingent on the continuation of the State Board for Educator Certification by the Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

93. **Review of Bilingual Education Certification Standards.** The State Board for Educator Certification shall review the Bilingual Education certification examinations to determine whether the content and passing standard is appropriate. If the content or the passing standard is determined to be inappropriate, the State Board for Educator Certification shall take immediate steps to realign the examinations to the appropriate standard either through test redevelopment or other appropriate and cost-effective means. The State Board for Educator Certification is directed to make a report to the legislature on the findings of its review not later than January 31, 2006.

94. **Items Funded by House Bill 10 or Similar Legislation.** Contingent on the enactment of House Bill 10 or similar legislation increasing appropriations for the purchase of textbooks by $145,000,000 by the Seventy-ninth Legislature, Regular Session, the appropriation of State Textbook Fund 003 made above in Strategy A.1.1, FSP - Equalized Operations, shall be reduced by $145,000,000 in fiscal year 2006.

95. **Learning Through Listening Educational Outreach Program.** Out of the funds appropriated above in Strategy A.2.3, Students with Disabilities, the Commissioner shall expend $1,000,000 in fiscal year 2006 and $1,000,000 in fiscal year 2007 for the purpose of implementing an educational outreach program tied to digital audio textbooks which assists individuals with print disabilities affording reading accommodation by providing instruction

and training using digitally recorded audiobooks, playback equipment, and other resources. The program shall target economically disadvantaged students in kindergarten through 12th grade with learning disabilities, dyslexia, vision impairment, and physical disabilities.

97. Contingency Appropriation: House Bill 2 and House Bill 3.

a. Contingent on passage and enactment of House Bill 2 or similar legislation relating to public school finance, and House Bill 3 or similar Legislation relating to the reduction of local school district property taxes and increasing state revenues by the Seventy-ninth Legislature, there is hereby appropriated out of the General Revenue fund $1,787,800,000 for the 2006-07 biennium to implement the provisions of the bills increasing total revenue for the operation of local school districts and for the provision of textbooks. Also contingent on passage and enactment of House Bill 3 or similar legislation by the Seventy-ninth Legislature, all additional state revenue that is received during the 2006-07 biennium that as estimated by the Comptroller is attributable to changes in law made by House Bill 3 or by similar legislation and that may be spent for purposes of the Foundation School Program is appropriated to the Texas Education Agency for the 2006-07 biennium; however, such appropriations shall not exceed amounts necessary to provide state aid to school districts in an amount commensurate, as determined by the Legislative Budget Board, with the loss in local revenue associated with tax rate reduction. The Legislative Budget Board is directed to make all necessary adjustments to public education agencies, strategies, methods of finance, measures and riders necessary to implement the legislation. The Texas Education Agency shall develop a plan subject to approval by the Legislative Budget Board and the Governor, as needed to implement the bill.

b. Included in Strategy A.1.2, FSP - Equalized Facilities is $50 million for the purpose of new issuances under the Instructional Facilities Allotment.

98. Necessary Adjustments. For the purposes of delineating the appropriation authority and expenditure requirements for the Texas Education Agency for the 2006-07 biennium, the Legislative Budget Board is hereby directed to make necessary adjustments to the provisions above, such as allocation of appropriated funds among strategies and methods of finance, and to rider provisions contained in Senate Bill 1, Seventy-ninth Legislature, Regular Session, 2005.

99. Funding for Technology Grants. The Texas Education Agency may expend funds on technology grants, pursuant to Texas Education Code § 32.008 as authorized by House Bill 2, or similar legislation by the Seventy-ninth Legislature, only if additional funds are released to the corpus of the Permanent School Fund from the General Land Office and are made available to the Texas Education Agency for expenditure during the 2006-07 biennium. The amount of funds that may be spent on the technology grants in the 2006-07 biennium shall be limited to the lesser of the amount of funds made available by the increased General Land Office contribution or $65 million.

SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 13,129,064	$ 13,132,320
Federal Funds	2,380,908	2,380,908
Other Funds		
Appropriated Receipts	1,304,706	1,304,706
Interagency Contracts	1,232,547	1,229,547
Subtotal, Other Funds	$ 2,537,253	$ 2,534,253
Total, Method of Financing	$ 18,047,225	$ 18,047,481

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
Schedule of Exempt Positions:		
Superintendent - Group 3	$95,000	$95,000
Items of Appropriation:		
A. Goal: ACADEMIC AND LIFE TRAINING		
Provide Necessary Skills/Knowledge to Students with Visual Impairments.		
A.1.1. Strategy: CLASSROOM INSTRUCTION Provide Well-balanced Curriculum Including Disability-specific Skills.	$ 4,341,381	$ 4,341,381
A.1.2. Strategy: RESIDENTIAL PROGRAM Provide Instruction in Independent Living and Social Skills.	$ 3,297,899	$ 3,297,899
A.1.3. Strategy: SUMMER AND SHORT PROGRAMS Provide Summer School and Short-term Programs to Meet Students' Needs.	$ 1,216,380	$ 1,216,380
A.1.4. Strategy: RELATED AND SUPPORT SERVICES Provide Regular and Short-term Related and Support Services.	$ 3,320,338	$ 3,169,138
Total, Goal A: ACADEMIC AND LIFE TRAINING	$ 12,175,998	$ 12,024,798
B. Goal: STATEWIDE RESOURCE CENTER		
Ensure Skills Necessary to Improve Students' Education and Services.		
B.1.1. Strategy: TECHNICAL ASSISTANCE Provide Technical Asst for Families/Programs Serving Visually Impaired.	$ 2,962,498	$ 2,959,498
C. Goal: EDUCATIONAL PROF SALARY INCREASES		
Estimated Educational Professional Salary Increases.		
C.1.1. Strategy: EDUC PROF SALARY INCREASES Estimated Educational Professional Salary Increases.	$ 153,037	$ 310,664
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,287,882	$ 1,287,882
D.1.2. Strategy: OTHER SUPPORT SERVICES	$ 1,607,414	$ 1,607,414
Total, Goal D: INDIRECT ADMINISTRATION	$ 2,895,296	$ 2,895,296
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (139,604)	$ (142,775)
Grand Total, SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED	$ 18,047,225	$ 18,047,481
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 14,047,935	$ 14,217,562
Other Personnel Costs	535,730	535,730
Professional Fees and Services	213,004	213,004
Fuels and Lubricants	53,141	53,141
Consumable Supplies	270,804	270,804
Utilities	557,380	557,380
Travel	206,622	208,622
Rent - Machine and Other	62,213	62,213
Other Operating Expense	909,717	906,546
Client Services	2,470	2,470
Food for Persons - Wards of State	234,365	234,365
Grants	638,000	638,000
Capital Expenditures	315,844	147,644
Total, Object-of-Expense Informational Listing	$ 18,047,225	$ 18,047,481

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

Employee Benefits		
Retirement	$ 705,905	$ 716,494
Group Insurance	2,233,554	2,265,144
Social Security	987,170	1,001,977
Benefits Replacement	150,523	142,997
Subtotal, Employee Benefits	$ 4,077,152	$ 4,126,612
Debt Service		
TPFA GO Bond Debt Service	$ 1,758,495	$ 3,252,967
Lease Payments	49,346	43,475
Subtotal, Debt Service	$ 1,807,841	$ 3,296,442
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 5,884,993	$ 7,423,054

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the School for the Blind and Visually Impaired. 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 School for the Blind and Visually Impaired. In order to achieve the objectives and service standards established by this Act, the School for the Blind and Visually Impaired shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ACADEMIC AND LIFE TRAINING		
Outcome (Results/Impact):		
Percent of Student Learning Indicator Attained	100%	100%
Percent of Students Whose Responding Local School Districts Rated Their Learning Experience at Summer Programs as Very Satisfactory or Above	85%	85%
A.1.1. Strategy: CLASSROOM INSTRUCTION		
Output (Volume):		
Number of Students Enrolled in Day Programming During Regular School Year	158	158
Percent of Students Enrolled Who Have Multiple Disabilities	73%	73%
Efficiencies:		
Average Cost of Instructional Program Per Student Per Day	146.94	146.94
Explanatory:		
Average Length of Enrollment in Regular School Year Program (Months)	32	32
A.1.2. Strategy: RESIDENTIAL PROGRAM		
Output (Volume):		
Number of Students Enrolled in Residential Programming During Regular School Year	148	148
Efficiencies:		
Average Cost of Residential Program Per Student Per Night	75.80	75.80
A.1.3. Strategy: SUMMER AND SHORT PROGRAMS		
Output (Volume):		
Number of Students Enrolled in Short-term Programs	140	140
B. Goal: STATEWIDE RESOURCE CENTER		
Outcome (Results/Impact):		
Percent of Families, Professionals, and Paraprofessionals Rating as Very Satisfactory or Above the Improvement of Their Knowledge and Skills as a Result of the Services or Products Received from TSBVI	85%	85%
B.1.1. Strategy: TECHNICAL ASSISTANCE		
Output (Volume):		
Number of On-site Visits	165	165
Number of Participants in Conferences and Workshops Held at the Local, Regional, State and National Levels	5,360	5,360

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.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Replace Elementary Residential Complex	$ 4,173,499	$ 0
(2) Replace Indoor Swimming Pool and Replace or Renovate Recreation Center	4,859,268	0
(3) Construct Duplex Independent Living Facility	1,282,919	0
(4) Construct Four-Unit Studio Apartment	963,142	0
(5) Construct Playground	388,928	0
(6) Construct Elementary Physical Education/Therapy Building	$ 979,120	$ 0
Total, Construction of Buildings and Facilities	$ 12,646,876	$ 0
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Deferred Maintenance, Masterplan Study and Covered Walkway	2,593,172	0
(2) Renovate Campus Buildings 501, 502, and 503	5,919,311	0
(3) Renovate Homemaking Facility	1,944,206	0
(4) Renovate and Expand Main Instructional Building	$ 13,348,435	$ 0
Total, Repair or Rehabilitation of Buildings and Facilities	$ 23,805,124	$ 0
c. Acquisition of Information Resource Technologies		
(1) Instructional Materials	70,000	70,000
(2) Technology Upgrade	$ 30,000	$ 30,000
Total, Acquisition of Information Resource Technologies	$ 100,000	$ 100,000
d. Transportation Items		
(1) School Transportation	$ 151,201	$ 0
Total, Capital Budget	$ 36,703,201	$ 100,000
Method of Financing (Capital Budget):		
General Revenue Fund	$ 251,201	$ 100,000
Bond Proceeds - General Obligation Bonds	36,452,000	0
Total, Method of Financing	$ 36,703,201	$ 100,000

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Instructional Materials	64,750	64,750
(2) Technology Upgrade	$ 27,750	$ 27,750
Total, Acquisition of Information Resource Technologies	$ 92,500	$ 92,500

b. Transportation Items		
(1) School Transportation	$ 136,080	$ 0
Total, Capital Budget	$ 228,580	$ 92,500

3. **Teacher Preparation Consortium.** Out of the funds appropriated above in Strategy B.1.1, Technical Assistance, $900,000 in each year of the biennium is Federal CFDA 84.027, Special Education Grants. These funds shall be used to support professional preparation for teachers of students with visual impairments. The funds shall be expended under the provisions of a memorandum of understanding executed by Texas School for the Blind and Visually Impaired, Texas Tech University, and Stephen F. Austin University.

4. **Educational Professional Salary Increases.** The funds appropriated in Strategy C.1.1, Educational Professional Salary Increases, are estimated General Revenue and are contingent upon the increases granted to comparable educational professionals in the Austin Independent School District, pursuant to Texas Education Code § 30.024(b)(1). No later than November 1 of each year of the biennium, the Texas School for the Blind and Visually Impaired shall submit, in a form acceptable to the Legislative Budget Board and the Governor, a computation of the salary increases. The school is directed to include in each year of the subsequent biennium baseline budget request the actual amount expended for salary increases in the second year of the previous biennium.

5. **Unexpended Construction Balances.** Any unexpended construction, repair, or renovation balances from 200~~5~~7 appropriations ~~(estimated to be $0)~~ are hereby appropriated to the Texas School for the Blind and Visually Impaired for the same purpose in the 200~~6~~8-200~~7~~9biennium.

6. **Cash Flow Contingency.** Subject to the prior approval of the Governor and the Legislative Budget Board, the Texas School for the Blind and Visually Impaired is hereby authorized to transfer General Revenue funds in an amount not to exceed $500,000 from fiscal year 200~~7~~9 to fiscal year 200~~6~~8. This transfer is contingent upon the anticipated receipt of a like amount of federal reimbursement funds, and shall be used only for the purpose of temporary cash flow needs.

7. **Federal Funds for Statewide Services.** Out of funds appropriated above in Strategy A.1.3, Summer and Short Programs, for the 2008-09 biennium $148,367 is Federal CFDA 84.027 Special Education Grants. These funds shall be used to support short-term programs for students who are otherwise enrolled in local school districts.

Out of the funds appropriated above in Strategy B.1.1, Technical Assistance, for the 2008-09 biennium $98,856 is Federal CFDA 84.027 Special Education Grants. These funds shall be used to provide statewide assistive technology training to programs in local school districts.

SCHOOL FOR THE DEAF

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 15,620,080	$ 15,785,633
Federal Funds	1,023,572	917,372
Other Funds		
Appropriated Receipts	3,894,147	3,894,147
Interagency Contracts	363,400	363,400
Subtotal, Other Funds	$ 4,257,547	$ 4,257,547
Total, Method of Financing	$ 20,901,199	$ 20,960,552

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	448.2	448.2
Schedule of Exempt Positions:		
Superintendent - Group 3	$95,000	$95,000
Items of Appropriation:		
A. Goal: ACADEMIC, LIFE, AND WORK TRAINING		
Provide Training for Students to Become Productive Citizens.		
A.1.1. Strategy: CLASSROOM INSTRUCTION Provide Rigorous Educational Services in the Classroom.	$ 7,027,952	$ 6,970,225
A.1.2. Strategy: RESIDENTIAL PROGRAM Provide After-school Residential Programming.	$ 3,497,021	$ 3,497,021
A.1.3. Strategy: RELATED AND SUPPORT SERVICES Provide Counseling and Other Support Services.	$ 4,867,670	$ 4,817,670
Total, Goal A: ACADEMIC, LIFE, AND WORK TRAINING	$ 15,392,643	$ 15,284,916
B. Goal: OUTREACH AND RESOURCE SERVICES		
Promote Outreach and Resource Services.		
B.1.1. Strategy: TECHNICAL ASSISTANCE Provide Statewide Teacher Training and Technical Assistance.	$ 513,976	$ 513,976
B.1.2. Strategy: TSD SPECIAL SUMMER/SHORT-TERM PGMS Provide Summer and School-year Short-term Programs.	$ 517,634	$ 517,634
B.1.3. Strategy: TECHNOLOGY OUTREACH Provide Distance Learning, Videoconferencing, and Technology Outreach.	$ 284,303	$ 284,303
Total, Goal B: OUTREACH AND RESOURCE SERVICES	$ 1,315,913	$ 1,315,913
C. Goal: EDUCATIONAL PROF SALARY INCREASES		
Estimated Educational Professional Salary Increases.		
C.1.1. Strategy: EDUC PROF SALARY INCREASES Estimated Educational Professional Salary Increases.	$ 155,798	$ 316,270
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,122,158	$ 1,122,158
D.1.2. Strategy: OTHER SUPPORT SERVICES	$ 3,123,073	$ 3,123,074
Total, Goal D: INDIRECT ADMINISTRATION	$ 4,245,231	$ 4,245,232
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (208,386)	$ (201,779)
Grand Total, SCHOOL FOR THE DEAF	$ 20,901,199	$ 20,960,552
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 16,590,452	$ 16,623,198
Other Personnel Costs	341,440	341,440
Professional Fees and Services	322,006	322,006
Fuels and Lubricants	75,800	75,800
Consumable Supplies	233,098	233,098
Utilities	1,089,408	1,089,408
Travel	162,685	162,685
Rent - Building	1,000	1,000
Rent - Machine and Other	122,000	122,000
Other Operating Expense	930,100	936,707
Client Services	594,600	594,600
Food for Persons - Wards of State	297,610	297,610
Capital Expenditures	141,000	161,000
Total, Object-of-Expense Informational Listing	$ 20,901,199	$ 20,960,552

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

Employee Benefits		
Retirement	$ 955,358	$ 969,688
Group Insurance	2,982,235	3,024,897
Social Security	1,264,882	1,283,856
Benefits Replacement	143,339	136,172
Subtotal, Employee Benefits	$ 5,345,814	$ 5,414,613
Debt Service		
TPFA GO Bond Debt Service	$ 773,891	$ 757,287
Lease Payments	5,478,690	5,459,689
Subtotal, Debt Service	$ 6,252,581	$ 6,216,976
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 11,598,395	$ 11,631,589

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the School for the Deaf. 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 School for the Deaf. In order to achieve the objectives and service standards established by this Act, the School for the Deaf shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ACADEMIC, LIFE, AND WORK TRAINING		
Outcome (Results/Impact):		
Percent of Academic Courses in Which Students Obtain a Passing Grade	98%	98%
Percent of Graduates Accepted in Postsecondary Education	68%	68%
A.1.1. Strategy: CLASSROOM INSTRUCTION		
Output (Volume):		
Number of Students Enrolled at Texas School for the Deaf	483	486
Number of Graduates Accepted in Postsecondary Education or Training Programs	42	43
Number of Students Enrolled in the Special Needs Department	91	91
Efficiencies:		
Average Cost of Instructional Program Per Student Per Day	78.65	77.52
Explanatory:		
Average Length of Enrollment (By Months) in Regular Year Program	50	50
A.1.2. Strategy: RESIDENTIAL PROGRAM		
Output (Volume):		
Number of Residential Students	275	275
Efficiencies:		
Average Cost of Residential Program Per Student Per Night	44.62	44.62
A.1.3. Strategy: RELATED AND SUPPORT SERVICES		
Output (Volume):		
Number of Students Receiving Counseling	180	180
Number of Comprehensive Assessments Conducted for Current Students	165	170
Number of Students Receiving Speech Therapy	300	300
B. Goal: OUTREACH AND RESOURCE SERVICES		
B.1.1. Strategy: TECHNICAL ASSISTANCE		
Output (Volume):		
Number of Participants in Workshops and Training Seminars	6,437	7,239

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.

	2006	2007
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Americans with Disabilities Act Compliance Projects	$ 913,500	$ 0
(2) Life Safety Code Projects	464,000	0
(3) Heating, Ventilating, and Air Conditioning Projects	187,000	0
(4) Roof Repair and Replacement	$ 165,000	$ 0
Total, Repair or Rehabilitation of Buildings and Facilities	$ 1,729,500	$ 0
b. Acquisition of Information Resource Technologies		
(1) Lease Payments to Upgrade and Replace Hardware (04-05 Acquisition)	50,000	25,000
(2) Lease Payments to Upgrade and Replace Hardware (06-07 Acquisition)	$ 50,000	$ 75,000
Total, Acquisition of Information Resource Technologies	$ 100,000	$ 100,000
c. Transportation Items		
(1) Lease Payments for 1 School Bus and 1 Van to Provide Student Transportation (04-05 Acquisition)	25,000	25,000
(2) Lease Payments for 1 School Bus and 1 Van to Provide Student Transportation (06-07 Acquisition)	$ 25,000	$ 50,000
Total, Transportation Items	$ 50,000	$ 75,000
Total, Capital Budget	$ 1,879,500	$ 175,000
Method of Financing (Capital Budget):		
General Revenue Fund	$ 150,000	$ 175,000
Bond Proceeds - General Obligation Bonds	1,729,500	0
Total, Method of Financing	$ 1,879,500	$ 175,000

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Lease Payments to Upgrade and Replace Hardware (06-07 Acquisition)	60,000	20,000
(2) Lease Payments to Upgrade and Replace Hardware (08-09 Acquisition)	$ 44,000	$ 88,000
Total, Acquisition of Information Resource Technologies	$ 104,000	$ 108,000
b. Transportation Items		
(1) Lease Payments for 1 School Bus and 1 Van to Provide Student Transportation (06-07 Acquisition)	37,000	25,000

(2) Lease Payments for 1 School Bus to Provide Student Transportation (08-09 Acquisition)	$ 0	$ 28,000
Total, Transportation Items	$ 37,000	$ 53,000
Total, Capital Budget	$ 141,000	$ 161,000

43. **Educational Professional Salary Increases.** The funds appropriated in Strategy C.1.1, Educational Professional Salary Increases, are estimated General Revenue and are contingent upon the increases granted to comparable educational professionals in the Austin Independent School District, pursuant to Texas Education Code § 30.055(b)(1). No later than November 1 of each year of the biennium, the Texas School for the Deaf shall submit, in a form acceptable to the Legislative Budget Board and the Governor, a computation of the salary increases. The school is directed to include in each year of the subsequent biennium baseline budget request the actual amount expended for salary increases in the second year of the previous biennium.

~~**3.** **Classification of Residential Staff.** It is the intent of the Legislature that residential staff at the Texas School for the Deaf (including the "house parent" positions) shall be classified and compensated according to the Residential Specialist series as delineated in Article IX of this Act.~~

~~**5.** **Historically Underutilized Businesses.** Out of the funds appropriated above, the Texas School for the Deaf shall make a good faith effort to comply with the historically underutilized requirements set out in Chapter 2161 of the Texas Government Code. The State Auditor's Office and the Texas Building and Procurement Commission shall determine an agency's compliance with the provisions set out in Chapter 2161.~~

SPECIAL PROVISIONS FOR THE SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED AND SCHOOL FOR THE DEAF

1. **Services to Employees.** The governing boards may expend money 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 (e.g., eyeglasses, hearing aids, etc.).

2. **Emoluments.** The Superintendent is authorized to determine emoluments for certain positions provided that the provision of such emoluments is necessary to effectively carry out the job responsibilities of the position.

3. **Appropriation of Funds.** With respect to the following funds held outside the State Treasury, any balances remaining at the end of the fiscal years ending August 31, 200~~5~~7 and 200~~6~~8, plus all receipts deposited to each fund's credit and income received on the fund during the biennium, are appropriated for the continued purpose for which the fund was established subject to the approval of the respective governing board: the Expendable Trust Fund; the Student Trust Fund; the Student Activity Fund; and the Student Aid Fund.

With respect to the following funds held within the State Treasury, any balances remaining at the end of the fiscal years ending August 31, 200~~5~~7 and 200~~6~~8, plus all receipts deposited to each fund's credit and income received on the fund during the biennium, are appropriated for the continued purpose for which the fund was established: Vocational Programs Fund; Technology Lending Fund; Curriculum Publications Fund; Independent School District Fund; State and County Available Fund and other funds brought into the State Treasury under Texas Government Code, Chapter 404.

Funds received from sale of food and garbage and from the use of facilities of the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf by organizations and other entities, including the Recording for the Blind, Inc., and any daycare center provider using the facilities, are appropriated for the use of the respective school subject to the approval of the governing board.

SPECIAL PROVISIONS FOR THE SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED AND SCHOOL FOR THE DEAF
(Continued)

~~4.~~ ~~**Use of Facilities.** The respective governing boards of the Texas School for the Blind and Visually Impaired and Texas School for the Deaf may allow organizations related to the schools the use of the facilities of the physical plant, provided that said sessions do not interfere with the regular operations of the schools.~~

~~7~~**4.** **Certification and Appropriation of Medicaid Reimbursement.** The Texas School for the Blind and Visually Impaired and the Texas School for the Deaf shall certify and/or transfer appropriated state funds to the Health and Human Services Commission or its designee for the state share of any Medicaid reimbursement for services provided to eligible students. The federal share of such reimbursement is appropriated to each respective school.

~~5.~~ ~~**Petty Cash Fund.** The Texas School for the Blind and Visually Impaired and Texas School for the Deaf may establish a petty cash fund not to exceed $5,000 for each school out of the funds appropriated herein. These funds shall be maintained in cash or at a local bank and shall be used only for making emergency payments and small purchases and payments which will increase the efficiency of the operation, payments to client workers on a regular pay-day basis, and for use as a change fund in the cashier's office, canteen, and other specific locations where financial activities of the Schools require a change fund. Purchases and payments from this fund are limited to $200 per item.~~

~~8~~**5.** **Payments by School Districts.** All revenues collected from local school districts in excess of the funds appropriated above are hereby appropriated to the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf, respectively.

~~6.~~ ~~**Assessments for LEAs.** For any assessments on students from Local Education Agencies, the Texas School for the Blind and Visually Impaired and Texas School for the Deaf shall make a reasonable charge for these services to the Local Education Agencies. A reasonable effort to collect for the assessments will be made by the schools.~~

~~9~~**6.** **Consideration for Grants from the Texas Education Agency.** For all grants of state or federal funds by the Texas Education Agency, the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf shall be considered independent school districts for purposes of eligibility determination, unless the Commissioner of Education and the school Superintendents mutually agree to an alternate consideration.

TEACHER RETIREMENT SYSTEM

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,831,070,960	$ 1,924,173,525
GR Dedicated - Estimated Other Educational and General Income Account No. 770	78,920,333	82,866,350
Teacher Retirement System Trust Account Fund No. 960	46,837,604	46,919,171
Total, Method of Financing	$ 1,956,828,897	$ 2,053,959,046
This bill pattern represents an estimated 3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	427.3	427.3
Schedule of Exempt Positions:		
Executive Director	$225,000	$225,000
Chief Investment Officer	402,000	402,000
Investment Fund Director, Equity- Domestic	240,720	240,720
Investment Fund Director, Fixed Income	213,816	213,816
Investment Fund Director, Alternative Asset	204,000	204,000
Investment Fund Director, Equity-International	174,996	174,996

Items of Appropriation:		
A. Goal: TEACHER RETIREMENT SYSTEM		
To Administer the System as an Employee Benefit Trust.		
A.1.1. Strategy: TRS - PUBLIC EDUCATION RETIREMENT Retirement Contributions for Public Education Employees. Estimated.	$ 1,337,833,928	$ 1,405,777,989
A.1.2. Strategy: TRS - HIGHER EDUCATION RETIREMENT Retirement Contributions for Higher Education Employees. Estimated.	$ 331,603,811	$ 348,680,654
A.1.3. Strategy: ADMINISTRATIVE OPERATIONS	$ 45,206,264	$ 45,206,264
A.2.1. Strategy: RETIREE HEALTH - STATUTORY FUNDS Healthcare for Public Ed Retirees Funded by Statute. Estimated.	$ 242,184,894	$ 254,294,139
Total, Goal A: TEACHER RETIREMENT SYSTEM	$ 1,956,828,897	$ 2,053,959,046
Grand Total, TEACHER RETIREMENT SYSTEM	$ 1,956,828,897	$ 2,053,959,046
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 25,009,823	$ 24,529,573
Other Personnel Costs	1,912,262,633	2,009,392,782
Professional Fees and Services	6,652,683	7,112,683
Fuels and Lubricants	2,350	2,350
Consumable Supplies	458,451	458,451
Utilities	852,850	852,850
Travel	627,614	627,614
Rent - Building	33,263	33,263
Rent - Machine and Other	163,000	163,000
Other Operating Expense	9,579,980	9,579,980
Capital Expenditures	1,186,250	1,206,500
Total, Object-of-Expense Informational Listing	$ 1,956,828,897	$ 2,053,959,046
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,631,340	$ 1,712,907
Social Security	1,933,683	1,962,688
Benefits Replacement	168,466	160,043
Subtotal, Employee Benefits	$ 3,733,489	$ 3,835,638
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,733,489	$ 3,835,638

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Teacher 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 Teacher Retirement System. In order to achieve the objectives and service standards established by this Act, the Teacher Retirement System shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: TEACHER RETIREMENT SYSTEM		
Outcome (Results/Impact):		
Percent of TRS Retirees Rating TRS Member Services as Satisfactory or Better	95%	95%
Percent of TRS Active Members Rating TRS Services As Satisfactory or Better	90%	90%
TRS Retirement Fund Benefit Administration Annual Operating Expense Per Member/Annuitant in Dollars (Excluding Investment Expenses)	23	23
Percent of TRS-Care Participants Rating TRS-Care Services as Satisfactory or Better	85%	85%

A.1.3. Strategy: ADMINISTRATIVE OPERATIONS		
Output (Volume):		
Number of TRS Benefit Applications Processed	62,000	63,000
Efficiencies:		
Percent of TRS Retirees Whose First Annuity Is Paid within 31 Days of When It Is First Due	98%	98%
Average Customer Hold Time for Calls Received on Toll-free Number (In Minutes)	2	2
A.2.1. Strategy: RETIREE HEALTH - STATUTORY FUNDS		
Output (Volume):		
Dollar Amount of Participating Network Savings	715,664,044	847,920,259
Efficiencies:		
Percent of TRS - Care Medical Claims Adjudicated within 14 Days of Receipt	93%	93%

2. **Capital Budget.** None of the funds appropriated above for Strategy A.1.3, Administrative Operations, 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.

	2006	2007
~~Out of the Teacher Retirement System Trust Account Fund No. 960:~~		
~~a. Repair or Rehabilitation of Buildings and Facilities~~		
~~(1) Building Renovations 2006/07~~	~~$ 120,000~~	~~$ 120,000~~
~~(2) Retrofit Building Components to Achieve Energy Efficiency~~	~~$ 100,000~~	~~$ 100,000~~
~~Total, Repair or Rehabilitation of Buildings and Facilities~~	~~$ 220,000~~	~~$ 220,000~~
~~b. Acquisition of Information Resource Technologies~~		
~~(1) DASD Upgrade FY 2006/07~~	~~150,000~~	~~0~~
~~(2) Mainframe and Peripheral Upgrades FY 2006/07~~	~~320,000~~	~~220,000~~
~~(3) PC Workstation Upgrades FY 2006/07~~	~~210,000~~	~~210,000~~
~~(4) Telecommunications Upgrade FY 2006/07~~	~~350,000~~	~~350,000~~
~~(5) Legislation-Related Pension System Modifications FY 2007~~	~~$ 0~~	~~$ 200,000~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 1,030,000~~	~~$ 980,000~~
~~c. Acquisition of Capital Equipment and Items~~		
~~(1) Upgrade/replace equipment in Printing & Bindery, Mail Operations, and Security & Safety~~	~~$ 200,000~~	~~$ 0~~
~~Total, Capital Budget~~	~~$ 1,450,000~~	~~$ 1,200,000~~

	2008	2009
Out of the Teacher Retirement System Trust Account Fund No. 960:		
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Building Renovations 2008/09	$ 120,000	$ 120,000
(2) Energy Efficiency Retrofit	$ 215,250	$ 0
Total, Repair or Rehabilitation of Buildings and Facilities	$ 335,250	$ 120,000

b. Acquisition of Information Resource Technologies		
(1) DASD Upgrade FY 2008/09	231,000	231,000
(2) Mainframe and Peripheral Upgrades FY 2008/09	60,000	60,000
(3) PC Workstation Upgrades FY 2008/09	210,000	220,500
(4) Telecommunications Upgrade FY 2008/09	375,000	375,000
(5) Legislation-Related Pension System Modifications FY 2009	$ 0	$ 200,000
Total, Acquisition of Information Resource Technologies	$ 876,000	$ 1,086,500
Total, Capital Budget	$ 1,211,250	$ 1,206,500

3. **Updated Actuarial Valuation.** The Teacher Retirement System shall contract with an actuary to perform a limited actuarial valuation of the assets and liabilities of the Teacher 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 Teacher Retirement Program.** The amounts specified above in A.1.1, TRS-Public Education Retirement, ~~$1,139,378,709~~ $1,337,833,928 in fiscal year ~~2006~~ 2008 and ~~$1,184,953,857~~ $1,405,777,989 in fiscal year ~~2007~~ 2009, and A.1.2, TRS-Higher Education Retirement, ~~$259,466,436~~ $331,603,811 in fiscal year ~~2006~~ 2008 and ~~$272,439,757~~ $348,680,654 in fiscal year ~~2007~~ 2009, are based on a state contribution of ~~6.00~~ 6.40 percent of payroll for each fiscal year, estimated.

~~Contingent on the passage of House Bill 10 or similar legislation and House Bill 3540 or similar legislation, the state contribution rate shall be 6.22 percent of payroll or a rate consistent with total appropriated funds for the purpose of the state contribution to TRS retirement for each fiscal year.~~

5. **State Contribution to Texas Public School Retired Employees Group Insurance Program.** The amounts specified above in A.2.1, Retiree Health-Statutory Funds, ~~$210,780,824~~$242,184,894 in fiscal year ~~2006~~2008 and ~~$219,212,057~~$254,294,139 in fiscal year ~~2007~~2009 are based on a state contribution rate of 1.00 percent of payroll for each fiscal year, estimated.

The retirement system shall notify the Legislative Budget Board, the Governor, and its membership prior to establishing premiums, regarding the impact such premiums will have on retiree costs for TRS-Care insurance.

It is the intent of the Legislature that the Teacher Retirement System control the cost of the retiree insurance program by not providing rate increases to health care providers and pharmacy providers during the ~~2006-2007~~2008-09 biennium without providing 60 days notice to the Legislative Budget Board.

6. **Excess Benefit Arrangement Account.** There is hereby appropriated to the Teacher Retirement System all funds transferred or deposited into the Excess Benefit Arrangement Account established in the General Revenue Fund for the purpose of paying benefits as authorized by Government Code §~~-~~825.517.

7. **Transfer of Other Educational and General Income.** The Comptroller of Public Accounts is hereby authorized to transfer the necessary appropriations made above in A.1.2, TRS-Higher Education Retirement from Other Educational and General Income to institutions of higher education to meet their obligations and comply with the proportionality policy as expressed in the Article IX provision entitled Salaries to be Proportional by Fund.

8. **Exempt Positions.** Notwithstanding the limitations contained in the Article IX provision entitled Scheduled Exempt Positions, the TRS Board of Trustees may determine the salaries of the positions listed above in the Schedule of Exempt Positions without limitation.

9. **Travel Expenditures.** Notwithstanding the limitations on travel expenditures contained in Article IX of this Act, the annual out-of-state travel cap for the Teacher Retirement System is hereby set at $425,000 for each year of the biennium. The additional authority is provided to allow TRS' investment professionals greater personal access to financial centers, investment experts, and investor information.

10. **Annual School District Contribution Rate to TRS-Care.** The annual contribution rate for school districts for fiscal years ~~2006~~2008 and ~~2007~~2009 shall be 0.55 percent of total payroll.

~~**11.** **Medicare Part D, Prescription Drug Benefit.** Out of the funds appropriated above in Strategy A.3.1, Retiree Health Supplemental Funds, a reduction of $116,141,366 has been taken in fiscal year 2007 to reflect anticipated savings associated with the Medicare Part D, prescription drug benefit.~~

~~**12.** **Cost Savings Measures and Limitation on Retiree Premium Increase.** It is the intent of the Legislature that the Teacher Retirement System continue its cost containment efforts and that increases in payroll-based contributions to TRS-Care related to increases in payroll associated with state legislation be applied first to eliminate or to limit increases to retiree premiums and changes in plan design during the 2006-2007 biennium.~~

OPTIONAL RETIREMENT PROGRAM

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 118,239,065	$ 122,968,627
GR Dedicated - Estimated Other Educational and General Income Account No. 770	25,171,311	26,178,163
Total, Method of Financing	$ 143,410,376	$ 149,146,790
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: OPTIONAL RETIREMENT PROGRAM		
A.1.1. Strategy: OPTIONAL RETIREMENT PROGRAM Optional Retirement Program. Estimated.	$ 143,410,376	$ 149,146,790
Grand Total, OPTIONAL RETIREMENT PROGRAM	$ 143,410,376	$ 149,146,790
Object-of-Expense Informational Listing:		
Other Personnel Costs	$ 143,410,376	$ 149,146,790
Total, Object-of-Expense Informational Listing	$ 143,410,376	$ 149,146,790

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Optional Retirement Program. 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 Optional Retirement Program. In order to achieve the objectives and service standards established by this Act, the Optional Retirement Program shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: OPTIONAL RETIREMENT PROGRAM		
A.1.1. Strategy: OPTIONAL RETIREMENT PROGRAM		
Output (Volume):		
Number of ORP Participants	38,867	39,256

2. **State Contribution to Optional Retirement Program.** The amount specified above in A.1.1, Optional Retirement Program, is based on a state contribution rate of ~~6.0~~ 6.40 percent of payroll for each fiscal year, estimated. Institutions of higher education and the Texas Education Agency, if applicable, are required to certify estimates of state contributions required for payment to the Comptroller, and the Comptroller shall allocate the state contributions to institutions and the Texas Education Agency pursuant to Government Code § 830.202.

3. **Use of Local Funds for Supplementing the General Revenue Appropriation to the Optional Retirement Program.** Institutions and agencies authorized under state law to provide the Optional Retirement Program to their employees are authorized to use local funds or other sources of funds to supplement the General Revenue Fund appropriation at a rate up to ~~2.5~~ 2.1 percent of payroll.

4. **Transfer of Other Educational and General Income.** The Comptroller of Public Accounts is hereby authorized to transfer the necessary appropriations made above from Other Educational and General Income to institutions of higher education to meet their obligations and comply with the proportionality policy as expressed in Article IX of this Act.

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 485,590,550	$ 485,590,550
State Highway Fund No. 006	485,004	485,004
Total, Method of Financing	$ 486,075,554	$ 486,075,554
This bill pattern represents an estimated 100% of the state's contribution for Higher Education Insurance for the biennium.		
Items of Appropriation:		
A. Goal: STATE CONTRIBUTION, UT SYSTEM		
Group Insurance, State Contribution, UT System.		
A.1.1. Strategy: UT - ARLINGTON The University of Texas at Arlington.	$ 8,081,157	$ 8,081,157
A.1.2. Strategy: UT - AUSTIN The University of Texas at Austin.	$ 22,842,261	$ 22,842,261
A.1.3. Strategy: UT - DALLAS The University of Texas at Dallas.	$ 4,930,441	$ 4,930,441
A.1.4. Strategy: UT - EL PASO The University of Texas at El Paso.	$ 7,828,526	$ 7,828,526
A.1.5. Strategy: UT - PAN AMERICAN The University of Texas - Pan American.	$ 5,052,881	$ 5,052,881
A.1.6. Strategy: UT - BROWNSVILLE The University of Texas at Brownsville.	$ 1,523,477	$ 1,523,477
A.1.7. Strategy: UT - PERMIAN BASIN The University of Texas of the Permian Basin.	$ 1,248,287	$ 1,248,287
A.1.8. Strategy: UT - SAN ANTONIO The University of Texas at San Antonio.	$ 7,469,211	$ 7,469,211
A.1.9. Strategy: UT - TYLER The University of Texas at Tyler.	$ 2,589,528	$ 2,589,528
A.1.10. Strategy: UT SW MEDICAL - DALLAS The University of Texas Southwestern Medical Center at Dallas.	$ 8,064,575	$ 8,064,575
A.1.11. Strategy: UT MEDICAL - GALVESTON The University of Texas Medical Branch at Galveston.	$ 41,047,555	$ 41,047,555
A.1.12. Strategy: UTHSC - HOUSTON The University of Texas Health Science Center at Houston.	$ 10,742,383	$ 10,742,383
A.1.13. Strategy: UTHSC - SAN ANTONIO The University of Texas Health Science Center at San Antonio.	$ 14,707,978	$ 14,707,978
A.1.14. Strategy: UT MD ANDERSON The University of Texas M. D. Anderson Cancer Center.	$ 5,951,158	$ 5,951,158
A.1.15. Strategy: UT HEALTH CENTER - TYLER The University of Texas Health Center at Tyler.	$ 2,284,933	$ 2,284,933
A.1.16. Strategy: TEXAS SOUTHMOST (UT) Texas Southmost College (UT Share).	$ 1,559,351	$ 1,559,351
A.1.17. Strategy: UT SYSTEM ADMINISTRATION The University of Texas System Administration.	$ 52,837	$ 52,837
Total, Goal A: STATE CONTRIBUTION, UT SYSTEM	$ 145,976,539	$ 145,976,539
B. Goal: STATE CONTRIBUTION, A&M SYSTEM		
Group Insurance, State Contribution, A&M System.		
B.1.1. Strategy: TEXAS A&M UNIVERSITY	$ 23,538,768	$ 23,538,768
B.1.2. Strategy: A&M SYSTEM HEALTH SCIENCE CENTER Texas A&M University System Health Science Center.	$ 3,460,002	$ 3,460,002
B.1.3. Strategy: A&M - GALVESTON Texas A&M University at Galveston.	$ 1,105,301	$ 1,105,301
B.1.4. Strategy: PRAIRIE VIEW A&M Prairie View A&M University.	$ 4,074,377	$ 4,074,377
B.1.5. Strategy: TARLETON STATE UNIVERSITY	$ 3,238,884	$ 3,238,884

B.1.6. Strategy: A&M - CORPUS CHRISTI Texas A&M University - Corpus Christi.	$ 3,453,707	$ 3,453,707
B.1.7. Strategy: A&M - KINGSVILLE Texas A&M University - Kingsville.	$ 3,799,137	$ 3,799,137
B.1.8. Strategy: A&M - INTERNATIONAL Texas A&M International University.	$ 1,742,988	$ 1,742,988
B.1.9. Strategy: WEST TEXAS A&M West Texas A&M University.	$ 3,415,162	$ 3,415,162
B.1.10. Strategy: TEXAS A&M UNIVERSITY - COMMERCE	$ 4,115,915	$ 4,115,915
B.1.11. Strategy: TEXAS A&M UNIVERSITY - TEXARKANA	$ 739,695	$ 739,695
B.1.12. Strategy: AG EXPERIMENT STATION Texas Agricultural Experiment Station.	$ 6,527,338	$ 6,527,338
B.1.13. Strategy: COOPERATIVE EXTENSION Texas Cooperative Extension.	$ 10,101,466	$ 10,101,466
B.1.14. Strategy: ENG EXPERIMENT STATION Texas Engineering Experiment Station.	$ 1,719,610	$ 1,719,610
B.1.15. Strategy: TRANSPORTATION INSTITUTE Texas Transportation Institute.	$ 485,004	$ 485,004
B.1.16. Strategy: ENG EXTENSION SERVICE Texas Engineering Extension Service.	$ 331,588	$ 331,588
B.1.17. Strategy: TEXAS FOREST SERVICE	$ 2,387,209	$ 2,387,209
B.1.18. Strategy: VET MEDICAL DIAGNOSTIC LAB Texas Veterinary Medical Diagnostic Laboratory.	$ 467,504	$ 467,504
B.1.19. Strategy: A&M SYSTEM ADMINISTRATION Texas A&M University System Administration.	$ 32,228	$ 32,228
Total, Goal B: STATE CONTRIBUTION, A&M SYSTEM	$ 74,735,883	$ 74,735,883
C. Goal: STATE CONTRIBUTION, ERS Group Insurance, State Contribution, Employees Retirement System.		
C.1.1. Strategy: UNIVERSITY OF HOUSTON	$ 12,076,977	$ 12,076,977
C.1.2. Strategy: UH - CLEARLAKE University of Houston - Clear Lake.	$ 2,303,859	$ 2,303,859
C.1.3. Strategy: UH - DOWNTOWN University of Houston - Downtown.	$ 1,801,846	$ 1,801,846
C.1.4. Strategy: UH - VICTORIA University of Houston - Victoria.	$ 1,041,754	$ 1,041,754
C.1.5. Strategy: UH SYSTEM ADMINISTRATION The University of Houston System Administration.	$ 562,261	$ 562,261
C.1.6. Strategy: LAMAR UNIVERSITY	$ 4,350,125	$ 4,350,125
C.1.7. Strategy: LAMAR INSTITUTE OF TECHNOLOGY Lamar Institute of Technology.	$ 636,508	$ 636,508
C.1.8. Strategy: LAMAR STATE COLLEGE - ORANGE	$ 696,280	$ 696,280
C.1.9. Strategy: LAMAR STATE COLLEGE - PORT ARTHUR	$ 1,319,490	$ 1,319,490
C.1.10. Strategy: ANGELO STATE UNIVERSITY	$ 3,356,637	$ 3,356,637
C.1.11. Strategy: SAM HOUSTON STATE UNIV Sam Houston State University.	$ 5,310,617	$ 5,310,617
C.1.12. Strategy: TEXAS STATE UNIVERSITY Texas State University, San Marcos.	$ 7,508,431	$ 7,508,431
C.1.13. Strategy: SUL ROSS STATE UNIVERSITY	$ 1,653,683	$ 1,653,683
C.1.14. Strategy: SUL ROSS STATE-RIO GRANDE COLLEGE Sul Ross State University - Rio Grande College.	$ 241,527	$ 241,527
C.1.15. Strategy: TEXAS STATE SYSTEM ADMIN Texas State University System Administration.	$ 88,817	$ 88,817
C.1.16. Strategy: MIDWESTERN STATE UNIV Midwestern State University.	$ 2,254,061	$ 2,254,061
C.1.17. Strategy: UNIVERSITY OF NORTH TEXAS	$ 12,848,720	$ 12,848,720
C.1.18. Strategy: UNT HEALTH SCIENCE CENTER University of North Texas Health Science Center at Fort Worth.	$ 3,398,479	$ 3,398,479
C.1.19. Strategy: STEPHEN F. AUSTIN Stephen F. Austin State University.	$ 5,166,548	$ 5,166,548
C.1.20. Strategy: TEXAS SOUTHERN UNIVERSITY	$ 3,817,000	$ 3,817,000
C.1.21. Strategy: TEXAS TECH UNIVERSITY	$ 13,332,953	$ 13,332,953
C.1.22. Strategy: TEXAS TECH HEALTH SCI CTR Texas Tech University Health Sciences Center.	$ 13,561,707	$ 13,561,707
C.1.23. Strategy: TEXAS WOMAN'S UNIVERSITY	$ 4,720,428	$ 4,720,428

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS
(Continued)

C.1.24. Strategy: TSTC - HARLINGEN Texas State Technical College - Harlingen.	$ 1,609,858	$ 1,609,858
C.1.25. Strategy: TSTC - WEST TEXAS Texas State Technical College - West Texas.	$ 1,035,483	$ 1,035,483
C.1.26. Strategy: TSTC - WACO Texas State Technical College - Waco.	$ 2,362,860	$ 2,362,860
C.1.27. Strategy: TSTC - MARSHALL Texas State Technical College - Marshall.	$ 364,419	$ 364,419
C.1.28. Strategy: TSTC - SYSTEM ADMIN Texas State Technical College System Administration.	$ 2,976,535	$ 2,976,535
C.1.29. Strategy: PUB COMMUNITY / JR COLLEGES Public Community / Junior Colleges.	$ 154,315,269	$ 154,315,269
C.1.30. Strategy: SKIP CONTRIBUTIONS	$ 650,000	$ 650,000
Total, Goal C: STATE CONTRIBUTION, ERS	$ 265,363,132	$ 265,363,132
Grand Total, HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS	$ 486,075,554	$ 486,075,554
Object-of-Expense Informational Listing:		
Other Personnel Costs	$ 486,075,554	$ 486,075,554
Total, Object-of-Expense Informational Listing	$ 486,075,554	$ 486,075,554

1. **State Contribution to Group Insurance for Higher Education Employees Participating in the Employees Retirement System Group Benefit Program.** 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; and

   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.

   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.

   General Revenue funds appropriated herein for the State Kids Insurance Program (SKIP) are intended to provide a premium-sharing structure comparable to the Children's Health Insurance Program (CHIP). Institutions of higher education paying for health insurance costs from non-General Revenue funds shall provide the same levels of premium-sharing for SKIP enrollees as provided for those higher education employees with health insurance paid from General Revenue funds.

   Funds appropriated for higher education employees' group insurance contributions may not be used for any other purpose.

   It is further provided that institutions shall cooperate so that employees employed by more than one institution may be covered under one group policy and that said policy may be held jointly by two or more institutions and paid from funds appropriated to the institutions for payment of employee insurance premiums as set out above.

2. **The University of Texas System Group Health Insurance Contributions.** Funds identified above for group insurance are intended to fund the same portion of the costs of basic health coverage for all active and retired employees and their dependents as is provided above for higher education active and retired employees and dependents participating in the Employees Retirement System's Group Benefit Program.

   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.

Funds appropriated for higher education employees' group insurance contributions may not be used for any other purpose.

The University of Texas System shall file a report with the Legislative Budget Board, the Governor and the Comptroller by September 15 of each year, detailing all group health insurance plans offered to system employees and retirees, including the benefit schedule, premium amounts, and employee/retiree contributions.

Active and retired employees of The University of Texas System are authorized to use one-half of the "employee-only" state contribution amount for optional insurance. Optional insurance for the employees participating in the group insurance program shall be defined by The University of Texas System. Active and retired employees participating in these plans may only use one-half of the employee-only state contribution if they sign and submit a document to their employing institution indicating they have health insurance coverage from another source.

3. Texas A&M System Group Health Insurance Contributions. Funds identified above for group insurance are intended to fund the same portion of the costs of basic health coverage for all active and retired employees and their dependents as is provided above for higher education active and retired employees and dependents participating in the Employees Retirement System's Group Benefit Program.

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.

Funds appropriated for higher education employees' group insurance contributions may not be used for any other purpose.

The Texas A&M System shall file a report with the Legislative Budget Board, the Governor and the Comptroller by September 15 of each year, detailing all group health insurance plans offered to system employees and retirees, including the benefit schedule, premium amounts, and employee/retiree contributions.

Active and retired employees of the Texas A&M System are authorized to use one-half of the "employee-only" state contribution amount for optional insurance. Optional insurance for the employees participating in the group insurance program shall be defined by the Texas A&M System. Active and retired employees participating in these plans may only use one-half of the employee-only state contribution if they sign and submit a document to their employing institution indicating they have health insurance coverage from another source.

4. Transfer Authority. Out of the funds appropriated above:

a. The Comptroller shall transfer monthly, one-twelfth of the amount appropriated from those institutions participating in the Employees Retirement System's Group Benefit Program to the Employees Life, Accident, and Health Insurance and Benefits Fund No. 973, for use by the Employees Retirement System for each higher education institution which participates in the group insurance program of the Employees Retirement System.

b. The Comptroller shall transfer monthly, one-twelfth of the amount appropriated from state contributions for institutions belonging to the University of Texas and Texas A&M Systems, to The University of Texas System Office and the Texas A&M University System Office, for use by each institution's group insurance program.

5. Specification of Appropriations. The amount of the appropriation made for Strategy C.1.~~30~~29, Public Community/Junior Colleges, shall be allocated to each college in accordance with a report, specifying the exact amounts for each college, to be provided by the Legislative Budget Board to the Employees Retirement System.

6. Appropriations Transfers.

a. Funds appropriated above to institutions other than those belonging to The University of Texas System or the Texas A&M University System, may be transferred from one

appropriation item to another at the discretion of the chief administrative officer of the Employees Retirement System for the purpose of applying appropriations in excess of actual general revenue group insurance premium costs at any of the higher education institutions named above to appropriation shortfalls for general revenue group insurance premiums at any of the higher education institutions named above. Funds appropriated above to components of The University of Texas System and the Texas A&M University System may be transferred from one component to another component within the same system at the discretion of the chief administrative officer of each system for the same purposes stated above.

b. The Employees Retirement System, The University of Texas System, and the Texas A&M University System shall file a report with the Legislative Budget Board, the Governor and the Comptroller by December 1 of each year, detailing any such transfers.

c. Out of the funds appropriated above in Strategy A.1.11, The University of Texas Medical Branch at Galveston, ~~$2,178,268~~ $1,943,150 in fiscal year 200~~6~~8 and ~~$2,302,211~~$1,943,150 in fiscal year 200~~7~~9 is for the purpose of paying general revenue group insurance premiums for correctional managed health care employees participating in the Employees Retirement System Group Benefit Program. Out of the funds appropriated above in Strategy C.1.2~~3~~2, Texas Tech University Health Sciences Center, ~~$3,421,908~~ $3,631,615 in fiscal year 200~~6~~8 and ~~$3,616,614~~ $3,631,615 in fiscal year 200~~7~~9 is for the purpose of paying general revenue group insurance premiums for employees paid from managed health care contracts associated with Texas Youth Commission and Texas Department of Criminal Justice. Except for the transfer authority provided above in Subsection a, these amounts are sum certain.

7. Unexpended Balances, Higher Education Group Insurance Contributions. Any unexpended balances remaining as of August 31, 2008 for individual institutions of higher education receiving General Revenue group insurance contributions in this appropriation are hereby appropriated for the same purposes in fiscal year 2009.

HIGHER EDUCATION COORDINATING BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 387,568,455	$ 369,649,789
General Revenue Fund - Dedicated		
Scholarship Fund for Fifth Year Accounting Students Account No. 106, estimated	600,907	600,908
Medical School Tuition Set Aside Account No. 542	522,500	522,500
Texas Collegiate License Plate Program Account No. 5015, estimated	225,000	75,000
Houston Livestock Show and Rodeo Scholarships Fund Account No. 5034, estimated	39,000	29,000
Girl Scout License Plates Account No. 5052, estimated	13,500	13,500
Texas B-on-Time Student Loan Account No. 5103, estimated	22,500,113	17,500,112
Cotton Boll License Plates Account No. 5119, estimated	19,628	6,000
Boy Scout Plates Account No. 5126, estimated	8,400	7,200
Subtotal, General Revenue Fund - Dedicated	$ 23,929,048	$ 18,754,220
Federal Funds	61,473,795	62,053,164
Other Funds		
Appropriated Receipts, estimated	4,581,758	4,581,758
Certificate of Authority Fees, estimated	27,000	27,000
Interagency Contracts, estimated	912,835	912,835
Permanent Health Fund for Higher Education, estimated	1,915,830	1,915,830
Permanent Endowment Fund for the Baylor College of Medicine, estimated	1,125,000	1,125,000

Permanent Fund for the Higher Education Nursing, Allied Health and Other Health Related Programs, estimated	2,025,000	2,025,000
Permanent Fund for Minority Health Research and Education, estimated	1,125,000	1,125,000
Certification and Proprietary School Fees, estimated	195,000	195,000
Interagency Contracts - Transfer from Foundation School Fund No. 193, estimated	16,725,000	16,725,000
Student Loan Funds, estimated	9,669,751	9,710,905
Tax Reimbursement Grants, estimated	60,000	60,000
Subtotal, Other Funds	$ 38,362,174	$ 38,403,328
Total, Method of Financing	$ 511,333,472	$ 488,860,501
This bill pattern represents an estimated 87.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	310.9	310.9
Schedule of Exempt Positions:		
Commissioner of Higher Education, Group 6	$150,000	$150,000
Items of Appropriation:		
A. Goal: CLOSE THE GAPS IN HIGHER EDUCATION		
Close the Gaps in Participation, Success, Excellence, and Research.		
A.1.1. Strategy: PROMOTE PARTICIPATION AND SUCCESS Promote Participation and Success in Higher Education.	$ 3,486,360	$ 3,486,360
A.1.2. Strategy: CLOSE THE GAPS LOAN PROGRAM Close Gaps in Participation and Success by Administering Loan Programs.	$ 4,935,331	$ 4,976,487
A.1.3. Strategy: COLLEGE READINESS INITIATIVE	$ 11,897,835	$ 11,719,835
A.2.1. Strategy: CLOSE THE GAPS IN EXCELLENCE	$ 1,861,675	$ 1,861,674
A.2.2. Strategy: CLOSE THE GAPS IN RESEARCH	$ 334,651	$ 334,651
A.3.1. Strategy: CLOSE THE GAPS - PLANNING/INFO Close the Gaps by Providing Planning and Information.	$ 2,255,452	$ 2,255,452
Total, Goal A: CLOSE THE GAPS IN HIGHER EDUCATION	$ 24,771,304	$ 24,634,459
B. Goal: CLOSE THE GAPS - AFFORDABILITY		
Close the Gaps by Improving Affordability.		
B.1.1. Strategy: TUITION EQUALIZATION GRANT PROGRAM Tuition Equalization Grants (TEG) Program.	$ 105,874,655	$ 105,874,655
B.1.2. Strategy: LICENSE PLATE SCHOLARSHIPS License Plate Scholarships Program.	$ 310,328	$ 135,500
B.1.3. Strategy: FIFTH-YEAR ACCOUNTING STUDENTS Fifth-year Accounting Students Program.	$ 553,407	$ 553,408
B.1.4. Strategy: EARLY HS GRADUATION PROGRAM Early High School Graduation Scholarship Program.	$ 6,800,000	$ 6,800,000
B.1.5. Strategy: TANF SCHOLARSHIP PROGRAM Temporary Assistance for Needy Families Scholarship Program.	$ 225,000	$ 225,000
B.1.6. Strategy: EDUCATIONAL AIDE PROGRAM	$ 9,700,000	$ 9,700,000
B.1.7. Strategy: TEACH FOR TEXAS LOAN REPAYMENT Teach for Texas Loan Repayment Assistance/Conditional Grant Program.	$ 4,521,443	$ 4,521,443
B.1.8. Strategy: BORDER FACULTY LOAN REPAYMENT PGM Border Faculty Loan Repayment Program.	$ 197,813	$ 197,813
B.1.9. Strategy: STUDENT FINANCIAL AID PROGRAMS	$ 202,183,809	$ 193,062,955
B.1.10. Strategy: DOCTORAL INCENTIVE PROGRAM	$ 436,491	$ 436,492
Total, Goal B: CLOSE THE GAPS - AFFORDABILITY	$ 330,802,946	$ 321,507,266

C. Goal: CLOSE THE GAPS - RESEARCH		
Close the Gaps by Providing Trusteed Funds for Research.		
C.1.1. Strategy: ADVANCED RESEARCH PROGRAM	$ 8,389,844	$ UB
D. Goal: CLOSE THE GAPS - HEALTH PROGRAMS		
Close the Gaps by Providing Trusteed Funds for Health Care Education.		
D.1.1. Strategy: BAYLOR COLLEGE OF MEDICINE	$ 36,798,320	$ 36,798,320
D.1.2. Strategy: BAYLOR COLLEGE OF MEDICINE GME Baylor College of Medicine Graduate Medical Education (GME).	$ 2,667,540	$ 2,667,540
D.1.3. Strategy: FAMILY PRACTICE RESIDENCY PROGRAM	$ 8,732,155	$ 8,732,155
D.1.4. Strategy: PRECEPTORSHIP PROGRAM	$ 452,145	$ 452,144
D.1.5. Strategy: PRIMARY CARE RESIDENCY PROGRAM	$ 2,495,220	$ 2,495,220
D.1.6. Strategy: GRADUATE MEDICAL EDUCATION Graduate Medical Education Program.	$ 1,818,402	$ 1,818,402
D.1.7. Strategy: JOINT ADMISSION MEDICAL PROGRAM	$ 3,316,355	$ UB
D.1.8. Strategy: PHYSICIAN ED. LOAN REPAY. PROGRAM Physician Education Loan Repayment Program.	$ 719,546	$ 719,547
D.1.9. Strategy: PROFESSIONAL NURSING AID Financial Aid for Professional Nursing Students.	$ 918,565	$ 918,565
D.1.10. Strategy: VOCATIONAL NURSING AID Financial Aid for Licensed Vocational Nursing Students.	$ 45,633	$ 45,633
D.1.11. Strategy: DENTAL ED. LOAN REPAY. PROGRAM Dental Education Loan Repayment Program.	$ 106,477	$ 106,477
D.1.12. Strategy: PROF NURSING SHORTAGE REDUCTION PGM Professional Nursing Shortage Reduction Program.	$ 2,850,000	$ 2,850,000
D.1.13. Strategy: ALZHEIMER'S DISEASE CENTERS Consortium of Alzheimer's Disease Centers.	$ 2,000,000	$ UB
Total, Goal D: CLOSE THE GAPS - HEALTH PROGRAMS	$ 62,920,358	$ 57,604,003
E. Goal: CLOSE GAPS - QUALITY/PARTICIPATION		
Close the Gaps by Providing Trusteed Funds to Improve Quality/Delivery.		
E.1.1. Strategy: STARLINK/VIRTUAL COLLEGE	$ 635,556	$ 635,556
E.1.2. Strategy: TEACHER EDUCATION Centers for Teacher Education.	$ 2,625,742	$ 2,625,742
E.1.3. Strategy: TWO-YEAR ENROLLMENT GROWTH Two-year Institution Enrollment Growth.	$ 1,259,393	$ 1,259,393
E.1.4. Strategy: AFRICAN AMERICAN MUSEUM INTERNSHIP	$ 43,636	$ 43,636
E.1.5. Strategy: TECHNOLOGY WORKFORCE DEVELOPMENT	$ 6,861,758	$ 7,861,758
Total, Goal E: CLOSE GAPS - QUALITY/PARTICIPATION	$ 11,426,085	$ 12,426,085
F. Goal: FEDERAL GRANT PROGRAMS		
Close Gaps by Providing Federal Funding to Institutions and Students.		
F.1.1. Strategy: STUDENT FINANCIAL AID Student Financial Assistance Programs.	$ 6,203,617	$ 6,203,617
F.1.2. Strategy: TECHNICAL/VOCATIONAL PROGRAMS Technical-Vocational Education Programs.	$ 46,042,173	$ 45,593,137
F.1.3. Strategy: TEACHER QUALITY GRANTS PROGRAMS	$ 6,228,005	$ 6,256,410
Total, Goal F: FEDERAL GRANT PROGRAMS	$ 58,473,795	$ 58,053,164
G. Goal: TOBACCO FUNDS		
G.1.1. Strategy: EARNINGS - MINORITY HEALTH Tobacco Earnings - Minority Health Res and Ed to HECB.	$ 1,125,000	$ 1,125,000
G.1.2. Strategy: EARNINGS - NURSING/ALLIED HEALTH Tobacco Earnings - Nursing, Allied Health, Other to HECB.	$ 2,025,000	$ 2,025,000

G.2.1. Strategy: EARNINGS - HECB FOR BAYLOR COLL MED Tobacco Earnings - HECB for Baylor College of Medicine.	$ 1,125,000	$ 1,125,000
G.2.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from Perm. Health Fund for Baylor College of Medicine.	$ 1,915,830	$ 1,915,830
Total, Goal G: TOBACCO FUNDS	$ 6,190,830	$ 6,190,830
H. Goal: INDIRECT ADMINISTRATION		
H.1.1. Strategy: CENTRAL ADMINISTRATION	$ 2,751,191	$ 2,751,186
H.1.2. Strategy: INFORMATION RESOURCES	$ 3,555,564	$ 3,555,564
H.1.3. Strategy: OTHER SUPPORT SERVICES	$ 2,137,943	$ 2,137,944
Total, Goal H: INDIRECT ADMINISTRATION	$ 8,444,698	$ 8,444,694
I. Goal: ADMINISTRATIVE REDUCTIONS		
I.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (86,388)	$ 0
Grand Total, HIGHER EDUCATION COORDINATING BOARD	$ 511,333,472	$ 488,860,501
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 16,452,381	$ 16,623,131
Other Personnel Costs	510,479	495,171
Professional Fees and Services	11,208,949	11,138,949
Consumable Supplies	328,129	320,587
Utilities	213,000	213,000
Travel	264,464	261,464
Rent - Building	1,184,075	1,184,075
Rent - Machine and Other	908,869	908,869
Other Operating Expense	3,722,395	3,597,034
Client Services	125,887,915	125,713,090
Grants	350,190,943	327,943,258
Capital Expenditures	461,873	461,873
Total, Object-of-Expense Informational Listing	$ 511,333,472	$ 488,860,501
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 807,587	$ 819,700
Group Insurance	1,878,273	1,901,144
Social Security	1,116,346	1,133,091
Benefits Replacement	125,717	119,431
Subtotal, Employee Benefits	$ 3,927,923	$ 3,973,366
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,927,923	$ 3,973,366

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Higher Education Coordinating 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 Higher Education Coordinating Board. In order to achieve the objectives and service standards established by this Act, the Higher Education Coordinating Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: CLOSE THE GAPS IN HIGHER EDUCATION		
Outcome (Results/Impact):		
Percent Increase in Fall Student Headcount Enrollment since Fall 2000	30.23%	34.9%
Percent Increase in Bachelor's Degrees, Associate's Degrees, and Certificates Awarded Since Those Awarded Fall 1999 Through Summer 2000	36.01%	41.55%

Percentage of University Students Graduating in Four Years	24.8%	25%
Percent of Public Two-year Institution Students Graduating in Three Years	14.3%	14.5%
Percentage of University Students Graduating within Six Years	55.8%	56.3%
A.1.1. Strategy: PROMOTE PARTICIPATION AND SUCCESS		
Output (Volume):		
Increase in Fall Student Headcount Enrollment since Fall 2000	308,233	355,858
Increase in the Number of Bachelor's Degrees, Associate's Degrees, and Certificates Reported Since Those Awarded Fall 1999 Through Summer 2000	41,864	48,307
Explanatory:		
Dollars Appropriated for Developmental Education	113,564,262	113,564,262
Dollars Appropriated for Developmental Education as a Percentage of Lower-division Instruction	6.22%	6.22%
A.1.2. Strategy: CLOSE THE GAPS LOAN PROGRAM		
Efficiencies:		
Default Rate on Hinson-Hazlewood Loans	7.1%	7.1%
A.2.2. Strategy: CLOSE THE GAPS IN RESEARCH		
Output (Volume):		
Dollar Value of Federal Funding for Science and Engineering at Texas Universities and Health-related Institutions Relative to 1998 (in Millions)	1,870	1,920
B. Goal: CLOSE THE GAPS - AFFORDABILITY		
Outcome (Results/Impact):		
Percentage of Independent College Students Receiving Tuition Equalization Grant (TEG) Awards	22.8%	20.5%
Percentage of Students Receiving Financial Aid Employed Through Texas College Work Study Program	.9%	.9%
Percentage of Teach for Texas Loan Repayment Program Recipients Teaching Underserved Areas for Three Years	85%	85%
B.1.1. Strategy: TUITION EQUALIZATION GRANT PROGRAM		
Output (Volume):		
Percentage of Tuition Equalization Grant Recipients Who Are Minority Students	45%	45%
Percentage of Tuition Equalization Grants Recipients Who Earn Baccalaureate Degrees within Four Academic Years	23%	23%
B.1.9. Strategy: STUDENT FINANCIAL AID PROGRAMS		
Output (Volume):		
Number of Students Receiving TEXAS Grants	50,197	47,852
Percentage of TEXAS Grant Recipients Who Earn a Baccalaureate Degree within Four Academic Years	15%	15%
Percentage of TEXAS Grant Recipients Who Earn a Baccalaureate Degree Within Six Academic Years	50%	50%
C. Goal: CLOSE THE GAPS - RESEARCH		
C.1.1. Strategy: ADVANCED RESEARCH PROGRAM		
Output (Volume):		
Number of ARP Research Projects Funded	101	0
D. Goal: CLOSE THE GAPS - HEALTH PROGRAMS		
Outcome (Results/Impact):		
Percentage of Baylor College of Medicine Graduates Entering Texas Residency Programs	50%	50%
Percentage of Baylor College of Medicine Graduates Entering Primary Care Residency Programs	50%	50%
Percentage of Family Practice Residency Program Completers Practicing in Medically Underserved Areas or Health Professional Shortage Areas	6.08%	6.09%
Percentage of Family Practice Residency Program Completers Practicing in Texas	70%	70%
E. Goal: CLOSE GAPS - QUALITY/PARTICIPATION		
Outcome (Results/Impact):		
Pass Rate of TEXES/ExCET at Centers for Teacher Education	100%	100%
E.1.2. Strategy: TEACHER EDUCATION		
Output (Volume):		
Number of Graduates of Texas Association of Developing Colleges (TADC) Educator Preparation Programs	90	90

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.

	~~2006~~	~~2007~~
~~a. Acquisition of Information Resource Technologies~~		
~~(1) PC Hardware Replacement Program and Upgrades~~	~~$ 151,861~~	~~$ 151,861~~
~~(2) Telecommunications Hardware Acquisitions and Upgrades~~	~~74,812~~	~~74,812~~
~~(3) Software Licensing Purchases and Upgrades~~	~~41,563~~	~~41,563~~
~~(4) Student Loan Information System Mainframe Migration Project~~	~~$ 2,668,000~~	~~$ 264,044~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 2,936,236~~	~~$ 532,280~~
~~Total, Capital Budget~~	~~$ 2,936,236~~	~~$ 532,280~~
~~Method of Financing (Capital Budget):~~		
~~General Revenue Fund~~	~~$ 268,236~~	~~$ 268,236~~
~~Student Loan Funds~~	~~2,668,000~~	~~264,044~~
~~Total, Method of Financing~~	~~$ 2,936,236~~	~~$ 532,280~~

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resource Technologies	$ 193,637	$ 193,637
(2) PC Hardware Replacement Program and Upgrades	151,861	$ 151,861
(3) Telecommunications Hardware Acquisitions and Upgrades	74,812	74,812
(4) Software Licensing Purchases and Upgrades	41,563	41,563
Total, Acquisition of Information Resource Technologies	$ 461,873	$ 461,873
Total, Capital Budget	$ 461,873	$ 461,873
Method of Financing (Capital Budget):		
General Revenue Fund	$ 461,873	$ 461,873
Total, Method of Financing	$ 461,873	$ 461,873

3. Commissioner's Salary. The Coordinating Board is hereby authorized to utilize $77,851 per year from general revenue funds appropriated to Goal H, in ~~2006~~2008 and ~~2007~~2009 and any earned funds for the purpose of funding the salary of the Commissioner of Higher Education at a rate not to exceed $150,000 per year in ~~2006~~2008 and ~~2007~~2009.

4. Use of Excess Registration Fees Authorization. Any registration fee collected by the Coordinating Board 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.

5. **Student Loan Program.** All moneys in the Texas Opportunity Plan Fund and the Texas College Student Loan Bonds Interest and Sinking Fund, the Student Loan Auxiliary Fund, and the Student Loan Revenue Fund are hereby appropriated to the Texas Higher Education Coordinating Board, for the purposes specified in Article III, §§ 50b and 50b-1, 50b-2, 50b-3, 50b-4 and 50b-5 of the Texas Constitution and Education Code §§ 52.01-52.90 and 56.121-56.135.

6. **Texas Public Educational Grants Program.** Unless a different percentage is set by passage of legislation amending the Texas Education Code, ~~it is the intent of the Legislature that~~ the amount of tuition to be set aside for the Texas Public Educational Grants Program shall be 15 percent in fiscal years ~~2006~~2008 and ~~2007~~2009.

7. **Physician~~'s~~ Education Loan Repayment Program.** The funds provided to Strategy D.1.8, Physician~~'s~~ Education Loan Repayment Program, are appropriated in accordance with Education Code §§ 61.531 - 61.539 for repayment of eligible student loans received by a physician who meets the stipulated requirements. All General Revenue-Dedicated Medical School Tuition Set Aside Account No. 542 receipts received during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium beginning September 1, 2007, for the same purpose. Any balances on hand at the end of fiscal year 2008 may be carried over to fiscal year 2009 for the same purpose.

8. **Baylor College of Medicine.** From funds appropriated by this Act for the Baylor College of Medicine, the Coordinating Board shall allocate an amount per student enrolled in the college equal to the cost of medical education in the established public medical schools cited in Subchapter D, Chapter 61, Education Code. The cost of medical education per student at public medical schools as determined by the Coordinating Board shall include General Revenue appropriations for instruction and operations, infrastructure, and staff benefits allocated to undergraduate medical education.

9. **Texas Success Initiative.**

a. Developmental Education Coursework. Funds appropriated for developmental courses under Education Code § 51.3062, shall be expended only for those costs associated with providing developmental education courses including instruction, tutorial, evaluation, retraining of faculty, and other related costs. The funds shall not be used for the recruitment of students.

b. Intent Concerning Developmental Needs. It is the intent of the Legislature that all affected institutions of public higher education fully address developmental needs identified by the institutions through the Texas Success Initiative with appropriations made in this Act for the Developmental Education coursework and other available institutional funds.

10. **Residency Eligibility.** ~~It is legislative intent that a~~Any student who is a ~~eligible for~~ Texas resident ~~tuition at a tax-supported institution~~ as defined by the Texas Education Code Chapter 54, Subchapter B is eligible for the Tuition Equalization Grants Program, provided all other requirements established by the Coordinating Board have been met by that student. None of the funds appropriated in this Act to the Coordinating Board for Tuition Equalization Grants may be expended for grants to non-resident students attending independent colleges or universities in Texas except for grants to National Merit Finalists.

11. **Research Programs.** The appropriations made by this Act for the Advanced Research Program shall be distributed in accordance with the provisions of Education Code, Chapter 142. However, no more than 70 percent of the funds ~~allocated for each program~~ shall be designated for The University of Texas and the Texas A&M University Systems in the ~~2006-07~~2008-09 biennium. Institutions receiving transfers of funds under this program shall report to the Coordinating Board in accordance with the provisions of Education Code § 142.005. Similarly, the Coordinating Board shall report to the Governor and the Legislative Budget Board. All unexpended balances of the Advanced Research Program as of August 31, 2007 (estimated to be $8,000 and included above in Method of Financing), are appropriated for the same purpose for use during the biennium beginning September 1, 2007. Funds allocated for

this research program are exempt from Texas Building and Procurement Commission rules and regulations.

12. **TEG Need Survey and Reporting Requirements.** The Coordinating Board shall present the result of its most recent annual need survey for Tuition Equalization Grant (TEG) funds as part of its biennial appropriations request to the Legislative Budget Board and the Governor. The request shall include the number of eligible students and an estimate of the amount needed to fund fully the TEG program in the coming biennium. The Coordinating Board shall update this projection to include the most recent fall semester data prior to the convening of each regular session of the Legislature and shall provide this information to the Legislative Budget Board staff prior to Legislative Budget Board deliberations on the TEG appropriation. Each institution receiving tuition equalization grants shall furnish to the Coordinating Board any financial information requested.

13. **Annual Financial Aid Report.** The Coordinating Board shall present an annual report concerning student financial aid at Texas public and independent institutions of higher education. This report shall be provided to the Legislative Budget Board by ~~August~~September 1 of each calendar year.

14. **Family Practice Rural and Public Health Rotations.** Funds appropriated above for Family Practice Residency Programs, include up to $363,000 in ~~2006~~2008 and $363,000 in ~~2007~~2009 for one month rural rotation or one month public health rotation for family practice residents in accordance with the provision of Education Code § 51.918.

15. **Dramatic Enrollment Growth Funding for Two Year Institutions.** Funds appropriated above in Strategy E.1.3, Two-Year Enrollment Growth, are to be used only to assist Public Community/Junior Colleges, Texas State Technical College components, and Lamar State Colleges that experience dramatic rates of growth in contact hours during the ~~2006-07~~2008-09 biennium. Funds appropriated under this section shall be allocated according to a formula developed by the Texas Higher Education Coordinating Board based on the following criteria:

For fiscal year ~~2006~~2008, funding shall be provided for growth in contact hours at community college districts, TSTC components, or Lamar State Colleges which experience an increase in total contact hours in semester length courses of greater than ~~10~~3 percent between Fall ~~2004~~2006 and Fall ~~2005~~2007 semesters. Funding shall be provided only for contact hour growth greater than ~~10~~3 percent. For fiscal year ~~2007~~2009, funding shall be provided for growth in contact hours at community college districts, TSTC components, or Lamar State Colleges which experience an increase in total contact hours in semester length courses of greater than ~~20~~6 percent between Fall ~~2004~~2006 and Fall ~~2006~~2008 semesters. Funding shall be provided only for contact hour growth greater than ~~20~~6 percent.

~~17~~16. **Graduate Medical Education.** Funds appropriated above in Strategy D.1.6, Graduate Medical Education, are for the purpose of supporting the educational costs of primary care graduate medical education programs. Each entity incurring the costs of faculty responsible for instruction or supervision of resident physicians in such accredited programs may receive funds in an amount not to exceed $12,500 in each fiscal year for each filled residency position. For the purposes of this rider, primary care shall include family practice, obstetrics/gynecology, general internal medicine, and general pediatrics. The first $1,735,421 in appropriated funds in any fiscal year shall be expended for eligible primary care residency positions. Appropriated funds in excess of $1,735,421 in any fiscal year shall be expended for each residency position filled by a graduate of a school of medicine or osteopathy accredited by the Liaison Committee on Medical Education or the American Osteopathic Association such that a primary care position shall receive 1.2 times the amount received by any other residency position. The Higher Education Coordinating Board shall promulgate rules for the equitable distribution of these funds.

~~**16.** **Earned Federal Funds.** Included in the amounts appropriated above are all unexpended balances of Earned Federal Funds remaining as of August 31, 2005, estimated to be $578,214 for use during the biennium beginning September 1, 2005. Any balances on hand at the end of fiscal year 2006 may be carried over to fiscal year 2007 and such funds are appropriated for fiscal year 2007. The authority to receive and expend earned federal fund balances in excess of those appropriated above is subject to the following limitation:~~

~~At least 14 days prior to any use of any earned federal funds the Coordinating Board shall~~

~~report the earned federal funds received and provide documentation of the proposed use of these funds to the Legislative Budget Board and the Governor.~~

~~18~~17. **Cost Recovery for the Common Application Form.** None of the funds appropriated above to the Higher Education Coordinating Board may be used to provide a common application form (either electronic or paper) for ~~The Texas Higher Education Coordinating Board is hereby authorized to collect funds from~~ each general academic institution and each participating public two-year institution and participating independent institution unless the Higher Education Coordinating Board ~~to~~ recovers costs related to the ~~electronic~~ common application form. The amount collected from each institution shall be proportional to the number of applications received. The funds collected shall only recover direct costs and only be used for the purposes of the electronic common application form.

~~19~~18. **Retention of Economically Disadvantaged Students.** The Higher Education Coordinating Board shall include in the ~~annual performance report~~college comparision web profile the percentage of economically disadvantaged freshmen retained at public institutions of higher education as defined by the Legislative Budget Board and the Governor in consultation with the State Auditor's Office.

~~20~~19. **Teacher Education Centers.** Funds appropriated above in Strategy E.1.2, Teacher Education, are to be used for the purpose of supporting centers for teacher education at private, independent, general academic institutions that are component institutions of the Texas Association of Developing Colleges. Consideration shall be given to teacher education centers at Jarvis Christian College in Hawkins, Paul Quinn College in Dallas, Texas College in Tyler, Huston-Tillotson ~~College~~University in Austin, and Wiley College in Marshall. These funds may be used to enhance library resources and computer, mathematics and science laboratories. The board may require periodic submission of data and reports as the board considers necessary to assess the overall performance of the centers. The board may obtain the services of a program planner to facilitate and coordinate the process of curriculum development and program redesign to improve teacher preparation at the participating institutions.

By October 1 of each year, the participating institutions shall report data to the Board as required to assess the overall performance of the centers.

~~21~~20. **Disparity Study for Institutions of Higher Education.** The disparity study conducted by the Comptroller of Public Accounts pursuant to General Appropriations Act, § 16, page I-~~24~~23, Seventy-fifth Legislature, to determine whether past acts of discrimination by institutions of higher education have created any present effects of such past discrimination may be continued by the Texas Higher Education Coordinating Board. The Coordinating Board may maintain and update as necessary the database developed for the disparity study. The Texas Education Agency and each institution of higher education receiving appropriations may cooperate with the Coordinating Board to continue the disparity study and to provide data to maintain and update the database. The Coordinating Board, the Texas Education Agency, and each institution of higher education that participates in the study shall comply with all applicable state and federal laws governing the confidentiality and privacy of the data used in the study.

~~22~~21. **Information Access Initiative.** The Higher Education Coordinating Board shall use the appropriations above to coordinate with the Texas Education Agency ~~and the State Board for Educator Certification~~ regarding sharing, integrating, and housing pre-kindergarten through grade 16 (P-16) public education data in implementing its Information Access Initiative. The ~~three~~two agencies shall work together to ensure that common and related data held by each agency is maintained in standardized, compatible formats to enable the efficient exchange of information between agencies and for matching of individual student records for longitudinally based studies and analysis. It is the intent of the Legislature that individual initiatives interact seamlessly across agency systems to facilitate efforts to integrate the relevant data from each agency into a longitudinal public education data resource to provide a widely accessible P-16 public education data warehouse.

~~23~~22. **Higher Education Assistance Program.** Out of funds appropriated above, the Higher Education Coordinating Board shall administer and coordinate the Higher Education Assistance Program to:

a. Provide prospective students in high schools with college-going rates in the lowest 10 percent of all public high schools with information related to enrollment in public or private or independent institutions of higher education, including admissions and financial aid information; and

b. Assist prospective students in these sites with completing applications related to enrollment in higher education institutions, including admissions and financial aid applications.

The Coordinating Board shall provide the information and assistance required and it shall select an institution of higher education or other entity to provide the information and assistance required at each site. The Coordinating Board may contract with the institution to host enrollment events.

~~24~~23. Teach for Texas Loan Repayment Assistance Program.

a. Of the funds appropriated above in Strategy B.1.~~8~~7, Teach for Texas Loan Repayment Program, any unexpended balances on hand at the end of fiscal year ~~2006~~2008 are hereby appropriated for the same purposes in fiscal year ~~2007~~2009.

b. Any payments received from students are hereby appropriated for the same purposes as the original Teach for Texas Loan Repayment Assistance Program.

~~25~~24. Border Faculty Loan Repayment Program. The Higher Education Coordinating Board may allocate additional funds from Strategy B.1.~~11~~9, Student Financial Aid Programs, to the Border Faculty Loan Repayment Program, and any unexpended balances on hand at the end of fiscal year ~~2006~~2008 are hereby appropriated for the same purposes in fiscal year ~~2007~~2009.

~~26~~25. ~~Dentist's~~ Dental Education Loan Repayment Program. The funds provided to Strategy D.1.11, ~~Dentist's~~ Dental Education Loan Repayment Program, are appropriated in accordance with Education Code, §§ 61.901 - 61.910, for repayment of eligible student loans received by a dentist who meets the stipulated requirements. All Dental School Tuition Set Aside receipts received during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium beginning September 1, 2007, for the same purpose. Any balances on hand at the end of the fiscal year 2008 may be carred over to fiscal year 2009 for the same purpose.

~~27~~26. Graduation and Persistence Rates. The Coordinating Board shall report graduation and persistence rates, for each public general academic institution, to the Governor and Legislature no later than September 1, ~~2006~~2008. For each institution, the report shall include:

a. Six-year graduation rate (same institution) - percent of first-time full-time students who earned a baccalaureate or higher degree at ~~a~~the same public general academic higher education institution within six years of becoming a first-time entering full-time student at that institution.

b. Six-year graduation rate (another institution) - percent of students who earned a baccalaureate or higher degree at a public general academic higher education institution within six years of becoming a full-time student at another public higher education institution.

c. Six-year persistence rate (same institution) - percent of students who have not earned a baccalaureate or higher degree, but are still enrolled in the same Texas public general academic higher education institution six years after becoming a full-time student at that institution.

d. Six-year persistence rate (another institution) - percent of students who have not earned a baccalaureate or higher degree, but are still enrolled in a Texas public general academic higher education institution six years after becoming a full-time student at another Texas public higher education institution.

e. Composite graduation and persistence rate - sum of the graduation and persistence rates in subsections (a) through (d) above.

~~28~~27. **Strategic Plan for Teacher Certification.** Out of funds appropriated above, the Higher Education Coordinating Board shall develop and implement a strategic plan to increase the number of certified teachers in the state to diminish the shortage of certified teachers in the classrooms. The Coordinating Board shall collaborate with the Texas Education Agency, the State Board for Educator Certification, the Texas Workforce Commission, the Governor, and the Legislature in development and implementation of the strategic plan. The P-16 Council shall oversee the implementation of the plan.

In order to facilitate implementation of the strategic plan for teacher certification, the Coordinating Board shall work with the Texas Education Agency, the State Board for Educator Certification, school districts, and professional educator associations to maintain a teacher certification web page. The web page shall convey information on traditional and alternative certification programs and related employment opportunities in such a format that resources are linked and data is easily accessible and navigable to those interested in pursuing a career in teaching.

~~30~~28. **Diversity at Independent Colleges and Universities Which Receive TEG.** Independent colleges and universities which enroll students receiving Tuition Equalization Grant funds appropriated by this Act shall provide annual reports to the Higher Education Coordinating Board regarding the diversity of their student body, faculty, executive committee, and governing boards. ~~These~~The reports for headcount enrollment shall be submitted by October 1 of each year. All of the other reports shall be submitted by October 15 of each year.

~~31~~29. **Fifth-Year Accounting Students Scholarship Program.** The funds provided to Strategy B.1.~~4~~3, Fifth-Year Accounting Students, are appropriated in accordance with Education Code §§ 61.751 - 61.760 to provide scholarships to eligible fifth-year accounting students. All General Revenue-Dedicated Fifth-Year Accounting Students Set Aside receipts received during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium beginning September 1, 2007, for the same purpose. Any balances on hand at the end of the fiscal year 2008 may be carred over to fiscal year 2009 for the same purpose.

~~29. **Financial Aid Limits for Students Attending Independent Colleges and Universities.** It is the intent of the Legislature that the state shall give priority in TEXAS Grant funding to students with the greatest financial need who attend public colleges and universities.~~

~~32~~30. **Tobacco Funds - Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above to the Texas Higher Education Coordinating Board are estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the Baylor College of Medicine.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated. 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.

b. All balances of estimated appropriations from the Permanent Endowment Fund for the Baylor College of Medicine and all balances from the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated for the same purposes for fiscal year ~~2007~~2009.

~~33~~31. **Tobacco Funds - Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above to the Texas Higher Education Coordinating Board are estimated appropriations of amounts available for distribution or investment returns out of the Permanent Fund for Minority Health Research and Education and the Permanent Fund for Nursing, Allied Health and Other Health Related Programs.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated. 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 makeup the difference.

b. All balances of estimated appropriations from the Permanent Fund for Minority Health Research and Education and the Permanent Fund for Nursing, Allied Health and Other Health Related Programs, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated for the same purposes for fiscal year ~~2007~~2009.

~~34~~32. **Reporting by Texas Higher Education Coordinating Board.** It is the intent of the Legislature that the Texas Higher Education Coordinating Board include in its Legislative Appropriations Request for the ~~2008-09~~2010-11 biennium, information on actual expenditures and budgeted expenditures for the Baylor College of Medicine, which receives distributions from the Permanent Health Fund for Higher Education and the Permanent Endowment Fund for Baylor College of Medicine.

~~36~~33. **Cancer Registry.** Not later than December 1, ~~2005~~2007, the Texas Higher Education Coordinating Board shall collect from each health-related institution, including Baylor College of Medicine, and each general academic institution that conducts cancer-related research a total amount of $1,875,000. The Coordinating Board shall develop a methodology that assesses a proportional share of the cost for each institution. The Coordinating Board shall enter into an interagency cooperation agreement with the Texas Department of State Health Services to transfer the funds to the Department for the purposes of enhancing the infrastructure of the state cancer registry and to fund a position to monitor contract compliance and quality assurance of the cancer registry.

~~37~~34. **Student Financial Aid Programs.** The amounts appropriated above in Strategy B.1.~~11~~9, Student Financial Aid Programs, shall be expended by the Higher Education Coordinating Board to provide student financial aid through the following programs: Texas B-On-Time, College Work Study, TEXAS Grant, and ~~TEXAS Grant II~~ Texas Education Opportunity Grant.

a. Out of the funds appropriated above in Strategy B.1.~~11~~9, Student Financial Aid Programs, an amount not less than $5,000,000 each year shall be allocated to the College Work Study Program and an amount not less than $4,500,000 each year shall be allocated to the ~~TEXAS Grant II~~ Texas Education Opportunity Grant Program. The Higher Education Coordinating Board may allocate additional funds from the strategy to these two programs.

b. Out of the funds appropriated above in Strategy B.1.~~11~~9, Student Financial Aid Programs, the Higher Education Coordinating Board shall allocate not less than $~~166,159,843~~169,503,696 in fiscal year ~~2006~~2008 and $~~165,562,843~~165,382,843 in fiscal year ~~2007~~2009 to the TEXAS Grant Program and $~~10,329,000~~22,500,113 in fiscal year ~~2006~~2008 and $~~10,329,000~~17,500,112 in fiscal year ~~2007~~2009 of the biennium to the B-on-Time Loan Program. The Higher Education Coordinating Board may allocate additional funds from the strategy to these two programs.

c. Any portion of this appropriation not expended in fiscal year ~~2006~~2008 may be expended for the same purposes in fiscal year ~~2007~~2009 and are hereby appropriated for that purpose. All unexpended balances of the TEXAS Grant program as of August 31, ~~2005~~2007, estimated to be ~~$400,000~~500,000 (and included above in Method of Financing), are appropriated for the same purposes for use during the biennium beginning September 1, ~~2006~~2008. The funds provided to the B-on-Time Program are appropriated in accordance with Education Code §§ 56.451-56.465 to provide eligible Texas students forgivable no-interest loans to attend colleges and universities in Texas. All balances in the General Revenue-Dedicated Texas B-on-Time Student Loan Account as of August 31, ~~2005~~2007, estimated to be $~~10,329,000~~5,000,000 (and included above in Method of Financing), and all Texas B-on-Time Student Loan Account receipts received during the biennium are hereby appropriated to the Coordinating Board for the biennium ending August 31, ~~2007~~2009 for the same purpose. Any balances on hand at the end of fiscal year ~~2006~~2008 may be carried over to the fiscal year ~~2007~~2009 and any such funds are appropriated for fiscal year ~~2007~~2009 for the same purpose. Any portion of this

appropriation not expended in fiscal year ~~2006~~2008 may be expended for the same purposes in fiscal year ~~2007~~2009 and are hereby appropriated for that purpose.

d. Any amounts received by the Coordinating Board as donations under Texas Education Code §56.310 during the biennium beginning September 1, 2007 are hereby appropriated for the purpose of awarding TEXAS Grants during the biennium beginning September 1, 2007.

e. Any amounts transferred to the Coordinating Board by the Comptroller in accordance with Texas Property Code §72.1016(e), which provides that five percent of the money collected from stored valued cards presumeed to be abandoned are to be used as grants under Subchapter M, Education Code, are hereby appropriated for the biennium beginning September 1, 2007 for the purpose of awarding TEXAS Grants during the biennium beginning September 1 ,2007.

~~42~~35. **Girl Scout Scholarships.** The funds provided to the Girl Scout Scholarships are appropriated in accordance with Transportation Code §§504.622 to provide grants to benefit the Girl Scouts. All balances in the General Revenue-Dedicated Girl Scout License Plates Account as of August 31, ~~2005~~2007, estimated to be $~~7,000~~0, and all receipts received during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium ~~ending~~beginning ~~August 31, 2007~~ September 1, 2007 for the same purpose. Any balances on hand at the end of fiscal year ~~2006~~2008 may be carried over to the fiscal year ~~2007~~2009 and any such funds are appropriated for fiscal year ~~2007~~2009 for the same purpose.

~~35.~~ **Texas College Work Study Program and Toward EXcellence, Access, and Success (TEXAS) Grant Program.** Because of the positive effect of work study programs on student participation and success, funds appropriated above to Strategy B.1.~~11~~9, Student Financial Aid Programs, are intended to maximize the extent to which state funds appropriated for student grants are awarded with criteria requiring a work study component.

~~43~~36. **Houston Livestock Show and Rodeo Scholarships.** The funds provided to the Houston Livestock Show and Rodeo Scholarships Program are appropriated in accordance with Transportation Code §§ 504.613 to make grants to benefit the Houston Livestock Show and Rodeo. All balances in the General Revenue-Dedicated Houston Livestock Show and Rodeo Scholarships Fund Account as of August 31, ~~2005~~2007, estimated to be $~~46,000~~10,000 (and included above in Method of Financing), and all receipts received during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium ~~ending~~beginning ~~August 3~~September 1, 2007 for the same purpose. Any balances on hand at the end of fiscal year ~~2006~~2008 may be carried over to the fiscal year ~~2007~~2009 and any such funds are appropriated for fiscal year ~~2007~~2009 for the same purpose.

~~44~~37. **Texas Collegiate License Plate Scholarships.** The funds provided to the Texas Collegiate License Plate Scholarships program are appropriated in accordance with Transportation Code § ~~505.615~~504.615 to provide scholarships for students who demonstrate a need for financial assistance. All balances in the General Revenue-Dedicated-Texas Collegiate License Plate Program Account as of August 31, ~~2005~~2007, not to exceed $~~50,000~~150,000 (and included above in Method of Financing), and all receipts received during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium ~~ending~~beginning ~~August 31, 2007~~September 1, 2007 for the same purpose. Any balances on hand at the end of fiscal year ~~2006~~2008 may be carried over to fiscal year ~~2007~~2009 and such funds are appropriated for fiscal year ~~2007~~2009 for the same purpose.

~~45~~38. **Appropriations Transfers.** Notwithstanding any other provisions of this bill, the Higher Education Coordinating Board may allow each institution to transfer the lesser of 10% or $10,000 between the Texas College Work-Study Program, TEXAS Grant Program, and the Tuition Equalization Grant Program.

~~38.~~ ~~**Metroplex Pharmacy Study.** Out of the funds appropriated above, the Higher Education Coordinating Board shall conduct a study of the need for a new pharmacy school located in the Dallas/Fort Worth Metroplex area. As part of this study, the Board shall consider current and future shortages of pharmacists in the Metroplex area as well as the geographic distribution of current pharmacy programs. The Board shall report the results of its study no later than September 1, 2006.~~

~~46~~39. African American Museum Internship. Funds appropriated above in Strategy E.1.~~5~~4, African American Museum Professional Internship, are for the purpose of supporting an internship at the African American Museum in Dallas. The Higher Education Coordinating Board may contract with an institution of higher education to provide for the internship.

~~**39. State Military Assistance Program.** All unexpended balances of the State Military Tuition Assistance Program as of August 31, 2005, estimated to be $100,000, are appropriated above for the same purpose for use during the biennium beginning September 1, 2006. Any balances on hand at the end of fiscal year 2006 may be carried over to fiscal year 2007 and such funds are appropriated for fiscal year 2007 for the same purpose.~~

~~47~~40. Professional Nursing Shortage Reduction Program. The funds appropriated under Strategy D.1.12 for the Professional Nursing Shortage Reduction Program (§ 61.9621-61.9628, Education Code) are trusteed to the Texas Higher Education Coordinating Board to achieve the following outcomes: 1) increasing the number of graduates from professional nursing programs, 2) increasing the percentage of students in professional nursing programs that graduate within a reasonable time as determined by the board, and 3) increasing the number of graduates from master's and doctoral programs in nursing that join the faculty of a professional nursing program. Funds shall only be used to: 1) create additional nurse faculty positions, 2) provide temporary salary supplements for professional nursing faculty, and 3) engage qualified preceptors to expand faculty capacity. "Professional nursing program" has the meaning assigned by § 61.9621, Education Code. The funds appropriated shall be distributed in an equitable manner to institutions based on increases in numbers of nursing students graduating.

An institution ~~in~~is eligible to receive funds appropriated for fiscal year ~~2006~~2008 only if it commits for fiscal year ~~2006~~2008 to spend funds on its professional nursing program at least equal to the funds spent in fiscal year ~~2005~~2007 and for funds appropriated for fiscal year ~~2007~~2009 only if it commits for FY ~~2007~~2009 to spend funds equal at least to the funds spent in fiscal year ~~2006~~2008. Funds received under Strategy D.1.12 shall not be included in these calculations.

Five percent of the funds appropriated under Strategy D.1.12 are appropriated for administrative expenses as authorized by § 61.9628, Education Code.

The board shall have the authority to transfer funds from Strategy D.1.9, Professional Nursing Financial Aid, to Strategy D.1.12, Professional Nursing Shortage Reduction Program, for the purposes set out in this rider.

Any funds not expended in fiscal year ~~2006~~2008 may be expended in fiscal year ~~2007~~2009.

~~**40. New Community College Campuses.** Out of the amount appropriated above in Strategy E.1.4, New Community College Campuses, the Coordinating Board shall set aside $293,664 for the biennium for a new college campus at Frank Phillips community college and $250,503 for the biennium for a new college campus at Northeast Texas community college.~~

~~50~~41. Starlink/Virtual College of Texas. General Revenue funds appropriated above in Strategy E.1.1, Starlink/Virtual College of Texas are for the purpose of supporting the STARLINK communications network and The Virtual College of Texas. The Higher Education Coordinating Board may contract with an institution of higher education to provide for the STARLINK communications network. The Board shall expend up to $500,000 in each fiscal year of the biennium to enhance the Virtual College of Texas. Any unexpended balances on hand at the end of the fiscal year ~~2006~~2008 are appropriated for the same purpose in fiscal year ~~2007~~2009.

~~**41. OAG Lawyer's Loan Repayment Program.** The funds provided to the OAG Lawyer's Loan Repayment Program are appropriated in accordance with Education Code §§61.9721-61.9732 for providing education loan repayments for attorneys who agree to work for the Office of Attorney General for one year. All balances in the General Revenue Fund that are dedicated tuition set asides under this program as of August 31, 2005, estimated to be $411,556, and all receipts received during the biennium are hereby appropriated to the Coordinating Board for~~

~~the biennium ending August 31, 2007 for the same purpose. Any balances on hand at the end of fiscal year 2006 may be carried over to the fiscal year 2007 and any such funds are~~

~~appropriated for fiscal year 2007 for the same purpose.~~

~~5~~**142.** **Consortium of Alzheimer's Disease Centers.** Amounts appropriated above in Strategy D.1.13, Consortium of Alzheimer's Disease Centers, are for the purpose of supporting ~~Included in the amounts appropriated above, $2,000,000 is appropriated in fiscal year 2006 to the Higher Education Coordinating Board to support~~ the Consortium of Alzheimer's Disease Centers. The Coordinating Board shall contract with the Texas Council on Alzheimer's Disease and Related Disorders to direct the Consortium. Any unexpended balances at the end of fiscal year ~~2006~~2008 are hereby appropriated for the same purposes in fiscal year ~~2007~~2009.

43. **College Readiness Initiative.** Funds appropriated above in Strategy A.1.3, College Readiness Initiative, are to be used to implement the college-readiness and success strategic plan and the initiatives called for in Texas Education Code §61.0761 and §61.0762 and for completion and implementation of a course redesign project in accordance with Texas Education Code §61.0763 for the development and implementation of the college readiness standards in accordance with Texas Education Code §28.008, for the creation and implementation of the governor's schools in accordance with Texas Education Code §29.124, and for establishment and support of the education research centers in accordance with Texas Education Code §1.005. Any unexpended balances remaining on August 31, 2008 may be carried forward to fiscal year 2009 are re-appropriated for the same purposes.

44. **Doctoral Incentive Program.** The funds provided to Strategy B.1.10, Doctoral Incentive Program, are appropriated in accordance with Education Code, §§ 56.091 - 56.096, for repayment of eligible student loans received by Texas Residents employed full-time as doctoral faculty or administrators in Texas who meet the stipulated requirements. All Tuition Set Aside receipts received for the Doctoral Incentive Program during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium beginning September 1, 2007, for the same purpose. Any balances on hand at the end of the fiscal year 2008 may be carried over to fiscal year 2009 for the same purpose.

45. **"College for Texans" Campaign License Plate.** The funds provided to the "College for Texans" Campaign are appropriated in accordance with Transportation Code §§ 504.657 for the purposes of the College for Texans Campaign. All balances in the General Revenue-Dedicated-"College for Texans Campaign" as of August 31, 2007, estimated to be $0, and all receipts received during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium beginning September 1, 2007 for the same purpose. Any balances on hand at the end of fiscal year 2008 may be carried over to fiscal year 2009 and such funds are appropriated for fiscal year 2009 for the same purpose.

46. **Boy Scout Scholarships.** The funds provided to the Boy Scout Scholarships are appropriated in accordance with Transportation Code §§ 504.6545 to provide grants to benefit the Boy Scouts. All balances in the General Revenue-Dedicated-Boy Scout License Plates Account receipts as of August 31, 2007, estimated to be $1,200 (and included above in Method of Financing), and all receipts received during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium beginning September 1, 2007 for the same purpose. Any balances on hand at the end of fiscal year 2008 may be carried over to fiscal year 2009 and such funds are appropriated for fiscal year 2009 for the same purpose.

47. **Mothers Against Drunk Drivers (MADD) Programs.** The funds provided to the Mothers Against Drunk Driving Programs are appropriated in accordance with Transportation Code §§ 504.608 to provide grants to benefit drug-abuse prevention and education programs sponsored by Mothers Against Drunk Driving. All General Revenue Mother's Against Drunk Driving Account receipts as of August 31, 2007, estimated to be $0, and all receipts received during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium beginning September 1, 2007 for the same purpose. Any balances on hand at the end of fiscal year 2008 may be carried over to fiscal year 2009 and such funds are appropriated for fiscal year 2009 for the same purpose.

48. **Texas Cotton Boll Scholarships.** The funds provided to the Cotton Boll Scholarships are appropriated in accordance with Transportation Code §§ 504.636 for the purpose of providing scholarships to students who are pursuing a degree in an agricultural field related to the cotton industry while enrolled in an institution of higher education. All balances in the General Revenue-Dedicated-Texas Cotton Boll License Plates Account receipts as of August 31, 2007,

estimated to be $13,628 (and included above in Method of Financing), and all receipts received during the biennium beginning September 1, 2007, are hereby appropriated to the Coordinating Board for the biennium beginning September 1, 2007 for the same purpose. Any balances on hand at the end of fiscal year 2008 may be carried over to fiscal year 2009 and such funds are appropriated for fiscal year 2009 for the same purpose.

~~**48.** **New Campus Funding for Navarro College's District Campus Center in Midlothian.** Out of the amounts appropriated above in Strategy E.1.4, New Campus Funding, the Higher Education Coordinating Board shall set aside $1,910,000 in fiscal year 2006 and $796,000 in fiscal 2007 to fund contact hours generated from a new campus at Navarro College. Any amount remaining of the first year 2006 set aside may, with the approval of the Texas Higher Education Coordinating Board, be used for the same purpose in fiscal year 2007. The city of Midlothian shall convey the District Center to Navarro College upon payment of the City's indebtedness for construction of said Center out of Navarro College's lease payments for the Center.~~

49. **Tobacco Settlement Receipts-Baylor College of Medicine.** Included in the amounts appropriated to the Baylor College of Medicine in Strategy, G.2.2, Tobacco-Permanent Health Fund, is an estimated appropriation based on the Baylor College of Medicine's allocation of amounts, under Section 63.003, Education Code, available for distribution out of the Permanent Health Fund for Higher Education, estimated to be $1,915,830 in each year of the 2008-2009 biennium. These funds are to be used for purposes specified in Education Code, §§63.002 (c), (d), and (f).

Amounts available for distribution or investment returns in excess of the amounts listed above in Strategy, G.2.2, Tobacco-Permanent Health Fund, are also appropriated. In the event that amounts available for distribution or investment returns are less than the amounts listed above in Strategy, G.2.2, Tobacco-Permanent Health Fund, this Act may not be construed as appropriating funds to make up the difference.

All balances of estimated appropriations from the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2007, and the income to said fund during the fiscal year beginning September 1, 2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2008, are hereby appropriated for the same purposes in fiscal year 2009.

~~**49.** **New Campus Funding for Blinn College's Sealy Campus.** Out of the amounts appropriated above in Strategy E.1.4, New Campus Funding, the Higher Education Coordinating Board shall set aside $150,000 in fiscal year 2006 and $150,000 in fiscal 2007 to fund contact hours generated from a new campus at Blinn College. Any amount remaining of the first year 2006 set aside may, with the approval of the Texas Higher Education Coordinating Board, be used for the same purpose in fiscal year 2007.~~

50. **Review of State Financial Aid Programs.** Out of funds appropriated above, the Texas Higher Education Coordinating Board shall use at least $150,000 to conduct a feasibility study of restructuring state financial aid programs. At a minimum, the feasibility study shall consist of:

a. An analysis of the effects of requiring completion of the Free Application for Federal Student Aid as a condition of enrollment in a Texas public higher education institution;

b. A proposal for converting the TEXAS Grant program into a direct student grant program based on a uniform assessment of financial need, including an estimate of changes in statewide facility use as a result of changes in student enrollment patterns;

c. An analysis of the effects of using tuition deregulation and TPEG state tuition set-asides as an additional funding source for TEXAS Grants and a projection of the number of additional TEXAS Grants that could be offered with the additional funds;

d. A proposal to convert the index used to establish the value of TEXAS Grants from statewide average tuition and fees to statewide average room and board (or other index of living expenses) and to determine the cost of providing tuition waivers for

students at institutions with tuition and fees above the state average;

e. A proposal or proposals for delivering TEXAS Grants as a stipend-based award that would allow students to access higher education tax credits through the federal tax system.

THECB shall report the findings of the study to the Governor and to the Legislative Budget Board by July 1, 2008.

51. Align Adult Basic Education and Postsecondary Education. Out of funds appropriated above, the Texas Higher Education Coordinating Board and the Texas Education Agency shall develop, revise, and implement immediate and long-range coordinated action plans to align adult basic education and postsecondary education. To increase the number, success and persistence of students transitioning, these action plans shall address at a minimum:

a. outreach and advising;
b. assessment, curriculum, and instruction;
c. persistence interventions;
d. state-level accountability systems to monitor performance;
e. service-provider-level performance measures and program evaluation;
f. standards to enhance data quality and sharing among state agencies and service-providers;
g. needs assessment of students and service-providers to identify other structural issues and barriers;
h. grants (including Federal Funds and Other Funds) to maximize effective use of limited General Revenue Funds.

The Texas Higher Education Coordinating Board and the Texas Education Agency shall develop, and agree to, consistent with Texas Workforce Investment Council provisions under Education Code 2308.1016, a revised memorandum of understanding that establishes the respective responsibilities of each agency for the implementation of action plans necessary to successfully transition students enrolled in adult basic education into postsecondary education. The memorandum of understanding shall establish a point of responsibility and provide sufficient resources within each agency for implementation by that agency of the requirements of the memorandum of understanding. The updated memorandum of understanding must be completed by December 31, 2007.

The Texas Higher Education Coordinating Board and the Texas Education Agency shall report on the implementation of these provisions to the Texas Workforce Investment Council, the Governor, and the Legislative Budget Board by September 1, 2008.

~~**52. Reporting on Student Attendance Near Military Facilities.** It is the intent of the Legislature that the Texas Higher Education Coordinating Board include in its Legislative Appropriations Request for the 2008-09 biennium information regarding the average student attendance over a five year period of attendance for each Texas institution of higher education located in proximity to an active duty military facility. This reporting shall also note institutions where average student attendance for any year during this five year period deviates from the five year average by more that ten percentage points.~~

HIGHER EDUCATION FUND

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 262,500,000	$ 262,500,000
Total, Method of Financing	$ 262,500,000	$ 262,500,000

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

Items of Appropriation:		
A. Goal: HIGHER EDUCATION FUND		
A.1.1. Strategy: HIGHER EDUCATION FUND	$ 262,500,000	$ 262,500,000
Grand Total, HIGHER EDUCATION FUND	$ 262,500,000	$ 262,500,000
Object-of-Expense Informational Listing:		
Other Operating Expense	$ 262,500,000	$ 262,500,000
Total, Object-of-Expense Informational Listing	$ 262,500,000	$ 262,500,000

1. Unexpended Balances. Any unexpended balances as of August 31, ~~2005~~2007 in the General Revenue Fund pursuant to the provision of Article VII, § 17(a) of the Texas Constitution, are hereby appropriated to the respective institutions for the biennium beginning September 1, ~~2005~~2007 for the same purposes.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 7,321,994	$ 7,321,994
Permanent Endowment Fund Account No. 822, UT Regional Academic Health Center, estimated	1,102,000	1,102,000
Total, Method of Financing	$ 8,423,994	$ 8,423,994
This bill pattern represents an estimated 33.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	249.0	249.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 781,394	$ 781,394
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: DEBT SERVICE - NSERB Debt Service for the Natural Science and Engr. Building at UT - Dallas.	$ 6,540,600	$ 6,540,600
C. Goal: TOBACCO FUNDS		
C.1.1. Strategy: TOBACCO EARNINGS - RAHC Tobacco Earnings for the Lower Rio Grande Valley RAHC.	$ 1,102,000	$ 1,102,000
Grand Total, THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION	$ 8,423,994	$ 8,423,994
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 770,072	$ 770,072
Other Personnel Costs	11,322	11,322
Debt Service	6,540,600	6,540,600
Other Operating Expense	1,102,000	1,102,000
Total, Object-of-Expense Informational Listing	$ 8,423,994	$ 8,423,994
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,615,735	$ 1,692,406

Group Insurance	52,837	52,837
Social Security	1,239,146	1,282,516
Subtotal, Employee Benefits	$ 2,907,718	$ 3,027,759
Debt Service		
Lease Payments	$ 8,068	$ 9,102
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,915,786	$ 3,036,861

1. **Aircraft Authorized.** The University of Texas System is authorized to acquire, operate and maintain, including replacing, one passenger airplane. Such airplane should be acquired by gift, if possible, but may be acquired by purchase subject to the authority under Government Code, Chapter 2205. All costs of acquisition, operation and maintenance, including replacement, may be paid out of the Available University Fund allocable to The University of Texas System. The University of Texas System is also authorized to lease on a short-term basis additional aircraft as may be needed from time to time.

2. **Governing Board.** Out of funds appropriated above, an amount not to exceed $100,000 in each year of the biennium shall be for all expenses associated with the travel, entertainment, and lodging of the governing board.

A separate record of the board's expenditures for these purposes shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. None of the funds appropriated above may be used for the travel, entertainment, and lodging expenses of the board except for the specific amount designated above.

3. **Estimated Appropriation and Unexpended Balance.**

a. Included in the amounts appropriated above are estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the Lower Rio Grande Valley Regional Academic Health Center.

b. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated. 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 makeup the difference.

c. All balances of estimated appropriations from the Permanent Endowment Fund for the Lower Rio Grande Valley Regional Academic Health Center, except for any General Revenue, at the close of the fiscal year ending August 31, 200~~5~~7, and the income to said fund during the fiscal years beginning September 1, 200~~5~~7, are hereby appropriated. Any unexpended appropriations made above as of August 31, 200~~6~~8, are hereby appropriated for the same purposes for fiscal year 200~~7~~9.

4. **Reporting of Teacher Misconduct.** From funds appropriated, the State Board of Educator Certification, the Texas Education Agency, and The University of Texas System shall coordinate to work with school districts to ensure timely and accurate reporting of teacher misconduct as required under Texas Administrative Code, Title 19, Education § 249.14.

~~**5.** **Long-term Leases.** From the funds appropriated above, it is the intent of the Legislature that the University of Texas System develop a policy to recommend to the 80th Legislature that ensures that the same public disclosure, controls, projections, guarantees and requirements as contained in law, regulations and policy that apply to the sale of property will apply to the long-term lease of property. The University of Texas System is required to submit this policy recommendation to the Legislative Budget Board for suggestions and cooperative development of policies. The University of Texas System shall report finding of fact and suggestions for a comprehensive policy recommendation for long-term leases to each member of the Legislature before March 31, 2006.~~

AVAILABLE UNIVERSITY FUND

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
Available University Fund No. 011	$ 462,234,092	$ 502,526,413
Total, Method of Financing	$ 462,234,092	$ 502,526,413
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: MANAGE/ADMINISTER ENDOWMENT FUNDS		
Provide Management and Administrative Support for Endowment Funds.		
A.1.1. Strategy: TEXAS A&M UNIV SYSTEM ALLOCATION Texas A&M Univ. System Available Univ. Fund Allocation. Estimated.	$ 151,389,031	$ 164,930,804
A.1.2. Strategy: THE UNIV OF TEXAS SYSTEM ALLOCATION The Univ. of Texas System Available Univ. Fund Allocation. Estimated.	$ 310,845,061	$ 337,595,609
Total, Goal A: MANAGE/ADMINISTER ENDOWMENT FUNDS	$ 462,234,092	$ 502,526,413
Grand Total, AVAILABLE UNIVERSITY FUND	$ 462,234,092	$ 502,526,413
Object-of-Expense Informational Listing:		
Other Operating Expense	$ 462,234,092	$ 502,526,413
Total, Object-of-Expense Informational Listing	$ 462,234,092	$ 502,526,413

1. **Texas A&M University System Share.** There is hereby appropriated to the Texas A&M University System for the biennium ending August 31, ~~2007~~2009, that portion of the Available University Fund No. 011 apportioned to it by Article VII, § 18(f) of the Texas Constitution, except the part of that portion appropriated by § 18 for the payment of principal and interest on bonds or notes issued thereunder by the Board of Regents of the Texas A&M University System, together with interest and any balance in the Texas A&M University Available Fund No. 011 for any previous fiscal year. The Texas A&M University System is authorized to use a portion of its share of the Available University Fund No. 011 for the matching of private grants for the endowment of scholarships, fellowships, library support, and academic positions at Texas A&M University and Prairie View A&M University.

2. **The University of Texas System Share.** There is hereby appropriated for the biennium ending August 31, ~~2007~~2009 that portion of the Available University Fund ~~(AUF)~~ No. 011 apportioned to The University of Texas System by Article VII, § 18(f) of the Texas Constitution, together with interest and any balance in the ~~AUF~~ Available University Fund No. 011 for any previous years, except that portion appropriated by § 18 for the payment of principal and interest on bonds or notes issued by the Board of Regents of The University of Texas System. This appropriation may be used for new construction, major repairs and rehabilitation, equipment, maintenance, operation, salaries, and support, including the matching of private grants for the endowment of scholarships, fellowships, library support, and academic positions for The University of Texas at Austin and for The University of Texas System Administration and is to be used as the Board of Regents of The University of Texas System may determine.

3. **Transfer Authorization.** The University of Texas System ~~may~~ shall transfer from the Available University Fund No. 011 into the Texas A&M University Available Fund No. 047 its respective portion.

4. **Reporting.**

a. The University of Texas System Board of Regents and the Texas A&M University System Board of Regents shall report to the Legislature and the Governor no later than December 1 of each year the uses of the Available University Fund (AUF) for each

system component and for the system office operations for the two previous years, the current year, and two future years (projected). Each report shall contain detailed information on the following:

(1) debt service allocations, by component;
(2) bond proceeds allocations, by component;
(3) excellence allocations, by component or system office, and their purposes;
(4) Available University Fund income, interest, beginning-and-end-of-year balances; and
(5) the rationale used by the respective boards to distribute AUF funds.

b. In addition, by December 1 of each year, authorized managers of permanent funds and endowments whose earnings are appropriated above shall submit an annual financial report which shall include, at a minimum, an income statement and balance sheet and a summary of the investment return of the fund during the preceding fiscal year. The annual financial report shall also contain:

(1) a summary of all gains, losses and income from investments and an itemized list of all securities held for the fund on August 31;
(2) any other information needed by the Governor or the Legislative Budget Board to clearly indicate the nature and extent of investments made of the fund and all income realized from the components of the fund.

The annual financial report shall be distributed to the Governor and Legislative Budget Board by December 1 of each year of the biennium.

THE UNIVERSITY OF TEXAS AT ARLINGTON

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 82,035,276	$ 81,966,076
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	4,783,165	4,783,165
Estimated Other Educational and General Income Account No. 770	41,667,859	41,740,461
Subtotal, General Revenue Fund - Dedicated	$ 46,451,024	$ 46,523,626
Total, Method of Financing	$ 128,486,300	$ 128,489,702
This bill pattern represents an estimated 40.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	2,247.9	2,247.9
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 87,158,550	$ 87,158,550
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 2,049,948	$ 2,049,948
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 3,573,093	$ 3,573,093
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 302,186	$ 302,186
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 29,374	$ 29,374
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 4,620,217	$ 4,627,353
A.1.7. Strategy: EXCELLENCE FUNDING	$ 1,381,128	$ 1,381,127
Total, Goal A: INSTRUCTION/OPERATIONS	$ 99,114,496	$ 99,121,631

B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 13,358,943	$ 13,358,943
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 9,752,918	$ 9,749,183
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 327,110	$ 327,110
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 23,438,971	$ 23,435,236
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: SCIENCE EDUCATION CENTER	$ 187,031	$ 187,031
C.2.1. Strategy: AUTOMATION AND ROBOTICS INSTITUTE	$ 1,245,064	$ 1,245,064
Automation and Robotics Research Institute.		
C.3.1. Strategy: RURAL HOSPITAL OUTREACH PROGRAM	$ 45,802	$ 45,802
C.3.2. Strategy: INSTITUTE OF URBAN STUDIES	$ 296,374	$ 296,374
C.3.3. Strategy: MEXICAN AMERICAN STUDIES	$ 41,562	$ 41,562
C.4.1. Strategy: AFRICA INTERNATIONAL EXCHANGE	$ 109,544	$ 109,544
C.4.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,570,122	$ 2,570,124
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,495,499	$ 4,495,501
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 1,437,334	$ 1,437,334
Grand Total, THE UNIVERSITY OF TEXAS AT ARLINGTON	$ 128,486,300	$ 128,489,702
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 43,180,176	$ 40,876,856
Other Personnel Costs	31,321	33,201
Faculty Salaries (Higher Education Only)	48,055,649	53,572,013
Consumable Supplies	796,660	187,459
Utilities	7,108,853	7,992,353
Travel	59,854	49,642
Other Operating Expense	19,352,503	18,855,079
Client Services	128,506	128,507
Grants	9,695,361	6,720,312
Capital Expenditures	77,417	74,280
Total, Object-of-Expense Informational Listing	$ 128,486,300	$ 128,489,702
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 8,390,548	$ 8,779,617
Group Insurance	8,081,157	8,081,157
Social Security	7,604,095	7,870,239
Subtotal, Employee Benefits	$ 24,075,800	$ 24,731,013
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 24,075,800	$ 24,731,013

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at Arlington. 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 University of Texas at Arlington. In order to achieve the objectives and service standards established by this Act, The University of Texas at Arlington shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	43%	44%

Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	18%	20%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	71%	71.5%
Certification Rate of Teacher Education Graduates	95%	95%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	55.6%	55.6%
Percent of Lower Division Courses Taught by Tenured Faculty	35%	35%
State Licensure Pass Rate of Engineering Graduates	84%	84%
State Licensure Pass Rate of Nursing Graduates	93.5%	93.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	25	25.5
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.5%	7.5%

~~3~~2. **Robotics Engineering Research Program Transferability Authority.** The University of Texas at Arlington is hereby authorized to transfer or utilize from funds appropriated above an amount not to exceed $500,000 to the Robotics Engineering Research Program in addition to the amount specified for that item. However, no funds may be transferred from any specified amount for faculty salaries, general scholarships, or minority scholarships and recruitment.

~~4~~3. **Center for Mexican American Studies.** The University of Texas at Arlington is hereby authorized to transfer or utilize, from funds appropriated above, an amount not to exceed $300,000 for the operation of the Center for Mexican American Studies.

~~5~~4. **Urban Studies Institute.** All funds collected by the Urban Studies Institute are hereby appropriated to The University of Texas at Arlington for the Urban Studies Institute. It is the intent of the Legislature that services provided by the Institute shall be provided at a reduced cost based upon financial need and the availability of like services.

THE UNIVERSITY OF TEXAS AT AUSTIN

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 253,099,928	$ 252,523,055
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	20,286,374	20,286,374
Estimated Other Educational and General Income Account No. 770	89,208,522	89,870,286
Subtotal, General Revenue Fund - Dedicated	$ 109,494,896	$ 110,156,660
Total, Method of Financing	$ 362,594,824	$ 362,679,715
This bill pattern represents an estimated 22.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	6,619.1	6,619.1
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 231,831,853	$ 231,831,853
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 5,869,295	$ 5,869,295
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 11,255,545	$ 11,255,545
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 825,522	$ 825,522
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 42,362	$ 42,362

A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 13,174,032	$ 13,254,620
Total, Goal A: INSTRUCTION/OPERATIONS	$ 262,998,609	$ 263,079,197
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 61,996,261	$ 61,996,261
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 14,860,261	$ 14,860,801
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 76,856,522	$ 76,857,062
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: MARINE SCIENCE INSTITUTE	$ 605,303	$ 605,303
Marine Science Institute - Port Aransas.		
C.2.2. Strategy: INSTITUTE FOR GEOPHYSICS	$ 1,048,093	$ 1,048,093
C.2.3. Strategy: BUREAU OF ECONOMIC GEOLOGY	$ 2,856,849	$ 2,856,849
C.2.4. Strategy: BUREAU OF BUSINESS RESEARCH	$ 232,487	$ 232,487
C.2.5. Strategy: MCDONALD OBSERVATORY	$ 2,853,587	$ 2,853,587
C.2.6. Strategy: ADVANCED STUDIES IN ASTRONOMY	$ 576,008	$ 576,008
Center for Advanced Studies in Astronomy.		
C.3.1. Strategy: TEXAS MEMORIAL MUSEUM	$ 145,097	$ 145,097
C.3.2. Strategy: PUBLIC POLICY INSTITUTE	$ 192,215	$ 192,215
C.3.3. Strategy: POLICY DISPUTE RESOLUTION CENTER	$ 344,408	$ 344,408
Center for Public Policy Dispute Resolution.		
C.3.4. Strategy: LATINO WWII ORAL HISTORY	$ 43,750	$ 43,750
C.3.5. Strategy: GARNER MUSEUM	$ 43,750	$ 43,750
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 13,798,146	$ 13,801,909
Total, Goal C: SPECIAL ITEM SUPPORT	$ 22,739,693	$ 22,743,456
Grand Total, THE UNIVERSITY OF TEXAS AT AUSTIN	$ 362,594,824	$ 362,679,715
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 126,442,711	$ 141,669,009
Other Personnel Costs	3,874,029	3,873,899
Faculty Salaries (Higher Education Only)	136,712,559	143,438,674
Consumable Supplies	352,418	352,418
Debt Service	14,860,261	14,860,801
Other Operating Expense	50,146,811	27,538,270
Grants	30,206,035	30,946,644
Total, Object-of-Expense Informational Listing	$ 362,594,824	$ 362,679,715
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 44,277,463	$ 46,376,265
Group Insurance	22,842,261	22,842,261
Social Security	22,554,851	23,344,270
Subtotal, Employee Benefits	$ 89,674,575	$ 92,562,796
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 89,674,575	$ 92,562,796

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at Austin. 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 University of Texas at Austin. In order to achieve the objectives and service standards established by this Act, The University of Texas at Austin shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	76.1%	76.1%
Percent of First-time, Full-time, Degree seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	55%	55%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	94%	94%
Certification Rate of Teacher Education Graduates	93.4%	93.4%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	18.5%	18.5%
Percent of Lower Division Courses Taught by Tenured Faculty	35.4%	35.4%
State Licensure Pass Rate of Law Graduates	92.7%	92.7%
State Licensure Pass Rate of Engineering Graduates	90%	90%
State Licensure Pass Rate of Nursing Graduates	97.3%	97.3%
State Licensure Pass Rate of Pharmacy Graduates	99%	99%
Dollar Value of External or Sponsored Research Funds (in Millions)	406.8	425.1
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	5.6%	5.6%

~~3~~2. **Bureau of Economic Geology Contingency.** Contingent upon certification by the Comptroller of Public Accounts that increased activity by the Bureau of Economic Geology will generate at least $3,000,000 for the biennium in additional revenue to the General Revenue Fund, $1,500,000 in each year of the biennium is included in the appropriation above for the Bureau of Economic Geology.

~~4~~3. **Public Policy Clinics.** Out of the funds appropriated above, up to $218,750 in each year of the biennium shall be used for public policy clinics in the Department of Government. The clinics shall be focused on public policy issues salient to the State of Texas and to be offered as graduate-level seminars to help maximize the partnership with the Tomas Rivera Center, the Center for Migration and Border Studies and other academic institutions. These funds shall be used to pay research fellowships, surveys, and other expenses associated with the clinics.

~~6~~4. **University Interscholastic League Financial Reporting.** As part of the financial report required in the Education Code § 33.083, the University Interscholastic League (UIL) shall provide the following financial information to the Governor, the presiding officer of each house of the legislature, and the Legislative Budget Board before November 20th each year. The report shall provide the following financial information in the format and order identified below for the preceding two fiscal years:

1. Total revenues.
2. Total expenditures
3. Excess (Deficit) of revenue over expenditures.
4. Total fund balance.
5. Total interest income earned on fund balances belonging to UIL that are deposited with the University of Texas at Austin for the benefit of the league.
6. Total member school district earnings from event rebates and other sources.
7. Total UIL earnings from gate receipts, administrative charges, retained excess revenues from UIL managed events and other sources.
8. Total University of Texas at Austin earnings ~~incurred by The University of Texas at Austin in providing administrative services for The University of Texas at Austin in providing administrative services for the University Interscholastic League~~levied on all UIL expenditures and total expenses incurred by the University of Texas at Austin in providing administrative services for the University Interscholastic League.

This information shall be reported for all UIL funds, by all budget groups including but not limited to the General Fee, Music, Interscholastic League Press Conference, Athletic/Academic and Corporate budget groups, and ~~by all~~individual event/tournament budgets. The UIL shall contract annually with an independent certified public accountant to

audit this financial report. In lieu of pursuing a contract for independent audit services and at the discretion of the State Auditor, the State Auditor's Office may conduct the audit. Copies of this report shall be furnished on request to members of the legislature and shall be posted on the UIL's web site.

~~5.~~ ~~**The University of Texas at Austin School of Law Enrollment.** It is the intent of the Legislature that The University of Texas at Austin study the impact that enrollment levels have on the quality of education at the University's Law School. The University shall make recommendations on the optimal enrollment level at which the school can provide the highest quality education. The University shall submit a report to the 80th Legislature, not later than January 1, 2007. It is the intent of the Legislature that a limitation on enrollment not adversely impact current funding levels.~~

THE UNIVERSITY OF TEXAS AT DALLAS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 64,108,624	$ 63,980,526
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	4,330,000	4,330,000
Estimated Other Educational and General Income Account No. 770	27,039,071	27,190,058
Subtotal, General Revenue Fund - Dedicated	$ 31,369,071	$ 31,520,058
Total, Method of Financing	$ 95,477,695	$ 95,500,584
This bill pattern represents an estimated 45.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	1,322.6	1,322.6
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 63,699,280	$ 63,699,280
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 973,525	$ 973,525
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 2,423,631	$ 2,423,631
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 210,413	$ 218,830
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 49,244	$ 51,214
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 2,531,601	$ 2,546,471
A.1.7. Strategy: ORGANIZED ACTIVITIES	$ 6,026,003	$ 6,026,003
A.1.8. Strategy: EXCELLENCE FUNDING	$ 32,924	$ 32,924
Total, Goal A: INSTRUCTION/OPERATIONS	$ 75,946,621	$ 75,971,878
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 9,313,382	$ 9,313,382
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 3,995,206	$ 4,003,226
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 13,308,588	$ 13,316,608
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: CENTER FOR APPLIED BIOLOGY	$ 546,875	$ 546,875
C.1.2. Strategy: NANOTECHNOLOGY	$ 218,750	$ 218,750
C.2.1. Strategy: ACADEMIC BRIDGE PROGRAM	$ 218,750	$ 218,750
Intensive Summer Academic Bridge Program.		

C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,044,542	$ 3,034,154
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,028,917	$ 4,018,529
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 2,193,569	$ 2,193,569
Grand Total, THE UNIVERSITY OF TEXAS AT DALLAS	$ 95,477,695	$ 95,500,584
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 29,195,843	$ 28,888,699
Other Personnel Costs	917,019	324,068
Faculty Salaries (Higher Education Only)	34,984,849	34,679,484
Professional Fees and Services	41,831	41,831
Consumable Supplies	3,378	9,500
Utilities	4,445,843	4,555,200
Travel	15,195	22,500
Other Operating Expense	9,296,604	10,825,729
Grants	15,677,102	15,460,938
Capital Expenditures	900,031	692,635
Total, Object-of-Expense Informational Listing	$ 95,477,695	$ 95,500,584
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 6,474,844	$ 6,772,602
Group Insurance	4,930,441	4,930,441
Social Security	5,085,474	5,263,466
Subtotal, Employee Benefits	$ 16,490,759	$ 16,966,509
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 16,490,759	$ 16,966,509

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at Dallas. 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 University of Texas at Dallas. In order to achieve the objectives and service standards established by this Act, The University of Texas at Dallas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	57.5%	57.5%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	34%	35.61%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	84.2%	84.2%
Certification Rate of Teacher Education Graduates	100%	100%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	47%	47%
Percent of Lower Division Courses Taught by Tenured Faculty	22%	22%
Dollar Value of External or Sponsored Research Funds (in Millions)	41.23	47.25
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8.1%	8.1%

~~3~~2. **Center for Values in Medicine and Technology.** Out of the funds appropriated above in Strategy C.3.1, $150,000 in fiscal year 200~~6~~8 shall be used for the ~~establishment~~support of the Center for Values in Medicine and Technology at The University of Texas at Dallas Graduate

School of Arts and Humanities. The Center will (1) offer graduate level courses for students in the Humanities, students in Medicine, practicing physicians, and others involved in the Health Professions leading to a Certificate in Medicine and Technology; (2) it will sponsor annual public forums that will address specific technology-driven issues in Medicine; (3) it will join with the Institute of Interactive Arts and Engineering to develop more accurate, effective, and appealing ways to inform the general public about current issues in medicine and especially the mutual impact of digital technology with diagnosis and treatment. Any unexpended balances as of August 31, 200~~6~~8 in the appropriations made herein are hereby appropriated for the same purposes for the fiscal year beginning September 1, 200~~6~~8.

THE UNIVERSITY OF TEXAS AT EL PASO

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 68,822,617	$ 68,655,866
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	1,363,004	1,363,004
Estimated Other Educational and General Income Account No. 770	25,645,585	25,841,233
Subtotal, General Revenue Fund - Dedicated	$ 27,008,589	$ 27,204,237
Permanent Endowment Fund Account No. 817, UT El Paso, estimated	1,239,945	1,239,945
Total, Method of Financing	$ 97,071,151	$ 97,100,048
This bill pattern represents an estimated 38.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	1,797.9	1,797.9
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 54,357,833	$ 54,357,833
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,010,073	$ 1,010,073
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 2,289,772	$ 2,289,772
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 255,997	$ 255,997
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 3,708	$ 3,708
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 3,627,719	$ 3,654,415
A.1.7. Strategy: EXCELLENCE FUNDING	$ 1,372,309	$ 1,372,309
Total, Goal A: INSTRUCTION/OPERATIONS	$ 62,917,411	$ 62,944,107
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 11,122,128	$ 11,122,128
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 9,206,594	$ 9,208,794
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 284,730	$ 284,730
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 20,613,452	$ 20,615,652
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: BORDER STUDIES INSTITUTE Inter-American and Border Studies Institute.	$ 81,426	$ 81,426
C.2.2. Strategy: ENVIRONMENTAL RESOURCE MANAGEMENT Center for Environmental Resource Management.	$ 217,116	$ 217,116

C.2.3. Strategy: CENTER FOR LAW AND BORDER STUDIES	$ 413,049	$ 413,049
C.3.1. Strategy: EL PASO CENTENNIAL MUSEUM	$ 113,040	$ 113,040
C.3.2. Strategy: RURAL NURSING HEALTH CARE Rural Nursing Health Care Services.	$ 59,599	$ 59,599
C.3.3. Strategy: MANUFACTURE/MATERIALS MANAGEMENT Institute for Manufacturing and Materials Management.	$ 83,027	$ 83,027
C.3.4. Strategy: ECONOMIC/ENTERPRISE DEVELOPMENT Texas Centers for Economic and Enterprise Development.	$ 794,392	$ 794,392
C.3.5. Strategy: ACADEMIC EXCELLENCE Collaborative for Academic Excellence.	$ 108,558	$ 108,558
C.3.6. Strategy: BORDER COMMUNITY HEALTH Border Community Health Education Institute.	$ 268,482	$ 268,482
C.3.7. Strategy: BORDER HEALTH RESEARCH	$ 289,135	$ 289,135
C.3.8. Strategy: US-MEXICO IMMIGRATION CENTER United States - Mexico Immigration Center.	$ 41,305	$ 41,305
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,809,007	$ 7,809,008
Total, Goal C: SPECIAL ITEM SUPPORT	$ 10,278,136	$ 10,278,137
D. Goal: TOBACCO FUNDS		
D.1.1. Strategy: TOBACCO EARNINGS - UTEP Tobacco Earnings for the University of Texas at El Paso.	$ 1,239,945	$ 1,239,945
E. Goal: RESEARCH DEVELOPMENT FUND		
E.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 2,022,207	$ 2,022,207
Grand Total, THE UNIVERSITY OF TEXAS AT EL PASO	$ 97,071,151	$ 97,100,048
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 26,735,505	$ 27,784,267
Other Personnel Costs	2,842,079	2,708,500
Faculty Salaries (Higher Education Only)	35,911,623	36,076,556
Debt Service	9,206,594	9,208,794
Other Operating Expense	15,581,696	13,822,669
Grants	6,318,670	7,025,839
Capital Expenditures	474,984	473,423
Total, Object-of-Expense Informational Listing	$ 97,071,151	$ 97,100,048
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 5,834,474	$ 6,107,725
Group Insurance	7,828,526	7,828,526
Social Security	5,022,901	5,198,702
Subtotal, Employee Benefits	$ 18,685,901	$ 19,134,953
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 18,685,901	$ 19,134,953

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at El Paso. 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 University of Texas at El Paso. In order to achieve the objectives and service standards established by this Act, The University of Texas at El Paso shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	31%	32%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	6.6%	6.6%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	84.2%	84.2%
Certification Rate of Teacher Education Graduates	100%	100%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	62.4%	62.4%
Percent of Lower Division Courses Taught by Tenured Faculty	35.2%	35.2%
State Licensure Pass Rate of Engineering Graduates	87.5%	87.5%
State Licensure Pass Rate of Nursing Graduates	95.8%	95.8%
Dollar Value of External or Sponsored Research Funds (in Millions)	30.9	30.9
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8.5%	8.5%

~~3~~**2.** **Transfer of Consortium Funds.** Funds identified for the Texas Centers for Border Economic and Enterprise Development are to be distributed among the member institutions of the consortium by transfers from appropriations to The University of Texas at El Paso to The University of Texas-Pan American and Texas A&M International University. Such transfers are subject to the special and general provisions of this Act and are authorized as follows:

	~~2006~~2008	~~2007~~2009
Texas A&M International University:		
Institute for International Trade	$ 193,525	$193,525
The University of Texas - Pan American:		
Center for Entrepreneurship and Economic Development	$ 321,001	$321,001

~~4~~**3.** **Estimated Appropriation and Unexpended Balance.**

a. Included in the amounts appropriated above are estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas at El Paso.

b. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. 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 makeup the difference.

c. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas at El Paso, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated to the institution for the same purposes for fiscal year ~~2007~~2009.

THE UNIVERSITY OF TEXAS - PAN AMERICAN

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 58,541,649	$ 58,517,908
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	1,084,470	1,084,470
Estimated Other Educational and General Income Account No. 770	21,250,461	21,262,661
Subtotal, General Revenue Fund - Dedicated	$ 22,334,931	$ 22,347,131
Interagency Contracts	321,001	321,001
Total, Method of Financing	$ 81,197,581	$ 81,186,040
This bill pattern represents an estimated 41% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	1,896.1	1,896.1
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 47,126,601	$ 47,126,601
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,052,285	$ 1,052,285
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 2,225,313	$ 2,225,313
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 149,986	$ 149,986
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 3,604,131	$ 3,606,040
A.1.6. Strategy: EXCELLENCE FUNDING	$ 656,808	$ 656,808
Total, Goal A: INSTRUCTION/OPERATIONS	$ 54,815,124	$ 54,817,033
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 8,014,935	$ 8,014,935
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 7,610,182	$ 7,596,732
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 15,625,117	$ 15,611,667
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: PROF DEVELOPMENT/DISTANCE LEARNING	$ 207,813	$ 207,813
Professional Development/Distance Learning.		
C.1.2. Strategy: COOPERATIVE PHARMACY DOCTORATE	$ 249,375	$ 249,375
C.1.3. Strategy: STARR COUNTY UPPER LEVEL CENTER	$ 124,688	$ 124,688
C.2.1. Strategy: ECONOMIC DEVELOPMENT	$ 543,708	$ 543,708
Center for Entrepreneurship and Economic Development.		
C.2.2. Strategy: CENTER FOR MANUFACTURING	$ 208,042	$ 208,042
C.2.3. Strategy: UT SYSTEM K-12 COLLABORATION	$ 146,083	$ 146,083
UT System K-12 Collaboration Initiative.		
C.2.4. Strategy: TRADE & TECHNOLOGY/TELECOMM	$ 109,563	$ 109,563
Trade and Technology/Telecommunications.		
C.2.5. Strategy: DIABETES REGISTRY	$ 209,844	$ 209,844
C.2.6. Strategy: TEXAS/MEXICO BORDER HEALTH	$ 290,938	$ 290,938
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,974,083	$ 7,974,083
C.3.2. Strategy: TRANSITION TO COLLEGE	$ 415,625	$ 415,625
Successful Transition to College Project.		
Total, Goal C: SPECIAL ITEM SUPPORT	$ 10,479,762	$ 10,479,762
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 277,578	$ 277,578
Grand Total, THE UNIVERSITY OF TEXAS - PAN AMERICAN	$ 81,197,581	$ 81,186,040

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 24,193,893	$ 24,896,181
Other Personnel Costs	1,216,186	1,711,099
Faculty Salaries (Higher Education Only)	31,229,901	31,408,907
Utilities	1,000	2,973
Travel	214,515	208,790
Debt Service	7,610,182	7,596,732
Other Operating Expense	5,186,141	4,421,181
Client Services	5,823,510	5,602,852
Grants	5,722,253	5,337,325
Total, Object-of-Expense Informational Listing	$ 81,197,581	$ 81,186,040
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 5,134,896	$ 5,374,311
Group Insurance	5,052,881	5,052,881
Social Security	4,826,358	4,995,280
Subtotal, Employee Benefits	$ 15,014,135	$ 15,422,472
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 15,014,135	$ 15,422,472

1. Performance Measure Targets. The following is a listing of the key performance target levels for The University of Texas - Pan American. 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 University of Texas - Pan American. In order to achieve the objectives and service standards established by this Act, The University of Texas - Pan American shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	35.5%	36%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	12.3%	12.3%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	83%	84%
Certification Rate of Teacher Education Graduates	83%	84%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	71%	71%
Percent of Lower Division Courses Taught by Tenured Faculty	44%	44%
State Licensure Pass Rate of Nursing Graduates	91%	91%
Dollar Value of External or Sponsored Research Funds (in Millions)	16.5	19.5
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8%	8%

~~3~~**2. Center for Manufacturing.** Included in the appropriation above to The University of Texas - Pan American in Strategy C.2.2, Center for Manufacturing, is $208,042 in each year of the biennium for the Center for Manufacturing contingent upon certification by the Comptroller of Public Accounts that increased activity by the center will generate at least $416,084 for the biennium in additional revenue to the General Revenue Fund.

THE UNIVERSITY OF TEXAS AT BROWNSVILLE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 25,429,645	$ 25,422,536
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	220,476	220,476
Estimated Other Educational and General Income Account No. 770	3,861,896	3,867,509
Subtotal, General Revenue Fund - Dedicated	$ 4,082,372	$ 4,087,985
Total, Method of Financing	$ 29,512,017	$ 29,510,521
This bill pattern represents an estimated 24.4% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	554.0	554.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 10,223,041	$ 10,223,041
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 525,006	$ 525,006
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 391,389	$ 391,389
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 17,882	$ 17,882
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 669,897	$ 670,786
Total, Goal A: INSTRUCTION/OPERATIONS	$ 11,827,215	$ 11,828,104
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 3,466,586	$ 3,466,586
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 6,541,992	$ 6,539,607
B.1.3. Strategy: LEASE OF FACILITIES	$ 1,359,576	$ 1,359,576
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 11,368,154	$ 11,365,769
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.3.1. Strategy: ECONOMIC DEVELOPMENT Texas Center for Border Economic Development.	$ 250,000	$ 250,000
C.3.2. Strategy: K-16 COLLABORATION IN UTB SRV AREA K-16 Collaboration in the UTB Service Area.	$ 218,750	$ 218,750
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 5,562,744	$ 5,562,744
Total, Goal C: SPECIAL ITEM SUPPORT	$ 6,031,494	$ 6,031,494
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 285,154	$ 285,154
Grand Total, THE UNIVERSITY OF TEXAS AT BROWNSVILLE	$ 29,512,017	$ 29,510,521
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,885,899	$ 4,891,601
Other Personnel Costs	398,918	400,067
Faculty Salaries (Higher Education Only)	10,031,661	10,066,184
Professional Salaries - Faculty Equivalent (Higher Education Only)	866,073	871,492
Utilities	2,520,067	2,584,310
Rent - Building	1,359,576	1,359,576
Rent - Machine and Other	40,179	40,179
Debt Service	6,541,992	6,539,607
Other Operating Expense	2,355,770	2,245,624
Client Services	228,084	228,084
Grants	283,798	283,797
Total, Object-of-Expense Informational Listing	$ 29,512,017	$ 29,510,521

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,981,205	$ 3,120,582
Group Insurance	1,523,477	1,523,477
Social Security	999,830	1,034,824
Subtotal, Employee Benefits	$ 5,504,512	$ 5,678,883
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 5,504,512	$ 5,678,883

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at Brownsville. 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 University of Texas at Brownsville. In order to achieve the objectives and service standards established by this Act, The University of Texas at Brownsville shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	82%	82%
Certification Rate of Teacher Education Graduates	91%	91%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	74.6%	74.6%
Percent of Lower Division Courses Taught by Tenured Faculty	63%	63%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Four Years	80%	80%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two years	45%	45%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9%	9%

~~3~~2. **Texas Center for Border Economic Development.** Included in the appropriation above to The University of Texas at Brownsville in Strategy C.3.1, Economic Development, is $250,000 in each year of the biennium for the Texas Center for Border Economic Development contingent upon certification by the Comptroller of Public Accounts that increased activity by the center will generate at least $500,000 for the biennium in additional revenue to the General Revenue Fund.

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 23,609,715	$ 23,596,431
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	208,144	208,144
Estimated Other Educational and General Income Account No. 770	4,273,575	4,279,627
Subtotal, General Revenue Fund - Dedicated	$ 4,481,719	$ 4,487,771
Total, Method of Financing	$ 28,091,434	$ 28,084,202

This bill pattern represents an estimated 58.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	306.4	306.4
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 8,953,915	$ 8,953,915
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 380,815	$ 380,815
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 290,291	$ 290,291
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 29,328	$ 29,327
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 512,343	$ 513,040
A.1.6. Strategy: EXCELLENCE FUNDING	$ 167,547	$ 167,547
Total, Goal A: INSTRUCTION/OPERATIONS	$ 10,334,239	$ 10,334,935
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,466,286	$ 2,466,286
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 10,383,271	$ 10,375,341
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 34,143	$ 34,143
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 12,883,700	$ 12,875,770
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: CENTER FOR ENERGY	$ 262,101	$ 262,101
C.3.1. Strategy: PUBLIC LEADERSHIP INSTITUTE John Ben Shepperd Public Leadership Institute.	$ 698,938	$ 698,938
C.3.2. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 127,234	$ 127,234
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,713,246	$ 3,713,248
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,801,519	$ 4,801,521
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 71,976	$ 71,976
Grand Total, THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	$ 28,091,434	$ 28,084,202
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 5,738,873	$ 5,830,311
Other Personnel Costs	163,629	176,688
Faculty Salaries (Higher Education Only)	6,055,879	6,268,930
Professional Salaries - Faculty Equivalent (Higher Education Only)	71,717	71,717
Professional Fees and Services	204,457	203,229
Fuels and Lubricants	12,308	12,163
Consumable Supplies	36,632	36,458
Utilities	1,642,904	1,617,342
Travel	26,585	26,576
Rent - Machine and Other	8,264	8,254
Debt Service	10,417,414	10,409,484
Other Operating Expense	1,345,437	1,295,046
Grants	2,245,124	1,983,676
Capital Expenditures	122,211	144,328
Total, Object-of-Expense Informational Listing	$ 28,091,434	$ 28,084,202
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 928,524	$ 970,953
Group Insurance	1,248,287	1,248,287
Social Security	1,009,095	1,044,413

Subtotal, Employee Benefits	$ 3,185,906	$ 3,263,653
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,185,906	$ 3,263,653

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas of the Permian Basin. 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 University of Texas of the Permian Basin. In order to achieve the objectives and service standards established by this Act, The University of Texas of the Permian Basin shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	37%	38%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	16.5%	17%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	70%	70%
Certification Rate of Teacher Education Graduates	91.7%	91.7%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	65.6%	65.6%
Percent of Lower Division Courses Taught by Tenured Faculty	54%	54%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9.2%	9.2%

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 90,780,985	$ 90,747,842
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	3,652,816	3,652,816
Estimated Other Educational and General Income Account No. 770	36,686,521	36,746,787
Subtotal, General Revenue Fund - Dedicated	$ 40,339,337	$ 40,399,603
Total, Method of Financing	$ 131,120,322	$ 131,147,445
This bill pattern represents an estimated 35.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	2,041.0	2,041.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 76,767,051	$ 76,767,051
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 2,348,156	$ 2,348,156
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 3,411,027	$ 3,411,027
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 185,579	$ 185,579
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 340	$ 340
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 5,657,151	$ 5,665,653

A.1.7. Strategy: EXCELLENCE FUNDING	$ 2,257,017	$ 2,257,017
Total, Goal A: INSTRUCTION/OPERATIONS	$ 90,626,321	$ 90,634,823
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 13,501,971	$ 13,501,971
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 13,283,306	$ 13,292,496
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 26,785,277	$ 26,794,467
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: TEXAS PRE-ENGINEERING PROGRAM	$ 557,190	$ 557,190
C.2.1. Strategy: CENTER FOR WATER RESEARCH	$ 131,250	$ 131,250
C.3.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 3,179,898	$ 3,179,898
C.3.2. Strategy: INSTITUTE OF TEXAN CULTURES	$ 1,953,126	$ 1,953,126
C.4.1. Strategy: DOWNTOWN CAMPUS PHASE II	$ 1,312,500	$ 1,312,500
C.4.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,960,926	$ 4,970,357
C.4.3. Strategy: TEXAS STATE DATA CENTER	$ 327,398	$ 327,398
Total, Goal C: SPECIAL ITEM SUPPORT	$ 12,422,288	$ 12,431,719
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 1,286,436	$ 1,286,436
Grand Total, THE UNIVERSITY OF TEXAS AT SAN ANTONIO	$ 131,120,322	$ 131,147,445
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 39,487,805	$ 42,372,717
Other Personnel Costs	3,445,552	3,445,552
Faculty Salaries (Higher Education Only)	41,246,379	48,276,710
Utilities	8,134,149	5,091,126
Debt Service	13,283,306	13,292,496
Other Operating Expense	6,923,777	6,932,279
Grants	18,599,354	11,736,565
Total, Object-of-Expense Informational Listing	$ 131,120,322	$ 131,147,445
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 7,420,405	$ 7,776,243
Group Insurance	7,469,211	7,469,211
Social Security	7,345,084	7,602,162
Subtotal, Employee Benefits	$ 22,234,700	$ 22,847,616
Debt Service		
Lease Payments	$ 661	$ 741
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 22,235,361	$ 22,848,357

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at San Antonio. 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 University of Texas at San Antonio. In order to achieve the objectives and service standards established by this Act, The University of Texas at San Antonio shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	34.42%	35.88%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	8.2%	8.53%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	68.5%	68.5%
Certification Rate of Teacher Education Graduates	96.82%	97.45%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	60.5%	61%
Percent of Lower Division Courses Taught by Tenured Faculty	44.46%	45.89%
State Licensure Pass Rate of Engineering Graduates	84.58%	85.69%
Dollar Value of External or Sponsored Research Funds (in Millions)	29.5	33
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9%	9%

~~3~~**2.** **Institute of Texan Cultures.** Out of the funds appropriated above, it is the intent of the Legislature that The University of Texas at San Antonio spend up to $1,953,126 each year of the biennium for the Institute of Texan Cultures.

~~4~~**3.** **Texas State Data Center.** Contingent Upon Certification: Texas State Data Center. Out of funds appropriated above in Strategy C.4.3, Texas State Data Center, $150,000 in fiscal year 200~~6~~8 and $150,000 in fiscal year 200~~7~~9 are appropriated from the General Revenue Fund for the operation of the Texas State Data Center at The University of Texas at San Antonio, contingent upon certification by the Comptroller of Public Accounts that increased activity resulting from the work of the Texas State Data Center will generate at least $300,000 for the biennium in additional revenue to the General Revenue Fund.

THE UNIVERSITY OF TEXAS AT TYLER

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 28,536,006	$ 28,511,437
GR Dedicated - Estimated Other Educational and General Income Account No. 770	6,903,220	6,909,044
Total, Method of Financing	$ 35,439,226	$ 35,420,481
This bill pattern represents an estimated 53.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	481.8	481.8
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 16,556,581	$ 16,556,581
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 740,083	$ 740,083
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 346,038	$ 346,038
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 57,002	$ 57,002
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,099,058	$ 1,099,925
Total, Goal A: INSTRUCTION/OPERATIONS	$ 18,798,762	$ 18,799,629

B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,850,388	$ 2,850,386
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 6,212,674	$ 6,193,064
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 60,128	$ 60,128
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 9,123,190	$ 9,103,578
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: 4-YEAR START UP OPERATIONS	$ 1,103,485	$ 1,103,485
C.1.2. Strategy: LONGVIEW CAMPUS	$ 1,145,151	$ 1,145,151
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 5,220,330	$ 5,220,330
Total, Goal C: SPECIAL ITEM SUPPORT	$ 7,468,966	$ 7,468,966
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 48,308	$ 48,308
Grand Total, THE UNIVERSITY OF TEXAS AT TYLER	$ 35,439,226	$ 35,420,481
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 6,031,782	$ 6,369,263
Other Personnel Costs	478,089	480,700
Faculty Salaries (Higher Education Only)	9,531,029	9,477,930
Consumable Supplies	814,110	816,471
Utilities	1,091,131	991,820
Travel	270,695	272,244
Debt Service	6,272,802	6,253,192
Other Operating Expense	1,487,704	1,441,557
Grants	9,430,069	9,312,660
Capital Expenditures	31,815	4,644
Total, Object-of-Expense Informational Listing	$ 35,439,226	$ 35,420,481
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,646,033	$ 1,720,912
Group Insurance	2,589,528	2,589,528
Social Security	1,872,003	1,937,523
Subtotal, Employee Benefits	$ 6,107,564	$ 6,247,963
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 6,107,564	$ 6,247,963

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at Tyler. 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 University of Texas at Tyler. In order to achieve the objectives and service standards established by this Act, The University of Texas at Tyler shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree Within Six Academic Years	65%	65%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	26%	26%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	73%	73%

Certification Rate of Teacher Education Graduates	95%	95%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	54%	54%
Percent of Lower Division Courses Taught by Tenured Faculty	70%	70%
State Licensure Pass Rate of Nursing Graduates	100%	100%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	12%	12%

TEXAS A&M UNIVERSITY SYSTEM ADMINISTRATIVE AND GENERAL OFFICES

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 7,603,355	$ 528,362
GR Dedicated - Texas A&M University Mineral Income Account No. 096, estimated	4,100,000	4,100,000
Total, Method of Financing	$ 11,703,355	$ 4,628,362
This bill pattern represents an estimated 67% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	108.5	108.5
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 9,625,230	$ 4,628,362
B. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
B.1.1. Strategy: SCHOLARSHIPS	$ 2,078,125	$ 0
Grand Total, TEXAS A&M UNIVERSITY SYSTEM ADMINISTRATIVE AND GENERAL OFFICES	$ 11,703,355	$ 4,628,362
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,625,230	$ 4,628,362
Other Operating Expense	5,000,000	0
Client Services	2,078,125	0
Total, Object-of-Expense Informational Listing	$ 11,703,355	$ 4,628,362
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 886,960	$ 932,618
Group Insurance	32,228	32,228
Social Security	463,220	479,433
Subtotal, Employee Benefits	$ 1,382,408	$ 1,444,279
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,382,408	$ 1,444,279

1. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $325,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

2. Mineral Fund Appropriated. Appropriated in the funds above to the Board of Regents of the Texas A&M University System are the funds in the Texas A&M University System Special Mineral Fund to be invested by said board in accordance with Education Code § 85.70. The income from said Fund is included in the appropriation above to the Board of Regents of the Texas A&M University System to be disbursed for the purposes provided for and in accordance with the provisions of the above citation. Mineral Funds are estimated to be ~~$1,088,742~~ 4,100,000 in fiscal year 200~~6~~8 and ~~$2,439,976~~ 4,100,000 in fiscal year 200~~7~~9.

TEXAS A&M UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 234,835,037	$ 234,421,868
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	7,601,991	7,601,991
Estimated Other Educational and General Income Account No. 770	78,708,224	79,178,712
Subtotal, General Revenue Fund - Dedicated	$ 86,310,215	$ 86,780,703
Real Estate Fee Trust Account No. 969	2,661,938	2,721,100
Total, Method of Financing	$ 323,807,190	$ 323,923,671
This bill pattern represents an estimated 31.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	5,457.4	5,457.4
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 214,573,081	$ 214,573,081
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 5,320,069	$ 5,320,069
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 8,045,098	$ 8,045,098
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 2,025,818	$ 2,025,818
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 9,373,548	$ 9,428,310
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 7,889,469	$ 7,889,469
Total, Goal A: INSTRUCTION/OPERATIONS	$ 247,227,083	$ 247,281,845
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 40,477,537	$ 40,477,537
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 6,772,031	$ 6,774,586
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 47,249,568	$ 47,252,123
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: CYCLOTRON INSTITUTE	$ 548,154	$ 548,154
C.2.2. Strategy: SEA GRANT PROGRAM	$ 359,678	$ 359,678
C.2.3. Strategy: ENERGY RESOURCES PROGRAM	$ 551,765	$ 551,765
C.2.4. Strategy: PUBLIC POLICY RESOURCE LABORATORY	$ 41,242	$ 41,244
C.2.5. Strategy: REAL ESTATE RESEARCH CENTER	$ 2,661,938	$ 2,721,100

C.3.1. Strategy: SCHOOL OF ARCHITECTURE	$ 750,274	$ 750,274
C.4.1. Strategy: FACULTY REINVESTMENT	$ 20,000,000	$ 20,000,000
C.4.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,417,488	$ 4,417,488
Total, Goal C: SPECIAL ITEM SUPPORT	$ 29,330,539	$ 29,389,703
Grand Total, TEXAS A&M UNIVERSITY	$ 323,807,190	$ 323,923,671
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 101,614,479	$ 93,956,672
Other Personnel Costs	6,077,359	5,919,955
Faculty Salaries (Higher Education Only)	138,298,469	154,664,318
Professional Salaries - Faculty Equivalent (Higher Education Only)	1,734,922	211,575
Professional Fees and Services	1,100,841	502,920
Fuels and Lubricants	58,269	52,514
Consumable Supplies	1,201,355	364,049
Utilities	4,110,283	2,437,644
Travel	114,126	110,909
Rent - Building	45,381	25,708
Rent - Machine and Other	963,709	247,568
Other Operating Expense	34,624,430	33,624,677
Client Services	77,399	31,551
Grants	32,645,679	31,773,611
Capital Expenditures	1,140,489	0
Total, Object-of-Expense Informational Listing	$ 323,807,190	$ 323,923,671
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 24,416,337	$ 25,547,757
Group Insurance	23,538,768	23,538,768
Social Security	20,600,617	21,321,638
Subtotal, Employee Benefits	$ 68,555,722	$ 70,408,163
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 68,555,722	$ 70,408,163

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University. 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 A&M University. In order to achieve the objectives and service standards established by this Act, the Texas A&M University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree Within Six Academic Years	77.3%	77.3%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	41.5%	41.5%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	92%	92%
Certification Rate of Teacher Education Graduates	98.8%	98.8%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	30%	30%
Percent of Lower Division Courses Taught by Tenured Faculty	35%	35%
State Licensure Pass Rate of Engineering Graduates	90%	90%
State Licensure Examination Pass Rate of Veterinary Medicine Graduates	100%	100%
Dollar Value of External or Sponsored Research Funds (In Millions)	119.1	128.3

A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	4.4%	4.4%

~~3~~2. **Real Estate Research Center.** Funds derived from the provisions of ~~VTCS, Article 6573a, § 5.m~~ Education Code §86.51, Subchapter C in support of the Real Estate Research Center at Texas A&M University, are appropriated above to said center for the purposes stipulated therein. No employee paid from funds appropriated by this Act shall be paid both a salary and compensatory per diem for concurrent service as a state employee and as a board or commission member.

TEXAS A&M UNIVERSITY AT GALVESTON

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 15,477,007	$ 15,470,664
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	30,000	30,000
Estimated Other Educational and General Income Account No. 770	3,232,832	3,247,049
Subtotal, General Revenue Fund - Dedicated	$ 3,262,832	$ 3,277,049
Total, Method of Financing	$ 18,739,839	$ 18,747,713
This bill pattern represents an estimated 63.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	248.5	248.5
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 4,748,543	$ 4,748,543
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 169,159	$ 169,159
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 332,323	$ 332,323
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 83,698	$ 83,698
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 725	$ 725
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 344,603	$ 346,165
A.1.7. Strategy: EXCELLENCE FUNDING	$ 211,275	$ 211,275
Total, Goal A: INSTRUCTION/OPERATIONS	$ 5,890,326	$ 5,891,888
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,183,607	$ 2,183,607
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 4,318,189	$ 4,315,189
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 6,501,796	$ 6,498,796
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: MARITIME INSTRUCTION ENHANCEMENT	$ 2,056,445	$ 2,102,732
Maritime Instructional Enhancement.		
C.2.1. Strategy: COASTAL ZONE LABORATORY	$ 22,882	$ 22,882
C.2.2. Strategy: TEXAS INSTITUTE OF OCEANOGRAPHY	$ 469,326	$ 469,326
C.4.1. Strategy: DREDGING OF DOCK AREA	$ 35,941	$ 0
C.4.2. Strategy: SHIP OPERATION & MAINTENANCE	$ 902,100	$ 902,100
Ship Operation and Maintenance.		
C.4.3. Strategy: MARINE TERMINAL OPERATION	$ 402,227	$ 402,227
Marine Terminal Operations.		

C.4.4. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,166,195	$ 2,165,161
Total, Goal C: SPECIAL ITEM SUPPORT	$ 6,055,116	$ 6,064,428
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 292,601	$ 292,601
Grand Total, TEXAS A&M UNIVERSITY AT GALVESTON	$ 18,739,839	$ 18,747,713
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,574,500	$ 4,948,063
Other Personnel Costs	123,602	44,242
Faculty Salaries (Higher Education Only)	2,687,036	3,320,643
Professional Salaries - Faculty Equivalent (Higher Education Only)	158,399	0
Professional Fees and Services	65	72
Fuels and Lubricants	1,099	32
Consumable Supplies	22,446	22,350
Utilities	1,401	1,401
Travel	15,888	16,542
Rent - Building	17,543	20,779
Rent - Machine and Other	2,670	1,089
Debt Service	4,318,189	4,315,189
Other Operating Expense	1,429,193	1,043,920
Grants	3,287,574	2,910,659
Capital Expenditures	2,100,234	2,102,732
Total, Object-of-Expense Informational Listing	$ 18,739,839	$ 18,747,713
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 928,901	$ 972,174
Group Insurance	1,105,301	1,105,301
Social Security	885,251	916,235
Subtotal, Employee Benefits	$ 2,919,453	$ 2,993,710
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,919,453	$ 2,993,710

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University at Galveston. 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 A&M University at Galveston. In order to achieve the objectives and service standards established by this Act, the Texas A&M University at Galveston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	40%	43%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	15.89%	15.89%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	60%	60%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	38.3%	38.3%
Percent of Lower Division Courses Taught by Tenured Faculty	37%	37%
Dollar Value of External or Sponsored Research Funds (in Millions)	3.5	3.5

A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9.3%	9.3%

~~3~~**2.** **Training Vessel.** No funds appropriated to Texas A&M University at Galveston may be expended for purchase of a training vessel.

PRAIRIE VIEW A&M UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 37,608,771	$ 37,059,595
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	1,265,160	1,265,160
Estimated Other Educational and General Income Account No. 770	11,925,771	11,958,346
Center for Study and Prevention of Juvenile Crime and Delinquency Account No. 5029, estimated	1,918,896	1,918,895
Subtotal, General Revenue Fund - Dedicated	$ 15,109,827	$ 15,142,401
Total, Method of Financing	$ 52,718,598	$ 52,201,996
This bill pattern represents an estimated 44.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	865.3	865.3
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 26,451,399	$ 26,451,399
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 943,005	$ 943,005
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,084,648	$ 1,084,648
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 208,890	$ 208,890
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 6,532	$ 6,532
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,648,783	$ 1,652,895
A.1.7. Strategy: EXCELLENCE FUNDING	$ 261,334	$ 261,334
Total, Goal A: INSTRUCTION/OPERATIONS	$ 30,604,591	$ 30,608,703
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 5,523,517	$ 5,523,517
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 6,390,284	$ 6,387,794
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 11,913,801	$ 11,911,311
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: STUDENT NURSE STIPENDS	$ 159,970	$ 159,969
C.1.2. Strategy: HONORS PROGRAM	$ 83,126	$ 83,125
C.2.1. Strategy: AGRICULTURE RESEARCH CENTER Cooperative Agriculture Research Center.	$ 751,694	$ 751,692
C.3.1. Strategy: EXTENSION AND PUBLIC SERVICE	$ 1,749,434	$ 1,749,432
C.3.2. Strategy: JUVENILE CRIME PREVENTION CENTER	$ 1,918,896	$ 1,918,895
C.3.3. Strategy: COMMUNITY DEVELOPMENT	$ 124,688	$ 124,688
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,894,182	$ 4,894,181
Total, Goal C: SPECIAL ITEM SUPPORT	$ 9,681,990	$ 9,681,982

D. Goal: TEXAS COMMITMENT-OCR PRIORITY PLAN		
Texas Commitment Office of Civil Rights Priority Plan.		
D.1.1. Strategy: OCR PRIORITY PLAN	$ 518,216	$ 0
Office of Civil Rights Priority Plan.		
Grand Total, PRAIRIE VIEW A&M UNIVERSITY	$ 52,718,598	$ 52,201,996
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 14,360,408	$ 15,676,052
Other Personnel Costs	884,031	12,630
Faculty Salaries (Higher Education Only)	17,264,188	15,792,355
Professional Salaries - Extension (Texas Cooperative Extension)	504,114	638,127
Professional Fees and Services	42,155	42,949
Fuels and Lubricants	2,418	29,754
Consumable Supplies	60,142	194,165
Utilities	2,811,886	1,373,846
Travel	38,033	136,691
Rent - Building	1,518	301,068
Rent - Machine and Other	11,895	22,657
Debt Service	6,390,284	6,387,794
Other Operating Expense	2,626,111	4,434,603
Client Services	1,745,108	1,830,726
Grants	5,545,480	5,328,579
Capital Expenditures	430,827	0
Total, Object-of-Expense Informational Listing	$ 52,718,598	$ 52,201,996
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,405,412	$ 3,565,054
Group Insurance	4,074,377	4,074,377
Social Security	3,408,261	3,527,550
Subtotal, Employee Benefits	$ 10,888,050	$ 11,166,981
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 10,888,050	$ 11,166,981

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Prairie View A&M University. 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 Prairie View A&M University. In order to achieve the objectives and service standards established by this Act, the Prairie View A&M University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	45%	45%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	70%	70%
Certification Rate of Teacher Education Graduates	76%	76%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	57%	57%
Percent of Lower Division Courses Taught by Tenured Faculty	60%	60%
State Licensure Pass Rate of Engineering Graduates	60%	60%
State Licensure Pass Rate of Nursing Graduates	97%	97%
Dollar Value of External or Sponsored Research Funds (in Millions)	9.7	9.7
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	11.8%	11.8%

42. **OCR Priority Plan Reporting Requirements.** Prairie View A&M University shall work with the Texas A&M University System; Prairie View A&M University and the Texas A&M University System shall work with the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board regarding any proposed changes to the detailed plan, the benchmarks and performance measures adopted in accordance with the OCR Priority Plan. Prairie View A&M University shall report their progress regarding the OCR Priority Plan benchmarks, performance measures, and expenditures for the above items, semi-annually by January 30 and July 30 to the institution's Board of Regents, the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board. Any unexpended balances as of August 31, 2005~~5~~7, (estimated to be $~~3,000,000~~0) appropriated by the Seventy-eighth Legislature for the OCR Priority Plan, are hereby appropriated to Prairie View A&M University for the biennium beginning September 1, 2005~~5~~7. It is legislative intent that any

funds not spent during the 20~~06~~08-20~~07~~09 biennium be transferred to the 20~~08~~10-20~~09~~11 biennium without any reduction in future funding for the Office of Civil Rights Priority Plan.

~~5~~3. **Establishment of America's Promise School.** Out of the funds appropriated above Prairie View A&M University will jointly operate an America's Promise School with Waller Independent School District. The school will be a full service pre-kindergarten through fourth grade community-centered elementary school based around the America's Promise concept, which includes the following five promises: (1) an ongoing relationship with a caring adult/mentor; (2) safe places and structured activities before and after school; (3) a healthy start, including nutritional and health-related services; (4) students developing marketable skills through effective education; and (5) opportunities for the students to serve and give back to the community.

~~**3.** **Texas Commitment - OCR Priority Plan.** Out of the funds appropriated above in D. Goal: Texas Commitment - OCR Priority Plan, the following items are included in the Priority Plan:~~

		in millions	
~~OCR Priority Plan Items~~		~~2006~~	~~2007~~
~~1.~~	~~University College and Project Access~~	~~$1.27~~	~~$1.38~~
~~2.~~	~~Student Development and Support Center~~	~~$1.01~~	~~$1.02~~
~~3.~~	~~Honors Endowed Scholarships~~	~~$1.11~~	~~$1.11~~
~~4.~~	~~Information Technology~~	~~$2.12~~	~~$2.65~~
~~5.~~	~~Accreditation~~	~~$0.95~~	~~$0.79~~
~~6.~~	~~College of Nursing~~	~~$0.95~~	~~$0.74~~
~~7.~~	~~College of Engineering~~	~~$0.37~~	~~$0.32~~
~~8.~~	~~MS Accounting~~	~~$0.24~~	~~$0.26~~
~~9.~~	~~MS/PhD Electrical Engineering~~	~~$0.84~~	~~$0.84~~
~~10.~~	~~Enhance Educator Preparation~~	~~$0.37~~	~~$0.36~~
~~11.~~	~~MS Architecture~~	~~$0.42~~	~~$0.37~~
~~12.~~	~~Four Endowed Chairs~~	~~$0.53~~	~~$0.53~~
~~13.~~	~~MS Information Systems~~	~~$0.53~~	~~$0.53~~
~~14.~~	~~Faculty Recruitment, Retention, and Development~~	~~$0.85~~	~~$0.69~~
~~15..~~	~~MS Computer Science~~	~~$0.32~~	~~$0.29~~
~~16.~~	~~PhD Juvenile Forensic Psychology~~	~~$0.64~~	~~$0.64~~
~~17~~	~~Texas Medical Academy~~	~~$1.28~~	~~$1.28~~
	~~TOTAL:~~	~~$13.8~~	~~$13.8~~

~~**6.** **OCR Multi-year Commitment.** It is the intent of the Legislature that the funding identified above in the OCR Priority Plan be continued as a multi-year commitment by the Legislature.~~

TARLETON STATE UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 35,604,679	$ 35,588,300
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	252,000	252,000
Estimated Other Educational and General Income Account No. 770	12,430,048	12,446,543
Subtotal, General Revenue Fund - Dedicated	$ 12,682,048	$ 12,698,543
Total, Method of Financing	$ 48,286,727	$ 48,286,843
This bill pattern represents an estimated 47% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	765.6	765.6
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 26,895,991	$ 26,895,991
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,066,273	$ 1,066,273
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,096,792	$ 1,096,792
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 106,361	$ 106,362
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 19,688	$ 19,686
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,842,265	$ 1,844,703
A.1.7. Strategy: ORGANIZED ACTIVITIES	$ 409,000	$ 409,000
A.1.8. Strategy: EXCELLENCE FUNDING	$ 390,761	$ 390,761
Total, Goal A: INSTRUCTION/OPERATIONS	$ 31,827,131	$ 31,829,568
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 4,578,192	$ 4,578,192
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 5,696,638	$ 5,694,317
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 10,274,830	$ 10,272,509
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: CENTRAL TEXAS CENTER University System Center - Central Texas.	$ 884,494	$ 884,494
C.2.1. Strategy: ENVIRONMENTAL RESEARCH Institute for Applied Environmental Research.	$ 1,049,956	$ 1,049,956
C.2.2. Strategy: AGRICULTURE CENTER Tarleton Agriculture Center.	$ 246,084	$ 246,084
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,353,338	$ 3,353,338
Total, Goal C: SPECIAL ITEM SUPPORT	$ 5,533,872	$ 5,533,872
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 650,894	$ 650,894
Grand Total, TARLETON STATE UNIVERSITY	$ 48,286,727	$ 48,286,843
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 10,901,397	$ 11,695,544
Other Personnel Costs	375,018	390,454
Faculty Salaries (Higher Education Only)	17,228,924	17,360,111
Professional Salaries - Faculty Equivalent (Higher Education Only)	56,004	55,817
Professional Fees and Services	9,136	9,174
Fuels and Lubricants	49,451	49,024
Consumable Supplies	341,144	338,815
Utilities	1,724,123	1,693,827
Travel	186,614	172,650
Rent - Building	10,498	10,468

Rent - Machine and Other	145,036	144,566
Debt Service	5,696,638	5,694,317
Other Operating Expense	4,827,518	4,684,662
Grants	6,662,366	5,936,364
Capital Expenditures	72,860	51,050
Total, Object-of-Expense Informational Listing	$ 48,286,727	$ 48,286,843
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,662,963	$ 2,787,305
Group Insurance	3,238,884	3,238,884
Social Security	2,488,020	2,575,101
Subtotal, Employee Benefits	$ 8,389,867	$ 8,601,290
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 8,389,867	$ 8,601,290

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Tarleton State University. 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 Tarleton State University. In order to achieve the objectives and service standards established by this Act, the Tarleton State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	49.5%	50%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	18%	18.5%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	66.5%	67%
Certification Rate of Teacher Education Graduates	95%	95%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	66.5%	66.5%
Percent of Lower Division Courses Taught by Tenured Faculty	45%	45.5%
State Licensure Pass Rate of Nursing Graduates	100%	100%
Dollar Value of External or Sponsored Research Funds (in Millions)	7.5	8
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8.82%	8.55%

~~3~~**2. Bosque River Monitoring Project.** The Institute for Applied Environmental Research shall conduct water quality monitoring for the Bosque River. The institute shall coordinate the collection and reporting of data to conform with Texas Commission on Environmental Quality protocols. The Institute shall report on the water quality in the Bosque River by July 1 and February 1 of each year to the commission. It is legislative intent that the water quality monitoring efforts of the Institute for Applied Environmental Research, Texas Commission on Environmental Quality, and other appropriate agencies and entities be cooperative and non-duplicative.

~~4~~**3. Scholarship Match.** Out of the funds appropriated above, funds may be used to provide a match for funds collected by a one dollar per semester credit hour fee for a student endowment scholarship and internship adopted by student referendum, pursuant to Education Code § 56.242.

TEXAS A&M UNIVERSITY - CORPUS CHRISTI

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 47,017,636	$ 46,396,887
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	359,788	359,788
Estimated Other Educational and General Income Account No. 770	12,150,093	12,172,038
Subtotal, General Revenue Fund - Dedicated	$ 12,509,881	$ 12,531,826
Total, Method of Financing	$ 59,527,517	$ 58,928,713
This bill pattern represents an estimated 53.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	815.6	815.6
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 25,740,545	$ 25,740,545
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,197,946	$ 1,197,946
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 955,698	$ 955,698
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 99,014	$ 99,014
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 9,656	$ 9,656
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,792,012	$ 1,795,187
A.1.7. Strategy: EXCELLENCE FUNDING	$ 567,572	$ 567,572
Total, Goal A: INSTRUCTION/OPERATIONS	$ 30,362,443	$ 30,365,618
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 5,155,583	$ 5,155,583
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 12,102,227	$ 11,500,248
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 17,257,810	$ 16,655,831
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: SCHOOL NURSING PROGRAM School Nursing Program for Early Childhood Development Center.	$ 290,938	$ 290,938
C.1.2. Strategy: ENVIRONMENTAL LEARING CENTER Environmental Learning Center.	$ 166,250	$ 166,250
C.2.1. Strategy: CENTER FOR COASTAL STUDIES	$ 252,671	$ 252,671
C.2.2. Strategy: GULF OF MEXICO ENVIRONMENTAL LAB Gulf of Mexico Environment Research Laboratory.	$ 249,376	$ 249,376
C.3.1. Strategy: WATER RESOURCES CENTER	$ 62,546	$ 62,546
C.3.2. Strategy: ART MUSEUM	$ 329,324	$ 329,324
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 9,998,948	$ 9,998,948
Total, Goal C: SPECIAL ITEM SUPPORT	$ 11,350,053	$ 11,350,053
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 557,211	$ 557,211
Grand Total, TEXAS A&M UNIVERSITY - CORPUS CHRISTI	$ 59,527,517	$ 58,928,713
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 13,552,959	$ 14,836,618
Other Personnel Costs	69,582	65,702
Faculty Salaries (Higher Education Only)	18,518,141	19,309,839
Professional Salaries - Faculty Equivalent (Higher Education Only)	22,020	23,395
Professional Fees and Services	20,900	12,547

Fuels and Lubricants	475	126
Consumable Supplies	248,261	373,713
Utilities	2,637,722	2,285,375
Travel	59,513	44,153
Rent - Machine and Other	11,081	15,922
Debt Service	12,102,227	11,500,248
Other Operating Expense	3,209,384	2,617,068
Client Services	1,801,160	1,817,515
Grants	6,642,100	5,428,680
Capital Expenditures	631,992	597,812
Total, Object-of-Expense Informational Listing	$ 59,527,517	$ 58,928,713
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,975,383	$ 3,114,590
Group Insurance	3,453,707	3,453,707
Social Security	2,751,280	2,847,575
Subtotal, Employee Benefits	$ 9,180,370	$ 9,415,872
Debt Service		
Lease Payments	$ 583,526	$ 548,240
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 9,763,896	$ 9,964,112

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University - Corpus Christi. 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 A&M University - Corpus Christi. In order to achieve the objectives and service standards established by this Act, the Texas A&M University - Corpus Christi shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	41.5%	41.5%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	20%	20%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	70%	70%
Certification Rate of Teacher Education Graduates	99.1%	99.7%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	69.7%	69.7%
Percent of Lower Division Courses Taught by Tenured Faculty	45%	45%
State Licensure Pass Rate of Nursing Graduates	96.7%	96.7%
Dollar Value of External or Sponsored Research Funds (in Millions)	12	12
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.5%	7.5%

~~3~~**2.** **Art Museum Contingency.** Out of the General Revenue funds appropriated above, $263,609 in each year of the biennium for the Art Museum is contingent upon the Art Museum receiving at least $527,218 each year from local gifts, grants, and donations for the purposes of the operations of the Art Museum. In the event that gifts, grants, or donations for each fiscal year total less than $527,218, the appropriation in each fiscal year is reduced to an amount equal to one-half of the total gifts, grants, and donations received in that fiscal year.

TEXAS A&M UNIVERSITY - KINGSVILLE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 35,145,784	$ 35,075,646
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	500,000	500,000
Estimated Other Educational and General Income Account No. 770	10,107,758	10,158,044
Subtotal, General Revenue Fund - Dedicated	$ 10,607,758	$ 10,658,044
Total, Method of Financing	$ 45,753,542	$ 45,733,690
This bill pattern represents an estimated 49.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	790.2	790.2
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 22,120,616	$ 22,120,616
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 868,309	$ 868,309
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,038,847	$ 1,038,847
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 180,586	$ 179,862
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 1,888	$ 1,880
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,281,772	$ 1,288,094
A.1.7. Strategy: ORGANIZED ACTIVITIES	$ 225,000	$ 225,000
A.1.8. Strategy: EXCELLENCE FUNDING	$ 518,644	$ 516,566
Total, Goal A: INSTRUCTION/OPERATIONS	$ 26,235,662	$ 26,239,174
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 4,524,544	$ 4,524,544
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 4,166,508	$ 4,167,412
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 8,691,052	$ 8,691,956
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: PHD IN ENGINEERING	$ 108,307	$ 108,306
C.1.2. Strategy: SYSTEM CENTER - SAN ANTONIO	$ 1,651,610	$ 1,651,610
A & M - Kingsville System Center - San Antonio.		
C.2.1. Strategy: CITRUS CENTER	$ 667,045	$ 664,373
C.2.2. Strategy: WILDLIFE RESEARCH INSTITUTE	$ 279,000	$ 279,000
C.2.3. Strategy: INSTITUTE FOR RANCH MANAGEMENT	$ 255,000	$ 255,000
C.3.1. Strategy: JOHN E. CONNOR MUSEUM	$ 24,514	$ 24,415
C.3.2. Strategy: SOUTH TEXAS ARCHIVES	$ 98,460	$ 98,066
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,077,218	$ 7,056,116
Total, Goal C: SPECIAL ITEM SUPPORT	$ 10,161,154	$ 10,136,886
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 665,674	$ 665,674
Grand Total, TEXAS A&M UNIVERSITY - KINGSVILLE	$ 45,753,542	$ 45,733,690
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 11,395,568	$ 12,327,996
Other Personnel Costs	1,327,983	1,130,251
Faculty Salaries (Higher Education Only)	16,782,473	18,313,058
Professional Salaries - Faculty Equivalent (Higher Education Only)	460,401	427,065
Professional Fees and Services	13,933	32,862
Fuels and Lubricants	27,850	10,047
Consumable Supplies	127,450	234,671

Utilities	2,435,671	2,484,996
Travel	117,912	174,599
Rent - Building	69,439	83,876
Rent - Machine and Other	53,048	55,366
Debt Service	4,166,508	4,167,412
Other Operating Expense	2,894,652	2,905,575
Client Services	1,331,453	1,303,308
Grants	4,350,542	2,082,608
Capital Expenditures	198,659	0
Total, Object-of-Expense Informational Listing	$ 45,753,542	$ 45,733,690
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,589,490	$ 2,710,062
Group Insurance	3,799,137	3,799,137
Social Security	2,630,579	2,722,649
Subtotal, Employee Benefits	$ 9,019,206	$ 9,231,848
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 9,019,206	$ 9,231,848

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University - Kingsville. 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 A&M University - Kingsville. In order to achieve the objectives and service standards established by this Act, the Texas A&M University - Kingsville shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	33%	34%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	9.3%	9.8%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	66%	66%
Certification Rate of Teacher Education Graduates	75%	75%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	53%	53%
Percent of Lower Division Courses Taught by Tenured Faculty	60%	60%
State Licensure Pass Rate of Engineering Graduates	92.9%	92.9%
Dollar Value of External or Sponsored Research Funds (in Millions)	10.1	10.1
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	12%	12%

~~3~~2. **Contingency Appropriation: Wildlife Research Institute**. Of the amounts appropriated above, $62,080 for Texas A&M University Kingsville Wildlife Research Institute and $510,000 for the Institute for Rang~~e~~ech Management is contingent upon certification by the Comptroller of Public Accounts that the activities of the Institutes will generate revenue to the General Revenue Fund sufficient to offset the appropriations. The Comptroller shall specify the supporting information to be provided by the Institute and may require independent verification of the information. If the Comptroller finds the information is sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriations up to the amount certified, not to exceed $572,080, shall be made available for the intended purposes.

TEXAS A&M INTERNATIONAL UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 37,878,606	$ 37,855,429
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	232,605	232,605
Estimated Other Educational and General Income Account No. 770	6,045,356	6,071,378
Subtotal, General Revenue Fund - Dedicated	$ 6,277,961	$ 6,303,983
Total, Method of Financing	$ 44,156,567	$ 44,159,412
This bill pattern represents an estimated 68% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	474.9	474.9
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 12,767,187	$ 12,767,187
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 567,851	$ 567,851
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 467,041	$ 467,041
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 35,187	$ 35,187
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 265	$ 265
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 695,546	$ 698,451
A.1.7. Strategy: EXCELLENCE FUNDING	$ 273,663	$ 273,664
Total, Goal A: INSTRUCTION/OPERATIONS	$ 14,806,740	$ 14,809,646
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 3,253,183	$ 3,253,183
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 16,740,219	$ 16,740,158
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 19,993,402	$ 19,993,341
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: PHD PROGRAM IN BUSINESS	$ 1,454,687	$ 1,454,687
C.2.1. Strategy: INSTITUTE FOR INTERNATIONAL TRADE	$ 76,187	$ 76,187
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,813,300	$ 7,813,300
Total, Goal C: SPECIAL ITEM SUPPORT	$ 9,344,174	$ 9,344,174
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 12,251	$ 12,251
Grand Total, TEXAS A&M INTERNATIONAL UNIVERSITY	$ 44,156,567	$ 44,159,412
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 8,983,804	$ 8,553,947
Other Personnel Costs	58,449	28,748
Faculty Salaries (Higher Education Only)	10,640,373	10,950,395
Professional Fees and Services	95,304	139,994
Fuels and Lubricants	420	0
Consumable Supplies	101,846	80,329
Utilities	1,077,506	1,018,422
Travel	12,666	12,981
Rent - Machine and Other	111,155	133,117
Other Operating Expense	19,445,058	19,160,859
Client Services	695,546	698,451
Grants	2,826,111	3,347,169

Capital Expenditures	108,329	35,000
Total, Object-of-Expense Informational Listing	$ 44,156,567	$ 44,159,412
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,604,202	$ 1,680,058
Group Insurance	1,742,988	1,742,988
Social Security	1,566,229	1,621,047
Subtotal, Employee Benefits	$ 4,913,419	$ 5,044,093
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,913,419	$ 5,044,093

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M International University. 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 A&M International University. In order to achieve the objectives and service standards established by this Act, the Texas A&M International University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	43%	43%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	20%	20%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	70%	70%
Certification Rate of Teacher Education Graduates	88%	88%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	75%	75%
Percent of Lower Division Courses Taught by Tenured Faculty	53%	53%
Dollar Value of External or Sponsored Research Funds (in Millions)	.2	.2
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	13%	13%

WEST TEXAS A&M UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 29,954,132	$ 29,922,670
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	525,000	525,000
Estimated Other Educational and General Income Account No. 770	9,739,286	9,767,754
Subtotal, General Revenue Fund - Dedicated	$ 10,264,286	$ 10,292,754
Total, Method of Financing	$ 40,218,418	$ 40,215,424
This bill pattern represents an estimated 42.6% of this agency's estimated total available funds for the biennium.		

Number of Full-Time-Equivalents (FTE)-Appropriated Funds		644.2		644.2
Items of Appropriation:				
A. Goal: INSTRUCTION/OPERATIONS				
Provide Instructional and Operations Support.				
A.1.1. Strategy: OPERATIONS SUPPORT	$	21,278,898	$	21,278,898
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$	962,367	$	962,367
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$	1,006,368	$	1,006,368
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$	155,640	$	155,640
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$	1,564	$	1,564
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$	1,300,891	$	1,304,453
A.1.7. Strategy: ORGANIZED ACTIVITIES	$	91,885	$	91,885
A.1.8. Strategy: EXCELLENCE FUNDING	$	565,089	$	565,089
Total, Goal A: INSTRUCTION/OPERATIONS	$	25,362,702	$	25,366,264
B. Goal: INFRASTRUCTURE SUPPORT				
Provide Infrastructure Support.				
B.1.1. Strategy: E&G SPACE SUPPORT	$	4,040,226	$	4,040,226
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$	4,077,231	$	4,081,388
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$	93,615	$	93,615
Total, Goal B: INFRASTRUCTURE SUPPORT	$	8,211,072	$	8,215,229
C. Goal: SPECIAL ITEM SUPPORT				
Provide Special Item Support.				
C.2.1. Strategy: KILLGORE RESEARCH CENTER	$	41,591	$	41,591
C.2.2. Strategy: WIND ENERGY RESEARCH	$	91,854	$	99,334
C.2.3. Strategy: INDUSTRY SUPPORT & DEVELOPMENT	$	831,250	$	831,250
Agriculture Industry Support and Development.				
C.2.4. Strategy: INTEGRATED PEST MANAGEMENT	$	124,686	$	124,686
Integrated Pest Management.				
C.3.1. Strategy: PANHANDLE-PLAINS MUSEUM	$	522,305	$	501,432
Panhandle-Plains Historical Museum.				
C.3.2. Strategy: RURAL AGRI-BUSINESS	$	750,000	$	750,000
Rural Agri-Business Incubator & Accelerator.				
C.3.3. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$	170,099	$	170,099
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$	3,866,306	$	3,868,986
Total, Goal C: SPECIAL ITEM SUPPORT	$	6,398,091	$	6,387,378
D. Goal: RESEARCH DEVELOPMENT FUND				
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$	246,553	$	246,553
Grand Total, WEST TEXAS A&M UNIVERSITY	$	40,218,418	$	40,215,424
Object-of-Expense Informational Listing:				
Salaries and Wages	$	9,093,887	$	9,547,089
Other Personnel Costs		398,360		421,111
Faculty Salaries (Higher Education Only)		14,629,909		15,684,844
Professional Salaries - Faculty Equivalent (Higher Education Only)		15,663		15,663
Professional Fees and Services		23,613		25,551
Fuels and Lubricants		45,102		47,471
Consumable Supplies		568,347		235,423
Utilities		2,865,036		2,955,438
Travel		59,836		50,962
Rent - Machine and Other		15,737		15,552
Other Operating Expense		8,498,237		7,155,200
Grants		3,816,574		3,859,465
Capital Expenditures		188,117		201,655
Total, Object-of-Expense Informational Listing	$	40,218,418	$	40,215,424
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:				

Employee Benefits		
Retirement	$ 2,200,633	$ 2,302,542
Group Insurance	3,415,162	3,415,162
Social Security	2,021,545	2,092,299
Subtotal, Employee Benefits	$ 7,637,340	$ 7,810,003
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,637,340	$ 7,810,003

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the West Texas A&M University. 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 West Texas A&M University. In order to achieve the objectives and service standards established by this Act, the West Texas A&M University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	38%	38%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	14.9%	14.9%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	67%	68%
Certification Rate of Teacher Education Graduates	89.7%	89.7%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	52%	52%
Percent of Lower Division Courses Taught by Tenured Faculty	48.5%	48.5%
State Licensure Pass Rate of Nursing Graduates	100%	100%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8%	8%

~~3~~2. **Rural Agricultural/Business Incubator and Accelerator.** Contingent upon certification by the Comptroller of Public Accounts that increased activity by the Rural Agricultural/Business Incubator and Accelerator will generate at least $1,500,000 additional revenue to the General Revenue Fund, $750,000 in each year of the biennium is included in the appropriation above for the Rural Agricultural/Business Incubator and Accelerator. It is the intent of the Legislature that state funds provided to the Rural Agricultural/Business Incubator and Accelerator be used by the center to attract federal funds on a dollar-for-dollar basis.

TEXAS A&M UNIVERSITY - COMMERCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 31,783,109	$ 31,761,791
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	1,445,000	1,445,000
Estimated Other Educational and General Income Account No. 770	11,462,426	11,487,126
Subtotal, General Revenue Fund - Dedicated	$ 12,907,426	$ 12,932,126
Total, Method of Financing	$ 44,690,535	$ 44,693,917
This bill pattern represents an estimated 51.4% of this agency's estimated total available funds for the biennium.		

Number of Full-Time-Equivalents (FTE)-Appropriated Funds		808.1		808.1
Items of Appropriation:				
A. Goal: INSTRUCTION/OPERATIONS				
Provide Instructional and Operations Support.				
A.1.1. Strategy: OPERATIONS SUPPORT	$	29,032,224	$	29,032,224
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$	669,881	$	669,881
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$	1,267,917	$	1,267,917
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$	113,573	$	113,574
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$	28,280	$	28,280
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$	1,758,972	$	1,762,353
A.1.7. Strategy: ORGANIZED ACTIVITIES	$	73,195	$	73,195
A.1.8. Strategy: EXCELLENCE FUNDING	$	532,884	$	532,884
Total, Goal A: INSTRUCTION/OPERATIONS	$	33,476,926	$	33,480,308
B. Goal: INFRASTRUCTURE SUPPORT				
Provide Infrastructure Support.				
B.1.1. Strategy: E&G SPACE SUPPORT	$	4,393,579	$	4,393,579
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$	3,185,358	$	3,185,358
Total, Goal B: INFRASTRUCTURE SUPPORT	$	7,578,937	$	7,578,937
C. Goal: SPECIAL ITEM SUPPORT				
Provide Special Item Support.				
C.1.1. Strategy: INDUSTRIAL ENGINEERING PROGRAM Bachelor of Science Degree Program in Industrial Engineering.	$	426,716	$	426,716
C.2.1. Strategy: EDUCATIONAL OUTREACH Mesquite/Metroplex/Northeast Texas.	$	656,476	$	656,476
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$	2,507,318	$	2,507,318
Total, Goal C: SPECIAL ITEM SUPPORT	$	3,590,510	$	3,590,510
D. Goal: RESEARCH DEVELOPMENT FUND				
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$	44,162	$	44,162
Grand Total, TEXAS A&M UNIVERSITY - COMMERCE	$	44,690,535	$	44,693,917
Object-of-Expense Informational Listing:				
Salaries and Wages	$	13,655,554	$	13,705,347
Other Personnel Costs		234,622		246,309
Faculty Salaries (Higher Education Only)		19,215,131		20,118,506
Professional Salaries - Faculty Equivalent (Higher Education Only)		1,213		359
Professional Fees and Services		28,000		28,000
Consumable Supplies		21,222		21,539
Utilities		2,278,299		1,843,537
Travel		22,522		22,767
Rent - Machine and Other		74		75
Debt Service		3,185,358		3,185,358
Other Operating Expense		3,257,008		2,522,883
Client Services		1,758,972		1,762,353
Grants		988,525		1,173,316
Capital Expenditures		44,035		63,568
Total, Object-of-Expense Informational Listing	$	44,690,535	$	44,693,917
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:				
Employee Benefits				
Retirement	$	2,350,718	$	2,461,727
Group Insurance		4,115,915		4,115,915
Social Security		2,511,530		2,599,433
Subtotal, Employee Benefits	$	8,978,163	$	9,177,075

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 8,978,163	$ 9,177,075

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University - Commerce. 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 A&M University - Commerce. In order to achieve the objectives and service standards established by this Act, the Texas A&M University - Commerce shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	38.3%	38.3%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	18%	18%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	73.5%	75%
Certification Rate of Teacher Education Graduates	93%	93%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	55%	55%
Percent of Lower Division Courses Taught by Tenured Faculty	50%	50%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9.4%	9.4%

TEXAS A&M UNIVERSITY - TEXARKANA

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 16,296,311	$ 16,291,407
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	178,780	178,780
Estimated Other Educational and General Income Account No. 770	2,069,032	2,075,784
Subtotal, General Revenue Fund - Dedicated	$ 2,247,812	$ 2,254,564
Total, Method of Financing	$ 18,544,123	$ 18,545,971
This bill pattern represents an estimated 86.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	156.0	156.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 4,381,571	$ 4,381,571
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 167,032	$ 167,032
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 134,992	$ 134,992
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 274,106	$ 274,991
A.1.5. Strategy: EXCELLENCE FUNDING	$ 95,868	$ 95,416
Total, Goal A: INSTRUCTION/OPERATIONS	$ 5,053,569	$ 5,054,002

B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 1,385,425	$ 1,385,425
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 8,180,175	$ 8,181,594
B.1.3. Strategy: LEASE OF FACILITIES	$ 1,209	$ 1,203
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 9,566,809	$ 9,568,222
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: ACADEMIC PROGRAMS	$ 953,172	$ 953,172
C.2.1. Strategy: NE TEXAS EDUCATION PARTNERSHIP	$ 48,888	$ 48,888
Northeast Texas Education Partnership.		
C.3.1. Strategy: LOWER-DIVISION TRANSITION FUNDING	$ 98,045	$ 98,045
C.3.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,823,448	$ 2,823,450
Total, Goal C: SPECIAL ITEM SUPPORT	$ 3,923,553	$ 3,923,555
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 192	$ 192
Grand Total, TEXAS A&M UNIVERSITY - TEXARKANA	$ 18,544,123	$ 18,545,971
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,801,664	$ 2,972,276
Other Personnel Costs	262,626	250,952
Faculty Salaries (Higher Education Only)	3,579,584	4,021,446
Professional Fees and Services	25,142	20,722
Consumable Supplies	95,796	86,343
Utilities	206,223	205,968
Travel	137,465	136,225
Rent - Building	11,391	7,733
Rent - Machine and Other	1,040,929	1,080,523
Debt Service	8,180,175	8,181,594
Other Operating Expense	1,059,426	863,440
Client Services	6,711	409
Grants	1,024,954	718,340
Capital Expenditures	112,037	0
Total, Object-of-Expense Informational Listing	$ 18,544,123	$ 18,545,971
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 538,752	$ 563,399
Group Insurance	739,695	739,695
Social Security	609,839	631,183
Subtotal, Employee Benefits	$ 1,888,286	$ 1,934,277
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,888,286	$ 1,934,277

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University - Texarkana. 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 A&M University - Texarkana. In order to achieve the objectives and service standards established by this Act, the Texas A&M University - Texarkana shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Certification Rate of Teacher Education Graduates	97.9%	97.9%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	68%	69%

Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Four Years	80%	81%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two Years	50%	50%
Persistence Rate of First-time, Full-time, Degree-seeking Transfer Students after One Academic Year (Upper-level Institutions Only)	88.8%	88.8%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	17%	17%

~~3~~**2.** **Scholarship Match.** Out of the funds appropriated above, funds may be used to provide a match for funds collected by a two dollar per semester credit hour fee for a student endowment scholarship and internship program adopted by student referendum, pursuant to Education Code § 56.242.

UNIVERSITY OF HOUSTON SYSTEM ADMINISTRATION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,341,299	$ 2,344,387
Total, Method of Financing	$ 2,341,299	$ 2,344,387
This bill pattern represents an estimated 16.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	71.0	71.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 1,761,563	$ 1,764,651
B. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
B.1.1. Strategy: NASA PROGRAMS High School Cooperative Education Program w/NASA & Tech Outreach Pgm.	$ 579,736	$ 579,736
Grand Total, UNIVERSITY OF HOUSTON SYSTEM ADMINISTRATION	$ 2,341,299	$ 2,344,387
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,708,271	$ 1,708,270
Other Personnel Costs	39,674	39,674
Debt Service	13,618	16,707
Other Operating Expense	579,736	579,736
Total, Object-of-Expense Informational Listing	$ 2,341,299	$ 2,344,387
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 409,717	$ 428,628
Group Insurance	562,261	562,261
Social Security	461,929	478,097
Subtotal, Employee Benefits	$ 1,433,907	$ 1,468,986
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,433,907	$ 1,468,986

1. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $175,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

UNIVERSITY OF HOUSTON

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 148,912,959	$ 148,703,361
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	13,076,590	13,076,590
Estimated Other Educational and General Income Account No. 770	49,251,938	49,480,453
Subtotal, General Revenue Fund - Dedicated	$ 62,328,528	$ 62,557,043
Total, Method of Financing	$ 211,241,487	$ 211,260,404
This bill pattern represents an estimated 35% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	3,052.6	3,052.6
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 129,938,723	$ 129,938,722
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 2,948,290	$ 2,948,290
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 5,928,104	$ 5,928,104
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 491,131	$ 491,131
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 6,147,236	$ 6,169,896
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 1,354,803	$ 1,354,803
A.1.7. Strategy: EXCELLENCE FUNDING	$ 3,999,193	$ 3,999,193
Total, Goal A: INSTRUCTION/OPERATIONS	$ 150,807,480	$ 150,830,139
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 27,198,700	$ 27,198,700
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 11,879,624	$ 11,875,874
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 394,215	$ 394,215
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 39,472,539	$ 39,468,789
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: LEARNING AND COMPUTATION CENTER	$ 1,935,804	$ 1,935,806
C.2.2. Strategy: SPACE EXPLORATION Houston Partnership for Space Exploration.	$ 349,986	$ 349,986
C.2.3. Strategy: COMMERCIAL DEVELOPMENT OF SPACE Center for Commercial Development of Space: Space Vacuum Epitaxy Ctr.	$ 400,900	$ 400,902
C.2.4. Strategy: SUPERCONDUCTIVITY CENTER	$ 3,607,624	$ 3,607,626
C.3.1. Strategy: SMALL BUSINESS DEVELOPMENT University of Houston Small Business Development Center.	$ 2,581,504	$ 2,581,504
C.3.2. Strategy: HEALTH LAW & POLICY INSTITUTE Health Law and Policy Institute.	$ 290,937	$ 290,937
C.3.3. Strategy: CENTER FOR PUBLIC POLICY	$ 249,374	$ 249,376
C.3.4. Strategy: PARTNERSHIPS-SUPPORT PUBLIC SCHOOLS Partnerships to Support Public Schools.	$ 1,369,247	$ 1,369,247
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,204,306	$ 3,204,306
C.4.2. Strategy: FACULTY EXCELLENCE	$ 2,500,000	$ 2,500,000
Total, Goal C: SPECIAL ITEM SUPPORT	$ 16,489,682	$ 16,489,690
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 4,471,786	$ 4,471,786
Grand Total, UNIVERSITY OF HOUSTON	$ 211,241,487	$ 211,260,404

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 89,702,326	$ 82,771,561
Other Personnel Costs	2,163,236	2,218,324
Faculty Salaries (Higher Education Only)	76,395,239	78,068,851
Professional Fees and Services	347,006	472,006
Fuels and Lubricants	46,915	170,886
Consumable Supplies	647,299	1,163,577
Utilities	1,450,721	1,954,774
Travel	161,595	200,001
Rent - Building	71,276	73,747
Rent - Machine and Other	442,471	532,695
Debt Service	11,879,624	11,875,874
Other Operating Expense	19,126,835	22,263,343
Client Services	336,213	344,164
Grants	7,024,792	7,742,607
Capital Expenditures	1,445,939	1,407,994
Total, Object-of-Expense Informational Listing	$ 211,241,487	$ 211,260,404
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 15,008,026	$ 15,705,729
Group Insurance	12,076,977	12,076,977
Social Security	12,722,765	13,168,062
Subtotal, Employee Benefits	$ 39,807,768	$ 40,950,768
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 39,807,768	$ 40,950,768

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the University of Houston. 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 University of Houston. In order to achieve the objectives and service standards established by this Act, the University of Houston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	43.4%	44.4%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	16.9%	17.8%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	82.2%	82.2%
Certification Rate of Teacher Education Graduates	90%	90%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	37.1%	37.1%
Percent of Lower Division Courses Taught by Tenured Faculty	42.6%	43%
State Licensure Pass Rate of Law Graduates	91%	91%
State Licensure Pass Rate of Engineering Graduates	83%	83%
State Licensure Pass Rate of Pharmacy Graduates	100%	100%
Dollar Value of External or Sponsored Research Funds (in Millions)	51.4	51.5
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.9%	7.9%

UNIVERSITY OF HOUSTON - CLEAR LAKE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 29,529,518	$ 29,487,594
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	2,920,100	2,920,100
Estimated Other Educational and General Income Account No. 770	8,507,923	8,547,474
Subtotal, General Revenue Fund - Dedicated	$ 11,428,023	$ 11,467,574
Total, Method of Financing	$ 40,957,541	$ 40,955,168
This bill pattern represents an estimated 54.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	601.3	601.3
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 27,419,876	$ 27,419,876
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 566,813	$ 566,813
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 798,301	$ 798,301
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 261,652	$ 261,652
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,082,493	$ 1,086,247
A.1.6. Strategy: EXCELLENCE FUNDING	$ 624,405	$ 624,405
Total, Goal A: INSTRUCTION/OPERATIONS	$ 30,753,540	$ 30,757,294
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 4,198,487	$ 4,198,487
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 3,236,224	$ 3,230,724
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 97,000	$ 97,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 7,531,711	$ 7,526,211
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: HIGH TECHNOLOGIES LABORATORY	$ 57,546	$ 57,546
C.2.2. Strategy: ENVIRONMENTAL STUDIES PARTNERSHIP Houston Partnership for Environmental Studies.	$ 415,626	$ 415,626
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,138,853	$ 2,138,226
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,612,025	$ 2,611,398
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 60,265	$ 60,265
Grand Total, UNIVERSITY OF HOUSTON - CLEAR LAKE	$ 40,957,541	$ 40,955,168
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 13,022,328	$ 13,606,226
Other Personnel Costs	365,902	365,960
Faculty Salaries (Higher Education Only)	702,428	701,813
Professional Salaries - Faculty Equivalent (Higher Education Only)	14,405,673	15,316,468
Professional Fees and Services	65,779	60,339
Consumable Supplies	209,592	172,398
Utilities	559,101	277,574
Travel	74,419	64,649
Rent - Machine and Other	108,336	86,199
Debt Service	3,236,224	3,230,724
Other Operating Expense	2,967,965	2,830,452
Grants	5,170,108	4,242,366

Capital Expenditures	69,686	0
Total, Object-of-Expense Informational Listing	$ 40,957,541	$ 40,955,168
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,780,313	$ 2,910,232
Group Insurance	2,303,859	2,303,859
Social Security	2,485,306	2,572,291
Subtotal, Employee Benefits	$ 7,569,478	$ 7,786,382
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,569,478	$ 7,786,382

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the University of Houston - Clear Lake. 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 University of Houston - Clear Lake. In order to achieve the objectives and service standards established by this Act, the University of Houston - Clear Lake shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Certification Rate of Teacher Education Graduates	93.2%	93.2%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	55.5%	55.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	1.2	1.2
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Four Years	80.5%	80.5%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two Years	32.3%	31.2%
Persistence Rate of First-time, Full-time, Degree-seeking Transfer Students after One Academic Year (Upper-level Institutions Only)	85.5%	85.8%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	15%	15%

UNIVERSITY OF HOUSTON - DOWNTOWN

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 28,621,460	$ 28,581,804
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	70,245	70,245
Estimated Other Educational and General Income Account No. 770	13,807,559	13,848,848
Subtotal, General Revenue Fund - Dedicated	$ 13,877,804	$ 13,919,093
Total, Method of Financing	$ 42,499,264	$ 42,500,897
This bill pattern represents an estimated 45.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	582.7	582.7

Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 23,154,247	$ 23,154,247
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,206,408	$ 1,206,408
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,033,286	$ 1,033,286
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 211,935	$ 211,935
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,715,820	$ 1,720,776
A.1.6. Strategy: EXCELLENCE FUNDING	$ 883,159	$ 883,159
Total, Goal A: INSTRUCTION/OPERATIONS	$ 28,204,855	$ 28,209,811
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 5,393,760	$ 5,393,760
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 6,253,196	$ 6,249,872
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 151,135	$ 151,135
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 11,798,091	$ 11,794,767
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.3.1. Strategy: COMMUNITY DEVELOPMENT PROJECT	$ 332,500	$ 332,500
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,119,775	$ 2,119,776
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,452,275	$ 2,452,276
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 44,043	$ 44,043
Grand Total, UNIVERSITY OF HOUSTON - DOWNTOWN	$ 42,499,264	$ 42,500,897
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 12,334,789	$ 13,399,618
Other Personnel Costs	8,912	3,983
Faculty Salaries (Higher Education Only)	14,728,634	15,565,906
Professional Fees and Services	332,500	332,500
Debt Service	6,253,196	6,249,872
Other Operating Expense	3,114,591	3,117,132
Grants	5,726,642	3,831,886
Total, Object-of-Expense Informational Listing	$ 42,499,264	$ 42,500,897
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,274,293	$ 2,381,045
Group Insurance	1,801,846	1,801,846
Social Security	2,242,416	2,320,901
Subtotal, Employee Benefits	$ 6,318,555	$ 6,503,792
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 6,318,555	$ 6,503,792

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the University of Houston - Downtown. 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 University of Houston - Downtown. In order to achieve the objectives and service standards established by this Act, the University of Houston - Downtown shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

UNIVERSITY OF HOUSTON - DOWNTOWN
(Continued)

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	19.2%	19.2%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	5.18%	6.18%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	68.08%	70.58%
Certification Rate of Teacher Education Graduates	96.5%	96.5%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	65%	65%
Percent of Lower Division Courses Taught by Tenured Faculty	41.6%	41.6%
Dollar Value of External or Sponsored Research Funds (in Millions)	.9	.9
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	16.8%	16.8%

UNIVERSITY OF HOUSTON - VICTORIA

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 15,147,769	$ 15,139,083
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	939,581	939,581
Estimated Other Educational and General Income Account No. 770	2,273,254	2,276,004
Subtotal, General Revenue Fund - Dedicated	$ 3,212,835	$ 3,215,585
Total, Method of Financing	$ 18,360,604	$ 18,354,668
This bill pattern represents an estimated 70.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	268.0	268.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 8,141,433	$ 8,141,433
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 271,062	$ 271,062
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 223,247	$ 223,247
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 86,396	$ 86,396
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 517,303	$ 517,753
A.1.6. Strategy: EXCELLENCE FUNDING	$ 255,301	$ 255,301
Total, Goal A: INSTRUCTION/OPERATIONS	$ 9,494,742	$ 9,495,192
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,116,773	$ 2,116,773
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 4,540,410	$ 4,534,024
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 35,850	$ 35,850
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 6,693,033	$ 6,686,647

C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: CENTER FOR REGIONAL OUTREACH CENTER	$ 249,375	$ 249,375
Center for Regional Outreach.		
C.2.2. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 195,500	$ 195,500
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,727,500	$ 1,727,500
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,172,375	$ 2,172,375
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 454	$ 454
Grand Total, UNIVERSITY OF HOUSTON - VICTORIA	$ 18,360,604	$ 18,354,668
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 5,696,123	$ 6,603,005
Other Personnel Costs	27,738	18,568
Faculty Salaries (Higher Education Only)	4,093,737	3,947,074
Debt Service	4,576,260	4,569,874
Other Operating Expense	1,501,798	1,498,810
Grants	2,464,948	1,717,337
Total, Object-of-Expense Informational Listing	$ 18,360,604	$ 18,354,668
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,035,511	$ 1,084,493
Group Insurance	1,041,754	1,041,754
Social Security	988,933	1,023,546
Subtotal, Employee Benefits	$ 3,066,198	$ 3,149,793
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,066,198	$ 3,149,793

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the University of Houston - Victoria. 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 University of Houston - Victoria. In order to achieve the objectives and service standards established by this Act, the University of Houston - Victoria shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Certification Rate of Teacher Education Graduates	87.8%	87.8%
Percentage of Baccalaureate Graduates Who Are First Generation College Graduates	42%	42%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Four Years	75%	75%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two Years	31.6%	32.6%
Persistence Rate of First-time, Full-time, Degree-seeking Other Transfer Students after One Academic Year (Upper-level Institutions Only)	83%	83%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	12%	12%

MIDWESTERN STATE UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 18,573,362	$ 18,863,521
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	282,000	282,000
Estimated Other Educational and General Income Account No. 770	8,042,618	8,099,361
Subtotal, General Revenue Fund - Dedicated	$ 8,324,618	$ 8,381,361
Total, Method of Financing	$ 26,897,980	$ 27,244,882
This bill pattern represents an estimated 44% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	483.7	483.7
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 16,193,226	$ 16,193,226
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 847,314	$ 847,314
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 761,689	$ 761,689
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 118,472	$ 121,528
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,203,607	$ 1,211,705
A.1.6. Strategy: EXCELLENCE FUNDING	$ 137,940	$ 155,440
Total, Goal A: INSTRUCTION/OPERATIONS	$ 19,262,248	$ 19,290,902
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 3,214,913	$ 3,214,913
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 1,853,761	$ 2,274,064
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 5,068,674	$ 5,488,977
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 113,399	$ 113,399
C.2.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,444,430	$ 2,342,375
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,557,829	$ 2,455,774
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 9,229	$ 9,229
Grand Total, MIDWESTERN STATE UNIVERSITY	$ 26,897,980	$ 27,244,882
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 8,542,591	$ 8,392,293
Other Personnel Costs	384,397	347,940
Faculty Salaries (Higher Education Only)	13,055,151	13,637,705
Professional Fees and Services	27,074	0
Debt Service	1,853,761	2,274,064
Other Operating Expense	3,026,915	2,576,505
Grants	8,091	16,375
Total, Object-of-Expense Informational Listing	$ 26,897,980	$ 27,244,882
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,735,670	$ 1,814,973
Group Insurance	2,254,061	2,254,061

Social Security	1,722,407	1,782,692
Subtotal, Employee Benefits	$ 5,712,138	$ 5,851,726
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 5,712,138	$ 5,851,726

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Midwestern State University. 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 Midwestern State University. In order to achieve the objectives and service standards established by this Act, the Midwestern State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	39.1%	39.1%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	11.4%	12.4%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	67.3%	67.3%
Certification Rate of Teacher Education Graduates	99.1%	99.1%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	62.7%	62.7%
Percent of Lower Division Courses Taught by Tenured Faculty	58.42%	59.05%
State Licensure Pass Rate of Nursing Graduates	92.83%	92.88%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.5%	7.5%

~~3~~2. Governing Board. Out of the funds appropriated above, an amount not to exceed $35,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

43. Appropriation of Special Mineral Fund. The balance of funds on hand for the year ending August 31, 200~~5~~7 (estimated to be $~~22,000~~0), in the Midwestern State University Special Mineral Fund No. 412 and any income during the biennium beginning September 1, 200~~5~~7, deposited to that fund are appropriated in the funds above to Midwestern State University for the general operations of the university. ~~Mineral Funds are estimated to be $2,000 in fiscal year 2006 and $2,000 in fiscal year 2007.~~

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 6,453,109	$ 8,562,719
Total, Method of Financing	$ 6,453,109	$ 8,562,719

This bill pattern represents an estimated 95.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	188.8	188.8
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 82,845	$ 82,846
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 1,676,413	$ 3,786,021
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: UNT SYSTEM CENTER AT DALLAS	$ 4,119,146	$ 4,119,147
C.1.2. Strategy: N. TEXAS AREA UNIV FEDERATION North Texas Area Universities Federation of North Texas Universities.	$ 574,705	$ 574,705
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,693,851	$ 4,693,852
Grand Total, UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION	$ 6,453,109	$ 8,562,719
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,898,177	$ 1,898,178
Faculty Salaries (Higher Education Only)	1,551,656	1,551,656
Professional Fees and Services	18,713	18,714
Consumable Supplies	1,979	1,979
Utilities	122,748	122,748
Rent - Building	548,246	548,246
Rent - Machine and Other	234,484	234,484
Debt Service	1,676,413	3,786,021
Other Operating Expense	372,546	372,546
Capital Expenditures	28,147	28,147
Total, Object-of-Expense Informational Listing	$ 6,453,109	$ 8,562,719
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 315,859	$ 330,786
Social Security	324,996	336,370
Subtotal, Employee Benefits	$ 640,855	$ 667,156
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 640,855	$ 667,156

1. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $53,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

   A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

2. **Federation of North Texas Area Universities.** The Comptroller of Public Accounts shall pay all warrants drawn on the identified strategy of the Federation of North Texas Area Universities for expenses incurred on federation business regardless of which member institution of the federation the payee is an employee.

3. **Courses Offered at the University of North Texas System Center at Dallas.** The University of North Texas System shall use an amount not to exceed $500,000 annually from funds received for instruction at the University of North Texas and the University of North Texas System Center at Dallas to support additional course offerings at the System Center. Such additional course offerings shall include increases in the number of courses offered during normal business hours and additional sections of courses required for completion of specific degrees offered at the System Center.

4. ~~**Additional**~~ **Faculty at the University of North Texas System Center at Dallas.** Out of the funds appropriated above in Strategy C.1.1. UNT System Center at Dallas, the University of North Texas System shall use an amount not to exceed ~~$1,000,000 in fiscal year 2006 and $2,000,000 in fiscal year 2007~~ $3,000,000 for the biennium to continue to support up to 14 ~~additional~~ faculty and appropriate staff to support ~~additional~~ course offerings at the University of North Texas System Center at Dallas added by Rider 5, page III-124, Senate Bill 1, 79th Legislative Regular Session. The 14 faculty lines shall be based at the System Center but may offer instruction at any institution in the University of North Texas System. ~~The number of Full-Time Equivalents for the University of North Texas System is hereby increased by 7 in fiscal year 2006 and 14 in fiscal year 2007.~~

UNIVERSITY OF NORTH TEXAS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 102,123,620	$ 101,914,980
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	4,629,413	4,629,413
Estimated Other Educational and General Income Account No. 770	48,967,485	49,208,686
Subtotal, General Revenue Fund - Dedicated	$ 53,596,898	$ 53,838,099
Total, Method of Financing	$ 155,720,518	$ 155,753,079
This bill pattern represents an estimated 39.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	3,005.1	3,005.1
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 102,821,617	$ 102,821,617
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 3,261,738	$ 3,261,738
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 5,285,340	$ 5,285,340
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 398,850	$ 398,850
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 6,509,163	$ 6,538,216
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 338,042	$ 338,042
A.1.7. Strategy: EXCELLENCE FUNDING	$ 877,152	$ 877,152
Total, Goal A: INSTRUCTION/OPERATIONS	$ 119,491,902	$ 119,520,955
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 19,316,071	$ 19,316,071
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 9,881,955	$ 9,885,469
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 396,672	$ 396,672
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 29,594,698	$ 29,598,212

C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: TEXAS ACADEMY OF MATH AND SCIENCE	$ 1,420,324	$ 1,420,323
C.2.1. Strategy: INSTITUTE OF APPLIED SCIENCES	$ 58,428	$ 58,426
C.3.1. Strategy: EMERGENCY MANAGEMENT CENTER	$ 46,923	$ 46,922
Center for Studies in Emergency Management.		
C.3.2. Strategy: ED CENTER FOR VOLUNTEERISM	$ 80,820	$ 80,820
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,019,582	$ 4,019,580
Total, Goal C: SPECIAL ITEM SUPPORT	$ 5,626,077	$ 5,626,071
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 1,007,841	$ 1,007,841
Grand Total, UNIVERSITY OF NORTH TEXAS	$ 155,720,518	$ 155,753,079
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 28,300,205	$ 20,129,289
Other Personnel Costs	1,762,571	1,731,459
Faculty Salaries (Higher Education Only)	70,184,324	76,546,567
Professional Fees and Services	98,662	99,366
Fuels and Lubricants	151,502	151,505
Consumable Supplies	249,010	250,647
Utilities	9,069,140	9,084,379
Travel	36,777	37,134
Rent - Building	2,072	2,074
Rent - Machine and Other	142,472	144,096
Debt Service	10,278,627	10,282,141
Other Operating Expense	18,287,909	17,250,334
Client Services	7,480,996	7,510,504
Grants	8,532,141	11,382,549
Capital Expenditures	1,144,110	1,151,035
Total, Object-of-Expense Informational Listing	$ 155,720,518	$ 155,753,079
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 10,502,594	$ 10,992,685
Group Insurance	12,848,720	12,848,720
Social Security	10,239,400	10,597,779
Subtotal, Employee Benefits	$ 33,590,714	$ 34,439,184
Debt Service		
Lease Payments	$ 20,913	$ 21,056
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 33,611,627	$ 34,460,240

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the University of North 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 University of North Texas. In order to achieve the objectives and service standards established by this Act, the University of North Texas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	47%	48%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	19%	20%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	78%	79%

Certification Rate of Teacher Education Graduates	99%	99%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	50%	50%
Percent of Lower Division Courses Taught by Tenured Faculty	28.5%	28.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	14.5	14.5
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.5%	7.5%

~~3~~**2.** **Academic or Policy Research Program.** The Board of Regents of the University of North Texas is hereby authorized to use available funds or to enter into contracts, accept grants or matching grants for the purpose of establishing an academic or policy research program in conjunction with the Federal Emergency Management Agency (FEMA).

43. **Texas Academy of Mathematics and Science.** Notwithstanding any other provision of this Act, the University of North Texas may not transfer money appropriated under Strategy C.1.1, for the purpose of funding the Texas Academy of Mathematics and Science, for another purpose.

STEPHEN F. AUSTIN STATE UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 42,549,861	$ 42,538,127
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	856,180	856,180
Estimated Other Educational and General Income Account No. 770	16,460,828	16,475,187
Subtotal, General Revenue Fund - Dedicated	$ 17,317,008	$ 17,331,367
Total, Method of Financing	$ 59,866,869	$ 59,869,494
This bill pattern represents an estimated 44.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	1,051.0	1,051.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 33,303,421	$ 33,303,421
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,726,815	$ 1,726,815
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,392,901	$ 1,392,901
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 2,497,812	$ 2,499,902
A.1.5. Strategy: ORGANIZED ACTIVITIES	$ 610,463	$ 610,463
A.1.6. Strategy: EXCELLENCE FUNDING	$ 334,234	$ 334,234
Total, Goal A: INSTRUCTION/OPERATIONS	$ 39,865,646	$ 39,867,736
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 7,141,465	$ 7,141,465
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 4,196,046	$ 4,196,581
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 155,525	$ 155,525
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 11,493,036	$ 11,493,571

C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: RURAL NURSING INITIATIVE	$ 843,260	$ 843,260
C.2.1. Strategy: APPLIED FORESTRY STUDIES CENTER Center for Applied Studies in Forestry.	$ 740,606	$ 740,606
C.3.1. Strategy: STONE FORT MUSEUM & RESEARCH CENTER Stone Fort Museum and Research Center of East Texas.	$ 141,166	$ 141,166
C.3.2. Strategy: SOIL PLANT & WATER ANALYSIS LAB Soil Plant and Water Analysis Laboratory.	$ 80,526	$ 80,526
C.3.3. Strategy: APPLIED POULTRY STUDIES & RESEARCH Applied Poultry Studies and Research.	$ 75,946	$ 75,946
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 6,390,379	$ 6,390,379
Total, Goal C: SPECIAL ITEM SUPPORT	$ 8,271,883	$ 8,271,883
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 236,304	$ 236,304
Grand Total, STEPHEN F. AUSTIN STATE UNIVERSITY	$ 59,866,869	$ 59,869,494
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 17,880,315	$ 16,754,718
Other Personnel Costs	872,179	1,106,302
Faculty Salaries (Higher Education Only)	21,588,856	22,469,245
Professional Salaries - Faculty Equivalent (Higher Education Only)	749,793	803,575
Consumable Supplies	3,354	0
Utilities	741,492	3,043,508
Debt Service	4,351,571	4,352,106
Other Operating Expense	10,129,794	8,840,138
Client Services	2,497,812	2,499,902
Grants	1,051,703	0
Total, Object-of-Expense Informational Listing	$ 59,866,869	$ 59,869,494
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,790,637	$ 3,966,462
Group Insurance	5,166,548	5,166,548
Social Security	3,686,460	3,815,486
Subtotal, Employee Benefits	$ 12,643,645	$ 12,948,496
Debt Service		
Lease Payments	$ 12,275	$ 12,071
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 12,655,920	$ 12,960,567

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Stephen F. Austin State University. 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 Stephen F. Austin State University. In order to achieve the objectives and service standards established by this Act, the Stephen F. Austin State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	38%	39.5%

Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	20%	22%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	69%	70%
Certification Rate of Teacher Education Graduates	96%	96%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	54%	54%
Percent of Lower Division Courses Taught by Tenured Faculty	59.1%	59.1%
State Licensure Pass Rate of Nursing Graduates	95%	95%
Dollar Value of External or Sponsored Research Funds (in Millions)	5	5
A.1.1. Strategy: OPERATIONS SUPPORT		
Output (Volume):		
Percent of Texas public university freshmen from a fourteen-county area of East Texas who attend SFA	32%	32%
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9.3%	9.3%

~~3~~2. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $30,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

43. **Appropriation of Special Mineral Fund.** The balance of funds on hand for the year ending August 31, 200~~5~~7 (estimated to be $0), in the Stephen F. Austin Special Mineral Fund No. 241 and any income during the biennium beginning September 1, 200~~5~~7, deposited to that fund are appropriated in the funds above to Stephen F. Austin University for the general operations of the university. No additional Mineral Funds are expected for the 200~~6~~8-0~~7~~9 biennium.

TEXAS SOUTHERN UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 53,563,974	$ 47,731,562
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	3,331,537	3,331,537
Estimated Other Educational and General Income Account No. 770	20,777,783	20,882,020
Subtotal, General Revenue Fund - Dedicated	$ 24,109,320	$ 24,213,557
Total, Method of Financing	$ 77,673,294	$ 71,945,119
This bill pattern represents an estimated 44.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	977.0	977.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 35,913,633	$ 35,913,633
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,027,337	$ 1,027,337
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,536,898	$ 1,536,898

A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 194,318	$ 189,950
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 3,004,780	$ 3,017,717
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 56,446	$ 56,446
A.1.7. Strategy: EXCELLENCE FUNDING	$ 952,829	$ 952,829
Total, Goal A: INSTRUCTION/OPERATIONS	$ 42,686,241	$ 42,694,810
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 8,075,801	$ 8,075,801
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 11,248,174	$ 11,754,060
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 112,581	$ 112,581
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 19,436,556	$ 19,942,442
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: THURGOOD MARSHALL SCHOOL OF LAW	$ 484,592	$ 484,592
C.1.2. Strategy: ACCREDITATION - BUSINESS Accreditation Continuation - Business.	$ 72,156	$ 72,156
C.1.3. Strategy: ACCREDITATION - PHARMACY Accreditation Continuation - Pharmacy.	$ 72,779	$ 72,779
C.1.4. Strategy: ACCREDITATION - EDUCATION Accreditation Continuation - Education.	$ 91,175	$ 91,175
C.2.1. Strategy: MICKEY LELAND CENTER Mickey Leland Center on World Hunger and Peace.	$ 70,509	$ 70,509
C.2.2. Strategy: URBAN REDEVELOPMENT/RENEWAL Urban Redevelopment and Renewal.	$ 87,500	$ 87,500
C.2.3. Strategy: TEXAS SUMMER ACADEMY	$ 437,500	$ 437,500
C.3.1. Strategy: MIS/FISCAL OPERATIONS Integrated Plan to Improve MIS and Fiscal Operations.	$ 144,279	$ 144,279
C.3.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,412,538	$ 7,419,908
Total, Goal C: SPECIAL ITEM SUPPORT	$ 8,873,028	$ 8,880,398
D. Goal: TEXAS COMMITMENT-OCR PRIORITY PLAN		
Texas Commitment - OCR Priority Plan.		
D.1.1. Strategy: OCR PRIORITY PLAN Office of Civil Rights Priority Plan.	$ 6,250,000	$ 0
E. Goal: RESEARCH DEVELOPMENT FUND		
E.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 427,469	$ 427,469
Grand Total, TEXAS SOUTHERN UNIVERSITY	$ 77,673,294	$ 71,945,119
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 22,375,646	$ 18,477,403
Other Personnel Costs	661,538	632,770
Faculty Salaries (Higher Education Only)	17,987,233	19,528,980
Professional Fees and Services	330,402	315,616
Fuels and Lubricants	144,600	204,611
Consumable Supplies	454,882	521,306
Utilities	4,250,370	4,178,746
Travel	124,930	128,217
Rent - Building	616	279
Rent - Machine and Other	45,017	46,255
Debt Service	11,360,755	11,866,641
Other Operating Expense	4,184,784	3,189,070
Client Services	3,004,780	3,017,717
Grants	12,644,462	9,733,230
Capital Expenditures	103,279	104,278
Total, Object-of-Expense Informational Listing	$ 77,673,294	$ 71,945,119
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,236,640	$ 4,436,113

Group Insurance	3,817,000	3,817,000
Social Security	4,157,149	4,302,649
Subtotal, Employee Benefits	$ 12,210,789	$ 12,555,762
Debt Service		
Lease Payments	$ 5,664	$ 5,702
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 12,216,453	$ 12,561,464

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Southern University. 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 Southern University. In order to achieve the objectives and service standards established by this Act, the Texas Southern University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	20%	22%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	10%	10%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	68%	68%
Certification Rate of Teacher Education Graduates	77%	80%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	59.1%	59.1%
Percent of Lower Division Courses Taught by Tenured Faculty	37.1%	37.1%
State Licensure Pass Rate of Law Graduates	80%	80%
State Licensure Pass Rate of Pharmacy Graduates	93.5%	93.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	4.7	4.8
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	11%	11%

~~3~~2. **Thurgood Marshall School of Law.** In addition to general revenue funds identified above for the operation and maintenance of the Thurgood Marshall School of Law, all tuition and fee revenues generated through enrollment in the School of Law, including Texas Public Education Grants and Emergency Loans under Education Code, Chapter 56 (Student Financial Aid Assistance), shall be allocated for use by the School of Law and may only be expended for purposes related to the operation and maintenance of the School of Law and its students.

~~4~~3. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $30,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

~~6~~4. **OCR Priority Plan Reporting Requirements.** Texas Southern University shall work with the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board regarding any proposed changes to the detailed plan, the benchmarks, and performance measures adopted in accordance with the OCR Priority Plan. Texas Southern University shall report their progress regarding the OCR Priority Plan benchmarks, performance measures, and expenditures for the above items, semi-annually by December 31 and June 30 to the institution's Board of Regents, the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board. Any unexpended balances as of August 31, 200~~5~~7,

(estimated to be $~~1,600,000~~0), appropriated by the Seventy-eighth Legislature for the OCR Priority Plan, are hereby appropriated to Texas Southern University for the biennium beginning September 1, 200~~5~~7. It is legislative intent that any funds not spent during the 20~~06~~08-~~07~~09 biennium be transferred to the 20~~08~~10-~~09~~11 biennium without any reduction in future funding for the Office of Civil Rights Priority Plan.

~~5.~~ **~~Texas Commitment - OCR Priority Plan.~~** ~~Out of the funds appropriated above in D. Goal: Texas Commitment - OCR Priority Plan, the following items are included in the Priority Plan:~~

~~OCR Priority Plan Items~~	~~in millions 2006~~	~~2007~~
~~1. Meet State Auditor's Office Requirements~~	~~$ 0.72~~	~~$ 0.57~~
~~2. Academic Planning~~	~~$ 0.11~~	~~$ 0.09~~
~~3. Development Office~~	~~$ 0.77~~	~~$ 0.61~~
~~4. Facilities Planning~~	~~$ 0.16~~	~~$ 0.13~~
~~5. Information Technology~~	~~$ 1.28~~	~~$ 1.01~~
~~6. Human Resources~~	~~$ 0.61~~	~~$ 0.48~~
~~7. Student Enrollment~~	~~$ 0.28~~	~~$ 0.22~~
~~8. Summer and First Year Student Support Program~~	~~$ 1.11~~	~~$ 0.88~~
~~9. Basic Skills Program~~	~~$ 0.49~~	~~$ 0.39~~
~~10. Endowed Honors and Institutional Scholarships~~	~~$ 1.28~~	~~$ 1.01~~
~~11. Accreditation of Programs~~	~~$ 0.28~~	~~$ 0.22~~
~~12. Enhance Law, Pharmacy, Business and Educator Preparation Programs~~	~~$ 1.72~~	~~$ 1.36~~
~~13. MA/PhD Urban Planning and Environmental Policy~~	~~$ 0.84~~	~~$ 0.66~~
~~14. MS Health Care Administration~~	~~$ 0.56~~	~~$ 0.44~~
~~15. MS in Computer Science~~	~~$ 0.39~~	~~$ 0.31~~
~~16. MS/PhD in Biomedical and Pharmaceutical Sciences~~	~~$ 0.56~~	~~$ 0.44~~
~~17. Four Endowed Chairs~~	~~$ 1.11~~	~~$ 0.88~~
~~18. Re-establish School of Public Affairs~~	~~$ 0.56~~	~~$ 0.44~~
~~19. Child Care Center~~	~~$ 0.77~~	~~$ 0.61~~
~~20. MSW Social Work~~	~~$ 0.28~~	~~$ 0.22~~
~~Total~~	~~$ 10.94~~	~~$10.94*~~

~~*May not add due to rounding.~~

~~7.~~ **~~OCR Multi-year Commitment.~~** ~~It is the intent of the Legislature that the funding identified above in the OCR Priority Plan be continued as a multi-year commitment by the Legislature.~~

TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 415,047	$ 415,047
Total, Method of Financing	$ 415,047	$ 415,047
This bill pattern represents an estimated 2.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	120.2	120.2

Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 415,047	$ 415,047
Grand Total, TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION	$ 415,047	$ 415,047
Object-of-Expense Informational Listing:		
Other Operating Expense	$ 415,047	$ 415,047
Total, Object-of-Expense Informational Listing	$ 415,047	$ 415,047
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 613,920	$ 644,413
Social Security	475,282	491,917
Subtotal, Employee Benefits	$ 1,089,202	$ 1,136,330
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,089,202	$ 1,136,330

1. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $125,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

TEXAS TECH UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 131,259,273	$ 131,135,659
General Revenue Fund - Dedicated		
Texas Tech University Special Mineral Account No. 269, estimated	35,000	35,000
Estimated Board Authorized Tuition Increases Account No. 704	7,305,498	7,305,498
Estimated Other Educational and General Income Account No. 770	41,874,475	42,018,176
Subtotal, General Revenue Fund - Dedicated	$ 49,214,973	$ 49,358,674
Total, Method of Financing	$ 180,474,246	$ 180,494,333
This bill pattern represents an estimated 35.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	2,959.9	2,959.9
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 110,545,241	$ 110,545,241
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 3,673,567	$ 3,673,567

A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 4,386,828	$ 4,386,828
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 636,441	$ 636,441
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 5,743,586	$ 5,760,720
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 482,200	$ 482,200
A.1.7. Strategy: EXCELLENCE FUNDING	$ 3,880,797	$ 3,880,797
Total, Goal A: INSTRUCTION/OPERATIONS	$ 129,348,660	$ 129,365,794
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 20,509,540	$ 20,509,540
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 10,683,721	$ 10,686,673
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 120,000	$ 120,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 31,313,261	$ 31,316,213
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: LIBRARY ARCHIVAL SUPPORT	$ 699,132	$ 699,132
C.2.1. Strategy: AGRICULTURAL RESEARCH	$ 2,283,884	$ 2,283,884
Research to Enhance Ag Production & Add Value to Ag Products in Texas.		
C.2.2. Strategy: ENERGY RESEARCH	$ 967,789	$ 967,789
Research in Energy Production and Environmental Protection in Texas.		
C.2.3. Strategy: EMERGING TECHNOLOGIES RESEARCH	$ 333,305	$ 333,305
Research in Emerging Technologies and Economic Development in Texas.		
C.3.1. Strategy: JUNCTION ANNEX OPERATION	$ 362,592	$ 362,592
C.3.2. Strategy: HILL COUNTRY EDUCATIONAL NETWORK	$ 637,500	$ 637,500
C.3.3. Strategy: SMALL BUSINESS DEVELOPMENT	$ 1,077,292	$ 1,077,293
Small Business Development Center.		
C.3.4. Strategy: MUSEUMS & CENTERS	$ 2,037,634	$ 2,037,634
Museums and Historical, Cultural, and Educational Centers.		
C.3.5. Strategy: CENTER FOR FINANCIAL RESPONSIBILITY	$ 240,001	$ 240,001
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 5,790,530	$ 5,790,530
C.4.2. Strategy: FACULTY EXCELLENCE	$ 2,500,000	$ 2,500,000
Total, Goal C: SPECIAL ITEM SUPPORT	$ 16,929,659	$ 16,929,660
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 2,882,666	$ 2,882,666
Grand Total, TEXAS TECH UNIVERSITY	$ 180,474,246	$ 180,494,333
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 44,785,037	$ 49,570,114
Other Personnel Costs	793,323	914,312
Faculty Salaries (Higher Education Only)	76,987,923	76,514,213
Professional Fees and Services	158,576	134,289
Fuels and Lubricants	22,225	21,923
Consumable Supplies	7,566,438	4,497,099
Utilities	65,866	62,814
Travel	302,778	275,756
Rent - Building	23,164	17,854
Rent - Machine and Other	89,529	67,105
Debt Service	10,803,721	10,806,673
Other Operating Expense	19,812,253	17,344,011
Grants	18,896,302	20,104,305
Capital Expenditures	167,111	163,865
Total, Object-of-Expense Informational Listing	$ 180,474,246	$ 180,494,333

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

Employee Benefits		
Retirement	$ 14,427,599	$ 15,116,593
Group Insurance	13,332,953	13,332,953
Social Security	9,083,950	9,401,889
Subtotal, Employee Benefits	$ 36,844,502	$ 37,851,435
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 36,844,502	$ 37,851,435

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Tech University. 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 Tech University. In order to achieve the objectives and service standards established by this Act, the Texas Tech University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	56%	56%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	30%	30%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	84%	84%
Certification Rate of Teacher Education Graduates	87.7%	87.7%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	25%	25%
Percent of Lower Division Courses Taught by Tenured Faculty	31%	31%
State Licensure Pass Rate of Law Graduates	90%	90%
State Licensure Pass Rate of Engineering Graduates	90%	90%
Dollar Value of External or Sponsored Research Funds (in Millions)	32	32
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	6.1%	6.1%

~~3~~2. **Texas Tech University Museum.** Out of funds appropriated above in Strategy C.3.4. for the Museums and Historical, Cultural and Educational Centers, $533,565 in fiscal year 200~~6~~8 and $~~4~~33,565 in fiscal year 200~~7~~9 shall be allocated to the Ranching Heritage Center, and $266,859 in each fiscal year shall be allocated to the Lubbock Lake Landmark.

4~~3~~. **Appropriation of Special Mineral Fund.** The balance of funds on hand for the year ending August 31, 200~~5~~7, (estimated to be $0) in the Texas Tech University Special Mineral Fund No. 269 and any income during the biennium beginning September 1, 200~~5~~7, deposited to that fund are appropriated in the funds above to Texas Tech University for the general operations of the university. Mineral Funds are estimated to be $~~73,822~~35,000 in fiscal year 200~~6~~8 and $~~19,000~~35,000 in fiscal year 200~~7~~9.

TEXAS WOMAN'S UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 51,492,457	$ 51,439,104
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	3,568,134	3,568,134

Estimated Other Educational and General Income Account No. 770	15,858,866	15,904,516
Subtotal, General Revenue Fund - Dedicated	$ 19,427,000	$ 19,472,650
Total, Method of Financing	$ 70,919,457	$ 70,911,754
This bill pattern represents an estimated 51.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	1,052.0	1,052.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 46,702,322	$ 46,702,322
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 800,439	$ 800,439
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,431,381	$ 1,431,381
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 355,000	$ 355,000
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 2,539,004	$ 2,545,249
A.1.6. Strategy: EXCELLENCE FUNDING	$ 1,130,324	$ 1,130,324
Total, Goal A: INSTRUCTION/OPERATIONS	$ 52,958,470	$ 52,964,715
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 6,410,951	$ 6,410,951
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 4,588,238	$ 4,574,288
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 133,660	$ 133,660
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 11,132,849	$ 11,118,899
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: TX MED CNTR LIBRARY ASSESSMENT Texas Medical Center Library Assessment.	$ 175,301	$ 175,301
C.2.1. Strategy: NUTRITION RESEARCH PROGRAM Human Nutrition Research Development Program.	$ 40,000	$ 40,000
C.2.2. Strategy: WOMEN'S HEALTH RESEARCH CENTER Center for Research on Women's Health.	$ 167,005	$ 167,005
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 6,297,476	$ 6,297,478
Total, Goal C: SPECIAL ITEM SUPPORT	$ 6,679,782	$ 6,679,784
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 148,356	$ 148,356
Grand Total, TEXAS WOMAN'S UNIVERSITY	$ 70,919,457	$ 70,911,754
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 14,727,747	$ 15,055,148
Other Personnel Costs	519,862	538,904
Faculty Salaries (Higher Education Only)	19,624,313	20,702,426
Professional Salaries - Faculty Equivalent (Higher Education Only)	182,178	160,652
Professional Fees and Services	198,006	203,599
Fuels and Lubricants	59,658	61,889
Consumable Supplies	1,427,362	1,459,313
Utilities	2,713,548	2,802,491
Travel	560,104	565,547
Rent - Building	14,147	14,285
Rent - Machine and Other	421,321	424,220
Debt Service	4,587,759	4,573,811
Other Operating Expense	8,474,657	7,944,190
Grants	16,350,476	15,026,179
Capital Expenditures	1,058,319	1,379,100
Total, Object-of-Expense Informational Listing	$ 70,919,457	$ 70,911,754

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

Employee Benefits		
Retirement	$ 3,578,822	$ 3,747,024
Group Insurance	4,720,428	4,720,428
Social Security	3,871,515	4,007,018
Subtotal, Employee Benefits	$ 12,170,765	$ 12,474,470
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 12,170,765	$ 12,474,470

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Woman's University. 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 Woman's University. In order to achieve the objectives and service standards established by this Act, the Texas Woman's University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	42%	43%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	21.5%	22.5%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	76.5%	76.5%
Certification Rate of Teacher Education Graduates	95%	95%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	70.9%	70.9%
Percent of Lower Division Courses Taught by Tenured Faculty	45%	45%
State Licensure Pass Rate of Nursing Graduates	99.5%	99.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	2	2
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	5%	5%

~~3~~2. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $35,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

TEXAS STATE UNIVERSITY SYSTEM

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,133,248	$ 1,133,248
Total, Method of Financing	$ 1,133,248	$ 1,133,248

This bill pattern represents an estimated 67.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	12.6	12.6
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 1,133,248	$ 1,133,248
Grand Total, TEXAS STATE UNIVERSITY SYSTEM	$ 1,133,248	$ 1,133,248
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 987,813	$ 989,338
Other Personnel Costs	17,820	17,820
Travel	90,537	89,012
Other Operating Expense	37,078	37,078
Total, Object-of-Expense Informational Listing	$ 1,133,248	$ 1,133,248
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 104,791	$ 109,506
Group Insurance	88,817	88,817
Social Security	64,870	67,141
Benefits Replacement	6,796	6,456
Subtotal, Employee Benefits	$ 265,274	$ 271,920
Debt Service		
Lease Payments	$ 81,651	$ 82,211
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 346,925	$ 354,131

1. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $85,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

   A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

2. **Audit of Base Period Contact Hours.** The hours used in the contact hour base period to fund the Lamar State Colleges are subject to audit for accuracy by the State Auditor according to an audit plan developed in consultation with the Texas Higher Education Coordinating Board, the Legislative Budget Board and community, technical, and state colleges and the appropriation amounts adjusted accordingly by the Comptroller of Public Accounts at the direction of the Legislative Budget Board. The total amount appropriated to the two year ~~institution's~~institutions' contact hour formula shall be redistributed to all institutions funded by the formula based on contact hours. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the total contact hour formula appropriations to that institution for the biennium. Adjustments shall be made to appropriated amounts in accordance with adjustments of estimated contact hours to actual certified contact hours, even if the total error rate is less than 2 percent of the total amount appropriated to the institution for the biennium.

3. **Transferability.** The Board of Regents of the Texas State University System is authorized to transfer and utilize funds appropriated to Sul Ross State University and Sul Ross State

University-Rio Grande College between the campuses if necessary to accomplish the capital improvement goals of the University.

ANGELO STATE UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 24,586,052	$ 24,513,335
GR Dedicated - Estimated Other Educational and General Income Account No. 770	8,670,898	8,689,517
Total, Method of Financing	$ 33,256,950	$ 33,202,852
This bill pattern represents an estimated 42.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	562.7	562.7
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 16,106,986	$ 16,106,986
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 940,408	$ 940,408
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 951,060	$ 951,060
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,138,876	$ 1,141,405
A.1.5. Strategy: ORGANIZED ACTIVITIES	$ 129,623	$ 129,623
A.1.6. Strategy: EXCELLENCE FUNDING	$ 598,212	$ 598,216
Total, Goal A: INSTRUCTION/OPERATIONS	$ 19,865,165	$ 19,867,698
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 3,641,187	$ 3,641,187
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 4,105,744	$ 3,935,894
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 69,000	$ 69,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 7,815,931	$ 7,646,081
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: SCHOOL-BASED CLINICS	$ 46,550	$ 46,550
C.1.2. Strategy: CENTER FOR ACADEMIC EXCELLENCE	$ 415,626	$ 415,626
C.2.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 122,065	$ 122,065
C.2.2. Strategy: CENTER FOR FINE ARTS	$ 53,426	$ 53,426
C.2.3. Strategy: MGT/INSTRUCTION/RESEARCH CENTER	$ 245,992	$ 245,992
Management, Instruction, and Research Center.		
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,660,493	$ 4,773,712
Total, Goal C: SPECIAL ITEM SUPPORT	$ 5,544,152	$ 5,657,371
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 31,702	$ 31,702
Grand Total, ANGELO STATE UNIVERSITY	$ 33,256,950	$ 33,202,852
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 7,845,216	$ 9,662,680
Other Personnel Costs	2,324,014	223,873
Faculty Salaries (Higher Education Only)	11,989,635	12,490,421
Professional Fees and Services	5,490	8,583
Fuels and Lubricants	52,503	14,028

Consumable Supplies	208,303	240,589
Utilities	2,173,314	779,042
Travel	57,084	58,882
Rent - Building	376	582
Rent - Machine and Other	25,938	33,129
Debt Service	4,105,744	3,935,894
Other Operating Expense	3,306,456	3,003,264
Grants	1,135,027	2,750,677
Capital Expenditures	27,850	1,208
Total, Object-of-Expense Informational Listing	$ 33,256,950	$ 33,202,852
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,921,097	$ 2,008,963
Group Insurance	3,356,637	3,356,637
Social Security	1,934,847	2,002,567
Subtotal, Employee Benefits	$ 7,212,581	$ 7,368,167
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,212,581	$ 7,368,167

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Angelo State University. 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 Angelo State University. In order to achieve the objectives and service standards established by this Act, the Angelo State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	37%	38%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	17%	17%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	66%	67%
Certification Rate of Teacher Education Graduates	87.4%	87.4%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	53.6%	53.6%
Percent of Lower Division Courses Taught by Tenured Faculty	55%	55%
State Licensure Pass Rate of Nursing Graduates	92.8%	92.8%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	10.4%	10.4%

LAMAR UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 33,193,976	$ 33,124,950
General Revenue Fund - Dedicated		
Estimated Other Educational and General Income Account No. 770	13,108,318	13,174,653

Estimated Board Authorized Tuition Increases Account No. 704	750,000	750,000
Subtotal, General Revenue Fund - Dedicated	$ 13,858,318	$ 13,924,653
Total, Method of Financing	$ 47,052,294	$ 47,049,603
This bill pattern represents an estimated 48% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	913.4	913.4
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 28,270,504	$ 28,270,504
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,293,853	$ 1,293,853
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,395,650	$ 1,395,650
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 335,091	$ 335,091
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 2,125,681	$ 2,135,856
A.1.6. Strategy: EXCELLENCE FUNDING	$ 220,421	$ 220,420
Total, Goal A: INSTRUCTION/OPERATIONS	$ 33,641,200	$ 33,651,374
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 6,411,656	$ 6,411,656
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,606,033	$ 2,593,169
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 105,430	$ 105,430
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 9,123,119	$ 9,110,255
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: ACADEMY IN HUMANITIES LEADERSHIP	$ 285,184	$ 285,184
Texas Academy of Leadership in the Humanities.		
C.2.1. Strategy: HAZARDOUS SUBSTANCE RESEARCH CENTER	$ 401,907	$ 401,907
Gulf Coast Hazardous Substance Research Center.		
C.2.2. Strategy: AIR QUALITY INITIATIVE	$ 581,876	$ 581,876
Air Quality Initiative: Texas Hazardous Waste Research Center.		
C.3.1. Strategy: SPINDLETOP MUSEUM EDUC'AL ACTIVITY	$ 27,321	$ 27,321
Spindletop Museum Educational Activities.		
C.3.2. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 109,016	$ 109,016
C.3.3. Strategy: COMMUNITY OUTREACH EXPANSION	$ 72,941	$ 72,941
Public Service/Community Outreach Expansion.		
C.3.4. Strategy: SPINDLETOP TEACHING CENTER	$ 124,689	$ 124,689
Spindletop Center for Excellence in Teaching Technology.		
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,562,428	$ 2,562,427
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,165,362	$ 4,165,361
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 122,613	$ 122,613
Grand Total, LAMAR UNIVERSITY	$ 47,052,294	$ 47,049,603
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,428,469	$ 4,216,735
Other Personnel Costs	4,866,272	4,761,042
Faculty Salaries (Higher Education Only)	18,955,058	19,883,440
Professional Fees and Services	768,046	776,658
Fuels and Lubricants	100,347	100,347
Consumable Supplies	467,094	458,299
Utilities	117,135	142,533

Travel	22,896	34,457
Rent - Machine and Other	143,779	114,483
Debt Service	2,606,033	2,593,169
Other Operating Expense	8,589,367	8,571,229
Grants	5,920,296	5,350,217
Capital Expenditures	67,502	46,994
Total, Object-of-Expense Informational Listing	$ 47,052,294	$ 47,049,603
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,930,528	$ 3,066,710
Group Insurance	4,350,125	4,350,125
Social Security	2,882,621	2,983,513
Subtotal, Employee Benefits	$ 10,163,274	$ 10,400,348
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 10,163,274	$ 10,400,348

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Lamar University. 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 Lamar University. In order to achieve the objectives and service standards established by this Act, the Lamar University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	34%	35%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	16%	16%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	73%	73%
Certification Rate of Teacher Education Graduates	86%	86%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	47%	47%
Percent of Lower Division Courses Taught by Tenured Faculty	65%	65%
State Licensure Pass Rate of Engineering Graduates	95%	95%
State Licensure Pass Rate of Nursing Graduates	100%	100%
Dollar Value of External or Sponsored Research Funds (in Millions)	2.3	2.3
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	11.1%	11.1%

LAMAR INSTITUTE OF TECHNOLOGY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 8,331,279	$ 8,328,269
GR Dedicated - Estimated Other Educational and General Income Account No. 770	2,308,214	2,308,214
Total, Method of Financing	$ 10,639,493	$ 10,636,483

This bill pattern represents an estimated 59.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	174.0	174.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 2,572,220	$ 2,572,220
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,253,859	$ 4,253,859
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 158,710	$ 158,710
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 391,304	$ 391,304
Total, Goal A: INSTRUCTION/OPERATIONS	$ 7,376,093	$ 7,376,093
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 1,498,690	$ 1,498,690
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 548,076	$ 545,066
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 27,000	$ 27,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 2,073,766	$ 2,070,756
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: WORKFORCE LITERACY	$ 54,092	$ 54,092
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,135,542	$ 1,135,542
Total, Goal C: SPECIAL ITEM SUPPORT	$ 1,189,634	$ 1,189,634
Grand Total, LAMAR INSTITUTE OF TECHNOLOGY	$ 10,639,493	$ 10,636,483
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,291,108	$ 2,276,844
Other Personnel Costs	158,710	158,710
Faculty Salaries (Higher Education Only)	2,239,973	2,305,798
Professional Salaries - Faculty Equivalent (Higher Education Only)	1,363,898	1,375,408
Debt Service	575,076	572,066
Other Operating Expense	2,837,828	2,838,867
Grants	1,070,765	983,829
Capital Expenditures	102,135	124,961
Total, Object-of-Expense Informational Listing	$ 10,639,493	$ 10,636,483
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 503,041	$ 526,178
Group Insurance	636,508	636,508
Social Security	594,482	615,289
Subtotal, Employee Benefits	$ 1,734,031	$ 1,777,975
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,734,031	$ 1,777,975

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Lamar Institute of Technology. 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 Lamar Institute of Technology. In order to achieve the objectives and service standards established by this Act, the Lamar Institute of Technology shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percentage of Courses Completed	93.9%	93.9%
Percent of Contact Hours Taught by Full-time Faculty	80.8%	80.8%
Percentage of Developmental Education Students Who Pass Skills Assessment Test	25%	25%
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	13%	13%

LAMAR STATE COLLEGE - ORANGE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 6,350,639	$ 6,344,130
GR Dedicated - Estimated Other Educational and General Income Account No. 770	2,346,919	2,362,935
Total, Method of Financing	$ 8,697,558	$ 8,707,065
This bill pattern represents an estimated 61.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	132.0	132.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 3,046,722	$ 3,057,784
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,759,417	$ 1,759,417
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 87,131	$ 87,131
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 378,519	$ 381,197
Total, Goal A: INSTRUCTION/OPERATIONS	$ 5,271,789	$ 5,285,529
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 1,291,292	$ 1,291,292
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 590,273	$ 586,040
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 23,155	$ 23,155
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 1,904,720	$ 1,900,487
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,521,049	$ 1,521,049
Grand Total, LAMAR STATE COLLEGE - ORANGE	$ 8,697,558	$ 8,707,065
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,665,265	$ 3,030,152
Other Personnel Costs	93,952	65,474
Faculty Salaries (Higher Education Only)	1,356,214	1,729,350
Professional Fees and Services	37,656	33,123
Consumable Supplies	251,172	232,807
Utilities	840,177	789,566
Travel	39,998	37,073
Rent - Machine and Other	116,926	108,378
Other Operating Expense	2,590,210	2,436,658
Grants	592,123	112,960

Capital Expenditures	113,865	131,524
Total, Object-of-Expense Informational Listing	$ 8,697,558	$ 8,707,065
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 413,696	$ 433,299
Group Insurance	696,280	696,280
Social Security	454,683	470,597
Subtotal, Employee Benefits	$ 1,564,659	$ 1,600,176
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,564,659	$ 1,600,176

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Lamar State College - Orange. 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 Lamar State College - Orange. In order to achieve the objectives and service standards established by this Act, the Lamar State College - Orange shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Courses Completed	89%	89%
Number of Students Who Transfer to a University	390	390
Percent of Contact Hours Taught by Full-time Faculty	79%	79%
Percentage of Developmental Education Students Who Pass Skills Assessment Test	50%	50%
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	13%	13%

LAMAR STATE COLLEGE - PORT ARTHUR

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 8,234,247	$ 8,686,194
GR Dedicated - Estimated Other Educational and General Income Account No. 770	1,367,894	1,367,894
Total, Method of Financing	$ 9,602,141	$ 10,054,088
This bill pattern represents an estimated 58.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	253.8	253.8
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 2,897,666	$ 2,897,666
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,747,632	$ 2,747,632
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 157,186	$ 157,186
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 142,957	$ 142,957
A.1.5. Strategy: EXCELLENCE FUNDING	$ 0	$ 202,301
Total, Goal A: INSTRUCTION/OPERATIONS	$ 5,945,441	$ 6,147,742

B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 1,412,382	$ 1,412,382
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 939,578	$ 933,613
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 26,000	$ 26,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 2,377,960	$ 2,371,995
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 134,904	$ 134,904
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,143,836	$ 1,399,447
Total, Goal C: SPECIAL ITEM SUPPORT	$ 1,278,740	$ 1,534,351
Grand Total, LAMAR STATE COLLEGE - PORT ARTHUR	$ 9,602,141	$ 10,054,088
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,841,807	$ 3,871,051
Faculty Salaries (Higher Education Only)	2,938,631	3,535,869
Utilities	714,794	500,550
Debt Service	965,578	959,613
Other Operating Expense	218,255	615,117
Client Services	142,957	142,957
Grants	780,119	428,931
Total, Object-of-Expense Informational Listing	$ 9,602,141	$ 10,054,088
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 646,284	$ 676,679
Group Insurance	1,319,490	1,319,490
Social Security	726,029	751,440
Subtotal, Employee Benefits	$ 2,691,803	$ 2,747,609
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,691,803	$ 2,747,609

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Lamar State College - Port Arthur. 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 Lamar State College - Port Arthur. In order to achieve the objectives and service standards established by this Act, the Lamar State College - Port Arthur shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Courses Completed	92.5%	92.5%
Number of Students Who Transfer to a University	499	499
Percent of Contact Hours Taught by Full-time Faculty	82.2%	82.2%
Percentage of Developmental Education Students Who Pass Skills Assessment Test	8.3%	8.4%
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	13%	13%

SAM HOUSTON STATE UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 43,304,845	$ 43,137,317
General Revenue Fund - Dedicated		
Law Enforcement Management Institute Account No. 581, estimated	8,101,522	3,938,174
Estimated Board Authorized Tuition Increases Account No. 704	1,595,309	1,595,309
Estimated Other Educational and General Income Account No. 770	24,221,365	24,278,931
Correctional Management Institute of Texas Account No. 5083, estimated	2,109,152	2,053,057
Subtotal, General Revenue Fund - Dedicated	$ 36,027,348	$ 31,865,471
Total, Method of Financing	$ 79,332,193	$ 75,002,788
This bill pattern represents an estimated 44.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	1,054.5	1,054.5
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 44,903,522	$ 44,903,137
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 2,089,353	$ 2,089,335
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,857,113	$ 1,857,113
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 268,488	$ 268,488
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 3,121,768	$ 3,129,152
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 86,885	$ 86,885
A.1.7. Strategy: EXCELLENCE FUNDING	$ 719,252	$ 713,858
Total, Goal A: INSTRUCTION/OPERATIONS	$ 53,046,381	$ 53,047,968
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 8,780,253	$ 8,780,177
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,882,898	$ 2,872,625
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 11,663,151	$ 11,652,802
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: ACADEMIC ENRICHMENT CENTER Academic Enrichment Center/Advisement Center.	$ 124,687	$ 125,070
C.3.1. Strategy: SAM HOUSTON MUSEUM	$ 366,116	$ 366,116
C.3.2. Strategy: BUSINESS & ECONOMIC DEVELOPMENT CTR Center for Business and Economic Development.	$ 164,582	$ 164,582
C.3.3. Strategy: LAW ENFORCEMENT MGT INSTITUTE Bill Blackwood Law Enforcement Management Institute of Texas. Est.	$ 8,101,522	$ 3,938,174
C.3.4. Strategy: CORRECTIONAL MANAGEMENT INSTITUTE Criminal Justice Correctional Management Institute of Texas.	$ 2,109,152	$ 2,053,057
C.3.5. Strategy: CRIME VICTIMS' INSTITUTE	$ 299,218	$ 319,816
C.4.1. Strategy: ENVIRONMENTAL STUDIES INSTITUTE Institute of Environmental Studies.	$ 145,666	$ 145,666
C.4.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,092,724	$ 2,970,543
Total, Goal C: SPECIAL ITEM SUPPORT	$ 14,403,667	$ 10,083,024
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 218,994	$ 218,994
Grand Total, SAM HOUSTON STATE UNIVERSITY	$ 79,332,193	$ 75,002,788

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 18,551,747	$ 19,369,262
Other Personnel Costs	1,052,877	1,308,429
Faculty Salaries (Higher Education Only)	27,702,961	28,266,478
Professional Fees and Services	1,835,952	1,683,566
Fuels and Lubricants	20,203	39,020
Consumable Supplies	633,887	557,661
Utilities	1,149,472	1,186,180
Travel	60,392	76,625
Rent - Building	336,053	337,129
Rent - Machine and Other	67,554	93,239
Other Operating Expense	15,867,543	12,579,944
Grants	11,957,881	9,265,167
Capital Expenditures	95,671	240,088
Total, Object-of-Expense Informational Listing	$ 79,332,193	$ 75,002,788
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,397,418	$ 4,602,061
Group Insurance	5,310,617	5,310,617
Social Security	4,044,940	4,186,513
Subtotal, Employee Benefits	$ 13,752,975	$ 14,099,191
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 13,752,975	$ 14,099,191

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Sam Houston State University. 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 Sam Houston State University. In order to achieve the objectives and service standards established by this Act, the Sam Houston State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	49%	52%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	33%	33%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	79%	81%
Certification Rate of Teacher Education Graduates	97%	97%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	50.7%	50.7%
Percent of Lower Division Courses Taught by Tenured Faculty	58.5%	58.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	2	2.2
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7%	7%

~~3~~2. **Unexpended Balances, CJ-CMIT and LEMIT.** Any unexpended balances from appropriations for the fiscal year beginning September 1, 200~~5~~7, in the Criminal Justice Correctional Management Institute of Texas Fund (GR Dedicated Fund 5083) and the Law Enforcement Management Institute of Texas Fund (GR Dedicated Fund 581), estimated to be $~~4,154,617~~3,059,000 (and included above in the Method of Financing) for fiscal year ~~2006~~2008, for Fund 581, remaining as of August 31, 200~~6~~8, are appropriated for the same purpose for the fiscal year beginning September 1, 200~~6~~8.

TEXAS STATE UNIVERSITY - SAN MARCOS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 83,091,946	$ 82,888,994
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	3,300,000	3,300,000
Estimated Other Educational and General Income Account No. 770	37,306,114	37,352,086
Subtotal, General Revenue Fund - Dedicated	$ 40,606,114	$ 40,652,086
Total, Method of Financing	$ 123,698,060	$ 123,541,080
This bill pattern represents an estimated 37% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	2,005.0	2,005.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 77,315,931	$ 77,315,931
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 3,109,350	$ 3,109,350
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 3,108,370	$ 3,108,370
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 674,221	$ 674,221
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 5,365,657	$ 5,371,678
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 883,214	$ 883,214
A.1.7. Strategy: EXCELLENCE FUNDING	$ 2,345,347	$ 2,345,347
Total, Goal A: INSTRUCTION/OPERATIONS	$ 92,802,090	$ 92,808,111
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 15,219,087	$ 15,219,087
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 11,888,927	$ 11,725,927
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 296,848	$ 296,848
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 27,404,862	$ 27,241,862
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: GEOGRAPHY EDUCATION Improvement of Geography Education.	$ 43,750	$ 43,750
C.1.2. Strategy: ROUND ROCK HIGHER EDUCATION CENTER	$ 350,000	$ 350,000
C.2.1. Strategy: EDWARDS AQUIFER RESEARCH CENTER Edwards Aquifer Research and Data Center.	$ 216,266	$ 216,266
C.2.2. Strategy: TEXAS LONG-TERM CARE INST Texas Long-term Care Institute.	$ 146,832	$ 146,832
C.2.3. Strategy: SEMICONDUCTOR INITIATIVE Semiconductor Manufacturing and Research Initiative.	$ 87,500	$ 87,500
C.3.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 171,461	$ 171,461
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,903,652	$ 1,903,651
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,919,461	$ 2,919,460
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 571,647	$ 571,647
Grand Total, TEXAS STATE UNIVERSITY - SAN MARCOS	$ 123,698,060	$ 123,541,080
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 28,765,648	$ 29,661,538
Faculty Salaries (Higher Education Only)	55,449,725	57,020,325
Utilities	8,756,080	8,722,903

Travel	28,643	27,541
Debt Service	11,888,927	11,725,927
Other Operating Expense	12,597,491	12,728,472
Grants	6,125,746	3,564,508
Capital Expenditures	85,800	89,866
Total, Object-of-Expense Informational Listing	$ 123,698,060	$ 123,541,080
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 8,229,383	$ 8,613,938
Group Insurance	7,508,431	7,508,431
Social Security	7,301,076	7,556,614
Subtotal, Employee Benefits	$ 23,038,890	$ 23,678,983
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 23,038,890	$ 23,678,983

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State University - San Marcos. 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 State University - San Marcos. In order to achieve the objectives and service standards established by this Act, the Texas State University - San Marcos shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	54.1%	54.1%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	25.7%	25.7%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	85%	85%
Certification Rate of Teacher Education Graduates	89.1%	89.1%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	46.1%	46.1%
Percent of Lower Division Courses Taught by Tenured Faculty	47.3%	47.3%
Dollar Value of External or Sponsored Research Funds (in Millions)	20.6	22.4
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	10.2%	10.2%

~~3~~**2.** **Freeman Ranch.** Out of the amounts appropriated above in informational item A.1.6, Organized Activities, $115,089 in each year of the biennium shall be used for the Freeman Ranch.

SUL ROSS STATE UNIVERSITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 14,303,330	$ 14,263,368
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	114,727	114,727

Estimated Other Educational and General Income Account No. 770	2,553,828	2,560,229
Subtotal, General Revenue Fund - Dedicated	$ 2,668,555	$ 2,674,956
Total, Method of Financing	$ 16,971,885	$ 16,938,324
This bill pattern represents an estimated 53.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	333.2	333.2
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 5,285,547	$ 5,285,547
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 254,662	$ 254,662
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 262,017	$ 262,017
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 36,796	$ 36,796
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 345,542	$ 346,415
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 139,580	$ 139,580
A.1.7. Strategy: EXCELLENCE FUNDING	$ 213,418	$ 212,668
Total, Goal A: INSTRUCTION/OPERATIONS	$ 6,537,562	$ 6,537,685
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,664,530	$ 2,664,530
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,783,019	$ 2,749,335
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 5,447,549	$ 5,413,865
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: CHIHUAHUAN DESERT RESEARCH	$ 25,000	$ 25,000
C.2.2. Strategy: CENTER FOR BIG BEND STUDIES	$ 165,000	$ 165,000
C.3.1. Strategy: SUL ROSS MUSEUM Sul Ross State University Museum.	$ 113,064	$ 113,064
C.3.2. Strategy: BIG BEND SMALL BUSINESS DEVT CENTER Big Bend Region Minority and Small Business Development Center.	$ 121,696	$ 121,696
C.3.3. Strategy: CRIMINAL JUSTICE ACADEMY	$ 74,164	$ 74,164
C.3.4. Strategy: BIG BEND ARCHIVES Archives of the Big Bend.	$ 90,000	$ 90,000
C.3.5. Strategy: RURAL HISPANIC LEADERSHIP	$ 50,000	$ 50,000
C.3.6. Strategy: MUSEUM OF THE BIG BEND	$ 30,000	$ 30,000
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,211,905	$ 4,211,905
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,880,829	$ 4,880,829
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 105,945	$ 105,945
Grand Total, SUL ROSS STATE UNIVERSITY	$ 16,971,885	$ 16,938,324
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 5,801,445	$ 5,747,633
Other Personnel Costs	117,653	117,274
Faculty Salaries (Higher Education Only)	4,538,325	4,318,029
Professional Salaries - Faculty Equivalent (Higher Education Only)	143,292	143,292
Fuels and Lubricants	8,117	8,820
Consumable Supplies	232,109	265,290
Utilities	1,025,880	1,070,169
Travel	205,094	213,949
Rent - Machine and Other	52,117	54,709
Debt Service	2,783,019	2,749,335
Other Operating Expense	1,362,014	1,395,157
Client Services	345,542	346,415

Grants	352,727	503,670
Capital Expenditures	4,551	4,582
Total, Object-of-Expense Informational Listing	$ 16,971,885	$ 16,938,324
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 946,307	$ 990,496
Group Insurance	1,653,683	1,653,683
Social Security	1,227,069	1,270,016
Subtotal, Employee Benefits	$ 3,827,059	$ 3,914,195
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,827,059	$ 3,914,195

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Sul Ross State University. 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 Sul Ross State University. In order to achieve the objectives and service standards established by this Act, the Sul Ross State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	22.9%	22.9%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	7%	7%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	60%	60%
Certification Rate of Teacher Education Graduates	84.6%	84.6%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	65%	65%
Percent of Lower Division Courses Taught by Tenured Faculty	55.2%	55.2%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	11%	11%

SUL ROSS STATE UNIVERSITY RIO GRANDE COLLEGE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 5,362,222	$ 5,361,799
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	42,581	42,581
Estimated Other Educational and General Income Account No. 770	969,632	970,126
Subtotal, General Revenue Fund - Dedicated	$ 1,012,213	$ 1,012,707
Total, Method of Financing	$ 6,374,435	$ 6,374,506
This bill pattern represents an estimated 72.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	82.2	82.2

Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 2,418,422	$ 2,418,422
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 134,267	$ 134,267
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 40,475	$ 40,475
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 20,328	$ 20,328
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 143,462	$ 143,534
A.1.6. Strategy: EXCELLENCE FUNDING	$ 41,036	$ 41,036
Total, Goal A: INSTRUCTION/OPERATIONS	$ 2,797,990	$ 2,798,062
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 759,767	$ 759,767
B.1.2. Strategy: LEASE OF FACILITIES	$ 228,016	$ 228,016
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 987,783	$ 987,783
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.3.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 152,580	$ 152,580
C.3.2. Strategy: DOLPH BRISCOE INSTITUTE	$ 41,500	$ 41,500
Dolph Briscoe Institute for Local Government.		
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,394,582	$ 2,394,581
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,588,662	$ 2,588,661
Grand Total, SUL ROSS STATE UNIVERSITY RIO GRANDE COLLEGE	$ 6,374,435	$ 6,374,506
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,563,572	$ 1,813,052
Other Personnel Costs	15,922	18,160
Faculty Salaries (Higher Education Only)	2,027,415	2,184,770
Consumable Supplies	88,291	96,757
Utilities	135,878	174,576
Travel	175,817	184,397
Rent - Building	963,873	806,881
Rent - Machine and Other	985	975
Other Operating Expense	880,618	867,018
Client Services	155,000	178,087
Grants	313,182	0
Capital Expenditures	53,882	49,833
Total, Object-of-Expense Informational Listing	$ 6,374,435	$ 6,374,506
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 228,591	$ 239,266
Group Insurance	241,527	241,527
Subtotal, Employee Benefits	$ 470,118	$ 480,793
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 470,118	$ 480,793

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Sul Ross State University Rio Grande College. 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 Sul Ross State University Rio Grande College. In order to achieve the objectives and service standards established by this Act, the Sul Ross State University Rio Grande College shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

SUL ROSS STATE UNIVERSITY RIO GRANDE COLLEGE
(Continued)

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Certification Rate of Teacher Education Graduates	72.86%	72.86%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	86.4%	86.4%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Four Years	79%	79%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two Years	35%	35%
Persistence Rate of First-time, Full-time, Degree-seeking Transfer Students after One Academic Year (Upper-level Institutions Only)	79.3%	79.3%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9%	9%

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 133,181,431	$ 133,209,744
GR Dedicated - Estimated Other Educational and General Income Account No. 770	9,687,422	9,761,367
Other Funds		
Permanent Health Fund for Higher Education No. 810, estimated	2,079,000	2,079,000
Permanent Endowment Fund, UT Southwestern Medical Center at Dallas No. 813, estimated	2,250,000	2,250,000
Subtotal, Other Funds	$ 4,329,000	$ 4,329,000
Total, Method of Financing	$ 147,197,853	$ 147,300,111
This bill pattern represents an estimated 10.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,240.1	1,240.1
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 46,607,550	$ 46,607,550
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 10,155,351	$ 10,155,351
Graduate Training in Biomedical Sciences.		
A.1.3. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 4,594,760	$ 4,594,760
A.1.4. Strategy: GRADUATE MEDICAL EDUCATION	$ 2,749,438	$ 2,749,438
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 3,355,447	$ 3,355,447
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 270,010	$ 243,781
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 43,600	$ 32,592
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,104,236	$ 1,106,980
A.3.2. Strategy: MEDICAL LOANS	$ 101,656	$ 101,656
Total, Goal A: INSTRUCTION/OPERATIONS	$ 68,982,048	$ 68,947,555
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 6,545,984	$ 6,545,984
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 24,338,275	$ 24,338,275
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 12,967,821	$ 13,005,746

C.2.2. Strategy: LONGTERM INSTR REL EQUIPMENT Longterm Instructional Related Equipment.	$ 855,822	$ 955,661
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 38,161,918	$ 38,299,682
D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.1.1. Strategy: PRIMARY CARE RESIDENCY TRAINING Primary Care Residency Training Program.	$ 1,557,500	$ 1,557,500
D.2.1. Strategy: INSTITUTE FOR NOBEL/NA BIO RESEARCH Institute for Nobel/National-Academy Biomedical Research.	$ 8,246,403	$ 8,245,390
D.2.2. Strategy: INNOVATIONS IN MED TECHNOLOGY Institute for Innovations in Medical Technology.	$ 9,000,000	$ 9,000,000
D.2.3. Strategy: METROPLEX COMP MED IMAGING CENTER Metroplex Comprehensive Medical Imaging Center.	$ 7,500,000	$ 7,500,000
D.3.1. Strategy: REGIONAL BURN CARE CENTER	$ 125,000	$ 125,000
D.3.2. Strategy: CENTER FOR TREATMENT OF SICKLE CELL Center for Treatment and Research on Sickle Cell Disease.	$ 1,000,000	$ 1,000,000
D.4.1. Strategy: SCIENCE TEACHER ACCESS TO RESOURCES Program for Science Teacher Access to Resources (STARS).	$ 750,000	$ 750,000
D.5.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,000,000	$ 1,000,000
Total, Goal D: PROVIDE SPECIAL ITEM SUPPORT	$ 29,178,903	$ 29,177,890
E. Goal: TOBACCO FUNDS		
E.1.1. Strategy: TOBACCO EARNINGS - UT SWMC DALLAS Tobacco Earnings for UT Southwestern Medical Center at Dallas.	$ 2,250,000	$ 2,250,000
E.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810.	$ 2,079,000	$ 2,079,000
Total, Goal E: TOBACCO FUNDS	$ 4,329,000	$ 4,329,000
Grand Total, THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS	$ 147,197,853	$ 147,300,111
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 40,602,350	$ 26,076,926
Other Personnel Costs	3,639,277	1,897,849
Faculty Salaries (Higher Education Only)	53,828,293	63,401,943
Professional Fees and Services	268,957	791,553
Fuels and Lubricants	28,434	175,307
Consumable Supplies	404,011	560,534
Utilities	15,058,203	12,095,471
Rent - Building	4,679	34,926
Rent - Machine and Other	433,840	306,451
Debt Service	12,968,044	13,005,746
Other Operating Expense	13,025,450	22,293,575
Capital Expenditures	6,936,315	6,659,830
Total, Object-of-Expense Informational Listing	$ 147,197,853	$ 147,300,111
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 25,803,397	$ 27,103,025
Group Insurance	8,064,575	8,064,575

Social Security	5,299,475	5,484,957
Subtotal, Employee Benefits	$ 39,167,447	$ 40,652,557
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 39,167,447	$ 40,652,557

1. Performance Measure Targets. The following is a listing of the key performance target levels for The University of Texas Southwestern Medical Center at Dallas. 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 University of Texas Southwestern Medical Center at Dallas. In order to achieve the objectives and service standards established by this Act, The University of Texas Southwestern Medical Center at Dallas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	96.7%	96.7%
Percent of Medical School Graduates Practicing Primary Care in Texas	27.5%	27.5%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	90%	90%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	3.79%	3.79%
A.1.1. Strategy: MEDICAL EDUCATION		
Output (Volume):		
Number of Combined MD/PhD Graduates	9	9
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	15%	15%
Minority MD Admissions as a Percent of Total MD Admissions	19.3%	19.3%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	11%	11%
Percent of Medical School Graduates Entering a Primary Care Residency	50%	50%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	305,000,000	305,000,000
D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.4.1. Strategy: SCIENCE TEACHER ACCESS TO RESOURCES		
Output (Volume):		
Number of High School and Middle School Teachers Completing a STARS Program	555	555

~~3~~2. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Southwestern Medical Center at Dallas No. 813 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. 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 makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Southwestern Medical Center at Dallas No. 813 and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the

fiscal years beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated to the institution for the same purposes for fiscal year ~~2007~~2009.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 225,451,777	$ 225,252,357
General Revenue Fund - Dedicated		
Estimated Other Educational and General Income Account No. 770	13,551,770	14,851,770
Advisory Commission on State Emergency Communications Account No. 5007	75,000	75,000
Subtotal, General Revenue Fund - Dedicated	$ 13,626,770	$ 14,926,770
Other Funds		
Health-Related Institutions Patient Income, estimated	317,319,556	317,319,556
Interagency Contracts	10,000,000	10,000,000
Permanent Health Fund for Higher Education No. 810, estimated	1,912,365	1,912,365
Permanent Endowment Fund, UT Medical Branch at Galveston No. 814, estimated	1,125,000	1,125,000
Subtotal, Other Funds	$ 330,356,921	$ 330,356,921
Total, Method of Financing	$ 569,435,468	$ 570,536,048
This bill pattern represents an estimated 41.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	5,534.7	5,534.7
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 59,590,279	$ 59,586,263
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 5,666,648	$ 5,666,266
Graduate Training in Biomedical Sciences.		
A.1.3. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 8,272,678	$ 8,272,120
A.1.4. Strategy: NURSING EDUCATION	$ 8,636,043	$ 8,635,461
A.1.5. Strategy: GRADUATE MEDICAL EDUCATION	$ 1,410,988	$ 1,410,988
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 28,570,558	$ 28,570,558
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 1,226,415	$ 1,226,415
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 418,776	$ 418,776
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,010,000	$ 1,010,000
A.3.2. Strategy: MEDICAL LOANS	$ 109,000	$ 109,000
Total, Goal A: INSTRUCTION/OPERATIONS	$ 114,911,385	$ 114,905,847
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 3,812,125	$ 3,812,125
C. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 22,098,199	$ 22,096,710
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 6,531,043	$ 6,542,963
C.2.2. Strategy: CAPITAL PROJECTS	$ 29,791,519	$ 29,791,519
Total, Goal C: INFRASTRUCTURE SUPPORT	$ 58,420,761	$ 58,431,192

D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: MEDICAL BRANCH HOSPITALS	$ 372,414,659	$ 373,509,939
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.2.1. Strategy: CHRONIC HOME DIALYSIS CENTER	$ 2,717,764	$ 2,717,764
E.2.2. Strategy: PRIMARY CARE PHYSICIAN SERVICES	$ 6,381,790	$ 6,381,790
E.2.3. Strategy: EAST TEXAS HEALTH EDUCATION CENTERS East Texas Area Health Education Centers.	$ 2,726,561	$ 2,726,561
E.2.4. Strategy: SUPPORT FOR INDIGENT CARE	$ 3,508,761	$ 3,508,761
E.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,504,297	$ 1,504,704
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 16,839,173	$ 16,839,580
F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - UTMB-GALVESTON Tobacco Earnings for the UT Medical Branch at Galveston.	$ 1,125,000	$ 1,125,000
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810.	$ 1,912,365	$ 1,912,365
Total, Goal F: TOBACCO FUNDS	$ 3,037,365	$ 3,037,365
Grand Total, THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON	$ 569,435,468	$ 570,536,048
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 224,362,154	$ 226,850,457
Other Personnel Costs	9,860,098	8,031,561
Faculty Salaries (Higher Education Only)	35,743,264	36,898,328
Professional Fees and Services	99,355,940	100,329,847
Fuels and Lubricants	346,562	256,503
Consumable Supplies	37,243,641	34,029,328
Utilities	34,634,424	35,709,754
Travel	15,500	49,924
Rent - Building	1,618,078	1,716,506
Rent - Machine and Other	10,181,071	10,495,955
Debt Service	20,168,876	17,778,864
Other Operating Expense	95,905,860	98,389,021
Total, Object-of-Expense Informational Listing	$ 569,435,468	$ 570,536,048
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 36,647,484	$ 38,494,462
Group Insurance	41,047,555	41,047,555
Social Security	23,340,096	24,157,000
Subtotal, Employee Benefits	$ 101,035,135	$ 103,699,017
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 101,035,135	$ 103,699,017

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas Medical Branch at Galveston. 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 University of Texas Medical Branch at Galveston. In order to achieve the objectives and service standards established by this Act, The University of Texas Medical Branch at Galveston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	97%	97%
Percent of Medical School Graduates Practicing Primary Care in Texas	28%	28%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	90%	90%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	98%	98%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	98%	98%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	1.96%	1.96%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	25%	25%
Minority MD Admissions as a Percent of Total MD Admissions	28%	28%
Percent of Medical School Graduates Entering a Primary Care Residency	42%	42%
A.1.4. Strategy: NURSING EDUCATION		
Explanatory:		
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	97%	97%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	173,663,234	187,556,293
D. Goal: PROVIDE HEALTH CARE SUPPORT		
Outcome (Results/Impact):		
Percent of Medical Residency Completers Practicing in Texas	50%	50%
Total Gross Patient Charges for Unsponsored Charity Care Provided in State-owned Facilities	372,568,000	372,568,000
Total Gross Patient Charges (Excluding Unsponsored Charity Care) Provided in State-owned Facilities	903,691,000	903,691,000
D.1.1. Strategy: MEDICAL BRANCH HOSPITALS		
Output (Volume):		
Total Number of Outpatient Visits	730,736.1	730,736.1
Total Number of Inpatient Days	158,239.8	158,239.8
Explanatory:		
Minority MD or DO Residents as a Percent of Total MD or DO Residents	23.4%	23.4%

~~3~~2. **Appropriation of Charges and Fees.** There is hereby appropriated to The University of Texas Medical Branch at Galveston all charges and fees collected for the general expenses of the medical branch hospitals, including maintenance, support, and salaries of employees for the fiscal years ending August 31, ~~2006~~2008 and ~~2007~~2009.

~~4~~3. **Rates, Donations and Gifts.** The Board of Regents of The University of Texas System shall fix reasonable rates to be charged and collected by hospitals, and may make and enter into contracts for the hospitalization of the indigent sick and accept donations and gifts for the support and maintenance of the hospitals and may utilize up to $5 million per annum of local income to match any gift made to endowments provided, however, such match will not result in any reduction in the level of services for patients or any requirement for general revenue replacement. Any project initiated under this authorization shall not be structured in such a manner that will require future specific appropriation of General Revenue. Provided, however, that this provision shall not be construed so as to authorize, without the prior and specific approval of the Legislature, the acceptance of real property which would require an appropriation by the Legislature for maintenance, repair, or construction of buildings.

~~5~~4. **Helicopter Operation.** The University of Texas Medical Branch at Galveston is authorized to lease and operate a helicopter for the purpose of transporting critically ill or emergency patients to the medical branch hospitals. No state funds are to be used for the operation of this

helicopter, except where the patient served is indigent or through an interagency contract with another state agency, or unless costs are reimbursed from insurance proceeds.

~~6~~5. Transfers of Appropriations - State Owned Hospitals. The University of Texas Medical Branch at Galveston shall transfer from non-Medicaid state appropriated funds ~~$95,978,309~~ $97,288,233 in fiscal year ~~2006~~2008 and ~~$95,978,309~~ $97,288,233 in fiscal year ~~2007~~2009 to the Health and Human Services Commission. 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.

~~7~~6. Appropriation of Costs for Health Care to Inmates. None of the funds appropriated above shall be expended to provide or support the provision of health care to inmates of the Texas Department of Criminal Justice (TDCJ). It is the intent of the Legislature that all costs for providing health care to inmates of the TDCJ including costs of operating TDCJ hospital facilities in Galveston County and Lubbock County shall be paid from appropriations made to the TDCJ and from any financial reserves from contracts with TDCJ that are held by the university for the correctional health care services. Appropriations made to the TDCJ for the provision of inmate health care services shall be expended in accordance with Government Code, Chapter 501, Subchapter E.

~~8~~7. Support of Student and Resident Training Programs. The University of Texas Medical Branch at Galveston may spend any revenue appropriated to the institution by this Act or from other available funds for the support and development of student and resident training programs in Austin, including the payment of compensation, travel costs, costs for leased premises, and other operating expenses.

~~9~~8. Estimated Appropriation and Unexpended Balance. Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Medical Branch at Galveston No. 814 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. 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 makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Medical Branch at Galveston No. 814 and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated to the institution for the same purpose for fiscal year ~~2007~~2009.

~~10~~9. Regional Emergency Medical Dispatch Resource Center Pilot Program. Out of funds appropriated above in Strategy E.2.3, East Texas Health Education Centers, $75,000 ~~in funds~~ from the Advisory Commission on State Emergency Communications Account No. 5007 shall be allocated, in each fiscal year of the ~~2006-07~~2008-09 biennium, to support the regional emergency medical dispatch resource center pilot program to be carried out by the East Texas Area Health Education Center of The University of Texas Medical Branch at Galveston, which is also authorized to seek additional grant funding for the program.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 136,541,599	$ 136,516,946
GR Dedicated - Estimated Other Educational and General Income Account No. 770	13,134,731	13,137,952
Other Funds		
Health-Related Institutions Patient Income, estimated	6,451,090	6,644,098
Permanent Health Fund for Higher Education No. 810, estimated	1,712,655	1,712,655
Permanent Endowment Fund, UTHSC Houston No. 815, estimated	1,125,000	1,125,000
Subtotal, Other Funds	$ 9,288,745	$ 9,481,753
Total, Method of Financing	$ 158,965,075	$ 159,136,651
This bill pattern represents an estimated 25% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	1,869.6	1,869.6
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 44,054,693	$ 44,066,944
A.1.2. Strategy: DENTAL EDUCATION	$ 17,332,520	$ 17,337,340
A.1.3. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 7,434,994	$ 7,437,062
Graduate Training in Biomedical Sciences.		
A.1.4. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 1,901,951	$ 1,902,480
A.1.5. Strategy: NURSING EDUCATION	$ 8,827,673	$ 8,830,128
A.1.6. Strategy: GRADUATE TRAINING IN PUBLIC HEALTH	$ 13,826,763	$ 13,830,609
A.1.7. Strategy: GRADUATE MEDICAL EDUCATION	$ 1,794,740	$ 1,794,740
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 2,126,625	$ 2,126,625
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 554,608	$ 554,608
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 54,072	$ 54,072
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,456,475	$ 1,456,475
A.3.2. Strategy: MEDICAL LOANS	$ 139,549	$ 139,549
Total, Goal A: INSTRUCTION/OPERATIONS	$ 99,504,663	$ 99,530,632
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 3,917,134	$ 3,917,134
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 17,175,482	$ 17,180,258
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 13,740,302	$ 13,724,677
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 30,915,784	$ 30,904,935
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: DENTAL CLINIC OPERATIONS	$ 8,827,577	$ 8,984,033
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: REGIONAL ACADEMIC HLTH CTR-PUBHLTH	$ 750,000	$ 750,000
Regional Academic Health Center - Public Health.		
E.2.1. Strategy: HEART DISEASE/STROKE RESEARCH	$ 5,125,000	$ 5,125,000
Heart Disease and Stroke Research.		
E.2.2. Strategy: BIOTECHNOLOGY PROGRAM	$ 875,000	$ 875,000
E.3.1. Strategy: HARRIS COUNTY HOSPITAL DISTRICT	$ 3,801,583	$ 3,801,583
E.3.2. Strategy: SERVICE DELIVERY VALLEY/BORDER	$ 495,466	$ 495,466
Service Delivery in the Valley/Border Region.		
E.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,915,213	$ 1,915,213
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 12,962,262	$ 12,962,262

F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - UTHSC-HOUSTON Tobacco Earnings for the UT Health Science Center at Houston.	$ 1,125,000	$ 1,125,000
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810.	$ 1,712,655	$ 1,712,655
Total, Goal F: TOBACCO FUNDS	$ 2,837,655	$ 2,837,655
Grand Total, THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON	$ 158,965,075	$ 159,136,651
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 67,377,677	$ 67,997,052
Other Personnel Costs	86,164	181,088
Faculty Salaries (Higher Education Only)	46,912,680	49,899,400
Consumable Supplies	6,124,039	3,561,184
Utilities	10,458,011	11,365,922
Travel	101,314	92,893
Rent - Building	1,224	635
Rent - Machine and Other	511	265
Debt Service	13,740,302	13,724,677
Other Operating Expense	13,143,242	12,104,248
Capital Expenditures	1,019,911	209,287
Total, Object-of-Expense Informational Listing	$ 158,965,075	$ 159,136,651
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 11,868,971	$ 12,453,157
Group Insurance	10,742,383	10,742,383
Social Security	6,476,112	6,702,776
Subtotal, Employee Benefits	$ 29,087,466	$ 29,898,316
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 29,087,466	$ 29,898,316

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas Health Science Center at Houston. 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 University of Texas Health Science Center at Houston. In order to achieve the objectives and service standards established by this Act, The University of Texas Health Science Center at Houston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	92%	92%
Percent of Medical School Graduates Practicing Primary Care in Texas	42%	42%
Percent of Dental School Graduates Admitted to an Advanced Education Program in General Dentistry	12%	12%
Percent of Dental School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	96%	96%
Percent of Dental School Graduates Who Are Licensed in Texas	90%	90%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	95%	95%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
Percent of Public Health School Graduates Who Are Employed in Texas	75%	75%

Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	92%	92%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	95%	95%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	9.9%	9.9%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	18.4%	18.4%
Minority MD Admissions as a Percent of Total MD Admissions	19%	19%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	20%	20%
A.1.2. Strategy: DENTAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total Dental School Admissions	15%	15%
A.1.5. Strategy: NURSING EDUCATION		
Explanatory:		
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	98	98
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	164,359,000	167,646,000
D. Goal: PROVIDE HEALTH CARE SUPPORT		
Outcome (Results/Impact):		
Total Gross Patient Charges for Unsponsored Charity Care Provided in State-owned Facilities	37,663,970	38,396,828
Total Gross Patient Charges (Excluding Unsponsored Charity Care) Provided in State-owned Facilities	24,629,824	23,896,966

~~3~~2. **Texas Heart Institute.** Out of the funds appropriated above, The University of Texas Health Sciences Center at Houston shall allocate up to $894,133 in each year of the ~~2006-07~~2008-09 biennium to the Texas Heart Institute for gene therapy and up to $399,086 in each year of the ~~2006-07~~2008-09 biennium to the Texas Heart Institute for cardiovascular research.

4~~3~~. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Health Science Center at Houston No. 815 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. 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 makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Health Science Center at Houston No. 815 and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated to the institution for the same purposes for fiscal year ~~2007~~2009.

5~~4~~. **Unexpended Balances Between Fiscal Years: Regional Academic Health Center - Public Health.** Any unexpended balances as of August 31, ~~2006~~2008, from the appropriations identified in Strategy E.1.1, Regional Academic Health Center-Public Health, are hereby appropriated to The University of Texas Health Science Center at Houston for the same purpose for the fiscal year beginning September 1, ~~2006~~2008.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 133,967,544	$ 133,820,464
GR Dedicated - Estimated Other Educational and General Income Account No. 770	8,416,073	8,559,166
Other Funds		
Health-Related Institutions Patient Income, estimated	1,183,764	1,179,974
Permanent Health Fund for Higher Education No. 810, estimated	1,571,220	1,571,220
Permanent Endowment Fund, UTHSC San Antonio No. 811, estimated	9,000,000	9,000,000
Subtotal, Other Funds	$ 11,754,984	$ 11,751,194
Total, Method of Financing	$ 154,138,601	$ 154,130,824
This bill pattern represents an estimated 28.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	2,453.7	2,453.7
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 43,607,699	$ 43,607,430
A.1.2. Strategy: DENTAL EDUCATION	$ 19,875,383	$ 19,875,260
A.1.3. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 3,824,258	$ 3,824,234
Graduate Training in Biomedical Sciences.		
A.1.4. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 7,416,892	$ 7,416,846
A.1.5. Strategy: NURSING EDUCATION	$ 6,740,831	$ 6,740,790
A.1.6. Strategy: GRADUATE MEDICAL EDUCATION	$ 1,565,425	$ 1,565,425
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,463,457	$ 1,463,457
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 324,680	$ 324,680
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 147,824	$ 147,824
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,348,126	$ 1,348,126
A.3.2. Strategy: MEDICAL LOANS	$ 152,000	$ 152,000
Total, Goal A: INSTRUCTION/OPERATIONS	$ 86,466,575	$ 86,466,072
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 3,557,710	$ 3,557,710
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 15,926,721	$ 15,926,623
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 11,329,906	$ 11,325,921
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 27,256,627	$ 27,252,544
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: DENTAL CLINIC OPERATIONS	$ 3,011,794	$ 3,008,604
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: REGIONAL ACADEMIC HEALTH CENTER	$ 9,542,410	$ 9,542,409
E.1.2. Strategy: LAREDO CAMPUS EXTENSION (LCE)	$ 3,550,231	$ 3,550,231
E.1.3. Strategy: OUTREACH SUPPORT-SOUTH TX PROGRAMS	$ 1,750,000	$ 1,750,000
Institutional Support for South Texas Programs.		
E.2.1. Strategy: FAMILY PRACTICE RESIDENCY TRAINING	$ 565,178	$ 565,178
Family Practice Residency Training Program.		
E.2.2. Strategy: PODIATRY RESIDENCY TRAINING	$ 177,273	$ 177,273
Podiatry Residency Training Program.		
E.3.1. Strategy: MYCOBACTERIAL-MYCOLOGY RESEARCH LAB	$ 192,006	$ 192,006
E.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,497,577	$ 7,497,577
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 23,274,675	$ 23,274,674

F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - UTHSC SA Tobacco Earnings for the UT Health Science Center at San Antonio.	$ 9,000,000	$ 9,000,000
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810.	$ 1,571,220	$ 1,571,220
Total, Goal F: TOBACCO FUNDS	$ 10,571,220	$ 10,571,220
Grand Total, THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO	$ 154,138,601	$ 154,130,824
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 45,934,660	$ 47,106,129
Other Personnel Costs	6,546,290	6,443,974
Faculty Salaries (Higher Education Only)	53,999,854	54,404,738
Utilities	6,095,434	6,095,396
Travel	309,555	275,719
Debt Service	14,834,632	13,752,840
Other Operating Expense	26,173,252	25,803,099
Client Services	111,798	111,279
Capital Expenditures	133,126	137,650
Total, Object-of-Expense Informational Listing	$ 154,138,601	$ 154,130,824
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 11,771,375	$ 12,341,717
Group Insurance	14,707,978	14,707,978
Social Security	7,565,273	7,830,057
Subtotal, Employee Benefits	$ 34,044,626	$ 34,879,752
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 34,044,626	$ 34,879,752

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas Health Science Center at San Antonio. 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 University of Texas Health Science Center at San Antonio. In order to achieve the objectives and service standards established by this Act, The University of Texas Health Science Center at San Antonio shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	92%	92%
Percent of Medical School Graduates Practicing Primary Care in Texas	40%	40%
Percent of Dental School Graduates Admitted to an Advanced Education Program in General Dentistry	27%	27%
Percent of Dental School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	94%	94%
Percent of Dental School Graduates Who Are Licensed in Texas	80%	80%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	90%	90%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	90%	90%

Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	90%	90%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	5.84%	5.65%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	37%	39.2%
Minority MD Admissions as a Percent of Total MD Admissions	24%	24%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	47%	48%
Percent of Medical School Graduates Entering a Primary Care Residency	40%	40%
A.1.2. Strategy: DENTAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total Dental School Admissions	25%	25%
A.1.5. Strategy: NURSING EDUCATION		
Explanatory:		
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	100%	100%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	120,190,000	121,391,900

42. **Unexpended Balances Between Fiscal Years: Regional Academic Health Center (RAHC).** Any unexpended balances as of August 31, ~~2006~~2008, from the appropriations identified in Strategy E.1.~~2~~1, Regional Academic Health Center-Medical, are hereby appropriated to The University of Texas Health Science Center at San Antonio for the same purpose for the fiscal year beginning September 1, ~~2006~~2008.

53. **Unexpended Balances Between Fiscal Years: Laredo Extension Campus.** Any unexpended balances as of August 31, ~~2006~~2008, from the appropriations identified in Strategy E.1.~~3~~2, Laredo Extension Campus, are hereby appropriated to The University of Texas Health Science Center at San Antonio for the same purpose for the fiscal year beginning September 1, ~~2006~~2008.

~~3.~~ ~~**South Texas/Border Region Health Professional Education.** Out of funds appropriated above to The University of Texas Health Science Center at San Antonio in Strategy E.1.1, South Texas Professional Education (STPE), the institution shall allocate up to $4,239,341 for the fiscal year ending August 31, 2006, and up to $3,495,591 for the fiscal year ending August 31, 2007, and incorporate, by the end of the 2006-07 biennium, STPE funds and related programmatic activities into the daily operations of its campuses, designated as the Regional Academic Health Center (RAHC), the Laredo Campus Extension and the main campus to support expanding graduate medical education, including family practice resident training programs, and other health professional education in the Lower Rio Grande Valley, Middle Rio Grande Border Area, the Winter Garden Area, the Coastal Bend Area, and the South Central Texas Regions areas.~~

~~a. Any unexpended balances remaining in the appropriations identified from the fiscal year ending August 31, 2006, are appropriated to The University of Texas Health Science Center at San Antonio for their original purposes and shall be used with funds appropriated by this provision for the fiscal year ending August 31, 2007, to continue to expand health professional programs and medical residency programs; provide needed support for direct medical education and continue any needed infrastructure development. Hospital and clinic facilities for teaching and training purposes will be provided and maintained at no expense to the state.~~

~~b. A report by The University of Texas Health Science Center at San Antonio shall be filed with the Legislative Budget Board and the Office of the Governor on or before December 1, 2006, concerning the use of the funds appropriated by this section and the extent to which the purposes specified by this section have been achieved.~~

64. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Health Science Center at San Antonio No. 811 and (2) estimated appropriations of the institution's estimated

allocation of amounts available for distribution out of the Permanent Health Fund for High Education No. 810.

a. Amounts for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. 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 makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Health Science Center at San Antonio No. 811 and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated to the institution for the same purposes for fiscal year ~~2007~~2009.

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 148,683,635	$ 148,664,348
GR Dedicated - Estimated Other Educational and General Income Account No. 770	16,914,573	17,168,727
Other Funds		
Health-Related Institutions Patient Income, estimated	1,960,099,297	2,175,342,384
Permanent Health Fund for Higher Education, estimated	1,656,270	1,656,270
Permanent Endowment Fund, UT MD Anderson Cancer Center, estimated	4,500,000	4,500,000
Subtotal, Other Funds	$ 1,966,255,567	$ 2,181,498,654
Total, Method of Financing	$ 2,131,853,775	$ 2,347,331,729
This bill pattern represents an estimated 80.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	11,947.2	11,947.2
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 14,613,142	$ 16,007,079
A.1.2. Strategy: GRADUATE MEDICAL EDUCATION	$ 250,374	$ 250,374
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 62,683,446	$ 62,683,446
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 1,133,190	$ 1,266,922
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 468,606	$ 504,790
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 36,292	$ 43,550
Total, Goal A: INSTRUCTION/OPERATIONS	$ 79,185,050	$ 80,756,161
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 6,884,856	$ 6,884,856
B.1.2. Strategy: SCIENCE PARK OPERATIONS	$ 4,503,689	$ 4,503,688
Total, Goal B: PROVIDE RESEARCH SUPPORT	$ 11,388,545	$ 11,388,544

C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 132,952,963	$ 145,635,253
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 6,533,670	$ 6,530,970
C.2.2. Strategy: LONG-TERM CAPITAL PROGRAM	$ 100,000,000	$ 100,000,000
C.2.3. Strategy: LONG-TERM CAPITAL EQUIPMENT	$ 40,000,000	$ 40,000,000
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 279,486,633	$ 292,166,223
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: PATIENT CARE ACTIVITIES	$ 1,750,565,692	$ 1,951,518,678
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: RESEARCH SUPPORT	$ 2,949,092	$ 3,081,561
E.2.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,122,493	$ 2,264,292
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 5,071,585	$ 5,345,853
F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - UT MD ANDERSON Tobacco Earnings for the University of Texas MD Anderson Cancer Center.	$ 4,500,000	$ 4,500,000
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810.	$ 1,656,270	$ 1,656,270
Total, Goal F: TOBACCO FUNDS	$ 6,156,270	$ 6,156,270
Grand Total, THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER	$ 2,131,853,775	$ 2,347,331,729
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 788,346,304	$ 891,307,074
Other Personnel Costs	4,319,405	4,554,380
Faculty Salaries (Higher Education Only)	145,704,615	159,787,117
Professional Fees and Services	126,222,930	134,462,572
Consumable Supplies	432,312,138	471,504,561
Utilities	71,962,950	86,512,730
Travel	489,816	528,151
Debt Service	6,533,670	6,530,970
Other Operating Expense	390,608,288	424,444,292
Grants	36,292	43,550
Capital Expenditures	165,317,367	167,656,332
Total, Object-of-Expense Informational Listing	$ 2,131,853,775	$ 2,347,331,729
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 50,172,204	$ 52,746,145
Group Insurance	5,951,158	5,951,158
Social Security	4,718,636	4,883,789
Subtotal, Employee Benefits	$ 60,841,998	$ 63,581,092
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 60,841,998	$ 63,581,092

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas M.D. Anderson Cancer Center. 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 University of Texas M.D. Anderson Cancer Center. In order to achieve the objectives and service standards established by this Act, The University of Texas M.D. Anderson Cancer Center shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	94%	94%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	86%	86%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	275,545,230	283,811,587
D. Goal: PROVIDE HEALTH CARE SUPPORT		
Outcome (Results/Impact):		
Percent of Medical Residency Completers Practicing in Texas	39%	39%
Total Gross Charges for Unsponsored Charity Care Provided in State-owned Facilities	237,713,086	268,904,704
Total Gross Patient Charges (Excluding Unsponsored Charity Care) Provided in State-owned Facilities	3,335,747,007	3,730,435,907
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	7.5%	7.5%
D.1.1. Strategy: PATIENT CARE ACTIVITIES		
Output (Volume):		
Total Number of Outpatient Visits	984,117	1,042,976
Total Number of Inpatient Days	187,873	191,087
Explanatory:		
Minority MD or DO Residents as a Percent of Total MD or DO Residents	11%	11%

~~3~~**2.** **Special Project Funding.** Notwithstanding other provisions of this article, the Board of Regents of The University of Texas System is hereby authorized, subject to approval by the Texas Higher Education Coordinating Board: (1) to expend such amounts of its Permanent University Fund No. 45 bond proceeds and/or other bond proceeds and such amounts of its other available moneys as may be necessary to fund the following project either in whole or in part; (2) to accept gifts, grants, and matching grants to fund such project either in whole or in part; and (3) to acquire, construct, alter, add to, repair, rehabilitate, equip and/or furnish such project for The University of Texas M. D. Anderson Cancer Center: (a) research facilities and ~~(b) emergency center relocation; (c) facilities at Smithville and Bastrop; (d) faculty office building and parking; (e) parking for research buildings; (f)~~ (b) administrative support ~~building and parking~~ facilities and related parking facilities.

~~4~~**3.** **Transfers of Appropriations - State Owned Hospitals.** The University of Texas M. D. Anderson Cancer Center shall transfer from non-Medicaid state appropriated funds ~~$90,400,960~~ $90,102,505 in fiscal year ~~2006~~2008 and ~~$90,400,960~~ $90,102,505 in fiscal year ~~2007~~2009 to the Health and Human Services Commission. 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 transfers, however, shall be made not less frequently than monthly.

~~6~~**4.** **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas M.D. Anderson Cancer Center No. 812 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. 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 makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas M.D. Anderson Cancer Center No. 812 and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years

beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated to the institution for the same purposes for fiscal year ~~2007~~2009.

~~7~~5. **Best Business Practices.** It is the intent of the Legislature that The University of Texas M.D. Anderson Cancer Center shall adopt appropriate measures to initiate the most cost-effective practices when delivering unreimbursed services to financially and medically indigent Texans. The intent of these practices is to allow for funds to be used in a manner, which would allow for greater benefits for the patients, the state, and the institution.

6. **Animal Facilities and Programs.** The animal facilities and programs of the Department of Veterinary Sciences at The University of Texas M. D. Anderson Cancer Center (UTMDACC) - Bastrop shall be regulated and inspected by the United States Department of Agriculture, Animal and Plant Health Inspection Services, pursuant to the Federal Animal Welfare Act. The UTMDACC - Bastrop Department of Veterinary Sciences shall comply with the regulations and is under the oversight of the United States Public Health Service/National Institutes of Health Office of Laboratory Animal Welfare. The UTMDACC - Bastrop Department of Veterinary Sciences shall be independently accredited for animal care programs and facilities by the Council on Accreditation of the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC International). The Department shall be accredited by this body. It shall also be inspected regularly and its programs reviewed biannually by the UTMDACC Institutional Animal Care and Use Committee.

THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 34,787,788	$ 34,790,938
GR Dedicated - Estimated Other Educational and General Income Account No. 770	272,762	272,223
Other Funds		
Health-Related Institutions Patient Income, estimated	41,866,235	43,589,700
Permanent Health Fund for Higher Education No. 810, estimated	1,163,689	1,163,689
Permanent Endowment Fund, UT HC Tyler No. 816, estimated	1,125,000	1,125,000
Subtotal, Other Funds	$ 44,154,924	$ 45,878,389
Total, Method of Financing	$ 79,215,474	$ 80,941,550
This bill pattern represents an estimated 70.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	740.7	740.7
Items of Appropriation:		
A. Goal: PROVIDE INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION & RESEARCH ITEMS	$ 1,583,750	$ 1,583,751
Medical Education, Infectious Disease Control, and Research.		
A.1.2. Strategy: GRADUATE MEDICAL EDUCATION	$ 56,159	$ 56,159
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 3,468,481	$ 3,468,481
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 152,263	$ 152,258
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 92,890	$ 92,876
Total, Goal A: PROVIDE INSTRUCTION/OPERATIONS	$ 5,353,543	$ 5,353,525

B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 1,595,247	$ 1,595,247
C. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 1,985,970	$ 2,012,461
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,714,219	$ 2,717,369
Total, Goal C: INFRASTRUCTURE SUPPORT	$ 4,700,189	$ 4,729,830
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: PATIENT CARE ACTIVITIES	$ 59,887,272	$ 61,583,725
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: NORTHEAST TEXAS INITIATIVE	$ 2,000,000	$ 2,000,000
E.2.1. Strategy: FAMILY PRACTICE RESIDENCY TRAINING Family Practice Residency Training Program.	$ 1,203,034	$ 1,203,034
E.3.1. Strategy: SUPPORT FOR INDIGENT CARE	$ 1,312,500	$ 1,312,500
E.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 875,000	$ 875,000
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 5,390,534	$ 5,390,534
F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - UT HC AT TYLER Tobacco Earnings for the University of Texas Health Center at Tyler.	$ 1,125,000	$ 1,125,000
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810.	$ 1,163,689	$ 1,163,689
Total, Goal F: TOBACCO FUNDS	$ 2,288,689	$ 2,288,689
Grand Total, THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER	$ 79,215,474	$ 80,941,550
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 31,639,820	$ 33,363,853
Other Personnel Costs	6,524,630	5,604,736
Faculty Salaries (Higher Education Only)	9,562,625	9,530,520
Professional Fees and Services	6,648,005	4,509,304
Fuels and Lubricants	12,956	5,810
Consumable Supplies	819,991	993,301
Utilities	757,308	1,266,690
Travel	114,906	403,302
Rent - Building	10,139	9,032
Rent - Machine and Other	501,591	362,438
Debt Service	2,714,219	2,717,369
Other Operating Expense	19,418,439	21,074,822
Capital Expenditures	490,845	1,100,373
Total, Object-of-Expense Informational Listing	$ 79,215,474	$ 80,941,550
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,006,513	$ 3,156,970
Group Insurance	2,284,933	2,284,933
Social Security	1,400,079	1,449,082
Subtotal, Employee Benefits	$ 6,691,525	$ 6,890,985
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 6,691,525	$ 6,890,985

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas Health Center at Tyler. 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 University of Texas Health Center at Tyler. In order to achieve the objectives and service standards established by this Act, The University of Texas Health Center at Tyler shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	6,142,372	6,326,943
D. Goal: PROVIDE HEALTH CARE SUPPORT		
Outcome (Results/Impact):		
Percent of Medical Residency Completers Practicing in Texas	90%	90%
Total Gross Charges for Unsponsored Charity Care Provided in State-owned Facilities	15,950,010	15,471,510
Total Gross Patient Charges (Excluding Unsponsored Charity Care) Provided in State-owned Facilities	131,651,050	132,967,561
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	7%	7%
D.1.1. Strategy: PATIENT CARE ACTIVITIES		
Output (Volume):		
Total Number of Outpatient Visits	100,364	101,368
Total Number of Inpatient Days	15,325	15,478
Explanatory:		
Minority MD or DO Residents as a Percent of Total MD or DO Residents	5%	5%

~~3~~2. **Rates, Donations and Gifts.** The Board of Regents of The University of Texas System shall fix reasonable rates to be charged and collected from pay patients of the center, and may make and enter into contracts for the hospitalization of the indigent sick and accept donations and gifts for the support and maintenance of the center; provided, however, that this provision should not be construed so as to authorize, without prior and specific approval of the Legislature, acceptance of real property which would require an appropriation by the Legislature for maintenance, repair, or construction of buildings.

~~4~~3. **Transfers of Appropriations - State Owned Hospitals.** The University of Texas Health Center at Tyler shall transfer from non-Medicaid state appropriated funds ~~$16,389,361~~ $10,903,243 in fiscal year ~~2006~~2008 and ~~$16,389,361~~ $10,903,243 in fiscal year ~~2007~~2009 to the Health and Human Services Commission. 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.

~~5~~4. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Health Center at Tyler No. 816 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. 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 makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Health Center at Tyler No. 816 and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated to the institution for the same purposes for fiscal year ~~2007~~2009.

TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 71,256,715	$ 72,054,571
GR Dedicated - Estimated Other Educational and General Income Account No. 770	6,164,627	6,625,858
Other Funds		
Health-Related Institutions Patient Income, estimated	5,443,564	5,434,228
Permanent Health Fund for Higher Education No. 810, estimated	1,184,951	1,184,951
Permanent Endowment Fund, Texas A&M University HSC No. 818, estimated	1,125,000	1,125,000
Subtotal, Other Funds	$ 7,753,515	$ 7,744,179
Total, Method of Financing	$ 85,174,857	$ 86,424,608
This bill pattern represents an estimated 69.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	890.0	890.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 18,326,362	$ 18,325,975
A.1.2. Strategy: DENTAL EDUCATION	$ 22,594,635	$ 22,594,158
A.1.3. Strategy: DENTAL HYGIENE EDUCATION	$ 751,754	$ 751,738
A.1.4. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 2,927,280	$ 2,927,218
Graduate Training in Biomedical Sciences.		
A.1.5. Strategy: PHARMACY EDUCATION	$ 1,840,124	$ 1,840,085
A.1.6. Strategy: RURAL PUBLIC HEALTH TRAINING	$ 3,716,440	$ 3,716,361
Graduate Training in Rural Public Health.		
A.1.7. Strategy: GRADUATE MEDICAL EDUCATION	$ 942,999	$ 942,999
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 588,270	$ 588,270
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 94,175	$ 94,266
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 48,418	$ 48,497
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 657,668	$ 683,010
A.3.2. Strategy: MEDICAL LOANS	$ 75,000	$ 75,000
Total, Goal A: INSTRUCTION/OPERATIONS	$ 52,563,125	$ 52,587,577
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 2,543,923	$ 2,543,923
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 7,969,157	$ 7,968,989
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 5,463,240	$ 5,461,487
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 13,432,397	$ 13,430,476
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: DENTAL CLINIC OPERATIONS	$ 5,715,511	$ 5,942,736
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: COASTAL BEND HEALTH EDUCATION CTR	$ 2,118,220	$ 2,118,218
Coastal Bend Health Education Center.		
E.1.2. Strategy: S. TEXAS RURAL PUBLIC HEALTH CTR	$ 913,322	$ 913,321
South Texas Center for Rural Public Health.		
E.1.3. Strategy: IRMA RANGEL COLLEGE OF PHARMACY	$ 2,637,845	$ 3,637,844
E.4.1. Strategy: MULTICAMPUS INST ENHANCEMENT	$ 2,940,563	$ 2,940,562
Multicampus (2) Institutional Enhancement.		
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 8,609,950	$ 9,609,945

F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - TAMU SYSTEM HSC Tobacco Earnings for Texas A&M University System Health Science Center.	$ 1,125,000	$ 1,125,000
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810.	$ 1,184,951	$ 1,184,951
Total, Goal F: TOBACCO FUNDS	$ 2,309,951	$ 2,309,951
Grand Total, TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER	$ 85,174,857	$ 86,424,608
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 26,096,283	$ 27,746,117
Other Personnel Costs	2,231,056	1,932,039
Faculty Salaries (Higher Education Only)	19,274,510	20,666,274
Professional Salaries - Faculty Equivalent (Higher Education Only)	871,611	865,379
Professional Fees and Services	899,941	1,214,965
Fuels and Lubricants	148,547	168,671
Consumable Supplies	681,479	722,871
Utilities	1,768,859	2,246,167
Travel	271,790	258,230
Rent - Building	78,688	124,008
Rent - Machine and Other	2,164,953	2,439,811
Debt Service	5,463,240	5,503,878
Other Operating Expense	18,529,312	17,343,101
Client Services	538,245	679,749
Grants	5,469	5,476
Capital Expenditures	6,150,874	4,507,872
Total, Object-of-Expense Informational Listing	$ 85,174,857	$ 86,424,608
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,616,547	$ 3,783,985
Group Insurance	3,460,002	3,460,002
Social Security	3,137,397	3,247,206
Subtotal, Employee Benefits	$ 10,213,946	$ 10,491,193
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 10,213,946	$ 10,491,193

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University System Health Science Center. 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 A&M University System Health Science Center. In order to achieve the objectives and service standards established by this Act, the Texas A&M University System Health Science Center shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	97%	97%
Percent of Medical School Graduates Practicing Primary Care in Texas	40%	40%
Percent of Dental School Graduates Admitted to an Advanced Education Program in General Dentistry	10%	10%
Percent of Dental School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	95%	95%
Percent of Dental School Graduates Who Are Licensed in Texas	90%	90%

Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	96%	96%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	88%	88%
Percent of Rural Public Health School Graduates Who Are Employed in Texas	45%	45%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	7.7%	7.7%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	20%	20%
Minority MD Admissions as a Percent of Total MD Admissions	20%	20%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	20%	20%
Percent of Medical School Graduates Entering a Primary Care Residency	50%	50%
A.1.2. Strategy: DENTAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total Dental School Admissions	20%	20%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	46,725,000	49,061,000

42. **Cardiovascular Research Institute.** Out of the amounts appropriated above, Texas A&M University System Health Science Center shall expend up to $2,055,000 in fiscal year ~~2006~~2008 and up to $2,305,000 in fiscal year ~~2007~~2009 for Cardiovascular Research Institute activities conducted primarily at the health science center facilities in Temple. It is the intent of the Legislature that these funds would be in addition to the amounts allocated to the Temple campus for the normal operation and maintenance of programs and facilities during the biennium.

~~5~~3. **Coastal Bend Health Education Center.** Out of funds appropriated above to Texas A&M University System Health Science Center in Strategy E.1.1, Coastal Bend Health Education Center, the institution shall allocate up to $568,340 in fiscal year ~~2006~~2008 and up to $505,192 in fiscal year ~~2007~~2009 to operate a local area network among coastal distance education sites, provide electronic library access, and develop allied health programs with area general academic institutions.

4. **Medical Program.** Texas A&M University System Health Science Center is hereby authorized to unite with Scott & White Clinic, Scott & White Memorial Hospital, and the Scott, Sherwood, and Brindley Foundation as its long-term primary partners for high quality clinical education and research for the benefit of the citizens of Texas. Texas A&M University System Health Science Center is additionally authorized to collaborate with the Central Texas Veterans' Health Care System, Darnall Army Community Hospital, and Driscoll Children's Hospital. Research conducted by Texas A&M University System Health Science Center faculty under the contract with its primary clinical partner to provide clinical education and research services shall be considered in the formula calculations for the Research Enhancement and E&G Space Support strategies.

Texas A&M University System Health Science Center may include its primary partners for high quality clinical education and research and those entities it directly collaborates with for the benefit of the citizens of Texas in the formula calculations for the Research Enhancement and E&G Space Support strategies.

~~6~~5. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for Texas A&M University System Health Science Center No. 818 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. 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 makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for Texas A&M University System Health Science Center No. 818 and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated to the institution for the same purposes for fiscal year ~~2007~~2009.

~~7~~**6.** **Research on Acute Neurological Injuries.** Out of funds appropriated above, Texas A&M University System Health Science Center may allocate up to $1,000,000 in each fiscal year of the 2008-09 biennium to conduct joint research endeavors with other scientists from Baylor College of Medicine, The University of Texas Health Science Center at Houston, and The University of Texas Medical Branch at Galveston to develop treatments to repair acute neurological injuries such as those caused by trauma and strokes.

UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 54,387,966	$ 54,388,203
GR Dedicated - Estimated Other Educational and General Income Account No. 770	4,444,842	4,444,842
Other Funds		
Permanent Health Fund for Higher Education No. 810, estimated	1,155,420	1,155,420
Permanent Endowment Fund, UNTHSC at Fort Worth No. 819, estimated	1,125,000	1,125,000
Subtotal, Other Funds	$ 2,280,420	$ 2,280,420
Total, Method of Financing	$ 61,113,228	$ 61,113,465
This bill pattern represents an estimated 47.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	669.9	669.9
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 27,814,183	$ 27,814,183
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 2,845,529	$ 2,845,529
Graduate Training in Biomedical Sciences.		
A.1.3. Strategy: GRADUATE TRAINING IN PUBLIC HEALTH	$ 3,577,069	$ 3,577,069
A.1.4. Strategy: PHYSICIAN ASSISTANT PROGRAM	$ 2,278,284	$ 2,278,284
A.1.5. Strategy: GRADUATE MEDICAL EDUCATION	$ 329,933	$ 329,933
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 382,379	$ 382,379
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 221,594	$ 221,594
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 52,596	$ 52,596
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 701,167	$ 701,167
A.3.2. Strategy: MEDICAL LOANS	$ 76,387	$ 76,387
Total, Goal A: INSTRUCTION/OPERATIONS	$ 38,279,121	$ 38,279,121
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 1,769,753	$ 1,769,753
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 3,945,528	$ 3,945,528

C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 8,191,333	$ 8,189,633
C.2.2. Strategy: LEASE OF FACILITIES	$ 108,310	$ 108,310
C.2.3. Strategy: LONGTERM INSTR REL EQUIPMENT Longterm Instructional Related Equipment.	$ 212,292	$ 212,292
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 12,457,463	$ 12,455,763
D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.3.1. Strategy: ALZHEIMER'S DIAG &TREATMENT CENTER Alzheimer's Diagnostic and Treatment Center.	$ 798,220	$ 798,641
D.4.1. Strategy: DNA LABORATORY	$ 2,948,829	$ 2,950,345
D.4.2. Strategy: ECON DEV & TECH COMMERCIALIZATION Economic Development & Technology Commercialization.	$ 1,550,000	$ 1,550,000
D.5.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,029,422	$ 1,029,422
Total, Goal D: PROVIDE SPECIAL ITEM SUPPORT	$ 6,326,471	$ 6,328,408
E. Goal: TOBACCO FUNDS		
E.1.1. Strategy: TOBACCO EARNINGS - UNT HSC FT WORTH Tobacco Earnings for the UNT Health Science Center at Fort Worth.	$ 1,125,000	$ 1,125,000
E.1.2. Strategy: TOBACCO - PERMANENT FUND Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810.	$ 1,155,420	$ 1,155,420
Total, Goal E: TOBACCO FUNDS	$ 2,280,420	$ 2,280,420
Grand Total, UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH	$ 61,113,228	$ 61,113,465
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 23,821,199	$ 23,906,540
Other Personnel Costs	1,321,606	1,256,919
Faculty Salaries (Higher Education Only)	17,818,228	17,873,659
Professional Salaries - Faculty Equivalent (Higher Education Only)	380,319	380,836
Professional Fees and Services	591,397	590,919
Fuels and Lubricants	19,590	19,503
Consumable Supplies	335,617	335,296
Utilities	2,394,533	2,409,644
Travel	59,686	59,610
Rent - Building	176,212	176,445
Rent - Machine and Other	230,839	230,653
Debt Service	8,191,333	8,189,633
Other Operating Expense	5,192,178	5,102,761
Capital Expenditures	580,491	581,047
Total, Object-of-Expense Informational Listing	$ 61,113,228	$ 61,113,465
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,631,789	$ 3,804,874
Group Insurance	3,398,479	3,398,479
Social Security	2,696,142	2,790,507
Subtotal, Employee Benefits	$ 9,726,410	$ 9,993,860
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 9,726,410	$ 9,993,860

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the University of North Texas Health Science Center at Fort Worth. 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 University of North Texas Health Science

Center at Fort Worth. In order to achieve the objectives and service standards established by this Act, the University of North Texas Health Science Center at Fort Worth shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	97%	97%
Percent of Medical School Graduates Practicing Primary Care in Texas	46%	46%
Percent of Graduates in Family Practice in Texas	32%	32%
Percent of Graduates Entering a Family Practice Residency	35%	35%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	95%	95%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
Percent of Public Health School Graduates Who Are Employed in Texas	70.8%	70.8%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	7%	7%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	18%	18%
Minority Admissions as a Percent of Total DO Admissions	13%	13%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	7.3%	7.3%
Percent of Medical School Graduates Entering a Primary Care Residency	70.5%	70.5%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	26,752,586	28,979,805

~~3~~2. **Forensic Laboratory.** The University of North Texas Health Science Center at Fort Worth is authorized to conduct all blood and DNA tests associated with paternity testing for the Office of the Attorney General at a monetary rate not to exceed the monetary rate at which the Attorney General could obtain the service elsewhere to the extent permitted under federal law and regulations. The income derived from this testing is to be spent only on the Forensic Laboratory. In addition, the services of the Forensic Laboratory are available to other entities or interested parties approved by the University of North Texas Health Science Center at Fort Worth.

~~4~~3. **Parking Garage Debt Service.** Funds appropriated in Strategy C.2.1, Tuition Revenue Bond Retirement, may be used to retire bonds authorized by the Seventy-sixth Legislature to construct a campus parking garage. Parking fee revenue generated by this facility will be accounted for and reported to the Legislative Budget Board. The fee revenue, minus operational and maintenance costs, will be counted in the appropriations process to offset the costs of servicing debt associated with this facility.

~~5~~4. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the University of North Texas Health Science Center at Fort Worth No. 819 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. 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 makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for the University of North Texas Health Science Center at Fort Worth No. 819 and of the institution's allocation from the amounts available for distribution out of the Permanent

Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years beginning September 1, ~~2005~~2007, are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated to the institution for the same purposes for fiscal year ~~2007~~2009.

~~6~~5. Contingency Appropriations: Economic Development & Technology Commercialization. Of the amounts appropriated above in Strategy D.4.2., Economic Development & Technology Commercialization, $3,100,000 for the University of North Texas Health Science Center is contingent upon the certification by the Comptroller of Public Accounts that the joint activities of the collaboration of the University of North Texas Health Science Center and the City of Fort Worth will generate revenue to the General Revenue Fund sufficient to offset the appropriation. The Comptroller shall specify the supporting information to be provided by the collaboration and may require independent verification of the information. If the Comptroller finds the information in sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingency appropriation up to the amount certified, not to exceed $3,100,000 for the 2008-09 biennium, shall be made available for the intended purpose.

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 140,687,480	$ 126,135,140
GR Dedicated - Estimated Other Educational and General Income Account No. 770	9,178,485	9,161,376
Other Funds		
Permanent Health Fund for Higher Education No. 810, estimated	1,398,600	1,398,600
Permanent Endowment Fund, Texas Tech HSC El Paso No. 820, estimated	1,125,000	1,125,000
Permanent Endowment Fund, Texas Tech HSC, Other, No. 821, estimated	1,125,000	1,125,000
Subtotal, Other Funds	$ 3,648,600	$ 3,648,600
Total, Method of Financing	$ 153,514,565	$ 138,945,116
This bill pattern represents an estimated 30.4% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	1,773.4	1,775.9
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 30,414,970	$ 30,414,970
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 2,585,720	$ 2,585,720
Graduate Training in Biomedical Sciences.		
A.1.3. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 12,430,303	$ 12,430,303
A.1.4. Strategy: NURSING EDUCATION	$ 9,911,347	$ 9,911,347
A.1.5. Strategy: PHARMACY EDUCATION	$ 10,869,717	$ 10,869,717
A.1.6. Strategy: GRADUATE MEDICAL EDUCATION	$ 1,106,795	$ 1,106,795
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 617,262	$ 617,262
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 648,934	$ 648,934
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 982,500	$ 982,500
A.3.2. Strategy: MEDICAL LOANS	$ 71,800	$ 71,800
Total, Goal A: INSTRUCTION/OPERATIONS	$ 69,639,348	$ 69,639,348

B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 1,703,569	$ 1,703,569
C. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 10,282,888	$ 10,282,888
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 13,361,604	$ 13,377,606
C.2.2. Strategy: LONGTERM INSTR REL EQUIPMENT	$ 2,423,270	$ 2,416,321
Longterm Instructional Related Equipment.		
Total, Goal C: INFRASTRUCTURE SUPPORT	$ 26,067,762	$ 26,076,815
D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.1.1. Strategy: SOUTH TEXAS PROFESSIONAL EDUCATION	$ 906,228	$ 906,228
South Texas Border Region Health Professional Education.		
D.1.2. Strategy: BORDER SUPPORT - ACADEMIC EXPANSION	$ 3,888,891	$ 3,888,891
Border Health Care Support - Academic Expansion.		
D.1.3. Strategy: ACADEMIC SUPPORT-BORDER DEVELOPMENT	$ 393,470	$ 393,470
Academic Operations Support - Border Region Development.		
D.1.4. Strategy: INTEGRATED HEALTH NETWORK	$ 1,324,895	$ 1,324,895
D.1.5. Strategy: MEDICAL EDUCATION - ODESSA	$ 1,559,966	$ 1,559,964
D.1.6. Strategy: EL PASO - MEDICAL	$ 31,289,250	$ 16,710,750
D.1.7. Strategy: MED RESID & PHYS ASST PGM EXPANSION	$ 1,500,000	$ 1,500,000
Medical Residency and Physician Assistant Program Expansion.		
D.2.1. Strategy: FAMILY/COMMUNITY MEDICINE RESIDENCY	$ 600,915	$ 600,915
Family and Community Medicine Residency Training Program.		
D.2.2. Strategy: MIDLAND SURGICAL RESIDENCY TRAINING	$ 134,014	$ 134,014
Midland Surgical Residency Training Program.		
D.2.3. Strategy: MIDLAND CARDIOLOGY RESIDENCY	$ 307,785	$ 307,785
Midland Cardiology Residency Training Program.		
D.2.4. Strategy: BORDER HEALTH - RESIDENT SUPPORT	$ 387,773	$ 387,773
Border Health Care Support - Resident Support.		
D.3.1. Strategy: DIABETES RESEARCH CENTER	$ 289,140	$ 289,140
D.4.1. Strategy: RURAL HEALTH CARE	$ 1,022,164	$ 1,022,164
D.5.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 8,850,795	$ 8,850,795
Multicampus (4) Institutional Enhancement.		
Total, Goal D: PROVIDE SPECIAL ITEM SUPPORT	$ 52,455,286	$ 37,876,784
E. Goal: TOBACCO FUNDS		
E.1.1. Strategy: TOBACCO EARNINGS TX TECH HSC ELPASO	$ 1,125,000	$ 1,125,000
Tobacco Earnings - Texas Tech Univ Health Sciences Center (El Paso).		
E.1.2. Strategy: TOBACCO EARNINGS TX TECH UNIV HSC	$ 1,125,000	$ 1,125,000
Tobacco Earnings for Texas Tech University Health Sciences Center.		
E.1.3. Strategy: TOBACCO - PERMANENT HEALTH FUND	$ 1,398,600	$ 1,398,600
Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810.		
Total, Goal E: TOBACCO FUNDS	$ 3,648,600	$ 3,648,600
Grand Total, TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER	$ 153,514,565	$ 138,945,116
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 52,244,829	$ 49,326,322
Other Personnel Costs	1,622,255	1,541,186

Faculty Salaries (Higher Education Only)	50,111,625	48,855,983
Professional Salaries - Faculty Equivalent (Higher Education Only)	2,913,323	2,025,784
Professional Fees and Services	2,683,404	2,315,937
Fuels and Lubricants	46,527	31,431
Consumable Supplies	3,792,136	2,293,869
Utilities	6,378,429	4,531,173
Travel	742,917	454,894
Rent - Building	157,855	144,341
Rent - Machine and Other	220,042	56,047
Debt Service	13,361,604	13,377,606
Other Operating Expense	15,811,223	10,804,931
Client Services	199,221	190,581
Capital Expenditures	3,229,175	2,995,031
Total, Object-of-Expense Informational Listing	$ 153,514,565	$ 138,945,116
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 8,542,974	$ 8,943,350
Group Insurance	13,561,707	13,561,707
Social Security	7,694,190	7,963,487
Subtotal, Employee Benefits	$ 29,798,871	$ 30,468,544
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 29,798,871	$ 30,468,544

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Tech University Health Sciences Center. 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 Tech University Health Sciences Center. In order to achieve the objectives and service standards established by this Act, the Texas Tech University Health Sciences Center shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	90%	90%
Percent of Medical School Graduates Practicing Primary Care in Texas	40.25%	40.25%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	90%	90%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	87%	87%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	87%	87%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	96%	96%
Percent of Pharmacy School Graduates Passing the National Licensing Exam on the First Attempt	96%	96%
Percent of Pharmacy School Graduates Who Are Licensed in Texas	83%	83%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	4.25%	4.25%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	20%	20%
Minority MD Admissions as a Percent of Total MD Admissions	20%	20%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	27%	27%
Percent of Medical School Graduates Entering a Primary Care Residency	45%	45%

A.1.4. Strategy: NURSING EDUCATION		
Explanatory:		
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	60%	60%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	10,000,000	11,000,000
D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.1.4. Strategy: INTEGRATED HEALTH NETWORK		
Output (Volume):		
Annual Event Hours of Distance Education	385,000	390,000

~~3~~2. **South Texas/Border Region Health Professional Education.** Out of the amounts appropriated above to Texas Tech University Health Sciences Center in Strategy D.1.1, South Texas Professional Education, is the amount of $871,129 for the fiscal year ending August 31, ~~2006~~2008 and $774,337 for the fiscal year ending August 31, ~~2007~~2009 for use by the Regional Academic Health Center in El Paso for infrastructure support, faculty salaries, maintenance and operation, and library resources.

a. Any unexpended balances remaining in the appropriations identified in this section as of August 31, ~~2006~~2008, are appropriated to Texas Tech University Health Sciences Center for their original purposes and shall be used with funds appropriated by this section for the fiscal year ending August 31, ~~2007~~2009.

b. A report by the Texas Tech University Health Sciences Center shall be filed with the Legislative Budget Board and the Governor on or before December 1, ~~2006~~2008, concerning the use of the funds appropriated by this section and the extent to which the purposes specified by this section have been achieved.

~~4~~3. **Appropriation of Costs for Health Care to Inmates.** None of the funds appropriated above shall be expended to provide or support the provision of health care to inmates of the Texas Department of Criminal Justice (TDCJ). It is the intent of the Legislature that all costs for providing health care to inmates of the TDCJ including costs of operating TDCJ hospital facilities in Galveston County and Lubbock County shall be paid from appropriations made to the TDCJ and from any financial reserves from contracts with TDCJ that are held by the university for the correctional health care services. Appropriations made to the TDCJ for the provision of inmate health care services shall be expended in accordance with Government Code, Chapter 501, Subchapter E.

~~5~~4. **El Paso Center for Border Health Research.** Funds appropriated above provide funding for Texas Tech Health Sciences Center's collaboration with the University of Texas at El Paso and ~~It is the intent of the Legislature that~~ the El Paso Center for Border Health Research, ~~is a collaboration between The University of Texas at El Paso and the Texas Tech University Health Sciences Center and is one~~ a component of the Paso del Norte Regional Health Institute located in the City of El Paso. ~~The El Paso Center for Border Health Research will be located in El Paso and will be concerned with the Texas border region.~~ Funding included above is for ~~It shall conduct~~ research, in areas not limited to, but focusing on and including, infectious diseases such as tuberculosis, Hispanic health issues such as diabetes and hypertension, border environmental health issues such as those associated with water and air quality, and children's health.

~~6~~5. **Medical School Enrollment.** Upon accreditation and approval by the Texas Higher Education Coordinating Board, appropriations included above provide funding for no greater than 20 medical school students admitted annually to the Texas Tech University Health Sciences Center School of Medicine ~~is authorized to admit annually an additional 20 medical students~~ until the School of Medicine's first year enrollment reaches 200. It is the intent of the Legislature that this increase in enrollment be taken into account when preparing the appropriation recommendations for the ~~Eightieth~~Eighty-first Legislature.

~~7~~6. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the Texas Tech University Health Sciences Center at El Paso No. 820, (2) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the Texas Tech University

Health Sciences Center at locations other than El Paso No. 821 and (3) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.

a. Amounts available for distribution or investment returns in excess of the amounts estimated are also appropriated to the institution. 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 makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for the Texas Tech University Health Sciences Center at El Paso No. 820, Permanent Endowment Fund for the Texas Tech University Health Sciences Center at locations other than El Paso No. 821, and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, ~~2005~~2007, and the income to said fund during the fiscal years beginning September 1, ~~2005~~2007 are hereby appropriated. Any unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated to the institution for the same purposes for fiscal year ~~2007~~2009.

~~8~~7. **El Paso - Four Year Medical School.** The Texas Tech University Health Sciences Center at El Paso is authorized to initiate curriculum design and development, basic science faculty recruitment, and commencement of organization and other processes necessary to attain accreditation of a four-year medical school by the Liaison Committee on Medical Education. The Texas Tech University Health Sciences Center at El Paso shall seek the support of the El Paso community, El Paso area foundations, units of local government and any other individuals, groups and entities that may support and contribute to the development and establishment of an El Paso Four Year Medical School.

8. **El Paso Medical School Accreditation Contingency Appropriation.** Included in the amounts appropriated above in Strategy D.1.6, El Paso- Medical, is $18 million in General Revenue for the accreditation of the Texas Tech Health Sciences Center El Paso Medical School. This appropriation is contingent upon a finding of fact and approval by the Legislative Budget Board that funds are necessary for completion of the accreditation requirements at the new El Paso Medical School. Any unexpended balance on hand as of August 31, 2008 are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2008.

PUBLIC COMMUNITY/JUNIOR COLLEGES

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 784,893,649	$ 784,893,651
Total, Method of Financing	$ 784,893,649	$ 784,893,651
This bill pattern represents an estimated 28.6% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: ALAMO COMMUNITY COLLEGE		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 45,865,185	$ 45,865,185
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 17,484,084	$ 17,484,084
Total, Goal A: ALAMO COMMUNITY COLLEGE	$ 63,349,269	$ 63,349,269
B. Goal: ALVIN COMMUNITY COLLEGE		
B.1.1. Strategy: ACADEMIC EDUCATION	$ 3,614,022	$ 3,614,022
B.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,656,800	$ 3,656,800
Total, Goal B: ALVIN COMMUNITY COLLEGE	$ 7,270,822	$ 7,270,822
C. Goal: AMARILLO COLLEGE		
C.2.1. Strategy: ACADEMIC EDUCATION	$ 8,431,274	$ 8,431,274
C.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 7,505,136	$ 7,505,136
Total, Goal C: AMARILLO COLLEGE	$ 15,936,410	$ 15,936,410
D. Goal: ANGELINA COLLEGE		
D.1.1. Strategy: ACADEMIC EDUCATION	$ 4,191,147	$ 4,191,147
D.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,910,339	$ 2,910,339
Total, Goal D: ANGELINA COLLEGE	$ 7,101,486	$ 7,101,486
E. Goal: AUSTIN COMMUNITY COLLEGE		
E.1.1. Strategy: ACADEMIC EDUCATION	$ 27,904,909	$ 27,904,913
E.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 10,366,630	$ 10,366,630
Total, Goal E: AUSTIN COMMUNITY COLLEGE	$ 38,271,539	$ 38,271,543
F. Goal: BLINN COLLEGE		
F.1.1. Strategy: STAR OF THE REPUBLIC MUSEUM	$ 331,248	$ 331,248
F.2.1. Strategy: ACADEMIC EDUCATION	$ 16,623,397	$ 16,623,397
F.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,552,021	$ 2,552,021
Total, Goal F: BLINN COLLEGE	$ 19,506,666	$ 19,506,666
G. Goal: BRAZOSPORT COLLEGE		
G.1.1. Strategy: ACADEMIC EDUCATION	$ 2,769,289	$ 2,769,289
G.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,236,768	$ 2,236,768
Total, Goal G: BRAZOSPORT COLLEGE	$ 5,006,057	$ 5,006,057
H. Goal: CENTRAL TEXAS COLLEGE		
H.1.1. Strategy: ACADEMIC EDUCATION	$ 9,998,393	$ 9,998,393
H.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 7,386,492	$ 7,386,492
Total, Goal H: CENTRAL TEXAS COLLEGE	$ 17,384,885	$ 17,384,885
I. Goal: CISCO JUNIOR COLLEGE		
I.1.1. Strategy: ACADEMIC EDUCATION	$ 3,454,917	$ 3,454,917
I.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,547,870	$ 1,547,870
Total, Goal I: CISCO JUNIOR COLLEGE	$ 5,002,787	$ 5,002,787
J. Goal: CLARENDON COLLEGE		
J.1.1. Strategy: ACADEMIC EDUCATION	$ 1,313,627	$ 1,313,627

J.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 573,982	$ 573,982
Total, Goal J: CLARENDON COLLEGE	$ 1,887,609	$ 1,887,609
K. Goal: COASTAL BEND COLLEGE		
K.1.1. Strategy: ACADEMIC EDUCATION	$ 2,615,414	$ 2,615,414
K.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,635,687	$ 2,635,687
Total, Goal K: COASTAL BEND COLLEGE	$ 5,251,101	$ 5,251,101
L. Goal: COLLEGE OF THE MAINLAND		
L.1.1. Strategy: ACADEMIC EDUCATION	$ 3,488,538	$ 3,488,538
L.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,977,650	$ 1,977,650
Total, Goal L: COLLEGE OF THE MAINLAND	$ 5,466,188	$ 5,466,188
M. Goal: COLLIN COUNTY CC Collin County Community College.		
M.1.1. Strategy: ACADEMIC EDUCATION	$ 20,660,146	$ 20,660,146
M.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 5,144,229	$ 5,144,229
Total, Goal M: COLLIN COUNTY CC	$ 25,804,375	$ 25,804,375
N. Goal: DALLAS COUNTY CC Dallas County Community College.		
N.1.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 1,365,210	$ 1,365,210
N.2.1. Strategy: ACADEMIC EDUCATION	$ 52,784,754	$ 52,784,754
N.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 28,116,555	$ 28,116,555
Total, Goal N: DALLAS COUNTY CC	$ 82,266,519	$ 82,266,519
O. Goal: DEL MAR COLLEGE		
O.1.1. Strategy: ACADEMIC EDUCATION	$ 9,887,968	$ 9,887,968
O.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 7,609,399	$ 7,609,399
Total, Goal O: DEL MAR COLLEGE	$ 17,497,367	$ 17,497,367
P. Goal: EL PASO COMMUNITY COLLEGE		
P.1.1. Strategy: ACADEMIC EDUCATION	$ 23,684,644	$ 23,684,644
P.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 7,882,572	$ 7,882,572
Total, Goal P: EL PASO COMMUNITY COLLEGE	$ 31,567,216	$ 31,567,216
Q. Goal: FRANK PHILLIPS COLLEGE		
Q.1.1. Strategy: ACADEMIC EDUCATION	$ 1,305,411	$ 1,305,411
Q.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,182,486	$ 1,182,486
Total, Goal Q: FRANK PHILLIPS COLLEGE	$ 2,487,897	$ 2,487,897
R. Goal: GALVESTON COLLEGE		
R.1.1. Strategy: ACADEMIC EDUCATION	$ 1,900,388	$ 1,900,388
R.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,619,346	$ 1,619,346
Total, Goal R: GALVESTON COLLEGE	$ 3,519,734	$ 3,519,734
S. Goal: GRAYSON COUNTY COLLEGE		
S.1.1. Strategy: ACADEMIC EDUCATION	$ 3,533,895	$ 3,533,895
S.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,855,953	$ 2,855,953
Total, Goal S: GRAYSON COUNTY COLLEGE	$ 6,389,848	$ 6,389,848
T. Goal: HILL COLLEGE		
T.1.1. Strategy: HERITAGE MUSEUM/GENEALOGY CENTER Heritage Museum and Genealogy Center.	$ 360,001	$ 360,000
T.2.1. Strategy: ACADEMIC EDUCATION	$ 3,421,300	$ 3,421,300
T.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,160,757	$ 2,160,757
Total, Goal T: HILL COLLEGE	$ 5,942,058	$ 5,942,057

PUBLIC COMMUNITY/JUNIOR COLLEGES
(Continued)

U. Goal: HOUSTON COMMUNITY COLLEGE		
U.1.1. Strategy: ACADEMIC EDUCATION	$ 35,072,353	$ 35,072,353
U.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 22,625,934	$ 22,625,934
Total, Goal U: HOUSTON COMMUNITY COLLEGE	$ 57,698,287	$ 57,698,287
V. Goal: HOWARD COLLEGE		
V.1.1. Strategy: SOUTHWEST INSTITUTE FOR THE DEAF	$ 2,734,649	$ 2,734,649
Southwest Collegiate Institute for the Deaf.		
V.2.1. Strategy: ACADEMIC EDUCATION	$ 2,424,478	$ 2,424,478
V.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,890,669	$ 4,890,669
Total, Goal V: HOWARD COLLEGE	$ 10,049,796	$ 10,049,796
W. Goal: KILGORE COLLEGE		
W.1.1. Strategy: ACADEMIC EDUCATION	$ 4,982,420	$ 4,982,420
W.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,996,132	$ 3,996,132
Total, Goal W: KILGORE COLLEGE	$ 8,978,552	$ 8,978,552
X. Goal: LAREDO COMMUNITY COLLEGE		
X.1.1. Strategy: IMPORT/EXPORT TRNG CTR	$ 210,888	$ 210,887
Regional Import/Export Training Center.		
X.2.1. Strategy: ACADEMIC EDUCATION	$ 7,402,764	$ 7,402,764
X.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,162,711	$ 4,162,711
Total, Goal X: LAREDO COMMUNITY COLLEGE	$ 11,776,363	$ 11,776,362
Y. Goal: LEE COLLEGE		
Y.1.1. Strategy: ACADEMIC EDUCATION	$ 4,176,154	$ 4,176,154
Y.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,777,889	$ 4,777,889
Total, Goal Y: LEE COLLEGE	$ 8,954,043	$ 8,954,043
Z. Goal: MCLENNAN COMMUNITY COLLEGE		
Z.1.1. Strategy: ACADEMIC EDUCATION	$ 7,367,261	$ 7,367,261
Z.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 5,353,324	$ 5,353,324
Total, Goal Z: MCLENNAN COMMUNITY COLLEGE	$ 12,720,585	$ 12,720,585
AA. Goal: MIDLAND COLLEGE		
AA.1.1. Strategy: AMERICAN AIRPOWER HERITAGE MUSEUM	$ 498,702	$ 498,702
AA.2.1. Strategy: ACADEMIC EDUCATION	$ 5,219,772	$ 5,219,772
AA.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,791,873	$ 3,791,873
Total, Goal AA: MIDLAND COLLEGE	$ 9,510,347	$ 9,510,347
AB. Goal: NAVARRO COLLEGE		
AB.1.1. Strategy: ACADEMIC EDUCATION	$ 7,709,820	$ 7,709,820
AB.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,451,076	$ 3,451,076
Total, Goal AB: NAVARRO COLLEGE	$ 11,160,896	$ 11,160,896
AC. Goal: NORTH CENTRAL TX COLLEGE		
North Central Texas College.		
AC.1.1. Strategy: ACADEMIC EDUCATION	$ 6,052,216	$ 6,052,216
AC.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,419,989	$ 2,419,989
Total, Goal AC: NORTH CENTRAL TX COLLEGE	$ 8,472,205	$ 8,472,205
AD. Goal: NORTH HARRIS MONTGOMERY CC		
North Harris Montgomery Community College.		
AD.1.1. Strategy: ACADEMIC EDUCATION	$ 37,768,863	$ 37,768,863
AD.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 12,977,403	$ 12,977,403
Total, Goal AD: NORTH HARRIS MONTGOMERY CC	$ 50,746,266	$ 50,746,266
AE. Goal: NORTHEAST TEXAS CC		
Northeast Texas Community College.		

AE.2.1. Strategy: ACADEMIC EDUCATION	$ 2,395,955	$ 2,395,955
AE.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,252,901	$ 1,252,901
Total, Goal AE: NORTHEAST TEXAS CC	$ 3,648,856	$ 3,648,856
AF. Goal: ODESSA COLLEGE		
AF.1.1. Strategy: ACADEMIC EDUCATION	$ 3,895,714	$ 3,895,714
AF.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,049,649	$ 4,049,649
Total, Goal AF: ODESSA COLLEGE	$ 7,945,363	$ 7,945,363
AG. Goal: PANOLA COLLEGE		
AG.1.1. Strategy: ACADEMIC EDUCATION	$ 1,784,607	$ 1,784,607
AG.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,550,492	$ 1,550,492
Total, Goal AG: PANOLA COLLEGE	$ 3,335,099	$ 3,335,099
AH. Goal: PARIS JUNIOR COLLEGE		
AH.1.1. Strategy: ACADEMIC EDUCATION	$ 4,909,058	$ 4,909,058
AH.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,662,924	$ 2,662,924
Total, Goal AH: PARIS JUNIOR COLLEGE	$ 7,571,982	$ 7,571,982
AI. Goal: RANGER COLLEGE		
AI.1.1. Strategy: ACADEMIC EDUCATION	$ 844,265	$ 844,265
AI.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 644,051	$ 644,051
Total, Goal AI: RANGER COLLEGE	$ 1,488,316	$ 1,488,316
AJ. Goal: SAN JACINTO COLLEGE		
AJ.1.1. Strategy: ACADEMIC EDUCATION	$ 20,588,254	$ 20,588,254
AJ.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 13,797,077	$ 13,797,077
Total, Goal AJ: SAN JACINTO COLLEGE	$ 34,385,331	$ 34,385,331
AK. Goal: SOUTH PLAINS COLLEGE		
AK.1.1. Strategy: ACADEMIC EDUCATION	$ 8,818,881	$ 8,818,881
AK.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,904,245	$ 4,904,245
Total, Goal AK: SOUTH PLAINS COLLEGE	$ 13,723,126	$ 13,723,126
AL. Goal: SOUTH TEXAS COLLEGE		
AL.1.1. Strategy: ACADEMIC EDUCATION	$ 16,557,251	$ 16,557,251
AL.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 6,931,389	$ 6,931,389
Total, Goal AL: SOUTH TEXAS COLLEGE	$ 23,488,640	$ 23,488,640
AM. Goal: SW TEXAS JUNIOR COLLEGE Southwest Texas Junior College.		
AM.1.1. Strategy: ACADEMIC EDUCATION	$ 4,824,591	$ 4,824,591
AM.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,942,746	$ 1,942,746
Total, Goal AM: SW TEXAS JUNIOR COLLEGE	$ 6,767,337	$ 6,767,337
AN. Goal: TARRANT COUNTY COLLEGE		
AN.1.1. Strategy: ACADEMIC EDUCATION	$ 33,614,776	$ 33,614,776
AN.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 9,116,718	$ 9,116,718
Total, Goal AN: TARRANT COUNTY COLLEGE	$ 42,731,494	$ 42,731,494
AO. Goal: TEMPLE COLLEGE		
AO.1.1. Strategy: ACADEMIC EDUCATION	$ 3,807,005	$ 3,807,005
AO.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,381,995	$ 2,381,995
Total, Goal AO: TEMPLE COLLEGE	$ 6,189,000	$ 6,189,000
AP. Goal: TEXARKANA COLLEGE		
AP.1.1. Strategy: ACADEMIC EDUCATION	$ 3,787,713	$ 3,787,713
AP.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,273,842	$ 4,273,842
Total, Goal AP: TEXARKANA COLLEGE	$ 8,061,555	$ 8,061,555

AQ. Goal: TEXAS SOUTHMOST COLLEGE		
AQ.1.1. Strategy: ACADEMIC EDUCATION	$ 8,445,460	$ 8,445,460
AQ.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,561,389	$ 4,561,389
Total, Goal AQ: TEXAS SOUTHMOST COLLEGE	$ 13,006,849	$ 13,006,849
AR. Goal: TRINITY VALLEY CC		
Trinity Valley Community College.		
AR.1.1. Strategy: ACADEMIC EDUCATION	$ 5,879,658	$ 5,879,658
AR.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,897,856	$ 4,897,856
Total, Goal AR: TRINITY VALLEY CC	$ 10,777,514	$ 10,777,514
AS. Goal: TYLER JUNIOR COLLEGE		
AS.1.1. Strategy: ACADEMIC EDUCATION	$ 10,295,194	$ 10,295,194
AS.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 5,067,429	$ 5,067,429
Total, Goal AS: TYLER JUNIOR COLLEGE	$ 15,362,623	$ 15,362,623
AT. Goal: VERNON COLLEGE		
AT.1.1. Strategy: ACADEMIC EDUCATION	$ 2,226,897	$ 2,226,897
AT.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,735,195	$ 2,735,195
Total, Goal AT: VERNON COLLEGE	$ 4,962,092	$ 4,962,092
AU. Goal: VICTORIA COLLEGE		
AU.2.1. Strategy: ACADEMIC EDUCATION	$ 3,316,875	$ 3,316,875
AU.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,873,938	$ 2,873,938
Total, Goal AU: VICTORIA COLLEGE	$ 6,190,813	$ 6,190,813
AV. Goal: WEATHERFORD COLLEGE		
AV.1.1. Strategy: ACADEMIC EDUCATION	$ 4,165,255	$ 4,165,255
AV.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,449,107	$ 3,449,107
Total, Goal AV: WEATHERFORD COLLEGE	$ 7,614,362	$ 7,614,362
AW. Goal: WESTERN TEXAS COLLEGE		
AW.1.1. Strategy: ACADEMIC EDUCATION	$ 1,885,319	$ 1,885,319
AW.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 902,144	$ 902,144
Total, Goal AW: WESTERN TEXAS COLLEGE	$ 2,787,463	$ 2,787,463
AX. Goal: WHARTON COUNTY JR COLLEGE		
Wharton County Junior College.		
AX.1.1. Strategy: ACADEMIC EDUCATION	$ 5,622,742	$ 5,622,742
AX.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,255,919	$ 2,255,919
Total, Goal AX: WHARTON COUNTY JR COLLEGE	$ 7,878,661	$ 7,878,661
Grand Total, PUBLIC COMMUNITY/JUNIOR COLLEGES	$ 784,893,649	$ 784,893,651
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 779,392,951	$ 779,392,955
Other Operating Expense	5,500,698	5,500,696
Total, Object-of-Expense Informational Listing	$ 784,893,649	$ 784,893,651
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 89,509,252	$ 93,719,848
Group Insurance	155,874,620	155,874,620
Subtotal, Employee Benefits	$ 245,383,872	$ 249,594,468
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 245,383,872	$ 249,594,468

1. **Administration of Appropriated Funds.** Funds appropriated above shall be administered by the Texas Higher Education Coordinating Board.

2. **Appropriation Eligibility.** To be eligible for and to receive an appropriation a public community/junior college must be certified as required by Education Code, Chapter 61, § 61.063, and comply with the following provisions:

a. The Texas Higher Education Coordinating Board shall 1) determine whether each eligible public community/junior college has complied with all the provisions of this section; 2) determine each college's list of approved courses; and 3) certify its findings and such lists to the State Auditor not later than October 1 of each fiscal year. Each public community/junior college shall make such reports to the Texas Higher Education Coordinating Board as may be required, classified in accordance with the rules and regulations issued by the Board.

b. On or before the dates for reporting official enrollments each semester to the Texas Higher Education Coordinating Board, each college will collect in full from each student that is to be counted for state aid purposes the amounts set as tuition by the respective governing boards. Valid contracts with the United States government for instruction of eligible military personnel, and valid contracts with private business and public service-type organizations or institutions such as hospitals, may be considered as collections thereunder, but subject to adjustments after final payment thereof. Financial aid awards processed by the financial aid office but not yet issued to the student shall be considered as collections thereunder but subject to adjustments after final payment thereof.

c. Each community/junior college must use a registration and financial reporting system which is sufficient to satisfy the audit requirements of the State Auditor and furnish any reports and information as the auditor may require.

d. Each community/junior college must file by December 1 of each fiscal year directly with the Governor, Legislative Budget Board, the Legislative Reference Library, and the Texas Higher Education Coordinating Board, a copy of an annual operating budget, and subsequent amendments thereto, approved by the community/junior college governing board. The operating budget shall be in such form and manner as may be prescribed by the board and/or agency with the advice of the State Auditor providing, however, that each report include departmental operating budgets by function and salaries and emoluments for faculty and staff listed by position.

3. **Approved ~~Elements of~~ Special Item Expenditures.** ~~The expenditures by a public community/junior college of any funds received by it under these provisions headed "Public Community/Junior Colleges" shall be limited to the payment of the following elements of cost: instruction, academic support, student services, institutional support, organized activities, and staff benefits associated with salaries paid from general revenue. It is specifically provided, however, that in addition to the purposes enumerated herein, t~~ The funds appropriated above for special items may be expended for salaries, wages, travel, capital outlay and other necessary operating expenses. It is specifically provided that funds appropriated above may not be used for the operation of intercollegiate athletics.

4. **Audit of Compliance.** The compliance of each public community/junior college with the requirements set forth in the paragraphs above shall be ascertained by the State Auditor who shall also audit the pertinent books and records of each college as necessary.

5. **Vouchers for Disbursement of Appropriated Funds.** Vouchers for disbursement of the sums appropriated hereinabove shall be prepared by the Texas Higher Education Coordinating Board on the basis of the provisions in the paragraphs above and the warrants issued in payment thereof shall be issued in compliance with Education Code, § 130.0031.

Funds appropriated above to Howard County College for the operation of the Southwest Collegiate Institute for the Deaf shall be distributed in accordance with the installment schedule for Category 1 junior colleges.

The total amount of funds appropriated above in each year of the biennium to Midland College in Strategy AA.1.1, American Airpower Heritage Museum, should be distributed on September 1 of the year funds are appropriated.

In submitting vouchers for disbursement of the funds herein appropriated, the Texas Higher Education Coordinating Board, shall certify to the State Comptroller of Public Accounts that each school listed has qualified and is entitled to receive such funds under the provisions set forth in this Act under the heading "Public Community/Junior Colleges."

6. **Unobligated Balances.** At the close of each fiscal year each community/junior college shall report to the Coordinating Board the amount of state allocations which have not been obligated within each line item and shall return that amount to the State Treasury for deposit in the General Revenue Fund.

7. **Adjustment of Contact Hours.** The hours used in the contact hour base period are subject to audit for accuracy by the State Auditor according to an audit plan developed in consultation with the Texas Higher Education Coordinating Board, the Legislative Budget Board and community, technical, and state colleges, and the dollar amounts adjusted accordingly by the Texas Higher Education Coordinating Board at the direction of the Legislative Budget Board. The amounts appropriated separately to each of the two-year institutions' contact hour formulas shall be redistributed using the formula amounts appropriated to community colleges, Texas State Technical Colleges and two-year Lamar institutions based on certified contact hours as calculated separately for community colleges, Texas State Technical Colleges and the two-year Lamar institutions. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the total contact hour formula appropriations to that institution for the biennium. Adjustments shall be made to appropriated amounts in accordance with adjustments of estimated contact hours to actual contact hours, even if the total error rate is less than 2 percent of the total contact hour formula amount appropriated to that institution for the biennium. No college shall have its dollar allocation adjusted to a level below its ~~2004-05~~ 2006-07 formula base. Institutions where sampling errors are identified may request a comprehensive institutional audit at institutional expense.

8. **Separation of Funds.** The funds appropriated by the State shall be maintained separately by community/junior colleges from other sources of income. Each community college district shall file a report in a format developed by the Higher Education Coordinating Board and Legislative Budget Board with the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board by December 15th of each year demonstrating compliance with this provision.

9. **Supplanting of Federal Funds Prohibited.** ~~It is legislative intent that s~~State funds shall not be used to supplant federal funds for the Workforce Investment Act programs conducted by community/junior colleges.

10. **Residency of Texas Department of Criminal Justice Inmates.** All inmates of the Texas Department of Criminal Justice are, for educational funding purposes in this Act only, residents of the State of Texas.

11. **Regional Import/Export Training Center.** Appropriations of $43,750 each year made above are contingent upon certification by the Comptroller of Public Accounts that increased economic activity associated with the Regional Import/Export Training Center and the Laredo Community College will generate at least $87,500 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Regional Import/Export Training Center be used by the center to attract federal funds on a dollar-for-dollar basis.

12. **Informational Listing of Other Appropriations.** In addition to the funds appropriated above, general revenue is appropriated elsewhere in this Act for the use of the Public Community/Junior Colleges as follows:

a. Out of the general revenue funds appropriated to the Higher Education Employees Group Insurance Contributions, ~~$282,113,547~~ $308,630,538 is intended for the use of public community colleges, subject to the provisions associated with that appropriation.

b. Out of the general revenue funds appropriated to the Teacher's Retirement System, an estimated ~~$79,122,808~~ $109,937,460 is appropriated for the state matching contribution for public community college employees.

c. Out of the general revenue funds appropriated to the Optional Retirement Program, an estimated ~~$60,816,297~~ $73,291,640 is appropriated for the state matching contribution for public community college employees.

13. **Reporting Requirement.** Public Community/Junior Colleges shall file with the Comptroller of Public Accounts and the State Auditor, a Benefits Proportional By Fund Report by ~~November 20th~~ January 1st for the preceding year ending August 31. The report shall be in a format developed by the Comptroller in consultation with the Legislative Budget Board, the Texas Higher Educaiton Coordinating Board and State Auditor's Office.

~~**14.** **Proportionality for Public Community/Junior Colleges.** It is the intent of the Legislature that during fiscal years 2006 and 2007 the Legislative Budget Board use the funds appropriated by this Act to be in a position to implement proportionality for public community colleges starting in the 2008-09 biennium.~~

~~15~~14. **Financial Information Reporting Requirement.** Each community college shall provide to the Texas Higher Education Coordinating Board financial data related to the operation of each community college using the specific content and format prescribed by the Coordinating Board. Each community college shall provide the report no later than January 1st of each year.

~~16~~15. **Reporting Requirement for Ranger College.** ~~It is the intent of the Legislature to consider linking future appropriations to Ranger College above those amounts generated strictly by formula to overall growth in Ranger College's contact hours as reported to the Texas Higher Education Coordinating Board. To this end,~~ Ranger College shall use the appropriations above to develop a plan to increase institution contact hours during the 200~~6~~8-200~~7~~9 biennium. Ranger College shall submit a report detailing the progress of this plan to the Coordinating Board no later than ~~November 1~~ December 15, 200~~6~~8.

16. **Approved Elements of Expenditure.** Pursuant to Education Code § 130.003 (a) and (c), General Revenue contributions appropriated in this bill pattern shall be expended by public community colleges to supplement local funds in the payment of salaries for staff directly engaged in instruction, except as provided below:

a. General Revenue appropriated in this bill pattern may be expended on administrative salaries, provided the full funding of instructional salaries above, and pursuant to the limitations specified in Special Provisions Relating Only to State Agencies of Higher Education, Section 5.

b. All General Revenue appropriated in this bill pattern remaining after Section (a) must be expended in the following order of priority: student services, academic support, organized activities and institutional support.

Each district shall submit a report by December 15 of each year to the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board in a format prescribed by both offices which details how General Revenue contributions were expended in the previous fiscal year to fund salaries in the manner provided above.

~~**17.** **Midland Community College Astronomy Education.** Included in the amounts appropriated above in Strategy AA.2.1., Academic Education, Midland Community College is $600,000 in each year of the biennium for the purpose of providing astronomy education for Midland Community College.~~

17. **Appropriations to Galveston College.** The Texas Higher Education Coordinating Board shall not allocate the General Revenue Funds appropriated above in R. Goal, Galveston College, until the district's reported contact hour data are certified to the satisfaction of the State Auditor's Office, the Texas Higher Education Coordinating Board, the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board.

~~**18.** **Funding for Bachelor's Degree Pilot Program at Certain Community Colleges.** Included in the amounts appropriated above in Strategies G.1.1, Academic Education, Brazosport College, AA.2.1, Academic Education, Midland Community College and AL.1.1, Academic~~

~~Education, South Texas College is $500,000 in fiscal year 2006 and $500,000 in fiscal year 2007 for each college for the purpose of supporting each college's bachelor's degree pilot program.~~

18. **Limitations of Formula Funding Contact Hours.** To control costs and limit General Revenue formula appropriations contact hours related to a course for which a student is generating formula funding for the third time shall be excluded from being counted in the hours reported by the Higher Education Coordinating Board to the Legislative Budget Board for formula funding.

~~**19.** **Funding for the Hidalgo Advanced Technology and Training Development Center at South Texas College.** Included in the amounts appropriated above in Strategy AL.1.1, Academic Education, South Texas College is $250,000 in each year of the biennium to fund the creation of the Hidalgo Advanced Technology and Training Center at South Texas College.~~

TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 3,531,910	$ 3,531,909
GR Dedicated - Estimated Other Educational and General Income Account No. 770	337,557	337,557
Total, Method of Financing	$ 3,869,467	$ 3,869,466
This bill pattern represents an estimated 94.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	51.7	51.7
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: FORECASTING & CURRICULUM DVLPMENT	$ 250,000	$ 250,000
Forecasting and Curriculum Development.		
A.1.2. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 15,552	$ 15,552
A.1.3. Strategy: SYSTEM OFFICE OPERATIONS	$ 3,166,290	$ 3,166,289
A.1.4. Strategy: TECHNICAL TRAINING PARTNERSHIP	$ 415,625	$ 415,625
Technical Training Partnerships with Community Colleges.		
A.1.5. Strategy: WORKERS' COMPENSATION INSURANCE	$ 22,000	$ 22,000
Total, Goal A: INSTRUCTION/OPERATIONS	$ 3,869,467	$ 3,869,466
Grand Total, TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION	$ 3,869,467	$ 3,869,466
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,043,313	$ 3,043,313
Other Personnel Costs	86,122	86,122
Faculty Salaries (Higher Education Only)	318,991	318,991
Professional Fees and Services	29,000	29,000
Consumable Supplies	21,600	21,600
Utilities	30,000	30,000
Travel	46,070	46,070
Other Operating Expense	294,371	294,370
Total, Object-of-Expense Informational Listing	$ 3,869,467	$ 3,869,466

TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION
(Continued)

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 136,134	$ 142,479
Group Insurance	2,976,535	2,976,535
Social Security	4,186,216	4,332,734
Subtotal, Employee Benefits	$ 7,298,885	$ 7,451,748
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,298,885	$ 7,451,748

1. **Coordination with Community/Junior Colleges.** In accordance with Education Code Chapter 135, prior to establishing a program in an area which is within a community/junior college district, the Texas State Technical College must receive authorization to offer such educational, technical or vocational programs from the Texas Higher Education Coordinating Board.

2. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $49,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging and expenses of state employees who provide services for the governing board.

   A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

3. **Expenditure Reporting for System Administration and Extension Centers.** Prior to each legislative session the Texas State Technical College System Administration shall file with the House Appropriations Committee, the Senate Finance Committee, the Legislative Budget Board, and the Governor a report detailing expenditures for system administration and the extension centers at Abilene, Brownwood, and Breckenridge. The report shall compare actual expenditures to funds appropriated for those purposes and shall cover the current and previous two biennia.

TEXAS STATE TECHNICAL COLLEGE - HARLINGEN

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 15,958,305	$ 15,955,868
GR Dedicated - Estimated Other Educational and General Income Account No. 770	6,317,211	6,385,046
Total, Method of Financing	$ 22,275,516	$ 22,340,914
This bill pattern represents an estimated 66.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	453.2	453.2
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 6,548,699	$ 6,576,158
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 9,629,398	$ 9,669,774
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 521,683	$ 521,683
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,038,303	$ 1,038,303

A.1.5. Strategy: WORKERS' COMPENSATION INSURANCE	$ 80,586	$ 80,586
Total, Goal A: INSTRUCTION/OPERATIONS	$ 17,818,669	$ 17,886,504
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,947,809	$ 2,947,809
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 259,834	$ 257,396
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 3,207,643	$ 3,205,205
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,249,204	$ 1,249,205
Grand Total, TEXAS STATE TECHNICAL COLLEGE - HARLINGEN	$ 22,275,516	$ 22,340,914
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 6,661,427	$ 6,833,313
Other Personnel Costs	354,721	355,268
Faculty Salaries (Higher Education Only)	8,089,115	8,173,086
Professional Salaries - Faculty Equivalent (Higher Education Only)	265,000	265,000
Professional Fees and Services	49,497	49,542
Fuels and Lubricants	24,425	24,460
Consumable Supplies	151,284	144,735
Utilities	40,139	40,164
Travel	289,366	289,823
Rent - Building	261	261
Rent - Machine and Other	129,337	129,506
Debt Service	259,834	257,396
Other Operating Expense	4,917,307	4,734,557
Client Services	1,038,303	1,038,303
Capital Expenditures	5,500	5,500
Total, Object-of-Expense Informational Listing	$ 22,275,516	$ 22,340,914
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,218,311	$ 1,275,096
Group Insurance	1,609,858	1,609,858
Subtotal, Employee Benefits	$ 2,828,169	$ 2,884,954
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,828,169	$ 2,884,954

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State Technical College - Harlingen. 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 State Technical College - Harlingen. In order to achieve the objectives and service standards established by this Act, the Texas State Technical College - Harlingen shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree or Certificate-seeking Students Graduated within Three Years with Either an Associate of Applied Science Degree or a Certificate	30%	30%
Annual Headcount Enrollment	9,679	9,679
Number of Associate Degrees and Certificates Awarded Annually	550	550
Number of Minority Students Graduated Annually	493	493

A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8.1%	8.1%

TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 10,279,199	$ 10,241,462
GR Dedicated - Estimated Other Educational and General Income Account No. 770	2,760,840	2,979,825
Total, Method of Financing	$ 13,040,039	$ 13,221,287
This bill pattern represents an estimated 76.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	256.0	256.0
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 525,900	$ 542,038
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 5,187,795	$ 5,346,998
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 165,815	$ 165,815
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 377,545	$ 385,096
A.1.5. Strategy: ABILENE ACADEMIC/VOCATIONAL ED	$ 1,434,440	$ 1,434,440
Abilene Academic/Vocational Education.		
A.1.6. Strategy: BROWNWOOD ACADEMIC/VOCATIONAL ED	$ 1,140,083	$ 1,140,083
Brownwood Academic/Vocational Education.		
A.1.7. Strategy: RURAL TECH ACADEMIC/VOCATIONAL ED	$ 788,702	$ 788,702
Rural Tech Center Academic/Vocational Education.		
A.1.8. Strategy: WORKERS' COMPENSATION INSURANCE	$ 86,992	$ 86,992
Total, Goal A: INSTRUCTION/OPERATIONS	$ 9,707,272	$ 9,890,164
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 1,647,557	$ 1,647,557
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 175,388	$ 173,743
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 1,822,945	$ 1,821,300
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,509,822	$ 1,509,823
Grand Total, TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS	$ 13,040,039	$ 13,221,287
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 5,783,461	$ 5,852,057
Other Personnel Costs	696,082	705,811
Faculty Salaries (Higher Education Only)	3,908,663	3,984,060
Professional Fees and Services	2,500	2,500
Fuels and Lubricants	4,686	4,751
Consumable Supplies	63,849	64,697
Utilities	82,008	82,162
Travel	172,857	175,111
Rent - Machine and Other	36,643	36,643
Debt Service	275,388	273,743

Other Operating Expense	1,636,357	1,654,656
Client Services	377,545	385,096
Total, Object-of-Expense Informational Listing	$ 13,040,039	$ 13,221,287
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 711,687	$ 744,858
Group Insurance	1,035,483	1,035,483
Subtotal, Employee Benefits	$ 1,747,170	$ 1,780,341
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,747,170	$ 1,780,341

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State Technical College - West 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 Texas State Technical College - West Texas. In order to achieve the objectives and service standards established by this Act, the Texas State Technical College - West Texas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree or Certificate-seeking Students Graduated within Three Years with Either an Associate of Applied Science Degree or a Certificate	40%	40%
Annual Headcount Enrollment	8,088	8,088
Number of Associate Degrees and Certificates Awarded Annually	520	520
Number of Minority Students Graduated Annually	180	180
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8.5%	8.5%

TEXAS STATE TECHNICAL COLLEGE - MARSHALL

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 3,763,511	$ 3,761,541
GR Dedicated - Estimated Other Educational and General Income Account No. 770	872,640	877,381
Total, Method of Financing	$ 4,636,151	$ 4,638,922
This bill pattern represents an estimated 74.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	92.3	92.3
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 554,331	$ 555,397
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,852,437	$ 1,854,726
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 56,770	$ 56,770
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 140,555	$ 141,251

A.1.5. Strategy: WORKERS' COMPENSATION INSURANCE	$ 8,000	$ 8,000
Total, Goal A: INSTRUCTION/OPERATIONS	$ 2,612,093	$ 2,616,144
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 793,186	$ 793,186
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 136,413	$ 135,133
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 929,599	$ 928,319
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,094,459	$ 1,094,459
Grand Total, TEXAS STATE TECHNICAL COLLEGE - MARSHALL	$ 4,636,151	$ 4,638,922
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,318,448	$ 2,319,266
Other Personnel Costs	210,559	210,574
Faculty Salaries (Higher Education Only)	989,096	991,584
Professional Fees and Services	304,950	304,950
Debt Service	136,413	135,133
Other Operating Expense	536,130	536,164
Client Services	140,555	141,251
Total, Object-of-Expense Informational Listing	$ 4,636,151	$ 4,638,922
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 270,544	$ 283,154
Group Insurance	364,419	364,419
Subtotal, Employee Benefits	$ 634,963	$ 647,573
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 634,963	$ 647,573

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State Technical College - Marshall. 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 State Technical College - Marshall. In order to achieve the objectives and service standards established by this Act, the Texas State Technical College - Marshall shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree or Certificate-seeking Students Graduated within Three Years with Either an Associate of Applied Science Degree or a Certificate	35%	35%
Annual Headcount Enrollment	1,945	1,945
Number of Associate Degrees and Certificates Awarded Annually	145	145
Number of Minority Students Graduated Annually	42	42
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	12.6%	12.6%

TEXAS STATE TECHNICAL COLLEGE - WACO

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 22,503,085	$ 22,324,369
GR Dedicated - Estimated Other Educational and General Income Account No. 770	7,429,154	7,465,924
Total, Method of Financing	$ 29,932,239	$ 29,790,293
This bill pattern represents an estimated 72.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	560.6	560.6
Items of Appropriation:		
A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 3,936,244	$ 3,925,217
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 19,070,163	$ 19,016,743
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 389,743	$ 389,743
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 923,211	$ 1,019,070
A.1.5. Strategy: WORKERS' COMPENSATION INSURANCE	$ 125,425	$ 125,425
Total, Goal A: INSTRUCTION/OPERATIONS	$ 24,444,786	$ 24,476,198
B. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 3,540,044	$ 3,540,044
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 438,534	$ 529,846
Total, Goal B: PROVIDE INFRASTRUCTURE SUPPORT	$ 3,978,578	$ 4,069,890
C. Goal: PROVIDE SPECIAL ITEM SUPPORT		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,508,875	$ 1,244,205
Grand Total, TEXAS STATE TECHNICAL COLLEGE - WACO	$ 29,932,239	$ 29,790,293
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 13,109,160	$ 12,810,004
Other Personnel Costs	1,728,218	1,723,327
Faculty Salaries (Higher Education Only)	7,964,784	7,950,580
Professional Salaries - Faculty Equivalent (Higher Education Only)	1,269,885	1,269,885
Professional Fees and Services	5,000	5,000
Fuels and Lubricants	13,734	13,701
Consumable Supplies	157,376	156,949
Utilities	32,380	32,302
Travel	402,064	400,930
Rent - Machine and Other	12,500	12,500
Debt Service	438,534	529,846
Other Operating Expense	3,778,393	3,770,699
Client Services	955,211	1,051,070
Capital Expenditures	65,000	63,500
Total, Object-of-Expense Informational Listing	$ 29,932,239	$ 29,790,293
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,642,796	$ 1,719,366
Group Insurance	2,362,860	2,362,860
Subtotal, Employee Benefits	$ 4,005,656	$ 4,082,226
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,005,656	$ 4,082,226

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State Technical College - Waco. 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 State Technical College - Waco. In order to achieve the objectives and service standards established by this Act, the Texas State Technical College - Waco shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree or Certificate-seeking Students Graduated within Three Years with Either an Associate of Applied Science Degree or a Certificate	35%	35%
Annual Headcount Enrollment	7,102	7,102
Number of Associate Degrees and Certificates Awarded Annually	1,077	1,077
Number of Minority Students Graduated Annually	233	233
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.3%	7.3%

SPECIAL PROVISIONS RELATING ONLY TO COMPONENTS OF TEXAS STATE TECHNICAL COLLEGE

1. **Expenditure of Educational and General Funds.** Recognizing that Texas State Technical College may have the opportunity and should be encouraged to attract private contributions, grants, or contracts, and to enter into agreements with private businesses and other agencies of government for purposes not specifically contained in the strategy items above that might require matching funds from TSTC, the Board of Regents of Texas State Technical College is hereby authorized to expend its remaining educational and general funds to meet contribution, contract, or grant-matching requirements only for the following purposes:

   a. planning and implementing a large-scale job-training program in conjunction with private business and other state agencies;

   b. acquiring facilities and equipment to carry out a large-scale industrial training program in conjunction with a major employer; and

   c. additional space and mechanical systems or renovation of existing buildings in accordance with the Campus Master Plans and subject to approval by the Texas Higher Education Coordinating Board.

2. **Financial Records.** The financial records and reports of the Texas State Technical College shall classify accounts in accordance with the recommendation of the National Committee on the Preparation of a Manual on College and University Business Administration, as set forth in Volume I of "College and University Business Administration," published by the American Council on Education with a copyright date of 1952, and subsequent published revisions with such modifications as may be developed and provided by the Comptroller of Public Accounts, or as may be required to conform with specific provisions of the Appropriation Acts of the Legislature. The accounts of the Texas State Technical College shall be maintained and audited in accordance with the approved reporting system. The Texas State Technical College shall deliver to the Texas Higher Education Coordinating Board, any such program reports as it may deem necessary in accordance with its rules and regulations.

3. **Enrollment Records and Reports.** To be eligible to receive the appropriations herein above, the Texas State Technical College shall maintain separately for each campus and each extension center such enrollment records and report such enrollment data as required by the Texas Higher Education Coordinating Board. These enrollment reports shall be submitted in the form and on the date required.

The above reports shall be certified to the Comptroller of Public Accounts no later than the date required by the Coordinating Board, and each term copies of the above certified enrollment reports shall be sent to the Coordinating Board, Legislative Budget Board, Governor, State Auditor and Legislative Reference Library.

The State Auditor shall verify the certified enrollment data submitted to the agencies listed above as part of the audit of the Texas State Technical College.

The Texas State Technical College shall offer only such courses as are economically justified in the considered judgment of the Board of Regents. The Board of Regents shall adopt policies specifying the conditions under which classes of less than 10 students by headcount are to be considered necessary and justifiable. The Board of Regents shall direct the chancellor or other officials to review enrollment data prior to the designated Coordinating Board census date and take all necessary actions to ensure that the small classes offered on each campus are only those that conform with established policies on small classes. Each school term, each campus shall prepare for submission to the Board of Regents a small class report showing the department, course number, title of course and the name of the instructor. The Board of Regents shall review enrollment reports certified to the Comptroller of Public Accounts, the campus small class reports and other enrollment records as necessary to ensure that the classes offered are economically justified and are in compliance with Board of Regents' policy.

4. **Certification of Compliance.** Expenditure of the funds appropriated hereinabove is contingent upon annual certification by the chancellor of the Texas State Technical College to the Comptroller of Public Accounts that the Texas State Technical College is in compliance with these provisions regarding budgets, accounting procedures and enrollment.

5. **Approved Geographic Locations.** None of the funds appropriated above to the Texas State Technical College shall be expended in promoting, developing or creating a campus or extension center at any other location in the state except as specified in Education Code § 135.02.

6. **Temporary Special Courses.** Out of funds appropriated by contact hour generation hereinabove to the Texas State Technical College in pre-apprenticeship, related training for apprentices and specialized training for journeymen and compensatory training for pre-apprenticeship and apprenticeship enrollees, and plant expansion and new plant start-up training program no more than $50,000 per year may be spent wherever the need exists within the state in conjunction with curriculum approval by the Texas Higher Education Coordinating Board. Such expenditure of funds for these special courses are temporary in nature and outside the provision of Education Code § 135.04.

7. **Aircraft Pilot Training Programs.** Funds may be used for the operation, maintenance or lease of aircraft for use in the Aircraft Pilot Training programs subject to the requirement that excess costs of flight instruction be recovered by an assessment of charge to student pilots. This income shall be separately accounted for and credited as a reduction in expenditure in the Aircraft Pilot Training Program.

8. **Approval of Plans by Foundations.** Any use of the Texas State Technical College's assets or facilities including, but not limited to, buildings, equipment or employees by existing foundations or for the promotion of foundations shall require prior approval of the Board of Regents. Approval is contingent upon receipt by the Board of Regents of a satisfactory annual plan of operation. At a minimum, this plan must specify the proposed use of any Texas State Technical College facilities, equipment, and personnel; payments made directly to Texas State Technical College personnel for services provided or expenses incurred; and donations of funds to the Texas State Technical College for designated purposes. All funds donated by foundations to the Texas State Technical College shall be received and accounted for in the same manner as all other Texas State Technical College funds. After Board of Regents approval, the plan shall be filed with the Legislative Budget Board.

9. **Audit of Base Contact Hours.** The hours used in the contact hour base period to fund Texas State Technical College are subject to audit for accuracy by the State Auditor according to an audit plan developed in consultation with the Texas Higher Education Coordinating Board, the Legislative Budget Board, and community, technical, and state colleges and the appropriation amounts adjusted accordingly by the Comptroller of Public Accounts. The total amount

appropriated to the two-year institutions' contact hour formula shall be redistributed to all institutions funded by the formula based on certified contact hours. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the total contact hour formula appropriations to that institution for the biennium. Adjustments shall be made to appropriated amounts in accordance with adjustments of estimated contact hours to actual certified contact hours, even if the total error rate is less than 2 percent of the total contact hour formula amount appropriated to that institution for the biennium.

10. Campus President Salaries. Out of the funds appropriated to each campus of Texas State Technical College, an amount not to exceed $63,654 in 200~~6~~8 and $63,654 in 200~~7~~9 may be expended for the salary of a president. All presidents may receive in addition to the above amounts a house, utilities, and/or supplement from private sources. If an institutionally owned house is not available an amount not to exceed $7,200 per year from the appropriations above, and additional funds from gifts and grants where required, may be provided in lieu of house and utilities.

11. Chancellor Salary. Out of the funds appropriated, transferred, or contracted to the system office, an amount not to exceed $70,231 in 200~~6~~8 and $70,231 in 200~~7~~9 may be expended for the salary of a chancellor. The chancellor may receive in addition to the above amount a house, utilities, and/or supplement from private sources. If a system owned house is not available an amount not to exceed $7,200 per year from the system office appropriation and additional funds from gifts and grants where required, may be provided in lieu of house and utilities.

12. Flight Log Reporting Requirements. Texas State Technical College shall provide the following travel log information about a state-operated aircraft each time the aircraft is flown:

a. a mission statement, which may appear as a selection to be identified from general categories appearing on the form;

b. the name, state agency represented, destination, and signature of each person who is a passenger or crew member of the aircraft;

c. the date of each flight;

d. a detailed and specific description of the official business purpose of each flight; and

e. other information determined by the Legislative Budget Board to be necessary to monitor the proper use of the aircraft.

TEXAS AGRICULTURAL EXPERIMENT STATION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 52,879,956	$ 52,872,141
GR Dedicated - Clean Air Account No. 151	500,000	500,000
Federal Funds	6,364,973	6,364,973
Other Funds		
Sales Funds - Agricultural Experiment Station, estimated	873,414	873,414
Fertilizer Control Fund, Locally Held, estimated	1,335,000	1,335,000
Indirect Cost Recovery, Locally Held, estimated	288,750	288,750
Feed Control Fund - Local No. 058	3,190,000	3,190,000
Subtotal, Other Funds	$ 5,687,164	$ 5,687,164
Total, Method of Financing	$ 65,432,093	$ 65,424,278

This bill pattern represents an estimated 50.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	1,090.4	1,090.4
Items of Appropriation:		
A. Goal: AGRICULTURAL/LIFE SCIENCES RESEARCH		
Agricultural and Life Sciences Research.		
A.1.1. Strategy: AGRICULTURAL/LIFE SCIENCES RESEARCH	$ 48,007,607	$ 48,007,607
Conduct Agricultural and Life Sciences Research.		
B. Goal: REGULATORY SERVICES		
Provide Regulatory Services.		
B.1.1. Strategy: HONEY BEE REGULATION	$ 276,532	$ 276,532
Control Diseases/Pest of EHB & Reduce Impact of AHB thru Regulation.		
B.2.1. Strategy: FEED AND FERTILIZER PROGRAM	$ 3,817,737	$ 3,817,737
Monitor and Evaluate Products Distributed in the State.		
Total, Goal B: REGULATORY SERVICES	$ 4,094,269	$ 4,094,269
C. Goal: STAFF BENEFITS		
Maintain Staff Benefits Program for Eligible Employees and Retirees.		
C.1.1. Strategy: STAFF GROUP INSURANCE	$ 588,390	$ 588,390
Provide Funding for Staff Group Insurance Premiums.		
C.1.2. Strategy: WORKERS' COMP INSURANCE	$ 206,821	$ 206,821
Provide Funding for Workers' Compensation Insurance.		
C.1.3. Strategy: UNEMPLOYMENT INSURANCE	$ 23,533	$ 23,533
Provide Funding for Unemployment Insurance.		
C.1.4. Strategy: OASI	$ 396,101	$ 396,101
Provide Funding for OASI.		
Total, Goal C: STAFF BENEFITS	$ 1,214,845	$ 1,214,845
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 4,006,023	$ 4,006,023
D.1.2. Strategy: INFRASTRUCTURE SUPPORT IN BRAZOS CO	$ 4,646,927	$ 4,646,927
Infrastructure Support - In Brazos County.		
D.1.3. Strategy: INFRASTRUCT SUPP OUTSIDE BRAZOS CO	$ 3,644,401	$ 3,644,401
Infrastructure Support - Outside Brazos County.		
Total, Goal D: INDIRECT ADMINISTRATION	$ 12,297,351	$ 12,297,351
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (181,979)	$ (189,794)
Grand Total, TEXAS AGRICULTURAL EXPERIMENT STATION	$ 65,432,093	$ 65,424,278
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 29,134,890	$ 29,134,890
Other Personnel Costs	2,467,659	2,467,659
Professional Salaries - Faculty Equivalent (Higher Education Only)	17,000,762	17,000,762
Professional Fees and Services	156,250	156,250
Fuels and Lubricants	481,400	507,600
Consumable Supplies	836,500	836,500
Utilities	4,570,303	4,688,003
Travel	464,417	464,417
Rent - Building	8,200	8,200
Rent - Machine and Other	184,078	184,078
Other Operating Expense	8,192,593	8,040,878
Grants	1,298,470	1,298,470

Capital Expenditures	636,571	636,571
Total, Object-of-Expense Informational Listing	$ 65,432,093	$ 65,424,278
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,192,463	$ 4,392,595
Group Insurance	6,527,338	6,527,338
Social Security	2,905,204	3,006,886
Subtotal, Employee Benefits	$ 13,625,005	$ 13,926,819
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 13,625,005	$ 13,926,819

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Texas Agricultural Experiment Station. 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 Agricultural Experiment Station. In order to achieve the objectives and service standards established by this Act, the Texas Agricultural Experiment Station shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: AGRICULTURAL/LIFE SCIENCES RESEARCH		
Outcome (Results/Impact):		
Percentage Change in Number of Patents, Disclosures, Licenses, and Publications - Livestock Research	2%	2%
A.1.1. Strategy: AGRICULTURAL/LIFE SCIENCES RESEARCH		
Output (Volume):		
Number of Refereed Publications	2,500	2,500
Explanatory:		
Amount of External Sponsor Support	99,389,198	99,389,198
B. Goal: REGULATORY SERVICES		
Outcome (Results/Impact):		
Percent Change in Number of European Honey Bee Certificates Issued	1%	1%
B.1.1. Strategy: HONEY BEE REGULATION		
Output (Volume):		
Number of Bee Colonies Inspected	47,000	47,000
Number of Apiaries Inspected	250	250
B.2.1. Strategy: FEED AND FERTILIZER PROGRAM		
Output (Volume):		
Number of Feed and Fertilizer Samples Assigned to the Feed and Fertilizer Control Service Field Personnel	7,350	7,350
Number of Feed and Fertilizer Samples Analyzed by the Agricultural Analytical Services Laboratory	7,500	7,500

~~3~~**2. Unexpended Balances, TAES Current Fund.** Any balances remaining as of August 31, ~~2005~~2007 in Texas Agricultural Experiment Station Current Fund No. 240 and all revenues received during the biennium beginning September 1, ~~2005~~2007 are hereby appropriated to Texas Agricultural Experiment Station.

~~4~~**3. Buffalo Gnat.** Out of the funds appropriated above, up to $10,000 in General Revenue Funds in each year of the biennium shall be used for buffalo gnat eradication.

~~5~~**4. Limited Waiver from Proportionality Provision.** The Texas Agricultural Experiment Station is specifically exempt from implementation of proportionality for Higher Education Retirement Programs, but only in regard to the retirement match limit that is imposed under the federal Hatch Act and the McIntire-Stennis Act.

~~6~~**5. Equine Research Account.** Included in the appropriations above are fees collected in each year of the biennium beginning September 1, ~~2005~~2007, pursuant to Revised Texas Civil Statutes Annotated, art. 179e, § 6.08(h), for the Equine Research Account in support of the Equine Research Program.

~~7~~**6.** **Agriculture Registration Fees.** Included in the appropriations above are fees collected in each year of the biennium beginning September 1, ~~2005~~2007, pursuant to § 131.046, Texas Agriculture Code, from the General Revenue Fund (Revenue Object Code 3410) to the Texas Agricultural Experiment Station for the Honey Bee Disease Program.

~~8~~**7.** **Honey Bees Research.** Out of the funds appropriated above in Strategy A.1.1, Agricultural/Life Sciences Research, $131,250 in fiscal year ~~2006~~2008 and $131,250 in fiscal year ~~2007~~2009 shall be used for research on the protection and management of honey bees.

~~9~~**8.** **Cotton Germplasm Collections.** Out of the funds appropriated above in Strategy A.1.1, Agricultural/Life Sciences Research, $262,500 in fiscal year ~~2006~~2008 and $262,500 in fiscal year ~~2007~~2009 in General Revenue Funds shall be used for the evaluation of cotton germplasm collections.

~~10~~**9.** **Environmental Quality Research.** Out of the funds appropriated above in Strategy A.1.1, Agricultural/Life Sciences Research, a biennial amount of $525,000 shall be used to fund air quality research related to livestock production conducted at the Texas Agricultural Experiment Station in Amarillo, Texas.

TEXAS COOPERATIVE EXTENSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 47,391,030	$ 47,391,030
Federal Funds	10,645,630	10,645,630
Other Funds		
County Funds-Ag Extension Programs Fund, Locally Held, estimated	8,149,352	8,149,352
Interagency Contracts	571,318	571,318
Subtotal, Other Funds	$ 8,720,670	$ 8,720,670
Total, Method of Financing	$ 66,757,330	$ 66,757,330
This bill pattern represents an estimated 68.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,137.0	1,137.0
Items of Appropriation:		
A. Goal: HEALTH AND SAFETY EDUCATION Educate Texans for Improving Their Health, Safety, and Well-Being.		
A.1.1. Strategy: HEALTH AND SAFETY EDUCATION Conduct Education Programs: Nutrition, Safety and Dependent Care.	$ 11,771,324	$ 11,771,324
B. Goal: ENVIRONMENTAL EDUCATION Educate Texans on Environmental Stewardship and Natural Resources.		
B.1.1. Strategy: ENVIRONMENTAL EDUCATION Conduct Education Programs: Land and Water Ecosystems.	$ 9,467,596	$ 9,467,596
C. Goal: ECONOMIC COMPETITIVENESS Educate Texans on Their Economic Security & Texas Economic Prosperity.		
C.1.1. Strategy: ECONOMIC COMPETITIVENESS Conduct Education Programs: Economic Competitiveness/Rural Development.	$ 25,142,312	$ 25,142,312

TEXAS COOPERATIVE EXTENSION
(Continued)

D. Goal: LEADERSHIP DEVELOPMENT		
Foster Development of Responsible, Productive & Motivated Youth/Adults.		
D.1.1. Strategy: LEADERSHIP DEVELOPMENT Teach Leadership, Life, and Career Skills to Both Youth and Adults.	$ 12,359,007	$ 12,359,007
E. Goal: WILDLIFE MANAGEMENT		
Protect Resources and Property from Wildlife-related Damages.		
E.1.1. Strategy: WILDLIFE MANAGEMENT Provide Direct Control and Technical Assistance.	$ 3,155,537	$ 3,155,537
F. Goal: STAFF BENEFITS		
Maintain Staff Benefits Program for Eligible Employees and Retirees.		
F.1.1. Strategy: STAFF GROUP INSURANCE Staff Group Insurance Premiums.	$ 700,000	$ 700,000
F.1.2. Strategy: WORKERS' COMP INSURANCE Provide Funding for Workers' Compensation Insurance.	$ 272,227	$ 272,227
F.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide Funding for Unemployment Insurance.	$ 23,970	$ 23,970
F.1.4. Strategy: OASI Provide Funding for OASI.	$ 167,552	$ 167,552
Total, Goal F: STAFF BENEFITS	$ 1,163,749	$ 1,163,749
G. Goal: INDIRECT ADMINISTRATION		
G.1.1. Strategy: INDIRECT ADMINISTRATION	$ 2,171,229	$ 2,171,229
G.1.2. Strategy: INFRASTRUCTURE SUPPORT IN BRAZOS CO Infrastructure Support - In Brazos County.	$ 785,205	$ 785,205
G.1.3. Strategy: INFRASTRUCT SUPP OUTSIDE BRAZOS CO Infrastructure Support - Outside Brazos County.	$ 834,778	$ 834,778
Total, Goal G: INDIRECT ADMINISTRATION	$ 3,791,212	$ 3,791,212
H. Goal: ADMINISTRATIVE REDUCTIONS		
H.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (93,407)	$ (93,407)
Grand Total, TEXAS COOPERATIVE EXTENSION	$ 66,757,330	$ 66,757,330
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 16,909,238	$ 16,909,238
Other Personnel Costs	3,157,378	3,157,378
Professional Salaries - Faculty Equivalent (Higher Education Only)	11,255,441	11,255,441
Professional Salaries - Extension (Texas Cooperative Extension)	26,073,410	26,073,410
Professional Fees and Services	138,500	138,500
Fuels and Lubricants	546,555	546,555
Consumable Supplies	275,001	275,001
Utilities	979,669	979,669
Travel	870,001	870,001
Rent - Building	58,000	58,000
Rent - Machine and Other	205,000	205,000
Other Operating Expense	5,888,778	5,888,778
Capital Expenditures	400,359	400,359
Total, Object-of-Expense Informational Listing	$ 66,757,330	$ 66,757,330
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,417,416	$ 4,629,140
Group Insurance	10,101,466	10,101,466
Social Security	2,358,516	2,441,064
Subtotal, Employee Benefits	$ 16,877,398	$ 17,171,670

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 16,877,398	$ 17,171,670

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Cooperative Extension. 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 Cooperative Extension. In order to achieve the objectives and service standards established by this Act, the Texas Cooperative Extension shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: HEALTH AND SAFETY EDUCATION		
Outcome (Results/Impact):		
Educational Program Index Attainment	93.6	94.6
A.1.1. Strategy: HEALTH AND SAFETY EDUCATION		
Output (Volume):		
Direct Teaching Exposures	2,758,518	2,758,418
Efficiencies:		
Average Cost Per Educational Contact	3.75	3.75
Percentage of Direct Teaching Exposures Obtained through Distance Education	15%	15%
B. Goal: ENVIRONMENTAL EDUCATION		
Outcome (Results/Impact):		
Educational Program Index Attainment	91.8	92.8
B.1.1. Strategy: ENVIRONMENTAL EDUCATION		
Output (Volume):		
Direct Teaching Exposures	3,947,545	3,947,545
Efficiencies:		
Average Cost Per Educational Contact	2.8	2.8
Percentage of Direct Teaching Exposures Obtained through Distance Education	40%	40%
C. Goal: ECONOMIC COMPETITIVENESS		
Outcome (Results/Impact):		
Educational Program Index Attainment	89	90
C.1.1. Strategy: ECONOMIC COMPETITIVENESS		
Output (Volume):		
Direct Teaching Exposures	6,940,774	6,940,774
Efficiencies:		
Economic Impact Per Dollar Invested	560	560
Percentage of Direct Teaching Exposures Obtained through Distance Education	40%	40%
D. Goal: LEADERSHIP DEVELOPMENT		
Outcome (Results/Impact):		
Educational Program Index Attainment	93.4	94.4
D.1.1. Strategy: LEADERSHIP DEVELOPMENT		
Output (Volume):		
Direct Teaching Exposures	4,830,269	4,830,269
Efficiencies:		
Average Cost Per Educational Contact	2.44	2.44
Percentage of Direct Teaching Exposures Obtained through Distance Education	5%	5%
E. Goal: WILDLIFE MANAGEMENT		
Outcome (Results/Impact):		
Percent of Counties Receiving Direct Control Assistance	85%	85%
E.1.1. Strategy: WILDLIFE MANAGEMENT		
Output (Volume):		
Number of Properties Provided Wildlife Damage Management Assistance	5,122	5,122
Number of Technical Assistance Projects	10,037	10,037

~~3~~2. **Integrated Pest Management.** Out of the funds appropriated above, $49,365 in each year of the biennium is for contracting with the Texas Pest Management Association for pest management. No more than 10 percent of these funds shall be used by the Texas Cooperative Extension for administering the program.

~~4~~3. **Limited Waiver from Proportionality Provision.** For the purpose of determining proportional payments of retirement and group insurance benefits for the Texas Cooperative

Extension, as required in this Act, County Funds paid directly by County Commissioners Courts shall be considered as General Revenue Funds. The Texas Cooperative Extension is specifically exempt from implementation of proportionality for Higher Education Retirement Programs, but only in regard to the retirement match limit that is imposed under the federal Smith-Lever Act and the Hatch Act.

~~54~~. **Increased Inter-agency Collaboration.** The Texas Cooperative Extension and the Texas Engineering Extension Service are directed to use the amounts appropriated above to meet annually to generate, implement and manage efforts designed to reinforce each agency's respective training mission and avoid potential duplication of training efforts. The agencies shall file a jointly produced report with the Legislative Budget Board and the Governor by October 1 of each year summarizing the actions taken to meet the above purposes.

~~65~~. **Quail Management.** Out of the funds appropriated above, $125,000 in fiscal year 2~~006~~2008 and $125,000 in fiscal year ~~2007~~2009 shall be used for education outreach programs, restoration of habitat and quail research for the purpose of promoting appropriate management practices.

~~76~~. **Youth Development Programs in Urban Areas.** ~~It is the intent of the Legislature that t~~The Texas Cooperative Extension, in addition to providing ongoing programs for rural residents, shall use the appropriations above to place greater emphasis on providing community leadership development education programming, targeting (but not limited to) youth residing in urban areas.

~~87~~. **Beaver Control-East Texas.** Out of the funds appropriated above in Strategy E.1.1. Wildlife Management, $160,160 in fiscal year ~~2006~~2008 and $160,160 in fiscal year ~~2007~~2009 shall be ~~used for Beaver Control in East Texas~~ expended for the purpose of beaver control in East Texas.

~~98~~. **Feral Hog Control.** Out of the funds appropriated above in Strategy E.1.1. Wildlife Management, $40,040 in fiscal year ~~2006~~2008 and $40,040 in fiscal year ~~2007~~2009 shall be used for Feral Hog Control.

TEXAS ENGINEERING EXPERIMENT STATION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 12,315,082	$ 12,311,728
GR Dedicated - Texas Emissions Reduction Plan Account No. 5071	952,019	952,019
Federal Funds	52,843,520	52,837,520
Other Funds		
Interagency Contracts	3,344,753	3,344,753
Industry, Municipal, and/or Foundation Grants, estimated	19,573,539	19,573,539
Indirect Cost Recovery, Locally Held, estimated	3,968,462	3,967,862
Subtotal, Other Funds	$ 26,886,754	$ 26,886,154
Total, Method of Financing	$ 92,997,375	$ 92,987,421
This bill pattern represents an estimated 92% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	797.6	797.6
Items of Appropriation:		
A. Goal: ENGINEERING RESEARCH		
Conduct engineering & related research to enhance higher ed & eco dev.		

A.1.1. Strategy: RESEARCH DIVISIONS Develop/support research programs, centers, institutes & initiatives.	$ 57,623,671	$ 57,617,071
A.1.2. Strategy: MULTI-INSTITUTIONAL OUTREACH Work with institutions in research & development and provide outreach.	$ 22,057,047	$ 22,057,047
A.2.1. Strategy: TECHNOLOGY TRANSFER	$ 317,341	$ 317,341
A.3.1. Strategy: EDUCATIONAL PROGRAMS Provide programs for student participation in eng research & education.	$ 1,555,055	$ 1,555,055
Total, Goal A: ENGINEERING RESEARCH	$ 81,553,114	$ 81,546,514
B. Goal: STAFF BENEFITS Maintain staff benefits program for eligible employees and retirees.		
B.1.1. Strategy: STAFF GROUP INSURANCE Provide funding for staff group insurance premiums.	$ 2,487,708	$ 2,487,708
B.1.2. Strategy: WORKERS' COMP INSURANCE Provide funding for workers' compensation insurance.	$ 117,863	$ 117,863
B.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide funding for unemployment insurance.	$ 31,902	$ 31,902
B.1.4. Strategy: OASI Provide funding for OASI.	$ 1,647,881	$ 1,647,881
B.1.5. Strategy: OPTIONAL RETIREMENT PROGRAM Optional Retirement Program Differential.	$ 71,182	$ 71,182
Total, Goal B: STAFF BENEFITS	$ 4,356,536	$ 4,356,536
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 3,798,342	$ 3,798,342
C.1.2. Strategy: INFRASTRUCTURE SUPPORT	$ 3,456,954	$ 3,456,954
Total, Goal C: INDIRECT ADMINISTRATION	$ 7,255,296	$ 7,255,296
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (167,571)	$ (170,925)
Grand Total, TEXAS ENGINEERING EXPERIMENT STATION	$ 92,997,375	$ 92,987,421
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 31,937,908	$ 31,931,307
Other Personnel Costs	3,605,307	3,605,308
Professional Salaries - Faculty Equivalent (Higher Education Only)	13,544,371	13,544,370
Professional Fees and Services	13,685,562	13,685,562
Fuels and Lubricants	10,429	10,429
Consumable Supplies	869,066	869,066
Utilities	332,039	332,039
Travel	3,051,323	3,051,323
Rent - Building	807,053	807,053
Rent - Machine and Other	240,124	240,124
Other Operating Expense	21,136,784	21,133,431
Capital Expenditures	3,777,409	3,777,409
Total, Object-of-Expense Informational Listing	$ 92,997,375	$ 92,987,421
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,092,940	$ 2,198,031
Group Insurance	1,719,610	1,719,610
Social Security	825,119	853,998
Subtotal, Employee Benefits	$ 4,637,669	$ 4,771,639

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,637,669	$ 4,771,639

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Engineering Experiment Station. 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 Engineering Experiment Station. In order to achieve the objectives and service standards established by this Act, the Texas Engineering Experiment Station shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ENGINEERING RESEARCH		
Outcome (Results/Impact):		
Leverage Ratio of General Revenue Appropriations to Total Funds (Excluding Infrastructure Funds)	13	13
Total Dollar Volume of Research (Millions)	112	112
Number of Formal License Agreements	20	20
A.1.1. Strategy: RESEARCH DIVISIONS		
Output (Volume):		
Dollar Volume of Research (Millions)	83.5	83.5
Number of Research Projects	3,499	3,499
A.1.2. Strategy: MULTI-INSTITUTIONAL OUTREACH		
Output (Volume):		
Number of Collaborative Initiatives	945	945
Dollar Volume of Activities (Millions)	23	23
A.2.1. Strategy: TECHNOLOGY TRANSFER		
Output (Volume):		
Number of Patent Applications	30	30
A.3.1. Strategy: EDUCATIONAL PROGRAMS		
Output (Volume):		
Number of Students from Underrepresented Groups Participating in Agency Activities	6,523	6,523

~~3~~2. **Offshore Technology Research Center.** Out of the funds appropriated above in Strategy A.1.1, Research Divisions, $203,861 in fiscal year ~~2006~~2008 and $203,861 in fiscal year ~~2007~~2009 is for the purpose of supporting the Offshore Technology Research Center.

TEXAS TRANSPORTATION INSTITUTE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
Federal Funds	$ 4,000,000	$ 4,000,000
Other Funds		
Appropriated Receipts	7,074,084	7,074,084
Interagency Contracts	22,141,866	22,141,866
Indirect Cost Recovery, Locally Held, estimated	1,514,055	1,514,055
State Highway Fund No. 006	6,039,548	6,039,548
Subtotal, Other Funds	$ 36,769,553	$ 36,769,553
Total, Method of Financing	$ 40,769,553	$ 40,769,553
This bill pattern represents an estimated 92.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	423.7	423.7

Items of Appropriation:
A. Goal: TRANSPORTATION RESEARCH
Transportation Research, Dissemination & Transportation Education.

A.1.1. Strategy: SPONSORED RESEARCH Sponsored Transportation Research.	$ 30,939,189	$ 30,939,189
A.1.2. Strategy: NATIONAL CENTERS Research/Education within the National Centers.	$ 2,767,832	$ 2,767,832
Total, Goal A: TRANSPORTATION RESEARCH	$ 33,707,021	$ 33,707,021
B. Goal: STAFF BENEFITS Maintain Staff Benefits Program for Eligible Employees and Retirees.		
B.1.1. Strategy: STAFF GROUP INSURANCE Provide Funding for Staff Group Insurance Premiums.	$ 1,534,685	$ 1,534,685
B.1.2. Strategy: WORKERS' COMP INSURANCE Provide Funding for Workers' Compensation Insurance.	$ 57,769	$ 57,769
B.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide Funding for Unemployment Insurance.	$ 20,780	$ 20,780
B.1.4. Strategy: OASI Provide Funding for OASI.	$ 1,328,043	$ 1,328,043
Total, Goal B: STAFF BENEFITS	$ 2,941,277	$ 2,941,277
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 2,734,805	$ 2,734,805
C.1.2. Strategy: INFRASTRUCTURE SUPPORT	$ 1,386,450	$ 1,386,450
Total, Goal C: INDIRECT ADMINISTRATION	$ 4,121,255	$ 4,121,255
Grand Total, TEXAS TRANSPORTATION INSTITUTE	$ 40,769,553	$ 40,769,553
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 23,422,041	$ 23,422,041
Other Personnel Costs	2,712,053	2,712,053
Professional Fees and Services	44,048	44,048
Fuels and Lubricants	15,459	15,459
Consumable Supplies	368,823	368,823
Utilities	288,736	288,736
Travel	922,398	922,398
Rent - Building	506,747	506,747
Rent - Machine and Other	375,260	375,260
Other Operating Expense	11,247,350	11,247,350
Capital Expenditures	866,638	866,638
Total, Object-of-Expense Informational Listing	$ 40,769,553	$ 40,769,553
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 820,052	$ 861,195
Group Insurance	485,004	485,004
Social Security	196,385	203,258
Subtotal, Employee Benefits	$ 1,501,441	$ 1,549,457
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,501,441	$ 1,549,457

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Transportation Institute. 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 Transportation Institute. In order to achieve the objectives and service standards established by this Act, the Texas Transportation Institute shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: TRANSPORTATION RESEARCH		
Outcome (Results/Impact):		
Total Dollar Volume of Research	37,453,382	37,453,382

Leverage Ratio of Direct State Funding to Total Funds (Excluding Infrastructure Funds)	14	14
A.1.1. Strategy: SPONSORED RESEARCH		
Output (Volume):		
Number of TTI Patented Safety Devices Installed	485,000	505,000
Number of Students Involved in TTI Education and Research Activities	180	180
Dollar Volume of Research	33,708,044	33,708,044
A.1.2. Strategy: NATIONAL CENTERS		
Output (Volume):		
Number of Students Involved in TTI Education and Research Activities	39	39
Dollar Volume of Research	3,745,338	3,745,338

~~3~~2. **Transportation Safety Center.** Out of State Highway Fund No. 006, $500,000 in fiscal year ~~2006~~2008 and $500,000 in fiscal year ~~2007~~2009 shall be used to fund the Transportation Safety Center to conduct research, education, and technology transfer to improve the safety of Texas' roads and highways.

~~4~~3. **Transportation Studies Center.** Out of State Highway Fund No. 006, $850,000 in fiscal year ~~2006~~2008 and $850,000 in fiscal year ~~2007~~2009 shall be used to fund the Transportation Studies Center in El Paso to conduct research, education, and technology transfer to improve the safety of Texas' roads and highways.

TEXAS ENGINEERING EXTENSION SERVICE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 5,919,962	$ 5,912,221
Federal Funds	28,450,102	28,450,102
Other Funds		
Appropriated Receipts	27,856,101	27,856,101
Interagency Contracts	4,121,774	4,121,774
Indirect Cost Recovery, Locally Held, estimated	10,123,010	10,123,010
Subtotal, Other Funds	$ 42,100,885	$ 42,100,885
Total, Method of Financing	$ 76,470,949	$ 76,463,208
This bill pattern represents an estimated 97.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	558.6	558.6
Items of Appropriation:		
A. Goal: PROVIDE TRAINING		
Provide Training, Tech Transfer, and Technical Assistance.		
A.1.1. Strategy: PUBLIC SECTOR TRAINING Provide Public Sector Training.	$ 35,671,034	$ 35,309,998
A.1.2. Strategy: PRIVATE SECTOR TRAINING Provide Private Sector Training.	$ 12,531,624	$ 12,531,624
Total, Goal A: PROVIDE TRAINING	$ 48,202,658	$ 47,841,622
B. Goal: TECHNOLOGY TRANSFER ASSISTANCE		
Provide Special Instructions, Tech Transfer & Technical Assistance.		
B.1.1. Strategy: PROVIDE TECHNICAL ASSISTANCE Operate a Technology Transfer Program.	$ 9,835,281	$ 10,096,188
C. Goal: PROVIDE EMERGENCY RESPONSE		
C.1.1. Strategy: PROVIDE TX TASK FORCE 1 CAPABILITY Provide Texas Task Force One Capabilities.	$ 2,128,617	$ 2,228,746

D. Goal: STAFF BENEFITS		
Maintain Staff Benefits Program for Eligible Employees and Retirees.		
D.1.1. Strategy: STAFF GROUP INSURANCE Provide Funding for Staff Group Insurance Premiums.	$ 3,066,226	$ 3,066,226
D.1.2. Strategy: WORKERS' COMPENSATION INSURANCE Provide Funding for Workers' Compensation Insurance.	$ 210,397	$ 210,397
D.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide Funding for Unemployment Insurance.	$ 92,057	$ 92,057
D.1.4. Strategy: OASI Provide funding for OASI.	$ 2,155,768	$ 2,155,768
Total, Goal D: STAFF BENEFITS	$ 5,524,448	$ 5,524,448
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: INDIRECT ADMINISTRATION	$ 9,200,687	$ 9,200,687
E.1.2. Strategy: INFRASTRUCTURE SUPPORT	$ 1,642,874	$ 1,642,874
Total, Goal E: INDIRECT ADMINISTRATION	$ 10,843,561	$ 10,843,561
F. Goal: ADMINISTRATIVE REDUCTIONS		
F.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (63,616)	$ (71,357)
Grand Total, TEXAS ENGINEERING EXTENSION SERVICE	$ 76,470,949	$ 76,463,208
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 33,486,893	$ 33,486,893
Other Personnel Costs	4,153,527	4,053,527
Professional Fees and Services	991,978	991,978
Fuels and Lubricants	1,933,292	1,933,292
Consumable Supplies	383,460	383,460
Utilities	797,098	797,098
Travel	6,757,095	6,757,095
Rent - Building	972,801	972,801
Rent - Machine and Other	625,832	625,832
Other Operating Expense	26,264,681	26,356,940
Capital Expenditures	104,292	104,292
Total, Object-of-Expense Informational Listing	$ 76,470,949	$ 76,463,208
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,594,390	$ 1,676,325
Group Insurance	331,588	331,588
Social Security	169,993	175,943
Subtotal, Employee Benefits	$ 2,095,971	$ 2,183,856
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,095,971	$ 2,183,856

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Engineering Extension Service. 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 Engineering Extension Service. In order to achieve the objectives and service standards established by this Act, the Texas Engineering Extension Service shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: PROVIDE TRAINING		
Outcome (Results/Impact):		
Leverage Ratio of General Revenue Appropriations to Total Funds (Excluding Infrastructure Funds)	.07	.07
A.1.1. Strategy: PUBLIC SECTOR TRAINING		

Output (Volume):		
Number of Student Contact Hours	1,714,284	1,714,284
B. Goal: TECHNOLOGY TRANSFER ASSISTANCE		
B.1.1. Strategy: PROVIDE TECHNICAL ASSISTANCE		
Output (Volume):		
Number of Service Contact Hours	155,104	155,104
C. Goal: PROVIDE EMERGENCY RESPONSE		
C.1.1. Strategy: PROVIDE TX TASK FORCE 1 CAPABILITY		
Output (Volume):		
Number of Emergency Response Teams Operationally Ready	27	27
Number of Hours Spent on Emergency Response	38,880	38,880
Number of Jurisdictions Assisted	30	30

~~3~~2. **Increased Interagency Collaboration.** The Texas Cooperative Extension and the Texas Engineering Extension Service are directed to use the appropriations above to meet annually to generate, implement, and manage efforts designed to reinforce each agency's respective training mission and avoid potential duplication of training efforts. The agencies shall file a jointly produced report with the Legislative Budget Board and the Governor by October 1 of each year summarizing the actions taken to meet the above purposes.

~~4~~3. **Pay for Regular Compensatory Time.** The Texas Engineering Extension Service, notwithstanding any other provision of law, may use the appropriations above to pay its Fair Labor Standards Act exempt employees on a straight-line basis for work on a holiday or for regular compensatory time hours when such time is worked in connection with a state or federal activation and when the taking of regular compensatory time off would be disruptive to normal business functions.

TEXAS FOREST SERVICE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 12,055,962	$ 12,055,911
Urban Forestry Plates Account No. 5133, estimated	4,500	2,000
Insurance Companies Maintenance Tax and Insurance Department Fees	3,325,000	3,325,000
Subtotal, General Revenue Fund	$ 15,385,462	$ 15,382,911
General Revenue Fund - Dedicated		
Volunteer Fire Department Assistance Account No. 5064	15,000,000	15,000,000
Rural Volunteer Fire Department Insurance Account No. 5066, estimated	750,000	750,000
Subtotal, General Revenue Fund - Dedicated	$ 15,750,000	$ 15,750,000
Federal Funds	4,090,270	4,090,270
Appropriated Receipts	2,321,152	2,321,152
Total, Method of Financing	$ 37,546,884	$ 37,544,333
This bill pattern represents an estimated 88.4% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	372.4	372.4
Items of Appropriation:		
A. Goal: DEVELOP FOREST RESOURCES		
Develop Forest/Tree Resources to Protect Life, Environment & Property.		

A.1.1. Strategy: WILDFIRE AND EMERGENCY PROGRAM Wildfire Prevention, Detection, and Suppression and Emergency Response.	$ 24,644,763	$ 24,644,762
A.1.2. Strategy: FOREST INSECTS AND DISEASES Provide Detection/Notification/Control of Forest/Tree Insect & Disease.	$ 995,914	$ 995,914
A.2.1. Strategy: FORESTRY LEADERSHIP Provide Professional Forestry Leadership & Resource Marketing.	$ 5,923,386	$ 5,923,386
A.2.2. Strategy: ENVIRONMENTAL ENHANCEMENT Provide Leadership in Enhancement of Tree and Forest Resources.	$ 1,774,197	$ 1,771,697
Total, Goal A: DEVELOP FOREST RESOURCES	$ 33,338,260	$ 33,335,759
B. Goal: STAFF BENEFITS Maintain Staff Benefits Program for Eligible Employees and Retirees.		
B.1.1. Strategy: STAFF GROUP INSURANCE Provide Funding for Staff Group Insurance Premiums.	$ 1,283,414	$ 1,283,414
B.1.2. Strategy: WORKERS' COMP INSURANCE Provide Funding for Workers' Compensation Insurance.	$ 96,495	$ 96,495
B.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide Funding for Unemployment Insurance.	$ 4,337	$ 4,337
B.1.4. Strategy: OASI Provide Funding for OASI.	$ 192,939	$ 192,939
B.1.5. Strategy: HAZARDOUS DUTY PAY Provide Funding for Hazardous Duty Pay.	$ 4,310	$ 4,310
Total, Goal B: STAFF BENEFITS	$ 1,581,495	$ 1,581,495
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 1,805,255	$ 1,805,255
C.1.2. Strategy: INFRASTRUCTURE SUPPORT IN BRAZOS CO Infrastructure Support - In Brazos County.	$ 212,522	$ 212,522
C.1.3. Strategy: INFRASTRUCT SUPP OUTSIDE BRAZOS CO Infrastructure Support - Outside Brazos County.	$ 680,892	$ 680,893
Total, Goal C: INDIRECT ADMINISTRATION	$ 2,698,669	$ 2,698,670
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (71,540)	$ (71,591)
Grand Total, TEXAS FOREST SERVICE	$ 37,546,884	$ 37,544,333
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 14,825,234	$ 14,825,233
Other Personnel Costs	655,437	655,437
Professional Fees and Services	67,144	67,144
Fuels and Lubricants	517,370	517,370
Consumable Supplies	871,831	871,831
Utilities	737,614	737,614
Travel	360,625	360,625
Rent - Building	303,810	303,811
Rent - Machine and Other	267,471	267,471
Other Operating Expense	3,373,765	3,371,214
Grants	15,266,583	15,266,583
Capital Expenditures	300,000	300,000
Total, Object-of-Expense Informational Listing	$ 37,546,884	$ 37,544,333
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,226,238	$ 1,287,047
Group Insurance	2,387,209	2,387,209
Social Security	1,100,287	1,138,797

Subtotal, Employee Benefits	$ 4,713,734	$ 4,813,053
Debt Service		
Lease Payments	$ 9,038	$ 8,929
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,722,772	$ 4,821,982

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Texas Forest Service. 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 Forest Service. In order to achieve the objectives and service standards established by this Act, the Texas Forest Service shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: DEVELOP FOREST RESOURCES		
Outcome (Results/Impact):		
Saved-to-lost Ratio of Resource and Property Values from Wildfire	5.1	5.1
Number of Trees Saved from Spread of Oak Wilt Disease	33,500	33,500
Number of Acres Protected through Windbreak Plantings	10,000	10,000
A.1.1. Strategy: WILDFIRE AND EMERGENCY PROGRAM		
Output (Volume):		
Number of Community Assists	3,576	3,576
Number of Contact Hours of Firefighter Training	60,909	60,909
Number of Hours Spent for Emergency Response	58,242	58,242
A.1.2. Strategy: FOREST INSECTS AND DISEASES		
Output (Volume):		
Number of Property Owners Provided with Oak Wilt Information	6,150	6,150
A.2.1. Strategy: FORESTRY LEADERSHIP		
Output (Volume):		
Number of Acres of Reforestation on Nonindustrial Private Forestland in East Texas	44,000	44,000
Number of Resource Development Assists	18,000	18,000
A.2.2. Strategy: ENVIRONMENTAL ENHANCEMENT		
Output (Volume):		
Number of Community Assists	550	550
Number of Windbreak Seedlings Planted	220,000	220,000

~~3~~2. Overtime Payments, Contingency. Included in the appropriation above, $335,223 for each year of the biennium is for the sole purpose of paying mandatory overtime expenses of non-exempt employees of the Texas Forest Service when such overtime is incurred in emergency response activities. It is further provided that payments from this appropriation shall be made only upon overtime payroll vouchers submitted to the State Comptroller. Any balances remaining as of August 31, ~~2005~~2007 are hereby appropriated for the same purpose for the biennium beginning September 1, ~~2005~~2007, and balances remaining as of August 31, ~~2006~~2008 are hereby appropriated for fiscal year ~~2007~~2009.

~~4~~3. Texas Wildfire Protection Plan. Out of the funds appropriated above, $3,325,000 from the Insurance Companies Maintenance Tax in each year of the biennium shall be used for the Texas Wildfire Protection Plan. Of the appropriations above, $418,463 each year is included to cover associated group health insurance costs for salaries paid from this method of finance.

~~5~~4. Pay for Regular Compensatory Time. The Texas Forest Service, notwithstanding any other provisions of law, may use the appropriations above to pay its Fair Labor Standards Act exempt employees on a straight-time basis for work on a holiday or for regular compensatory time hours when such time is worked in connection with an emergency and when the taking of regular compensatory time off would be disruptive to normal business functions.

5. Urban Forestry License Plate Fund. Appropriation of License Plate Unexpended Balances and Receipts. Included in the amounts appropriated above in Strategy A.2.2, Environmental Enhancement, are all estimated balances collected prior to the effective date of this Act (estimated to be $2,500 and included in fiscal year 2008) and all revenue collected on or after September 1, 2007 (estimated to be $2,000 in 2008 and $2,000 in 2009) from the sale of license plated as provided by the Transportation Code § 504.632 and deposited to the credit of the Urban Forestry License Plate Account No. 5133.

Any unexpended balances as of August 31, 2008, out of the appropriations made herein are hereby appropriated to the Texas Forest Service for the fiscal year beginning September 1, 2008.

TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 4,893,026	$ 4,892,979
Federal Funds	300,000	300,000
Other Funds		
Drug Testing Laboratory Fee Revenue, estimated	1,362,688	1,362,688
Veterinary Medical Diagnostic Laboratory Fee Revenue, estimated	7,351,364	7,351,365
Subtotal, Other Funds	$ 8,714,052	$ 8,714,053
Total, Method of Financing	$ 13,907,078	$ 13,907,032
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	155.0	155.0
Items of Appropriation:		
A. Goal: DIAGNOSTIC AND DRUG TESTING		
Provide Diagnostic Services Drug/Export Tests, & Disease Surveillance.		
A.1.1. Strategy: DIAGNOSTIC SERVICES Provide Diagnostic Service and Disease Surveillance.	$ 9,568,043	$ 9,568,043
A.2.1. Strategy: DRUG TESTING SERVICE Provide Drug Testing Service.	$ 1,054,729	$ 1,054,729
Total, Goal A: DIAGNOSTIC AND DRUG TESTING	$ 10,622,772	$ 10,622,772
B. Goal: STAFF BENEFITS		
Maintain Staff Benefits Program for Eligible Employees and Retirees.		
B.1.1. Strategy: STAFF GROUP INSURANCE Provide Funding for Staff Group Insurance Premiums.	$ 794,797	$ 794,797
B.1.2. Strategy: WORKERS' COMP INSURANCE Provide Funding for Workers' Compensation Insurance.	$ 20,221	$ 20,221
B.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide Funding for Unemployment Insurance.	$ 3,406	$ 3,406
B.1.4. Strategy: OASI Provide Funding for OASI.	$ 240,108	$ 240,108
B.1.5. Strategy: OPTIONAL RETIREMENT PROGRAM Optional Retirement Program Differential.	$ 53,216	$ 53,216
Total, Goal B: STAFF BENEFITS	$ 1,111,748	$ 1,111,748
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 1,281,004	$ 1,281,004
C.1.2. Strategy: INFRASTRUCTURE SUPPORT IN BRAZOS CO Infrastructure Support - In Brazos Country.	$ 710,000	$ 710,000

C.1.3. Strategy: INFRASTRUCT SUPP OUTSIDE BRAZOS CO Infrastructure Support - Outside Brazos County.	$ 205,000	$ 205,000
Total, Goal C: INDIRECT ADMINISTRATION	$ 2,196,004	$ 2,196,004
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (23,446)	$ (23,492)
Grand Total, TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY	$ 13,907,078	$ 13,907,032
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 7,077,713	$ 7,077,713
Other Personnel Costs	749,341	749,341
Professional Fees and Services	33,361	33,361
Fuels and Lubricants	19,091	19,091
Consumable Supplies	2,053,348	2,053,348
Utilities	654,687	654,687
Travel	66,739	66,739
Rent - Machine and Other	46,697	46,697
Other Operating Expense	2,660,343	2,660,297
Capital Expenditures	545,758	545,758
Total, Object-of-Expense Informational Listing	$ 13,907,078	$ 13,907,032
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 64,118	$ 66,683
Group Insurance	467,504	467,504
Social Security	210,515	217,883
Subtotal, Employee Benefits	$ 742,137	$ 752,070
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 742,137	$ 752,070

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Veterinary Medical Diagnostic Laboratory. 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 Veterinary Medical Diagnostic Laboratory. In order to achieve the objectives and service standards established by this Act, the Texas Veterinary Medical Diagnostic Laboratory shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: DIAGNOSTIC AND DRUG TESTING		
Outcome (Results/Impact):		
Number of Diagnostic Services Rendered	1,075,000	1,075,000
Percent of Animals Testing Drug Free	99.5%	99.5%
A.1.1. Strategy: DIAGNOSTIC SERVICES		
Output (Volume):		
Number of Cases Submitted and Examined	195,000	195,000
Number of Surveillance Tests Performed for Agents of Bio- or Eco-terrorism	320,000	320,000
A.2.1. Strategy: DRUG TESTING SERVICE		
Output (Volume):		
Number of Animals Tested	26,500	26,500

2. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Veterinary Medical Diagnostic Laboratory are made contingent on the continuation of the Veterinary Medical Diagnostic Laboratory by the Eightieth Legislature. In the event the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 20,727,697	$ 21,208,599
General Revenue Dedicated Accounts, estimated	4,771	5,010
Federal Funds, estimated	3,593,898	3,653,943
Other Special State Funds, estimated	467,205	475,422
Total, Method of Financing	$ 24,793,571	$ 25,342,974
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT - PUBLIC EDUCATION	$ 4,480,700	$ 4,547,910
Retirement - Public Education. Estimated.		
A.1.2. Strategy: RETIREMENT- HIGHER EDUCATION	$ 2,157,725	$ 2,190,090
Retirement - Higher Education. Estimated.		
A.1.3. Strategy: GROUP INSURANCE - PUBLIC EDUCATION	$ 13,129,161	$ 13,398,732
Group Insurance - Public Education. Estimated.		
A.1.4. Strategy: GROUP INSURANCE - HIGHER EDUCATION	$ 5,025,985	$ 5,206,242
Group Insurance - Higher Education. Estimated.		
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 24,793,571	$ 25,342,974
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 24,793,571	$ 25,342,974

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 199,394,032	$ 206,215,047
General Revenue Dedicated Accounts, estimated	40,380,232	41,792,627
Federal Funds, estimated	1,455,365	1,471,066
Other Funds		
Other Special State Funds, estimated	11,737,013	12,091,340
State Highway Fund No. 006, estimated	196,385	203,258
Subtotal, Other Funds	$ 11,933,398	$ 12,294,598
Total, Method of Financing	$ 253,163,027	$ 261,773,338
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH - EMPLOYER - PUBLIC ED	$ 7,709,553	$ 7,825,197
State Match — Employer — Public Education. Estimated.		
A.1.2. Strategy: STATE MATCH-EMPLOYER-HIGHER ED	$ 244,584,314	$ 253,122,438
State Match — Employer — Higher Education. Estimated.		
A.1.3. Strategy: BRP -- PUBLIC EDUCATION	$ 736,647	$ 699,815
Benefit Replacement Pay — Public Education. Estimated.		
A.1.4. Strategy: BRP - HIGHER EDUCATION	$ 132,513	$ 125,888
Benefit Replacement Pay — Higher Education. Estimated.		
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 253,163,027	$ 261,773,338
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 253,163,027	$ 261,773,338

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,532,386	$ 4,010,254
Total, Method of Financing	$ 2,532,386	$ 4,010,254
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	$ 2,532,386	$ 4,010,254 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 2,532,386	$ 4,010,254

LEASE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 6,351,521	$ 6,304,925
Total, Method of Financing	$ 6,351,521	$ 6,304,925
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS - PUBLIC EDUCATION	$ 5,629,725	$ 5,616,873 & UB
To TBPC for Payment to TPFA - Public Education.		
A.1.2. Strategy: LEASE PAYMENTS - HIGHER EDUCATION	$ 721,796	$ 688,052 & UB
To TBPC for Payment to TPFA - Higher Education.		
Total, Goal A: FINANCE CAPITAL PROJECTS	$ 6,351,521	$ 6,304,925
Grand Total, LEASE PAYMENTS	$ 6,351,521	$ 6,304,925

SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES OF HIGHER EDUCATION

Sec. 2. Local Funds Appropriated. All balances of local funds except for any identifiable general revenue in the local funds of the state institutions of higher education named in this Article, as those funds are defined in Education Code § 51.009(a) (excluding indirect cost recovery), at the close of the fiscal year ending August 31, ~~2005~~2007, including balances in their local revolving funds at that time, and the income to said funds during the fiscal years beginning September 1, ~~2005~~2007 and ~~2006~~2008, are hereby appropriated for the operation, maintenance, and improvement of the respective state institutions. Institutional funds, as those funds are defined in Education Code § 51.009(b), shall be expended as authorized by the laws governing the use of the funds, and unless specifically included or identified, are exempt from the Article III and IX Special Provisions of this Act.

All local funds shall be subject to the special and general provisions of Articles III and IX except where certain local funds are specifically exempted from these provisions by a provision herein or by specific statutory authority.

Sec. 3. Definition of Terms.

1. As used in this Act, the term "general academic institutions" shall mean only the following institutions:

   The University of Texas at Arlington
   The University of Texas at Austin
   The University of Texas at Dallas
   The University of Texas at El Paso
   The University of Texas - Pan American
   The University of Texas at Brownsville
   The University of Texas of the Permian Basin
   The University of Texas at San Antonio
   The University of Texas at Tyler
   Texas A&M University
   Texas A&M University at Galveston
   Prairie View A&M University
   Tarleton State University
   Texas A&M University - Corpus Christi
   Texas A&M University - Kingsville
   Texas A&M International University
   West Texas A&M University
   Texas A&M University - Commerce
   Texas A&M University - Texarkana
   University of Houston
   University of Houston - Clear Lake
   University of Houston - Downtown
   University of Houston - Victoria
   Midwestern State University
   University of North Texas
   Stephen F. Austin State University
   Texas Southern University
   Texas Tech University
   Texas Woman's University
   Angelo State University
   Lamar University
   Lamar Institute of Technology
   Lamar State College - Orange
   Lamar State College - Port Arthur
   Sam Houston State University
   Texas State University - San Marcos
   Sul Ross State University, including:
   Sul Ross State University Rio Grande College

2. "Educational and General Funds" are those funds defined in Education Code § 51.009(c) and General Revenue Fund appropriations.

Sec. 4. Transfer Provisions.

1. **Intercomponent Transfers.** With the approval of the respective governing board, appropriation transfers may be made among medically-related components and their associated system administration, among academic component institutions and their associated system administration, and among component technical colleges controlled by the board, and within each institution, transfers may be made between informational items of appropriation for the general academic institutions, health centers, health science centers, medical education programs, and technical colleges regardless of whether the informational items are general revenue or local funds in character. Transfers may not be made from medically-related components to academic components or from academic components to medically-related components except that transfers may be made from schools of nursing, pharmacy and allied health in academic components to medically-related components and from medically-related components into the health-related programs listed above in academic components. Transfers may not be made into the

informational items setting the salary rate for the president, chancellor, or for any other line-item salary shown. Nothing in this section shall authorize the transfer of appropriations from Texas A&M University ~~Service~~ System Agencies to Texas A&M University.

2. **Health to Academic Intercomponent Transfers with LBB Prior Approval.** As an exception to the provisions in Subsection 1, transfers may be made with prior approval of the Governor and Legislative Budget Board from medically-related components to general academics if it does not diminish the academic programs of the medically-related component or result in increased fees to patients at the component. The systems shall furnish whatever documentation may be required by the Governor and Legislative Budget Board to assure these conditions are met.

3. **Revenue Enhancement and Transfer Notification.** ~~The Legislature instructs~~ The University of Texas System ~~to~~ shall enhance local funds revenue~~s~~ to reduce the need for general revenue funds. ~~The Legislature instructs~~ The University of Texas System ~~to~~ shall give 30 days notice to the Legislative Budget Board and Governor prior to transferring local funds from any System hospital. Furthermore, notwithstanding the provisions of subsections 1 and 2 above, The University of Texas System Board of Regents shall not transfer funds from health institutions delivering patient care if such a transfer would result in a decrease in the quality or amount of indigent patient care offered by the affected institution.

4. **Reporting of Transfers.** Any transfers made pursuant to Subsections 1, 2, and 3, whether general revenue or local funds in nature, shall be reported in the Legislative Appropriations Request for the biennium beginning September 1, ~~2007~~2009.

5. **Tuition Revenue Bond and Revenue Bond Transfers.** Notwithstanding the other provisions of this act, transfers are not prohibited to the extent they are required to comply with proceedings authorizing bonds or other obligations now outstanding or hereafter issued pursuant to law.

Sec. 5. Salary and Benefit Provisions.

1. **Prorated Salaries Authorized.** Any employees who distribute their time and duties between general administration, instruction, organized activities related to instruction, and the management of auxiliary enterprises, may receive their total salary payments in proportionate parts from such activities and from the appropriated or available funds therefore.

2. **President Salaries.** Out of the educational and general funds appropriated to the general academic institutions, community colleges, health centers, health science centers, and medical education programs, an amount not to exceed $65,945 in ~~2006~~2008 and $65,945 in ~~2007~~2009 may be expended for the salary of a president. All presidents may receive in addition to the above amounts a house, utilities, and/or supplement from institutional funds. If a house owned by the institution, center, or program is not available, an amount not to exceed $7,200 per year from the appropriation to the institution, center, or program, and additional amounts from institutional funds where required, may be provided in lieu of house and utilities.

3. **Chancellor Salaries.** Out of the funds appropriated, transferred, or contracted to the system offices and community colleges, an amount not to exceed $70,231 in ~~2006~~2008 and $70,231 in ~~2007~~2009 may be expended for the salary for a chancellor. All chancellors may receive in addition to the above amounts a house, utilities, and/or supplement from institutional funds. If a system owned house is not available an amount not to exceed $7,200 per year from the system office appropriation and additional amounts from private and institutional funds where required, may be provided in lieu of house and utilities.

4. **Merit Authorization.** It is expressly provided that institutional administrators may grant merit salary increases to employees whose job performance and productivity is consistently above that normally expected or required.

5. **Merit Requirement for Faculty and Faculty Equivalent Employees of Institutions and Agencies of Higher Education.** Notwithstanding any other provisions of this act, salary

increases for faculty or faculty equivalent employees of institutions of higher education shall be awarded on the basis of merit and performance in accepted activities. This shall not be interpreted so as to preclude salary adjustment designed to avoid salary inequities.

6. **Group Insurance Premiums.** For the biennium ending August 31, ~~2007~~2009, there is hereby appropriated such amounts, from local funds or educational and general income available to institutions of higher education, as may be necessary to pay the proportional share of the State's contributions for Staff Group Health Insurance Premiums. Funds appropriated by this subsection may be transferred by those institutions not retaining separate insurance programs to the Employees Retirement System at appropriate intervals to pay the proportional share of the group insurance premiums.

7. **Higher Education Institutions Participating in the Employees Retirement System Group ~~Insurance~~Benefit Program.** General Revenue funds appropriated herein shall be supplemented by funds appropriated elsewhere in this Act for employees enrolled in the State Kids Insurance Program (SKIP) to provide for a premium-sharing structure comparable to the Children's Health Insurance Program (CHIP). Institutions of higher education participating in the Employees Retirement System Group Benefit Program paying for health insurance costs from non-General Revenue Funds shall provide the same levels of premium-sharing for SKIP enrollees as provided for those higher education employees with health insurance paid from General Revenue Funds.

8. **Administrative Accountability**

   a. In each state fiscal year of the biennium, an institution of higher education, including a system office, may not spend funds appropriated to the institution by this Act unless, not later than December 1, the institution submits to the Legislative Budget Board, the chair of the House Appropriations Committee, and the chair of the Senate Finance Committee a report that includes the total number of persons holding high-ranking administrative positions at the institution.

   b. For purposes of subsection (a), "high-ranking administrative position" includes the following positions:

      (1) chancellor;
      (2) vice chancellor;
      (3) associate chancellor;
      (4) assistant chancellor;
      (5) president;
      (6) vice president;
      (7) associate vice president;
      (8) assistant vice president;
      (9) dean;
      (10) associate dean;
      (11) assistant dean; and
      (12) any other administrative position having similar responsibilities to the other positions listed in this subsection.

   c. A report submitted under subsection (a) must:

      (1) be in a form prescribed by the Legislative Budget Board;

      (2) include the name, salary, and total value of nonsalary benefits for each person holding a high administrative position at the institution; and

      (3) include the percentage salary increase for each person holding a high-ranking administrative position at the institution who occupies the same position during the current fiscal year as during the preceding fiscal year.

   d. Not later than the seventh day after the date an institution of higher education submits the report required by subsection (a), the institution shall make a copy of the report available for public inspection in the library of the institution.

Sec. 6. Expenditure Provisions. The expenditure of the appropriations made in this Article or authorized in law for institutions of higher education except bequests and gifts specifically designated to be in some manner handled otherwise, shall be subject to the provisions of this section which follow and with exceptions only as specifically noted:

1. **Annual Operating Budgets Required.** It is expressly provided that the governing board of each of the institutions of higher education named herein shall approve on or before September 1, ~~2005~~2007 and ~~2006~~2008, an itemized budget covering the operation of the ensuing fiscal year, which budget shall be prepared within the limits of the revenue available. Each institution's operating budget shall contain a section(s) which provides budget amounts and the method of finance for each listed informational item of appropriated funds contained in this Act. A copy of each budget, and any subsequent amendments thereto, shall be filed with the Legislative Reference Library and the institution's general library to be available for public inspection. Copies of each budget shall also be filed with the Legislative Budget Board, the Governor, and the Texas Higher Education Coordinating Board by December 1 of each fiscal year.

2. **Clearing Accounts.** At their option, the institutions may use their local depository bank account in lieu of the special clearing account, authorized by Education Code, § 51.008(b), provided that the general requirements set out in therein, for deposits and transfers to the state treasury, are complied with.

3. **Revolving Funds**

   a. Each institution affected by this section, at its option, is hereby authorized to maintain a revolving fund to facilitate the payment of nominal expenses and to pay bills within cash discount periods. The institutions may use the revolving fund for regular monthly payrolls as well as for weekly and special payrolls. Disbursements from the revolving funds are to be reimbursed from respective items of educational and general appropriation made herein, the Comptroller of Public Accounts being hereby authorized to make such reimbursements on claims filed with her by the institutions under her regularly prescribed procedures except that one voucher and one warrant may cover any number of claims for this purpose. These reimbursement claims shall meet the same requirements as other claims against state appropriations, and each institution shall prepare such a reimbursement claim as at the close of business on the last day of each month and as many times during the month as may be expedient in order to make unnecessary the maintaining of an unreasonably large revolving fund.

   b. The respective governing board shall determine the amounts of the revolving funds to be set up for each institution, and may increase or decrease the amounts if necessary. Such governing board shall designate a depository bank for each revolving fund, and shall specify the officers and/or employees to sign checks drawn on each such fund. The depository bank for each revolving fund shall be required to secure the deposit as provided by law.

   c. Appropriations to all institutions of higher education and systems, except funds identified exclusively for salaries, may be used to reimburse any revolving fund operated for the benefit of one or more parts or component units of an institution or system, such as a motor pool for managing automotive vehicles authorized by this Act, a feed supply center, an office supply or laboratory supply center, a computer center, or any other operations of a similar nature established by authority of the governing board of said institution or system.

4. **Local Depositories.** The governing boards of the respective institutions for which appropriations are made in this Article are hereby authorized to select depository banks for the safekeeping of funds which are authorized, by statute, to be maintained outside the state treasury. The boards shall require depository banks to furnish adequate surety bonds or securities to be posted for the assurance of safety of such deposits. The depository bank or banks so selected are hereby authorized to pledge their securities for assurance of safety for such funds. All such local funds shall be deposited in these depositories within seven (7) days from date of collection. The governing boards may require the depository so designated and selected to pay interest on deposits at a rate to be agreed upon by said depositories and said boards.

5. **Investment Reports.**

   a. The governing board of each of the educational institutions named in this Article shall file with the State Auditor, Comptroller of Public Accounts, Legislative Budget Board, and the Governor an annual report of all investment transactions involving endowment funds, short-term and long-term investment funds, and all other securities transactions, in a method prescribed by the State Auditor's Office. Copies of such reports shall be available for public inspection. In addition to the annual report, each institution shall publish on its website quarterly investment reports in any format it deems appropriate.

   b. The governing boards of each educational institution named in this Article must adopt formal investment policies. Each governing board shall submit to the Legislative Budget Board and State Auditor's Office a copy of their investment policy by December 31 of each year.

6. **Central Services Accounts.**

   a. Out of funds appropriated in this Article, the governing boards of the university systems and their component units, and institutions of higher education may employ persons to serve two or more parts or component units of the system or institution and may pay their salaries in whole or in part from the informational items of appropriation made herein to any component unit. The governing boards are authorized to establish accounts from which salaries and expenses for the administration and supervision of the units of the system or institution may be paid and to require the units, including any other agency the administration of which it may be charged with by law, to pay into this account from any general revenue, local, or institutional funds their proportionate share as determined by the board for the expense of such administration and supervision. The Comptroller of Public Accounts is authorized to set up an account for each of the systems or institutions and to deposit in the account funds to the amount authorized by the governing boards and executive heads of the respective units, from funds appropriated by the Legislature to the units for noninstructional salaries and general operating expenses. The Comptroller is authorized to draw warrants against such accounts based on vouchers submitted by the systems or institutions in payment of salaries, maintenance, equipment or travel incidental to the administration and supervision of the respective units.

   b. The systems and institutions whose governing boards and component units are subject to the above are authorized to establish the following accounts:

      Texas A&M University System Central Services Account
      The University of Texas System Central Services Account
      University of Houston System Central Services Account
      Texas Tech University System Central Services Account
      University of North Texas System Central Services Account
      Texas State University System Central Services Account

   c. Travel expense incurred by a person employed by one unit of an above system or institution in connection with service to the other units may be reimbursed by the unit for which such services are performed or proportionately if more than one such unit is involved.

7. **Utility Revolving Funds.** The governing boards of Texas Woman's University, West Texas A&M University, all components of the University of Houston System, Texas State University System, Texas Tech University System, University of North Texas System, and The University of Texas System are authorized to use appropriated funds, except funds expressly identified for salaries, to make payments of debt service and other payments in connection with utility plant revenue bonds and utility plant operation and maintenance expenses, and/or to reimburse any revolving fund now or hereafter established in connection with providing utility services to any building or facility of the college or university, in accordance with the general principles established in Education Code § 55.11, and the creation and maintenance of any such revolving fund is hereby authorized.

8. **Appropriation Expenditure Authorization.**

   a. The educational and general appropriations made in this Act to the general academic teaching institutions, health related institutions and Texas State Technical College may be expended for the following purposes, including, but not limited to: Instruction; Research; Public Service; Academic Support; Student Services; Institutional Support; Operation and Maintenance of Plant; Scholarships; Staff Benefits; Organized Activities; and Patient Care. Major repairs and rehabilitation of buildings and facilities may be purchased from appropriated funds, but may not be purchased from general revenue funds that are not expressly identified or allocated for such purposes.

   b. No educational and general funds appropriated to any institution or agency named in this article may be expended on auxiliary enterprises, unless specifically authorized in this Act.

9. **Tuition Revenue Bonds and Revenue Bonds.** Funds clearly identified in separate informational strategies to the general academic teaching institutions and health sciences centers for revenue or tuition revenue bond retirement may be expended only to reimburse institutions or centers for debt retirement authorized by Education Code § 55.17 through § ~~55.1744~~55.17592 and § 55.19 and any additional authorization enacted by the ~~Seventy-ninth~~ Eightieth Legislature. Any funds in excess of the amount expended for debt retirement shall be reverted to the General Revenue Fund at the end of each fiscal year.

Sec. 7. Recruitment of Students. No funds appropriated by this Act may be expended for travel expenses incurred outside the boundaries of the State of Texas for the purpose of direct recruitment of students.

Sec. 8. Television Stations Prohibited. None of the educational and general funds appropriated in this Article may be expended for the acquisition, construction or operation of television transmitter stations; provided, however, this prohibition shall not be construed so as to prevent the institutions of higher education named in this Article from using closed-circuit television for purely instructional purposes, or to prevent institutions with existing public broadcasting or transmitter stations to use them for educational purposes, or to prevent the continuance of operating arrangements with existing transmitter stations for purely educational purposes; or to prevent cooperative arrangements with public broadcast stations.

Sec. 9. Intercollegiate Athletics. The special and general provisions of Articles III and IX of this Act shall not apply to intercollegiate athletics. The governing boards of the respective institutions of higher education shall use the appropriations in this Act to make such necessary rules and adjustments as may be deemed advisable for the management and operation of such activities; however, no funds under control of intercollegiate athletics may be used to purchase alcoholic beverages; no educational and general funds appropriated may be used for the operation of intercollegiate athletics; such rules and adjustments shall be designed to complement the rules applicable to other departments of the respective institution and finally, such rules and adjustments shall specifically prohibit violation of National Collegiate Athletic Association (NCAA) or other governing body rules with respect to recruitment of athletes.

Sec. 10. Prohibition Against Additional Museums. None of the educational and general funds appropriated in this Article shall be used for establishing additional museums or for the maintenance and operation of museums unless the language of this Act or of other acts and resolutions of the Legislature specifically authorizes such use of educational and general funds. As an exception to this provision, in order to encourage and promote gifts, grants, or donations to institutions of higher education, it is specifically provided that an institution which receives such gifts, grants or donations for the construction or establishment of a museum, which is added to an institution's building inventory after September 1, 1997, may use education and general funds appropriated by this Article for the maintenance and operation of such a museum. This exception applies only to the authority to spend appropriated funds for these purposes; such museum space shall not be included in formula calculations for purposes of determining the amounts of appropriations due for maintenance or operations of institutional facilities.

Sec. 11. Method of Financing Scholarships.

1. Out of the funds identified by this Article in the informational items described as "Other Educational and General Income," the respective governing boards of the general academic teaching institutions and of the health centers, health science centers, or technical colleges may allocate and expend the actual receipts in such informational item for student scholarships pursuant to the provisions of Education Code § 56.031 to § 56.039, cited as the Texas Public Educational Grants Program.

2. Copies of such approved allocations together with copies of rules and regulations adopted by the respective governing boards concerning the award of such scholarships, shall be filed with the Coordinating Board and with the Comptroller prior to the disbursement of any moneys for scholarships. Copies of any subsequent changes in such allocations or rules shall be similarly filed with the Coordinating Board and with the Comptroller.

3. No educational and general funds appropriated in this Act for scholarships to institutions of higher education may be used to provide athletic scholarships.

4. Out of the additional funds appropriated for the ~~2006-07~~2008-09 biennium for the informational strategy described as "Scholarships," ~~it is the intent of the Legislature that~~ the respective governing boards shall allocate and expend such funds for need-based student scholarships regardless of the race, sex, color or ethnicity of the student recipient.

Sec. 12. Use of Educational and General Funds for Alumni Activities Prohibited. None of the educational and general funds appropriated by this Article may be expended by institutions of higher education for the support or maintenance of alumni organizations or activities.

Sec. 13. Limitation of Nonresident Enrollment in Certain State-supported Professional Schools.

1. None of the funds appropriated by this Act may be expended for the establishment, operation, or maintenance, or for the payment of any salaries to the employees in, any wholly or partially state-supported medical, dental, or law school which: (a) imposes a limitation on the number of students that it admits, (b) in an academic semester denies admission to one or more Texas residents who apply for admission and who reasonably demonstrate that they are probably capable of doing the quality of work that is necessary to obtain the usual degree awarded by such school, and (c) in the same academic semester admits, as either class, nonresidents of the State of Texas in a number greater than 10 percent of the class of which such nonresidents are a part. Limitation of nonresident enrollment at The University of Texas Law School, Texas Tech University School of Law, and the University of Houston Law Center may be increased to 35 percent of the class of which nonresidents are a part provided that the admission of such nonresident students is on the basis of academic merit alone. By the provisions of this paragraph it is intended to withhold funds appropriated by this Act from state-supported medical, dental, and law schools which limit their enrollments and which fill more than 10 percent of their classes with non-resident students in the case of medical and dental schools, and 35 percent in the case of The University of Texas Law School, Texas Tech University Law School and the University of Houston Law Center, when the result of admitting a nonresident denies admission to a qualified Texas applicant. This provision shall not apply to the funds appropriated to the Coordinating Board for the funding of Baylor College of Medicine or to funds appropriated for tuition equalization grants for students attending private colleges.

2. In addition, The University of Texas Southwestern Medical Center at Dallas may admit up to 25 competitively recruited medical students in each entering class for a specialized six-year program of clinical and research training designed to lead to the MD and PhD degrees irrespective of whether those students are Texas residents.

3. Texas medical schools may enroll up to 6 competitively recruited medical students, who already possess the DDS degree, in each second year medical school class for a specialized six year program in oral and maxillofacial surgery comprised of the last three years of medical school and a three year residency program irrespective of whether those students are Texas residents.

Sec. 14. Off-campus Instruction. General academic institutions may use the funds appropriated in this Act to teach courses off campus with the following restrictions:

1. At the conclusion of each fiscal year, the Coordinating Board shall file a report with the Governor and the Legislative Budget Board on all general academic institutions concerning off-campus semester credit hours for that fiscal year.

2. Semester credit hours generated at upper level centers authorized by the Legislature or by the Coordinating Board, as well as at Prairie View A&M University's Houston nursing program and Texas Woman's University nursing programs in Dallas and Houston are not considered to be off-campus.

3. All courses taught off campus must be taught by a regular faculty member or administrator who is employed at least half-time on the main campus of the institution. The Commissioner of Higher Education may waive this requirement in special cases where institutions can justify the use of a uniquely qualified individual. Allied health and vocational instructors are exempted from this requirement.

Sec. 15. Medical School Enrollment. ~~It is the intent of the Legislature that~~ None of the funds appropriated above to The University of Texas system medical colleges, the University of North Texas Health Science Center at Fort Worth or the Texas Tech University Health Sciences Center College of Medicine may be used for the education of first year medical students unless the first year class enrollment of undergraduate medical students in the fiscal years ending August 31, ~~2006~~2008 and August 31, ~~2007~~2009, ~~shall be no~~ is less than 200 students at The University of Texas System medical colleges and 100 students at the University of North Texas Health Science Center at Fort Worth and the Texas Tech University Health Sciences Center College of Medicine. This provision shall not be construed as requiring any school of medicine to accept an unqualified applicant. In the event that a school of medicine falls below the required first year class enrollment of undergraduate medical students by more than 5 percent for fiscal years ~~2006~~2008 and ~~2007~~2009, the school shall report to the Legislative Budget Board the reasons for failing to meet the required enrollment. ~~It is the intent of the Legislature that t~~This information should be taken into account when preparing the appropriation recommendations for the Eight~~ieth~~y-first Legislature.

Sec. 16. Tuition and Other Educational and General Local Fee Collection. No institution of higher education shall receive appropriations through formula funding in this Act unless it collects from each student whose semester credit hours are to be included in formula funding calculations all tuition and all fees in accordance with the installment tuition and fee payment plan provided for by the Education Code, (Chapter 54, as amended) ~~O~~on or before the end of the 20th class day for each regular semester and the 15th class day for each summer session~~., each institution of higher education shall collect from each student whose semester credit hours are to be included in formula funding calculations all tuition and all fees in accordance with the installment tuition and fee payment plan provided for by Education Code, Chapter 54, as amended~~. Valid contracts with the United States Government for instruction of eligible military personnel and valid contracts with private business and public service-type organizations or institutions such as hospitals may be considered as collections thereunder but subject to adjustments after final payment thereof. Financial aid awards processed by the financial aid office but not yet issued to the student may be considered as collections thereunder but subject to adjustments after final payment thereof.

Sec. 17. Compliance with Uniform Recruitment and Retention Strategy. ~~It is the intent of the Legislature that i~~Institutions of higher education shall use the appropriations in this Act to give top priority and consideration to compliance with the spirit and mandates of the Uniform Recruitment and Retention Strategy.

Sec. 18. Formula Variable and Educational and General Income Audits. The Texas Higher Education Coordinating Board in consultation with the State Auditor's Office and the Legislative Budget Board, shall clearly define all variables used by the Eightieth Legislature in arriving at formula appropriations for ~~2006~~2008 and ~~2007~~2009. According to an audit plan developed in consultation with the Coordinating Board and Legislative Budget Board, all variables of selected formulas used in making ~~2006~~2008 and ~~2007~~2009 formula appropriations are subject to audit by the State Auditor. The State Auditor shall report any differences from data submitted by the institutions to the Coordinating Board, the Legislative Budget Board, and the Governor. The Coordinating Board shall then calculate a new appropriations amount for each institution that reported data in conflict with that verified by the Auditor. These calculations shall then be reported to the Legislative Budget Board, Governor, and the

Comptroller of Public Accounts and may be used to revise appropriation authority accordingly. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the biennial appropriations related to the variables audited at that institution.

In addition, components of educational and general income reported in the institutional requests for legislative appropriations for fiscal years ~~2006~~2008 and ~~2007~~2009 are subject to audit by the State Auditor.

The State Auditor may request the assistance of an institution's internal auditor in performing the audits described in this section.

Sec. 19. System Offices Funding Authorized. Educational and general funds appropriated to components of The University of Texas, Texas A&M University, University of Houston, Texas Tech University, University of North Texas, Texas State University System and Texas State Technical College Systems may be transferred or contracted to system offices to provide support for coordination, administration, and other related services.

Sec. 20. Annual Reports of Health Related Institutions Practice Plans. As a limitation and restriction upon appropriations made by this Act, all agencies that have a public health related institution covered under Article III shall not expend funds after a period of 120 days following the close of the fiscal year, unless there has been filed with the Governor, the State Auditor, the Legislative Budget Board, the Legislative Reference Library and the Comptroller of Public Accounts an annual report as of August 31 of the preceding fiscal year, showing the use of practice plan funds. The annual report shall conform to a uniform reporting system developed by the State Auditor's Office for all financial data concerning the health related institutions practice plans.

Sec. 21. Self-insurance Funds. Any funds of an institution of higher education used for or allocated to a self-insurance fund authorized by Government Code § 2259.001 for a risk otherwise insurable by the institution of higher education shall be treated by the Comptroller of Public Accounts as an expenditure of the respective funds. The self-insurance funds so created shall be considered designated funds as that term is used in § 51.008(b) of the Education Code. Any self-insurance fund reserves so created shall not exceed in amount the maximum value determined to be actuarially sound for each such self-insurance program.

Sec. 22. ~~Elements of Unsponsored Charity Care.~~Unsponsored Charity Care Reporting Requirement. The public health-related institutions listed in Sec. 22, 1. Financially Indigent, shall use the appropriations in this Act to include in their biennial legislative appropriations request information including the actual amount of uncompensated charity care provided through each institution's respective physician practice plan, and if applicable, hospital or clinic using the definition of unsponsored charity care set forth in the following sub-sections.

1. **Financially Indigent.** Unsponsored charity care shall include unreimbursed services to the financially indigent. Financially indigent shall mean uninsured or underinsured patients accepted for care with no obligation or a discounted obligation to pay for services rendered based on a teaching hospital's or clinic's formal eligibility system which may include: (a) income levels and means testing or other criteria for determining a patient's inability to pay; or (b) other criteria for determining a patient's inability to pay that are consistent with the hospital's or clinic's mission and established policy. The federal poverty level shall serve as an index for the threshold below which patients receiving care at The University of Texas Southwestern Medical Center at Dallas, The University of Texas Medical Branch at Galveston, The University of Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, The University of Texas M.D. Anderson Cancer Center, The University of Texas Health Center at Tyler, Texas A&M University System Health Science Center, The Texas Tech Health Sciences Center, and The University of North Texas Health Science Center are deemed financially indigent. Financially indigent services include both noncovered services and contractual allowances for patients eligible for the Medicaid program and for the Children with Special Health Care Needs program, services provided under county indigent care contracts (Sec. ~~25~~23), and services provided under other state or local government programs with eligibility indexed to the federal poverty level.

2. **Medically Indigent.** Unsponsored charity care shall include unreimbursed services to the medically indigent. Medically indigent shall mean patients who are responsible for their

living expenses, but whose medical and hospital bills, after payment by third-party payers, where applicable, exceed: (a) a specified percentage of the patient's annual gross income (i.e., catastrophic medical expenses) in accordance with a teaching hospital or clinic's formal eligibility system in such instances where payment would require liquidation of assets critical to living or earning a living; or (b) the criteria for determining a patient's inability to pay as established by the public health-related institutions listed in Sec. 22, 1. Financially Indigent.

3. **Charity Care Determination.** The determination that a patient is financially or medically indigent shall occur within 120 days of the patient's discharge from the hospital or clinic setting or within 120 days of the third party payor settlement.

4. **Contractual Adjustments.** The contractual adjustments to commercial contracts, managed care contracts, and Medicare for the public health-related institutions listed in Sec. 22, 1. Financially Indigent, shall not be counted as unsponsored charity care.

5. **Bad Debt.** Bad debts shall not be counted as unsponsored charity costs. Bad debts shall include the uncollected billed charges for services rendered to patients who do not qualify under the definition of unsponsored charity care.

6. Patient Income Eligibility Guidelines.
The University of Texas Medical Branch at Galveston, The University of Texas M.D. Anderson Cancer Center, and The University of Texas Health Center at Tyler shall use the federal poverty level indexed at an agreed-upon level as the guideline for determining indigent patient status, and those institutions' eligibility guidelines regarding copayment by patients deemed financially or medically indigent shall be the same.

The University of Texas Southwestern Medical Center at Dallas, The University of Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, Texas A&M University System Health Science Center, the Texas Tech Health Sciences Center, and The University of North Texas Health Science Center may use as a basis for reporting indigent care statistical samples derived from indigent care determinations made by their affiliated teaching hospitals and designed to estimate the amounts of charity care provided using the definitions established by The University of Texas hospitals noted above.

7. Physician Practice Plan UPL. Any amounts received by the Physician Practice Plan from UPL shall be counted as payments received for unsponsored charity care.

~~**Sec. 23. Unsponsored Charity Care Reporting Requirement.** The public health-related institutions listed in Sec. 22, 1. Financially Indigent, shall include in their biennial legislative appropriations request information including the actual amount of unsponsored charity care provided through each institution's respective physician practice plan, and if applicable, hospital or clinic using the definition of unsponsored charity care set forth in the section called "Elements of Unsponsored Charity Care."~~

~~**Sec. 24. Patient Income Eligibility Guidelines.** The University of Texas Medical Branch at Galveston, The University of Texas M.D. Anderson Cancer Center, and The University of Texas Health Center at Tyler shall use the federal poverty level indexed at an agreed-upon level as the guideline for determining indigent patient status, and those institutions' eligibility guidelines regarding copayment by patients deemed financially or medically indigent shall be the same.~~

~~The University of Texas Southwestern Medical Center at Dallas, The University of Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, Texas A&M University System Health Science Center, The Texas Tech Health Sciences Center, and The University of North Texas Health Science Center may use as a basis for reporting indigent care statistical samples derived from indigent care determinations made by their affiliated teaching hospitals and designed to estimate the amounts of charity care provided using the definitions established by The University of Texas hospitals noted above.~~

Sec. ~~25~~23. County Indigent Care Contracts.

1. **Contracts Required.** ~~It is the intent of the Legislature that all~~ None of the funds appropriated in this Act to institutions of higher education may be used to provid~~inge~~

indigent health care unless the institutions of higher education contracts with relevant counties in their service area to recover the costs associated with treating those counties' indigent patients.

2. **County Indigent Care Contracts Reporting.** The University of Texas Medical Branch at Galveston, The University of Texas M.D. Anderson Cancer Center, and The University of Texas Health Center at Tyler shall use the funds appropriated in this Act to submit to the Legislative Budget Board and the Governor at the end of each fiscal year a list of counties whose indigent residents have been served by each institution; the total amount of reimbursement received by each institution from each county pursuant to the Indigent Health Care and Treatment Act; and the total cost, by county, of services provided by each institution for which counties are liable pursuant to the Indigent Health Care and Treatment Act. In addition, each institution shall report annually to the Legislative Budget Board and Governor on the status of contract agreements or negotiations with each county whose indigent residents have been served by the institution.

Sec. ~~26~~24. Ethics Policy.

1. None of the funds appropriated by this Act may be expended by an institution of higher education until its governing board has filed with the Texas Higher Education Coordinating Board an ethics policy which has been adopted by the board of regents. The ethics policy shall apply to the board of regents and its staff, the administration, staff, and faculty of the institutions under the board's governance.

2. The ethics policy adopted by each board of regents shall include specific provisions regarding sexual harassment.

Sec. ~~27~~25. Driscoll Children's Hospital. No funds appropriated to a health-related institution of higher education shall be used to replace or duplicate the Driscoll Children's Hospital in caring for children with special health-care needs, including pediatric cardiovascular diseases or in assuming the direct care of those children. ~~It is legislative intent that t~~This rider language shall not restrict the traditional referral patterns, utilized by physicians to refer patients to health-related institutions.

Sec. ~~28~~26. Participation in Drug Development Research Projects. A public university may not expend funds appropriated by this Act, including appropriations of grants or gifts, to conduct a drug development research protocol involving a person who is receiving mental health services under a protective custody order, pursuant to Chapter 574, Health and Safety Code. This rider is not intended to limit or prohibit provisions for treatment established under § 576.022, Health and Safety Code.

Sec. ~~29~~27. Post Tenure Review. None of the funds appropriated by this Act may be expended by an institution of higher education until its governing board has filed with the Texas Higher Education Coordinating Board policies and procedures regarding post tenure review which have been adopted by the board of regents. Post tenure policies shall include review procedures to determine that a tenured faculty member is performing consistently at an acceptable, professional level and a mechanism whereby a faculty member is informed of any deficiencies and provided opportunities to effectively improve his or her performance.

Sec. ~~30~~28. General Academic Funding. Appropriations made in this Act for formula f~~F~~unding for general academic institutions will consist of four formulas and supplemental items.

1. **Instruction and Operations Formula.** The Instruction and Operations Formula shall provide funding for faculty salaries, including nursing, departmental operating expense, library, instructional administration, research enhancement, student services, and institutional support. These funds are distributed on a weighted semester credit hour basis. The rate per weighted semester credit hour for the ~~2006-07~~2008-09 biennium is $~~55.72~~59.93.

   Weighting is determined by the following matrix:

	Lower Division	Upper Division	Masters	Doctoral	Special Professional
Liberal Arts	1.00	~~1.86~~1.79	~~4.07~~4.03	~~10.89~~10.07	
Science	~~1.66~~1.69	~~3.00~~2.96	~~7.63~~7.44	~~19.72~~19.86	

Fine Arts	~~1.63~~1.51	~~2.74~~2.53	~~5.91~~5.57	~~12.31~~9.66	
Teacher Ed	~~1.34~~1.32	~~1.91~~1.82	~~2.89~~2.67	~~8.41~~7.56	
Agriculture	~~2.06~~2.05	~~2.62~~2.67	~~7.14~~7.48	~~13.43~~11.94	
Engineering	~~2.43~~2.26	~~3.28~~3.32	~~7.21~~6.93	~~18.35~~16.75	
Home Economics	~~1.32~~1.17	~~1.97~~1.85	~~3.70~~3.24	~~8.47~~7.03	
Law					~~3.39~~3.50
Social Services	~~2.01~~2.04	~~2.30~~2.33	~~4.59~~3.87	~~12.10~~12.06	
Library Science	~~1.28~~1.23	~~1.33~~1.22	~~3.59~~3.12	~~8.85~~7.34	
Vocational Training	~~2.14~~1.99	~~2.52~~2.41			
Physical Training	~~1.35~~1.32	~~1.30~~1.46			
Health Services	~~2.10~~1.71	~~2.80~~2.48	~~6.10~~4.35	~~12.75~~10.74	
Pharmacy	~~2.45~~1.64	~~3.98~~3.59	~~13.75~~ 15.27	~~22.72~~ 25.15	~~6.37~~5.14
Business Admin	~~1.24~~1.15	~~1.61~~1.64	~~3.95~~3.64	~~16.59~~18.24	
Optometry			5.46	19.12	7.00
Teacher Ed Practice	~~1.75~~1.35	~~2.19~~1.99			
Technology	~~1.93~~1.89	~~2.46~~2.41	~~5.59~~5.04		
Nursing	~~3.58~~2.81	~~4.96~~3.27	~~5.89~~5.46	~~13.49~~11.79	
Developmental Ed	1.00				
Veterinary Medicine					~~15.44~~14.50

2. **Teaching Experience Supplement.** For the ~~2006-07~~2008-09 biennium, an additional weight of 10 percent is added to lower division and upper division semester credit hours taught by tenured and tenure-track faculty. Furthermore, it is the intent of the Legislature that the weight shall increase by 10 percent per biennium, up to 50 percent.

3. **Infrastructure Support.** Funding associated with plant-related formulas and utilities shall be distributed by the infrastructure support formula which is driven by the predicted square feet for universities' educational and general activities produced by the Space Projection Model developed by the Coordinating Board. The portion of the formula related to utilities is adjusted to reflect differences in unit costs for purchased utilities, including electricity, natural gas, water and wastewater and thermal energy. The average rate per square foot is $6.37.

4. **Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance (other educational and general income portion), workers' compensation insurance, unemployment compensation insurance, public education grants, ~~indirect research costs recovered on grants,~~ organized activities, scholarships, tuition revenue bond payments, Skiles Act bond payments, and facility lease charges. Institutions may receive an appropriation for special items. Revenue derived from board authorized tuition would still be appropriated to the institutions levying the additional charges.

   These formulas and supplemental items shall be reviewed and updated by study committees appointed by the Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor by June 1, ~~2006~~2008.

Sec. ~~31~~29. Health Related Institutions Funding. Appropriations made in this Act for formula ~~F~~funding for health related institutions shall consist of three formulas plus supplemental non-formula items.

1. **Instruction and Operations Support Formula.** The Instruction and Operations Support Formula shall provide funding on a per student or full time equivalent basis. Funding for each instructional program is based on the following funding weights per student, with a base value per weighted student of $~~10,987~~10,544:

Program	Weight Per Student
Allied Health	1.000
Biomedical Science	1.018
Nursing	1.138
Pharmacy	1.670

Public Health	1.721
Dental	4.601
Medical	4.753

Instructional programs with enrollments of less than 200 students at individual campuses shall receive additional funding to compensate for the diseconomies of scale. The minimum formula shall generate additional funding per student, on a sliding scale, with programs with small enrollments receiving more additional funding per student.

2. **Infrastructure Support Formula.** Funding to the health-related institutions for plant support and utilities shall be distributed by the infrastructure support formula which is driven by the predicted square feet for the health related institutions produced by the Space Projection Model developed by the Texas Higher Education Coordinating Board. The rate per square foot is ~~$8.47~~8.08 for all health related institutions, excluding The University of Texas M. D. Anderson Cancer Center and The University of Texas Health Center at Tyler. For these two institutions, the per square foot rate is ~~$8.06~~7.62.

   Because the Space Projection Model does not account for hospital space, separate infrastructure funding for hospital space at The University of Texas Medical Branch at Galveston, The University of Texas M. D. Anderson Cancer Center, and The University of Texas Health Center at Tyler shall be included in the total funding for hospital and patient care activities.

3. **Research Funding.** The health-related institutions shall retain 100 percent of indirect research costs recovered on grants. Each institution also receives research enhancement funding of $1,412,500 plus ~~1.73~~1.60 percent of its research expenditures as reported to the Texas Higher Education Coordinating Board.

4. **Graduate Medical Education Formula.** The Graduate Medical Education Formulas shall provide funding on a per medical resident basis. Funding is based on a base value of ~~$4,806~~4,680 per medical resident in an accredited program. Appropriations for Graduate Medical Education for fiscal year ~~2006~~2008 are ~~$2,403~~2,340 per resident and appropriations for fiscal year ~~2007~~2009 are ~~$2,403~~2,340 per resident.

5. **Health Related Institution Graduate Medical Education.** The funds appropriated above in each of the health-related institutions bill pattern titled Graduate Medical Education (GME), shall be spent to increase the number of resident slots in the State of Texas, as well as faculty costs relating to GME. In addition, each health-related institution shall work with the Higher Education Coordinating Board to develop new performance measures relating to increasing the number of resident slots in the State of Texas.

6. **Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance, workers' compensation insurance, unemployment insurance, public education grants, medical loans, tuition revenue bond payments, and facility lease charges. Institutions may receive an appropriation for special items. Hospital and clinic operations shall be funded through a combination of hospital and clinic revenue and general revenue.

7. **Formula Study Committees.** These formulas shall be reviewed and updated by study committees appointed by the Texas Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor by June 1, ~~2006~~2008.

8. **Mission Specific Support.** The University of Texas M.D. Anderson Cancer Center and the University of Texas Health Center at Tyler do not provide formal medical education which qualifies for instruction support under subsection 1 above. Therefore, funding allocated to these institutions shall be based on the following criteria:

   a. The University of Texas M.D. Anderson Cancer Center has a statutory mission to eliminate cancer through patient care, research, education, and prevention. General Revenue funds appropriated to The University of Texas M.D. Anderson Cancer Center in Strategy B.1.3, Science Park Operations, and Strategy D.1.1, Patient Care Activities, shall be based on the number of new cancer cases each year served at the

University of Texas M.D. Anderson Cancer Center~~based upon population estimate projections of the state produced by the Texas State Data Center and California State Center Registry incidence rates used as a methodological source by cancer epidemiologists in Texas and throughout the country~~. General Revenue appropriations for fiscal year ~~2006~~2008 shall be based on the number of new cancer cases ~~reported~~served in ~~2003~~2008, and General Revenue appropriations for fiscal year ~~2007~~2009 shall be based on the number of new cancer cases served~~reported~~ in ~~2004~~2009. The rate per new cancer case shall be ~~$54.15~~52.06 in fiscal year ~~2006~~2008 and ~~$52.98~~49.72 in fiscal year ~~2007~~2009 for Strategy B.1.3, Science Park Operations: and ~~$253.08~~243.28 in fiscal year ~~2006~~2008 and ~~$256.87~~241.04 in fiscal year ~~2007~~2009 for Strategy D.1.1, Patient Care Activities.

b. The University of Texas Health Center at Tyler has a statutory mission to conduct research, develop diagnostic and treatment techniques, provide training and teaching programs, and provide diagnosis and treatment of inpatients and outpatients with respiratory diseases. General Revenue funds appropriated to The University of Texas Health Center at Tyler in Strategy A.1.1, Medical Education and Research Items, shall be based on the number of new primary chest disease diagnoses each year in Texas as reported by participating Texas hospitals in the Texas Hospital Association Patient Data System program. General Revenue appropriations for fiscal year ~~2006~~2008 shall be based on the number of new primary chest disease diagnoses reported in ~~2002~~2004, and General Revenue appropriations for fiscal year ~~2007~~2009 shall be based on the number of new primary chest disease diagnoses reported in ~~2003~~2005. The rate per primary chest diagnosis shall be ~~$5.97~~$6.68 for fiscal year ~~2006~~2008 and ~~$6.49~~$6.18 for fiscal year ~~2007~~2009.

c. The University of Texas M.D. Anderson Cancer Center and The University of Texas Health Center at Tyler shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation which provides the necessary information to calculate the formula allocations in subsections (a) and (b) above.

Sec. ~~32~~30. Optional Retirement Program Differential. Included in the appropriation to institutions of higher education in this act are general revenue amounts to offset local funds used for the optional retirement program employer contributions between 6 percent and 7.31 percent of salaries for employees who were on the state payroll or who were employed by a Public Community or Junior College as of August 31, 1995. These general revenue amounts are included in the funding formulas for general academic institutions and two-year institutions and in the base funding for other institutions of higher education.

Sec. ~~33~~31. Indirect Cost Recovery Earned by Texas A&M System Agencies~~Services~~. The Texas A&M University System ~~Service~~ agencies shall report to the Legislative Budget Board in their Legislative Appropriations Requests for ~~2008-09~~2010-11 all indirect cost recovery revenue earned on research grants and contracts including amounts collected by the Research Foundation.

Sec. ~~34~~32. Fire Safety Projects at Institutions of Higher Education. Because of the urgent nature of these projects, it is the intent of the Legislature that institutions of higher education that have major fire safety projects, identified by the State Fire Marshal's Office as not meeting the requirements of the National Fire Protection Association, *Life Safety Code 101*, ~~2003~~2006 Edition, remedy the fire safety issues and complete any related construction and renovation projects as soon as practical. Institutions shall consult with the State Fire Marshal's Office and develop a time line for completion of the projects. Institutions shall implement the interim safety precautions recommended by the State Fire Marshal's Office. The State Fire Marshal shall submit periodic reports to the House Appropriations Committee and Senate Finance Committee on the progress of institutions in remedying the fire safety issues.

Institutions of higher education shall notify parents of students living in dormitories identified by the State Fire Marshal's Office. The notice shall contain information about the actions needed to rectify noncompliance and the time frame in which the institution plans to make improvements in order to comply.

Sec. ~~35~~33. Funding for Physical Education Courses. No funds appropriated under this act shall be used for contact hours or semester credit hours for students who are registered solely for physical

education, weight lifting, group exercises, aerobics, or related courses; have registered for the same such course more than once; and are not seeking a degree plan or certificate of completion of a course of study.

Sec. ~~36~~34. Faculty Salary Increase Report. The Texas Higher Education Coordinating Board shall report the average salary increase provided to faculty at each general academic institution to the Legislative Budget Board and Governor by January 31 of each fiscal year on a form prescribed by the Texas Higher Education Coordinating Board.

Sec. ~~37~~35. Endowed Chairs. Out of funds appropriated to the Texas Higher Education Coordinating Board for Baylor College of Medicine, Houston; University of Texas Health Science Center at Houston; University of Texas Medical Branch at Galveston, each may expend up to $1,000,000 out of funds appropriated in this Act to fund one endowed chair or professorship for spinal cord injury research. ~~It is the intent of the Legislature that each institution pursue an equal amount of matching funds from the Institute of Rehabilitation and Research for each institution.~~

~~**Sec. 38. Status of Endowed Chairs at General Academic Institutions.** Each general academic institution that accepts donations for endowed chairs shall do the following: for each endowed chair that remains unfilled for a period of three consecutive years, provide a report to the donor disclosing the vacant status of the chair, in accordance with the donor agreement.~~

Sec. ~~39~~36. A&M ~~Service~~ System Agencies' Infrastructure. Funds identified as Infrastructure Support in Brazos County for Texas Agricultural Experiment Station, Texas Cooperative Extension, Texas Forest Service, Texas Engineering Experiment Station, Texas Transportation Institute, and Texas Engineering Extension Service are to be applied to each agency's infrastructure needs in Brazos County under the Texas Higher Education Coordinating Board's recommended formula for the A&M ~~service~~ System agencies' infrastructure.

1. Each agency shall continue to work with the Texas Higher Education Coordinating Board as part of the ongoing formula advisory committee review process.

2. Included in the appropriations for the A&M ~~Service~~ System Agencies, the following biennial amounts shall be used for infrastructure support needs for facilities located outside of Brazos County: $7,288,802 for the Texas Agricultural Experiment Station, $1,669,556 for the Texas Cooperative Extension, $1,436,716 for the Texas Forest Service, and $697,700 for the Texas Veterinary Medical Diagnostic Laboratory.

Sec. ~~40~~37. Nursing School Enrollment. The Legislature encourages institutions of higher education who receive state appropriations not to reduce the number of student full-time equivalents enrolled in programs preparing students for licensure as registered nurses in state fiscal years ending August 31, ~~2006~~2008 and August 31, ~~2007~~2009 below the number of student full-time equivalents enrolled for the state fiscal year ending August 31, ~~2005~~2007. This provision shall not be construed as requiring any school to accept an unqualified applicant to its professional nursing program. In the event that a school falls below the required number of students enrolled in professional nursing program by more than 5% for the state fiscal year ending August 31, ~~2006~~2008 and the state fiscal year ending August 31, ~~2007~~2009, the school shall report to the Legislative Budget Board and the Texas Higher Education Coordinating Board the reasons for failing to meet the required enrollment.

~~**Sec. 41. Donations for Scholarships.** For the first five years after receiving a donation which creates or endows a scholarship, a state university that fails to award a scholarship created or endowed by a donor shall annually notify the donor in accordance with the donor agreement.~~

Sec. ~~42~~38. Endowed Programs. A state university that, within five years of receiving a donation, diminishes its financial support from local funds for a program created or endowed by the donor, shall notify the donor in accordance with the donor agreement. If the agreement so provides, then upon application by the donor, the university shall return the donation or endowment.

Sec. ~~43~~39. Student Travel Policy. Each governing board of an institution of higher-education shall use the appropriations above to adopt a policy regulating travel that is undertaken by one or more students presently enrolled at the institution to reach an activity or event that is located more than 25 miles from the institution that is organized and sponsored by the institution and that is funded by the institution, and the travel is undertaken using a vehicle owned or leased by the institution or required by a student organization registered at the institution.

Sec. 44~~40~~. Special Item Support. Any appropriations made to special item support strategies throughout this article are intended to supplement existing programs and may not be used to supplant funds.

Sec. 45~~41~~. 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 Bills 1676 and 1945, Seventy-sixth Legislature, and does not make appropriations.

Permanent Health Fund for Higher Education, Fund No. 810	$	350,000,000
The University of Texas Health Science Center at San Antonio Endowment, Fund No. 811	$	200,000,000
The University of Texas M.D. Anderson Cancer Center Endowment, Fund No. 812	$	100,000,000
Texas Tech University Health Sciences Center Endowment (El Paso), Fund No. 820	$	25,000,000
The University of Texas Southwestern Medical Center at Dallas Endowment, Fund No. 813	$	50,000,000
Texas Tech University Health Sciences Center Endowment (Other Than El Paso), Fund No. 821	$	25,000,000
The University of Texas Medical Branch at Galveston Endowment, Fund No. 814	$	25,000,000
The University of Texas Health Science Center at Houston Endowment, Fund No. 815	$	25,000,000
The University of Texas Health Center at Tyler Endowment, Fund No. 816	$	25,000,000
Texas A&M University System Health Science Center Endowment, Fund No. 818	$	25,000,000
University of North Texas Health Science Center at Fort Worth Endowment, Fund No. 819	$	25,000,000
Permanent Endowment Fund for University of Texas ~~Lower Rio Grande Valley~~ Regional Academic Health Center ~~Endowment~~, Fund No. 822	$	20,000,000
The University of Texas at El Paso Endowment, Fund No. 817	$	25,000,000
Permanent Endowment Fund for the Baylor College of Medicine, Fund No. 823	$	25,000,000
Permanent Fund For Higher Education Nursing, Allied Health and Other Health Related Programs, Fund No. 824	$	45,000,000
Permanent Fund for Minority Health Research and Education, Fund No. 815	$	25,000,000

Sec. 46~~42~~. License Plate Scholarship Program. In addition to educational and general funds amounts appropriated by this Act, available balances and the portion of fees deposited in the state treasury during the biennium ending August 31, ~~2005~~2007 in the amount of $~~370,000~~453,880 in fiscal year ~~2006~~2008 and $~~370,000~~453,880 in fiscal year ~~2007~~2009, is to the credit of the general academic

institutions as provided by VTCA, Transportation Code § 504.615, is appropriated for that period to the general academic teaching institution for which it was credited for the purpose of providing scholarships for students who demonstrate a need for financial assistance.

Sec. ~~47~~43. Appropriation of Funds from the Permanent Health Fund for Higher Education. Included in the amounts appropriated to health related institutions of higher education, is an estimated appropriation based on the institution's allocation of the estimated earnings out of the Permanent Health Fund for Higher Education for each fiscal year of the biennium. Amounts available for distribution from this fund are estimated to be $15,750,000 each fiscal year of the biennium. The funds appropriated out of the Permanent Health Fund for Higher Education shall be distributed to the institutions of higher education in accordance with Education Code § 63.003 for the purpose of medical research, health education, or treatment programs.

Sec. ~~48~~44. Tobacco Settlement Receipts - Baylor College of Medicine. Included in the amounts appropriated to the Baylor College of Medicine in the Higher Education Coordinating Board is an estimated appropriation based on the Baylor College of Medicine's ~~In addition to amounts appropriated elsewhere in this Act, Baylor College of Medicine is appropriated the institution's~~ allocation ~~of~~ amounts, under Section 63.003, Education Code, available for distribution out of the Permanent Health Fund for Higher Education, estimated to be $1,915,830 in each year of the ~~2006-07~~2008-09 biennium. These funds are to be used only for purposes specified in Education Code, §§ 63.002 (c), (d), and (f).

~~Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, the Act many not be construed as appropriating funds to make up the difference.~~

~~All balances of estimated appropriations from the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated for the same purposes for fiscal year 2007.~~

Sec. ~~49~~45. Limitation on Formula Funding Contact and Semester Credit Hours. ~~It is the intent of the Legislature to~~ In order to control costs and limit General Revenue formula appropriations ~~by excluding~~ contact hours or semester credit hours related to a course for which a student is generating formula funding for the third time shall be excluded from being counted in the hours reported by the Higher Education Coordinating Board to the Legislative Budget Board for formula funding.

Sec. ~~50~~46. Report on Real Property. Institutions of higher education shall use the appropriatons above to submit to the Asset Manager Division in the General Land Office the following information, as the General Land Office may require, in accordance with general law:

1. a description of each item of property by reference to a volume number and page or image number or numbers of the official public records of real property in a particular county, or if not applicable, by a legal description;

2. the date of purchase of the property, if applicable;

3. the purchase price of the property, if applicable;

4. the name of the institution holding title to the property for the state;

5. a description of the current uses of the property and of the projected future uses of the property during the next 15 years; and

6. a description of each building or other improvement located on the property.

If the description of real property required by this section is excessively voluminous, as in the case of parkland, the division may direct the institution in possession of the real property to furnish the description only in summary form, as agreed to by the division and the institution involved.

In addition, if the institution of higher education has done an appraisal on the property, the date of the appraisal and the value broken out by land and improvements should be submitted.

Sec. ~~51~~47. Limitation on Use of Funds.

1. State agencies and institutions of higher education that are appropriated funds from the receipts collected pursuant to the Comprehensive Tobacco Settlement Agreement and Release in this Article, shall submit a budget by November 1 of each year of the biennium to the Legislative Budget Board and the Governor. This budget shall describe the purposes and amounts for which such funds will be expended by the state agency or institution of higher education. No funds described in this budget may be expended by the state agency or institution of higher education until the Legislative Budget Board and the Governor receive the budget.

2. Authorized managers of permanent funds and endowments whose earnings are appropriated in this article shall provide a copy of year end financial reports to the Legislative Budget Board and the Governor by November 1 of each year of the biennium. These reports should include, at a minimum, an income statement and balance sheet for each fund, and a summary of the investment return of the fund during the preceding fiscal year.

Sec. ~~52~~48. Financial Information Reporting Requirement. In addition to the financial information required to be reported in accordance with § 2101.011, Government Code, each university system, general academic institution and health-related institution receiving appropriations in this Act shall continue to provide to the Higher Education Coordinating Board, financial data related to the operation of each system office and institution as was reported in the 2001 annual financial report. Each system office and institution of higher education shall provide the report no later than January 1st of each year using the specific content and format prescribed by the Coordinating Board.

Sec. ~~53~~49. Program to Encourage Certification to Teach Bilingual Education, English as a Second Language, or Spanish. Of the funds appropriated by this Act to the Texas Higher Education Coordinating Board, the Coordinating Board may use an amount that is not less than $150,000 for each year of the ~~2006-07~~2008-09 biennium to develop and operate a program at the University of North Texas System Center at Dallas, in consultation with the university, to provide financial incentives, such as tuition assistance and loan forgiveness, to encourage students who enroll in an educator preparation program at the university to become certified to teach bilingual education, English as a Second Language, or Spanish.

~~**Sec. 54. Performance Reporting.** The Legislative Budget Board and the Texas Higher Education Coordinating Board shall use the appropriations in this Act to work with all institutions of higher education to align the performance measures for all institutions of higher education with the measures included in the statewide accountability system as developed by the Texas Higher Education Coordinating Board. The Texas Higher Education Coordinating Board shall file a report providing recommendations to align the two sets of measures with the Legislative Budget Board by December 31, 2005.~~

~~**Sec. 55. Mission Specific Support.** It is the intent of the Legislature that the Legislative Budget Board and the Texas Higher Education Coordinating Board use the appropriations in this Act to consult with the Texas A&M University at Galveston to develop a funding allocation rate to be considered for the Marine and Maritime instruction, Ship Operation and Maintenance, and Marine Terminal Operation in accordance with the 1994 study by the Higher Education Coordinating Board that recommended linking the programs to the general academic institutions formula rate~~.

Sec. ~~56~~50. Texas A&M University System Cost Efficiencies. ~~It is the intent of the Legislature, that t~~The Texas A&M University System research and service agencies including the Agricultural Experiment Station, Cooperative Extension, Engineering Experiment Station, Transportation Institute, Engineering Extension Service, Forest Service, and Veterinary Medical Diagnostic Laboratory shall use the appropriations in this Act to contract or out-source administrative functions within the research and service agencies, Texas A&M University and/or the Texas A&M University System to use the appropriations in this Act in the most cost-effective extent with the goals of reducing administrative costs, increasing efficiencies and capitalizing on economies of scale.

Sec. ~~57~~51. Contingent Appropriations for Small Business Development Centers. Of the appropriations identified elsewhere in this Article for individual institutions' Small Business Development Center(s), the amounts listed below are contingent upon certification by the Comptroller of Public Accounts that the activities of each network of Small Business Development Centers will generate additional revenue of at least the listed amount for the network to the general revenue fund. If the amount that can be certified is less than the maximum amount appropriated, the amounts appropriated shall be reduced to be within the amounts certified.

a. An amount not to exceed $1,365,210 in each year of the biennium is appropriated to the network of Small Business Development Centers affiliated with the lead center hosted by the Dallas County Community College.

	~~2006~~2008	~~2007~~2009
Dallas County Community College	$1,365,210	$1,365,210

b. An amount not to exceed $1,488,025 in each year of the biennium is appropriated to the network of Small Business Development Centers affiliated with the lead center hosted by Texas Tech University in the amounts listed below.

	~~2006~~2008	~~2007~~2009
Lead Center:		
Texas Tech University	$1,077,293	$1,077,293
Affiliated Institutions		
Midwestern University	$113,399	$113,399
West Texas A&M University	$170,099	$170,099
The University of Texas of the Permian Basin	$127,234	$127,234

c. An amount not to exceed $2,989,961 in each year of the biennium is appropriated to the network of Small Business Development Centers affiliated with the lead center hosted by the University of Houston in the amounts listed below.

	~~2006~~2008	~~2007~~2009
Lead Center:		
University of Houston	$2,581,459	$2,581,459
Affiliated Institutions		
Lamar University	$109,016	$109,016
Lamar State College - Port Arthur	$134,904	$134,904
Sam Houston State University	$164,582	$164,582

d. An amount not to exceed $4,165,905 in each year of the biennium is appropriated to the network of Small Business Development Centers affiliated with the lead center hosted by The University of Texas at San Antonio in the amounts listed below.

	~~2006~~2008	~~2007~~2009
Lead Center:		
The University of Texas - San Antonio	$3,179,898	$3,179,898
Affiliated Institutions		
Angelo State University	$122,064	$122,064
Sul Ross State University	$121,696	$121,696
Sul Ross State University - Rio Grande College	$152,580	$152,580
Texas State University - San Marcos	$171,461	$171,461
The University of Texas - Pan American	$222,706	$222,706
University of Houston - Victoria	$195,500	$195,500

Sec. ~~58~~52. Display and Availability of Health Information. The legislature intends that an institution of higher education, as defined by § 61.003, Education Code, that spends appropriated money to support a student health center or similar facility that displays or makes available to students pamphlets, brochures, or similar printed material relating to health issues, will make available to female students copies of the current edition of the brochure published by the Department of State Health Services entitled "A Woman's Right to Know."

Sec. ~~59~~53. Report Concerning Designated Tuition.

(a) Not later than January 1, ~~2006~~2008, the governing board of each public institution of higher education that charges students designated tuition under § 54.0513, Education Code, shall use the appropriations in the Act to report to the legislature, for the ~~2004-2005~~2006-2007 and ~~2005-2006~~2007-2008 academic years:

(1) the amount the institution has collected in designated tuition;

(2) the purposes for which the institution spent the money derived from designated tuition and the amount of that money spent for each of those purposes; and

(3) the amount set aside from designated tuition for resident undergraduate and graduate student assistance under § 56.011 and 56.012, Education Code.

(b) In addition to the information reported under Subsection (a), not later than January 1, ~~2006~~2008, the governing board of each institution of higher education shall report to the legislature the total academic cost for resident undergraduates enrolled for 15 semester credit hours. The information reported shall be derived from actual fee bills for the ~~2004~~2005 fall semester and the ~~2003~~2004 spring and fall semesters and must reflect the actual charges, before any adjustments or discounts are applied for waivers, exemptions, or other discounts, in the following categories:

(1) statutory tuition;
(2) designated tuition;
(3) mandatory fees; and
(4) average college and course fees, which must include all academic related fees and charges not reported under (1), (2), or (3), such as fees for laboratories, field trips, multimedia, equipment replacement, and instructional technology, but should not include charges for voluntary services ("optional fees").

(c) Reports required by this section shall be delivered to the Lieutenant Governor, the Speaker of the House, the chair of the Senate Finance Committee, the chair of the House Appropriations Committee, and the members of the Legislative Oversight Committee on Higher Education.

~~**Sec. 60. Benefits Proportionality for Institutions of Higher Education.** It is the intent of the Legislature that during fiscal years 2006 and 2007 the Legislative Budget Board use the funds appropriated by this Act to be in a position to use the Comptroller's Accounting Policy Statement 011 as a basis for determining proportional health insurance appropriations for public institutions of higher education beginning in the biennium starting September 1, 2007.~~

Sec. ~~61~~54. Appropriations for the Research Development Fund. The amounts listed below for informational purposes are appropriated in each affected institution's "Research Development Fund" strategy and shall be expended only for the purpose defined in Education Code §62.091. Any unexpended balances as of August 31, 2008 are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2008.

	~~2006~~2008	~~2007~~2009
UT Arlington	~~$1,764,200~~1,437,334	~~$1,764,201~~ 1,437,334
UT Dallas	~~1,815,144~~ 2,193,569	~~1,815,144~~ 2,193,569
UT El Paso	~~1,824,154~~ 2,022,207	~~1,824,154~~ 2,022,207
UT Pan American	~~216,396~~ 277,578	~~216,396~~ 277,578
UT Brownsville	~~197,694~~ 285,154	~~197,694~~ 285,154
UT Permian Basin	~~125,000~~ 71,976	~~125,000~~ 71,976
UT San Antonio	~~1,093,377~~ 1,286,436	~~1,093,377~~ 1,286,436
UT Tyler	~~125,000~~ 48,308	~~125,000~~ 48,308
Texas A&M Univ. at Galveston	~~265,321~~ 292,601	~~265,321~~ 292,601
Tarleton State University	~~604,246~~ 650,894	~~604,246~~ 650,894
Texas A&M University - Corpus Christi	~~728,751~~ 557,211	~~728,751~~ 557,211
Texas A&M University - Kingsville	~~601,041~~ 665,674	~~601,041~~ 665,674

Texas A&M International University	~~12,752~~ 12,251	~~12,752~~ 12,251
West Texas A&M University	~~251,509~~ 246,553	~~251,509~~ 246,553
Texas A&M - Commerce	~~24,031~~ 44,162	~~24,031~~ 44,162
Texas A&M - Texarkana	192	192
University of Houston	~~5,137,629~~ 4,471,786	~~5,137,629~~ 4,471,786
UH-Clear Lake	~~316,070~~ 60,265	~~316,070~~ 60,265
UH-Downtown	~~64,085~~ 44,043	~~64,085~~ 44,043
UH-Victoria	454	454
Midwestern State University	~~9,470~~ 9,229	~~9,470~~ 9,229
University of North Texas	~~1,121,371~~ 1,007,841	~~1,121,371~~ 1,007,841
Stephen F. Austin State Univ.	~~271,591~~ 236,304	~~271,591~~ 236,304
Texas Southern University	~~459,790~~ 427,469	~~459,790~~ 427,469
Texas Tech University	~~2,998,969~~ 2,882,666	~~2,998,969~~ 2,882,666
Texas Woman's University	~~175,954~~ 148,356	~~175,954~~ 148,356
Angelo State University	~~37,682~~ 31,702	~~37,682~~ 31,702
Lamar University	~~226,427~~ 122,613	~~226,427~~ 122,613
Sam Houston State University	~~205,230~~ 218,994	~~205,230~~ 218,994
Texas State University - San Marcos	~~656,855~~ 571,647	~~656,855~~ 571,647
Sul Ross State University	~~55,006~~ 105,945	~~55,006~~ 105,945
	~~$21,384,745~~	~~$21,384,746~~
	$20,431,414	$20,431,414

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue)

	For the Years Ending August 31, 2008	August 31, 2009
Texas Education Agency	$ 11,996,933,659	$ 13,196,840,462
School for the Blind and Visually Impaired	13,129,064	13,132,320
School for the Deaf	15,620,080	15,785,633
Teacher Retirement System	1,831,070,960	1,924,173,525
Optional Retirement Program	118,239,065	122,968,627
Higher Education Employees Group Insurance Contributions	485,590,550	485,590,550
Higher Education Coordinating Board	387,568,455	369,649,789
Higher Education Fund	262,500,000	262,500,000
The University of Texas System Administration	7,321,994	7,321,994
The University of Texas at Arlington	82,035,276	81,966,076
The University of Texas at Austin	253,099,928	252,523,055
The University of Texas at Dallas	64,108,624	63,980,526
The University of Texas at El Paso	68,822,617	68,655,866
The University of Texas - Pan American	58,541,649	58,517,908
The University of Texas at Brownsville	25,429,645	25,422,536
The University of Texas of the Permian Basin	23,609,715	23,596,431
The University of Texas at San Antonio	90,780,985	90,747,842
The University of Texas at Tyler	28,536,006	28,511,437
Texas A&M University System Administrative and General Offices	7,603,355	528,362
Texas A&M University	234,835,037	234,421,868
Texas A&M University at Galveston	15,477,007	15,470,664
Prairie View A&M University	37,608,771	37,059,595
Tarleton State University	35,604,679	35,588,300
Texas A&M University - Corpus Christi	47,017,636	46,396,887
Texas A&M University - Kingsville	35,145,784	35,075,646
Texas A&M International University	37,878,606	37,855,429
West Texas A&M University	29,954,132	29,922,670
Texas A&M University - Commerce	31,783,109	31,761,791
Texas A&M University - Texarkana	16,296,311	16,291,407
University of Houston System Administration	2,341,299	2,344,387
University of Houston	148,912,959	148,703,361
University of Houston - Clear Lake	29,529,518	29,487,594
University of Houston - Downtown	28,621,460	28,581,804
University of Houston - Victoria	15,147,769	15,139,083
Midwestern State University	18,573,362	18,863,521
University of North Texas System Administration	6,453,109	8,562,719
University of North Texas	102,123,620	101,914,980
Stephen F. Austin State University	42,549,861	42,538,127
Texas Southern University	53,563,974	47,731,562
Texas Tech University System Administration	415,047	415,047
Texas Tech University	131,259,273	131,135,659
Texas Woman's University	51,492,457	51,439,104
Texas State University System	1,133,248	1,133,248
Angelo State University	24,586,052	24,513,335
Lamar University	33,193,976	33,124,950
Lamar Institute of Technology	8,331,279	8,328,269
Lamar State College - Orange	6,350,639	6,344,130
Lamar State College - Port Arthur	8,234,247	8,686,194
Sam Houston State University	43,304,845	43,137,317
Texas State University - San Marcos	83,091,946	82,888,994
Sul Ross State University	14,303,330	14,263,368
Sul Ross State University Rio Grande College	5,362,222	5,361,799
The University of Texas Southwestern Medical Center at Dallas	133,181,431	133,209,744
The University of Texas Medical Branch at Galveston	225,451,777	225,252,357
The University of Texas Health Science Center at Houston	136,541,599	136,516,946
The University of Texas Health Science Center at San Antonio	133,967,544	133,820,464
The University of Texas M.D. Anderson Cancer Center	148,683,635	148,664,348

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue)
(Continued)

The University of Texas Health Center at Tyler	34,787,788	34,790,938
Texas A&M University System Health Science Center	71,256,715	72,054,571
University of North Texas Health Science Center at Fort Worth	54,387,966	54,388,203
Texas Tech University Health Sciences Center	140,687,480	126,135,140
Public Community/Junior Colleges	784,893,649	784,893,651
Texas State Technical College System Administration	3,531,910	3,531,909
Texas State Technical College - Harlingen	15,958,305	15,955,868
Texas State Technical College - West Texas	10,279,199	10,241,462
Texas State Technical College - Marshall	3,763,511	3,761,541
Texas State Technical College - Waco	22,503,085	22,324,369
Texas Agricultural Experiment Station	52,879,956	52,872,141
Texas Cooperative Extension	47,391,030	47,391,030
Texas Engineering Experiment Station	12,315,082	12,311,728
Texas Engineering Extension Service	5,919,962	5,912,221
Texas Forest Service	15,385,462	15,382,911
Texas Veterinary Medical Diagnostic Laboratory	4,893,026	4,892,979
Subtotal, Agencies of Education	$ 19,259,678,303	$ 20,511,200,269
Retirement and Group Insurance	20,727,697	21,208,599
Social Security and Benefit Replacement Pay	199,394,032	206,215,047
Subtotal, Employee Benefits	$ 220,121,729	$ 227,423,646
Bond Debt Service Payments	2,532,386	4,010,254
Lease Payments	6,351,521	6,304,925
Subtotal, Debt Service	$ 8,883,907	$ 10,315,179
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	$ 19,488,683,939	$ 20,748,939,094

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue - Dedicated)

	For the Years Ending August 31, 2008	August 31, 2009
Texas Education Agency	$ 91,086,140	$ 86,140
Teacher Retirement System	78,920,333	82,866,350
Optional Retirement Program	25,171,311	26,178,163
Higher Education Coordinating Board	23,929,048	18,754,220
The University of Texas at Arlington	46,451,024	46,523,626
The University of Texas at Austin	109,494,896	110,156,660
The University of Texas at Dallas	31,369,071	31,520,058
The University of Texas at El Paso	27,008,589	27,204,237
The University of Texas - Pan American	22,334,931	22,347,131
The University of Texas at Brownsville	4,082,372	4,087,985
The University of Texas of the Permian Basin	4,481,719	4,487,771
The University of Texas at San Antonio	40,339,337	40,399,603
The University of Texas at Tyler	6,903,220	6,909,044
Texas A&M University System Administrative and General Offices	4,100,000	4,100,000
Texas A&M University	86,310,215	86,780,703
Texas A&M University at Galveston	3,262,832	3,277,049
Prairie View A&M University	15,109,827	15,142,401
Tarleton State University	12,682,048	12,698,543
Texas A&M University - Corpus Christi	12,509,881	12,531,826
Texas A&M University - Kingsville	10,607,758	10,658,044
Texas A&M International University	6,277,961	6,303,983
West Texas A&M University	10,264,286	10,292,754
Texas A&M University - Commerce	12,907,426	12,932,126
Texas A&M University - Texarkana	2,247,812	2,254,564
University of Houston	62,328,528	62,557,043
University of Houston - Clear Lake	11,428,023	11,467,574
University of Houston - Downtown	13,877,804	13,919,093
University of Houston - Victoria	3,212,835	3,215,585
Midwestern State University	8,324,618	8,381,361
University of North Texas	53,596,898	53,838,099
Stephen F. Austin State University	17,317,008	17,331,367
Texas Southern University	24,109,320	24,213,557
Texas Tech University	49,214,973	49,358,674
Texas Woman's University	19,427,000	19,472,650
Angelo State University	8,670,898	8,689,517
Lamar University	13,858,318	13,924,653
Lamar Institute of Technology	2,308,214	2,308,214
Lamar State College - Orange	2,346,919	2,362,935
Lamar State College - Port Arthur	1,367,894	1,367,894
Sam Houston State University	36,027,348	31,865,471
Texas State University - San Marcos	40,606,114	40,652,086
Sul Ross State University	2,668,555	2,674,956
Sul Ross State University Rio Grande College	1,012,213	1,012,707
The University of Texas Southwestern Medical Center at Dallas	9,687,422	9,761,367
The University of Texas Medical Branch at Galveston	13,626,770	14,926,770
The University of Texas Health Science Center at Houston	13,134,731	13,137,952
The University of Texas Health Science Center at San Antonio	8,416,073	8,559,166
The University of Texas M.D. Anderson Cancer Center	16,914,573	17,168,727
The University of Texas Health Center at Tyler	272,762	272,223
Texas A&M University System Health Science Center	6,164,627	6,625,858
University of North Texas Health Science Center at Fort Worth	4,444,842	4,444,842
Texas Tech University Health Sciences Center	9,178,485	9,161,376
Texas State Technical College System Administration	337,557	337,557
Texas State Technical College - Harlingen	6,317,211	6,385,046
Texas State Technical College - West Texas	2,760,840	2,979,825

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue - Dedicated)
(Continued)

Texas State Technical College - Marshall	872,640	877,381
Texas State Technical College - Waco	7,429,154	7,465,924
Texas Agricultural Experiment Station	500,000	500,000
Texas Engineering Experiment Station	952,019	952,019
Texas Forest Service	15,750,000	15,750,000
Subtotal, Agencies of Education	$ 1,176,315,223	$ 1,086,412,450
Retirement and Group Insurance	4,771	5,010
Social Security and Benefit Replacement Pay	40,380,232	41,792,627
Subtotal, Employee Benefits	$ 40,385,003	$ 41,797,637
Article III, Special Provisions, Rider Appropriations	453,880	453,880
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	$ 1,217,154,106	$ 1,128,663,967

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(Federal Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Texas Education Agency	$ 4,168,284,366	$ 4,284,869,599
School for the Blind and Visually Impaired	2,380,908	2,380,908
School for the Deaf	1,023,572	917,372
Higher Education Coordinating Board	61,473,795	62,053,164
Texas Agricultural Experiment Station	6,364,973	6,364,973
Texas Cooperative Extension	10,645,630	10,645,630
Texas Engineering Experiment Station	52,843,520	52,837,520
Texas Transportation Institute	4,000,000	4,000,000
Texas Engineering Extension Service	28,450,102	28,450,102
Texas Forest Service	4,090,270	4,090,270
Texas Veterinary Medical Diagnostic Laboratory	300,000	300,000
Subtotal, Agencies of Education	$ 4,339,857,136	$ 4,456,909,538
Retirement and Group Insurance	3,593,898	3,653,943
Social Security and Benefit Replacement Pay	1,455,365	1,471,066
Subtotal, Employee Benefits	$ 5,049,263	$ 5,125,009
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	$ 4,344,906,399	$ 4,462,034,547

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(Other Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Texas Education Agency	$ 1,031,383,041	$ 1,078,183,041
School for the Blind and Visually Impaired	2,537,253	2,534,253
School for the Deaf	4,257,547	4,257,547
Teacher Retirement System	46,837,604	46,919,171
Higher Education Employees Group Insurance Contributions	485,004	485,004
Higher Education Coordinating Board	38,362,174	38,403,328
The University of Texas System Administration	1,102,000	1,102,000
Available University Fund	462,234,092	502,526,413
The University of Texas at El Paso	1,239,945	1,239,945
The University of Texas - Pan American	321,001	321,001
Texas A&M University	2,661,938	2,721,100
The University of Texas Southwestern Medical Center at Dallas	4,329,000	4,329,000
The University of Texas Medical Branch at Galveston	330,356,921	330,356,921
The University of Texas Health Science Center at Houston	9,288,745	9,481,753
The University of Texas Health Science Center at San Antonio	11,754,984	11,751,194
The University of Texas M.D. Anderson Cancer Center	1,966,255,567	2,181,498,654
The University of Texas Health Center at Tyler	44,154,924	45,878,389
Texas A&M University System Health Science Center	7,753,515	7,744,179
University of North Texas Health Science Center at Fort Worth	2,280,420	2,280,420
Texas Tech University Health Sciences Center	3,648,600	3,648,600
Texas Agricultural Experiment Station	5,687,164	5,687,164
Texas Cooperative Extension	8,720,670	8,720,670
Texas Engineering Experiment Station	26,886,754	26,886,154
Texas Transportation Institute	36,769,553	36,769,553
Texas Engineering Extension Service	42,100,885	42,100,885
Texas Forest Service	2,321,152	2,321,152
Texas Veterinary Medical Diagnostic Laboratory	8,714,052	8,714,053
Subtotal, Agencies of Education	$ 4,102,444,505	$ 4,406,861,544
Retirement and Group Insurance	467,205	475,422
Social Security and Benefit Replacement Pay	11,933,398	12,294,598
Subtotal, Employee Benefits	$ 12,400,603	$ 12,770,020
Less Interagency Contracts	$ 60,402,714	$ 60,399,714
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	$ 4,054,442,394	$ 4,359,231,850

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(All Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Texas Education Agency	$ 17,287,687,206	$ 18,559,979,242
School for the Blind and Visually Impaired	18,047,225	18,047,481
School for the Deaf	20,901,199	20,960,552
Teacher Retirement System	1,956,828,897	2,053,959,046
Optional Retirement Program	143,410,376	149,146,790
Higher Education Employees Group Insurance Contributions	486,075,554	486,075,554
Higher Education Coordinating Board	511,333,472	488,860,501
Higher Education Fund	262,500,000	262,500,000
The University of Texas System Administration	8,423,994	8,423,994
Available University Fund	462,234,092	502,526,413
The University of Texas at Arlington	128,486,300	128,489,702
The University of Texas at Austin	362,594,824	362,679,715
The University of Texas at Dallas	95,477,695	95,500,584
The University of Texas at El Paso	97,071,151	97,100,048
The University of Texas - Pan American	81,197,581	81,186,040
The University of Texas at Brownsville	29,512,017	29,510,521
The University of Texas of the Permian Basin	28,091,434	28,084,202
The University of Texas at San Antonio	131,120,322	131,147,445
The University of Texas at Tyler	35,439,226	35,420,481
Texas A&M University System Administrative and General Offices	11,703,355	4,628,362
Texas A&M University	323,807,190	323,923,671
Texas A&M University at Galveston	18,739,839	18,747,713
Prairie View A&M University	52,718,598	52,201,996
Tarleton State University	48,286,727	48,286,843
Texas A&M University - Corpus Christi	59,527,517	58,928,713
Texas A&M University - Kingsville	45,753,542	45,733,690
Texas A&M International University	44,156,567	44,159,412
West Texas A&M University	40,218,418	40,215,424
Texas A&M University - Commerce	44,690,535	44,693,917
Texas A&M University - Texarkana	18,544,123	18,545,971
University of Houston System Administration	2,341,299	2,344,387
University of Houston	211,241,487	211,260,404
University of Houston - Clear Lake	40,957,541	40,955,168
University of Houston - Downtown	42,499,264	42,500,897
University of Houston - Victoria	18,360,604	18,354,668
Midwestern State University	26,897,980	27,244,882
University of North Texas System Administration	6,453,109	8,562,719
University of North Texas	155,720,518	155,753,079
Stephen F. Austin State University	59,866,869	59,869,494
Texas Southern University	77,673,294	71,945,119
Texas Tech University System Administration	415,047	415,047
Texas Tech University	180,474,246	180,494,333
Texas Woman's University	70,919,457	70,911,754
Texas State University System	1,133,248	1,133,248
Angelo State University	33,256,950	33,202,852
Lamar University	47,052,294	47,049,603
Lamar Institute of Technology	10,639,493	10,636,483
Lamar State College - Orange	8,697,558	8,707,065
Lamar State College - Port Arthur	9,602,141	10,054,088
Sam Houston State University	79,332,193	75,002,788
Texas State University - San Marcos	123,698,060	123,541,080
Sul Ross State University	16,971,885	16,938,324
Sul Ross State University Rio Grande College	6,374,435	6,374,506
The University of Texas Southwestern Medical Center at Dallas	147,197,853	147,300,111
The University of Texas Medical Branch at Galveston	569,435,468	570,536,048
The University of Texas Health Science Center at Houston	158,965,075	159,136,651
The University of Texas Health Science Center at San Antonio	154,138,601	154,130,824

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(All Funds)
(Continued)

The University of Texas M.D. Anderson Cancer Center	2,131,853,775	2,347,331,729
The University of Texas Health Center at Tyler	79,215,474	80,941,550
Texas A&M University System Health Science Center	85,174,857	86,424,608
University of North Texas Health Science Center at Fort Worth	61,113,228	61,113,465
Texas Tech University Health Sciences Center	153,514,565	138,945,116
Public Community/Junior Colleges	784,893,649	784,893,651
Texas State Technical College System Administration	3,869,467	3,869,466
Texas State Technical College - Harlingen	22,275,516	22,340,914
Texas State Technical College - West Texas	13,040,039	13,221,287
Texas State Technical College - Marshall	4,636,151	4,638,922
Texas State Technical College - Waco	29,932,239	29,790,293
Texas Agricultural Experiment Station	65,432,093	65,424,278
Texas Cooperative Extension	66,757,330	66,757,330
Texas Engineering Experiment Station	92,997,375	92,987,421
Texas Transportation Institute	40,769,553	40,769,553
Texas Engineering Extension Service	76,470,949	76,463,208
Texas Forest Service	37,546,884	37,544,333
Texas Veterinary Medical Diagnostic Laboratory	13,907,078	13,907,032
Subtotal, Agencies of Education	$ 28,878,295,167	$ 30,461,383,801
Retirement and Group Insurance	24,793,571	25,342,974
Social Security and Benefit Replacement Pay	253,163,027	261,773,338
Subtotal, Employee Benefits	$ 277,956,598	$ 287,116,312
Bond Debt Service Payments	2,532,386	4,010,254
Lease Payments	6,351,521	6,304,925
Subtotal, Debt Service	$ 8,883,907	$ 10,315,179
Article III, Special Provisions, Rider Appropriations	453,880	453,880
Less Interagency Contracts	$ 60,402,714	$ 60,399,714
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	$ 29,105,186,838	$ 30,698,869,458
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	84,058.5	84,061.0

ARTICLE IV

THE JUDICIARY

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 judiciary and other judicial service units of the state.

SUPREME COURT OF TEXAS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 5,651,850	$ 5,651,850
Federal Funds	2,198,407	2,255,000
Other Funds		
Judicial Fund No. 573	7,558,500	7,558,500
Appropriated Receipts	25,000	25,000
Interagency Contracts	2,500,000	2,500,000
Subtotal, Other Funds	$ 10,083,500	$ 10,083,500
Total, Method of Financing	$ 17,933,757	$ 17,990,350
This bill pattern represents an estimated 70.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	63.5	63.5
Schedule of Exempt Positions:		
Chief Justice	$152,500	$152,500
Justice	(8) 150,000	(8) 150,000
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 4,510,350	$ 4,510,350 & UB
B. Goal: COURT PROGRAMS		
B.1.1. Strategy: BASIC CIVIL LEGAL SERVICES	$ 11,225,000	$ 11,225,000 & UB
B.1.2. Strategy: COURT IMPROV/CHILDRENS JUSTICE PROJ Court Improvement and Children's Justice Act Projects.	$ 2,198,407	$ 2,255,000
Total, Goal B: COURT PROGRAMS	$ 13,423,407	$ 13,480,000
Grand Total, SUPREME COURT OF TEXAS	$ 17,933,757	$ 17,990,350
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,157,393	$ 4,157,393
Other Personnel Costs	40,000	40,000
Consumable Supplies	32,000	32,000
Travel	35,002	35,002
Rent - Machine and Other	59,000	59,000
Other Operating Expense	186,955	186,955
Grants	13,423,407	13,480,000
Total, Object-of-Expense Informational Listing	$ 17,933,757	$ 17,990,350

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

Employee Benefits		
Retirement	$ 158,491	$ 160,868
Group Insurance	476,522	484,134
Social Security	298,155	302,627
Benefits Replacement	14,738	14,001
Subtotal, Employee Benefits	$ 947,906	$ 961,630
Debt Service		
Lease Payments	$ 768,576	$ 755,298
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,716,482	$ 1,716,928

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Supreme Court 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 Supreme Court of Texas. In order to achieve the objectives and service standards established by this Act, the Supreme Court of Texas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Disposition Rate	100%	100%
Average Number of Days since Filing of All Matters Pending in the Supreme Court	100	100

2. **Appropriation: Basic Civil Legal Services.** All fees deposited into the Basic Civil Legal Services Account of the Judicial Fund are appropriated above in Strategy ~~A.1.2,~~ B.1.1, Basic Civil Legal Services. Any fees deposited in excess of $7,225,000 in fiscal year ~~2006~~ 2008 and $7,225,000 in fiscal year ~~2007~~ 2009 are hereby appropriated to the Supreme Court for the same purpose (estimated to be $0). Any unexpended balances in the Basic Civil Legal Services Account at the end of fiscal year ~~2005~~ 2007 are hereby appropriated to the Supreme Court in fiscal year ~~2006~~ 2008 for the same purpose (estimated to be ~~$8,650,000~~$0 and included in amounts appropriated above).

   The Supreme Court of Texas shall file a report with the Legislative Budget Board and the Governor within 90 days following February 28 and August 31 of each fiscal year showing disbursements from the Basic Civil Legal Services Account of Judicial Fund No. 573, the purpose for each disbursement, and compliance with grant conditions.

3. **Equalization.** It is the intent of the Legislature that the Supreme Court equalize the dockets of the 14 Courts of Appeals. Equalization shall be considered achieved if the new cases filed each year per justice are equalized by 10 percent or less among all the courts of appeals. Multi-district litigation cases are exempted from this provision.

~~5~~4. **Special Masters: State Commission on Judicial Conduct.** The appropriations to the State Commission on Judicial Conduct reflect the intent of the Legislature to encourage the Supreme Court of Texas to appoint active judges rather than retired judges as special masters in formal proceedings initiated by the State Commission on Judicial Conduct under Rule 10 of the Procedural Rules for the Removal or Retirement of Judges.

~~4.~~ ~~**Baseline for Fiscal Years 2008-09.** It is the intent of the Legislature for the Supreme Court to use the balance of local funds collected under Government Code § 51.006 for appellate court operations during fiscal years 2006-07 (estimated to be $26,000 in balances held outside the state treasury). Use of these funds will reduce the license fund balance to the minimum required for continued operations authorized under Government Code § 51.006. It is the intent of the Legislature that the Eightieth Legislature address this method of finance.~~

5. **Appropriation: Court Improvement and Children's Justice Act Projects.** The Supreme Court of Texas shall file a report with the Legislative Budget Board and the Governor within 90 days following February 28 and August 31 of each fiscal year showing disbursements, the

purpose for each disbursement, and compliance with grant conditions for programs awarded federal funds from the State Court Improvement Program (CFDA 93.586) and the Children's Justice Grants to States (CFDA 93.643).

COURT OF CRIMINAL APPEALS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 4,290,063	$ 4,290,063
Other Funds		
Judicial and Court Personnel Training Fund No. 540	9,594,588	8,891,588
Judicial Fund No. 573	333,251	333,251
Appropriated Receipts	4,500	4,500
Interagency Contracts	30,000	30,000
Subtotal, Other Funds	$ 9,962,339	$ 9,259,339
Total, Method of Financing	$ 14,252,402	$ 13,549,402
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	71.0	71.0
Schedule of Exempt Positions:		
Presiding Judge	$152,500	$152,500
Judge	(8) 150,000	(8) 150,000
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 4,657,814	$ 4,657,814 & UB
B. Goal: JUDICIAL EDUCATION		
B.1.1. Strategy: JUDICIAL EDUCATION	$ 9,594,588	$ 8,891,588
Grand Total, COURT OF CRIMINAL APPEALS	$ 14,252,402	$ 13,549,402
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,548,681	$ 4,548,681
Other Personnel Costs	98,120	98,120
Consumable Supplies	30,500	30,500
Travel	22,250	22,250
Rent - Building	11,160	11,160
Rent - Machine and Other	38,990	38,990
Other Operating Expense	195,951	174,861
Grants	9,306,750	8,624,840
Total, Object-of-Expense Informational Listing	$ 14,252,402	$ 13,549,402
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 193,558	$ 196,461
Group Insurance	461,463	468,274
Social Security	322,484	327,322
Benefits Replacement	22,089	20,984
Subtotal, Employee Benefits	$ 999,594	$ 1,013,041

Debt Service		
Lease Payments	$ 531,868	$ 522,454
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,531,462	$ 1,535,495

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Court of Criminal Appeals. 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 Court of Criminal Appeals. In order to achieve the objectives and service standards established by this Act, the Court of Criminal Appeals shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Disposition Rate for Petitions for Discretionary Review Which Are Granted	60%	60%
Disposition Rate for Death Penalty Cases	41%	41%
Average Time (in Days) from the Time Petitions for Discretionary Review Are Granted until Disposition	282	282
Average Time from Time Filed to Disposition in Death Penalty Cases	638	638

2. Judicial Education.

a. The Court of Criminal Appeals may assign to the Office of Court Administration or to any other agency of the Judicial Branch the necessary administrative and accounting functions for the Judicial and Court Personnel Training Fund appropriation included in this Act to be performed under the direction of the Court of Criminal Appeals in compliance with Government Code, Chapter 56. To implement this provision, the Comptroller is authorized to transfer the appropriation from the Court of Criminal Appeals to the Office of Court Administration, or to any other agency of the Judicial Branch, as directed by order of the Court of Criminal Appeals. Of the amount appropriated for Strategy B.1.1, Judicial Education, $475,000 in fiscal year ~~2006~~ 2008 and $475,000 in fiscal year ~~2007~~ 2009 shall be expended for the continuing legal education of judges of county courts performing judicial functions.

b. None of the funds appropriated above in Strategy B.1.1, Judicial Education, in excess of 3 percent of the appropriated amount in any fiscal year shall be expended for the administration of the judicial education function. The 3 percent administrative allocation is estimated to be $287,838 in fiscal year 2008 and $266,748 in fiscal year 2009, subject to amounts of refunds of unexpended balances from training entities or other funds that may be provided for judicial and court personnel training. For the purposes of this provision, the term administration shall include, but not be limited to, administrative oversight functions, accounting and auditing functions, management studies, performance audits, and other studies initiated by the Court of Criminal Appeals or the Office of Court Administration. It is the intent of the Legislature that the court fund a new grant administrator position authorized for the 2008-09 Biennium from reductions in the administrative overhead of grantee programs.

c. Funds expended by either the Court of Criminal Appeals or the Office of Court Administration, out of the appropriation made above out of the Judicial and Court Personnel Training Fund, for the purpose of conducting management studies, performance audits, or other studies, shall be expended only in accordance with a competitive bidding process.

3. Continuing Education and Technical Assistance for Prosecutors and Criminal Defense Attorneys.

a. The Court of Criminal Appeals is authorized to contract with a statewide professional association of prosecuting attorneys and other entities whose purposes include providing continuing legal education courses, programs and technical assistance projects for prosecutors and prosecutor office personnel, provided, however, that such contract shall not exceed $1,400,000 in fiscal year ~~2006~~ 2008 and $1,400,000 in fiscal year ~~2007~~ 2009.

b. The Court of Criminal Appeals is authorized to contract with a statewide professional association of criminal defense attorneys and other entities whose purposes include providing continuing legal education courses, programs and technical assistance projects for criminal defense attorneys who regularly represent indigent defendants in criminal matters, provided, however, that such contract shall not exceed $1,250,000 in fiscal year ~~2006~~ 2008 and $1,250,000 in fiscal year ~~2007~~ 2009.

c. Funds may be expended pursuant to this provision only out of the appropriation made above out of the Judicial and Court Personnel Training Fund No. 540.

4. Judicial Education: Reimbursement for Travel Expenses. Funds appropriated above in Strategy B.1.1, Judicial Education, for the purposes established in § 56.003(b) of the Government Code, may be granted only pursuant to a grant contract which provides for the reimbursement of expenses of judges pursuant to the provisions of § 74.062 of the Government Code. This provision shall not apply to funds granted for the purpose of providing continuing legal education for judges of county courts performing judicial functions.

5. Judicial and Court Personnel Training Report. The Court of Criminal Appeals shall file a report with the Legislative Budget Board and the Governor within 90 days following February 28 and August 31 of each fiscal year showing the allocation of grants and expenditures from Judicial and Court Personnel Training Fund No. 540, and the results of grant audits.

6. Appropriation: Refunds of Unexpended Balances from Training Entities. The Court of Criminal Appeals shall maintain procedures to ensure that the state is refunded all unexpended and unencumbered state funds held at the close of fiscal year ~~2005~~ 2007 and fiscal year ~~2006~~ 2008 by training entities receiving grants to conduct judicial and court personnel training. Refunds received by the Court of Criminal Appeals in fiscal year ~~2006~~ 2008 from training entities are appropriated above in Strategy B.1.1, Judicial Education (not to exceed ~~$842,000~~ 653,000 in fiscal year ~~2006~~ 2008 out of Judicial and Court Personnel Training Account No. 540.) In addition, under Article IX, § 8.03 of this Act, the Court of Criminal Appeals is authorized to spend an amount not to exceed ~~$1,082,000~~ 653,000 from refunds received from training entities in fiscal year ~~2007~~ 2009 for grants awarded in fiscal year ~~2006~~ 2008.

7. Judicial and Court Personnel Training. Out of funds appropriated above in Strategy B.1.1, Judicial Education, a minimum of $1,000,000 per fiscal year is designated for the Court of Criminal Appeals to contract with training entities providing for the training and continuing legal education of the clerks and other court personnel of the appellate courts, district courts, county courts at law, county courts, justice courts, and municipal courts of this State in accordance with Government Code § 74.025.

8. Actual Innocence Training. Out of funds appropriated above in Strategy B.1.1, Judicial Education, an amount not to exceed $150,000 in fiscal year ~~2006~~ 2008 and an amount not to exceed $150,000 in fiscal year ~~2007~~ 2009 shall be used by the Court of Criminal Appeals to contract with statewide professional associations and other entities whose purposes include providing continuing legal education courses, programs, and technical assistance projects on actual innocence for criminal defense attorneys, prosecuting attorneys, ~~and~~ judges, bailiffs, constables, and warrant officers. Any unexpended balances of these funds remaining as of August 31, ~~2006~~ 2008 are hereby appropriated to the Court of Criminal Appeals for the fiscal year beginning September 1, ~~2006~~2008 for the same purpose.

9. Appropriation: Unexpended Balance Authority Between Biennia and Within the Biennium for Judicial Education, Administrative Allocation. All unexpended balances of funds appropriated to Strategy B.1.1, Judicial Education, at the end of fiscal year ~~2005~~2007 are appropriated to Strategy B.1.1, Judicial Education in fiscal year ~~2006~~ 2008 (not to exceed $50,000 in Judicial and Court Personnel Training Fund No. 540, and included in amounts appropriated above). Further, all unexpended balances of funds appropriated to Strategy B.1.1, Judicial Education, at the end of fiscal year ~~2006~~ 2008 are appropriated to Strategy B.1.1, Judicial Education in fiscal year ~~2007~~ 2009 (not to exceed $100,000 in Judicial and Court Personnel Training Fund No. 540) and included in amounts appropriated above.

FIRST COURT OF APPEALS DISTRICT, HOUSTON

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,975,202	$ 2,975,202
Other Funds		
Judicial Fund No. 573	273,350	273,350
Appropriated Receipts	8,700	8,700
Interagency Contracts	42,500	42,500
Subtotal, Other Funds	$ 324,550	$ 324,550
Total, Method of Financing	$ 3,299,752	$ 3,299,752
This bill pattern represents an estimated 91.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	44.0	44.0
Schedule of Exempt Positions:		
Chief Justice	$140,000	$140,000
Justice	(8) 137,500	(8) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 3,299,752	$ 3,299,752 & UB
Grand Total, FIRST COURT OF APPEALS DISTRICT, HOUSTON	$ 3,299,752	$ 3,299,752
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,207,213	$ 3,207,213
Other Personnel Costs	26,628	26,628
Consumable Supplies	5,000	5,000
Travel	7,999	7,999
Rent - Building	14,000	14,000
Rent - Machine and Other	5,532	5,532
Other Operating Expense	33,380	33,380
Total, Object-of-Expense Informational Listing	$ 3,299,752	$ 3,299,752
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 109,568	$ 111,212
Group Insurance	260,040	261,982
Social Security	218,377	221,653
Benefits Replacement	6,487	6,163
Subtotal, Employee Benefits	$ 594,472	$ 601,010
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 594,472	$ 601,010

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the First Court of Appeals District, Houston. 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 First Court of Appeals District, Houston. In order to achieve the objectives and service standards established by this Act, the First Court of Appeals District, Houston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%

Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

SECOND COURT OF APPEALS DISTRICT, FORT WORTH

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,324,055	$ 2,324,055
Other Funds		
Judicial Fund No. 573	213,050	213,050
Appropriated Receipts	20,000	20,000
Interagency Contracts	54,000	54,000
Subtotal, Other Funds	$ 287,050	$ 287,050
Total, Method of Financing	$ 2,611,105	$ 2,611,105
This bill pattern represents an estimated 90.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	39.0	39.0
Schedule of Exempt Positions:		
Chief Justice	$140,000	$140,000
Justice	(6) 137,500	(6) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 2,611,105	$ 2,611,105 & UB
Grand Total, SECOND COURT OF APPEALS DISTRICT, FORT WORTH	$ 2,611,105	$ 2,611,105
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,490,262	$ 2,490,262
Other Personnel Costs	25,480	28,680
Consumable Supplies	18,000	18,000
Travel	15,000	15,000
Rent - Building	60	60
Other Operating Expense	62,303	59,103
Total, Object-of-Expense Informational Listing	$ 2,611,105	$ 2,611,105
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 94,885	$ 96,308
Group Insurance	238,209	240,472
Social Security	180,049	182,750
Benefits Replacement	9,591	9,111
Subtotal, Employee Benefits	$ 522,734	$ 528,641
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 522,734	$ 528,641

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Second Court of Appeals District, Fort Worth. 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 Second Court of Appeals District, Fort Worth. In order to achieve the objectives and service standards established by this Act, the Second Court of Appeals District, Fort Worth shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

THIRD COURT OF APPEALS DISTRICT, AUSTIN

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,064,704	$ 2,064,706
Other Funds		
Judicial Fund No. 573	182,900	182,900
Appropriated Receipts	16,000	16,000
Interagency Contracts	36,000	36,000
Subtotal, Other Funds	$ 234,900	$ 234,900
Total, Method of Financing	$ 2,299,604	$ 2,299,606
This bill pattern represents an estimated 91.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	32.0	32.0
Schedule of Exempt Positions:		
Chief Justice	$140,000	$140,000
Justice	(5) 137,500	(5) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 2,299,604	$ 2,299,606 & UB
Grand Total, THIRD COURT OF APPEALS DISTRICT, AUSTIN	$ 2,299,604	$ 2,299,606
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,170,760	$ 2,170,760
Other Personnel Costs	29,200	32,800
Consumable Supplies	10,500	11,000
Utilities	11,500	11,500
Travel	5,445	5,445
Rent - Building	7,500	7,500
Other Operating Expense	64,699	60,601
Total, Object-of-Expense Informational Listing	$ 2,299,604	$ 2,299,606
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 77,278	$ 78,437
Group Insurance	199,798	202,139
Social Security	162,953	165,398

Benefits Replacement	9,734	9,248
Subtotal, Employee Benefits	$ 449,763	$ 455,222
Debt Service		
Lease Payments	$ 492,502	$ 483,240
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 942,265	$ 938,462

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Third Court of Appeals District, Austin. 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 Third Court of Appeals District, Austin. In order to achieve the objectives and service standards established by this Act, the Third Court of Appeals District, Austin shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

FOURTH COURT OF APPEALS DISTRICT, SAN ANTONIO

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,324,055	$ 2,324,055
Other Funds		
Judicial Fund No. 573	213,050	213,050
Appropriated Receipts	9,000	9,000
Interagency Contracts	42,000	42,000
Subtotal, Other Funds	$ 264,050	$ 264,050
Total, Method of Financing	$ 2,588,105	$ 2,588,105
This bill pattern represents an estimated 87.4% 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:		
Chief Justice	$140,000	$140,000
Justice	(6) 137,500	(6) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 2,588,105	$ 2,588,105 & UB
Grand Total, FOURTH COURT OF APPEALS DISTRICT, SAN ANTONIO	$ 2,588,105	$ 2,588,105
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,514,313	$ 2,518,814
Other Personnel Costs	30,500	34,820
Consumable Supplies	10,000	10,000
Travel	1,500	1,000

FOURTH COURT OF APPEALS DISTRICT, SAN ANTONIO
(Continued)

Rent - Machine and Other	1,380	1,380
Other Operating Expense	30,412	22,091
Total, Object-of-Expense Informational Listing	$ 2,588,105	$ 2,588,105
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 91,082	$ 92,448
Group Insurance	216,050	217,948
Social Security	173,067	175,663
Benefits Replacement	8,418	7,997
Subtotal, Employee Benefits	$ 488,617	$ 494,056
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 488,617	$ 494,056

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Fourth Court of Appeals District, San Antonio. 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 Fourth Court of Appeals District, San Antonio. In order to achieve the objectives and service standards established by this Act, the Fourth Court of Appeals District, San Antonio shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

FIFTH COURT OF APPEALS DISTRICT, DALLAS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 4,062,365	$ 4,062,364
Other Funds		
Judicial Fund No. 573	393,950	393,950
Appropriated Receipts	32,000	32,000
Subtotal, Other Funds	$ 425,950	$ 425,950
Total, Method of Financing	$ 4,488,315	$ 4,488,314
This bill pattern represents an estimated 92.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	56.0	56.0
Schedule of Exempt Positions:		
Chief Justice	$140,000	$140,000
Justice	(12) 137,500	(12) 137,500

FIFTH COURT OF APPEALS DISTRICT, DALLAS
(Continued)

Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 4,488,315	$ 4,488,314 & UB
Grand Total, FIFTH COURT OF APPEALS DISTRICT, DALLAS	$ 4,488,315	$ 4,488,314
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,220,054	$ 4,220,054
Other Personnel Costs	41,060	41,060
Consumable Supplies	32,000	32,000
Travel	9,500	9,500
Rent - Building	27,960	27,960
Rent - Machine and Other	33,121	33,121
Other Operating Expense	124,620	124,619
Total, Object-of-Expense Informational Listing	$ 4,488,315	$ 4,488,314
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 151,712	$ 153,988
Group Insurance	387,174	392,137
Social Security	303,937	308,496
Benefits Replacement	15,755	14,967
Subtotal, Employee Benefits	$ 858,578	$ 869,588
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 858,578	$ 869,588

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Fifth Court of Appeals District, Dallas. 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 Fifth Court of Appeals District, Dallas. In order to achieve the objectives and service standards established by this Act, the Fifth Court of Appeals District, Dallas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

SIXTH COURT OF APPEALS DISTRICT, TEXARKANA

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,122,182	$ 1,122,183
Other Funds		
Judicial Fund No. 573	92,450	92,450
Appropriated Receipts	3,000	3,000
Subtotal, Other Funds	$ 95,450	$ 95,450
Total, Method of Financing	$ 1,217,632	$ 1,217,633

This bill pattern represents an estimated 98.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	15.5	15.5
Schedule of Exempt Positions:		
Chief Justice	$140,000	$140,000
Justice	(2) 137,500	(2) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,217,632	$ 1,217,633 & UB
Grand Total, SIXTH COURT OF APPEALS DISTRICT, TEXARKANA	$ 1,217,632	$ 1,217,633
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,109,384	$ 1,109,384
Other Personnel Costs	12,920	14,540
Consumable Supplies	6,600	6,600
Utilities	3,400	3,400
Travel	13,266	13,266
Rent - Building	2,400	2,400
Rent - Machine and Other	1,700	1,700
Other Operating Expense	67,962	66,343
Total, Object-of-Expense Informational Listing	$ 1,217,632	$ 1,217,633
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 46,249	$ 46,943
Group Insurance	119,565	121,511
Social Security	83,041	84,286
Benefits Replacement	5,526	5,250
Subtotal, Employee Benefits	$ 254,381	$ 257,990
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 254,381	$ 257,990

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Sixth Court of Appeals District, Texarkana. 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 Sixth Court of Appeals District, Texarkana. In order to achieve the objectives and service standards established by this Act, the Sixth Court of Appeals District, Texarkana shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

SEVENTH COURT OF APPEALS DISTRICT, AMARILLO

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,459,402	$ 1,459,402
Other Funds		
Judicial Fund No. 573	122,600	122,600
Appropriated Receipts	8,000	8,000
Subtotal, Other Funds	$ 130,600	$ 130,600
Total, Method of Financing	$ 1,590,002	$ 1,590,002
This bill pattern represents an estimated 99.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	20.0	20.0
Schedule of Exempt Positions:		
Chief Justice	$140,000	$140,000
Justice	(3) 137,500	(3) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,590,002	$ 1,590,002 & UB
Grand Total, SEVENTH COURT OF APPEALS DISTRICT, AMARILLO	$ 1,590,002	$ 1,590,002
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,444,353	$ 1,444,353
Other Personnel Costs	19,760	20,200
Consumable Supplies	8,000	9,000
Utilities	2,000	2,000
Travel	19,500	19,500
Rent - Building	20	20
Rent - Machine and Other	626	626
Other Operating Expense	95,743	94,303
Total, Object-of-Expense Informational Listing	$ 1,590,002	$ 1,590,002
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 59,946	$ 60,845
Group Insurance	143,412	144,639
Social Security	103,971	105,530
Benefits Replacement	8,109	7,704
Subtotal, Employee Benefits	$ 315,438	$ 318,718
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 315,438	$ 318,718

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Seventh Court of Appeals District, Amarillo. 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 Seventh Court of Appeals District, Amarillo. In order to achieve the objectives and service standards established by this Act, the Seventh Court of Appeals District, Amarillo shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%

SEVENTH COURT OF APPEALS DISTRICT, AMARILLO
(Continued)

Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

EIGHTH COURT OF APPEALS DISTRICT, EL PASO

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,143,300	$ 1,143,299
Other Funds		
Judicial Fund No. 573	92,450	92,450
Appropriated Receipts	6,000	6,000
Interagency Contracts	27,000	27,000
Subtotal, Other Funds	$ 125,450	$ 125,450
Total, Method of Financing	$ 1,268,750	$ 1,268,749
This bill pattern represents an estimated 98.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	17.0	17.0
Schedule of Exempt Positions:		
Chief Justice	$140,000	$140,000
Justice	(2) 137,500	(2) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,268,750	$ 1,268,749 & UB
Grand Total, EIGHTH COURT OF APPEALS DISTRICT, EL PASO	$ 1,268,750	$ 1,268,749
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,104,402	$ 1,107,105
Other Personnel Costs	72,140	46,329
Consumable Supplies	3,500	5,500
Utilities	3,200	3,600
Travel	15,000	18,050
Rent - Building	6,000	6,000
Rent - Machine and Other	500	500
Other Operating Expense	64,008	81,665
Total, Object-of-Expense Informational Listing	$ 1,268,750	$ 1,268,749
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 50,717	$ 51,477
Group Insurance	139,296	141,227
Social Security	87,159	88,467
Benefits Replacement	9,499	9,024
Subtotal, Employee Benefits	$ 286,671	$ 290,195
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 286,671	$ 290,195

EIGHTH COURT OF APPEALS DISTRICT, EL PASO
(Continued)

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Eighth Court of Appeals District, El Paso. 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 Eighth Court of Appeals District, El Paso. In order to achieve the objectives and service standards established by this Act, the Eighth Court of Appeals District, El Paso shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

NINTH COURT OF APPEALS DISTRICT, BEAUMONT

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,459,402	$ 1,459,402
Other Funds		
Judicial Fund No. 573	122,600	122,600
Appropriated Receipts	8,000	8,000
Subtotal, Other Funds	$ 130,600	$ 130,600
Total, Method of Financing	$ 1,590,002	$ 1,590,002
This bill pattern represents an estimated 98.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	20.0	20.0
Schedule of Exempt Positions:		
Chief Justice	$140,000	$140,000
Justice	(3) 137,500	(3) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,590,002	$ 1,590,002 & UB
Grand Total, NINTH COURT OF APPEALS DISTRICT, BEAUMONT	$ 1,590,002	$ 1,590,002
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,540,154	$ 1,540,155
Other Personnel Costs	20,000	20,000
Consumable Supplies	1,500	1,500
Travel	10,000	10,000
Other Operating Expense	18,348	18,347
Total, Object-of-Expense Informational Listing	$ 1,590,002	$ 1,590,002
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 62,735	$ 63,676
Group Insurance	146,039	147,709
Social Security	111,580	113,253

Benefits Replacement	9,345	8,877
Subtotal, Employee Benefits	$ 329,699	$ 333,515
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 329,699	$ 333,515

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Ninth Court of Appeals District, Beaumont. 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 Ninth Court of Appeals District, Beaumont. In order to achieve the objectives and service standards established by this Act, the Ninth Court of Appeals District, Beaumont shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

TENTH COURT OF APPEALS DISTRICT, WACO

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,120,096	$ 1,120,096
Other Funds		
Judicial Fund No. 573	92,450	92,450
Appropriated Receipts	10,000	10,000
Subtotal, Other Funds	$ 102,450	$ 102,450
Total, Method of Financing	$ 1,222,546	$ 1,222,546
This bill pattern represents an estimated 98.2% 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:		
Chief Justice	$140,000	$140,000
Justice	(2) 137,500	(2) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,222,546	$ 1,222,546 & UB
Grand Total, TENTH COURT OF APPEALS DISTRICT, WACO	$ 1,222,546	$ 1,222,546
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,097,737	$ 1,097,737
Other Personnel Costs	12,000	12,000
Consumable Supplies	11,000	11,000
Utilities	3,000	3,000
Travel	8,000	8,000

TENTH COURT OF APPEALS DISTRICT, WACO
(Continued)

Rent - Machine and Other	720	720
Other Operating Expense	90,089	90,089
Total, Object-of-Expense Informational Listing	$ 1,222,546	$ 1,222,546
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 41,626	$ 42,250
Group Insurance	112,648	114,378
Social Security	76,656	77,806
Benefits Replacement	2,085	1,981
Subtotal, Employee Benefits	$ 233,015	$ 236,415
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 233,015	$ 236,415

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Tenth Court of Appeals District, Waco. 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 Tenth Court of Appeals District, Waco. In order to achieve the objectives and service standards established by this Act, the Tenth Court of Appeals District, Waco shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

ELEVENTH COURT OF APPEALS DISTRICT, EASTLAND

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,142,633	$ 1,149,399
Other Funds		
Judicial Fund No. 573	92,450	92,450
Appropriated Receipts	8,000	8,000
Subtotal, Other Funds	$ 100,450	$ 100,450
Total, Method of Financing	$ 1,243,083	$ 1,249,849
This bill pattern represents an estimated 94.2% 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:		
Chief Justice	$140,000	$140,000
Justice	(2) 137,500	(2) 137,500

ELEVENTH COURT OF APPEALS DISTRICT, EASTLAND
(Continued)

Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,243,083	$ 1,249,849 & UB
Grand Total, ELEVENTH COURT OF APPEALS DISTRICT, EASTLAND	$ 1,243,083	$ 1,249,849
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,108,995	$ 1,120,761
Other Personnel Costs	18,000	18,000
Consumable Supplies	7,000	7,000
Utilities	9,500	9,500
Travel	10,000	5,000
Rent - Machine and Other	3,200	3,200
Other Operating Expense	86,388	86,388
Total, Object-of-Expense Informational Listing	$ 1,243,083	$ 1,249,849
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 48,856	$ 49,589
Group Insurance	138,551	140,142
Social Security	82,648	83,888
Benefits Replacement	9,212	8,751
Subtotal, Employee Benefits	$ 279,267	$ 282,370
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 279,267	$ 282,370

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Eleventh Court of Appeals District, Eastland. 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 Eleventh Court of Appeals District, Eastland. In order to achieve the objectives and service standards established by this Act, the Eleventh Court of Appeals District, Eastland shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

TWELFTH COURT OF APPEALS DISTRICT, TYLER

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,144,227	$ 1,144,225
Other Funds		
Judicial Fund No. 573	92,450	92,450
Appropriated Receipts	3,500	3,500
Subtotal, Other Funds	$ 95,950	$ 95,950
Total, Method of Financing	$ 1,240,177	$ 1,240,175

This bill pattern represents an estimated 99.1% 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:		
Chief Justice	$140,000	$140,000
Justice	(2) 137,500	(2) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,240,177	$ 1,240,175 & UB
Grand Total, TWELFTH COURT OF APPEALS DISTRICT, TYLER	$ 1,240,177	$ 1,240,175
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,150,419	$ 1,150,419
Other Personnel Costs	14,360	16,520
Consumable Supplies	6,280	5,000
Utilities	12,000	12,000
Travel	10,500	10,500
Rent - Machine and Other	6,478	6,478
Other Operating Expense	40,140	39,258
Total, Object-of-Expense Informational Listing	$ 1,240,177	$ 1,240,175
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 49,149	$ 49,886
Group Insurance	138,627	141,444
Social Security	82,759	84,001
Benefits Replacement	3,707	3,522
Subtotal, Employee Benefits	$ 274,242	$ 278,853
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 274,242	$ 278,853

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Twelfth Court of Appeals District, Tyler. 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 Twelfth Court of Appeals District, Tyler. In order to achieve the objectives and service standards established by this Act, the Twelfth Court of Appeals District, Tyler shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

THIRTEENTH COURT OF APPEALS DISTRICT, CORPUS CHRISTI-EDINBURG

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,063,588	$ 2,063,587

Other Funds		
Judicial Fund No. 573	182,900	182,900
Appropriated Receipts	18,000	18,000
Interagency Contracts	36,000	36,000
Subtotal, Other Funds	$ 236,900	$ 236,900
Total, Method of Financing	$ 2,300,488	$ 2,300,487
This bill pattern represents an estimated 94.4% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	32.0	32.0
Schedule of Exempt Positions:		
Chief Justice	$140,000	$140,000
Justice	(5) 137,500	(5) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 2,300,488	$ 2,300,487 & UB
Grand Total, THIRTEENTH COURT OF APPEALS DISTRICT, CORPUS CHRISTI-EDINBURG	$ 2,300,488	$ 2,300,487
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,153,414	$ 2,153,414
Other Personnel Costs	19,740	19,980
Consumable Supplies	17,500	17,500
Travel	12,500	12,500
Rent - Machine and Other	2,500	2,500
Other Operating Expense	46,000	46,000
Capital Expenditures	48,834	48,593
Total, Object-of-Expense Informational Listing	$ 2,300,488	$ 2,300,487
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 87,815	$ 89,133
Group Insurance	204,641	206,243
Social Security	157,823	160,190
Benefits Replacement	8,341	7,924
Subtotal, Employee Benefits	$ 458,620	$ 463,490
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 458,620	$ 463,490

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Thirteenth Court of Appeals District, Corpus Christi-Edinburg. 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 Thirteenth Court of Appeals District, Corpus Christi-Edinburg. In order to achieve the objectives and service standards established by this Act, the Thirteenth Court of Appeals District, Corpus Christi-Edinburg shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

FOURTEENTH COURT OF APPEALS DISTRICT, HOUSTON

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,975,203	$ 2,975,201
Other Funds		
Judicial Fund No. 573	273,350	273,350
Appropriated Receipts	11,539	11,539
Interagency Contracts	42,500	42,500
Subtotal, Other Funds	$ 327,389	$ 327,389
Total, Method of Financing	$ 3,302,592	$ 3,302,590
This bill pattern represents an estimated 90.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	43.5	43.5
Schedule of Exempt Positions:		
Chief Justice	$140,000	$140,000
Justice	(8) 137,500	(8) 137,500
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 3,302,592	$ 3,302,590 & UB
Grand Total, FOURTEENTH COURT OF APPEALS DISTRICT, HOUSTON	$ 3,302,592	$ 3,302,590
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,103,718	$ 3,103,717
Other Personnel Costs	44,994	44,994
Professional Fees and Services	1,238	1,238
Consumable Supplies	19,670	19,670
Travel	7,683	7,683
Rent - Building	4,898	4,898
Other Operating Expense	120,391	120,390
Total, Object-of-Expense Informational Listing	$ 3,302,592	$ 3,302,590
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 112,744	$ 114,435
Group Insurance	317,478	320,875
Social Security	224,090	227,452
Benefits Replacement	10,117	9,611
Subtotal, Employee Benefits	$ 664,429	$ 672,373
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 664,429	$ 672,373

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Fourteenth Court of Appeals District, Houston. 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 Fourteenth Court of Appeals District, Houston. In order to achieve the objectives and service standards established by this Act, the Fourteenth Court of Appeals District, Houston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%

Percentage of Cases Under Submission for Less Than One Year	100%	100%
Percentage of Cases Pending for Less Than Two Years	100%	100%

OFFICE OF COURT ADMINISTRATION, TEXAS JUDICIAL COUNCIL

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 7,364,407	$ 6,506,406
General Revenue Dedicated - Fair Defense Account No. 5073	15,698,768	15,698,768
Other Funds		
Appropriated Receipts	23,323	23,324
Interagency Contracts	6,279,198	6,299,903
Subtotal, Other Funds	$ 6,302,521	$ 6,323,227
Total, Method of Financing	$ 29,365,696	$ 28,528,401
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 38,935	$ 38,961
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	188.5	188.5
Schedule of Exempt Positions:		
Administrative Director, Group 5	$104,500	$104,500
Items of Appropriation:		
A. Goal: PROCESSES AND INFORMATION		
Improve Processes and Report Information.		
A.1.1. Strategy: COURT ADMINISTRATION	$ 2,165,551	$ 2,165,551 & UB
A.1.2. Strategy: INFORMATION TECHNOLOGY	$ 2,907,682	$ 2,050,191 & UB
A.1.3. Strategy: DOCKET EQUALIZATION	$ 18,000	$ 18,000 & UB
Equalization of the Courts of Appeals Dockets.		
A.1.4. Strategy: ASSIST ADMIN JUDICIAL REGIONS	$ 201,759	$ 201,760 & UB
Assistance to the Administrative Judicial Regions.		
A.1.5. Strategy: GUARDIANS AND PROCESS SERVERS	$ 76,728	$ 76,728 & UB
A.2.1. Strategy: INDIGENT DEFENSE	$ 15,698,768	$ 15,698,768 & UB
Indigent Defense Standards and Services.		
Total, Goal A: PROCESSES AND INFORMATION	$ 21,068,488	$ 20,210,998
B. Goal: SPECIALTY COURT PROGRAMS		
Complete Specialty Court Program Cases.		
B.1.1. Strategy: CHILD SUPPORT COURTS PROGRAM	$ 6,111,698	$ 6,132,403 & UB
B.1.2. Strategy: CHILD PROTECTION COURTS PROGRAM	$ 2,041,393	$ 2,041,393 & UB
Total, Goal B: SPECIALTY COURT PROGRAMS	$ 8,153,091	$ 8,173,796
C. Goal: COURT REPORTERS CERT BOARD		
Court Reporters Certification Board.		

C.1.1. Strategy: COURT REPORTERS CERT BOARD	$ 153,191	$ 153,191 & UB
Court Reporters Certification Board.		
C.1.2. Strategy: TEXASONLINE	$ 10,488	$ 13,576 & UB
TexasOnline. Estimated and Nontransferable.		
Total, Goal C: COURT REPORTERS CERT BOARD	$ 163,679	$ 166,767
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (19,562)	$ (23,160)
Grand Total, OFFICE OF COURT ADMINISTRATION, TEXAS JUDICIAL COUNCIL	$ 29,365,696	$ 28,528,401
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 11,298,067	$ 11,312,012
Other Personnel Costs	202,220	208,980
Professional Fees and Services	192,071	122,071
Consumable Supplies	90,567	89,067
Utilities	14,881	14,881
Travel	490,660	490,607
Rent - Building	8,585	8,585
Rent - Machine and Other	11,467	11,467
Other Operating Expense	2,183,910	1,457,463
Grants	14,813,268	14,813,268
Capital Expenditures	60,000	0
Total, Object-of-Expense Informational Listing	$ 29,365,696	$ 28,528,401
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 712,472	$ 723,159
Group Insurance	970,694	975,168
Social Security	853,780	866,587
Benefits Replacement	71,733	68,146
Subtotal, Employee Benefits	$ 2,608,679	$ 2,633,060
Debt Service		
Lease Payments	$ 221,954	$ 218,119
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,830,633	$ 2,851,179

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Court Administration, Texas Judicial Council. 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 Court Administration, Texas Judicial Council. In order to achieve the objectives and service standards established by this Act, the Office of Court Administration, Texas Judicial Council shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: PROCESSES AND INFORMATION		
Outcome (Results/Impact):		
Percent of Entities Reporting Case Statistics Electronically	67.2%	69.4%
Average Percentage Point Increase in Collection Rate for Mandatory Collection Improvement Progress	16	16
Percent of Counties Receiving State Funds for Indigent Defense	91%	91%
B. Goal: SPECIALTY COURT PROGRAMS		
Outcome (Results/Impact):		
Child Support Courts Case Disposition Rate	100%	100%
B.1.2. Strategy: CHILD PROTECTION COURTS PROGRAM		
Output (Volume):		
Number of Children Who Have Received a Final Order	5,114	5,114

C. Goal: COURT REPORTERS CERT BOARD		
Outcome (Results/Impact):		
Percentage of Licensees with No Recent Violations	99%	99%
Percent of Licensees Who Renew Online	70%	62%
C.1.1. Strategy: COURT REPORTERS CERT BOARD		
Output (Volume):		
Number of New Licenses Issued to Individuals	57	57

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.

	2006	2007
~~Out of the General Revenue Fund:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Trial Court Connectivity, Collection and Case Management~~	~~$ 250,000~~	~~$ 250,000~~
~~(2) FY06/07 Computer Equipment and Software~~	~~$ 502,004~~	~~$ 125,430~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 752,004~~	~~$ 375,430~~
~~Total, Capital Budget~~	~~$ 752,004~~	~~$ 375,430~~

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Computer Equipment and Software	$ 627,434	$ UB
Total, Acquisition of Information Resource Technologies	$ 627,434	$ UB
Total, Capital Budget	$ 627,434	$ 0

3. **Restriction, Assistance to the Administrative Judicial Regions.** Funds appropriated in Strategy A.1.4, Assistance to Administrative Judicial Regions, may be used only for the payment of salaries of administrative assistants employed by the presiding judges of the Administrative Judicial Regions pursuant to Government Code § 74.050, as amended. The salaries paid the administrative assistants may be supplemented from sources other than appropriations provided by this Act.

4. **Information Regarding Allocation of Full-Time-Equivalent Positions.** The following data regarding allocation of the "Number of Full-Time-Equivalent Positions (FTE)" is provided for informational purposes only, and should not be construed as a cap on the number of FTEs in any one strategy: Strategy A.1.1, Court Administration (~~34.0~~33.0 FTEs); Strategy A.1.2, Information Technology (~~21.5~~21.0 FTEs); Strategy A.1.4, Assistance to Administrative Judicial Regions (9.0 FTEs); Strategy A.1.5, Guardians and Process Servers (1.0); Strategy A.2.1, Indigent Defense (7.0 FTEs); Strategy B.1.1, Child Support Courts Program (86.5 FTEs); Strategy B.1.2, Child Protection Courts Program (28.0 FTEs); and Strategy C.1.1, Court Reporters Certification Board (3.0 FTEs).

5. **Disaster Recovery, Data Operations, Seat Management, and Information Services at the Appellate Courts.** It is the intent of the Legislature that contract services for disaster recovery and data operations services, including seat management, at the appellate courts must be performed by the State Data Center (SDC). Further, employees at appellate courts that perform on-site disaster recovery and data operations services, including seat management,

must provide the same level of service available from the SDC and may not be reimbursed by the Office of Court Administration from the Strategy A.1.2, Information Technology, in an amount that would exceed the cost of a contract with the SDC. It is the intent of the Legislature that the appellate courts may not employ contractors or employees that provide services that duplicate the information services provided by the Office of Court Administration.

6. **Information Services for the Trial Courts.** Out of funds appropriated above in Strategy A.1.2, Information Technology, no less than ~~$1,520,000~~$680,036 shall be dedicated to providing information services for the Trial Courts.

7. **Information Technology Equipment and Services.** It is the intent of the Legislature that the Office of Court Administration provide staff and information technology equipment and services for the Judicial Committee on Information Technology and information technology equipment and services for the State Law Library, Office of the State Prosecuting Attorney, ~~and~~ Court Reporters Certification Board, and State Commission on Judicial Conduct subject to funds available within amounts appropriated above for Strategy A.1.2, Information Technology. ~~The State Law Library will continue to submit a biennial operating plan for internal support of subscription services to online legal research tools and daily library functions.~~

8. **District Court Performance Measures.** It is the intent of the Legislature that the Office of Court Administration report data for the district courts on a countywide basis and that the data measure countywide clearance rates for criminal, civil, and juvenile cases and measure age of cases disposed and the backlog index for criminal and civil cases. Further, the Office of Court Administration should revise its reporting system for the trial courts to simplify reporting, improve data collection and compliance, and streamline its annual report of the Texas judicial system.

9. **Appellate Court Performance Measures.** It is the intent of the Legislature that the current performance measures for the appellate courts continue to be used for caseload management by each court in accordance with uniform data reporting standards approved by the courts of appeals. Further, the appellate courts should continuously find ways to operate efficiently without sacrificing the quality of justice while remaining true to the rule of law. Finally, the Office of Court Administration should continue to study whether the statistical data currently reported is presented in a clear, understandable format and what, if any, additional data should be collected.

10. **Assistance to Presiding Judges of the Nine Administrative Judicial Regions.** The Office of Court Administration shall assist the presiding judges of the nine administrative judicial regions in seeking alternative funding, including federal funding, for payments to visiting judges serving in the nine administrative judicial regions.

11. **Interagency Contract for Assigned Judges for Child Protection Courts.** Out of funds appropriated above to Strategy B.1.2, Child Protection Courts Program, the Office of Court Administration may enter into a contract with the Office of the Comptroller for fiscal years ~~2006~~2008 and ~~2007~~2009, for the purpose of reimbursing the Comptroller for amounts expended for judges assigned under Chapter 74, Government Code to hear cases of the Child Protection Courts established pursuant to Subchapter C, Chapter 201, Family Code. It is the intent of the Legislature that any amounts reimbursed under this contract for judges assigned to the Child Protection Courts are in addition to amounts appropriated for the use of assigned judges in Strategy A.1.2, Visiting Judges - Regions in the Judiciary Section, Comptroller's Department.

12. **Indigent Defense.** All amounts deposited into the Fair Defense Account (General Revenue - Dedicated Account No. 5073) are appropriated in Strategy A.2.1, Indigent Defense. Any amounts deposited in excess of ~~$13,627,093~~$15,698,768 in fiscal year ~~2006~~2008 and ~~$13,627,091~~$15,698,768 in fiscal year ~~2007~~2009 are hereby appropriated to the Office of Court Administration, Texas Judicial Council for the same purpose. Any unexpended balances in the Fair Defense Account at the end of fiscal year ~~2005~~2007 are hereby appropriated for fiscal year ~~2006~~2008 to the Office of Court Administration, Texas Judicial Council for the same purpose (estimated to be ~~$1,480,000~~$0 ~~and included in amounts appropriated above~~). Any unexpended balances in the Fair Defense Account at the end of fiscal year ~~2006~~2008 are hereby appropriated for fiscal year ~~2007~~2009 to the Office of Court Administration, Texas

Judicial Council for the same purpose. Included above in Strategy A.2.1, Indigent Defense, is $685,500 in fiscal year ~~2006~~2008 and $685,500 in fiscal year ~~2007~~2009 for the administration of the Task Force on Indigent Defense. The Task Force on Indigent Defense shall have authority to make grants to counties from the Fair Defense Account, with funds being disbursed by the Comptroller. In no event shall the appropriation made by this section be used to offset the Office of Court Administration's administrative support provided to the Task Force on Indigent Defense.

13. **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 Court Reporters Certification Board cover, at a minimum, the cost of the appropriations made above in Strategy C.1.1, Court Reporters Certification Board and Strategy C.1.2, TexasOnline as well as an amount equal to the amount identified above in the informational item "Other Direct and Indirect Costs Appropriated Elsewhere in this Act." 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.

14. **Innocence Projects.** Out of amounts appropriated above in Strategy A.2.1, Indigent Defense, ~~$400,000~~$300,000 in each year of the biennium from the General Revenue-Dedicated Fair Defense Account No. 5073 shall be used by the Task Force on Indigent Defense to contract with law schools at the University of Houston, the University of Texas, and Texas Tech University~~, and Texas Southern University~~ for innocence projects. It is the intent of the Legislature that the amount of each contract with each university shall be $100,000. Any unexpended balances in the ~~$400,000~~$300,000 in funds designated for innocence projects as of August 31, ~~2006~~2008 are hereby appropriated to Strategy A.2.1, Indigent Defense for the same purpose for the fiscal year beginning September 1, ~~2006~~2008.

15. **Performance Reporting for the Collection Improvement Program.** The Office of Court Administration shall report on an annual basis the following Collection Improvement Program information to the Legislative Budget Board and the Governor: (1) the number of mandatory programs in operation; (2) the number of mandatory programs not in compliance; (3) the number of voluntary programs in operation; (4) the number of new voluntary programs in operation; (5) the total additional state revenue per voluntary program; and (6) per program revenue from all participating programs. The Office of Court Administration should seek to increase the number of voluntary programs by five each fiscal year.

~~**15.** **Earned Federal Funds and Unexpended Balance Authority Between Biennia.** Included in amounts appropriated above in Strategy A.1.1, Court Administration, are any unexpended balances as of August 31, 2005~~2007 ~~identified as earned federal funds (estimated to be $5,449~~0 ~~in fiscal year 2006~~2008~~). Additionally, included in amounts appropriated above in Strategy A.1.1, Court Administration, are earned federal funds received during the biennium beginning September 1, 2005~~2007 ~~(estimated to be $1,816~~0 ~~in fiscal year 2006~~2008 ~~and $0 in fiscal year 2007~~2009~~). Earned federal funds received by the Office of Court Administration under this provision are hereby appropriated to the agency for use in office operations.~~

~~**16.** **Contingency Appropriation for Senate Bill 368.** Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges, and the Comptroller of Public Accounts issuing a finding of fact certifying additional revenue collections from fees, fines, and court costs during the 2006-07 biennium in Judicial Fund No. 573 that exceed the Comptroller of Public Accounts Biennial Revenue Estimate for these items by at least $103,550 in fiscal year 2006 and $24,848 in fiscal year 2007, the Office of Court Administration is appropriated $103,550 in fiscal year 2006 and $24,848 in fiscal year 2007 out of the Judicial Fund No. 573 in Strategy A.1.2, Information Technology, for the purpose of implementing live broadcasts of Supreme Court proceedings over the Internet. Any unexpended balances in these funds as of August 31, 2006 are hereby appropriated to the Office of Court Administration for the fiscal year beginning September 1, 2006 for the same purposes.~~

OFFICE OF THE STATE PROSECUTING ATTORNEY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 360,538	$ 357,589
Total, Method of Financing	$ 360,538	$ 357,589
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	5.0	5.0
Schedule of Exempt Positions:		
State Prosecuting Attorney	$95,000	$95,000
Items of Appropriation:		
A. Goal: REPRESENTATION BEFORE CCA		
Representation of the State before the Court of Criminal Appeals.		
A.1.1. Strategy: REPRESENTATION BEFORE CCA	$ 362,164	$ 359,164 & UB
Representation of the State before the Court of Criminal Appeals.		
B. Goal: ADMINISTRATIVE REDUCTIONS		
B.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (1,626)	$ (1,575)
Grand Total, OFFICE OF THE STATE PROSECUTING ATTORNEY	$ 360,538	$ 357,589
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 333,629	$ 333,629
Other Personnel Costs	6,660	6,660
Professional Fees and Services	2,860	0
Consumable Supplies	1,380	1,380
Utilities	6,498	6,498
Travel	2,350	2,350
Rent - Machine and Other	3,000	3,000
Other Operating Expense	761	672
Capital Expenditures	3,400	3,400
Total, Object-of-Expense Informational Listing	$ 360,538	$ 357,589
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 22,412	$ 22,749
Group Insurance	43,992	45,184
Social Security	26,438	26,834
Benefits Replacement	4,257	4,044
Subtotal, Employee Benefits	$ 97,099	$ 98,811
Debt Service		
Lease Payments	$ 91,143	$ 89,429
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 188,242	$ 188,240

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of the State Prosecuting Attorney. 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 State Prosecuting Attorney. In order to achieve the objectives and service standards established by this Act, the Office of the State Prosecuting Attorney shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: REPRESENTATION BEFORE CCA		
Outcome (Results/Impact):		
Petitions for Discretionary Review Granted by the Court of Criminal Appeals	20	20

STATE LAW LIBRARY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 784,645	$ 784,269
Other Funds		
Appropriated Receipts	40,000	40,000
Interagency Contracts	1,100	1,100
Subtotal, Other Funds	$ 41,100	$ 41,100
Total, Method of Financing	$ 825,745	$ 825,369
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	11.0	11.0
Schedule of Exempt Positions:		
Director, Group 1	$58,000	$58,000
Items of Appropriation:		
A. Goal: ADMINISTRATION AND OPERATIONS		
A.1.1. Strategy: ADMINISTRATION AND OPERATIONS	$ 831,138	$ 831,138
B. Goal: ADMINISTRATIVE REDUCTIONS		
B.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (5,393)	$ (5,769)
Grand Total, STATE LAW LIBRARY	$ 825,745	$ 825,369
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 407,806	$ 407,806
Other Personnel Costs	15,040	15,020
Consumable Supplies	2,500	2,500
Utilities	66	66
Rent - Building	240	240
Rent - Machine and Other	14,400	14,400
Other Operating Expense	303,491	303,135
Capital Expenditures	82,202	82,202
Total, Object-of-Expense Informational Listing	$ 825,745	$ 825,369
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 27,854	$ 28,272
Group Insurance	46,316	46,316
Social Security	31,063	31,529
Benefits Replacement	3,707	3,522
Subtotal, Employee Benefits	$ 108,940	$ 109,639

Debt Service		
Lease Payments	$ 322,288	$ 316,720
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 431,228	$ 426,359

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the State Law Library. 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 Law Library. In order to achieve the objectives and service standards established by this Act, the State Law Library shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ADMINISTRATION AND OPERATIONS		
Outcome (Results/Impact):		
Percentage of Positive Evaluations of Library Service by Library Users	90%	90%

2. **Appropriation of Receipts: Fees and Service Charges.** Appropriations above in Strategy A.1.1, Administration and Operations, include ~~$39,000~~ 40,000 in fiscal year 200~~6~~8 and ~~$39,000~~40,000 in fiscal year 200~~7~~9 from collection of fees and service charges. All receipts collected by the State Law Library as fees and service charges, as authorized pursuant to Government Code § 91.011, in excess of such amounts appropriated above, are hereby appropriated to the State Law Library for the biennium beginning September 1, 200~~5~~7.

3. **Computer-based Legal Research Services.** The State Law Library is hereby authorized to enter into interagency contracts with other state agencies and the courts for providing a computer-based legal research service. Appropriations above in Strategy A.1.1, Administration and Operations, include ~~$2,100~~1,100 in fiscal year 200~~6~~8 and ~~$2,100~~1,100 in fiscal year 200~~7~~9 in interagency contracts for computer-based legal research services. The State Law Library shall charge an amount for this service equal to the cost to the library for providing this service.

4. **Fee Schedule, Duplication Services.** The State Law Library shall set a fee schedule for duplication services to the inmates of the Texas Department of Criminal Justice at the same amount per page as charged to the general public.

5. **Unexpended Balances.** Any unexpended and unobligated balances remaining in Strategy A.1.1, Administration and Operations, as of August 31, 200~~6~~8, are hereby appropriated for fiscal year 200~~7~~9, in an amount not to exceed $50,000, to the State Law Library for the purpose of acquiring legal reference materials.

STATE COMMISSION ON JUDICIAL CONDUCT

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 841,857	$ 841,858
Total, Method of Financing	$ 841,857	$ 841,858
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	13.5	13.5
Schedule of Exempt Positions:		
Executive Director, Group 4	$100,000	$100,000

STATE COMMISSION ON JUDICIAL CONDUCT
(Continued)

Items of Appropriation:		
A. Goal: ADMINISTRATION AND ENFORCEMENT		
A.1.1. Strategy: ADMINISTRATION AND ENFORCEMENT	$ 852,866	$ 852,867 & UB
B. Goal: ADMINISTRATIVE REDUCTIONS		
B.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (11,009)	$ (11,009)
Grand Total, STATE COMMISSION ON JUDICIAL CONDUCT	$ 841,857	$ 841,858
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 728,000	$ 728,000
Other Personnel Costs	11,500	11,500
Professional Fees and Services	26,375	26,375
Consumable Supplies	7,000	7,000
Utilities	1,000	1,000
Travel	30,600	30,600
Rent - Building	1,302	1,302
Rent - Machine and Other	2,500	2,500
Other Operating Expense	33,580	33,581
Total, Object-of-Expense Informational Listing	$ 841,857	$ 841,858
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 45,585	$ 46,269
Group Insurance	95,652	97,424
Social Security	54,891	55,715
Benefits Replacement	1,468	1,395
Subtotal, Employee Benefits	$ 197,596	$ 200,803
Debt Service		
Lease Payments	$ 61,297	$ 60,279
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 258,893	$ 261,082

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the State Commission on Judicial Conduct. 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 Commission on Judicial Conduct. In order to achieve the objectives and service standards established by this Act, the State Commission on Judicial Conduct shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ADMINISTRATION AND ENFORCEMENT		
Outcome (Results/Impact):		
Percentage of Cases Disposed	100%	100%

2. **Unexpended Balances.** The State Commission on Judicial Conduct is hereby authorized to carry forward unexpended balances from fiscal year 200~~6~~8 into fiscal year 200~~7~~9.

3. **Formal Proceedings and Appeals.** Out of the amounts appropriated above in Strategy A.1.1, Administration and Enforcement, $21,375 in fiscal year 200~~6~~8 and $21,375 in fiscal year 200~~7~~9 are authorized for the expenses of formal proceedings and appeals initiated under the *Procedural Rules for the Removal or Retirement of Judges* promulgated under Texas Constitution, Article V, Section 1-a, notwithstanding other funds expended by the Commission for that purpose. Any unexpended balance of funds authorized under this provision on August 31, 200~~6~~8 may be allocated for the same purpose and for purposes other than formal proceedings and appeals for the fiscal year beginning September 1, 200~~6~~8.

4. **Investigator Travel.** Out of funds appropriated above in Strategy A.1.1. Administration and Enforcement, $5,000 in fiscal year 2008 and $5,000 in fiscal year 2009 shall be used only for

the purpose of conducting investigator travel within the State of Texas to investigate possible cases of judicial misconduct.

JUDICIARY SECTION, COMPTROLLER'S DEPARTMENT

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 77,557,614	$ 77,557,613
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	1,140,589	1,140,589
Subtotal, General Revenue Fund	$ 78,698,203	$ 78,698,202
Other Funds		
State Highway Fund No. 006	967,154	967,154
Felony Prosecutor Supplement Fund No. 303	3,159,000	3,159,000
Criminal Justice Grants	1,365,541	1,365,541
Judicial Fund No. 573	39,095,624	39,095,624
Subtotal, Other Funds	$ 44,587,319	$ 44,587,319
Total, Method of Financing	$ 123,285,522	$ 123,285,521
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	592.0	592.0
Schedule of Exempt Positions:		
District and Criminal District Judges (Strategy A.1.1.)	(436) $125,000	(436) $125,000
District Attorneys, Criminal District Attorneys and County Attorneys (Strategies B.1.1. and B.1.3.)	(13) 100,000	(13) 100,000
District Attorneys, Criminal District Attorneys and County Attorneys (Strategy B.1.3.)	71,500	71,500
District Attorneys, Criminal District Attorneys and County Attorneys (Strategy B.1.2.)	(140) 125,000	(140) 125,000
Assistant District Attorneys, Fifty-third Judicial District (Strategy B.1.7)	(2) 2,808	(2) 2,808
Items of Appropriation:		
A. Goal: JUDICIAL SALARIES AND PAYMENTS		
A.1.1. Strategy: DISTRICT JUDGES District Judge Salaries. Estimated.	$ 53,532,397	$ 53,532,396
A.1.2. Strategy: VISITING JUDGES - REGIONS Per Gov. Code 74.061(c)(d)(h)(i); 24.006(f); and 32.302.	$ 4,135,695	$ 4,135,695 & UB
A.1.3. Strategy: VISITING JUDGES - APPELLATE Per Gov. Code 74.061(c)(d).	$ 380,618	$ 380,618 & UB
A.1.4. Strategy: LOCAL ADMIN. JUDGE SUPPLEMENT Per Gov. Code 659.012(d). Estimated.	$ 65,000	$ 65,000
A.1.5. Strategy: DISTRICT JUDGES: TRAVEL Per Gov. Code 24.019, NTE $1,500 per County in Multi-County Districts.	$ 290,000	$ 290,000
A.1.6. Strategy: JUDICIAL SALARY PER DIEM Per Gov. Code 74.003(c), 74.061 & Assigned District Judges. Estimated.	$ 302,000	$ 302,000
Total, Goal A: JUDICIAL SALARIES AND PAYMENTS	$ 58,705,710	$ 58,705,709

B. Goal: PROSECUTOR SALARIES AND PAYMENTS		
B.1.1. Strategy: DISTRICT ATTORNEYS: SALARIES Per Gov. Code 41.013.	$ 1,262,720	$ 1,262,720
B.1.2. Strategy: PROFESSIONAL PROSECUTORS: SALARIES Per Gov. Code 46.002; 46.003; and 46.005.	$ 17,510,170	$ 17,510,170
B.1.3. Strategy: FELONY PROSECUTORS: SALARIES Per Gov. Code 44.220; 45.175; and 45.280.	$ 271,500	$ 271,500
B.1.4. Strategy: PROSECUTORS: SUBCHAPTER C Per Gov. Code 43.180 (Harris) and 41.201(1). Estimated.	$ 136,023	$ 136,023
B.1.5. Strategy: FELONY PROSECUTORS: TRAVEL Per Gov. Code 43.004, NTE $1,750 per County in Multi-County Districts.	$ 280,000	$ 280,000
B.1.6. Strategy: FELONY PROSECUTORS: EXPENSES Felony Prosecutors: Reimbursements for Expenses of Office.	$ 5,110,988	$ 5,110,988
B.1.7. Strategy: TRAVIS CO. ASST. DA SUPPLEMENTS Travis County Assistant District Attorney Salary Supplements.	$ 5,616	$ 5,616
Total, Goal B: PROSECUTOR SALARIES AND PAYMENTS	$ 24,577,017	$ 24,577,017
C. Goal: CO.-LEVEL JUDGES SALARY SUPPLEMENTS County-Level Judges Salary Supplement Programs.		
C.1.1. Strategy: CONST. CO. JUDGE GR/573 SUPPLEMENT Salary Supplement per Gov. Code 26.006. Estimated.	$ 2,115,000	$ 2,115,000
C.1.2. Strategy: CONST. CO. JUDGE 573 SUPPLEMENT Per Gov. Code 26.006 from Receipts per Gov. Code 51.703(d). Estimated.	$ 1,286,695	$ 1,286,695
C.1.3. Strategy: STATUTORY CO. JUDGE GR SUPPLEMENT $5,000 Salary Supplement per Gov. Code 25.0015. Estimated.	$ 790,000	$ 790,000
C.1.4. Strategy: STATUTORY CO. JUDGE 573 SUPPLEMENT Per Gov. Code 25.0015 from Receipts per Gov. Code 51.702(d). Estimated.	$ 8,417,546	$ 8,417,546
C.1.5. Strategy: STATUTORY PROBATE JUDGE SUPPLEMENT Per Gov. Code 25.00211 from Receipts per Gov Code 51.704(c). Estimated.	$ 1,155,000	$ 1,155,000
Total, Goal C: CO.-LEVEL JUDGES SALARY SUPPLEMENTS	$ 13,764,241	$ 13,764,241
D. Goal: SPECIAL PROGRAMS		
D.1.1. Strategy: ASST. DIST. ATTYS LONGEVITY PAY Per Gov. Code 41.255(d). Estimated.	$ 3,159,000	$ 3,159,000
D.1.2. Strategy: COUNTY ATTORNEY SUPPLEMENT Per Gov. Code 46.0031. Estimated.	$ 5,342,122	$ 5,342,122
D.1.3. Strategy: WITNESS EXPENSES Per Code of Criminal Procedure, Articles 24.28 and 35.27. Estimated.	$ 1,179,000	$ 1,179,000
D.1.4. Strategy: PUBLIC INTEGRITY UNIT, TRAVIS CO Public Integrity Unit, 53rd Judicial District.	$ 3,390,735	$ 3,390,735 & UB
D.1.5. Strategy: SPECIAL PROSECUTION UNIT, WALKER CO Special Prosecution Unit, Walker County.	$ 2,173,926	$ 2,173,926
D.1.6. Strategy: DEATH PENALTY REPRESENTATION Death Penalty Habeas Representation.	$ 500,000	$ 500,000 & UB
D.1.7. Strategy: NATIONAL CENTER FOR STATE COURTS National Center for State Courts. Estimated.	$ 291,771	$ 291,771 & UB

D.1.8. Strategy: JUROR PAY	$ 10,202,000	$ 10,202,000 & UB
Juror Pay. Estimated.		
Total, Goal D: SPECIAL PROGRAMS	$ 26,238,554	$ 26,238,554
Grand Total, JUDICIARY SECTION, COMPTROLLER'S DEPARTMENT	$ 123,285,522	$ 123,285,521
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 80,637,565	$ 80,658,658
Other Personnel Costs	1,305,922	1,279,078
Professional Fees and Services	128,716	128,716
Fuels and Lubricants	17,550	17,550
Consumable Supplies	55,550	55,550
Utilities	28,436	28,436
Travel	624,774	624,774
Rent - Building	304,290	310,040
Rent - Machine and Other	20,680	20,680
Other Operating Expense	1,845,965	1,845,965
Grants	38,316,074	38,316,074
Total, Object-of-Expense Informational Listing	$ 123,285,522	$ 123,285,521
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,209,928	$ 1,228,077
Group Insurance	6,524,553	6,670,103
Social Security	5,485,179	5,567,456
Benefits Replacement	380,530	361,503
Subtotal, Employee Benefits	$ 13,600,190	$ 13,827,139
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 13,600,190	$ 13,827,139

1. **Appropriation Source.** Pursuant to Government Code § 21.006, all revenues to, and fund balances in, the Judicial Fund No. 573, which are not deposited into the Basic Civil Legal Services Account, are hereby appropriated to the Judiciary Section, Comptroller's Department. In the event that revenues into Fund No. 573 during a fiscal year exceed the amount identified in the Method of Financing as being appropriated out of Fund No. 573 in this Act for that fiscal year the difference shall be appropriated to the Judiciary Section, Comptroller's Department and the General Revenue Fund appropriation for that fiscal year shall be reduced by a like amount (estimated to be $0).

2. **Salary Limitation, District Judges.** Funds appropriated above in Strategy A.1.1~~.~~, District Judges shall be expended for the payment of the state salary for each district judge. Unless otherwise provided by law, in no event shall the aggregate, excluding any county supplement, of the state paid salary and any service retirement annuity paid pursuant to Government Code, Chapter 834 exceed the base salary for any district court judge during any twelve month period. If a district judge draws a salary as a district judge and a retirement annuity pursuant to Government Code, Chapter 834, and the combined amounts exceed the annual base salary for a district judge, the amount expended out of Strategy A.1.1~~.~~, District Judges for the state salary of that district judge shall be reduced by an amount which will bring the total amount received by the judge to the base salary paid a district judge for a 12 month period. This provision does not apply to either retired or former judges or justices called to duty as visiting judges pursuant to Government Code, Chapters 74 and 75 and § 24.604 of the Government Code.

~~**3.** **Trial Court Measures.** Each district court judge shall provide an annual report no later than September 20, to the Office of Court Administration, indicating the Clearance Rate during the previous year. A Clearance Rate is calculated by dividing the total number of cases disposed by the total number of cases added to the docket.~~

43. **Public Integrity Unit: Appropriation Source, Unexpended Balances, and Performance Reporting. Public Integrity Unit: Appropriation Source, Unexpended Balances, and**

Performance Reporting. Out of the funds appropriated above in Strategy D.1.4~~.~~, Public Integrity Unit, Travis County, the following amounts are appropriated specifically to the Public Integrity Unit for the following purposes:

	~~For the Years Ending~~	
	~~August 31, 2006~~	~~August 31, 2007~~
~~Motor Fuel Tax Fraud Investigations~~	~~$ 899,962~~	~~$ 910,499~~
~~Method of Financing, State Highway Fund No. 006~~		~~& UB~~
~~Insurance Fraud Investigations~~	~~1,178,936~~	~~1,202,625~~
~~Method of Financing, General Revenue Fund - Insurance Companies Maintenance Tax and Insurance Department Fees~~		~~& UB~~
~~General State Government Investigations~~	~~1,279,354~~	~~1,282,992~~
~~Method of Financing, General Revenue Fund~~		~~& UB~~
~~Total, Method of Financing~~	~~$ 3,358,252~~	~~$ 3,396,116~~
		~~& UB~~

	For the Years Ending	
	August 31, 2008	August 31, 2009
Motor Fuel Tax Fraud Investigations	$ 967,154	$ 967,154
Method of Financing, State Highway Fund No. 006		& UB
Insurance Fraud Investigations	1,140,589	1,140,589
Method of Financing, General Revenue Fund - Insurance Companies Maintenance Tax and Insurance Department Fees		& UB
General State Government Investigations	1,282,992	1,282,992
Method of Financing, General Revenue Fund		& UB
Total, Method of Financing	$ 3,390,735	$ 3,390,735
		& UB

In no event shall the funds granted to the Public Integrity Unit exceed the amounts specified. In no event shall any funds appropriated above out of Judicial Fund No. 573 be allocated to the Public Integrity Unit. Any unexpended balances from appropriations made to the Public Integrity Unit for fiscal year ~~2006~~2008 are appropriated to the Public Integrity Unit for fiscal year ~~2007~~2009 for the same purposes.

~~Included in amounts appropriated above is $596,902 to maintain 40.0 staff positions in 2006-07 with performance-based pay increases and related benefits in the General State, Insurance Fraud, and Motor Fuels Tax Fraud Divisions, which includes an additional 1.0 forensic analyst position in the Motor Fuels Tax Fraud Division.~~

The Public Integrity Unit shall submit a report each January 1 to the Legislative Budget Board and the Governor for the preceding fiscal year ending August 31. The report must be in a format prescribed by the Legislative Budget Board and the Governor and must include annual statistical information on fraud investigations of the Public Integrity Unit.

~~5~~**4. Special Prosecution Unit: Appropriation Source, Unexpended Balances, and Performance Reporting.** Out of the funds appropriated above in Strategy D.1.5~~.~~, Special Prosecution Unit, Walker County and under the authority of Article 104.003, Code of Criminal Procedure, and Article V, § 21 of the Texas Constitution, Walker County is allocated an amount not to exceed $1,365,541 in Criminal Justice Grants and $808,385 from General Revenue in fiscal year ~~2006~~2008; and $1,365,541 in Criminal Justice Grants and $808,385 from General Revenue in fiscal year ~~2007~~2009, through the Judiciary Section, Comptroller's Department, for the payment of salaries and other necessary expenses for the operation of the Special Prosecution Unit. The funds are to be used for the investigation and prosecution of felony offenses committed by prisoners of the Texas Department of Criminal Justice; for the investigation and prosecution of other felonies and misdemeanors committed by agency employees and others when criminal conduct affects the operation of the agency in the various counties of the State where Texas Department of Criminal Justice facilities are located; and for the civil commitment of sexually violent predators program.

The funds appropriated above in Strategy D.1.5~~.~~, Special Prosecution Unit, Walker County shall be used to employ the services of legal and support staff plus the payment of their necessary capital and operating expenses in carrying out the purposes of the Special Prosecution Unit as established by its Board of Directors which is made up of those elected prosecutors who have Texas Department of Criminal Justice facilities within their respective counties.

~~Out of amounts appropriated above in Strategy D.1.5, an amount not to exceed $182,253 each fiscal year out of the General Revenue Fund may be used only for the purposes of funding pay increases and related benefits costs for the following positions in the Criminal and Civil Divisions:~~

~~Headcount~~	~~Division/Title~~	~~2004-05 Salary~~	~~2006-07 Salary Limit~~
	~~**Criminal and Civil Divisions**~~		
~~1~~	~~Chief Prosecutor~~	~~$85,000~~	~~$96,081~~
	~~**Criminal Division**~~		
~~1~~	~~Prosecutor III~~	~~$63,963~~	~~$73,571~~
~~3~~	~~Prosecutor III~~	~~$58,633~~	~~$67,440~~
~~1~~	~~Prosecutor II~~	~~$56,408~~	~~$64,881~~
~~1~~	~~Prosecutor II~~	~~$52,000~~	~~$59,811~~
~~1~~	~~Prosecutor I~~	~~$51,750~~	~~$59,523~~
~~1~~	~~Prosecutor I~~	~~$49,680~~	~~$57,142~~
~~1~~	~~Chief Investigator~~	~~$45,023~~	~~$51,786~~
~~1~~	~~Investigator III~~	~~$43,988~~	~~$50,595~~
~~2~~	~~Investigator II~~	~~$38,000~~	~~$43,708~~
~~3~~	~~Investigator II~~	~~$37,000~~	~~$42,557~~
~~1~~	~~Investigator I/Paralegal~~	~~$31,982~~	~~$36,786~~
~~1~~	~~Investigator I/Paralegal~~	~~$30,015~~	~~$34,524~~
~~1~~	~~Office Administrator~~	~~$27,945~~	~~$32,142~~
~~1~~	~~Victim Asst. Coord.~~	~~$19,665~~	~~$22,619~~
	~~**Civil Division**~~		
~~1~~	~~Section Chief~~	~~$63,000~~	~~$65,583~~
~~1~~	~~Appellate Attorney~~	~~$49,000~~	~~$51,009~~
~~1~~	~~Attorney~~	~~$48,000~~	~~$49,968~~
~~1~~	~~Chief Investigator~~	~~$40,000~~	~~$41,640~~
~~1~~	~~Investigator~~	~~$38,000~~	~~$39,558~~
~~1~~	~~Office Administrator~~	~~$31,000~~	~~$32,271~~
~~1~~	~~Paralegal~~	~~$25,000~~	~~$26,025~~

Walker County is the designated agency to administer the funds provided for the support of the Special Prosecution Unit. Walker County shall submit a voucher containing an itemized statement of expenses to include salaries, fringe benefits and authorized expenses incurred to the Judiciary Section, Comptroller's Department each month of the fiscal year. Such vouchers shall be reviewed by the Walker County Auditor's Office to ensure compliance with applicable state and county regulations concerning the expenditures of public funds. Upon

receipt of said vouchers, the Judiciary Section, Comptroller's Department shall issue warrants each month to reimburse Walker County. The total reimbursement each year shall not exceed the amount appropriated.

Any unexpended balances from appropriations out of the General Revenue Fund made to the Special Prosecution Unit for fiscal year ~~2006~~2008 are appropriated to the Special Prosecution Unit in fiscal year ~~2007~~2009 for the same purposes.

The Special Prosecution Unit shall submit a report each January 1 to the Legislative Budget Board and the Governor for the preceding fiscal year ending August 31. The report must be in a format prescribed by the Legislative Budget Board and the Governor and must include annual statistical information on activities of the Special Prosecution Unit.

~~6~~5. **Witness Expenses.** The appropriation made above to the Judiciary Section, Comptroller's Department for the payment of witness expenses under the Code of Criminal Procedure is based on legislative intent that such expenses are not paid at rates that exceed the maximum rates provided by law for state employees.

~~7~~6. **Felony Prosecutors: Expenses.** For the payment of salaries of assistant district attorneys, investigators and/or secretarial help and expenses, including travel for these personnel as determined by the prosecutors designated in Strategies B.1.l, B.1.2, B.l.3, and B.1.4. Reimbursement shall be limited to expenses for supplies or items that would normally be consumed or utilized within the fiscal year for which the funds in this item are designated. Payments shall not exceed $34,450 per district per year in multi-county districts and $17,050 per district per year in single-county districts and $34,450 for both multi-county and single-county districts for those district attorneys, criminal district attorneys and county attorneys performing the duties of a district attorney prohibited from the private practice of law per Government Code, Chapter 46; and shall be made available in three equal installments issued on the first day of September, January and May of each fiscal year. These payments shall be made directly to the district attorney, criminal district attorney, or county attorney for the purposes of disbursement as required by the attorney. The attorney receiving these payments shall be responsible to the Comptroller for accounting for all expenditures of these funds.

~~8~~7. **Administration of Visiting Judge Strategies.** It is the intent of the Legislature that the Judiciary Section, Comptroller's Department shall maintain a system to account for all expenditures in each fiscal year made for the services of 1) visiting former judges serving in the judicial regions, 2) visiting former judges serving in the appellate courts, 3) visiting retired judges serving in the judicial regions, and 4) visiting retired judges serving in the appellate courts.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 51,324,060	$ 51,939,418
General Revenue Dedicated Accounts, estimated	63,382	63,965
Other Special State Funds, estimated	1,735,637	1,753,122
Total, Method of Financing	$ 53,123,079	$ 53,756,505
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 3,454,661	$ 3,506,480
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 11,380,720	$ 11,579,450
A.1.3. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 2 Judicial Retirement System - Plan 2. Estimated.	$ 10,058,376	$ 10,158,960

RETIREMENT AND GROUP INSURANCE
(Continued)

A.1.4. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 1 Judicial Retirement System - Plan 1. Estimated.	$ 28,229,322	$ 28,511,615
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 53,123,079	$ 53,756,505
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 53,123,079	$ 53,756,505

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 8,437,427	$ 8,526,951
General Revenue Dedicated Accounts, estimated	36,273	36,712
Other Special State Funds, estimated	1,260,849	1,276,965
Total, Method of Financing	$ 9,734,549	$ 9,840,628
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH -- EMPLOYER State Match — Employer. Estimated.	$ 9,120,101	$ 9,256,902
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	$ 614,448	$ 583,726
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 9,734,549	$ 9,840,628
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 9,734,549	$ 9,840,628

LEASE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,489,628	$ 2,445,539
Total, Method of Financing	$ 2,489,628	$ 2,445,539
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS To TBPC for Payment to TPFA.	$ 2,489,628	$ 2,445,539 & UB
Grand Total, LEASE PAYMENTS	$ 2,489,628	$ 2,445,539

SPECIAL PROVISIONS - JUDICIARY

Sec. 2. Judicial Salary Enforcement. Each District Court Judge and Justice of the Courts of Appeals shall file a sworn statement with the Comptroller of Public Accounts setting forth the yearly amounts to be received from state and county as salary payments during the ensuing fiscal year. Amended statements shall be filed setting forth any change in the salary rate which occurs during a fiscal year.

For the purpose of salary payments by the state, the Comptroller of Public Accounts shall determine from the filed statements that the required salary differential set out in Government Code § 659.012 is maintained, unless otherwise provided by law. In the event a salary is in excess of the differential provided by law, the Comptroller is directed to reduce the state's portion of that salary by the amount of excess.

The appropriations for salaries of District Court Judges and Justices of Courts of Appeals are made contingent upon strict compliance with the provisions of this section and the Comptroller shall have no authority to issue a warrant for salaries which violate these provisions.

Sec. 3. Public Integrity Unit. In Strategy D.1.4, Public Integrity Unit, Judiciary Section, Comptroller's Department, warrants shall be drawn as necessary to reimburse the District Attorney of the 53rd Judicial District for salary and expenses previously incurred. The District Attorney shall submit a voucher containing an itemized statement of expenses to substantiate each claim. This appropriation shall be allocated in three equal installments over the fiscal year. Any unencumbered, unexpended balance existing in a previous allocation period may be used in a subsequent period provided that period occurs within the same biennium.

Sec. 4. Restriction, New District Courts. No new district court may be funded until it has been approved by the commissioner's court of the county or a majority of the counties in that district.

Sec. 5. Transfer of Cases. The Chief Justices of the 14 Courts of Appeals are encouraged to cooperate with the Chief Justice of the Supreme Court to transfer cases between appellate courts which are in neighboring jurisdictions in order to equalize the disparity between the workloads of the various courts of appeals.

Sec. 6. Voice Recording. It is the intent of the Legislature that the Supreme Court and Court of Criminal Appeals will promulgate rules authorizing the use of voice or video recording technology, including CD ROM, to make a record of court proceedings. The Legislature does not intend that the recording be a substitute for the written transcript.

Sec. 7. Systems Compatibility. No funds shall be utilized to purchase information technology unless it interfaces with other courts and with the Office of Court Administration and complies with the plans filed with the Legislative Budget Board.

Sec. 8. Judicial Internship Program. It is the intent of the Legislature that the Judicial Branch cooperate with law schools to establish a judicial internship program for Texas appellate and trial courts. The Judicial Branch is encouraged to work with the Texas Judicial Council in the development of the judicial internship program.

Sec. 9. Appellate Court Exemptions. The following provisions of Article IX of this Act do not apply to the appellate courts:

a. Article IX, § 5.08, Limitation on Travel Expenditures
b. Article IX, § 6.~~14~~10, Limitation on State Employment Levels
c. Article IX, § ~~6.16~~14.03, Limit on Expenditures-Capital Budget
d. Article IX, § 6.~~24~~15, Performance Rewards and Penalties

Sec. 10. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium. Any unexpended balances from appropriations made to the appellate courts for fiscal year ~~2006~~2008 are hereby appropriated to the same court for fiscal year ~~2007~~2009 for the same purposes.

Sec. 11. Intermediate Appellate Court Local Funding Information. The Office of Court Administration shall assist the appellate courts in the submission of a report for local funding information each January 1 to the Legislative Budget Board and the Governor for the preceding fiscal year ending August 31. The report must be in a format prescribed by the Legislative Budget Board and the Governor.

Sec. 12. Appellate Court Salary Limits. It is the intent of the Legislature that no intermediate appellate court may pay more than one chief staff attorney promoted or hired after September 1, 2005, more than $84,000 annually under this provision. Further, it is the intent of the Legislature that no intermediate appellate court may pay other permanent legal staff hired or promoted after September 1, 2005 more than $72,500 annually. This provision does not apply to law clerk positions at any appellate court.

Sec. 13. Interagency Contracts for Assigned Judges for Appellate Courts. Out of funds appropriated in this article to Strategies A.1.1, Appellate Court Operations, the Supreme Court of Texas, the Court of Criminal Appeals, or any of the 14 Courts of Appeals may enter into a contract with the Office of the Comptroller for fiscal years ~~2006~~2008 and ~~2007~~2009, for the purpose of reimbursing the Comptroller for amounts expended for judges assigned under Chapter 74, Government Code to hear cases of the appellate courts. It is the intent of the Legislature that any amounts reimbursed under this contract for judges assigned to the appellate courts are in addition to amounts appropriated for the use of assigned judges in Strategy A.1.3, Visiting Judges - Appellate in the Judiciary Section, Comptroller's Department.

Sec. 14. Appellate Court Transfer Authority. The Chief Justice of the Supreme Court of Texas, the Presiding Judge of the Court of Criminal Appeals, or the Chair of the Council of Chief Justices is authorized to transfer funds between appellate courts, notwithstanding any other provision in this Act and subject to prior approval of any transfer of funds by the Legislative Budget Board and the Governor. Any such transfer shall be made for the purpose of efficient and effective appellate court operations and management of court caseloads. It is the intent of the Legislature that transfers made under this provision are addressed by the Legislative Budget Board and the Governor in reviewing amounts requested in the appellate courts' Legislative Appropriations Request for the ~~2008-09~~2010-2011 biennium.

Sec. 15. Schedule of Exempt Positions. Notwithstanding other provisions of this bill, including Article IX, § 3.05 setting maximum salaries for exempt positions, the chief justice of the Supreme Court of Texas may set the rate of compensation for the Administrative Director of the Office of Court Administration in an amount not to exceed the Maximum Salary but no less than the Minimum Salary for the appropriate salary group for the Administrative Director as listed in the bill pattern for the Office of Court Administration, Schedule of Exempt Positions. Any salary increase from appropriated funds within the limits provided by this provision must be in writing; signed by the chief justice of the Supreme Court of Texas; and submitted to the Governor, the Legislative Budget Board and the Comptroller.

~~**Sec. 16. Appropriation for a Judicial Salary Increase.**~~

~~a. From fees and court costs collected during the 2006-07 biennium that may be spent for this purpose, the amounts of $17,500,000 in fiscal year 2006 and $23,461,312 in fiscal year 2007 are appropriated to the Judiciary Section, Office of the Comptroller of Public Accounts, to fund the annual salary increase and related benefits costs for judicial officers provided by House Bill No. 11, Acts of the 79th Legislature, 2nd Called Session, 2005, and for other court personnel linked to the salary of state judges in the Government Code and to fund the creation of new district courts as described in Subsection (i) of this section. The salary increase for which the money is appropriated is to begin with the first full pay period that begins on or after December 1, 2005. Of the total amount appropriated, an amount estimated to be $34,242,312 is appropriated out of the Judicial Fund No. 573 and an amount estimated to be $6,719,000 is appropriated out of the General Revenue Fund.~~

~~b. Any increase in employee benefits costs associated with the salary increase provided by House Bill No. 11, Acts of the 79th Legislature, 2nd Called Session, 2005, and this section shall be paid only out of the appropriations made in Subsection (a) of this section, including $6,679,000 out of the General Revenue Fund for the purposes of funding the increased costs to the Judicial Retirement System - Plan I.~~

~~c. Provisions requiring salaries and benefits to be proportional to the source of funds shall apply to all sums allocated under this section, except as otherwise provided. Each court or agency shall pay the increase in compensation from funds held in the state treasury and from local funds in the same proportion as the employee's regular compensation.~~

~~d. The Comptroller of Public Accounts shall promulgate rules and regulations as necessary to administer this section. Funds appropriated in this section shall be allocated to each court or agency, and to the appropriate employee benefit appropriation items, in accordance with such rules and regulations and may be used only for the purpose of providing a salary increase and paying associated employee benefit costs.~~

~~e. In the appropriations to the Judiciary Section, Office of the Comptroller of Public~~

~~Accounts, made by Senate Bill No. 1, Acts of the 79th Legislature, Regular Session, 2005, the Comptroller of Public Accounts shall increase appropriations out of the Judicial Fund No. 573 by $3,054,000 in fiscal year 2006 and by $3,665,000 in fiscal year 2007 for Strategy A. 1.1, District Judges, and shall decrease the appropriations out of the General Revenue Fund for that strategy by those amounts.~~

~~f. The description for Strategy A.1.4, Local Administrative Judge Supplement in the bill pattern for the Judiciary Section, Office of the Comptroller of Public Accounts, in Senate Bill No. 1, Acts of the 79th Legislature, Regular Session, 2005, is replaced with the following description: Per Government Code, Section 659.012(d).~~

~~g. The amount of $20,000 out of the General Revenue Fund for each fiscal year is included in amounts appropriated in subsection (a) of this section for the purposes of funding $5,000 salary supplements to additional judges eligible for such supplements under Section 659.012(d), Government Code.~~

~~h. The name and description for Strategy C.1.1, Constitutional County Judge General Revenue Supplement in the bill pattern for the Judiciary Section, Office of the Comptroller of Public Accounts, in Senate Bill No. 1, Acts of the 79th Legislature, Regular Session, 2005, is replaced with the following name and description: Constitutional County Judge General Revenue and Judicial Fund No. 573 Supplement: Salary Supplement per Government Code, Section 26.006. Estimated.~~

~~i. An amount estimated to be $469, 125 in fiscal year 2006 and an amount estimated to be $748,800 in fiscal year 2007 are included in amounts appropriated out of the Judicial Fund No. 573 to the Judiciary Section, Office of the Comptroller of Public Accounts by Subsection (a) of this section for additional district courts created on or after September 1, 2005, by Senate Bill 1189, 79th Legislature, Regular Session, 2005.~~

RECAPITULATION - ARTICLE IV
THE JUDICIARY
(General Revenue)

	For the Years Ending August 31, 2008	August 31, 2009
Supreme Court of Texas	$ 5,651,850	$ 5,651,850
Court of Criminal Appeals	4,290,063	4,290,063
First Court of Appeals District, Houston	2,975,202	2,975,202
Second Court of Appeals District, Fort Worth	2,324,055	2,324,055
Third Court of Appeals District, Austin	2,064,704	2,064,706
Fourth Court of Appeals District, San Antonio	2,324,055	2,324,055
Fifth Court of Appeals District, Dallas	4,062,365	4,062,364
Sixth Court of Appeals District, Texarkana	1,122,182	1,122,183
Seventh Court of Appeals District, Amarillo	1,459,402	1,459,402
Eighth Court of Appeals District, El Paso	1,143,300	1,143,299
Ninth Court of Appeals District, Beaumont	1,459,402	1,459,402
Tenth Court of Appeals District, Waco	1,120,096	1,120,096
Eleventh Court of Appeals District, Eastland	1,142,633	1,149,399
Twelfth Court of Appeals District, Tyler	1,144,227	1,144,225
Thirteenth Court of Appeals District, Corpus Christi-Edinburg	2,063,588	2,063,587
Fourteenth Court of Appeals District, Houston	2,975,203	2,975,201
Office of Court Administration, Texas Judicial Council	7,364,407	6,506,406
Office of the State Prosecuting Attorney	360,538	357,589
State Law Library	784,645	784,269
State Commission on Judicial Conduct	841,857	841,858
Judiciary Section, Comptroller's Department	78,698,203	78,698,202
Subtotal, Judiciary	$ 125,371,977	$ 124,517,413
Retirement and Group Insurance	51,324,060	51,939,418
Social Security and Benefit Replacement Pay	8,437,427	8,526,951
Subtotal, Employee Benefits	$ 59,761,487	$ 60,466,369
Lease Payments	2,489,628	2,445,539
TOTAL, ARTICLE IV - THE JUDICIARY	$ 187,623,092	$ 187,429,321

RECAPITULATION - ARTICLE IV
THE JUDICIARY
(General Revenue - Dedicated)

	For the Years Ending August 31, 2008	August 31, 2009
Office of Court Administration, Texas Judicial Council	$ 15,698,768	$ 15,698,768
Subtotal, Judiciary	$ 15,698,768	$ 15,698,768
Retirement and Group Insurance	63,382	63,965
Social Security and Benefit Replacement Pay	36,273	36,712
Subtotal, Employee Benefits	$ 99,655	$ 100,677
TOTAL, ARTICLE IV - THE JUDICIARY	$ 15,798,423	$ 15,799,445

RECAPITULATION - ARTICLE IV
THE JUDICIARY
(Federal Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Supreme Court of Texas	$ 2,198,407	$ 2,255,000
Subtotal, Judiciary	$ 2,198,407	$ 2,255,000
TOTAL, ARTICLE IV - THE JUDICIARY	$ 2,198,407	$ 2,255,000

RECAPITULATION - ARTICLE IV
THE JUDICIARY
(Other Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Supreme Court of Texas	$ 10,083,500	$ 10,083,500
Court of Criminal Appeals	9,962,339	9,259,339
First Court of Appeals District, Houston	324,550	324,550
Second Court of Appeals District, Fort Worth	287,050	287,050
Third Court of Appeals District, Austin	234,900	234,900
Fourth Court of Appeals District, San Antonio	264,050	264,050
Fifth Court of Appeals District, Dallas	425,950	425,950
Sixth Court of Appeals District, Texarkana	95,450	95,450
Seventh Court of Appeals District, Amarillo	130,600	130,600
Eighth Court of Appeals District, El Paso	125,450	125,450
Ninth Court of Appeals District, Beaumont	130,600	130,600
Tenth Court of Appeals District, Waco	102,450	102,450
Eleventh Court of Appeals District, Eastland	100,450	100,450
Twelfth Court of Appeals District, Tyler	95,950	95,950
Thirteenth Court of Appeals District, Corpus Christi-Edinburg	236,900	236,900
Fourteenth Court of Appeals District, Houston	327,389	327,389
Office of Court Administration, Texas Judicial Council	6,302,521	6,323,227
State Law Library	41,100	41,100
Judiciary Section, Comptroller's Department	44,587,319	44,587,319
Subtotal, Judiciary	$ 73,858,518	$ 73,176,224
Retirement and Group Insurance	1,735,637	1,753,122
Social Security and Benefit Replacement Pay	1,260,849	1,276,965
Subtotal, Employee Benefits	$ 2,996,486	$ 3,030,087
Less Interagency Contracts	$ 9,090,298	$ 9,111,003
TOTAL, ARTICLE IV - THE JUDICIARY	$ 67,764,706	$ 67,095,308

RECAPITULATION - ARTICLE IV
THE JUDICIARY
(All Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Supreme Court of Texas	$ 17,933,757	$ 17,990,350
Court of Criminal Appeals	14,252,402	13,549,402
First Court of Appeals District, Houston	3,299,752	3,299,752
Second Court of Appeals District, Fort Worth	2,611,105	2,611,105
Third Court of Appeals District, Austin	2,299,604	2,299,606
Fourth Court of Appeals District, San Antonio	2,588,105	2,588,105
Fifth Court of Appeals District, Dallas	4,488,315	4,488,314
Sixth Court of Appeals District, Texarkana	1,217,632	1,217,633
Seventh Court of Appeals District, Amarillo	1,590,002	1,590,002
Eighth Court of Appeals District, El Paso	1,268,750	1,268,749
Ninth Court of Appeals District, Beaumont	1,590,002	1,590,002
Tenth Court of Appeals District, Waco	1,222,546	1,222,546
Eleventh Court of Appeals District, Eastland	1,243,083	1,249,849
Twelfth Court of Appeals District, Tyler	1,240,177	1,240,175
Thirteenth Court of Appeals District, Corpus Christi-Edinburg	2,300,488	2,300,487
Fourteenth Court of Appeals District, Houston	3,302,592	3,302,590
Office of Court Administration, Texas Judicial Council	29,365,696	28,528,401
Office of the State Prosecuting Attorney	360,538	357,589
State Law Library	825,745	825,369
State Commission on Judicial Conduct	841,857	841,858
Judiciary Section, Comptroller's Department	123,285,522	123,285,521
Subtotal, Judiciary	$ 217,127,670	$ 215,647,405
Retirement and Group Insurance	53,123,079	53,756,505
Social Security and Benefit Replacement Pay	9,734,549	9,840,628
Subtotal, Employee Benefits	$ 62,857,628	$ 63,597,133
Lease Payments	2,489,628	2,445,539
Less Interagency Contracts	$ 9,090,298	$ 9,111,003
TOTAL, ARTICLE IV - THE JUDICIARY	$ 273,384,628	$ 272,579,074
Number of Full-Time-Equivalents (FTE)	1,347.5	1,347.5

ARTICLE V

PUBLIC SAFETY AND CRIMINAL JUSTICE

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 public safety and criminal justice agencies.

ADJUTANT GENERAL'S DEPARTMENT

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 12,865,681	$ 11,442,241
Federal Funds		
Adjutant General Federal Fund No. 449	32,909,306	32,908,823
Federal Funds	160,000	160,000
Subtotal, Federal Funds	$ 33,069,306	$ 33,068,823
Other Funds		
Appropriated Receipts	190,000	190,000
Interagency Contracts - Transfer from Foundation School Fund No. 193	175,000	175,000
Subtotal, Other Funds	$ 365,000	$ 365,000
Total, Method of Financing	$ 46,299,987	$ 44,876,064
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	595.0	595.0
Schedule of Exempt Positions:		
Adjutant General, Group 4	$105,000	$105,000
Items of Appropriation:		
A. Goal: OPERATIONS RESPONSE		
Provide a Professional Force Capable of Response.		
A.1.1. Strategy: STATE ACTIVE DUTY - DISASTER	$ 1,000,000	$ 1,000,000
Respond to Disaster Relief/Emergency Missions.		
A.1.2. Strategy: MANAGEMENT AND TRAINING	$ 583,080	$ 583,080
Execute an Effective Personnel Management and Training Program.		
Total, Goal A: OPERATIONS RESPONSE	$ 1,583,080	$ 1,583,080
B. Goal: OPERATIONS SUPPORT		
Provide Adequate Facilities for Operations Training.		
B.1.1. Strategy: FACILITIES/EQUIPMENT MODERNIZATION	$ 15,079,286	$ 14,078,803
Pursue Facilities and Equipment Modernization.		
B.1.2. Strategy: DEBT SERVICE	$ 2,714,062	$ 2,292,362
Pay Armory Rental to the Texas Military Facilities Commission.		
B.1.3. Strategy: UTILITIES	$ 6,810,000	$ 6,810,000
Pay All Utilities.		
Total, Goal B: OPERATIONS SUPPORT	$ 24,603,348	$ 23,181,165

C. Goal: COMMUNITY SUPPORT		
Community Support and Involvement.		
C.1.1. Strategy: YOUTH EDUCATION PROGRAMS	$ 2,715,100	$ 2,715,100
Train Youth in Specialized Education Programs.		
C.1.2. Strategy: TEXAS STATE GUARD	$ 177,200	$ 177,200
C.1.3. Strategy: ENVIRONMENTAL CLEAN-UP	$ 2,905,800	$ 2,905,800
Conduct Clean-up and Compliance Activities.		
C.1.4. Strategy: STATE MILITARY TUITION ASSISTANCE	$ 1,000,000	$ 1,000,000
State Military Tuition Payment Assistance.		
Total, Goal C: COMMUNITY SUPPORT	$ 6,798,100	$ 6,798,100
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 13,429,809	$ 13,429,809
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (114,350)	$ (116,090)
Grand Total, ADJUTANT GENERAL'S DEPARTMENT	$ 46,299,987	$ 44,876,064
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 19,850,663	$ 19,850,663
Other Personnel Costs	884,310	884,310
Professional Fees and Services	3,069,886	3,021,404
Fuels and Lubricants	39,900	39,900
Consumable Supplies	148,900	148,900
Utilities	8,603,720	8,603,720
Travel	394,200	394,200
Rent - Building	2,762,062	2,340,362
Rent - Machine and Other	580,170	580,170
Other Operating Expense	5,762,376	5,808,636
Client Services	1,016,800	1,016,800
Capital Expenditures	3,187,000	2,186,999
Total, Object-of-Expense Informational Listing	$ 46,299,987	$ 44,876,064
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,344,126	$ 1,364,288
Group Insurance	3,628,464	3,667,128
Social Security	1,699,055	1,724,541
Benefits Replacement	124,729	118,493
Subtotal, Employee Benefits	$ 6,796,374	$ 6,874,450
Debt Service		
TPFA GO Bond Debt Service	$ 728,793	$ 708,621
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,525,167	$ 7,583,071

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Adjutant General's Department. 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 Adjutant General's Department. In order to achieve the objectives and service standards established by this Act, the Adjutant General's Department shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: OPERATIONS RESPONSE		
Outcome (Results/Impact):		
Percent of Eligible Texas National Guard Personnel Who Are Retained	80%	80%
A.1.1. Strategy: STATE ACTIVE DUTY - DISASTER		
Output (Volume):		
Total Number of Assigned Military Strength	20,500	20,500

B. Goal: OPERATIONS SUPPORT		
B.1.1. Strategy: FACILITIES/EQUIPMENT MODERNIZATION		
Efficiencies:		
Average Maintenance Cost Per Square Foot of All Buildings (Less Texas Military Facilities Commission State-owned Armories)	3.44	3.21
B.1.3. Strategy: UTILITIES		
Efficiencies:		
Utilities Cost Per Square Foot, All Buildings	1.12	1.12
C. Goal: COMMUNITY SUPPORT		
Outcome (Results/Impact):		
Percent of Students Completing Specialized Education Programs	93%	93%

2. Capital Budget. ~~None of the general revenue 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. This rider does not limit the use of federal funds obtained by the department.~~

	~~2006~~	~~2007~~
~~a. Construction of Buildings and Facilities~~	~~$ 800,000~~	~~$ 800,000~~
~~b. Repairs or Rehabilitation of Buildings and Facilities~~	~~11,700,000~~	~~6,200,000~~
~~c. Acquisition of Information Resource Technologies~~	~~58,500~~	~~64,500~~
~~Total, Capital Budget~~	~~$ 12,558,500~~	~~$ 7,064,500~~
~~Method of Financing (Capital Budget):~~		
~~General Revenue Fund~~	~~$ 1,018,225~~	~~$ 35,325~~
~~Adjutant General Federal Fund No. 449~~	~~7,040,275~~	~~7,029,175~~
~~Bond Proceeds-General Obligation Bonds~~	~~4,500,000~~	~~UB~~
~~Total, Method of Financing~~	~~$ 12,558,500~~	~~$ 7,064,500~~

None of the general revenue 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. This rider does not limit the use of federal funds obtained by the department.

	2008	2009
a. Repair or Rehabilitation of Buildings and Facilities	$ 2,950,000	$ 1,949,999
b. Acquisition of Information Resource Technologies	100,000	100,000
Total, Capital Budget	$ 3,050,000	$ 2,049,999

Method of Financing (Capital Budget):

General Revenue Fund	$ 1,025,000	$ 25,000
Adjutant General Federal Fund No. 449	2,025,000	2,024,999
Total, Method of Financing	$ 3,050,000	$ 2,049,999

3. **Support and Maintenance Expenditures.** It is hereby provided that all monies currently appropriated to the Adjutant General's Department for support and maintenance of the Texas National Guard are authorized for like expenditures for the support and maintenance, including organization, of units of the Texas State Guard supplementing the Texas National Guard or replacing National Guard units inducted into federal service.

4. **Transferability.** The Adjutant General's Department is hereby authorized to transfer such amounts as may be necessary from one strategy to another strategy. No transfers shall be made into Strategy B.1.2, Debt Service. No transfer of federal reimbursements for state active duty shall be made out of Strategy A.1.1, State Active Duty - Disaster.

5. **Travel Limitations.** Subject to the travel limitations set out in the General Provisions of this Act, the Adjutant General's Department shall pay the travel expenses of members of the National Guard when said members are acting as official representatives of the Adjutant General's Department on behalf of the Texas National Guard.

6. **Payment of Travel - Limitation.** None of the funds appropriated above may be expended for the payment of travel of any officer or employee, except the Adjutant General of the State of Texas, Assistant Adjutant General-Army, Assistant Adjutant General-Air, and State Judge Advocate or the Adjutant General's designee for any one of these officers, to meetings of the National Guard Association of the United States.

7. **Armory Closure.** ~~It is the intent of the Legislature that the~~The Adjutant General shall not close any armories due solely to insufficient funds to pay for utilities without providing 30 days prior written notification to the Legislative Budget Board and the Governor's Office.

8. **Armory Utilities.** The Adjutant General's Department shall study each armory to ensure utility costs are kept to a minimum and the Adjutant General's Department shall charge rental fees for armories that are comparable to fees charged for similar facilities in the area where the armory is located. In any case, the rent charged must be adequate to recover any additional utility costs associated with the rental of the armory.

~~11~~9. **Quarters and Utilities Allowance.** The Adjutant General, Assistant Adjutant General-Air, and the Assistant Adjutant General-Army are authorized to live in state-owned housing and are exempt from paying housing costs. The Adjutant General's Department may also allocate existing department housing to other department employees with a demonstrated need based on location and job description at a rate in accordance with Article IX, § 11.05 of this Act. Fees for employee housing are hereby appropriated to be used for maintaining employee housing.

10. **Federally Funded Projects.** Federal funds for any 100 percent federally funded project are hereby appropriated, and related ~~additional federally funded personnel and~~ additional travel expenditures are authorized.

~~10.~~ ~~**Road Construction and Maintenance at Camp Mabry Facilities.** The Texas Department of Transportation shall construct, repair, and maintain roads in and providing access to and from Camp Mabry facilities.~~

~~12~~11. **Appropriation - Billet Receipts.** Any billet receipts in excess of $190,000 in fiscal year ~~2006~~ 2008 and $190,000 in fiscal year ~~2008~~2009 (included in Appropriated Receipts above) are hereby appropriated for use in Strategy B.1.1, Facilities/Equipment Modernization (estimated to be $0).

~~13~~12. **Unexpended Balances, Payments to National Guard for State Active Duty.** Any unexpended balances as of August 31, ~~2006~~2008, in Strategy A.1.1, State Active Duty –

Disaster, for payments to the National Guard for State Active Duty, are hereby appropriated for the same purpose for the fiscal year beginning September 1, ~~2006~~2008.

~~14~~13. Cash Flow Contingency. Contingent upon the receipt of federal funds, the Adjutant General's Department may temporarily utilize additional general revenue funds, pending receipt of federal reimbursement, in an amount not to exceed $3 million in each fiscal year of the biennium. The Adjutant General's Department shall provide written notification to the Governor and the Legislative Budget Board prior to accessing the additional funds. The general revenue amounts utilized above the department'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. At the end of each fiscal year, the $3 million must be repaid by November 30 of the following fiscal year. 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. ~~All transfers of the method of finance shall be reported by the department to the Governor and the Legislative Budget Board.~~

~~15~~14. Travel Limitations - State Guard. Subject to the travel limitations set out in the General Provisions of this Act, the Adjutant General's Department may pay the travel expenses of members of the Texas State Guard when said members are acting as official representatives of the Adjutant General's Department on behalf of the Texas State Guard.

~~16~~15. Seaborne/ChalleNGe Youth Education Program. Out of funds appropriated above in Strategy C.1.1, Youth Education Programs, $175,000 is appropriated from the Foundation School Fund No. 193 for each fiscal year of the biennium. In the event the available amount is greater than $175,000 in each fiscal year, general revenue funds equal to the difference between the Foundation School Funds No. 193 and $175,000 shall lapse to the unobligated portion of the General Revenue Fund.

~~18~~16. Unexpended Balances, General Obligation Bonds. Any unexpended balances as of August 31, ~~2005,~~ 2007 in the general obligation bonds appropriated by the ~~77~~th79th Legislature, Regular Session, for Repair or Rehabilitation of Buildings and Facilities (estimated at ~~$200,000~~ $0 and included in amounts above) are hereby appropriated for the same purposes for the biennium beginning September 1, ~~2005~~2007.

17. State Military Tuition Assistance Program. All unexpended balances of the State Military Tuition Assistance Program as of August 31, 2007 (estimated to be $0) are appropriated for the same purpose for use during the biennium beginning September 1, 2007. Any balances on hand at the end of fiscal year 2008 may be carried over to fiscal year 2009 and such funds are appropriated for fiscal year 2009 for the same purpose.

18. ChalleNGe Youth Program. ~~It is the intent of the Legislature that the Adjutant General's Department coordinate with the Texas Youth Commission and the Texas Juvenile Probation Commission to ensure no duplication of services and to maximize the efficiency of the services offered by the ChalleNGe Youth Education Program.~~ From funds appropriated above in Strategy C.1.1, Youth Education Programs, and to ensure their efficent use, the Adjutant General's Department shall coordinate with the Juvenile Probation Commission to ensure that no duplication of services occurs with the ChalleNGe Youth Education Program.

ALCOHOLIC BEVERAGE COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 38,042,728	$ 37,652,113
Federal Funds	351,200	351,200
Other Funds		
Appropriated Receipts	5,000	5,000

Criminal Justice Grants	100,000	100,000
Subtotal, Other Funds	$ 105,000	$ 105,000
Total, Method of Financing	$ 38,498,928	$ 38,108,313
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 10,179,232	$ 10,224,129
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	686.7	686.7
Schedule of Exempt Positions:		
Administrator, Group 4	$105,000	$105,000
Items of Appropriation:		
A. Goal: REGULATE DISTRIBUTION		
Promote the Health, Safety, and Welfare of the Public.		
A.1.1. Strategy: ENFORCEMENT	$ 21,797,621	$ 21,352,212
B. Goal: LICENSING AND INVESTIGATION		
Process Applications and Issue Alcoholic Beverage Licenses & Permits.		
B.1.1. Strategy: LICENSING AND INVESTIGATION	$ 2,532,750	$ 2,545,710
C. Goal: COLLECT FEES AND TAXES		
Ensure Compliance with Fees & Taxes.		
C.1.1. Strategy: COMPLIANCE MONITORING	$ 5,913,989	$ 5,931,616
Conduct Inspections and Monitor Compliance.		
C.2.1. Strategy: PORTS OF ENTRY	$ 3,840,011	$ 3,854,555
Nontransferable.		
Total, Goal C: COLLECT FEES AND TAXES	$ 9,754,000	$ 9,786,171
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 2,006,398	$ 2,014,711
D.1.2. Strategy: INFORMATION RESOURCES	$ 1,419,834	$ 1,424,952
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 1,121,120	$ 1,126,783
Total, Goal D: INDIRECT ADMINISTRATION	$ 4,547,352	$ 4,566,446
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (132,795)	$ (142,226)
Grand Total, ALCOHOLIC BEVERAGE COMMISSION	$ 38,498,928	$ 38,108,313
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 28,982,875	$ 29,170,054
Other Personnel Costs	1,436,045	1,516,453
Professional Fees and Services	196,586	196,586
Fuels and Lubricants	732,450	736,588
Consumable Supplies	149,161	145,143
Utilities	418,234	416,179
Travel	641,445	641,445
Rent - Building	1,939,190	1,987,473
Rent - Machine and Other	123,939	123,939
Other Operating Expense	2,202,908	2,164,858
Grants	253,820	253,820
Capital Expenditures	1,422,275	755,775
Total, Object-of-Expense Informational Listing	$ 38,498,928	$ 38,108,313
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,790,828	$ 1,817,691
Group Insurance	5,400,505	5,503,859

Social Security	2,219,327	2,252,617
Benefits Replacement	228,243	216,831
Subtotal, Employee Benefits	$ 9,638,903	$ 9,790,998
Debt Service		
Lease Payments	$ 51,199	$ 51,187
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 9,690,102	$ 9,842,185

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Alcoholic Beverage 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 Alcoholic Beverage Commission. In order to achieve the objectives and service standards established by this Act, the Alcoholic Beverage Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: REGULATE DISTRIBUTION		
Outcome (Results/Impact):		
Percentage of Licensed Establishments Inspected Annually	78.5%	78.5%
A.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Inspections Conducted by Enforcement Agents	128,000	128,000
Efficiencies:		
Average Cost Per Enforcement Inspection	175	175
B. Goal: LICENSING AND INVESTIGATION		
Outcome (Results/Impact):		
Percent of Original License/Permit Applications Processed within 14 Days	99%	99%
B.1.1. Strategy: LICENSING AND INVESTIGATION		
Output (Volume):		
Number of Licenses/Permits Issued	100,000	100,000
Efficiencies:		
Average Cost Per License/Permit Processed	24.22	24.22
C. Goal: COLLECT FEES AND TAXES		
Outcome (Results/Impact):		
Percent of Inspections, Analyses, and Compliance Activities Resulting in Administrative Actions	34%	34%
C.1.1. Strategy: COMPLIANCE MONITORING		
Output (Volume):		
Number of Inspections, Analyses, and Compliance Activities	132,000	132,000
Efficiencies:		
Average Cost Per Inspection, Analysis, and Compliance Activity	44.8	44.94
C.2.1. Strategy: PORTS OF ENTRY		
Output (Volume):		
Number of Alcoholic Beverage Containers and Cigarette Packages Stamped	5,500,000	5,500,000

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. 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.

	~~2006~~	~~2007~~
~~Out of the General Revenue Fund:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Computer Equipment - Leased~~	~~$ 321,890~~	~~$ 321,890~~

~~(2) Excise Tax Automation~~	~~250,000~~	~~75,000~~
~~(3) Other Information Resource Projects~~	~~169,441~~	~~169,441~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 741,331~~	~~$ 566,331~~
~~b. Transportation Items~~		
~~(1) Fleet Acquisitions (90 Vehicles)~~	~~1,268,500~~	~~946,000~~
~~c. Acquisition of Capital Equipment and Items~~		
~~(1) Ports of Entry Tax Collection Automation~~	~~80,000~~	~~25,000~~
~~Total, Capital Budget~~	~~$ 2,089,831~~	~~$ 1,537,331~~

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Computer Equipment - Leased	$ 321,890	$ 321,890
(2) Other Information Resource Projects	169,441	169,441
Total, Acquisition of Information Resource Technologies	$ 491,331	$ 491,331
b. Transportation Items		
(1) Fleet Acquisitions (65 Vehicles)	1,005,000	338,500
Total, Capital Budget	$ 1,496,331	$ 829,831

3. **Hazardous Duty Pay Authorized.** The Texas Alcoholic Beverage Commission is authorized to pay hazardous duty pay to any commissioned law enforcement personnel as prescribed by law.

It is further provided that individuals who had received hazardous duty pay as of August 31, 1981, shall continue to receive hazardous duty pay for the biennium beginning with the effective date of this Act. Individuals hired after August 31, 1981, shall not receive hazardous duty pay unless so authorized by ~~§ 659.062,~~Government Code, Chapter 659.

4. **Witness Expenses Authorized.** No other provisions of this Article shall prevent payment by the State of Texas of salaries and expenses incurred by representatives of the Texas Alcoholic Beverage Commission in attendance on state or federal grand jury proceedings, and who may be called as witnesses in the trial of criminal or civil cases in state or federal courts involving offenses complained of against state or federal liquor regulatory or revenue laws. It is further provided that any fees collected by such representatives in performing such duties shall be deposited in the State Treasury to the credit of the appropriations made above.

5. **Revolving Fund.** The revolving change fund created by prior legislatures in the amount of ~~$15,000~~$25,000 for use at ~~the~~several International Bridges is hereby appropriated out of the funds above for the biennium beginning with the effective date of this Act for the same purposes.

~~8~~6. **Purchase of Evidence Authorized.** From the amounts authorized above, the Texas Alcoholic Beverage Commission is hereby authorized to establish a cash fund not to exceed $50,000 for the purchase of evidence and/or information and surveillance expenses deemed necessary by the Commission.

~~**6.** **State Police Agency.** For purposes of application to the federal government for licenses, permits, or other authorizations, including radio frequencies, or for law enforcement assistance grants, the Texas Alcoholic Beverage Commission shall be considered a state police agency in accordance with the Alcoholic Beverage Code and other applicable laws.~~

~~9~~7. **Appropriations Limited to Revenue Collections.** ~~It is the intent of the Legislature that fees,~~ Fees, fines and other miscellaneous revenues as authorized and generated by the agency shall cover, at a minimum, the cost of the appropriations made above as well as an amount equal to the amount identified above in the informational item "Other Direct and Indirect Costs Appropriated Elsewhere in this Act." 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.

8. **Fleet of Motor Vehicles Authorized.** ~~It is the intent of the Legislature that the agency~~From funds appropriated above, the Alcoholic Beverage Commission may purchase and maintain a fleet of vehicles. If these vehicles are unmarked for law enforcement purposes, these vehicles shall be utilized only by personnel who are commissioned peace officers or those persons responsible for the maintenance and repair of these vehicles. Vehicles which are properly marked pursuant to state requirements, may be utilized for other legitimate agency purposes as needed by personnel employed in the Enforcement and Compliance Divisions.

~~11~~9. **Clothing Provisions.**

a. A commissioned officer who received a $1,200 clothing allowance pursuant to the General Appropriations Act during the ~~2004-05~~2006-07 biennium shall receive a $1,200 clothing allowance in the ~~2006-07~~2008-09 biennium.

b. ~~It is the intent of the Legislature that no~~No person shall receive a $1,200 clothing allowance unless eligible in subsection (a).

c. An individual who is newly hired or newly commissioned after September 1, 1997, is eligible to receive a $500 cleaning allowance. No rank other than that of agent is entitled to a $500 cleaning allowance.

d. The Texas Alcoholic Beverage Commission may purchase uniforms for Tax Collectors at International Bridges.

~~12~~10. **Contingency Rider - Ports of Entry (Anzalduas Bridge).** Included in the amounts appropriated above in Strategy C.2.1, Ports of Entry, is $119,803 in fiscal year ~~2006~~2008 and $119,803 in fiscal year ~~2007~~2009 out of the General Revenue Fund for the purpose of regulating the personal importation of alcoholic beverages and cigarettes at the Anzalduas Bridge. These amounts represent 12 months of estimated operating costs per fiscal year. The appropriation of these funds is contingent upon the opening of the Anzalduas Bridge. In the event the bridge does not open prior to September ~~2005~~2007, the level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year.

~~10.~~ **~~Agent Training.~~** ~~It is the intent of the Legislature that the Texas Alcoholic Beverage Commission, as part of its initial and ongoing training of its certified peace officers, emphasize the evidentiary threshold required in prosecution of criminal cases as it applies to minors in possession of alcoholic beverages.~~

~~13~~11. **Contingency Rider - Ports of Entry (Donna Bridge).** Included in the amounts appropriated above in Strategy C.2.1, Ports of Entry, is $139,872 in fiscal year ~~2006~~2008 and $139,872 in fiscal year ~~2007~~2009 out of the General Revenue Fund for the purpose of regulating the personal importation of alcoholic beverages and cigarettes at the Donna Bridge. These amounts represent 12 months of estimated operating costs per fiscal year. The appropriation of these funds is contingent upon the opening of the Donna Bridge. In the event the bridge does not open prior to September ~~2005~~2007, the level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year.

~~14~~12. **Texas Wine Marketing Assistance Program.** Included in the amounts appropriated above in Strategy D.1.1, Central Administration, is $250,000 in fiscal year ~~2006~~2008 and $250,000 in fiscal year ~~2007~~2009 out of the General Revenue Fund for the Texas Wine Marketing Assistance Program. The Texas Alcoholic Beverage Commission shall transfer these funds to the Department of Agriculture pursuant to § ~~5.55,~~5.56, Alcoholic Beverage Code.

~~15~~13. **Sunset Contingency.** Funds appropriated above for fiscal year ~~2007~~2009 for the Alcoholic Beverage Commission are made contingent on the continuation of the Alcoholic Beverage

Commission by the ~~Seventy-ninth~~Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year ~~2006~~2008 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

~~18~~14. **Accountability Tracking System for DWI Prevention and Enforcement.** From funds appropriated above, the Alcoholic Beverage Commission shall ~~develop a specific accountability system for tracking~~track the impact of funds appropriated for enhanced DWI prevention and enforcement. ~~($12,928,950 in General Revenue and 119 Full-Time-Equivalent Positions in fiscal years 2006-07). In addition to implementing the recommendations made by the Sunset Advisory Commission (Staff Report, October 2004), the commission shall develop the following accountability system.~~ By January 1st of each fiscal year, the commission shall report to the Governor and the Legislative Budget Board the specific prevention and enforcement activities performed with the funds to include locations where the monies were spent, what programs were implemented, the impact of enforcement efforts compared to the previous biennium, and the impact on DWI-related fatalities and arrests.

15. **Appropriation Transfers Between Fiscal Years - Gasoline Contingency.** In addition to the transfer authority provided elsewhere in this Act, the Alcoholic Beverage Commission may transfer appropriations for fiscal year 2009 to fiscal year 2008, subject to the following conditions provided by this section:

a. transfers under this section may be requested only if the average price per gallon of gasoline paid by the agency during the first six months of fiscal year 2008 exceeds $2.40 per gallon.

b. a request to transfer appropriations for fiscal year 2009 to fiscal year 2008 shall be submitted in writing to the Governor and the Legislative Budget Board. The request shall include a justification for the amount of funds to be transferred based on an estimate of the total gallons of gasoline consumed by the agency in a year and the average price per gallon paid over $2.40 per gallon during the first six months of fiscal year 2008.

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.

~~16. **Contingency Appropriation.** Included in the amounts appropriated above, $9,589,043 in fiscal year 2006 and $7,423,440 in fiscal year 2007 in General Revenue Funds are appropriated to the Texas Alcoholic Beverage Commission for current operating expenses, DWI prevention and enforcement, compliance officer reclassifications, ports of entry tax collection automation, and excise tax automation. These appropriations are contingent upon the Texas Alcoholic Beverage Commission increasing fees and surcharges, pursuant to §5.50, Alcoholic Beverage Code, by $20,250,309 and providing such information deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues are estimated to be available in excess of the Comptroller's Biennial Revenue Estimate and the amounts specified in Article IX, Section 3.08, including supplemental estimates used in certifying this Act, to fund the increased appropriations and benefits. Also contingent on the finding of fact, the "Number of Full-Time-Equivalents (FTE)" indicated above includes 153.2 FTEs for fiscal year 2006 and 153.2 FTEs for fiscal year 2007.~~

~~17. **Gasoline Contingency. .** In addition to funds appropriated above and contingent upon certification by the Comptroller of Public Accounts, the Alcoholic Beverage Commission is hereby appropriated up to $2,000 per year from General Revenue Funds for each cent increase in the average gasoline cost per gallon to the agency above $1.32 per gallon (estimated to be $2,000 in fiscal year 2006 and $2,000 in fiscal year 2007 from the General Revenue Fund). The level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year from the date of certification by the Comptroller of Public Accounts.~~

DEPARTMENT OF CRIMINAL JUSTICE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 2,443,919,279	$ 2,496,087,270
Education and Recreation Program Receipts	74,955,477	74,955,477
Texas Correctional Industries Receipts	10,329,730	10,329,730
Subtotal, General Revenue Fund	$ 2,529,204,486	$ 2,581,372,477
General Revenue Fund - Dedicated		
Private Sector Prison Industry Expansion Account No. 5060	2,000,000	2,000,000
Compensation to Victims of Crime Account No. 469	1,520,967	1,520,967
Subtotal, General Revenue Fund - Dedicated	$ 3,520,967	$ 3,520,967
Federal Funds for Incarcerated Aliens	17,854,652	17,854,652
Other Funds		
Interagency Contracts - Texas Correctional Industries	36,913,210	36,913,209
Appropriated Receipts	29,586,517	10,986,510
Interagency Contracts	7,836,800	7,836,800
Bond Proceeds - General Obligation Bonds	UB	UB
Subtotal, Other Funds	$ 74,336,527	$ 55,736,519
Total, Method of Financing	$ 2,624,916,632	$ 2,658,484,615
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	39,000.0	39,000.0
Schedule of Exempt Positions:		
Executive Director, Group 6	$165,000	$165,000
Presiding Officer, Board of Pardons & Paroles, Group 3	90,000	90,000
Parole Board Member, Group 3	(6) 85,000	(6) 85,000
Items of Appropriation:		
A. Goal: PROVIDE PRISON DIVERSIONS		
Provide Prison Diversions through Probation & Community-based Programs.		
A.1.1. Strategy: BASIC SUPERVISION	$ 97,907,111	$ 97,932,783
A.1.2. Strategy: DIVERSION PROGRAMS	$ 88,079,197	$ 88,079,198
A.1.3. Strategy: COMMUNITY CORRECTIONS	$ 38,770,088	$ 38,770,088
A.1.4. Strategy: TRMT ALTERNATIVES TO INCARCERATION Treatment Alternatives to Incarceration Program.	$ 11,604,912	$ 11,604,911
Total, Goal A: PROVIDE PRISON DIVERSIONS	$ 236,361,308	$ 236,386,980
B. Goal: SPECIAL NEEDS OFFENDERS		
B.1.1. Strategy: SPECIAL NEEDS PROJECTS	$ 15,410,726	$ 15,410,726
C. Goal: INCARCERATE FELONS		
C.1.1. Strategy: CORRECTIONAL SECURITY OPERATIONS	$ 894,282,135	$ 894,282,134
C.1.2. Strategy: CORRECTIONAL SUPPORT OPERATIONS	$ 74,968,725	$ 74,968,724
C.1.3. Strategy: OFFENDER SERVICES	$ 12,222,596	$ 12,222,595
C.1.4. Strategy: INSTITUTIONAL GOODS	$ 141,344,044	$ 141,344,043
C.1.5. Strategy: INSTITUTIONAL SERVICES	$ 145,029,326	$ 145,029,324
C.1.6. Strategy: INST'L OPERATIONS & MAINTENANCE Institutional Operations and Maintenance.	$ 176,312,013	$ 176,312,011
C.1.7. Strategy: PSYCHIATRIC CARE Correctional Managed Psychiatric Care.	$ 43,094,589	$ 43,094,589
C.1.8. Strategy: MANAGED HEALTHCARE Correctional Managed Healthcare.	$ 332,656,232	$ 332,656,231
C.1.9. Strategy: HEALTH SERVICES	$ 3,670,627	$ 3,670,628

C.1.10. Strategy: CONTRACTED TEMPORARY CAPACITY Provide for Contract Correctional Beds.	$ 69,465,840	$ 104,377,280
C.2.1. Strategy: TEXAS CORRECTIONAL INDUSTRIES	$ 66,474,948	$ 66,474,947
C.2.2. Strategy: ACADEMIC/VOCATIONAL TRAINING Academic and Vocational Training.	$ 2,332,715	$ 2,332,714
C.2.3. Strategy: PROJECT RIO	$ 3,490,496	$ 3,490,496
C.2.4. Strategy: TREATMENT SERVICES	$ 14,349,161	$ 14,349,160
C.2.5. Strategy: SUBSTANCE ABUSE TREATMENT	$ 35,682,190	$ 35,682,188
C.3.1. Strategy: CONTRACT PRISONS/PRIVATE ST JAILS Contract Prisons and Privately Operated State Jails.	$ 105,008,184	$ 106,227,315
Total, Goal C: INCARCERATE FELONS	$ 2,120,383,821	$ 2,156,514,379
D. Goal: ENSURE ADEQUATE FACILITIES Ensure and Maintain Adequate Facilities.		
D.1.1. Strategy: FACILITIES CONSTRUCTION Construction and Repair of Facilities.	$ UB	$ UB
D.1.2. Strategy: LEASE-PURCHASE OF FACILITIES Provide for Lease-purchase of Facilities.	$ 11,431,300	$ 11,399,313
Total, Goal D: ENSURE ADEQUATE FACILITIES	$ 11,431,300	$ 11,399,313
E. Goal: OPERATE PAROLE SYSTEM		
E.1.1. Strategy: BOARD OF PARDONS AND PAROLES	$ 9,400,185	$ 9,400,185
E.1.2. Strategy: PAROLE RELEASE PROCESSING	$ 14,880,716	$ 14,880,717
E.2.1. Strategy: PAROLE SUPERVISION	$ 85,233,426	$ 84,983,841
E.2.2. Strategy: RESIDENTIAL PRE-PAROLE FACILITIES	$ 33,522,390	$ 33,990,721
E.2.3. Strategy: HALFWAY HOUSE FACILITIES	$ 13,504,273	$ 13,504,273
E.2.4. Strategy: INTERMEDIATE SANCTION FACILITIES	$ 16,801,596	$ 17,092,950
Total, Goal E: OPERATE PAROLE SYSTEM	$ 173,342,586	$ 173,852,687
F. Goal: INDIRECT ADMINISTRATION		
F.1.1. Strategy: CENTRAL ADMINISTRATION	$ 24,048,889	$ 24,048,889
F.1.2. Strategy: CORRECTIONAL TRAINING	$ 4,035,942	$ 4,035,942
F.1.3. Strategy: INSPECTOR GENERAL	$ 6,469,919	$ 6,469,918
F.1.4. Strategy: VICTIM SERVICES	$ 1,951,709	$ 1,951,709
F.1.5. Strategy: INFORMATION RESOURCES	$ 27,462,357	$ 24,425,853
F.1.6. Strategy: OTHER SUPPORT SERVICES	$ 5,459,155	$ 5,459,154
Total, Goal F: INDIRECT ADMINISTRATION	$ 69,427,971	$ 66,391,465
G. Goal: ADMINISTRATIVE REDUCTIONS		
G.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (1,441,080)	$ (1,470,935)
Grand Total, DEPARTMENT OF CRIMINAL JUSTICE	$ 2,624,916,632	$ 2,658,484,615
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,211,840,874	$ 1,211,799,780
Other Personnel Costs	36,871,277	36,870,001
Professional Fees and Services	408,308,271	408,308,277
Fuels and Lubricants	9,300,153	9,300,155
Consumable Supplies	15,086,743	15,086,740
Utilities	109,437,244	109,437,239
Travel	7,280,770	7,280,776
Rent - Building	12,967,972	12,967,974
Rent - Machine and Other	5,971,338	5,971,341
Other Operating Expense	468,473,324	505,126,485
Client Services	32,081,013	32,081,012
Food for Persons - Wards of State	84,222,108	84,222,109
Grants	202,585,859	202,611,532
Capital Expenditures	20,489,686	17,421,194
Total, Object-of-Expense Informational Listing	$ 2,624,916,632	$ 2,658,484,615
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		

Employee Benefits		
Retirement	$ 78,199,699	$ 79,372,694
Group Insurance	248,580,076	250,605,064
Social Security	95,570,209	97,003,763
Benefits Replacement	11,959,892	11,361,898
Subtotal, Employee Benefits	$ 434,309,876	$ 438,343,419
Debt Service		
TPFA GO Bond Debt Service	$ 231,868,038	$ 231,380,410
Lease Payments	656,588	643,850
Subtotal, Debt Service	$ 232,524,626	$ 232,024,260
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 666,834,502	$ 670,367,679

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Criminal Justice. 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 Criminal Justice. In order to achieve the objectives and service standards established by this Act, the Department of Criminal Justice shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: PROVIDE PRISON DIVERSIONS		
A.1.1. Strategy: BASIC SUPERVISION		
Output (Volume):		
Average Number of Felony Offenders under Direct Supervision	158,461	158,772
Efficiencies:		
Average Monthly Caseload	76	76
A.1.2. Strategy: DIVERSION PROGRAMS		
Output (Volume):		
Number of Residential Facility Beds Grant-funded	2,484	2,484
A.1.3. Strategy: COMMUNITY CORRECTIONS		
Output (Volume):		
Number of Residential Facility Beds Funded through Community Corrections	604	604
B. Goal: SPECIAL NEEDS OFFENDERS		
Outcome (Results/Impact):		
Offenders with Special Needs Reincarceration Rate	12%	12%
B.1.1. Strategy: SPECIAL NEEDS PROJECTS		
Output (Volume):		
Number of Special Needs Offenders Served Through the Continuity of Care Programs	27,000	27,000
C. Goal: INCARCERATE FELONS		
Outcome (Results/Impact):		
Escaped Offenders as Percentage of Number of Offenders Incarcerated	0%	0%
Three-year Recidivism Rate	30%	30%
Turnover Rate of Correctional Officers	18%	18%
C.1.1. Strategy: CORRECTIONAL SECURITY OPERATIONS		
Output (Volume):		
Average Number of Offenders Incarcerated	139,662	139,662
C.1.7. Strategy: PSYCHIATRIC CARE		
Output (Volume):		
Psychiatric Inpatient Average Daily Census	1,963	1,963
C.1.8. Strategy: MANAGED HEALTHCARE		
Output (Volume):		
Average Number of Offenders under Correctional Managed Healthcare	151,734	151,734
Efficiencies:		
Medical Care Cost Per Offender	5.99	6.01
C.1.10. Strategy: CONTRACTED TEMPORARY CAPACITY		
Explanatory:		
Average Number of Offenders in Contractual Correctional Bed Capacity	4,742	7,148

C.2.1. Strategy: TEXAS CORRECTIONAL INDUSTRIES		
Output (Volume):		
Number of Inmates Assigned to the Texas Correctional Industries Program	6,100	6,100
C.2.2. Strategy: ACADEMIC/VOCATIONAL TRAINING		
Output (Volume):		
Inmate Students Enrolled	10,000	10,000
C.2.4. Strategy: TREATMENT SERVICES		
Output (Volume):		
Number of Sex Offenders Receiving Psychological Counseling While on Parole/Mandatory Supervision	1,900	1,900
C.2.5. Strategy: SUBSTANCE ABUSE TREATMENT		
Output (Volume):		
Number of Confinees Completing Treatment in Substance Abuse Felony Punishment Facilities	5,400	5,400
C.3.1. Strategy: CONTRACT PRISONS/PRIVATE ST JAILS		
Output (Volume):		
Average Number of Offenders in Contract Prisons and Privately Operated State Jails	11,172	11,172
E. Goal: OPERATE PAROLE SYSTEM		
Outcome (Results/Impact):		
Releasee Annual Revocation Rate	10%	10%
E.1.1. Strategy: BOARD OF PARDONS AND PAROLES		
Output (Volume):		
Number of Parole Cases Considered	87,340	87,340
E.1.2. Strategy: PAROLE RELEASE PROCESSING		
Output (Volume):		
Number of Parole Cases Processed	42,645	42,645
E.2.1. Strategy: PAROLE SUPERVISION		
Output (Volume):		
Average Number of Offenders Under Active Parole Supervision	76,360	76,287
Efficiencies:		
Average Monthly Caseload	62	62
E.2.2. Strategy: RESIDENTIAL PRE-PAROLE FACILITIES		
Output (Volume):		
Average Number of Pre-parole Transferees in Pre-parole Transfer Facilities	2,242	2,242

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.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Lease-Purchase of Facilities	$ 18,835,425	$ 11,451,175
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Repair or Rehabilitation of Buildings/Facilities	27,000,000	50,000,000
(2) Marlin Correctional Facility	3,000,000	UB
Total, Repair or Rehabilitation of Buildings and Facilities	$ 30,000,000	$ 50,000,000
c. Acquisition of Information Resource Technologies		
(1) Lease Payments (MLPP) for Scheduled Computer Replacements 2004-05	1,260,224	630,112
(2) Computer and Software Acquisitions	2,886,716	631,250
Total, Acquisition of Information		

~~Resource Technologies~~	~~$ 4,146,940~~	~~$ 1,261,362~~
~~d. Transportation Items~~		
~~(1) Lease Payments (MLPP) for Transportation Items 2004-05~~	~~590,730~~	~~590,730~~
~~e. Acquisition of Capital Equipment and Items~~	~~3,697,114~~	~~3,697,112~~
~~Total, Capital Budget~~	~~$ 57,270,209~~	~~$ 67,000,379~~
~~Method of Financing (Capital Budget):~~		
~~General Revenue Fund~~		
~~General Revenue Fund~~	~~$ 26,042,999~~	~~$ 15,773,169~~
~~Texas Correctional Industries Receipts~~	~~306,803~~	~~306,803~~
~~Subtotal, General Revenue Fund~~	~~$ 26,349,802~~	~~$ 16,079,972~~
~~Other Funds~~		
~~Bond Proceeds - General Obligation Bonds~~	~~30,000,000~~	~~50,000,000~~
~~Interagency Contracts - Texas Correctional Industries~~	~~920,407~~	~~920,407~~
~~Subtotal, Other Funds~~	~~$ 30,920,407~~	~~$ 50,920,407~~
~~Total, Method of Financing~~	~~$ 57,270,209~~	~~$ 67,000,379~~

	2008	2009
a. Construction of Buildings and Facilities		
(1) Lease-Purchase of Facilities	$ 11,431,300	$ 11,399,313
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Repair or Rehabilitation of Buildings/Facilities	UB	UB
(2) Marlin Correctional Facility	UB	UB
Total, Repair or Rehabilitation of Buildings and Facilities	$ UB	$ UB
c. Acquisition of Information Resource Technologies		
(1) Computer and Software Acquisitions	3,716,981	680,477
d. Acquisition of Capital Equipment and Items	4,519,362	4,519,358
Total, Capital Budget	$ 19,667,643	$ 16,599,148
Method of Financing (Capital Budget):		
General Revenue Fund		
General Revenue Fund	$ 18,440,433	$ 15,371,938
Texas Correctional Industries Receipts	306,803	306,803
Subtotal, General Revenue Fund	$ 18,747,236	$ 15,678,741
Other Funds		
Bond Proceeds - General Obligation Bonds	UB	UB
Interagency Contracts - Texas Correctional Industries	920,407	920,407
Subtotal, Other Funds	$ 920,407	$ 920,407
Total, Method of Financing	$ 19,667,643	$ 16,599,148

3. **Disposition of Construction Appropriation.** Construction appropriations may be used to pay salaries of engineers, architects, superintendents, supervisors and administrative expenses and support personnel of construction projects; architectural fees and the actual and necessary travel expenses incurred by them or their representatives in making special trips of inspection at the instance of the Board of Criminal Justice or the Department of Criminal Justice's Executive Director or designee during construction or repair of buildings or installation of fixed equipment in such buildings. The State Classification Officer shall approve job titles and rates of pay for such salaried positions.

4. **Temporary Loan of Construction Resources.** The Texas Department of Criminal Justice (TDCJ) may temporarily utilize materials and equipment acquired and personnel paid from one project appropriated for construction, repairs, and renovation, including construction of additional capacity and building maintenance, to construct any other similar project for which funds have been appropriated. The receiving project must reimburse the providing project within twelve months with funds and/or a like amount of materials, equipment, equipment usage or personnel of equivalent value. Reimbursement with funds may be accomplished by transfer in a manner which records appropriate expenditures to the borrowing project and negative expenditures to the lending project. These transfers may be summary amounts in a manner approved by the Comptroller of Public Accounts. However, the TDCJ must maintain adequate detailed records to support such summary transfer amounts.

5. **Architectural Fees.** Notwithstanding other provisions of this Act, in those instances where inmate labor is used on construction projects, the Department of Criminal Justice is authorized to pay architectural fees based on the estimated total cost of a project as if it were to be done by a private contractor. The department shall employ an independent firm, separate from the architect, to estimate the total cost of a project. Architectural fees based on the estimated cost shall be governed by other provisions of this Act.

6. **Construction Encumbrances.** Any funds legally encumbered for construction contracts for projects which are in effect as of August 31, 2007~~2005~~, are considered encumbered and may be carried forward to fiscal year 2008~~2006~~.

~~8~~7. **Utilization of Existing Correctional Facilities.** ~~It is the intent of the Legislature that~~ The department shall give full consideration ~~be given~~ to utilizing existing correctional facilities located in the State of Texas and currently owned or operated by federal or local governments. Appropriations to the department may be used for the purposes of leasing, purchasing or contracting for operations of such facilities if agreements can be reached which are beneficial to the State.

8. **Review of Construction Change Orders.** ~~It is the intent of the Legislature~~From funds appropriated above, ~~that~~ the Texas Department of Criminal Justice (TDCJ), upon the review of any change order, shall develop a procedure whereby cause of such change order shall be determined and documented in the project file. If it is determined that the change was necessitated by the error or omission of any contracted party, the TDCJ shall hold such party financially responsible.

9. **Prison Construction Prioritization.** The ~~It is the intent of the Legislature that the~~ Department of Criminal Justice shall maximize the efficient use of funds appropriated above for~~prioritize any~~ construction of additional capacity by prioritizing~~in such a way as to ensure~~ the expeditious completion of any units on which work had been started and subsequently suspended.

10. **Salary Adjustment Authorized.** Notwithstanding other provisions of this Act, the Texas Department of Criminal Justice is authorized to adjust salaries of the following position series to rates within the designated salary group for the purpose of recruiting, employing, and retaining career correctional personnel:

    a. Correctional Officer;
    b. Sergeant, Lieutenant, Captain, and Major of Correctional Officers;
    c. Food Service Manager;
    d. Laundry Manager; and
    e. Parole Case Manager~~Caseworker~~ and Parole Officer.

Merit raises are prohibited for all employees who are receiving or are eligible to receive step adjustments in the career ladder system.

11. **Appropriation: Meals Authorized.** Department employees assigned to work inside correctional facilities or on travel status may receive up to two free meals per shift and employees residing in employee dormitories may receive three free meals per day. None of the funds appropriated above shall be utilized to provide meals to other employees for a charge of less than $1.00 per meal or to grow, purchase, prepare, or provide food products for employees to use at their homes. All meal fees received are appropriated above in Strategy C.1.4, Institutional Goods. Any fees collected in excess of $4,308~~$6,339~~ in fiscal year 2008~~2006~~ and $4,307~~$6,339~~ in fiscal year 2009~~2007~~ are hereby appropriated to the department for the same purpose.

12. **Restriction, Food Service.** The Texas Department of Criminal Justice may not use any appropriations above to provide food items to employees in employee dining facilities ~~, only after~~until the food requirements of inmates are met. The food served to inmates shall be of the same quality as food served to employees.

13. **Payroll Deduction.** Fees for employee services will be made by payroll deduction whenever practical.

14. **Benefit Policy Required.** The Board of Criminal Justice shall adopt a written policy relating to benefits provided in Riders 11 and 16 specifying the criteria used to award these benefits to employees, and shall develop a system to account for all costs related to these benefits and all revenues from collection of fees.

15. **Appropriation: State-owned Housing Authorized.**

a. The department's Regional Directors, Chief Wardens, Assistant Wardens, Majors of Correctional Officers, Captain of Correctional Officers, Lieutenant of Correctional Officers, Kennel Sergeants, Maintenance Supervisors, and Fire/Safety Managers at each facility are authorized to live in state-owned housing at rental rates determined by the department.

b. Other department employees may live in available state-owned housing as set forth in Article IX, § 11.05, State Owned Housing - Recover Housing Costs of this Act.

c. All fees received for employee housing are appropriated above in Strategy C.1.6, Institutional Operations and Maintenance to be used for maintaining employee housing. Any fees collected in excess of $605,856~~$607,001~~ in fiscal year 2008~~2006~~ and $605,856~~$607,001~~ in fiscal year 2009~~2007~~ are hereby appropriated to the department for the same purpose.

d. Notwithstanding Article IX, § 11.05 the department may allocate housing at reduced or no cost to employees with a demonstrated need based on location and job description.

16. **Appropriation: Laundry Service.** The department may launder or dry clean the uniforms of correctional officers at no charge. None of the funds appropriated above may be used to launder or dry clean other employee clothing or to provide other services unless fees are charged to recover the cost of providing the services. All fees collected for laundry and other related services are appropriated above in Strategy C.1.4, Institutional Goods. Any fees collected in excess of $865,087~~$862,769~~ in fiscal year 2008~~2006~~ and $865,087~~$862,769~~ in fiscal year 2009~~2007~~ are hereby appropriated to the department for the same purpose.

~~18~~17. **Employee Medical Care.** Appropriations made in this Act not otherwise restricted in use may also be expended to provide medical attention and hospitalization by correctional medical staff and the correctional hospital facilities, or to pay necessary medical expenses for employees injured while performing the duties of any hazardous position which is not reimbursed by workers' compensation and/or employees' state insurance. For the purpose of this section, "hazardous position" shall mean one for which the regular and normal duties inherently involve the risk or peril of bodily injury or harm. Appropriations made in this Act not otherwise restricted in use may also be expended for medical tests and procedures on employees that are required by federal or state law or regulations when the tests or procedures

are required as a result of the employee's job assignment or when considered necessary due to potential or existing litigation.

18. Inmate Labor. ~~It is the intent of the Legislature~~The Texas Department of Criminal Justice shall not use~~that~~ inmate labor ~~not be used~~ to provide personal services for employees. Inmate labor may be used to provide maintenance and upkeep to state property and equipment.

19. Compensatory Time. Exceptions to the prohibition against substituting other days for holidays may be authorized by the Director of the Texas Department of Criminal Justice for employees who are required to work on holidays due to the continuing operation of the department. Any employee who is required to work on any of the holidays authorized in the general provisions of this Act, and who does work on any of the said holidays, shall be entitled to compensating time off to be taken on such day as may be mutually agreed upon by the employee and supervisor.

20. Hazardous Duty Pay. The department shall use funds appropriated above to continue funding hazardous duty pay to all employees that received it as of August 31, 1985.~~It is the legislative intent that all persons receiving hazardous duty pay as of August 31, 1985, continue to receive it.~~ However, all persons hired after August 31, 1985, must occupy positions approved by the Texas Board of Criminal Justice and meet statutory criteria to receive hazardous duty pay.

~~23~~21. Transfer Authority within and between Goals. Subject to capital budget provisions contained in this Act, the Texas Department of Criminal Justice is authorized to transfer such amounts as may be necessary within appropriations made for each goal.

Funds may be transferred between goals; provided, that before any transfer between goals which will have the cumulative effect of changing expenditures for any goal by more than 20 percent of the amount appropriated for that goal for the fiscal year, written notification of intent to transfer be provided the Governor, the Legislative Budget Board, the Senate Finance Committee, and the House Appropriations Committee.

22. Employment Limitation. ~~It is the intent of the Legislature~~None of the funds appropriated above shall be expended ~~that no one shall be employed~~ by the Department of Criminal Justice to employ anyone who, in the course of his official duties, conducts business with individuals or firms with which the employee has either a direct or indirect financial interest.

23. Grievance Procedures. From funds appropriated above, t~~T~~he Board of Criminal Justice shall maintain employee disciplinary and grievance procedures in compliance with this section.

The Board's disciplinary procedures shall allow an employee of the department to be represented by a designee of the employee's selection who may participate in the hearing on behalf of an employee charged with any type of disciplinary violation.

The Board's grievance procedure shall attempt to solve problems through a process which recognizes the employee's right to bring grievances pursuant to the procedures in this section. The grievance procedure shall include either independent mediation or independent, non-binding arbitration of disputes between the employer and the employee if the disciplining authority recommends that the employee be terminated or the employee is terminated.

Any grievance or disciplinary hearing in which a department employee serves as a representative shall be held during normal business hours on a week day, unless the employer and employee agree otherwise. The employee subject to the hearing attends such hearing as a part of regular employment duties. An employee representative who is a department employee must obtain prior approval to be placed on unpaid leave to attend a hearing.

Nothing in this provision shall authorize expenditures of appropriated funds not authorized elsewhere in this Act.

24. Petty Cash Fund Authorized. The local Petty Cash Revolving Fund in the amount of $10,000 is continued for the biennium beginning September 1, 2007~~2005~~, and may be used to advance or reimburse transfer agents and for the care and maintenance of convicted felons while enroute to the department from points in Texas and elsewhere in the United States; and for the payment of C.O.D. freight and express charges and similar items requiring immediate

cash disbursements. The funds shall be reimbursed by warrants drawn and approved by the Comptroller out of appropriated funds to the Texas Department of Criminal Justice.

25. **Revolving Fund Authorized.** The local Inmate Release Revolving Fund of $500,000 is continued for each year of the biennium beginning September 1, 20072005, and is deposited in a bank or banks in Texas; and all inmates released on parole, mandatory supervision, discharge, or conditional pardon shall be paid out of this fund. The fund shall be reimbursed by warrants drawn and approved by the Comptroller out of appropriated funds to the Texas Department of Criminal Justice.

26. **Appropriation: Agriculture Receipts.** It is the intent of the Legislature that each Each year of the biennium the Texas Department of Criminal Justice (TDCJ) may exchange agricultural products for other agricultural products and finished goods, and all revenue accruing from the sale of agricultural commodities or livestock and other revenues as they apply to sales of equipment, salvage, refunds and to recover damage claims are appropriated above in Strategy C.1.5, Institutional Services. Any revenues collected in excess of $5,725,974 in fiscal year 20082006 and $5,725,974 in fiscal year 20092007 are hereby appropriated to the department for agricultural operations. Any unexpended balance up to $2,000,000 remaining from revenues on August 31, 20072005, and August 31, 20082006, is appropriated to allow for continuity of agricultural production and sales cycles which do not conform to fiscal years (fiscal year 20072005 unexpended balance estimated to be $0).

27. **Appropriation: Acceptance of Grants, Gifts.** The Board of Criminal Justice is authorized to accept federal grants, donations and gifts, including those of real property, for the programs and projects of the agency. All such gifts, donations, and grants are appropriated above in Strategy C.1.1, Correctional Security Operations, for the purposes for which they are made available; provided, however, that in taking advantage of or accepting such funds, the Board shall not incur any indebtedness which would necessitate a supplemental or additional appropriation out of any funds of this State nor deplete any of the funds herein appropriated to an amount which would necessitate a supplemental or additional appropriation out of any funds of this Sstate to replenish said fund or funds.

28. **Appropriation: Controlled Substance Receipts.** All funds received under Chapter 59, Code of Criminal Procedure, and Chapter 71, Property Code, by the Texas Department of Criminal Justice are hereby appropriated above in Strategy F.1.3, Inspector General, to be used for law enforcement purposes. Any funds unexpended at the close of each fiscal year are appropriated for the following year (fiscal year 20072005 unexpended balance estimated to be $0).

29. **Appropriation: Texas Correctional Industries Receipts.** Receipts collected from the sales of products produced by Texas Correctional Industries (TCI) are appropriated above in Strategy C.2.1, Texas Correctional Industries. Any receipts collected in excess of $47,242,940$45,900,038 in fiscal year 20082006 and $47,242,939$45,900,038 in fiscal year 20092007 are hereby appropriated to the department for the continued production of TCI goods and services (estimated to be $0). Any unexpended and unobligated balance up to $5,000,000 remaining from TCI revenues on August 31, 20072005, and August 31, 20082006, is appropriated to the department for the same purpose. The State Comptroller shall transfer any unobligated fund balances from Texas Correctional Industries receipts in excess of $5,000,000 to the General Revenue Fund at the end of each fiscal year (fiscal year 20072005 unexpended balance estimated to be $0).

30. **Appropriation: Unexpended Balances for Increased Offender Populations.** In order to operate new correctional facilities or programs necessary for increased offender populations under the department's supervision, unexpended balances from appropriations made to the Department of Criminal Justice for fiscal year 20082006 are hereby appropriated to the Department for fiscal year 20092007 contingent upon written notification to the Governor and the Legislative Budget Board by the Texas Board of Criminal Justice, not less than 45 days prior to encumbrance, which details the amount and purpose of expenditures of funds carried forward into fiscal year 20092007 under authority of this provision.

31. **Transfer Limitation.** Upon any order from a federal court that requires the Texas Department of Criminal Justice to transfer funds from any appropriation made hereinabove, those funds which were attempted to be transferred shall lapse and the Comptroller shall return the amount appropriated to its respective source.

32. Offender Information Management System. ~~It is the intent of the Legislature that the~~ The Department of Criminal Justice shall use funds appropriated above to automate the offender management function to the greatest extent possible. To this end, the department may contract for automation/reengineering assistance after receiving prior approval from the Legislative Budget Board. Funds for this payment may come from benefits and savings as realized.

The Texas Department of Criminal Justice shall demonstrate that the current phase (Phase III, Period 1) of the Offender Information Management System meets the business needs of the agency and the technical capabilities, performance, and specifications identified during the development phase of the project. The Texas Department of Criminal Justice shall validate that all product requirements are satisfied and that no outstanding issues exist. Senior management of the Board of Pardons and Paroles, the Texas Department of Criminal Justice, and the Parole Division of the Texas Department of Criminal Justice shall provide to the Governor and the Legislative Budget Board, a letter of certification validating the usability and functionality of the current system (Phase III, Period 1) before expenditure of funds by the Texas Department of Criminal Justice for the next phase of the project (Phase III, Period 2).

The Texas Department of Criminal Justice shall provide a detailed project plan for the next phase of the Offender Information Management System (Phase III, Period 2), to the Governor and the Legislative Budget Board prior to the expenditure of funds for project implementation. This plan shall include a detailed description of tasks, deliverables, milestones, work efforts, responsible individuals, and due dates. The Texas Department of Criminal Justice shall provide performance measures to assist in evaluating the progress of the project. The Texas Department of Criminal Justice shall continue to provide monthly status reports to the Quality Assurance Team to include project status, change management, risk management, issue and action items, deliverables and scheduled accomplishments.

33. Appropriation: Recreational Facility Fees. Fees charged for recreation facilities owned and operated by the department are to be deposited in a special account with the Comptroller of Public Accounts. All recreational facility fees received are appropriated above in Strategy C.1.6, Institutional Operations and Maintenance. Any fees collected in excess of $30,545 in fiscal year 2008~~2006~~ and $30,545 in fiscal year 2009~~2007~~ are hereby appropriated to the department for continued operation and maintenance of the department's recreational facilities.

34. Purchasing Through Request for Proposal. The Texas Department of Criminal Justice may purchase care, treatment services, and residential services through the Request for Proposal process.

The Texas Department of Criminal Justice shall:

a. negotiate purchases to achieve fair and reasonable prices at rates that do not exceed any maximum provided by law, and

b. select service providers according to each provider's qualifications and demonstrated competence.

35. Parole Supervision Ratio. ~~It is the intent of the Legislature that~~The department shall use funds appropriated above in Strategy E.2.1, Parole Supervision, to maintain~~in fiscal years 2006 and 2007~~ a ratio of 75 active releasees to one supervising~~parole~~ officer in fiscal years 2008 and 2009.~~be maintained.~~ The ratio will be calculated by dividing the number of supervising parole officers and case managers~~caseworkers~~ currently employed into the total number of releasees supervised, exclusive of those under intensive and super intensive supervision, for which a ratio of 25 and 20 releasees to one supervising officer respectively is to be maintained. In the event that this ratio is not maintained, the Texas Department of Criminal Justice shall file a statement documenting the reasons for noncompliance with the Governor and the Legislative Budget Board.

36. Project RIO. ~~It is the intent of the Legislature that the~~ The Texas Workforce Commission, the Texas Department of Criminal Justice, and the Texas Youth Commission shall together enhance the effectiveness of Project RIO by improving cohesive program delivery among the three agencies. The agencies shall together develop and implement a biennial strategic plan for the implementation of a more cohesive and effective Project RIO program which will emphasize necessary skill development, rehabilitation and appropriate assessment of the offender prior to release. Not later than March 1, 2008~~2006~~, the biennial strategic plan, jointly

prepared by the three agencies, and including specific strategies, measures, timeframes for program improvement, and a methodology for program evaluation, shall be submitted to the Legislative Budget Board and the Governor. The Texas Workforce Commission shall maintain interagency contracts at $3,259,735 in each fiscal year of the biennium to the Texas Department of Criminal Justice to fund Project RIO. The agencies shall enter into interagency contracts, to include the reporting of performance levels, for the 2008-09~~2006-07~~ biennium.

37. Aircraft Authorization. The Texas Department of Criminal Justice (TDCJ) is authorized to own or lease, operate, and maintain one aircraft and to replace it if necessary. In the event that a temporary need arises, the TDCJ is authorized to expend funds for the lease or rental of aircraft on an as-needed basis.

38. Expenditure Limitation - Windham School District. None of the funds provided to the Windham School District through the Texas Education Agency shall be expended unless the Board of Criminal Justice has approved an annual operating budget for the school district prior to the expenditure of any funds. The Department of Criminal Justice shall file a copy of that operating budget of the Windham School District with the Governor, the Legislative Budget Board and the appropriate legislative oversight committees at the beginning of each fiscal year.

~~40~~39. Postsecondary Education Programs. Postsecondary education courses shall be available only to inmates who have:

a. demonstrated a clear and convincing record of rehabilitation while incarcerated, and

b. demonstrated an interest in a field of study that lends itself to performing specific and beneficial tasks while incarcerated, and

c. demonstrated the aptitude and capabilities to do college-level study.

The costs of such postsecondary education programs shall be reimbursed by the inmate as a condition of parole.

The Department of Criminal Justice shall not provide in-cell tutoring for inmates who are in administrative segregation.

The Department of Criminal Justice may not transfer appropriations out of Strategy C.2.2, Academic/Vocational Training.

40. Residential Status of Inmates. All inmates of the Texas Department of Criminal Justice are, for educational purposes only, residents of the State of Texas.

41. Appropriation: Education and Recreation Program Receipts. All receipts collected from the operation of facility commissaries and all gifts and other income for inmate welfare accruing together with Education and Recreation Program account balances at the beginning of each year of the biennium beginning September 1, 2007~~2005~~ are hereby appropriated above in Strategy C.1.5, Institutional Services, to the Department of Criminal Justice subject to the following provisions:

a. ~~all~~All receipts collected shall be deposited in accordance with applicable statutes: (1) in the General Revenue Fund of the State Treasury; (2) in trust with the State Comptroller; or (3) in a local bank account on approval by the State Comptroller.

b. ~~salaries~~Salaries of personnel employed by the Education and Recreation Program shall conform with the provisions of the Classification Plan except as otherwise provided by this Act.

c. ~~funds~~Funds deposited in Education and Recreation Program accounts shall be expended only with the advance, written approval of the Board of Criminal Justice.

d. ~~it is the intent of the Legislature that~~The department shall expend Education and Recreation Program receipts ~~be expended~~ first for the construction, maintenance, equipment and operations of recreational facilities and for the income producing operations of the program. Any remaining balances may be expended for other programs benefitting the welfare of department confinees.

Any Education and Recreation Program receipts collected in excess of $74,955,477 in fiscal year 2008~~2006~~ and $74,955,477 in fiscal year 2009~~2007~~ are hereby appropriated to the department subject to the above-cited provisions.

42. Private Sector Prison Industries Oversight Authority. Out of funds appropriated above in Strategy C.2.1, Texas Correctional Industries, the Texas Department of Criminal Justice shall provide reimbursement of travel expenses incurred by members of the Private Sector Prison Industries Oversight Authority in accordance with Government Code § 497.055 and provisions of this Act related to the per diem of board or commission members.

43. Appropriation: Sex Offender Notification Fees. All fees collected from offenders for reimbursement to local law enforcement authorities for costs incurred in providing notice for publication, including any costs incurred in publishing any photographs needed to provide notice, to a newspaper in accordance with Government Code § 508.186, are appropriated above in Strategy E.2.1, Parole Supervision, for reimbursing local law enforcement authorities. Any fees collected in excess of $10,046 in fiscal year 2008~~2006~~ and $10,046 in fiscal year 2009~~2007~~ are hereby appropriated to the department for the same purpose.

44. Appropriation: Parole Supervision Fees. All parole supervision fees collected from offenders in accordance with Government Code § 508.182, are appropriated above in Strategy E.2.1, Parole Supervision. Any fees collected in excess of $8,985,000 in fiscal year 2008~~2006~~ and $10,108,000 in fiscal year 2009~~2007~~ are hereby appropriated to the department for parole supervision.

45. Appropriation Transfers Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act, the Texas Department of Criminal Justice may transfer appropriations in an amount not to exceed $150 million made for fiscal year 2009~~2007~~ to fiscal year 2008~~2006~~, subject to the following conditions provided by this section:

a. transfers under this section may be made only:

(1) if correctional populations exceed the capacity of the department, or

(2) if Federal Funds for Incarcerated Aliens appropriated in fiscal year 2008~~2006~~ to the department are not received in the amount identified in the method of finance for that year, or

(3) for any other emergency expenditure requirements, including expenditures necessitated by public calamity.

b. a transfer authorized by this section above must receive the prior 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.

46. Managed Health Care - Reporting Requirements. The Correctional Managed Health Care Committee is required to submit to the Legislative Budget Board and Governor a report detailing:

a. correctional managed health care actual and projected expenditures for on-site, off-site and pharmaceutical costs;

b. health care cost for inmates over age 55 including utilization data;

c. other health care information determined by the Office of the Governor and the Legislative Budget Board; and

d. all monies held in reserve during any quarterly reporting period by the Correctional Managed Health Care Committee or for Correctional Managed Health Care by the University of Texas Medical Branch at Galveston and the Texas Tech University Health Sciences Center.

Such reports shall be submitted on a quarterly basis.

47. Managed Health Care Operational Shortfalls. For the purpose of offsetting operational shortfalls occurring in correctional managed health care and out of funds appropriated above, the department shall transfer funds as necessary into Strategy C.1.8, Managed Healthcare, for payment to the Correctional Managed Health Care Committee to address any managed health care operational shortfalls for fiscal years 2008-09~~2006-07~~, not to exceed $5 million for the biennium. If the department and committee do not agree on transfer amounts deemed necessary, supporting documentation shall be provided to the Governor and the Legislative Budget Board. The Governor and Legislative Budget Board shall then make the final decision.

48. Computer Refurbishing Program. The Texas Department of Criminal Justice shall use funds appropriated above in Strategy C.2.1, Texas Correctional Industries, to develop and implement an inmate work program in which donated, second-hand computers are refurbished in prisons for use by public schools.

49. Capital Expenditures Authorized. Notwithstanding the limitations placed on the expenditure of funds for capital budget items contained in the general provisions of this Act, the Texas Department of Criminal Justice is hereby authorized to expend funds appropriated to the Texas Department of Criminal Justice for the acquisition of capital budget items and unforeseen building maintenance as approved by the Texas Board of Criminal Justice.

50. Recruitment and Retention of Staff. TDCJ shall submit a biennial report on its recruitment and retention efforts to the Governor and the Legislative Budget Board not later than January 1, 2009~~2007~~. The report shall include information on vacancy rates, turnover rates, average years of service, and average number of continuing education training hours for security and nonsecurity staff.

51. Parole Transitional Support Program. Out of funds appropriated above in Strategy E.2.1, Parole Supervision, the Texas Department of Criminal Justice (TDCJ) shall use $50,000 each fiscal year of the 2008-09~~2006-07~~ biennium for the Transitional Support Program. The TDCJ shall use these funds for the sole purpose of providing contracts for services with recognized non-profit organizations in order to facilitate parolees with their transition from incarceration to release on parole. The contracted services shall emphasize and promote family support and involvement in the transition and should establish the goal of reducing recidivism rates of the individuals who participate in the program.

~~55~~52. Correctional Officer Training. Out of funds appropriated above, the Texas Department of Criminal Justice shall provide at least 284 hours of training for new correctional officers.

53. Human Resources Management Plan. From funds appropriated above, the Texas Department of Criminal Justice 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 Criminal Justice shall report, by October 1 of each year of the biennium, 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 fiscal year. The effectiveness of an agency's plan shall be measured by whether or not there is a reduction in annual employee turnover rates at the agency, specifically by the reduction in the turnover rates for correctional officers.

54. Texas Board of Criminal Justice. ~~It is the intent of the Legislature that the~~The Texas Board of Criminal Justice shall hold its meetings in Austin, Texas unless there is an exceptional reason to meet in Huntsville, Texas.

55. Ombudsman Activity. ~~It is the intent of the Legislature that~~From funds appropriated above, the Ombudsman for the Texas Department of Criminal Justice (TDCJ) shall respond to all agency and legislatively referred complaints in a timely manner. The TDCJ shall develop performance measures, trend analysis, and a method of resolution for issues presented. The

TDCJ shall provide summary reports regarding this activity to the Legislative Budget Board and the Governor on an annual basis.

56. **Safe Prisons Program.** ~~It is the intent of the Legislature that out of~~From funds appropriated above the Texas Department of Criminal Justice (TDCJ) shall maintain a Safe Prisons Program for the purpose of preventing and limiting the number of sexual assaults by inmates on inmates. Strategies to prevent sexual assaults that may be used in the Safe Prisons Program include, but are not limited to, use of protective custody; use of an inmate's assault history in making cell assignments; use of an inmate's likelihood of victimization in cell assignments; education of correctional officers on the importance of preventing sexual assault; education of new prisoners on the risks of sexual assault, including prosecution; and use of surveillance cameras. TDCJ shall report annually to the Legislative Budget Board and the Governor the number of sexual assaults by inmates on inmates and the actions taken on each assault. Additional reporting elements may be established by the Legislative Budget Board and the Governor. ~~It is the intent of the Legislature that~~ TDCJ shall designate a Safe Prisons Program coordinator who reports directly to the TDCJ Executive Director.

~~58~~57. **Interagency Contract for Legal Services.** Out of funds appropriated above, $1.3 million for each fiscal year of the 2008-09~~2006-07~~ biennium is for an interagency contract with the Office of the Attorney General for legal services provided by the Office of the Attorney General to the Texas Department of Criminal Justice (TDCJ). Any interagency contract funded by appropriated funds may not exceed reasonable attorney fees for similar legal services in the private sector, shall not jeopardize the ability of the TDCJ to carry out its legislative mandates, and shall not affect the budget for the TDCJ such that employees must be terminated in order to pay the amount of the interagency contract.

~~**57.** **Priority of Employment Opportunities.** It is the intent of the Legislature that with the funds appropriated above the Department of Criminal Justice shall prioritize any employee who has been subject to a reduction in force by the department and who has left employment with the department in good standing priority in application for employment in other vacancies within the department.~~

~~59~~58. **Appropriation: Unexpended Balances of Construction Bonds.** Any unexpended balances as of August 31, 2007~~2005~~, for the Texas Department of Criminal Justice (TDCJ) in the general obligation bond appropriations made by the Seventy-ninth~~eighth~~ Legislature for construction appropriations are hereby appropriated to the TDCJ for the biennium beginning September 1, 200~~5~~7, provided that such appropriated funds shall not be expended without approval of the Board of Criminal Justice and that copies of such approvals shall be filed with the Governor and the Legislative Budget Board. Unexpended balances appropriated for the 2008-09~~2006-07~~ biennium may be used only for facilities repair and rehabilitation or the conversion of the Marlin Correctional Facility~~projects~~ and shall not be used for the construction of additional facilities (fiscal year 2007~~2005~~ unexpended balance estimated to be $0~~$14,000,000 and included in the amounts appropriated above~~).

~~60~~59. **Misdemeanor Funding.** The Texas Department of Criminal Justice shall distribute funds at a rate not to exceed $.70 per day for each misdemeanor defendant directly supervised by a community supervision and corrections department. Funding for each misdemeanor defendant may not exceed the period of time authorized by statute.

~~61~~60. **Appropriation: Refunds of Unexpended Balances from CSCDs.** The Texas Department of Criminal Justice (TDCJ) shall maintain procedures to ensure that the state is refunded all unexpended and unencumbered balances of state funds held as of the close of this biennium by local community supervision and corrections departments (CSCDs). All fiscal years 2006-07 ~~2004-05~~ refunds received from CSCDs by TDCJ are appropriated above in Strategies A.1.1, Basic Supervision, A.1.2, Diversion Programs, A.1.3, Community Corrections, and A.1.4, Treatment Alternatives to Incarceration. Any Basic Supervision refunds received in excess of $7,400,000~~$6,500,000~~ in fiscal year 2008~~2006~~ are hereby appropriated to TDCJ for Basic Supervision. Any Diversion Programs refunds received in excess of $6,200,000~~$2,600,000~~ in fiscal year 2008~~2006~~ are hereby appropriated to TDCJ for Diversion Programs. Any Community Corrections refunds received in excess of $4,300,000~~$2,500,000~~ in fiscal year 2008~~2006~~ are hereby appropriated to TDCJ for Community Corrections. Any Treatment Alternatives to Incarceration refunds received in excess of $700,000~~$1,100,000~~ in fiscal year 2008~~2006~~ are hereby appropriated to TDCJ for the Treatment Alternatives to Incarceration Program (estimated to be $0).

~~62~~61. **Transportation - Substance Abuse.** From funds appropriated above, the~~The~~ Department of Criminal Justice shall provide transportation for inmates who are released from Substance Abuse Felony Punishment Facilities (SAFPF) or In-Prison Therapeutic Community (IPTC) facilities and transferred to a residential setting.

~~63~~62. **Treatment Alternatives to Incarceration Program.** The Texas Department of Criminal Justice is directed to expend at least $3.25~~$6.5~~ million each fiscal year of the biennium on the Treatment Alternatives to Incarceration Program as specified in Government Code § 76.017.

~~64~~63. **Harris County Community Corrections Facility.** Out of funds appropriated above in Strategy A.1.2, Diversion Programs, $6,500,000 in fiscal year 2008~~2006~~ and $6,500,000 in fiscal year 2009~~2007~~ in discretionary grants shall be made to the Harris County Community Supervision and Corrections Department for the continued operations of the Harris County Community Corrections Facility.

~~65~~64. **Continuity of Care.** Out of the funds appropriated above in Strategy B.1.1, Special Needs Projects, the Texas Correctional Office on Offenders with Medical or Mental Impairments shall coordinate with the Texas Department of State Health Services, county and municipal jails, and community mental health and mental retardation centers on establishing methods for the continuity of care for pre- and post-release activities of defendants who are returned to the county of conviction after the defendant's competency has been restored. The Council shall coordinate in the same manner it performs continuity of care activities for offenders with special needs.

~~67~~65. **Texas State Council for Interstate Adult Supervision Authority.** Out of funds appropriated above, TDCJ shall provide reimbursement of travel expenses incurred by members of the Texas State Council for Interstate Adult Offender Supervision while conducting the business of the council in accordance with Government Code, Chapters 510 and 2110, and provisions of this Act related to the per diem of board or commission members.

~~68~~66. **Advisory Committee on Offenders with Medical or Mental Impairments.** Out of the funds appropriated above, TDCJ shall provide reimbursement of travel expenses incurred by members of the Advisory Committee on Offenders with Medical or Mental Impairments incurred while conducting business of the committee in accordance with Government Code, Chapters 614 and 2110, and provisions of this Act related to the per diem of board or commission members.

~~66.~~ ~~**Contract Review.** It is the intent of the Legislature that the Texas Department of Criminal Justice shall review its contracts with county jails and private vendors that provide contract services to the department for prison, parole, and state jail beds. The department shall determine whether contracts with counties and private vendors pay an appropriate rate to retain an adequate capacity of contract beds to ensure that the state will not face a shortage of prison capacity during the next biennium. The department shall first review the contracts which have the lowest rates and have not had rate increases for the longest period of time. If the department determines that rate increases are necessary, it may fund such increases out of funds appropriated.~~

~~69~~67. **Correctional Managed Healthcare: Limitation of Expenditure.** Out of the funds appropriated above, the Correctional Managed Healthcare Committee shall not transfer any funds in excess of capitation rates established in contracts to the University of Texas Medical Branch or the Texas Tech University Health Sciences Center without prior approval of the Governor and the Legislative Budget Board. Any funds appropriated for Correctional Managed Healthcare remaining unexpended or unobligated on August 31 of each fiscal year, shall lapse to the General Revenue Fund.

~~70~~68. **Minimum Standards of Contracted Facilities.** The Texas Department of Criminal Justice may only use funds appropriated above in Strategy C.1.10, Contracted Temporary Capacity, to contract with facilities that met the minimum standards promulgated by the Texas Commission on Jail Standards at the time of their most recent audit.

~~71~~69. **Probation Caseload Reduction.** Out of funds appropriated above to the Texas Department of Criminal Justice in Strategy A.1.2, Diversion Programs, at least $14,092,422 in fiscal year

2006 and at least $14,092,422 in fiscal year 2007 shall be used to fund ~~additional~~ community supervision officers to reduce caseloads consisting of medium and high risk offenders.

~~73~~**70. Residential Treatment and Sanction Beds Funding.** ~~Out of the~~From funds appropriated above in Strategy A.1.2, Diversion Programs, at least $13,637,500 shall be expended in fiscal year 2008~~2006~~ and at least $13,637,500 shall be expended in fiscal year 2009~~2007~~ on ~~additional~~residential treatment and sanction beds. In distribution of these funds, the Community Justice Assistance Division of the Texas Department of Criminal Justice shall give preference to community supervision and corrections departments having access to currently existing, unfunded residential treatment and sanction beds. The Community Justice Assistance Division shall also give preference to community supervision and corrections departments that have higher rates of community supervision technical revocations in order to maximize the positive effect on the criminal justice system.

~~74~~**71. Medically Recommended Intensive Supervision.** From funds appropriated above,~~It is the intent of the Legislature that~~ the ~~Texas~~ Department of Criminal Justice (TDCJ) shall develop an automated report to assist in identifying offenders eligible for medically recommended intensive supervision (MRIS). TDCJ should work with the University of Texas Medical Branch and the Texas Tech University Health Sciences Center to develop uniform diagnosis codes to signal offenders eligible for release on MRIS.

~~It is also the intent of the Legislature that the~~TDCJ shall expedite its screening process for MRIS by requesting an offender's board file at the same time it assigns a caseworker to complete an interview of the offender.

~~75~~**72. Unexpended Balance Authority for Special Needs Projects.** Any unexpended balances as of August 31, 2008~~2006~~, for the Texas Department of Criminal Justice in appropriations made above in Strategy B.1.1, Special Needs Projects, are hereby appropriated to the department for the fiscal year beginning September 1, 2008~~2006~~ for the same purpose.

~~77~~**73. Contracted Temporary Capacity.** Funds appropriated above in Strategy C.1.10, Contracted Temporary Capacity, shall only be used to contract for additional capacity when inmate populations exceed 97.5% of total capacity. If actual incarceration populations are less than projected in the ~~January 2005~~June 2006 Adult and Juvenile Correctional Population Projections, appropriations in excess of actual need are to be transferred to Strategy A.1.2, Diversion Programs, on a semi-annual basis. The Texas Department of Criminal Justice shall include a written report on the average number of beds contracted for in the preceding six-month period and the actual costs of contracting for temporary capacity in each approval request for the transfer of funds sent to the Legislative Budget Board and the Governor's Office. The Texas Department of Criminal Justice shall give written notification to the Legislative Budget Board and the Governor's Office of the date and the amount of each fund transfer.

~~Federal funds as appropriated above in Strategy C.1.10, Contracted Temporary Capacity, shall be used before other funding sources to the maximum extent possible and as early in the biennium as possible.~~Any unexpended balance on August 31, 2008~~2006~~, from appropriations in Strategy C.1.10, Contracted Temporary Capacity, is hereby appropriated to the department for the fiscal year beginning on September 1, 2008~~2006~~, for the same purpose.

Of the amount appropriated above in Strategy C.1.10, Contracted Temporary Capacity, $27,918,480~~$8,097,872~~ is intended for contracting for the period between September 1, 2007~~2005~~, and February 28, 2008~~2006~~. Within one month after February 28, 2008~~2006~~, the Texas Department of Criminal Justice shall determine any savings between $27,918,480~~$8,097,872~~ and actual costs for contracted temporary capacity during the first six-month period and, upon approval of the Legislative Budget Board and the Governor's Office, shall transfer any savings as General Revenue to Strategy A.1.2, Diversion Programs.

Of the amount appropriated above in Strategy C.1.10, Contracted Temporary Capacity, $41,547,360~~$11,752,857~~ is intended for contracting for the period between March 1, 2008~~2006~~, and August 31, 2008~~2006~~. Within one month after August 31, 2008~~2006~~, the Texas Department of Criminal Justice shall determine any savings between $41,547,360~~$11,752,857~~ and actual costs for contracted temporary capacity during the second six-month period and, upon approval of the Legislative Budget Board and the Governor's Office, shall transfer any savings as General Revenue to Strategy A.1.2, Diversion Programs.

Of the amount appropriated above in Strategy C.1.10, Contracted Temporary Capacity, $49,187,720~~$17,312,870~~ is intended for contracting for the period between September 1, 2008~~2006~~, and February 28, 2009~~2007~~. Within one month after February 28, 2009~~2007~~, the Texas Department of Criminal Justice shall determine any savings between $49,187,720~~$17,312,870~~ and actual costs for contracted temporary capacity during the third six-month period and, upon approval of the Legislative Budget Board and the Governor's Office, shall transfer any savings as General Revenue to Strategy A.1.2, Diversion Programs.

Of the amount appropriated above in Strategy C.1.10, Contracted Temporary Capacity, $55,189,560~~$26,501,672~~ is intended for contracting for the period between March 1, 2009~~2007~~, and August 31, 2009~~2007~~. Within one month of March 1, 2009~~2007~~, the Texas Department of Criminal Justice shall estimate the funding required for contracted temporary capacity for the last six-month period and, upon approval of the Legislative Budget Board and the Governor's Office, shall transfer any General Revenue amounts in excess of that calculated funding requirement to Strategy A.1.2, Diversion Programs. The Texas Department of Criminal Justice shall include documentation supporting the estimate for contracted temporary capacity for the last six-month period in the approval request to the Legislative Budget Board and the Governor's Office.

If actual costs for contracted temporary capacity in any of the six-month periods listed above exceed the amounts specified above, the General Revenue savings in subsequent six-month periods shall not be transferred to Strategy A.1.2, Diversion Programs, until the amount of savings exceeds the additional amounts expended.

~~79~~74. **Monitoring of Community Supervision Diversion Funds.** From funds appropriated above, the Texas Department of Criminal Justice (TDCJ) shall ~~develop~~maintain a specific accountability system for tracking community supervision funds targeted at making a positive impact on the criminal justice system.

In addition to ~~implementing~~continuing the recommendations made by the State Auditor's Office in the September 2004 report (Report No. 05-002) to the Texas Department of Criminal Justice to increase the accuracy and completeness of information used to allocate funds for adult probation services and to improve the monitoring agreements made with the community supervision and corrections departments (CSCDs), the agency shall implement a monitoring system so that the use of funds appropriated in Strategies A.1.2, A.1.3, and A.1.4. can be specifically identified.

The agency shall produce, on an annual basis, detailed monitoring, tracking, utilization, and effectiveness information on the above mentioned funds. This information shall include information on the impact of any new initiatives. Examples include, but are not limited to, number of offenders served, number of residential beds funded, number of community supervision officers hired, and caseload sizes. The agency shall provide documentation regarding the methodology used to distribute the funds. In addition to any other requests for information, the agency shall report the above information for the previous fiscal year to the Legislative Budget Board and the Governor's Office by December 1st of each year.

~~80~~75. **Mental Health Services.** Out of the funds appropriated above to the Texas Department of Criminal Justice (TDCJ) in Strategy A.1.2, Diversion Programs, and Strategy B.1.1, Special Needs Projects, at least $31,000,000 shall be expended for enhanced mental health services. Funds appropriated in Strategy A.1.2, Diversion Programs, include $4,000,000 that shall be used in fiscal year 2008~~2006~~ and $4,000,000 that shall be used in fiscal year 2009~~2007~~ for specialized mental health caseloads. Funds appropriated in Strategy B.1.1, Special Needs Projects, include $11,500,000 in fiscal year 2008~~2006~~ and $11,500,000 in fiscal year 2009~~2007~~ that shall be used to provide case management and mental health services for adult and juvenile offenders.

~~81~~76. **Battering Intervention Program.** Out of funds appropriated above in Strategy A.1.2, Diversion Programs, the Texas Department of Criminal Justice (TDCJ) shall allocate $1,250,000 in fiscal year 2008~~2006~~ and $1,250,000 in fiscal year 2009~~2007~~ for funding the Battering Intervention and Prevention Program (BIPP) in the manner required by Article 42.141 of the Code of Criminal Procedure. The BIPP shall be administered using a statewide allocation of direct grants from TDCJ to local non-profit organizations in the manner described in Government Code § 509.011. Funds subject to this provision shall be allocated at

the local level and designated for use only for these programs. Funds subject to this provision may not be utilized for administrative expenses of local community supervision and corrections departments nor may they be used to supplant local funding.

~~83~~77. **Permian Basin Mental Health Deputy Pilot Program.** Out of the funds appropriated above in Strategy B.1.1, Special Needs Projects, up to $160,000 per fiscal year shall be used to provide grants to counties in the Permian Basin to establish the Permian Basin Mental Health Deputy Pilot Program. The Permian Basin Mental Health Deputy Pilot Program shall provide funding for two deputies in both Ector and Midland counties. The deputies shall promote the diversion of mentally ill individuals from incarceration and facilitate assessments for appropriate treatment.

~~84~~78. **Payments to County Prosecutors.** Out of the funds appropriated above, the district clerks in counties with more than four Texas Department of Criminal Justice operational correctional facilities are to be allocated during each year of the biennium, an amount not to exceed $12,000 annually, to be allocated in equal monthly installments. The allocation shall be used for the purpose of prosecuting persons charged with criminal violations on Texas Department of Criminal Justice property.

~~78. **Cost Effective Study for TDCJ Regional Medical Facilities**. Out of funds appropriated the Texas Department of Criminal Justice shall develop a study to identify the cost effectiveness of regional medical facilities across the state. The study shall include state, regional, and local factors affecting issues related to costs savings to the department by housing and treating offenders with similar medical conditions. The department will also evaluate potential locations based on location to current facilities and construction costs. The department shall submit the findings of the study to the Legislature, no later than September 1, 2006.~~

~~72~~79. **Progressive Sanctions Model.** ~~It is the intent of the Legislature that the~~From funds appropriated above, the Community Justice Assistance Division of the Texas Department of Criminal Justice shall encourage community supervision and corrections departments to employ the progressive sanctions community supervision model. To the maximum extent possible and from funds appropriated to the Texas Department of Criminal Justice in Strategy A.1.2, Diversion Programs, the Community Justice Assistance Division shall give preference to community supervision and corrections departments using the progressive sanctions community supervision model to make a positive impact on the criminal justice system.

~~76~~80. **Marlin Correctional Facility.** ~~Out of funds appropriated above to the Texas Department of Criminal Justice~~From any unexpended balances of general obligation bond appropriations made by the Seventy-ninth Legislature for construction appropriations in Strategy D.1.1, Facilities Construction, $3,000,000 in general obligation bond proceeds may be expended to convert the Marlin Veterans Affairs Hospital into a correctional facility for the Texas Department of Criminal Justice. Possible uses of the facility include, but are not limited to:

a. housing for offenders in a combined drug treatment and job skills pilot program;

b. an intermediate sanction facility; or

c. a facility for long-term health care for terminally ill offenders released from custody.

81. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Texas Department of Criminal Justice and the Board of Pardons and Paroles are made contingent on the continuation of the Texas Department of Criminal Justice and the Board of Pardons and Paroles by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

82. **Project RIO Referrals.** The Texas Department of Criminal Justice shall implement methods to ensure that offenders under parole supervision who are unemployed or underemployed are identified and referred to local workforce centers to participate in post-release Project RIO services.

~~82. **Contingency Appropriation for House Bill 1093.** Contingent upon the enactment of House Bill 1093 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the eligibility of certain inmates of the Texas Department of Criminal Justice for medically~~

~~recommended intensive supervision, the Texas Department of Criminal Justice's appropriations in Strategy C.1.8, Managed Healthcare, are hereby reduced by $765,717 for fiscal year 2006 and $838,017 for fiscal year 2007 from General Revenue Funds.~~

~~85.~~ ~~**Expansion of Temporary Pre-Parole Transfer Beds.** The Board of Pardons and Paroles shall conduct a review of the pre-parole eligibility pool by September 1, 2005. Contingent upon the determination by the Board of Pardons and Paroles and approval by the Legislative Budget Board and the Governor's Office that there are sufficient eligible inmates available to be housed in such facilities, the Texas Department of Criminal Justice (TDCJ) shall request proposals from private vendors to operate temporary pre-parole transfer facilities (not to exceed 500 beds). If TDCJ receives proposals for pre-parole transfer facilities that are less costly than TDCJ's daily costs per bed for contracted temporary capacity, TDCJ shall enter into contract(s) to expand pre-parole transfer facilities. Any privately-operated pre-parole transfer facilities TDCJ contracts with must provide job training, offender reintegration instruction, and life skill courses to inmates consistent with policies in effect at pre-parole transfer facilities operated by TDCJ.~~

~~If TDCJ receives a proposal for a privately-operated pre-parole transfer facility less costly than contracted temporary capacity, TDCJ shall transfer funds from Strategy C.1.10, Contracted Temporary Capacity, to Strategy E.2.2, Residential Pre-Parole Facilities.~~

~~TDCJ shall report to the Legislative Budget Board and the Governor's Office no later than December 1st any savings realized in the previous fiscal year resulting from transferring funds from Strategy C.1.10, Contracted Temporary Capacity, to Strategy E.2.2, Residential Pre-Parole Facilities.~~

~~If funds are transferred from Strategy C.1.10, Contracted Temporary Capacity, to Strategy E.2.2, Residential Pre-Parole Facilities, the amount of funds transferred in a given six-month period shall be reduced from the amount of funds specified for the period in Rider 77, Contracted Temporary Capacity.~~

COMMISSION ON FIRE PROTECTION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	$ 2,811,018	$ 2,778,960
Appropriated Receipts	18,000	18,000
Total, Method of Financing	$ 2,829,018	$ 2,796,960
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	32.0	32.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$85,800	$85,800
Items of Appropriation:		
A. Goal: EDUCATION & ASSISTANCE		
Provide Fire-related Information and Resources.		
A.1.1. Strategy: FIRE SAFETY INFO & EDUC PROGRAMS	$ 61,260	$ 61,260
Fire Safety Information & Educational Programs.		
A.2.1. Strategy: ADMINISTER GRANT PROGRAM	$ 1,000,000	$ 1,000,000
Administer Grant/Loan Program.		
Total, Goal A: EDUCATION & ASSISTANCE	$ 1,061,260	$ 1,061,260
B. Goal: FIRE DEPARTMENT STANDARDS		
Enforce Fire Department Standards.		

B.1.1. Strategy: CERTIFY & REGULATE FIRE SERVICE Certify and Regulate Fire Departments and Personnel.	$ 1,081,359	$ 1,081,358
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 686,399	$ 686,400
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ 0	$ (32,058)
Grand Total, COMMISSION ON FIRE PROTECTION	$ 2,829,018	$ 2,796,960
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,552,267	$ 1,552,267
Other Personnel Costs	36,000	36,000
Professional Fees and Services	7,000	7,000
Consumable Supplies	9,000	9,000
Utilities	27,000	27,000
Travel	80,000	80,000
Rent - Building	1,200	1,200
Rent - Machine and Other	29,000	29,000
Other Operating Expense	73,551	41,493
Grants	1,000,000	1,000,000
Capital Expenditures	14,000	14,000
Total, Object-of-Expense Informational Listing	$ 2,829,018	$ 2,796,960
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 107,102	$ 108,708
Group Insurance	369,507	379,711
Social Security	117,363	119,124
Benefits Replacement	10,746	10,209
Subtotal, Employee Benefits	$ 604,718	$ 617,752
Debt Service		
Lease Payments	$ 4,829	$ 5,139
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 609,547	$ 622,891

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Commission on Fire Protection. 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 Fire Protection. In order to achieve the objectives and service standards established by this Act, the Commission on Fire Protection shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: EDUCATION & ASSISTANCE		
Outcome (Results/Impact):		
Percentage of Total Amount Requested for Loans/Grants Compared with Requests Awarded	32%	32%
B. Goal: FIRE DEPARTMENT STANDARDS		
Outcome (Results/Impact):		
Percentage of Inspected Fire Certificate Holders with No Recent Violations	95%	95%
B.1.1. Strategy: CERTIFY & REGULATE FIRE SERVICE		
Explanatory:		
Number of Fire Service Personnel Certified	25,600	25,600

2. **Training Restriction.** None of the funds appropriated above may be expended for fire protection or fire management training except through contract with Texas Commission on Fire Protection approved training programs external to the commission in order to avoid duplication of service.

3. **Appropriation of Receipts - Loan Repayments Revolving Fund.** In addition to the amounts appropriated above, the Texas Commission on Fire Protection is hereby appropriated all loan repayments, loan forfeitures and other revenue accruing to the revolving loan fund in excess of ~~$268,000~~$229,000 for fiscal year 200~~6~~8 and in excess of ~~$268,000~~$229,000 for fiscal year 200~~7~~9 for the purpose of making additional loans as established in Government Code, Chapter 419, Subchapter C (estimated to be $0). The unexpended balance in Strategy A.2.1, Administer Grant Program, and of collections in excess of ~~$268,000~~$229,000 in the revolving loan fund at the end of fiscal year 200~~6~~8 is hereby appropriated for fiscal year 200~~7~~9 for the same purpose.

4. **Grants and Loan Program.** Funds appropriated above in Strategy A.2.1, Administer Grant Program, shall be used solely for grants and loans to fire departments per Government Code §419.053. Funds shall not be transferred out of this strategy and any funds not used for grants and loans shall lapse at the end of the biennium.

~~**4.** **Fire Department Inspections.** It is the intent of the Legislature that the Texas Commission on Fire Protection not provide prior notification of an inspection to a fire department.~~

~~**5.** **Co-location of Regional Offices.** It is the intent of the Legislature that the Texas Commission on Fire Protection and the Texas Forest Service enter into an agreement to co-locate regional offices to the maximum space available.~~

~~**6.** **Staffing of Regional Offices.** The Texas Commission on Fire Protection shall staff each regional office with at least one standards compliance officer from available staff.~~

~~**7.** **Contingency Appropriation: Increased Fire Fighter Certification Fees**. Included in amounts appropriated above in Strategies A.1.1, B.1.1, and C.1.1. is $138,000 in General Revenue each year of the biennium contingent on the Commission on Fire Protection increasing fees pursuant to Government Code, Section 419.026, in excess of $711,000 per fiscal year included in the Comptroller's Biennial Revenue Estimate for fiscal years 2006 and 2007. This appropriation is contingent on the Commission on Fire Protection providing such information deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues are estimated to be available in excess of the Comptroller's Biennial Revenue Estimate, including supplemental estimates used in certifying this Act, to fund the increased appropriations.~~

COMMISSION ON JAIL STANDARDS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 829,202	$ 835,799
Other Funds		
Criminal Justice Grants	40,000	40,000
Appropriated Receipts	6,000	6,000
Subtotal, Other Funds	$ 46,000	$ 46,000
Total, Method of Financing	$ 875,202	$ 881,799
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	16.0	16.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$68,500	$68,500

Items of Appropriation:		
A. Goal: EFFECTIVE JAIL STANDARDS		
Assist Local Govts through Effective Standards & Technical Assistance.		
A.1.1. Strategy: INSPECTION AND ENFORCEMENT Perform Inspections of Facilities and Enforce Standards.	$ 336,388	$ 336,387
A.1.2. Strategy: JUVENILE JUSTICE SURVEY Perform Annual Survey of Jails to Determine Compliance with JJDPA.	$ 40,000	$ 40,000
A.2.1. Strategy: CONSTRUCTION PLAN REVIEW Assist with Facility Need Analysis and Construction Document Review.	$ 212,815	$ 212,815
A.2.2. Strategy: MANAGEMENT CONSULTATION Assist with Staffing Analysis, Operating Plans, & Program Development.	$ 198,372	$ 198,372
A.3.1. Strategy: AUDITING POPULATION AND COSTS Collect and Analyze Data Concerning Inmate Population/Backlogs/Costs.	$ 97,773	$ 97,773
Total, Goal A: EFFECTIVE JAIL STANDARDS	$ 885,348	$ 885,347
B. Goal: ADMINISTRATIVE REDUCTIONS		
B.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (10,146)	$ (3,548)
Grand Total, COMMISSION ON JAIL STANDARDS	$ 875,202	$ 881,799
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 696,102	$ 696,102
Other Personnel Costs	14,056	14,056
Professional Fees and Services	40,345	40,345
Consumable Supplies	2,800	2,800
Utilities	219	218
Travel	71,926	71,926
Rent - Building	569	569
Rent - Machine and Other	24,354	24,354
Other Operating Expense	15,927	22,525
Capital Expenditures	8,904	8,904
Total, Object-of-Expense Informational Listing	$ 875,202	$ 881,799
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 44,666	$ 45,336
Group Insurance	127,391	128,856
Social Security	52,783	53,575
Benefits Replacement	3,939	3,742
Subtotal, Employee Benefits	$ 228,779	$ 231,509
Debt Service		
Lease Payments	$ 53,789	$ 52,896
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 282,568	$ 284,405

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Commission on Jail Standards. 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 Jail Standards. In order to achieve the objectives and service standards established by this Act, the Commission on Jail Standards shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: EFFECTIVE JAIL STANDARDS		
Outcome (Results/Impact):		
Number of Jails Achieving Compliance with Standards	220	220

Percent of Jails with Management-related Deficiencies	10%	10%
A.1.1. Strategy: INSPECTION AND ENFORCEMENT		
Output (Volume):		
Number of Annual Inspections Conducted	256	256
A.2.1. Strategy: CONSTRUCTION PLAN REVIEW		
Output (Volume):		
Number of On-site Planning and Construction Consultations with Jail Representatives	70	70
A.2.2. Strategy: MANAGEMENT CONSULTATION		
Output (Volume):		
Number of On-site Operation and Management Consultations with Jail Representatives	180	180
A.3.1. Strategy: AUDITING POPULATION AND COSTS		
Output (Volume):		
Number of Paper-ready Reports Analyzed	6,300	6,300

2. **Appropriation: Reinspection Fees.** The Commission on Jail Standards is hereby appropriated fees collected to pay only the cost incurred by the commission in performing reinspections as codified in Government Code § 511.0091 (c-1) (estimated to be $5,000 in fiscal year 2008 and $5,000 in fiscal year 2009 from the General Revenue Fund and included in the amounts appropriated above).

~~**2.** **Mentally Ill Offender Screening.** It is the intent of the legislature that the Commission on Jail Standards amend its rules and procedures to require county and local jails to:~~

~~a. check each offender upon intake into jail against the Department of State Health Services' CARE system to determine if the offender has previously received state mental healthcare;~~
~~b. record whether the CARE system was checked on the initial intake screening form; and~~
~~c. include any relevant mental health information on the mental health screening instrument and, if sentenced to the Department of Criminal Justice, on the Uniform Health Status Update form.~~

~~The Commission shall use funds appropriated above to include in its annual inspection of county and local jails a determination of each jail's compliance with the requirement to check each offender upon intake against the Department of State Health Services' CARE database for previous state mental healthcare. The Commission on Jail Standards shall report any jails that are found to not be in compliance with the screening requirements to the Texas Correctional Office on Offenders with Medical or Mental Impairments of the Texas Department of Criminal Justice on a quarterly basis.~~

~~**3.** **Contingency Appropriation for Senate Bill 1264.** Contingent on the enactment of Senate Bill 1264, or similar legislation establishing a fee for jails that request a re-inspection before previously cited compliance issues have been corrected and for re-inspection of construction found non-compliant in an initial occupancy inspection, by the Seventy-ninth Legislature, Regular Session, the Commission on Jail Standards is appropriated any revenues generated from such fees (estimated to be $5,000 in fiscal year 2006 and $5,000 in fiscal year 2007 from the General Revenue Fund).~~

JUVENILE PROBATION COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 93,934,257	$ 94,306,998
Federal Funds	28,000,000	28,000,000
Other Funds		
Appropriated Receipts	1,245,000	1,245,000
Interagency Contracts - Transfer from Foundation School Fund No. 193	8,418,331	8,548,544
Subtotal, Other Funds	$ 9,663,331	$ 9,793,544
Total, Method of Financing	$ 131,597,588	$ 132,100,542

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	62.0	62.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$99,192	$99,192
Items of Appropriation:		
A. Goal: BASIC PROBATION		
A.1.1. Strategy: BASIC PROBATION SERVICES	$ 28,241,181	$ 28,441,181
A.1.2. Strategy: PROGRESSIVE SANCTIONS LEVELS 1-3	$ 19,220,361	$ 19,220,361
Total, Goal A: BASIC PROBATION	$ 47,461,542	$ 47,661,542
B. Goal: COMMUNITY CORRECTIONS		
B.1.1. Strategy: COMMUNITY CORRECTIONS SERVICES	$ 33,046,091	$ 33,246,092
B.1.2. Strategy: HARRIS COUNTY BOOT CAMP	$ 1,000,000	$ 1,000,000
B.1.3. Strategy: LVL 5 POST-ADJUDICATION FACILITIES Level 5 Post-adjudication Facilities.	$ 4,394,436	$ 4,394,436
B.1.4. Strategy: LOCAL POST-ADJUDICATION FACILITIES	$ 4,147,038	$ 4,147,038
B.1.5. Strategy: SPECIAL NEEDS DIVERSIONARY PROGRAMS	$ 1,974,034	$ 1,974,034
Total, Goal B: COMMUNITY CORRECTIONS	$ 44,561,599	$ 44,761,600
C. Goal: PROBATION ASSISTANCE		
C.1.1. Strategy: PROBATION ASSISTANCE Training/Technical Assistance on Community-based Corrections.	$ 30,079,315	$ 30,052,055
D. Goal: JUVENILE JUSTICE ALTERNATIVE ED PGM Juvenile Justice Alternative Education Programs.		
D.1.1. Strategy: JUVENILE JUSTICE ALTERNATIVE ED PGM Juvenile Justice Alternative Education Programs.	$ 8,418,331	$ 8,548,544
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 944,848	$ 944,848
E.1.2. Strategy: INFORMATION RESOURCES	$ 131,953	$ 131,953
Total, Goal E: INDIRECT ADMINISTRATION	$ 1,076,801	$ 1,076,801
Grand Total, JUVENILE PROBATION COMMISSION	$ 131,597,588	$ 132,100,542
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,791,246	$ 2,791,246
Professional Fees and Services	34,841	34,000
Consumable Supplies	47,210	47,000
Utilities	25,348	25,000
Travel	88,520	82,167
Rent - Machine and Other	36,677	35,000
Other Operating Expense	132,274	114,443
Grants	128,441,472	128,971,686
Total, Object-of-Expense Informational Listing	$ 131,597,588	$ 132,100,542
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 187,365	$ 190,175
Group Insurance	331,480	334,806
Social Security	239,816	243,413
Benefits Replacement	17,322	16,456
Subtotal, Employee Benefits	$ 775,983	$ 784,850

Debt Service		
TPFA GO Bond Debt Service	$ 2,190,979	$ 9,515,356
Lease Payments	158,448	154,862
Subtotal, Debt Service	$ 2,349,427	$ 9,670,218
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,125,410	$ 10,455,068

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Juvenile Probation 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 Juvenile Probation Commission. In order to achieve the objectives and service standards established by this Act, the Juvenile Probation Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: BASIC PROBATION		
Outcome (Results/Impact):		
Rate of Successful Completion of Deferred Prosecution	85%	85%
Rate of Successful Completion of Court-ordered Probation	87%	87%
A.1.1. Strategy: BASIC PROBATION SERVICES		
Output (Volume):		
Average Daily Population of Youth Supervised under Deferred Prosecution	12,458	13,074
Average Daily Population of Youth Supervised under Court-ordered Probation	27,736	28,683
Average Daily Population of Youth Supervised Prior to Disposition	7,620	7,821
Efficiencies:		
Average State Cost Per Referral	844.96	840.23
Average State Cost Per Juvenile Supervised Per Day	5.26	5.11
Explanatory:		
Total Number of Referrals	108,908	109,997
B. Goal: COMMUNITY CORRECTIONS		
Outcome (Results/Impact):		
Number of Juveniles under Probation Supervision Committed to Texas Youth Commission	1,500	1,500
B.1.1. Strategy: COMMUNITY CORRECTIONS SERVICES		
Output (Volume):		
Average Daily Population of Youth Supervised under Intensive Supervision Probation	3,200	3,200
Average Daily Population of Residential Placements	3,400	3,400
Efficiencies:		
State Cost Per Day for Youth Served on Intensive Supervision Probation	15	15
State Cost Per Day Per Youth for Residential Placement	86	86
C. Goal: PROBATION ASSISTANCE		
C.1.1. Strategy: PROBATION ASSISTANCE		
Efficiencies:		
State Cost Per Training Hour	25	25
D. Goal: JUVENILE JUSTICE ALTERNATIVE ED PGM		
D.1.1. Strategy: JUVENILE JUSTICE ALTERNATIVE ED PGM		
Output (Volume):		
Number of Mandatory Students Entering Juvenile Justice Alternative Education Programs	2,884	3,016
Mandatory Student Attendance Days in JJAEP During the Regular School Year	134,209	136,416

2. **Restriction, State Aid.** None of the funds appropriated above in Strategy A.1.1, Basic Probation Services, and allocated to local juvenile probation boards, shall be expended for salaries or expenses of juvenile board members.

3. **Appropriation of Federal Title IV-E Receipts.** The provisions of Title IV-E of the Social Security Act shall be used in order to increase funds available for juvenile justice services. The ~~Texas~~ Juvenile Probation Commission shall certify or transfer state funds to the Texas

Department of Family and Protective Services so that federal financial participation can be claimed for Title IV-E services provided by counties. The ~~Texas~~Juvenile Probation Commission shall direct necessary general revenue funding to ensure that the federal match for the Title IV-E Social Security Act is maximized for use by participating counties. Such federal receipts are appropriated to the ~~Texas~~Juvenile Probation Commission for the purpose of reimbursing counties for services provided to eligible children.

4. Juvenile Boot Camp Funding. Out of the funds appropriated above in Strategy B.1.2, Harris County Boot Camp, the amount of $1,000,000 annually may be expended only for the purpose of providing a juvenile boot camp in Harris County.

5. Residential Facilities. Juvenile Boards may use funds appropriated in Goal A, Basic Probation, and Goal B, Community Corrections, to lease, contract for, or reserve bed space with public and private residential facilities for the purpose of diverting juveniles from commitment to the ~~Texas~~ Youth Commission.

6. Funding for Progressive Sanctions.

a. Out of the funds appropriated above in Strategy A.1.2, Progressive Sanctions Levels 1-3, $10,200,000 in fiscal year 200~~6~~8 and $10,200,000 in fiscal year 200~~7~~9 can be distributed only to local probation departments for funding juvenile probation services associated with sanction levels described in §§ 59.003(a)(1), 59.003(a)(2), and 59.003(a)(3) of the Family Code, or for salaries of juvenile probation officers hired after the effective date of this Act. These funds may not be used by local juvenile probation departments for salary increases, employee benefits, or other costs (except salaries) associated with the employment of juvenile probation officers hired after the effective date of this Act.

b. Out of the funds appropriated above in Strategy B.1.3, Level 5 Post-adjudication Facilities, $4,394,436 in fiscal year 200~~6~~8 and $4,394,436 in fiscal year 200~~7~~9 can be used only for the purpose of funding secure post-adjudication placements for (1) juveniles who have a progressive sanction guideline level of 5 or higher as described by §§ 59.003(a)(5), 59.003(a)(6), and 59.003(a)(7); (2) are adjudicated for a felony offense that includes as an element of the offense the possession, carrying, using or exhibiting of a deadly weapon; (3) the juvenile court's order of adjudication contains a finding that the child committed a felony offense and the child used or exhibited a deadly weapon during the commission of the conduct or during immediate flight from commission of the conduct; or (4) are adjudicated for a sex offense of the grade of felony that requires registration under the Texas Sexual Offender Registration Program.

The ~~Texas~~Juvenile Probation Commission shall reimburse a county juvenile probation department a specified number of placements under this section, as determined by the ~~Texas~~Juvenile Probation Commission, after the requirements for reimbursement as outlined herein have been met to the satisfaction of the ~~Texas~~Juvenile Probation Commission.

c. The ~~Texas~~Juvenile Probation Commission shall maintain procedures to ensure that only those juvenile offenders identified above are submitted for reimbursement of secure post-adjudication placements under this section. The ~~Texas~~Juvenile Probation Commission shall no later than March 1 of each fiscal year submit an expenditure report for the prior fiscal year reflecting all secure post-adjudication placement costs to the Legislative Budget Board and the Governor.

7. County Funding Levels. To receive the full amount of state aid funds for which a juvenile board may be eligible, a juvenile board must demonstrate to the commission's satisfaction that the amount of local or county funds budgeted for juvenile services is at least equal to the amount spent for those services, excluding construction and capital outlay expenses, in the 1994 county fiscal year. This requirement shall not be waived by the commission unless the juvenile board demonstrates to the satisfaction of the commission that unusual, catastrophic or exceptional circumstances existed during the year in question to adversely affect the level of county fiscal effort. If the required local funding level is not met and no waiver is granted by the commission, the commission shall reduce the allocation of state aid funds to the juvenile board by the amount equal to the amount that the county funding is below the required funding.

8. Local Post-adjudication Facilities. Out of the funds appropriated above in Strategy B.1.4, Local Post-Adjudication Facilities, the amount of $ 4,147,038 in fiscal year 200~~6~~8 and

$4,147,038 in fiscal year 200~~7~~9 may be used only for the purpose of funding local post-adjudication facilities. The agency shall fund these facilities based on historical occupancy rates, rather than the number of beds in the facility.

9. Juvenile Justice Alternative Education Programs (JJAEP). Out of the funds transferred to the ~~Texas~~Juvenile Probation Commission pursuant to Texas Education Agency (TEA) Rider ~~37~~35 and appropriated above in Strategy D.1.1, Juvenile Justice Alternative Education Programs, the ~~Texas~~Juvenile Probation Commission shall allocate $1,500,000 at the beginning of each fiscal year to be distributed on the basis of juvenile age population among the mandated counties identified in Chapter 37, Texas Education Code, and those counties with populations between 72,000 and 125,000 which choose to participate under the requirements of Chapter 37.

An additional $500,000 shall be set aside in a reserve fund for each fiscal year of the biennium to allow mandated and non-mandated counties to apply for additional funds on a grant basis.

The remaining funds shall be allocated for distribution to the counties mandated by ~~the~~ § 37.011(a) Texas Education Code, at the rate of $59 per student per day of attendance in the JJAEP for students who are required to be expelled as provided under § 37.007, Texas Education Code, and are intended to cover the full cost of providing education services to such students. Counties are not eligible to receive these funds until the funds initially allocated at the beginning of each fiscal year have been expended at the rate of $59 per student per day of attendance. Counties in which populations exceed 72,000, but are 125,000 or less, may participate in the JJAEP, and are eligible for state reimbursement at the rate of $59 per student per day.

The ~~Texas~~ Juvenile Probation Commission may expend any remaining funds for summer school programs in counties with a population over 72,000 which are funded as mandated counties in Chapter 37. Funds may be used for any student assigned to a JJAEP. Summer school expenditures may not exceed $3.0 million in any fiscal year.

Unspent balances in fiscal year 200~~6~~8 shall be appropriated to fiscal year 200~~7~~9 for the same purposes in Strategy D.1.1.

The ~~allocations made in this rider~~amount of $59 per student day for the JJAEP ~~are~~is an estimated amount~~s~~ and not intended to be an entitlement. ~~and~~Appropriations for JJAEP are limited to the amounts transferred from the Foundation School Program pursuant to TEA Rider ~~37~~35. The amount of $59 per student per day may vary depending on the total number of students actually attending the JJAEPs. Any unexpended or unobligated appropriations shall lapse at the end of fiscal year 200~~7~~9 to the Foundation School Fund No. 193.

The ~~Texas~~ Juvenile Probation Commission may reduce, suspend, or withhold Juvenile Justice Alternative Education Program funds to counties that do not comply with standards, accountability measures, or Texas Education Code Chapter 37.

10. Funding for Additional Eligible Students in JJAEPs. Out of funds appropriated above in Strategy D.1.1, Juvenile Justice Alternative Education Programs, a maximum of $500,000 in each fiscal year (for a maximum of 90 attendance days per child), is allocated for counties with a population of at least 72,000 which operate a JJAEP under the standards of Chapter 37, Texas Education Code. The county is eligible to receive funding from the ~~Texas~~Juvenile Probation Commission at the rate of $59 per day per student for students who are required to be expelled under § 37.007, Texas Education Code, and who are expelled from a school district in a county that does not operate a JJAEP.

11. Use of JJAEP Funds. None of the funds appropriated above for the support of JJAEPs shall be used to hire a person or entity to do lobbying.

12. JJAEP Accountability. Out of funds appropriated above in Strategy D.1.1, Juvenile Justice Alternative Education Programs (JJAEP), the ~~Texas~~ Juvenile Probation Commission ~~and the Texas Education Agency~~ shall ensure that Juvenile Justice Alternative Education Programs are held accountable for student academic and behavioral success. The ~~agencies are to jointly~~Juvenile Probation Commission shall submit a performance assessment report to the Legislative Budget Board and the Governor by May 1, 200~~6~~8. The report shall include, but is not limited to, the following:

a. an assessment of the degree to which each JJAEP enhanced the academic performance and behavioral improvement of attending students;

b. a detailed discussion on the use of standard measures used to compare program formats and to identify those JJAEPs most successful with attending students;

c. the percent of eligible JJAEP students statewide and by program demonstrating academic growth in the Texas Assessment of Knowledge and Skills (TAKS);

d. standardized cost reports from each JJAEP and their contracting independent school district(s) to determine differing cost factors and actual costs per each JJAEP program by school year; ~~and~~

e. average cost per student attendance day information for mandatory students. This cost per day information shall include a breakout of the cost of educational services mandated in the Texas Education Code § 37.011, and

~~e.~~f. inclusion of a comprehensive five-year strategic plan for the continuing evaluation of JJAEPs which shall include oversight guidelines to improve: school district compliance with minimum program and accountability standards, attendance reporting, consistent collection of costs and program data, training and technical assistance needs.

13. Training. ~~It is the intent of the Legislature that~~ From funds appropriated above in Strategy C.1.1, Probation Assistance, the ~~Texas~~ Juvenile Probation Commission shall provide training to local juvenile probation personnel and to local Juvenile Judges to maximize the appropriate placement of juveniles according to the progressive sanction guidelines.

14. Unexpended Balances - Hold Harmless Provision. Any unexpended balances as of August 31, 200~~6~~8 in Strategy A.1.1, Basic Probation Services (estimated to be $200,000), and in Strategy B.1.1, Community Corrections Services (estimated to be $200,000), above are hereby appropriated to the Juvenile Probation Commission in fiscal year 200~~7~~9 for the purpose of providing funding for juvenile probation departments whose allocation would otherwise be affected as a result of reallocations related to population shifts.

15. Appropriation: Refunds of Unexpended Balances from Local Juvenile Probation Departments. The ~~Texas~~Juvenile Probation Commission (JPC) shall maintain procedures to ensure that the state is refunded all unexpended and unencumbered balances of state funds held as of the close of each fiscal year by local juvenile probation departments. All fiscal year 200~~6~~8 and fiscal year 200~~7~~9 refunds received from local juvenile probation departments by JPC are appropriated above in Strategy B.1.1, Community Corrections Services. Any Basic Probation refunds received in excess of $650,000 in fiscal year 200~~6~~8 and $650,000 in fiscal year 200~~7~~9 are hereby appropriated to JPC for the Level 5 Secure Correction Placement Program. Any Community Corrections refunds received in excess of $500,000 in fiscal year 200~~6~~8 and $500,000 in fiscal year 200~~7~~9 are hereby appropriated to JPC for the Level 5 Secure Correction Placement Program.

16. Reporting Requirements to the Legislative Budget Board (LBB). The Juvenile Probation Commission shall report juvenile population data as requested by the Legislative Budget Board on a monthly basis for the most recent month available. JPC shall report to the Legislative Budget Board on all populations specified by the LBB, including, but not limited to, additions, releases, and end-of-month populations. End of fiscal year data shall be submitted indicating each reporting county to the LBB no later than two months after the close of each fiscal year.

17. Special Needs Diversionary Programs. Out of the funds appropriated above in Strategy B.1.5, Special Needs Diversionary Programs, ~~$1,974,033~~$1,974,034 in fiscal year 200~~6~~8 and ~~$1,974,033~~$1,974,034 in fiscal year 200~~7~~9 shall be used for specialized mental health caseloads. The agency shall use these funds to work in coordination with the Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI), and local mental health services agencies, to provide specialized supervision caseloads to youth with mental illness.

COMMISSION ON LAW ENFORCEMENT OFFICER STANDARDS AND EDUCATION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund - Dedicated		
Law Enforcement Officer Standards and Education Account No. 116	$ 2,544,061	$ 2,601,996
Texas Peace Officer Flag Account No. 5059	6,000	6,000
Subtotal, General Revenue Fund - Dedicated	$ 2,550,061	$ 2,607,996
Appropriated Receipts	89,500	89,500
Total, Method of Financing	$ 2,639,561	$ 2,697,496
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	43.0	43.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$80,000	$80,000
Items of Appropriation:		
A. Goal: LICENSE AND APPROVE COURSES		
Licensing and Course Development.		
A.1.1. Strategy: LICENSING	$ 895,477	$ 914,974
A.1.2. Strategy: COURSE DEVELOPMENT	$ 787,574	$ 787,260
Course Development and Academy Evaluations.		
Total, Goal A: LICENSE AND APPROVE COURSES	$ 1,683,051	$ 1,702,234
B. Goal: REGULATION		
Regulate Licensed Law Enforcement Population.		
B.1.1. Strategy: ENFORCEMENT	$ 549,821	$ 601,355
Enforcement through License Revocation, Suspension, or Reprimand.		
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 419,722	$ 414,284
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (13,033)	$ (20,377)
Grand Total, COMMISSION ON LAW ENFORCEMENT OFFICER STANDARDS AND EDUCATION	$ 2,639,561	$ 2,697,496
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,642,725	$ 1,703,603
Other Personnel Costs	75,840	75,840
Professional Fees and Services	158,000	158,000
Consumable Supplies	9,237	9,237
Utilities	9,879	9,879
Travel	167,410	168,530
Rent - Building	223,375	229,646
Other Operating Expense	258,495	248,161
Capital Expenditures	94,600	94,600
Total, Object-of-Expense Informational Listing	$ 2,639,561	$ 2,697,496
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 99,264	$ 100,753
Group Insurance	385,191	396,149
Social Security	143,191	145,339

Benefits Replacement	11,518	10,942
Subtotal, Employee Benefits	$ 639,164	$ 653,183
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 639,164	$ 653,183

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Commission on Law Enforcement Officer Standards and Education. 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 Law Enforcement Officer Standards and Education. In order to achieve the objectives and service standards established by this Act, the Commission on Law Enforcement Officer Standards and Education shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LICENSE AND APPROVE COURSES		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99.9%	99.9%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals	12,000	12,000
Efficiencies:		
Average Licensing Cost Per Individual License Issued	14.5	14.5
A.1.2. Strategy: COURSE DEVELOPMENT		
Output (Volume):		
Number of TCLEOSE Approved Courses Maintained	28	28
Number of On-site Academy Evaluations Conducted	120	120
B. Goal: REGULATION		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action	95%	95%
B.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Complaints Resolved	2,700	2,700
Efficiencies:		
Average Cost Per Complaint Resolved	135	135

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.

	20~~06~~08	20~~07~~09
Out of the GR Dedicated - Law Enforcement Officer Standards and Education Account No. 116:		
a. Acquisition of Information Resource Technologies		
(1) Cycled Replacement/Upgrade of Computers and Servers	$ 63,250	$ 54,000
(2) Distance Learning Program	$ 318,000	$ 318,000
Total, Acquisition of Information Resource Technologies	$ 381,250	$ 372,000
Total, Capital Budget	$ 381,250	$ 372,000

3. ~~Appropriations Limited to Revenue Collections:~~ Appropriation: Proficiency Certificate Fees. ~~Appropriations above in Strategy A.1.1, Licensing, include $142,840 in fiscal year 2006 and $142,840 in fiscal year 2007 for revenues collected in the Law Enforcement Officer Standards and Education GR-Dedicated Account No. 116~~ The Commission on Law Enforcement Officer Standards and Education is hereby appropriated revenues collected for

the processing of proficiency certificates pursuant to Occupations Code § 1701.154 (estimated to be $250,000 in fiscal year 2008 and $250,000 in fiscal year 2009 from the GR-Dedicated Account No. 116 and included in the amounts appropriated above). ~~All revenue collected, in excess of such amounts appropriated above, is hereby appropriated to the Texas Commission on Law Enforcement Officer Standards and Education (estimated to be $0). In the event that actual and/or projected revenue collections are insufficient to offset the appropriations made above, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriations authority provided to be within the amount of revenue expected to be available.~~

4. ~~**Appropriations Limited to Revenue Collections:**~~ **Appropriation: Reinstatement Fees.** ~~Appropriations above in Strategy A.1.1, Licensing, include $66,750 in fiscal year 2006 and $66,750 in fiscal year 2007 for fees collected in the Law Enforcement Officer Standards and Education GR-Dedicated Account No. 116 for~~ The Commission on Law Enforcement Officer Standards and Education is hereby appropriated fees collected to establish~~ing~~ a person's eligibility to reinstate a license that has lapsed (estimated to be $160,000 in fiscal year 2008 and $160,000 in fiscal year 2009 from the GR-Dedicated Account No. 116 and included in the amounts appropriated above). ~~All fee revenue collected, in excess of such amounts appropriated above, is hereby appropriated to the Texas Commission on Law Enforcement Officer Standards and Education (estimated to be $0). In the event that actual and/or projected revenue collections are insufficient to offset the appropriations made above, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriations authority provided to be within the amount of revenue expected to be available.~~

5. **Appropriation: State Flag Fund for Deceased Texas Peace Officers.** ~~Appropriations above in Strategy A.1.2, Course Development, include $12,000 in fiscal year 2006 and $6,000 in fiscal year 2007 for~~ The Commission on Law Enforcement Officer Standards and Education is hereby appropriated all contributions and earned interest collected during the 2008-09 biennium and any unexpended and unencumbered balances from the biennium ending August 31, 2007, from the Texas Peace Officer Flag Account No. 5059 as provided by ~~§~~ Occupations Code § 1701.161~~, Occupations Code,~~ and ~~§~~ Government Code § 615.105 (estimated to be $6,000 in fiscal year 2008 and $6,000 in fiscal year 2009 and included in the amounts appropriated above). ~~Government Code. All contributions and earned interest collected during the 2006-07 biennium and any unexpended and unencumbered balances from the biennium ending August 31, 2005, in excess of such amounts appropriated above, are hereby appropriated to the Texas Commission on Law Enforcement Officer Standards and Education (estimated to be $0).~~ These appropriations are to be deposited in the state treasury to the credit of the GR-Dedicated Texas Peace Officer Flag Account No. 5059. These appropriations shall be used to provide state flags to families of deceased Texas peace officers pursuant to ~~§~~ Occupations Code § 1701.161~~, Occupations Code,~~ and ~~§~~ Government Code § 615.105~~, Government Code~~. None of these appropriations shall be used by the commission for administration and support costs.

6. **Distance Learning Program.** ~~It is the intent of the Legislature that~~ From funds appropriated above, the ~~Texas~~ Commission on Law Enforcement Officer Standards and Education shall continue to maintain, update, and upgrade its internet training system, the Distance Learning Program~~, out of the funds appropriated above~~.

~~9~~7. **Limitation on Employment.** ~~It is the intent of the Legislature that no one shall be employed~~ None of the funds appropriated above shall be expended by the Commission on Law Enforcement Officer Standards and Education to employ anyone who, in the course of his official duties, conducts business with individuals, firms or educational institutions with which the employee has either a direct or indirect financial interest.

~~7. **Board Meetings at State Facilities.** It is the intent of the Legislature that, in order to minimize cost out of the funds appropriated above, meetings of the Commission on Law Enforcement Officer Standards and Education be held only at state facilities in Austin, Texas.~~

~~8. **Use of Commission Name or Acronym.** It is the intent of the Legislature that the Commission on Law Enforcement Officer Standards and Education use its full name or acronym (TCLEOSE) for all agency business.~~

TEXAS MILITARY FACILITIES COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,307,089	$ 1,298,511
Federal Funds	697,552	699,427
Other Funds		
Current Fund Balance	6,486,666	2,111,666
Interagency Contracts	4,299,168	3,828,986
Subtotal, Other Funds	$ 10,785,834	$ 5,940,652
Total, Method of Financing	$ 12,790,475	$ 7,938,590
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	33.0	33.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$67,000	$67,000
Items of Appropriation:		
A. Goal: MAINTAIN PROPERTIES		
A.1.1. Strategy: BUILDING MAINTENANCE Evaluate and Maintain Buildings and Facilities.	$ 5,567,629	$ 5,123,824
A.1.2. Strategy: DEBT SERVICE Debt Service - Rent from Adjutant General.	$ 2,714,062	$ 2,292,362
Total, Goal A: MAINTAIN PROPERTIES	$ 8,281,691	$ 7,416,186
B. Goal: CONSTRUCT AND RENOVATE FACILITIES Construct and Renovate Facilities to Achieve Energy Efficiency/Safety.		
B.1.1. Strategy: NEW FACILITY CONSTRUCTION	$ 4,050,117	$ 51,453
B.1.2. Strategy: RENOVATION OF EXISTING FACILITIES	$ 121,211	$ 124,126
Total, Goal B: CONSTRUCT AND RENOVATE FACILITIES	$ 4,171,328	$ 175,579
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 337,456	$ 346,825
Grand Total, TEXAS MILITARY FACILITIES COMMISSION	$ 12,790,475	$ 7,938,590
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,284,489	$ 1,270,685
Other Personnel Costs	119,377	125,035
Professional Fees and Services	759,209	347,294
Fuels and Lubricants	50,882	45,287
Consumable Supplies	57,432	57,632
Utilities	38,400	38,900
Travel	126,054	124,940
Rent - Building	370,736	370,736
Rent - Machine and Other	10,268	10,529
Debt Service	2,417,462	1,980,662
Other Operating Expense	1,107,936	1,114,186
Capital Expenditures	6,448,230	2,452,704
Total, Object-of-Expense Informational Listing	$ 12,790,475	$ 7,938,590
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Group Insurance	$ 4,771	$ 5,010
Social Security	62	62
Subtotal, Employee Benefits	$ 4,833	$ 5,072

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,833	$ 5,072

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Military 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 of the Texas Military Facilities Commission. In order to achieve the objectives and service standards established by this Act, the Texas Military Facilities Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: MAINTAIN PROPERTIES		
Outcome (Results/Impact):		
Percent of Needed Routine or Preventive Maintenance Completed	75%	75%
A.1.1. Strategy: BUILDING MAINTENANCE		
Explanatory:		
Number of Facilities Maintained	303	310
B. Goal: CONSTRUCT AND RENOVATE FACILITIES		
Outcome (Results/Impact):		
Percent of Facilities That Comply with Texas Accessibility Standards	27%	31%

2. **Capital Budget.** ~~None of the general revenue 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. This rider does not limit the use of federal funds obtained by the department.~~

	~~2006~~	~~2007~~
~~a. Construction of Buildings and Facilities~~	~~$ 0~~	~~$ 0~~
~~b. Repair or Rehabilitation of Buildings and Facilities~~		
~~(1) Roof Replacements/Major Maintenance~~	~~0~~	~~0~~
~~c. Transportation Items~~	~~0~~	~~0~~
~~d. Acquisition of Capital Equipment and Items~~	~~0~~	~~0~~
~~Total, Capital Budget~~	~~$ 0~~	~~$ 0~~
~~Total, Method of Financing~~	~~$ 0~~	~~$ 0~~

None of the general revenue 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. This rider does not limit the use of federal funds obtained by the department.

	2008	2009
a. Acquisiton of Land and Other Real Property	$ 400,000	$ 0

b. Construction of Buildings and Facilities	3,536,960	0
c. Repair or Rehabilitation of Buildings and Facilities		
(1) Roof Replacements/Major Maintenance	3,047,951	2,711,744
d. Transportation Items	30,587	31,504
e. Acquisition of Capital Equipment and Items	137,641	0
Total, Capital Budget	$ 7,153,139	$ 2,743,248
Method of Financing (Capital Budget):		
Interagency Contracts	$ 1,368,260	$ 1,320,032
Current Fund Balance	5,784,879	1,423,216
Total, Method of Financing	$ 7,153,139	$ 2,743,248

3. **Appropriation of Refunded Money.** There is hereby appropriated to the Texas Military Facilities Commission all money refunded to said Commission from any source when such money was originally expended for any of the purposes in A.1.1, Building Maintenance, B.1.1, New Facility Construction, and B.1.2, Renovation of Existing Facilities, above. Such appropriated funds may be expended for any of the purposes enumerated in A.1.1, B.1.1, and B.1.2. above.

4. **Local Fund Authorization.** The Texas Military Facilities Commission is hereby authorized to spend, and there is hereby made available to it, any or all local funds which the Commission now has or which it may hereinafter acquire, in accordance with the provisions of its bond indenture dated October 1, 1979, and subsequently amended.

5. **Bond Indenture Revenues.** There is hereby appropriated to the Texas Military Facilities Commission all revenues that the Commission has pledged, assigned and set over and does pledge, assign and set over unto its trustee and its successors in trust, and all revenues it has received or may hereinafter receive in accordance with the provisions of its bond indenture dated October 1, 1979, and subsequently amended.

6. **Superseding of Statutes and Bond Covenants.** None of the appropriations or provisions herein shall supersede Government Code, Chapter 435, or the covenants under which bonds are issued by or on behalf of the Texas Military Facilities Commission, regarding the Commission's obligations as a public bonding authority, body politic and corporate.

7. **Disposition of State-owned Property.** Contingent upon sufficient funds from the sale of state-owned properties, appropriations ~~Appropriations~~above include $6,095,368 ~~$400,000~~ in fiscal year 2008~~2006~~ and $574,870~~$415,162~~ in fiscal year 2009~~2007~~ from the Current Fund Balance to the Texas Military Facilities Commission in funds derived from sales, in previous biennia and in the current biennium, of State-owned National Guard camps and other property owned by the Commission and of land, improvements, buildings, facilities, installations and personal property in connection therewith as authorized by Government Code, Chapter 435. Such funds shall be expended by the Commission in one or more of the following ways: (1) as a participating fund in the construction and maintenance of facilities financed in part by the United States Government; or (2) as a construction fund to be used by the Texas Military Facilities Commission; or (3) as a debt-servicing fund as provided in Government Code, Chapter 435. Provided, however, that all such funds that are not actually used for the purposes hereinbefore specified shall remain on deposit in the state treasury to the credit of the Commission for the use and benefit of the Texas National Guard, their successors or components, as provided in Government Code, Chapter 435. The Texas Military Facilities Commission is hereby authorized to carry forward unexpended balances from fiscal year 2008~~2006~~ into fiscal year 2009~~2007~~ for the same purpose.

8. **Transferability.** The Texas Military Facilities Commission is hereby authorized to transfer such amounts as may be necessary between strategies A.1.1, Building Maintenance, B.1.1,

New Facility Construction, and B.1.2, Renovation of Existing Facilities. Such transfers shall not be used to increase the bond indebtedness of the Commission.

9. **Support and Maintenance Expenditures.** It is hereby provided that all monies currently appropriated to the Texas Military Facilities Commission for support and maintenance of the Texas National Guard are authorized for like expenditures for the support and maintenance of units of the Texas State Guard replacing the Texas National Guard units inducted into federal service.

10. **Master Plan for Military Facilities.** Funds appropriated to the Texas Military Facilities Commission for capital construction projects are intended to be expended for those projects which are part of the Commission's Master Plan. The Adjutant General and his staff shall cooperate with and provide information to the Commission in updating the Master Plan. The Commission shall revise the plan at least biennially and submit the plan to the Legislative Budget Board and the Governor by July 1 of every even-numbered year as part of the Legislative Appropriations Request.

~~12~~11. **Reallocation of Unexpended Bond Proceeds.** The Texas Military Facilities Commission is authorized to reallocate the unexpended bond proceeds of canceled projects only to other projects listed in its current Master Plan and only after notifying the Texas Public Finance Authority, the Texas Bond Review Board, the Governor, and the Legislative Budget Board. Any unexpended bond proceeds from prior fiscal years are appropriated to subsequent fiscal years.

12. **Renovation Priorities.** The Texas Military Facilities Commission shall give priority to renovations which: (1) insure the structural integrity of the facilities; (2) bring such facilities into compliance with current building and safety codes and accessibility standards; (3) increase the economic efficiency of the facilities; and (4) simplify future maintenance of the facilities.

13. **Federally Funded Projects.** Federal funds for any 100 percent federally funded project are hereby appropriated, and related ~~additional federally funded personnel and~~ additional travel expenditures are authorized.

14. **Projects Funded with Bond Proceeds.** In addition to the number of FTEs authorized in the Commission's bill pattern above, the Texas Military Facilities Commission is authorized to employ one additional person for the purpose of managing any project(s) that are funded 100% with bond proceeds. The Commission is authorized to employ the additional person only for the duration of the project(s) the personnel are hired to manage. All salaries, benefits, and other expenses incurred (including a fair allocation of agency indirect expenses related to the additional personnel) are to be paid out of the bond proceeds.

~~**15.** **Priority of Accessibility Maintenance and Construction Projects.** It is the intent of the Legislature that the Texas Military Facilities Commission prioritize any maintenance or construction projects designed to ensure compliance with the Texas Accessibility Standards (as administered by the Texas Department of Licensing and Regulation) by placing a higher priority on such projects at facilities which are used by the public as compared to similar projects at facilities which are not used by the public.~~

DEPARTMENT OF PUBLIC SAFETY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 9,366,465	$ 9,526,465
Insurance Companies Maintenance Tax and Insurance Department Fees	750,000	750,000
Subtotal, General Revenue Fund	$ 10,116,465	$ 10,276,465

GR Dedicated - Operators and Chauffeurs License Account No. 099	1,039,692	1,039,689
Federal Funds	154,886,755	155,986,755
Other Funds		
Appropriated Receipts	5,872,460	5,872,460
Interagency Contracts	850,812	850,812
Bond Proceeds - General Obligation Bonds	18,445,577	UB
State Highway Fund No. 006	431,500,114	424,619,878
Subtotal, Other Funds	$ 456,668,963	$ 431,343,150
Total, Method of Financing	$ 622,711,875	$ 598,646,059
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 1,276,485	$ 1,273,616
This bill pattern represents an estimated 99.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	7,741.9	7,741.9
Number of FTEs in Riders:	20.0	20.0
Schedule of Exempt Positions:		
Director, Group 6 (Department of Public Safety)	$150,000	$150,000
Executive Officer, Group 1 (Polygraph Examiners Board)	49,080	49,080
Items of Appropriation:		
A. Goal: LAW ENFORCEMENT ON HIGHWAYS		
A.1.1. Strategy: HIGHWAY PATROL	$ 127,310,971	$ 127,310,971
A.1.2. Strategy: COMMERCIAL VEHICLE ENFORCEMENT	$ 45,927,282	$ 45,927,282
A.1.3. Strategy: VEHICLE INSPECTION PROGRAM	$ 20,252,920	$ 20,252,919
A.1.4. Strategy: BREATH AND BLOOD TESTING Breath Alcohol and Blood Testing.	$ 2,149,956	$ 2,149,955
A.1.5. Strategy: CAPITOL COMPLEX SECURITY	$ 12,863,929	$ 12,863,929
Total, Goal A: LAW ENFORCEMENT ON HIGHWAYS	$ 208,505,058	$ 208,505,056
B. Goal: DRIVER SAFETY AND RECORDS		
B.1.1. Strategy: DRIVER LICENSE AND RECORDS	$ 68,579,563	$ 68,739,561
B.1.2. Strategy: DRIVER LICENSE REENGINEERING	$ 11,444,102	$ 4,444,102
B.1.3. Strategy: TRAFFIC ACCIDENT RECORDS	$ 1,513,137	$ 1,513,136
B.1.4. Strategy: CRASH RECORDS INFORMATION SYSTEM	$ 750,000	$ 750,000
B.1.5. Strategy: MOTORCYCLE OPERATOR TRAINING	$ 1,083,607	$ 1,083,607
Total, Goal B: DRIVER SAFETY AND RECORDS	$ 83,370,409	$ 76,530,406
C. Goal: PREVENT AND DETECT CRIME		
C.1.1. Strategy: NARCOTICS ENFORCEMENT Narcotics Enforcement Program.	$ 39,612,030	$ 40,712,032
C.1.2. Strategy: VEHICLE THEFT ENFORCEMENT Motor Vehicle Theft Enforcement.	$ 10,521,116	$ 10,521,116
C.1.3. Strategy: SPECIAL CRIMES	$ 15,454,529	$ 15,557,301
C.1.4. Strategy: TEXAS RANGERS	$ 9,639,139	$ 9,639,138
C.1.5. Strategy: UNSOLVED CRIMES INVESTIGATION Unsolved Crimes Investigation Team.	$ 775,199	$ 775,199
C.1.6. Strategy: CRIME LABS	$ 13,334,416	$ 13,334,416
Total, Goal C: PREVENT AND DETECT CRIME	$ 89,336,429	$ 90,539,202
D. Goal: EMERGENCY MANAGEMENT		
D.1.1. Strategy: EMERGENCY PLANNING Emergency Management Training and Planning Assistance.	$ 94,300,433	$ 94,300,433
D.1.2. Strategy: RESPONSE COORDINATION Emergency and Disaster Response Coordination.	$ 565,999	$ 565,997

D.1.3. Strategy: DISASTER RECOVERY Recovery and Mitigation Assistance.	$ 31,143,475	$ 31,143,474
D.1.4. Strategy: EMERGENCY OPERATIONS CTR Emergency Operations Center.	$ 420,786	$ 420,786
Total, Goal D: EMERGENCY MANAGEMENT	$ 126,430,693	$ 126,430,690
E. Goal: REGULATORY PROGRAMS		
E.1.1. Strategy: CONCEALED HANDGUNS	$ 4,458,105	$ 4,458,105
E.2.1. Strategy: POLYGRAPH EXAMINERS BOARD Administer and Enforce the Polygraph Examiners Act.	$ 100,775	$ 100,774
E.3.1. Strategy: PSB INVESTIGATIONS Private Security Board-Investigations.	$ 1,773,635	$ 1,773,636
E.3.2. Strategy: PSB ENFORCEMENT Private Security Board-Enforcement.	$ 95,171	$ 95,172
E.3.3. Strategy: PSB LICENSES AND REGISTRATION Private Security Board-Licenses and Registration.	$ 494,966	$ 494,966
E.4.1. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 290,000	$ 290,000
Total, Goal E: REGULATORY PROGRAMS	$ 7,212,652	$ 7,212,653
F. Goal: INDIRECT ADMINISTRATION AND SUPPORT		
F.1.1. Strategy: CENTRAL ADMINISTRATION	$ 9,588,609	$ 9,588,609
F.1.2. Strategy: INFORMATION RESOURCES	$ 25,947,016	$ 25,964,011
F.1.3. Strategy: REGIONAL ADMINISTRATION	$ 9,472,959	$ 9,472,958
F.1.4. Strategy: COMMUNICATIONS SERVICE	$ 9,329,048	$ 9,329,048
F.1.5. Strategy: CRIME RECORDS	$ 14,906,866	$ 14,906,866
F.1.6. Strategy: PHYSICAL PLANT	$ 24,710,581	$ 6,265,005
F.1.7. Strategy: TRAINING ACADEMY EDUCATION COURSES	$ 2,090,027	$ 2,090,027
F.1.8. Strategy: RECRUIT SCHOOLS	$ 1,726,095	$ 1,726,095
F.1.9. Strategy: FLEET OPERATIONS	$ 2,326,012	$ 2,326,012
F.1.10. Strategy: AIRCRAFT OPERATIONS	$ 3,785,116	$ 3,785,115
F.1.11. Strategy: OTHER SUPPORT SERVICES	$ 3,974,305	$ 3,974,306
Total, Goal F: INDIRECT ADMINISTRATION AND SUPPORT	$ 107,856,634	$ 89,428,052
Grand Total, DEPARTMENT OF PUBLIC SAFETY	$ 622,711,875	$ 598,646,059
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 330,618,125	$ 330,691,105
Other Personnel Costs	11,629,122	11,630,367
Professional Fees and Services	11,536,064	11,663,567
Fuels and Lubricants	5,830,749	5,908,705
Consumable Supplies	6,895,426	6,899,559
Utilities	6,722,280	6,722,281
Travel	3,781,277	3,796,754
Rent - Building	2,200,670	2,202,942
Rent - Machine and Other	861,896	862,453
Other Operating Expense	56,790,498	56,533,798
Grants	121,657,595	121,657,595
Capital Expenditures	64,188,173	40,076,933
Total, Object-of-Expense Informational Listing	$ 622,711,875	$ 598,646,059
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 20,996,498	$ 21,311,445
Group Insurance	61,801,797	62,747,696
Social Security	27,686,705	28,102,005
Benefits Replacement	3,109,503	2,954,028
Subtotal, Employee Benefits	$ 113,594,503	$ 115,115,174
Debt Service		
TPFA GO Bond Debt Service	$ 4,546,417	$ 4,386,711

Lease Payments	127,945	128,399
Subtotal, Debt Service	$ 4,674,362	$ 4,515,110
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 118,268,865	$ 119,630,284

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Public Safety. 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 Public Safety. In order to achieve the objectives and service standards established by this Act, the Department of Public Safety shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LAW ENFORCEMENT ON HIGHWAYS		
Outcome (Results/Impact):		
Annual Texas Rural Traffic Death Rate	2.5	2.5
A.1.1. Strategy: HIGHWAY PATROL		
Output (Volume):		
Traffic Law Violator Contacts	2,500,000	2,500,000
A.1.2. Strategy: COMMERCIAL VEHICLE ENFORCEMENT		
Output (Volume):		
Commercial Traffic Law Violator Contacts	1,550,000	1,550,000
A.1.4. Strategy: BREATH AND BLOOD TESTING		
Output (Volume):		
Number of Breath Alcohol Tests Supervised	46,600	46,600
B. Goal: DRIVER SAFETY AND RECORDS		
B.1.1. Strategy: DRIVER LICENSE AND RECORDS		
Output (Volume):		
Number of Examinations Administered	6,300,000	6,300,000
B.1.3. Strategy: TRAFFIC ACCIDENT RECORDS		
Output (Volume):		
Number of Accident Reports Processed	800,000	800,000
C. Goal: PREVENT AND DETECT CRIME		
Outcome (Results/Impact):		
Annual Texas Index Crime Rate	5,000	5,000
C.1.1. Strategy: NARCOTICS ENFORCEMENT		
Output (Volume):		
Number of Arrests for Narcotics Violations	2,800	2,800
C.1.2. Strategy: VEHICLE THEFT ENFORCEMENT		
Output (Volume):		
Number of Arrests for Motor Vehicle Theft	1,750	1,750
C.1.3. Strategy: SPECIAL CRIMES		
Output (Volume):		
Number of Criminal Intelligence Service Arrests	2,175	2,175
C.1.4. Strategy: TEXAS RANGERS		
Output (Volume):		
Number of Arrests	2,000	2,000
C.1.6. Strategy: CRIME LABS		
Output (Volume):		
Number of Drug Cases Examined	57,000	57,000
D. Goal: EMERGENCY MANAGEMENT		
Outcome (Results/Impact):		
Percentage of Local Governments Achieving Basic Emergency Preparedness	80%	80%
D.1.2. Strategy: RESPONSE COORDINATION		
Output (Volume):		
Number of Emergency Incidents Coordinated	2,100	2,100
D.1.3. Strategy: DISASTER RECOVERY		
Output (Volume):		
Number of Counties Provided Disaster Financial Assistance	93	93
E. Goal: REGULATORY PROGRAMS		
Outcome (Results/Impact):		
Percent of Polygraph Licensees with No Recent Violations	99%	99%
Percent of Private Security Board Documented Complaints Resolved within Six Months	99%	99%

Percent of Private Security Board Licensees with No Recent Violations	99%	99%
E.1.1. Strategy: CONCEALED HANDGUNS		
Output (Volume):		
Number of Original Handgun Licenses Issued	28,000	28,000
Number of Renewal Handgun Licenses Issued	40,000	40,000
E.2.1. Strategy: POLYGRAPH EXAMINERS BOARD		
Output (Volume):		
Number of Examination Sessions Conducted	8	8
E.3.1. Strategy: PSB INVESTIGATIONS		
Output (Volume):		
Number of Investigations Conducted	10,000	10,000
Efficiencies:		
Average Time for Case Resolution	32	32
Average Cost Per Case Resolved	34.85	34.85
E.3.2. Strategy: PSB ENFORCEMENT		
Efficiencies:		
Average Cost Per Disciplinary Action	383.25	383.25
E.3.3. Strategy: PSB LICENSES AND REGISTRATION		
Output (Volume):		
Number of New Licenses Issued to Individuals	26,000	26,000
Efficiencies:		
Average Licensing Cost Per Individual License Issued	6	6

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 Government Code § 1232.103.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Building Program	$ 25,745,577	$ UB
b. Repair or Rehabilitation of Buildings and Facilities	1,125,000	1,125,000
c. Acquisition of Information Resource Technologies		
(1) Lease Payments (MLPP) for 1998-99 NCIC/TLETS Upgrade	2,248,638	2,300,936
(2) AFIS/Image Archive Enhancements	2,296,250	2,296,250
(3) Driver License Reengineering	10,932,143	2,381,690
(4) Computer Equipment Replacement	5,171,850	3,971,850
(5) Other Information Resource Projects	2,730,825	2,985,237
Total, Acquisition of Information Resource Technologies	$ 23,379,706	$ 13,935,963
d. Transportation Items (Approximately 1,677 vehicles)	16,664,538	16,664,538
e. Acquisition of Capital Equipment and Items		
(1) Radios	2,000,000	2,000,000
(2) Other Capital Equipment and Items	2,630,280	2,471,610
Total, Acquisition of Capital Equipment and Items	$ 4,630,280	$ 4,471,610
Total, Capital Budget	$ 71,545,101	$ 36,197,111

Method of Financing (Capital Budget):

~~State Highway Fund No. 006~~	~~$ 45,799,524~~	~~$ 36,197,111~~
~~Bond Proceeds - General Obligation Bonds~~	~~25,745,577~~	~~UB~~
~~Total, Method of Financing~~	~~$ 71,545,101~~	~~$ 36,197,111~~

	2008	2009
a. Construction of Buildings and Facilities		
(1) Building Program	$ 18,445,577	$ UB
b. Repair or Rehabilitation of Buildings and Facilities	1,125,000	1,125,000
c. Acquisition of Information Resource Technologies		
(1) Lease Payments (MLPP) for 1998-99 NCIC/TLETS Upgrade	2,066,598	2,083,594
(2) AFIS/Image Archive Enhancements	1,147,500	1,147,500
(3) Driver License Reengineering	7,000,000	UB
(4) Computer Equipment Replacement	4,641,850	4,641,850
(5) Other Information Resource Projects	1,899,000	1,904,000
Total, Acquisition of Information Resource Technologies	$ 16,754,948	$ 9,776,944
d. Transportation Items (Approximately 1,810 vehicles)	18,228,264	18,228,264
e. Acquisition of Capital Equipment and Items		
(1) Radios	2,375,724	2,375,724
(2) Other Capital Equipment and Items	3,365,548	3,360,548
Total, Acquisition of Capital Equipment and Items	$ 5,741,272	$ 5,736,272
Total, Capital Budget	$ 60,295,061	$ 34,866,480
Method of Financing (Capital Budget):		
State Highway Fund No. 006	$ 41,849,484	$ 34,866,480
Bond Proceeds - General Obligation Bonds	18,445,577	UB
Total, Method of Financing	$ 60,295,061	$ 34,866,480

3. **Additional Capital Budget Authority.** In addition to the provisions of Rider 2, Capital Budget, the Department of Public Safety is authorized to make the following capital purchases at the following amounts from federal funds appropriated by this Act:

	~~2006~~	~~2007~~
~~a. Replacement Aircraft and Helicopter~~	~~$ 2,656,193~~	~~$ UB~~
~~Total, Additional Capital Budget~~	~~$ 2,656,193~~	~~$ UB~~

	2008	2009
a. Replacement Aircraft and Helicopter	$ 2,856,193	$ UB
Total, Additional Capital Budget	$ 2,856,193	$ UB

4. **Marked Vehicles.** None of the funds appropriated hereinabove may be expended for the salaries of personnel operating motor vehicles used to stop and actually arrest offenders of highway speed laws unless such vehicles are black, white, or a combination thereof and plainly marked with the department's insignia.

5. **Restriction of Vehicle Use.** Notwithstanding the provisions of Article IX of this Act, the Department of Public Safety may certify no more than 15 exceptions to the prohibition related to use of a state car for commuting to and from work.

6. **Emergency Calls.** The department shall maintain for each fiscal year, the number of times supervisory officers above the rank of lieutenant respond to emergency calls requiring departure from the officer's private residence or from the office. This information shall contain specific references as to the nature of each emergency.

7. **Aircraft Authority.** The Department of Public Safety is authorized to purchase, own, maintain, and operate helicopters in performance of its responsibilities. The department may purchase additional aircraft through seized funds. In addition to authority to purchase, own, maintain, and operate aircraft, the department is authorized to own, maintain, and operate any aircraft seized pursuant to authority contained in ~~Chapter 481, Health and Safety Code,~~Chapter 59, Code of Criminal Procedure or under any other statute authorizing the department to own, maintain, or operate seized aircraft. The department is directed to submit, as part of its Annual Report, details on the acquisition and disposition of seized aircraft.

8. **Aviator Reimbursement.** From the amounts appropriated above, an amount not to exceed $10,000 each fiscal year of the biennium may be used for reimbursement of costs related to aviator assistance to state agencies, such as search and rescue or disaster-related functions. Reimbursements may include actual costs of aircraft operation including fuel, oil, maintenance and routine costs incurred by trained and certified private volunteer aviators using privately owned aircraft in state-authorized flight operations and training exercises associated with disaster-related activities. The reimbursement shall not exceed the rate approved by the state per flying hour, when such aircraft costs are not reimbursable by other governmental agencies in accordance with Chapter 418, Government Code.

9. **Seized Assets Report.** The Department of Public Safety shall file with the Governor and the Legislative Budget Board, no later than the first Friday of October of each year, ~~and in a manner approved by the State Auditor's Office,~~a report disclosing information on seized/forfeited assets. The report shall contain a summary of receipts, disbursements, and fund balances for the fiscal year derived from both federal and state sources and supporting detail. The detail information shall, at a minimum, include the following:

a. Regarding receipts: the court in which the case was adjudicated, the nature of the assets, the value of the assets, and the specific, intended use of the assets; and

b. Regarding disbursements: the departmental control number, the departmental category, the division making the request, the specific item and amount requested, the amount the department approved, and the actual amount expended per item.

10. **Disposition of Seized Funds.** The Department of Public Safety is hereby directed to deposit all funds currently held, or obtained in the future pursuant to seizure actions or judicial forfeiture according to rules and procedures developed by the Comptroller of Public Accounts. The department shall cooperate with the Comptroller of Public Accounts in developing agreements and procedures for the deposit of seized state funds in accounts in the State Treasury.

11. **Controlled Substances.** Included in the amounts appropriated above in Strategy C.1.1, Narcotics Enforcement, is $6.5 million in fiscal year ~~2006~~2008 and $7.6 million in fiscal year ~~2007~~2009 from Federal Funds. All revenues in excess of these amounts collected under federal forfeiture programs are hereby appropriated to the Department of Public Safety to be used for law enforcement purposes (estimated to be $0). Any funds unexpended at the close of each fiscal year are appropriated for the following year. Funding priority shall be given to the purchase of new equipment for field employees.

12. **Witness Fees.** From the appropriations made herein, the Department of Public Safety may pay the witness fees and travel expenses of out-of-state witnesses, subject to the advance,

written approval of the District Attorney for the county having venue over the law violation under investigation.

13. **Purchase of Evidence.** From the amounts appropriated above to the Department of Public Safety, an amount not to exceed one million dollars ($1,000,000) each fiscal year of the biennium, exclusive of amounts forfeited to the Department of Public Safety by any court of competent jurisdiction and amounts received from the United States government derived from the forfeiture of monies and property, is hereby designated for the purchase of evidence and/or information and surveillance expenses deemed necessary by the Department of Public Safety; and accountability for expenditures as set forth above shall be governed by such rules and regulations as the director of the Department of Public Safety may recommend, subject to review and approval by the State Auditor. Such amounts may be maintained in cash to facilitate the purchase of evidence, information and/or surveillance expense.

14. **Academy Costs.** The Department of Public Safety (DPS) may charge employees and students of the DPS Academy for tuition, lodging, and meals at such prices as may be set by the department. Such funds as received are hereby appropriated to cover the expenses entailed in providing such students and employees their lodging, meals, incidental expenses, and to pay visiting instructors.

15. **Medical and Funeral Costs.** ~~Monies~~ Funds appropriated above may be expended for drugs, medical, hospital, laboratory and funeral costs of law enforcement employees or other employees performing duties involving unusual risk when injury or death occurs in the performance of such duties. ~~It is the intent of the Legislature that monies~~Funds appropriated above shall not be expended for drugs, medical, hospital, laboratory or funeral costs of employees who are not actively engaged in the performance of law enforcement or other hazardous duties or of law enforcement employees when injury or death occurs in the performance of clerical or office duties as distinguished from law enforcement or other duties involving unusual risk. ~~Monies~~Funds appropriated above may also be expended for physical examinations and testing when such examinations and tests are a condition of employment or exposure to infectious diseases or hazardous materials occurs in the line of duty.

16. **Authorization of Funeral Travel Reimbursement.** The Department of Public Safety may reimburse a commissioned peace officer or communications officer in its employ the costs for lodging, transportation and meals, in accordance with Article IX travel regulations of this Act, when such travel is for the purpose of representing the department at the funeral of a fallen peace officer. The reimbursement authorized by this provision applies to out-of-state, as well as, in-state travel. ~~It is the intent of the Legislature that the~~The department ~~send~~may provide reimbursement for only a small delegation to any single out-of-state funeral.

17. **Moving Expenses.** Notwithstanding any other provision of this Act, and with the approval of the Director, the department may use appropriated funds to pay the reasonable, necessary, and resulting costs of moving the household goods and effects of a commissioned peace officer employed by the department who is transferred from one designated headquarters to another so long as the department determines that the best interests of the State will be served by such transfer.

18. **Travel for Security Personnel.** Notwithstanding other provisions of this Act, commissioned Department of Public Safety personnel when transporting and providing security for the Governor or Governor-elect and his or her spouse and immediate family; other members of the executive, legislative, and judicial branches of state government; and visiting governors from other states when assigned, shall be reimbursed for their actual meals, lodging and incidental expenses when on official travel in or out of the state.

19. **Historical Museum.** The Department of Public Safety is authorized to allow the Department of Public Safety Historical Museum to utilize department property for the purpose of a historical museum. No state funds are appropriated for this purpose.

20. **Polygraph Examinations.** None of the funds appropriated to the Department of Public Safety may be expended for polygraph testing of commissioned law enforcement officers of the Department of Public Safety, unless requested by the officer.

~~22~~21. **Supply and Inventory Cost Allocation.** The Department of Public Safety is hereby authorized to establish a supply and inventory cost pool to which appropriations may be

transferred from any strategy item. These transfers shall be restricted to the purchase of supplies and inventory items. Expenditures from the cost pool shall be allocated back to the applicable strategies of the Department of Public Safety within 30 days following the close of each fiscal quarter.

22. Stranded Motorist Assistance. The Department of Public Safety is designated as the lead state agency to help motorists whose vehicles are disabled on state and federal roads. The department shall obtain the cooperation of all relevant state agencies, especially the Texas Department of Transportation, and coordinate its efforts with all local law enforcement agencies and interested private businesses. As part of this initiative, the Department of Public Safety shall establish and publicize a toll free number and a universal distress signal for motorists that are in need of assistance.

23. Criminal History Checks to Specified Licensing Agencies. The Department of Public Safety shall provide to the agencies listed in § 60.061, Code of Criminal Procedure, a system for checking at least annually, but not more than quarterly, or as otherwise provided by § 60.061, the existing licensees of these agencies against information in criminal history files. The Department of Public Safety may not charge or assess a fee to an agency providing information to the department that is in excess of the actual direct cost incurred by the department.

24. Appropriations of Receipts - Parking Violation Revenues. ~~The Department of Public Safety shall collect a $10.00 fine for all parking violations in the Capitol Complex.~~ All revenue received from parking violations under Government Code, § 411.067 shall be deposited to the General Revenue Fund and is hereby appropriated for use by the Department of Public Safety for Capitol Police Security and parking for the ~~2006-07~~2008-09 biennium (estimated to be $141,000 annually included in the amounts appropriated above). ~~All revenues collected from parking meters in the Capitol Complex are hereby appropriated to the Preservation Board, or as otherwise specified by statute.~~

25. Contingency Appropriation Reduction. The funds appropriated above to the department are hereby reduced by an equal amount from the General Revenue Fund, State Highway Fund 006, or a combination of the two funds in the event the Department of Public Safety expends any funds not authorized by the General Appropriations Act, any provision within this Act which places a limitation on expenditures, or an affirmative action by the Legislature.

26. Appropriation Transfers. Notwithstanding any other provision of this bill, the Department of Public Safety may not transfer funds between items of appropriation in excess of 25 percent and shall provide 45-days notification to the Governor and the Legislative Budget Board any time the department plans to transfer an amount of $100,000 or more between items of appropriation. No later than the first Friday of October of each year, the department shall report to the Governor and the Legislative Budget Board the total number and amount of transfers during the previous fiscal year. The report shall include the amount transferred, the strategies involved, and justification for the transfer. In addition, the Department of Public Safety is hereby prohibited from transferring any and all appropriations from Strategy ~~C.1.4.~~C.1.4, Texas Rangers, into any other strategies without consent of the Governor and the Legislative Budget Board.

27. Complex Crime Unit. From monies appropriated above, the Department of Public Safety shall maintain a Complex Crime Unit to investigate offenses involving theft or misapplication of government property, the investigation of which requires a level of expertise in disciplines such as accounting, computer technology, or another that is not readily available to local law enforcement agencies.

a. The total cost of assistance including administrative costs shall not exceed $500,000 in fiscal year ~~2006~~2008 and $500,000 in fiscal year ~~2007~~2009.

b. The director of the department shall employ commissioned peace officers and noncommissioned employees to perform duties required of the unit. To be eligible for employment by the Complex Crime Unit, a peace officer must have not less than four years of experience as a peace officer; and a degree from an accredited institution of higher education in law, accounting or computer science; or two or more years of experience in the investigation of complex criminal offenses or similar law. To be eligible for employment under this section, a noncommissioned employee must meet the

experience, training, and educational qualifications set by the director as requirements for investigating or assisting in the investigation of a crime.

c. On the request of an attorney representing the state and with approval of the director, the Complex Crime Unit of the department may assist local law enforcement in the investigation of crime. On the request of the Governor and with the approval of the director, the Complex Crime Unit of the department may investigate a crime involving harm to the interests of a state agency.

28. Appropriations Limited to Revenue Collections: Automobile Emission Inspections. Included in amounts appropriated above in Strategy A.1.3, Vehicle Inspection Program, is ~~$7,341,226~~$6,547,536 in fiscal year 2008 ($5,064,268 in State Highway Funds and ~~$2,276,958~~$1,483,268 in General Revenue Funds) ~~each fiscal year~~and $6,547,535 in fiscal year 2009 ($5,064,268 in State Highway Funds and $1,483,267 in General Revenue Funds) for the operation of the vehicle emissions inspection and maintenance program pursuant to § ~~382.037,~~382.202 Health and Safety Code, and Executive Order GWB96-1.

If additional counties are brought into the vehicle emissions inspection and maintenance program, 80 percent of revenues generated from the vehicle emissions and inspections fee in excess of the Comptroller's Biennial Revenue Estimate in each fiscal year ~~2006~~2008 and ~~2007~~2009 are hereby appropriated to the agency for the purpose of developing, administering, evaluating, and maintaining the vehicle emissions inspection and maintenance program in the additional counties. ~~In addition, if additional counties are brought into the vehicle emissions inspection and maintenance program, the "Number of Full-Time-Equivalents (FTE)" is further increased by 15 for fiscal year 2006 and 15 for fiscal year 2007, to implement the program in the additional counties.~~

29. Clothing Provisions.

a. A commissioned officer who received a $1,200 clothing allowance pursuant to the General Appropriations Act during the ~~2004-05~~2006-07 biennium shall receive a $1,200 clothing allowance in the ~~2006-07~~2008-09 biennium.

b. A commissioned officer who received a $500 cleaning allowance pursuant to the General Appropriations Act for the ~~2004-05~~2006-07 biennium shall receive a $500 cleaning allowance in the ~~2006-07~~2008-09 biennium irrespective of promotion to any rank.

c. ~~It is the intent of the Legislature that no~~No person shall receive a $1,200 clothing allowance unless eligible in subsection (a).

d. An individual who is newly hired or newly commissioned after September 1, 1997, is eligible to receive a $500 cleaning allowance.

e. All noncommissioned personnel required to wear uniforms are entitled to a $500 cleaning allowance.

30. Recruit Schools. Recruits participating in the recruit school of the Department of Public Safety shall not be counted toward the limit on the number of full-time-equivalent positions (FTEs) for the agency until their graduation. Upon graduation, the additional officers shall not cause the department to exceed the department's limit on FTEs. The number of participants in the recruit schools shall be included in all required reports concerning FTEs and vacancies, but the recruits shall be reported as a separate total from the agency's other FTEs.

~~32~~31. Reporting Procedure for Land Acquisition and Construction Projects. The Department of Public Safety shall report to the Governor, the House Appropriations Committee, the Senate Finance Committee and the Legislative Budget Board if a department project managed by the Building and Procurement Commission and funded through appropriations by the Legislature lags six months or more behind the project's original timeline and/or exceeds the original budget by more than 25 percent. Reports should not include delays or cost overruns caused by acts of nature or other factors outside the control of the Building and Procurement Commission.

~~**31.** **Training for Local Law Enforcement Agencies.** The Department of Public Safety shall provide training to local law enforcement agencies and implement changes with the objective of enhancing participation.~~

~~33~~32. Hardship Stations. Out of funds appropriated above, the Department of Public Safety is authorized to designate 40 hardship stations across the state based on excessive vacancies in the Texas Highway Patrol Division. The department shall provide incentives to commissioned peace officers accepting positions at these posts.

~~34~~33. Response to Bomb or Other Terrorist Threats in the Capitol Complex. The Department of Public Safety shall review the procedures for responding to a bomb or other terrorist threat in the Capitol Complex, determine what changes, if any, would ensure a more effective response to a threat and adopt necessary changes.

The Department of Public Safety shall also provide written procedures and guidance for responding to a bomb or other terroristic threat to each agency director in the Capitol Complex as well as any individual in charge of risk management for such agency.

~~35~~34. Security Services in the Capitol Complex. The Department of Public Safety shall periodically review the security services provided by each law enforcement agency or security agency in the Capitol Complex (including the law enforcement services provided by the Internal Investigations Division of the Office of the Attorney General in the Capitol Complex) and adopt rules to coordinate these services and insure maximum effectiveness. The review and adopted rules should aim to eliminate any duplication of services.

~~36~~35. Contingency Personnel, DNA Analyses. Contingent on the receipt of federal funds for DNA analyses or DNA backlog elimination purposes in an amount sufficient to cover the costs related to the additional personnel authorized by this rider, the "Number of Full-Time-Equivalents (FTE)" figure indicated above is hereby increased by 12 each fiscal year. Seven of these authorized FTEs are to be assigned to the department's primary DNA facility, while the remaining five are to be assigned to field laboratories.

~~37~~36. Authorized Trooper Strength. From funds appropriated, the Department of Public Safety shall maintain the number of highway patrol trooper positions at no less than 1,873.

~~38~~37. Contingency Personnel, North Texas Tollway Authority Contract. The department is authorized 25 highway patrol service positions contingent upon ~~entering into~~continuing an interlocal cooperation contract with the North Texas Tollway Authority to police the Dallas North Tollway Systems. The "Number of Full-Time-Equivalents (FTE)" figure indicated above is hereby increased by eight each fiscal year. The eight FTEs authorized by this rider may not be added until the department reaches the number of troopers patrolling Texas highways in accordance with the goals as outlined in Rider Number ~~37~~36, Authorized Trooper Strength.

The contract shall include salaries, retirement, group insurance, auto operation costs, operational expenses, and amortization of equipment, including, but not limited to, vehicles. The expenses to be covered must also include expenses related to radio communications, office space and furniture, printing, postage, personnel moving expenses, telephone services, patrol car equipment, and secretarial and clerical services. Upon termination of the contract, the department must notify the Governor, Legislative Budget Board, and the State Auditor's Office of the termination and phase out the additional FTEs.

~~40~~38. Unsolved Crimes Investigation Team. Included in the amounts appropriated above in Strategy C.1.5, Unsolved Crimes Investigation, is $666,974 in fiscal year ~~2006~~2008 and $666,974 in fiscal year ~~2007~~2009 for the purpose of providing assistance to Texas law enforcement agencies with the investigation of unsolved murders and serial or linked criminal transactions. Also included above are 13 full-time-equivalent positions (FTEs) that are provided specifically for the staffing of the unsolved crimes investigation team with the intent that at least nine of the FTEs are commissioned personnel.

~~41~~39. Appropriation: Unexpended Balance Authority Between Biennia. Any unexpended balances from appropriations for the Motor Vehicle Financial Responsibility Verification Program (House Bill 3588, Seventy-eighth Legislature, Regular Session, 2003, and House Bill 2, Seventy-eighth Legislature,Third Called Session, 2003) as of August 31, ~~2005,~~2007, in

Strategy B.1.2, Driver License Reengineering, are hereby appropriated for the same purpose for the biennium beginning September 1, ~~2005~~2007 (estimated to be ~~$0~~$7,000,000 in State Highway Fund No. 006 and included in the amounts above).

~~**39. Information Services.** It is the intent of the Legislature that the Department of Public Safety utilize the State Data Center to the maximum extent possible.~~

~~42~~40. Interagency Contract for Legal Services. Out of funds appropriated above, $1.3 million for the ~~2006-07~~2008-09 biennium is for an interagency contract with the Office of the Attorney General for legal services provided by the Office of the Attorney General to the Department of Public Safety. Any interagency contract funded by appropriated funds may not exceed reasonable attorney fees for similar legal services in the private sector, shall not jeopardize the ability of the Department of Public Safety to carry out its legislative mandates, and shall not affect the budget for the Department of Public Safety such that employees must be terminated in order to pay the amount of the interagency contract.

~~43~~41. Polygraph Examiners Board. The Polygraph Examiners Board, Strategy E.2.1, is an agency of the State of Texas fully autonomous and independent of the Department of Public Safety pursuant to Occupations Code § 1703.001. The board is responsible for hiring an Executive Officer, and shall pay this exempt employee a salary in an amount not to exceed ~~$46,000~~ $49,080 per annum. The Executive Officer position is subject to Article IX, Section 3.05, ~~provisions regarding~~ Scheduled Exempt Positions. ~~Board member per diem shall not exceed $4,200 per year.~~

Fee Rates

The Polygraph Examiners Board shall establish reasonable fees pursuant to Government Code § 316.043, to be effective during the biennium beginning on the effective date of this Act, not to exceed:

a.	Polygraph Examiners License	$	500.00
b.	Internship License Application Fee		300.00
c.	Duplicate License		100.00
d.	Renewal Fee for Examiners License		500.00
e.	Extension or Renewal of an Internship License		150.00
f.	Examination Fee		200.00
g.	Late Fee		200.00

Assistance from the Department of Public Safety

The Department of Public Safety will be responsible for providing administrative support, as is necessary, to ensure that the Polygraph Examiners Board complete all written reports, including the legislative appropriations request, the strategic plan and the annual financial report, and all data entry into ABEST, USAS, and other state systems as is required of the Polygraph Examiners Board by statute or by oversight agency directives.

~~It is the intent of this rider that the~~The Department of Public Safety shall assist the Polygraph Examiners Board in meeting the aforementioned requirements. The Executive Officer and staff of the Polygraph Examiners Board remain solely responsible for completing administrative tasks imposed by the Polygraph Examiners Board.

~~44~~42. Appropriations Limited to Revenue Collections. ~~It is the intent of the Legislature that fees~~ Fees and other miscellaneous revenues as authorized and generated by the Private Security Board shall cover, at a minimum, the cost of the appropriations made above in Strategies E.3.1, E.3.2, and E.3.3. as well as the "other direct and indirect costs" indicated above (the amounts are solely related to the Private Security Board). 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 in Strategies E.3.1, E.3.2, and E.3.3. to be within the amount of revenue expected to be available.

~~46~~43. Contract Reports. ~~It is the intent of the Legislature that the~~The Private Security Board shall provide the Governor and the Legislative Budget Board detailed information on all current

contracts, and an annual report by November 30th of all contracts initiated during the previous fiscal year, in addition to other contract reporting requirements in statute.

~~49~~44. Selective Traffic Enforcement Program. Funds appropriated above to Strategy A.1.1, Highway Patrol, include $10,000,000 in fiscal year ~~2006~~2008 and $10,000,000 in fiscal year ~~2007~~2009 from the State Highway Fund No. 006 and shall be used for the Selective Traffic Enforcement Program at the Department of Public Safety.

~~50~~45. Appropriations Limited to Revenue Collections: Driver Responsibility Program. Included in the amounts appropriated above in Strategy B.1.1, Driver License and Records, pursuant to § 780.002, Health and Safety Code, and estimated to be ~~$764,000~~$1,058,000 in fiscal year ~~2006~~2008 and ~~$1,168,000~~$1,090,000 in fiscal year ~~2007~~2009 from the General Revenue Fund, is one percent of the surcharges collected by the driver responsibility program. These funds are appropriated above for the administration of the driver responsibility program.

Also included in the amounts appropriated above in Strategy B.1.1, Driver License and Records, pursuant to § 708.155, Transportation Code, are amounts collected in excess of surcharge amounts of the driver responsibility program as vendor base compensation and related costs for the collection of the surcharges. These amounts are estimated to be ~~$3,055,000~~$4,232,000 in fiscal year ~~2006~~2008 and ~~$4,671,000~~$4,360,000 in fiscal year ~~2007~~2009 from the General Revenue Fund. All funds collected for vendor base compensation and related costs shall be processed in accordance with procedures established by the Comptroller of Public Accounts. The amount of vendor compensation shall not exceed rates specified in statute.

~~**45. Board Meetings at State Facilities.** It is the intent of the Legislature that, in order to minimize cost, meetings of the Private Security Board be held only at state facilities in Austin, Texas.~~

~~51~~46. Crash Records Information System. Included in the amounts appropriated above in Strategy B.1.4, Crash Records Information System, is $750,000 in fiscal year ~~2006~~2008 and $750,000 in fiscal year ~~2007~~2009 from the ~~Department of Insurance Operating Fund, No. 36~~ Insurance Companies Maintenance Tax and Insurance Department Fees No. 8042 for ongoing maintenance of the Crash Records Information System.

~~58~~47. Driver's License Office. Included in the amounts appropriated above is $9,900 in General Revenue Funds for the state fiscal year beginning September 1, ~~2005,~~2007, and $9,900 in General Revenue Funds for the state fiscal year beginning September 1, ~~2006,~~2008, for the Department of Public Safety of the State of Texas to pay rent for the driver's license office in Katy.

48. Staffing Patterns - Private Security Board. ~~It is the intent of the Legislature that~~ From funds appropriated above, the Private Security Board shall achieve greater compliance with the Private Security Act by strategically locating its investigators across the state to maximize the use of Department of Public Safety regional offices, minimize travel related costs and support/represent a significant number of companies and persons regulated in the region. None of the funds appropriated above shall be expended to maintain or support offices that are located in the homes of any employees.

49. Private Security Board Vehicles. ~~The~~From funds appropriated above, the Department of Public Safety shall maintain a minimun fleet of five vehicles for the Private Security Board. The vehicles are to be maintained in accordance with the State Vehicle Fleet Management Plan. The vehicles are for the sole use of the Private Security Board and are intended for use by investigators and are prohibited for use for commuting to and from work.

50. Appropriation Transfers Between Fiscal Years - Gasoline Contingency. In addition to the transfer authority provided elsewhere in this Act, the Department of Public Safety (DPS) may transfer appropriations from the State Highway Fund No. 006 for fiscal year 2009 to fiscal year 2008, subject to the following conditions provided by this section:

a. transfers under this section may be requested only if the average price per gallon of gasoline paid by the agency during the first six months of fiscal year 2008 exceeds $2.40 per gallon.

b. a request to transfer appropriations for fiscal year 2009 to fiscal year 2008 shall be submitted in writing to the Governor and the Legislative Budget Board. The request shall include a justification for the amount of funds to be transferred based on an estimate of the total gallons of gasoline consumed by the agency in a year and the average price per gallon paid over $2.40 per gallon during the first six months of fiscal year 2008.

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.

51. **Estimates of Future Federal Funds.** The Department of Public Safety (DPS) shall include estimates of future federal funding in the agency's Legislative Appropriations Request (LAR) based on historical amounts for all non-disaster related federal funds unless there is a specific indication that a federally funded project will be added, eliminated, or changed significantly. As part of the agency submission of the LAR, DPS shall notify the Governor and the Legislative Budget Board in writing of any such indication of federal funding changes including the Catalog of Federal Domestic Assistance number, the anticipated amount of the change, and the cause of the change.

52. **Appropriation: Unexpended Balances of Construction Bonds.** Any unexpended balances as of August 31, 2007, for the Department of Public Safety (DPS) in the general obligation bond appropriations made by the Seventy-ninth Legislature for construction appropriations are hereby appropriated to DPS for the biennium beginning September 1, 2007. Unexpended balances appropriated for the 2008-09 biennium may be used only for previously approved construction of additional facilities and shall not be used for new construction of additional facilities (fiscal year 2007 unexpended balance estimated to be $18,445,577 and included in the amounts appropriated above).

53. **Physical Fitness Standards.** Out of funds appropriated above, the Department of Public Safety shall develop criteria that include physical fitness and appearance standards that must be met prior to any commissioned peace officer receiving a pay increase or promotion as authorized by Article IX, Section 2.01, ~~Salary~~ Schedule C Classification Salary Schedule of this Act. ~~It is the intent of the Legislature that these requirements become effective for commissioned peace officers promoted or authorized pay increases in Salary Schedule C after August 31, 2006.~~

~~**53.** **Gasoline Contingency.** In addition to funds appropriated above and contingent upon certification by the Comptroller of Public Accounts, the Department of Public Safety is hereby appropriated up to $40,000 per year from State Highway Fund No. 006 for each cent increase in the average gasoline cost per gallon to the department above $1.38 per gallon (estimated to be $40,000 in fiscal year 2006 and $40,000 in fiscal year 2007 from the State Highway Fund No. 006). The level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year from the date of certification by the Comptroller of Public Accounts.~~

54. **Estimates of Future Appropriated Receipts.** The Department of Public Safety (DPS) shall include estimates of future appropriated receipts in the agency's Legislative Appropriations Request (LAR) based on historical amounts unless there is a specific indication that the amount of appropriated receipts will change significantly.

~~**54.** **Transfer of Vehicles to Walker County.** The Department of Public Safety shall transfer five vehicles to Walker County. Three of these vehicles shall have mileage not to exceed 80,000, while the remaining two vehicles shall be newly purchased by the department out of funds appropriated above in Goal A, Law Enforcement on Highways. The vehicles transferred from the Department of Public Safety are for the sole use of the Special Prosecution Unit, Criminal Division.~~

55. **Estimates of Future Criminal Justice Grants.** The Department of Public Safety (DPS) shall include estimates of future criminal justice grants in the agency's Legislative Appropriations Request (LAR) based on historical amounts unless there is a specific indication that the amount of criminal justice grants will change significantly.

~~55.~~ ~~**Texas Rangers Construction Project.** Included in the amounts appropriated above in Strategy F.1.6, Physical Plant, is $2,100,000 in fiscal year 2006 in General Obligation Bond Proceeds for the construction of a new Texas Rangers headquarters as well as a public room for viewing Ranger memorabilia in Waco, Texas. It is the intent of the Legislature that the Department of Public Safety contract with the City of Waco for architecture and programming.~~

~~56.~~ ~~**Emergency Vehicle Operations Course Study.** From funds appropriated above, the Department of Public Safety shall develop a feasibility study and implementation plan for the development of an emergency vehicle operations course. The feasibility study and implementation plan shall include an assessment of the need for the course and a detailed analysis of costs. By January 1, 2007, the department shall report to the Governor and the Legislative Budget Board the results of the study and implementation plan.~~

~~57.~~ ~~**Additional Capital Budget - Helicopter.** In addition to the provisions of Rider 3, Additional Capital Budget Authority, the Department of Public Safety is authorized to make the capital purchase of one additional helicopter in the amount of $2,406,193 to be stationed in San Antonio utilizing seized funds. The Department is also authorized two additional pilot investigator positions. The "Number of Full-Time-Equivalent Positions (FTE)" indicated above is hereby increased by two. The Department is hereby appropriated $397,226 for fiscal year 2006 and $301,226 for fiscal year 2007 for the additional FTE positions, capital, and operating costs from the State Highway Fund No. 006.~~

~~59.~~ ~~**Contingency Appropriation for House Bill 2303.** Contingent upon the enactment of House Bill 2303 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the administration of the Private Security Act including increased fees, the Department of Public Safety is appropriated any revenue generated from increased private security fees in excess of the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007 up to $3,125,545 in fiscal year 2006 and $1,619,781 in fiscal year 2007 in General Revenue Funds. This appropriation is contingent on the Department of Public Safety providing such information deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues are estimated to be available in excess of the Comptroller's Biennial Revenue Estimate, including supplemental estimates used in certifying this Act, to fund the increased appropriations. Also contingent on the passage of such legislation, the "Number of Full-Time-Equivalents (FTE)" indicated above is hereby increased by 39 in fiscal year 2006 and 39 in fiscal year 2007.~~

YOUTH COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 218,500,567	$ 221,486,405
Federal Funds	13,838,604	13,838,604
Other Funds		
Appropriated Receipts	431,247	431,247
Interagency Contracts	1,172,250	1,172,250
Interagency Contracts - Transfer from Foundation School Fund No. 193	10,309,881	10,309,881
Subtotal, Other Funds	$ 11,913,378	$ 11,913,378
Total, Method of Financing	$ 244,252,549	$ 247,238,387
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	4,842.8	4,842.8

Schedule of Exempt Positions:		
Executive Director, Group 5	$125,000	$125,000
Items of Appropriation:		
A. Goal: PROTECT PUBLIC		
Protect Public and Provide for TYC Youth while in Residential Care.		
A.1.1. Strategy: ASSESSMENT AND ORIENTATION Assess & Orient Youth for Appropriate Treatment and Placement.	$ 3,421,578	$ 3,421,578
A.1.2. Strategy: INSTITUTIONAL SERVICES Provide TYC-operated Secure Correctional Programs.	$ 129,172,419	$ 129,172,420
A.1.3. Strategy: CONTRACTED CAPACITY Provide Additional Secure and Nonsecure Residential Capacity.	$ 17,059,845	$ 19,546,503
A.1.4. Strategy: HALFWAY HOUSE SERVICES Provide TYC-operated Nonsecure Correctional Programs.	$ 7,707,482	$ 7,707,482
A.1.5. Strategy: HEALTH CARE SERVICES Provide a System of Health Care.	$ 12,575,372	$ 12,758,546
A.1.6. Strategy: PSYCHIATRIC SERVICES Provide a System of Psychiatric Services.	$ 1,669,120	$ 1,697,685
A.1.7. Strategy: CONSTRUCT AND RENOVATE FACILITIES Construct & Renovate TYC Facilities for Sufficient Capacity.	$ 0	$ 0
Total, Goal A: PROTECT PUBLIC	$ 171,605,816	$ 174,304,214
B. Goal: ENABLE PRODUCTIVITY		
Enable TYC Youth to Become Productive and Responsible Citizens.		
B.1.1. Strategy: EDUCATION AND WORKFORCE PROGRAMS Provide Academic, GED, and Workforce Preparation Programs.	$ 30,386,638	$ 30,386,638
C. Goal: PROVIDE REHABILITATION		
Reduce Delinquent and Criminal Behavior of Youth Released from TYC.		
C.1.1. Strategy: CORRECTIONAL TREATMENT Provide Correctional Treatment Programs.	$ 16,115,132	$ 16,418,987
C.1.2. Strategy: SPECIALIZED CORRECTIONAL TREATMENT Trtmnt for Capital/Sex Crimes, Drug Abuse, Emotional & Mental Problems.	$ 4,791,018	$ 4,791,018
C.1.3. Strategy: PAROLE SERVICES Provide a System of Parole Services.	$ 9,369,262	$ 9,369,262
C.1.4. Strategy: INTERSTATE AGREEMENT Interstate Agreement on Supvsn of Runaways, Probationers, and Parolees.	$ 258,659	$ 258,659
Total, Goal C: PROVIDE REHABILITATION	$ 30,534,071	$ 30,837,926
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 6,504,802	$ 6,504,802
D.1.2. Strategy: INFORMATION RESOURCES	$ 4,061,454	$ 4,061,454
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 1,541,309	$ 1,541,309
Total, Goal D: INDIRECT ADMINISTRATION	$ 12,107,565	$ 12,107,565
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (381,541)	$ (397,956)
Grand Total, YOUTH COMMISSION	$ 244,252,549	$ 247,238,387
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 163,189,034	$ 163,180,648
Other Personnel Costs	4,873,745	4,874,397
Professional Fees and Services	13,828,970	13,888,410
Fuels and Lubricants	700,980	710,980
Consumable Supplies	2,440,396	2,439,744

Utilities	6,582,371	6,582,371
Travel	2,162,701	2,162,701
Rent - Building	1,767,992	1,767,992
Rent - Machine and Other	762,506	762,506
Other Operating Expense	39,917,373	42,833,770
Client Services	3,542,818	3,542,818
Food for Persons - Wards of State	3,859,901	3,859,901
Capital Expenditures	623,762	632,149
Total, Object-of-Expense Informational Listing	$ 244,252,549	$ 247,238,387
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 9,886,215	$ 10,034,508
Group Insurance	28,373,184	28,600,543
Social Security	12,740,301	12,931,406
Benefits Replacement	797,443	757,571
Subtotal, Employee Benefits	$ 51,797,143	$ 52,324,028
Debt Service		
TPFA GO Bond Debt Service	$ 18,450,159	$ 17,606,935
Lease Payments	1,186,944	1,166,077
Subtotal, Debt Service	$ 19,637,103	$ 18,773,012
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 71,434,246	$ 71,097,040

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Youth 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 Youth Commission. In order to achieve the objectives and service standards established by this Act, the Youth Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: PROTECT PUBLIC		
Outcome (Results/Impact):		
Turnover Rate of Juvenile Correctional Officers	35%	35%
A.1.1. Strategy: ASSESSMENT AND ORIENTATION		
Output (Volume):		
Average Daily Population: Assessment and Orientation	436	436
A.1.2. Strategy: INSTITUTIONAL SERVICES		
Output (Volume):		
Average Daily Population: Institutional Programs	4,244	4,244
Efficiencies:		
Capacity Cost in Institutional Programs Per Youth Day	83.16	83.39
A.1.3. Strategy: CONTRACTED CAPACITY		
Output (Volume):		
Average Daily Population: Contract Programs	496	582
Efficiencies:		
Capacity Cost in Contract Programs Per Youth Day	93.97	92.01
A.1.4. Strategy: HALFWAY HOUSE SERVICES		
Output (Volume):		
Average Daily Population: Halfway House Programs	218	218
Efficiencies:		
Capacity Cost in Halfway Houses Per Youth Day	96.6	96.86
A.1.5. Strategy: HEALTH CARE SERVICES		
Efficiencies:		
Cost of Health Care Services Per Youth Day	6.93	6.93
A.1.6. Strategy: PSYCHIATRIC SERVICES		
Efficiencies:		
Cost of Psychiatric Care Services Per Youth Day	.92	.92
B. Goal: ENABLE PRODUCTIVITY		
Outcome (Results/Impact):		
Diploma or GED Rate (TYC-operated Schools)	49%	49%
Percent Reading at Grade Level at Release	21%	21%

B.1.1. Strategy: EDUCATION AND WORKFORCE PROGRAMS		
Output (Volume):		
Average Daily Attendance in TYC-operated Schools	3,877	3,877
Percent of Math Level Gain	71%	71%
Percent of Reading Level Gain	72%	72%
Average Daily Attendance in Career and Technology Education Courses	1,939	1,939
C. Goal: PROVIDE REHABILITATION		
Outcome (Results/Impact):		
One-year Rearrest Rate	54%	54%
One-year Rearrest Rate for Violent Offenses	8.6%	8.6%
One-year Reincarceration Rate: Total	26%	26%
Three-year Reincarceration Rate: Total	48%	48%
C.1.1. Strategy: CORRECTIONAL TREATMENT		
Output (Volume):		
Average Daily Population: Correctional Treatment	4,324	4,410
Efficiencies:		
Correctional Treatment Cost Per Youth Day	10.18	10.2
C.1.2. Strategy: SPECIALIZED CORRECTIONAL TREATMENT		
Output (Volume):		
Average Daily Population: Specialized Correctional Treatment	934	934
Efficiencies:		
Specialized Correctional Treatment Cost Per Youth Day	14.02	14.05
C.1.3. Strategy: PAROLE SERVICES		
Output (Volume):		
Average Daily Population: Parole	3,051	3,126
Efficiencies:		
Parole Cost Per Youth Day	8.39	8.21

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.

	2006	2007
~~a. Construction of Buildings and Facilities~~		
~~(1) Education Building at Evins Regional Juvenile Center~~	~~$ 224,594~~	~~$ UB~~
~~b. Repair or Rehabilitation of Buildings and Facilities~~		
~~(1) Utility, Road and Site Work~~	~~2,699,564~~	~~UB~~
~~(2) Roof Repairs and Replacements~~	~~2,804,395~~	~~UB~~
~~(3) Rehabilitate Buildings and Systems~~	~~4,928,251~~	~~UB~~
~~Total, Repair or Rehabilitation of Buildings and Facilities~~	~~$ 10,432,210~~	~~$ UB~~
~~c. Acquisition of Information Resource Technologies~~		
~~(1) Computer Workstation and Infrastructure Equipment Replacement - Business~~	~~655,500~~	~~655,500~~
~~(2) Computer Workstation and Infrastructure Equipment Replacement - Education~~	~~716,472~~	~~716,472~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 1,371,972~~	~~$1,371,972~~
~~d. Transportation Items~~		
~~(1) Vehicle Replacement (30 Cargo/Passenger Vans)~~	~~272,100~~	~~$272,100~~

~~e. Acquisition of Capital Equipment and Items~~		
~~(1) Radio System Upgrade - Phase II~~	~~1,173,709~~	~~1,275,933~~
~~Total, Capital Budget~~	~~$ 13,474,585~~	~~$ 2,920,005~~
~~Method of Financing (Capital Budget):~~		
~~General Revenue Fund~~	~~$ 2,101,309~~	~~$2,203,533~~
~~Federal Funds~~	~~716,472~~	~~716,472~~
~~Bond Proceeds - General Obligation Bonds~~	~~10,656,804~~	~~UB~~
~~Total, Method of Financing~~	~~$ 13,474,585~~	~~2,920,005~~

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Computer Workstation and Infrastructure Equipment Replacement - Business	819,375	819,375
(2) Computer Workstation and Infrastructure Equipment Replacement - Education	1,110,678	1,082,638
Total, Acquisition of Information Resource Technologies	$ 1,930,053	$ 1,902,013
b. Transportation Items		
(1) Vehicle Replacement (30 Cargo/Passenger Vehicles)	279,522	287,939
Total, Capital Budget	$ 2,209,575	$ 2,189,952
Method of Financing (Capital Budget):		
General Revenue Fund	$ 1,098,897	$ 1,107,314
Federal Funds	1,110,678	1,082,638
Total, Method of Financing	$ 2,209,575	$ 2,189,952

3. **Interagency Contract Authorized, West Texas State School.** The ~~Texas~~ Youth Commission is authorized to lease from The University of Texas, for a term of years and upon conditions that are mutually agreeable to the ~~Texas~~ Youth Commission and The University of Texas, under authority of the Interagency Cooperation Act, certain facilities situated at Pyote Air Force Base, in Ward County, Texas (same being located in Block 16, University Lands). The ~~Texas~~ Youth Commission is authorized to pay to The University of Texas as rental for such a lease a sum not to exceed $3,000 per year.

4. **Appropriation of Other Agency Funds.** Any unexpended balances remaining in Independent School District Funds (not to exceed $155,000 and included in the amounts above), the Student Benefit Fund (not to exceed $250,000 and included in the amounts above), the Canteen Revolving Funds (not to exceed $7,500 and included in the amounts above), and the Conference Account (not to exceed $3,500 and included in the amounts above), any gifts, grants, and donations as of August 31, 200~~5~~7, and August 31, 200~~6~~8 (estimated to be $247,000 per year and included in the amounts above), and any revenues accruing to those funds are appropriated to those funds for the succeeding fiscal years. Funds collected by vocational training shops at ~~Texas~~ Youth Commission institutions, including unexpended balances as of August 31, 200~~5~~7 (not to exceed $35,000 and included in the amounts above), are hereby appropriated for the purpose of purchasing and maintaining parts, tools, and other supplies necessary for the operation of those shops. Funds collected for the sale or license of a treatment program, including unexpended balances from August 31, 200~~5~~7, and August 31, 200~~6~~8 (estimated to be ~~$125,435~~$25,000 in fiscal year 200~~6~~8 and $25,000 in fiscal year 200~~7~~9

and included in the amounts above), shall be appropriated for the purpose of training and development related to the program.

5. **Revolving Funds.** The ~~Texas~~ Youth Commission may establish out of any funds appropriated herein a revolving fund not to exceed $10,000 in the Central Office, and $10,000 in each institution, field office, or facility under its direction. Payments from these revolving funds may be made as directed by the commission. Reimbursement to such revolving funds shall be made out of appropriations provided for in this Article.

6. **Student Employment.** Subject to the approval of the ~~Texas~~ Youth Commission, students residing in any ~~Texas~~ Youth Commission facility may be assigned necessary duties in the operations of the facility and be paid on a limited basis out of any funds available to the respective institutions or facility not to exceed $50,000 a year for each institution and $10,000 a year for any other facility.

7. **Support Payment Collections.** The ~~Texas~~ Youth Commission shall annually report to the Governor and to the Legislative Budget Board the number of active accounts, including the amounts owed to the state pursuant to the Texas Family Code, § 54.06(a) court orders, and the total amount of funds collected.

8. **Federal Foster Care Claims.** Within the appropriations made above, the Texas Department of Family and Protective Services, the ~~Texas~~ Youth Commission, and the ~~Texas~~ Juvenile Probation Commission shall document possible foster care claims for children in juvenile justice programs and maintain an interagency agreement to implement strategies and responsibilities necessary to claim additional federal foster care funding; and consult with juvenile officials from other states and national experts in designing better foster care funding initiatives.

9. **Employee Medical Care.** Appropriations made in this Act for the ~~Texas~~ Youth Commission not otherwise restricted in use may also be expended to provide medical attention by medical staff and infirmaries at ~~Texas~~ Youth Commission facilities, or to pay necessary medical expenses, including the cost of broken eyeglasses and other health aids, for employees injured while performing the duties of any hazardous position which is not reimbursed by workers' compensation and/or employees' state insurance. For the purpose of this section, "hazardous position" shall mean one for which the regular and normal duties inherently involve the risk or peril of bodily injury or harm. Appropriations made in this Act not otherwise restricted in use may also be expended for medical tests and procedures on employees that are required by federal or state law or regulations when the tests or procedures are required as a result of the employee's job assignment or when considered necessary due to potential or existing litigation.

10. **Fire Prevention and Safety.** In instances in which regular employees of facilities operated by the ~~Texas~~ Youth Commission are assigned extra duties on fire prevention teams or on special tactics and response teams, supplementary payments, not to exceed $125 per month for team leaders and $100 per month for team members, are authorized in addition to the salary rates stipulated by the provisions of Article IX of this Act relating to the position classifications and assigned salary ranges.

11. **Charges to Employees and Guests.**

a. Collections for services rendered ~~Texas~~ Youth Commission 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.

b. As compensation for services rendered and notwithstanding any other provision in this Act, any facility under the jurisdiction of the ~~Texas~~ Youth Commission 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.

12. Specialized Treatment Report. The ~~Texas~~ Youth Commission shall, in its annual report, provide an assessment of the effectiveness of specialized treatment, emphasizing re-arrest rates of offenders receiving treatment.

13. Salaries, Education Professionals.

a. Each principal, supervisor, and classroom teacher employed in an institution operated by the ~~Texas~~ Youth Commission shall receive a monthly salary to be computed as follows: The applicable monthly salary rate specified in § 21.402, Texas Education Code, as amended, shall be multiplied by ten to arrive at a ten month salary rate. Such rate shall be divided by the number of days required in § 21.401, Texas Education Code, for 10-month employees, and the resulting daily rate shall be multiplied by the number of on-duty days required of ~~Texas~~ Youth Commission educators, resulting in the adjusted annual salary. The adjusted annual salary is to be divided by 12 to arrive at the monthly rate. Salary rates for educational aides commencing employment before September 1, 1999, shall be calculated in the same manner, using 60 percent of the salary rate specified in § 21.402, Texas Education Code.

b. The ~~Texas~~ Youth Commission may authorize salary rates at amounts above the adjusted annual salary determined in the preceding formula, but such rates, including longevity for persons commencing employment on September 1, 1983, or thereafter, and excluding hazardous duty pay, shall never exceed the rates of pay for like positions paid in the public schools of the city in which the ~~Texas~~ Youth Commission institution is located. Any authorized local increments will be in addition to adjusted annual salaries.

c. There is hereby appropriated to the ~~Texas~~ Youth Commission from any unexpended balances on hand as of August 31, 200~~6~~8, funds necessary to meet the requirements of this section in fiscal year 200~~7~~9 in the event adjustments are made in the salary rates specified in the Texas Education Code or in salary rates paid by the public schools where ~~Texas~~ Youth Commission facilities are located.

14. State-owned Housing Authorized. As of September 1, 1998, the chief superintendent, assistant superintendent and the director of security are authorized to live in state-owned housing at a rate determined by the commission. Notwithstanding general provisions of this Act, commission employees first employed at the Sheffield Boot Camp and West Texas State School on or after September 1, 1999, are authorized to live in state-owned housing at the same rate as persons employed prior to September 1, 1999. Other commission employees may live in state-owned housing as set forth in Article IX, § 11.05, State Owned Housing - Recover Housing Costs, of this Act. Fees for employee housing are hereby appropriated to be used for maintaining employee housing.

15. Appropriation Transfers Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act, the ~~Texas~~ Youth Commission may transfer appropriations in an amount not to exceed $9.8 million made for fiscal year 200~~7~~9 to fiscal year 200~~6~~8 subject to the following conditions provided by this section:

a. Transfers under this section may be made only if (1) juvenile correctional populations exceed appropriated areas of daily population targets or (2) for any other emergency expenditure, including expenditures necessitated by public calamity.

b. A transfer authorized by this section must receive prior approval from 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 under this section.

16. Project RIO. ~~It is the intent of the Legislature that~~From the funds appropriated above and to ensure the efficient use of state resources, the Texas Workforce Commission, the Texas Department of Criminal Justice, and the ~~Texas~~ Youth Commission together shall enhance the effectiveness of Project RIO by improving cohesive program delivery among the three agencies. The agencies shall together develop and implement a biennial strategic plan for the implementation of a more cohesive and effective Project RIO program which will emphasize necessary skill development, rehabilitation, and appropriate assessment of the offender prior to release. Not later than March 1, 200~~6~~8, the biennial strategic plan, jointly prepared by the

three agencies, and including specific strategies, measures, timeframes for program improvement, and a methodology for program evaluation, shall be submitted to the Legislative Budget Board and the Governor. The Texas Workforce Commission shall maintain interagency contracts at $446,250 in each year of the biennium to the ~~Texas~~ Youth Commission to fund Project RIO. The agencies shall enter into interagency contracts for the 200~~6~~8-0~~7~~9 biennium to include the reporting of performance levels.

17. Training for GED and Reading Skills. ~~It is the intent of the Legislature that~~From the funds appropriated above in Strategy B.1.1, Education and Workforce Programs, the ~~Texas~~ Youth Commission~~,~~ shall~~to the extent possible, use funds appropriated above in Strategy B.1.1, Education and Workforce Programs, to~~ prioritize reading at grade level and preparation for the GED in its educational program. A report containing statistical information regarding student performance on the Test of Adult Basic Education (TABE) shall be submitted to the Legislative Budget Board and the Governor on or before December 1, 200~~6~~8.

18. Salary Adjustment Authorized. Notwithstanding other provisions of this Act, the ~~Texas~~ Youth Commission is authorized to adjust salaries of Juvenile Correctional Officers I, Juvenile Correctional Officers II, Juvenile Correctional Officers III, Juvenile Correctional Officers IV, Juvenile Correctional Officers V, and Juvenile Correctional Officers VI to rates within the designated salary group for the purpose of recruiting, employing and retaining career juvenile correctional personnel. Merit raises are prohibited for all Juvenile Correctional Officers who are receiving or are eligible to receive step adjustments in the career ladder system.

19. Human Resources Management Plan. From funds appropriated above, the ~~Texas~~ Youth Commission 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~~ Youth Commission shall report, by October 1 of each year of the biennium, to the Legislative Budget Board and the Governor the employee turnover rate, by job category, at the agency during the preceding fiscal year. The effectiveness of an agency's plan shall be measured by whether or not there is a reduction in annual employee turnover rates at the agency, specifically by the reduction in the turnover rates for juvenile correctional officers.

20. Appropriation: Unexpended Balances of General Obligation Bond Proceeds. Unobligated balances of General Obligation Bond Proceeds (estimated to be ~~$799,054~~$0 ~~in General Obligation Bonds and included in the amounts appropriated above~~) as of August 31, 200~~5~~7, in appropriations made by ~~House Bill 1, Acts of~~ the Seventy-~~eighth~~ninth Legislature, ~~Regular Session, 2003, as identified in Article V, § 1, Capital Budget, and Senate Bill 1, Acts of the Seventy-seventh Legislature, Regular Session, 2001, as identified in Article V, § 1, Capital Budget,~~ are appropriated for the identical purposes for the biennium beginning September 1, 200~~5~~7.

21. Utilization of Existing Youth Commission Facilities. ~~It is the intent of the Legislature for~~ From the funds appropriated above, the Youth Commission (TYC) ~~to~~ shall utilize existing TYC facilities to the maximum extent possible without overcrowding. Appropriations included above in Strategy A.1.3, Contracted Capacity, may be used to contract for additional capacity for 350 beds in fiscal years 200~~6~~8 and 200~~7~~9 for specialized treatment services that cannot be provided within TYC institutions. Appropriations included above in Strategy A.1.3, Contracted Capacity, may be used to contract for beds in excess of 350 beds in fiscal years 200~~6~~8 and 200~~7~~9 only if the agency's residential population is over 97.5 percent of total capacity or if beds are needed due to an emergency situation that causes a reduction in the number of youth that can be safely housed in TYC-operated facilities and agreements can be reached that are beneficial to the State. ~~If the residential populations in fiscal years 2006 and 2007 are below appropriated levels, up to $2,954,553 may be used for information resource maintenance and PC replacements and/or up to $1,214,924 may be used for caseworker career ladder enhancements.~~ Any ~~remaining~~ General Revenue Funds in Strategy A.1.3, Contracted Capacity, which are not used for ~~these purposes or above these amounts~~ this purpose shall lapse to the General Revenue Fund.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 396,952,382	$ 400,827,558
General Revenue Dedicated Accounts, estimated	2,961,234	3,001,841
Federal Funds, estimated	7,034,969	7,228,683
State Highway Fund No. 006, estimated	83,272,831	84,531,357
Total, Method of Financing	$ 490,221,416	$ 495,589,439
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 112,655,762	$ 114,345,599
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 349,025,868	$ 352,418,657
A.1.3. Strategy: PUBLIC SAFETY BENEFITS Public Safety Benefits. Estimated.	$ 5,614,952	$ 5,671,101
A.1.4. Strategy: LECOS RETIREMENT PROGRAM LECOS Retirement Program. Estimated.	$ 22,924,834	$ 23,154,082
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 490,221,416	$ 495,589,439
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 490,221,416	$ 495,589,439

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 123,364,899	$ 124,387,506
General Revenue Dedicated Accounts, estimated	806,949	815,496
Federal Funds, estimated	2,658,199	2,655,190
Other Funds		
Other Special State Funds, estimated	225,760	229,146
State Highway Fund No. 006, estimated	29,676,343	29,938,677
Subtotal, Other Funds	$ 29,902,103	$ 30,167,823
Total, Method of Financing	$ 156,732,150	$ 158,026,015
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH -- EMPLOYER State Match — Employer. Estimated.	$ 140,468,814	$ 142,575,846
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	$ 16,263,336	$ 15,450,169
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 156,732,150	$ 158,026,015
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 156,732,150	$ 158,026,015

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 257,534,386	$ 263,348,033
Current Fund Balance	250,000	250,000
Total, Method of Financing	$ 257,784,386	$ 263,598,033
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	$ 257,784,386	$ 263,598,033 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 257,784,386	$ 263,598,033

LEASE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,239,742	$ 2,202,410
Total, Method of Financing	$ 2,239,742	$ 2,202,410
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 2,239,742	$ 2,202,410 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 2,239,742	$ 2,202,410

SPECIAL PROVISIONS RELATING TO PUBLIC SAFETY AND CRIMINAL JUSTICE AGENCIES

Sec. 2. Authorization to Receive, Administer, and Disburse Federal Crime Funds. Out of funds appropriated above, the ~~Texas~~ Department of Criminal Justice, the ~~Texas~~ Juvenile Probation Commission, and the ~~Texas~~ Youth Commission, may allocate matching funds in order to secure federal grants for the construction, expansion, renovation, and operation of correctional facilities and services, as authorized by federal legislation. These agencies are authorized to receive and disburse, in accordance with plans acceptable to the responsible federal agency, all federal monies that are made available to the state for programs, projects, or services that otherwise could not be funded or undertaken without the receipt of such funding. Such federal funds are hereby appropriated to the specific purpose or purposes for which they are granted or otherwise made available. At least 45 days prior to any expenditure of such federal funds, documentation of the proposed use of the funds shall be provided to the Legislative Budget Board and the Governor.

~~**Sec. 3. Purchase of TDCJ Products.** It is the intent of the Legislature that state public safety and criminal justice agencies use products produced by the Texas Department of Criminal Justice to the greatest extent possible when either renovating existing facilities or constructing new facilities.~~

Sec. 3. Federally Funded Projects. Consistent with the provisions in Article IX, § 6.10, state public safety and criminal justice agencies may exceed the limitations on full-time equivalent employees (FTEs) indicated in their appropriations only if the number of FTEs whose salaries, benefits, and other expenses related to employment that are 100 percent federally funded exceed the numbers indicated below which are included in the agencies' appropriations.

		2008	2009
a.	Adjutant General's Department	400	400
b.	Alcoholic Beverage Commission	0	0
c.	Department of Criminal Justice	0	0
d.	Commission on Fire Protection	0	0
e.	Commission on Jail Standards	0	0
f.	Juvenile Probation Commission	5	5
g.	Commission on Law Enforcement Officer Standards and Education	0	0
h.	Texas Military Facilities Commission	4	4
i.	Department of Public Safety	313	313
j.	Youth Commission	32	32

~~**Sec. 4. Prioritization of DNA Samples.** It is the intent of the Legislature that the Texas Department of Criminal Justice (TDCJ) prioritize the drawing of blood samples from inmates for the purpose of having these samples processed for DNA information needed for entry into the Department of Public Safety's (DPS) DNA database. The factors to be weighed by TDCJ shall include the severity of the offense, and the proximity to the time of release for the offender. It is also the intent of the Legislature that DPS prioritize any samples received prior to this Act taking effect with assistance from TDCJ using the above mentioned factors. At any time, DPS may request that TDCJ prioritize any particular sample for drawing and shipping to DPS, if DPS has information to the effect that the sample may provide evidence vital to a criminal investigation or judicial proceeding.~~

RECAPITULATION - ARTICLE V
PUBLIC SAFETY AND CRIMINAL JUSTICE
(General Revenue)

	For the Years Ending August 31, 2008	August 31, 2009
Adjutant General's Department	$ 12,865,681	$ 11,442,241
Alcoholic Beverage Commission	38,042,728	37,652,113
Department of Criminal Justice	2,529,204,486	2,581,372,477
Commission on Fire Protection	2,811,018	2,778,960
Commission on Jail Standards	829,202	835,799
Juvenile Probation Commission	93,934,257	94,306,998
Texas Military Facilities Commission	1,307,089	1,298,511
Department of Public Safety	10,116,465	10,276,465
Youth Commission	218,500,567	221,486,405
Subtotal, Public Safety and Criminal Justice	$ 2,907,611,493	$ 2,961,449,969
Retirement and Group Insurance	396,952,382	400,827,558
Social Security and Benefit Replacement Pay	123,364,899	124,387,506
Subtotal, Employee Benefits	$ 520,317,281	$ 525,215,064
Bond Debt Service Payments	257,534,386	263,348,033
Lease Payments	2,239,742	2,202,410
Subtotal, Debt Service	$ 259,774,128	$ 265,550,443
TOTAL, ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	$ 3,687,702,902	$ 3,752,215,476

RECAPITULATION - ARTICLE V
PUBLIC SAFETY AND CRIMINAL JUSTICE
(General Revenue - Dedicated)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Criminal Justice	$ 3,520,967	$ 3,520,967
Commission on Law Enforcement Officer Standards and Education	2,550,061	2,607,996
Department of Public Safety	1,039,692	1,039,689
Subtotal, Public Safety and Criminal Justice	$ 7,110,720	$ 7,168,652
Retirement and Group Insurance	2,961,234	3,001,841
Social Security and Benefit Replacement Pay	806,949	815,496
Subtotal, Employee Benefits	$ 3,768,183	$ 3,817,337
TOTAL, ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	$ 10,878,903	$ 10,985,989

RECAPITULATION - ARTICLE V
PUBLIC SAFETY AND CRIMINAL JUSTICE
(Federal Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Adjutant General's Department	$ 33,069,306	$ 33,068,823
Alcoholic Beverage Commission	351,200	351,200
Department of Criminal Justice	17,854,652	17,854,652
Juvenile Probation Commission	28,000,000	28,000,000
Texas Military Facilities Commission	697,552	699,427
Department of Public Safety	154,886,755	155,986,755
Youth Commission	13,838,604	13,838,604
Subtotal, Public Safety and Criminal Justice	$ 248,698,069	$ 249,799,461
Retirement and Group Insurance	7,034,969	7,228,683
Social Security and Benefit Replacement Pay	2,658,199	2,655,190
Subtotal, Employee Benefits	$ 9,693,168	$ 9,883,873
TOTAL, ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	$ 258,391,237	$ 259,683,334

RECAPITULATION - ARTICLE V
PUBLIC SAFETY AND CRIMINAL JUSTICE
(Other Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Adjutant General's Department	$ 365,000	$ 365,000
Alcoholic Beverage Commission	105,000	105,000
Department of Criminal Justice	74,336,527	55,736,519
Commission on Fire Protection	18,000	18,000
Commission on Jail Standards	46,000	46,000
Juvenile Probation Commission	9,663,331	9,793,544
Commission on Law Enforcement Officer Standards and Education	89,500	89,500
Texas Military Facilities Commission	10,785,834	5,940,652
Department of Public Safety	456,668,963	431,343,150
Youth Commission	11,913,378	11,913,378
Subtotal, Public Safety and Criminal Justice	$ 563,991,533	$ 515,350,743
Retirement and Group Insurance	83,272,831	84,531,357
Social Security and Benefit Replacement Pay	29,902,103	30,167,823
Subtotal, Employee Benefits	$ 113,174,934	$ 114,699,180
Bond Debt Service Payments	250,000	250,000
Subtotal, Debt Service	$ 250,000	$ 250,000
Less Interagency Contracts	$ 69,975,452	$ 69,635,482
TOTAL, ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	$ 607,441,015	$ 560,664,441

RECAPITULATION - ARTICLE V
PUBLIC SAFETY AND CRIMINAL JUSTICE
(All Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Adjutant General's Department	$ 46,299,987	$ 44,876,064
Alcoholic Beverage Commission	38,498,928	38,108,313
Department of Criminal Justice	2,624,916,632	2,658,484,615
Commission on Fire Protection	2,829,018	2,796,960
Commission on Jail Standards	875,202	881,799
Juvenile Probation Commission	131,597,588	132,100,542
Commission on Law Enforcement Officer Standards and Education	2,639,561	2,697,496
Texas Military Facilities Commission	12,790,475	7,938,590
Department of Public Safety	622,711,875	598,646,059
Youth Commission	244,252,549	247,238,387
Subtotal, Public Safety and Criminal Justice	$ 3,727,411,815	$ 3,733,768,825
Retirement and Group Insurance	490,221,416	495,589,439
Social Security and Benefit Replacement Pay	156,732,150	158,026,015
Subtotal, Employee Benefits	$ 646,953,566	$ 653,615,454
Bond Debt Service Payments	257,784,386	263,598,033
Lease Payments	2,239,742	2,202,410
Subtotal, Debt Service	$ 260,024,128	$ 265,800,443
Less Interagency Contracts	$ 69,975,452	$ 69,635,482
TOTAL, ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	$ 4,564,414,057	$ 4,583,549,240
Number of Full-Time-Equivalents (FTE)	53,072.4	53,072.4

ARTICLE VI

NATURAL RESOURCES

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 natural resources agencies.

DEPARTMENT OF AGRICULTURE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 45,501,609	$ 41,775,263
General Revenue Fund - Dedicated		
Young Farmer Loan Guarantee Account No. 5002	106,469	106,469
GO TEXAN Partner Program Account No. 5051	1,077,277	77,278
Subtotal, General Revenue Fund - Dedicated	$ 1,183,746	$ 183,747
Federal Funds	11,868,025	11,868,025
Other Funds		
Farm and Ranch Finance Program Fund Account No. 575	82,437	82,437
Appropriated Receipts	3,775,850	2,907,646
Texas Agricultural Fund No. 683	270,089	270,089
Interagency Contracts	802,715	802,715
Subtotal, Other Funds	$ 4,931,091	$ 4,062,887
Total, Method of Financing	$ 63,484,471	$ 57,889,922
This bill pattern represents an estimated 77% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	504.5	504.5
Schedule of Exempt Positions:		
Commissioner of Agriculture, Group 6	$125,000	$125,000
Executive Director, Group 2 (Texas Food and Fibers Commission)	66,459	66,459
Items of Appropriation:		
A. Goal: MARKETS & PUBLIC HEALTH		
Expand Markets While Protecting Public Health & Natural Resources.		
A.1.1. Strategy: GENERATE MARKETING OPPORTUNITIES	$ 15,171,779	$ 9,594,413
Generate Marketing Opportunities for Texas Agriculture.		
A.1.2. Strategy: REGULATE PESTICIDE USE	$ 6,122,211	$ 6,122,211
A.1.3. Strategy: INTEGRATED PEST MANAGEMENT	$ 17,079,491	$ 17,079,491
Reduce Pesticide Use through Integrated Pest Management Practices.		
A.1.4. Strategy: CERTIFY PRODUCE	$ 136,605	$ 136,605
Certify Fruits, Vegetables and Peanuts to Enhance Their Marketability.		
Total, Goal A: MARKETS & PUBLIC HEALTH	$ 38,510,086	$ 32,932,720
B. Goal: ENFORCE STANDARDS		
Protect Consumers, Establish and Enforce Standards for Ag Commodities.		

B.1.1. Strategy: SURVEILLANCE/BIOSECURITY EFFORTS Implement Surveillance and Biosecurity Efforts for Pests/Diseases.	$ 1,892,345	$ 1,892,345
B.1.2. Strategy: VERIFY SEED QUALITY Verify the Quality and Type of Seed Desired.	$ 3,048,117	$ 3,048,117
B.1.3. Strategy: AGRICULTURAL COMMODITY REGULATION Regulate Commodity through Verification, Licensing, Inspect, & Enfmnt.	$ 1,212,745	$ 1,212,745
Total, Goal B: ENFORCE STANDARDS	$ 6,153,207	$ 6,153,207
C. Goal: ENSURE PROPER MEASUREMENT Increase Likelihood That Goods Offered for Sale Are Properly Measured.		
C.1.1. Strategy: INSPECT MEASURING DEVICES Inspect Weighing and Measuring Devices/Reduce Violations.	$ 2,879,860	$ 2,879,860
D. Goal: FOOD AND NUTRITION Provide Funding and Assistance on Food and Nutrition Programs.		
D.1.1. Strategy: SUPPORT NUTRITION PROGRAMS Support Nutrition Programs in Schools.	$ 11,724,104	$ 11,724,104
E. Goal: FOOD AND FIBERS COMMISSION Support and Coordinate Fibers and Food Protein Research.		
E.1.1. Strategy: RESEARCH AND DEVELOPMENT Review, Coordinate, and Fund Research and Development Programs.	$ 4,597,370	$ 4,597,370
F. Goal: ADMINISTRATIVE REDUCTIONS		
F.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (380,156)	$ (397,339)
Grand Total, DEPARTMENT OF AGRICULTURE	$ 63,484,471	$ 57,889,922
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 21,914,386	$ 21,914,386
Other Personnel Costs	890,832	890,832
Professional Fees and Services	1,396,989	1,396,989
Fuels and Lubricants	779,687	779,687
Consumable Supplies	498,320	498,320
Utilities	611,830	611,830
Travel	504,420	505,012
Rent - Building	737,179	737,179
Rent - Machine and Other	275,359	275,359
Other Operating Expense	11,065,397	9,585,840
Grants	24,057,444	19,941,860
Capital Expenditures	752,628	752,628
Total, Object-of-Expense Informational Listing	$ 63,484,471	$ 57,889,922
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,376,754	$ 1,397,405
Group Insurance	4,153,239	4,231,715
Social Security	1,657,927	1,682,796
Benefits Replacement	194,655	184,922
Subtotal, Employee Benefits	$ 7,382,575	$ 7,496,838
Debt Service		
TPFA GO Bond Debt Service	$ 4,201	$ 4,084

Lease Payments	58,619	58,293
Subtotal, Debt Service	$ 62,820	$ 62,377
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,445,395	$ 7,559,215

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Agriculture. 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 Agriculture. In order to achieve the objectives and service standards established by this Act, the Department of Agriculture shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: MARKETS & PUBLIC HEALTH		
Outcome (Results/Impact):		
Percent Increase from the Previous Biennium in the Number of Marketing Opportunities for Individuals Enrolled in TDA Marketing Programs	5%	5%
Percent of Texas Farmers, Ranchers and Agribusinesses Inspected Found to Be in Full Compliance with Pesticide Laws	97%	97%
Percent of Total Technical Assists to Rural Communities	55%	55%
A.1.1. Strategy: GENERATE MARKETING OPPORTUNITIES		
Output (Volume):		
Number of Acres Inspected for Seed Certification	200,000	200,000
Number of Rural Communities Assisted	600	600
Rural Development Activities and Events Held	120	120
Businesses Developed as Expansion and Recruitment Prospects in Rural Texas	975	975
A.1.2. Strategy: REGULATE PESTICIDE USE		
Output (Volume):		
Number of Pesticide Complaint Investigations Conducted	225	225
A.1.3. Strategy: INTEGRATED PEST MANAGEMENT		
Output (Volume):		
Hours Spent Informing Producers and Surveying Cotton for Compliance with Cotton Stalk Destruction Deadlines	11,500	11,500
Number of Inspections to Verify Compliance for Organic or Other Crop Production Certification Programs	378	378
A.1.4. Strategy: CERTIFY PRODUCE		
Output (Volume):		
Number of Pounds of Fruits, Vegetables, Peanuts and Nuts Inspected (In Billions)	2.5	2.5
B. Goal: ENFORCE STANDARDS		
Outcome (Results/Impact):		
Percent of Seed Samples Found to Be in Full Compliance with State and Federal Standards	97%	97%
B.1.1. Strategy: SURVEILLANCE/BIOSECURITY EFFORTS		
Output (Volume):		
Number of Nursery and Floral Establishment Inspections Conducted	9,500	9,500
B.1.2. Strategy: VERIFY SEED QUALITY		
Output (Volume):		
Number of Seed Samples Analyzed	20,500	20,500
B.1.3. Strategy: AGRICULTURAL COMMODITY REGULATION		
Output (Volume):		
Number of Egg Packer, Dealer, Wholesaler, and Retailer Inspections Conducted	2,100	2,100
Number of Grain Warehouse Inspections, Re-inspections and Audits Conducted	275	275
C. Goal: ENSURE PROPER MEASUREMENT		
Outcome (Results/Impact):		
Percent of Total Weights and Measures Inspections Conducted That Are Found to Be in Full Compliance with State and Federal Standards	96%	96%

C.1.1. Strategy: INSPECT MEASURING DEVICES		
Output (Volume):		
Number of Weights and Measures Inspections Conducted	85,000	85,000
D. Goal: FOOD AND NUTRITION		
Outcome (Results/Impact):		
Percent of School Districts in Compliance with Nutrition Regulations	85%	85%
D.1.1. Strategy: SUPPORT NUTRITION PROGRAMS		
Output (Volume):		
Number of School District Staff Trained	10,000	10,000
E. Goal: FOOD AND FIBERS COMMISSION		
Outcome (Results/Impact):		
Leverage Ratio of General Revenue to Other Research Funds	2.75	2.75
E.1.1. Strategy: RESEARCH AND DEVELOPMENT		
Output (Volume):		
Number of Research and Development Projects	38	38
Number of Formal Published Research Reports	150	150
Efficiencies:		
Cumulative Accrual of Supporting Research Funds	3,210,095	3,210,095

2. **Capital Budget.** Funds appropriated above may be expended for capital budget items as 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.

	2006	2007
~~Out of the General Revenue Fund:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Information Systems Development~~	~~$ 165,000~~	~~$ 165,000~~
~~b. Transportation Items~~		
~~(1) Fleet Vehicles~~	~~$ 337,500~~	~~$ 337,500~~
~~c. Acquisition of Capital Equipment and Items~~		
~~(1) Octane Analyzers~~	~~$ 40,000~~	~~$ 40,000~~
~~d. Other Lease Payments to the Master Lease Purchase Program (MLPP)~~		
~~(1) Lease Payments - Metrology Laboratory~~	~~$ 142,490~~	~~$ 142,149~~
~~Total, Capital Budget~~	~~$ 684,990~~	~~$ 684,649~~

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Information Systems Development	$ 165,000	$ 165,000
b. Transportation Items		
(1) Fleet Vehicles	$ 327,509	$ 327,484
c. Acquisition of Capital Equipment and Items		
(1) Octane Analyzers	$ 40,000	$ 40,000
d. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Lease Payments - Metrology Laboratory	$ 148,666	$ 148,329
Total, Capital Budget	$ 681,175	$ 680,813

43. **Fee Increase Authority and Limitation.** ~~For the purpose of implementing the intent of the Legislature that t~~The Texas Department of Agriculture shall collect fee amounts which offset, when feasible, the direct and indirect costs of administering its regulatory activities~~,.t~~ The

department is hereby authorized to and shall increase fees by a percentage sufficient to offset costs associated with its regulatory activities. It is the intent of the Legislature that the cost offset percentage shall be 100 percent for regulatory activities in the following strategies: A.1.1, Generate Marketing Opportunities; A.1.2, Regulate Pesticide Use; A.1.3, Integrated Pest Management; B.1.1, Surveillance/Biosecurity Efforts; B.1.3, Agricultural Commodity Regulation; and C.1.1, Inspect Measuring Devices. The following activities are exempt from this requirement: Seed Testing, Quarantine Enforcement/Education; Piece Rate Crop Survey; Pest Management Program; Agriculture Hazard Communication Act; Boll Weevil Control Act; and~~,~~ Predatory Management Program.

4. **Appropriation: Land Donations.** The Texas Department of Agriculture is hereby authorized to lease and/or accept the donation of land or the use of land from either governmental agencies, private firms, corporations, or individuals to be used in connection with the performance of its various responsibilities and programs.

5. **Pay for Regular Compensatory Time: Livestock Export Pen Operations.** It is expressly provided that the Texas Department of Agriculture, to the extent permitted by law, may pay Fair Labor Standards Act (FLSA) nonexempt employees in classified positions who are stationed at Texas Department of Agriculture livestock export pens for compensatory time hours on a straight-time basis when the taking of compensatory time off would be disruptive to normal working activities and other critical functions relating to livestock export pen operations.

6. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Texas Department of Agriculture is hereby authorized to direct agency resources, and transfer such amounts appropriated above between strategy line items.

7. **Appropriation: Young Farmer Loan Guarantee Program.** Out of the Young Farmer Loan Guarantee Account No. 5002, the Texas Agricultural Finance Authority is hereby appropriated for fiscal years ~~2006~~2008 and ~~2007~~2009, all necessary amounts required to cover any defaults on loans referenced under § 58.055, Texas Agriculture Code, or for payments for the purpose of providing reduced interest rates on loans guaranteed to borrowers as authorized by § 58.052(e), Texas Agriculture Code.

~~9~~8. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, ~~2006~~2008, in the appropriations made herein to the Texas Department of Agriculture are hereby appropriated for the same purpose for the fiscal year beginning September 1, ~~2006~~2008.

~~**8.** **Appropriation: Earned Federal Funds.** The Texas Department of Agriculture is hereby appropriated all earned federal funds received during the biennium beginning with the effective date of this Act that are in addition to those earned federal funds specified in the method of financing above. (Estimated to be $0.)~~

~~10~~9. **Appropriations Limited to Revenue Collections: Octane Testing.** Included in amounts appropriated above to the Texas Department of Agriculture in Strategy C.1.1, Inspect Measuring Devices, the amount of $355,137 from the General Revenue Fund (Revenue Object Code 3015) in each fiscal year of the biennium is contingent on the collection of fees, in accordance with Article 8614, § 9, Vernon's Texas Civil Statutes, to be used solely for the purpose of administering an octane testing program.

~~11~~10. **Appropriations: License Plate Receipts.** Included in the amounts appropriated above in Strategy A.1.1, Generate Marketing Opportunities, are all balances and revenue collected on or after September 1, ~~2005~~2007 (estimated to be $~~60,000~~5,000 in GO TEXAN Partner Program Account No. 5051 in each fiscal year) from the sale of license plates as provided by Texas Transportation Code § 504.625. Any unexpended balances as of August 31, ~~2006~~2008, out of the appropriations made herein are appropriated to the Texas Department of Agriculture for the fiscal year beginning September 1, ~~2006~~2008.

~~12~~11. **Interagency Contract: Oyster Promotions and Education.** Contingent upon sufficient funds in the Oyster Sales Account No. 5022, the Texas Department of Agriculture shall enter into an interagency contract with the Texas Department of State Health Services for oyster industry advertising and promotion efforts and to provide information, education and/or

training to wholesalers, retailers, and consumers on the safe and proper handling of oysters, in accordance with Texas Agriculture Code~~,~~ § 47.

~~13~~12. Master Lease Purchase Program (MLPP) Payments for the Metrology Laboratory. Included in the amounts appropriated above to the Texas Department of Agriculture in Strategy C.1.1, Inspect Measuring Devices, out of the General Revenue Fund, are amounts required in fiscal years ~~2006~~2008 and ~~2007~~2009 to make lease payments to the Texas Public Finance Authority for the revenue bonds issued to finance construction of the metrology laboratory. The amount of the required lease payments are estimated to be $~~142,490~~148,666 in fiscal year ~~2006~~2008 and $~~142,149~~148,329 in fiscal year ~~2007~~2009.

~~It is the intent of the Legislature that t~~The Texas Department of Agriculture shall set fees for the metrology program to recover an amount equal to the amount of the appropriations made herein for lease payments, and ~~that~~maintain the fee rate ~~be maintained~~in such an amount during the term of any revenue obligations authorized herein.

~~14~~13. Appropriation: GO TEXAN Partner Program. Included in amounts appropriated above to the Texas Department of Agriculture in Strategy A.1.1, Generate Marketing Opportunities, is $1,000,000 out of the GO TEXAN Partner Program Account No. 5051 in fiscal year ~~2006~~2008, for the purpose of promoting Texas agricultural products. This amount consists of $1,000,000 out of the General Revenue Fund to be transferred to the GO TEXAN Partner Program Account No. 5051.

Also included in amounts appropriated above~~, the Texas Department of Agriculture~~ in Strategy A.1.1, Generate Marketing Opportunities, is ~~appropriated~~$1,000,000 in Appropriated Receipts received as matching funds from program participants including gifts. All appropriations shall be transferred to the GO TEXAN Partner Program Account No. 5051 and are appropriated for the purpose of administering the program.

~~15~~14. Contingency to Increase the Full-Time-Equivalents (FTE) Cap for New Initiatives. Contingent upon the receipt of federal funds above those appropriated herein for programs related to surveying, controlling or eradicating invasive pests or disease, the Texas Department of Agriculture is hereby authorized to increase its number of FTEs to the extent that federal funds are allocated for salary costs. These FTEs shall not be counted in the agency's "Number of Full-Time-Equivalents (FTE)" cap.

The Texas Department of Agriculture shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, Legislative Budget Board and the Governor prior to filling such positions.

~~16~~15. Appropriations Limited to Revenue Collections: Prescribed Burn Manager Certification Program. In addition to amounts appropriated above, the Texas Department of Agriculture is hereby appropriated fees collected (estimated to be $0) in accordance with § 153.048, Natural Resources Code, to be used solely for the purpose of administering a prescribed burn manager certification program in Strategy A.1.2, Regulate Pesticide Use.

~~17~~16. Agricultural Sustainability Programs. Out of funds appropriated above, the Texas Department of Agriculture may study, develop, and implement, creative technology and innovative solutions to mitigate agricultural non-point source pollution in the state from confined animal feeding operations and improve total resource management of agricultural and wildlife resources in the state.

~~19~~17. Appropriation of Receipts: Yardage Fees. Included in the amounts appropriated above pursuant to Agriculture Code~~,~~ § 146.021 and included above in Strategy A.1.1, Generate Marketing Opportunities, and identified above in the method of finance as General Revenue in an amount not to exceed $200,000 for each fiscal year is yardage fee revenue collected by the Texas Department of Agriculture for maintenance and operating expenses for livestock export pens.

~~Included in the amounts appropriated above, any unexpended and unobligated balances remaining as of August 31, 2005 are hereby appropriated for the same purposes for the biennium beginning September 1, 2005, to Strategy A.1.1, Generate Marketing Opportunities, not to exceed $98,500 in General Revenue.~~

~~Contingent upon a finding of fact by the Comptroller that revenue generated by yardage fees exceeds the Comptroller's Biennial Revenue Estimate by $462,000, in addition to amounts appropriated above the Texas Department of Agriculture is appropriated $231,000 per fiscal year for maintenance and operating expenses for livestock export pens.~~

18. **Texas Capital Fund.** All grants awarded by the Texas Department of Agriculture for infrastructure development and real estate development under the federal Community Development Block Grant Program shall be distributed with a priority on assisting manufacturers and value-added processors. To the greatest extent practicable, these funds are to be distributed equitably to all regions of this state.

~~20~~19. Child Nutrition Program. ~~It is the intent of the Seventy-ninth Legislature that as designated by the United States Department of Agriculture (USDA), the Texas Department of Agriculture will administer the $2,211,798,248 ($2,182,600,000 Federal Funds and $29,198,248 General Revenue Fund) Child Nutrition Program. The Texas Department of Agriculture has accepted responsibility for the distribution of the funds in accordance with the applicable rules and regulations for the National School Lunch Program, the School Breakfast Program, the Special Milk Program, and the Commodity Schools Program and all other applicable rules and regulations.~~

Included in the amounts appropriated above to the Texas Department of Agriculture for the ~~2006-07~~2008-09 biennium is $~~20,600,000~~21,400,000 out of Federal Funds and $398,248 out of the General Revenue Fund in Strategy D.1.1, Support Nutrition Programs, to administer the Child Nutrition Program.

~~It is also the intent of the Legislature that the Child Nutrition Program payments to independent school districts be budgeted at the Texas Education Agency and administered through an interagency contract with the Texas Department of Agriculture.~~ Included in the amounts appropriated elsewhere in this Act to the Texas Education Agency for the ~~2006-07~~2008-09 biennium is $~~2,162,000,000~~2,707,368,183 out of Federal Funds and $28,800,000 out of the General Revenue Fund to provide reimbursement for the National School Lunch Program, the School Breakfast Program, ~~and~~the After School Snack ~~p~~Program~~s~~, and the Seamless Summer Program.

~~21~~20. Texas Wine Marketing Assistance Program. Included in the amounts appropriated above out of the General Revenue Fund is $250,000 each fiscal year in Strategy A.1.1, Generate Marketing Opportunities, from fee revenue transferred from the Texas Alcoholic Beverage Commission pursuant to Texas Alcoholic Beverage Code § 5.56 for the purpose of administering the Texas Wine Marketing program.

~~22~~21. Texas Shrimp Marketing Assistance Program. Included in the amounts appropriated above out of the General Revenue Fund in Strategy A.1.1, Generate Marketing Opportunities, is $25,000 each fiscal year from fees collected pursuant to Agriculture Code § 134.014(b) and $250,000 each fiscal year from fee revenue transferred from the Texas Parks and Wildlife Department pursuant to Parks and Wildlife Code § 77.002(c) for the purpose of administering the Texas Shrimp Marketing program.

~~23~~22. Appropriation: Texas Yes! Program. Included in amounts appropriated above to the Texas Department of Agriculture in Strategy A.1.1, Generate Marketing Opportunities, is $1,000,000 out of the General Revenue Fund in fiscal year ~~2006~~2008 for the Texas Yes! program.

~~24~~23. Appropriation: Feral Hog Abatement Program. Included in the amounts appropriated above out of the General Revenue Fund in Strategy A.1.1, Generate Marketing Opportunities, is $500,000 in fiscal year ~~2006~~2008 to be used to establish a Feral Hog Abatement program.

Any unexpended balances as of August 31, ~~2006~~2008 out of appropriations made herein are appropriated to the Texas Department of Agriculture for the same purpose for the fiscal year beginning September 1, ~~2006~~2008.

ANIMAL HEALTH COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 8,829,188	$ 8,828,246
Federal Funds	4,504,651	4,504,651
Total, Method of Financing	$ 13,333,839	$ 13,332,897
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	205.0	205.0
Schedule of Exempt Positions:		
Executive Director, Group 5	$95,000	$95,000
Items of Appropriation:		
A. Goal: PROTECT/ENHANCE TEXAS ANIMAL HEALTH		
Protect/Enhance Health of Texas Animal Populations.		
A.1.1. Strategy: FIELD OPERATIONS	$ 9,462,385	$ 9,446,825
Field Operations for Animal Health Management and Assurance Programs.		
A.1.2. Strategy: DIAGNOSTIC/EPIDEMIOLOGICAL SUPPORT	$ 2,080,594	$ 2,097,154
Diagnostic/Epidemiological Support Services.		
A.1.3. Strategy: PROMOTE COMPLIANCE	$ 318,650	$ 318,650
Promote Compliance and Resolve Violations.		
Total, Goal A: PROTECT/ENHANCE TEXAS ANIMAL HEALTH	$ 11,861,629	$ 11,862,629
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 920,890	$ 919,890
B.1.2. Strategy: INFORMATION RESOURCES	$ 315,208	$ 315,208
B.1.3. Strategy: OTHER SUPPORT SERVICES	$ 295,936	$ 295,936
Total, Goal B: INDIRECT ADMINISTRATION	$ 1,532,034	$ 1,531,034
C. Goal: ADMINISTRATIVE REDUCTIONS		
C.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (59,824)	$ (60,766)
Grand Total, ANIMAL HEALTH COMMISSION	$ 13,333,839	$ 13,332,897
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 7,676,869	$ 7,676,869
Other Personnel Costs	342,524	342,524
Professional Fees and Services	170,253	169,253
Fuels and Lubricants	74,314	74,314
Consumable Supplies	257,259	257,259
Utilities	162,142	163,702
Travel	659,843	659,843
Rent - Building	380,218	380,218
Rent - Machine and Other	54,262	54,262
Other Operating Expense	3,523,902	3,522,400
Capital Expenditures	32,253	32,253
Total, Object-of-Expense Informational Listing	$ 13,333,839	$ 13,332,897
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 485,756	$ 493,042
Group Insurance	1,852,531	1,891,437

Social Security	593,075	601,971
Benefits Replacement	99,665	94,682
Subtotal, Employee Benefits	$ 3,031,027	$ 3,081,132
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,031,027	$ 3,081,132

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Animal Health 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 Animal Health Commission. In order to achieve the objectives and service standards established by this Act, the Animal Health Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: PROTECT/ENHANCE TEXAS ANIMAL HEALTH		
Outcome (Results/Impact):		
Percent Change in Known Prevalence of Bovine Brucellosis from the 1994 Level	(100)%	(100)%
A.1.1. Strategy: FIELD OPERATIONS		
Output (Volume):		
Number of Livestock Shipments Inspected	4,000	4,000
A.1.2. Strategy: DIAGNOSTIC/EPIDEMIOLOGICAL SUPPORT		
Output (Volume):		
Number of Specimens Processed through the State/Federal Cooperative Laboratory System	2,700,000	2,700,000
A.1.3. Strategy: PROMOTE COMPLIANCE		
Output (Volume):		
Number of Compliance Actions Completed	325	325

2. **Unexpended Balance Authority: Within the Biennium.** The Texas Animal Health Commission is hereby authorized to carry forward and is hereby appropriated any unexpended balances from fiscal year 200~~6~~8 to fiscal year 200~~7~~9.

3. **Laboratory Testing.** It is the intent of the Legislature that laboratory testing for animal diseases be performed at the Texas Veterinary Medical Diagnostic Lab (TVMDL) to the extent of its capabilities, unless the Texas Animal Health Commission (TAHC) State-Federal Laboratory can perform the testing for TAHC programs more cost effectively. Furthermore, the Texas Animal Health Commission will work with TVMDL to reduce duplication and ensure that all testing is performed in Texas to the extent possible.

~~6~~4. **Testing and Immunization of Employees.** Funds appropriated above may be expended for any immunization or testing, which is required of employees at risk in the performance of their duties.

~~4.~~ ~~**Contingency to Increase the Full-Time-Equivalents (FTE) Cap for the Tuberculosis Eradication Program.** Contingent upon the receipt of federal funds for the tuberculosis eradication program, the Texas Animal Health Commission is hereby authorized to increase its number of FTEs to the extent that federal funds for the tuberculosis eradication program are allocated for salary costs. The "Number of Full-Time-Equivalents (FTE)" cap is hereby increased by five FTEs each fiscal year.~~

~~The Texas Animal Health Commission shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor prior to filling such positions.~~

~~7~~5. **Fee Revenue: Poultry Registration.** Included in the amounts appropriated above out of the General Revenue Fund is $~~1~~37,705 each fiscal year in Strategy A.1.1, Field Operations, from fees collected pursuant to Agriculture Code § 161.0411 for the purpose of administering the poultry registration program.

~~5.~~ ~~**Contingency to Increase the Full-Time-Equivalents (FTE) Cap for the Exotic Newcastle Disease Program.** Contingent upon the receipt of federal funds for the Exotic Newcastle Disease program, the Texas Animal Health Commission is hereby authorized to increase its~~

~~number of FTEs to the extent that federal funds for the Exotic Newcastle Disease program are allocated for salary costs. The "Number of Full-Time-Equivalents (FTE)" cap is hereby increased by six FTEs each fiscal year.~~

~~The Texas Animal Health Commission shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor prior to filling such positions.~~

~~9~~6. **Contingency to Increase the Full-Time-Equivalents (FTE) Cap for Federally Funded Programs.** Contingent upon the receipt of federal funds above those appropriated in this Act for programs related to animal identification or surveillance, control, or eradication of animal health pests or diseases, the Texas Animal Health Commission is hereby authorized to increase its number of FTEs to the extent that federal funds are allocated for salary costs. These FTEs shall not be counted against the agency's "Number of Full-Time-Equivalents (FTE)" cap.

The Texas Animal Health Commission shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor prior to filling a position described by this rider.

7. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Animal Health Commission are made contingent on the continuation of the Animal Health Commission by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008, or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

8. **Fee Revenue: Premises Registration.** Included in the amounts appropriated above out of the General Revenue Fund is $95,886 each fiscal year in Strategy A.1.1, Field Operations, from fees collected pursuant to Agriculture Code §161.056 for the purpose of administering the premises registration program.

~~8.~~ ~~**Contingency Appropriation for Bovine Brucellosis First Point Testing.** Contingent upon the passage of Senate Bill 590 or similar legislation that allows the Texas Animal Health Commission to increase the fee for veterinary health certificates by Commission rule, in addition to the amounts appropriated above the Texas Animal Health Commission is hereby appropriated $440,000 each fiscal year out of the General Revenue Fund to be used in Strategy A.1.1, Field Operations to administer the bovine brucellosis first point testing program.~~

~~This appropriation is contingent upon new revenue being generated due to the passage of legislation and deposited to the credit of the General Revenue Fund in an amount not to exceed $440,000 in each fiscal year. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available.~~

~~10.~~ ~~**Appropriation: Targeted Pay Raise for Veterinarians.** In addition to the amounts appropriated above, the Animal Health Commission (AHC) is hereby appropriated out of the General Revenue Fund $180,000 in fiscal year 2006 and $180,000 in fiscal year 2007 to be used for salary increases for veterinarians located in AHC field offices. This appropriation shall be allocated to the appropriate strategies (Items of Appropriation) listed above.~~

COMMISSION ON ENVIRONMENTAL QUALITY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 8,312,582	$ 8,286,882
General Revenue Fund - Dedicated		
Low Level Waste Account No. 088	1,789,586	1,039,586

Used Oil Recycling Account No. 146	920,457	920,457
Clean Air Account No. 151	55,237,809	50,677,749
Water Resource Management Account No. 153	44,620,265	44,288,944
Watermaster Administration No. 158	1,152,684	1,152,685
TCEQ Occupational Licensing Account No. 468	1,667,539	1,582,497
Waste Management Account No. 549	40,480,545	40,387,238
Hazardous and Solid Waste Remediation Fee Account No. 550	26,587,474	26,289,384
Petroleum Storage Tank Remediation Account No. 655	55,743,529	21,640,000
Solid Waste Disposal Account No. 5000	10,986,324	10,986,324
Environmental Testing Laboratory Accreditation Account No. 5065	94,151	94,151
Texas Emissions Reduction Plan Account No. 5071	128,571,594	128,571,594
Dry Cleaning Facility Release Account No. 5093	7,203,912	7,203,912
Operating Permit Fees Account No. 5094	28,804,783	28,670,259
Subtotal, General Revenue Fund - Dedicated	$ 403,860,652	$ 363,504,780
Federal Funds	43,018,614	41,677,663
Other Funds		
Appropriated Receipts	1,145,348	1,145,348
Interagency Contracts	6,270,698	6,060,698
Subtotal, Other Funds	$ 7,416,046	$ 7,206,046
Total, Method of Financing	$ 462,607,894	$ 420,675,371
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 474,674	$ 476,838
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	2,931.0	2,924.0
Schedule of Exempt Positions:		
Executive Director	$132,000	$132,000
Commissioner, Chair, Group 5	111,792	111,792
Commissioner, Group 5 (2)	(2) 109,200	(2) 109,200
Items of Appropriation:		
A. Goal: ASSESSMENT, PLANNING AND PERMITTING		
A.1.1. Strategy: AIR QUALITY ASSESSMENT AND PLANNING	$ 174,626,677	$ 170,073,000
A.1.2. Strategy: WATER ASSESSMENT AND PLANNING Water Resource Assessment and Planning.	$ 30,477,215	$ 29,437,105
A.1.3. Strategy: WASTE ASSESSMENT AND PLANNING Waste Management Assessment and Planning.	$ 13,677,610	$ 13,499,387
A.2.1. Strategy: AIR QUALITY PERMITTING	$ 13,302,814	$ 13,349,105
A.2.2. Strategy: WATER RESOURCE PERMITTING	$ 11,714,321	$ 11,714,328
A.2.3. Strategy: WASTE MANAGEMENT AND PERMITTING	$ 9,240,274	$ 9,350,876
A.2.4. Strategy: OCCUPATIONAL LICENSING	$ 3,527,506	$ 3,442,506
A.3.1. Strategy: LOW-LEVEL RADIOACTIVE WASTE MGMT Low-level Radioactive Waste Management.	$ 1,789,586	$ 1,039,586
Total, Goal A: ASSESSMENT, PLANNING AND PERMITTING	$ 258,356,003	$ 251,905,893
B. Goal: DRINKING WATER AND WATER UTILITIES		
B.1.1. Strategy: SAFE DRINKING WATER Safe Drinking Water Oversight.	$ 11,256,218	$ 11,027,468
B.1.2. Strategy: WATER UTILITIES OVERSIGHT	$ 2,436,790	$ 2,350,182
Total, Goal B: DRINKING WATER AND WATER UTILITIES	$ 13,693,008	$ 13,377,650
C. Goal: ENFORCEMENT AND COMPLIANCE SUPPORT Enforcement and Compliance Assistance.		
C.1.1. Strategy: FIELD INSPECTIONS & COMPLAINTS Field Inspections and Complaint Response.	$ 35,570,659	$ 35,732,128

C.1.2. Strategy: ENFORCEMENT & COMPLIANCE SUPPORT Enforcement and Compliance Support.	$ 11,327,248	$ 11,184,690
C.1.3. Strategy: POLLUTION PREVENTION RECYCLING Pollution Prevention, Recycling and Innovative Programs.	$ 4,992,662	$ 4,857,851
Total, Goal C: ENFORCEMENT AND COMPLIANCE SUPPORT	$ 51,890,569	$ 51,774,669
D. Goal: POLLUTION CLEANUP Pollution Cleanup Programs to Protect Public Health & the Environment.		
D.1.1. Strategy: STORAGE TANK ADMIN & CLEANUP Storage Tank Administration and Cleanup.	$ 64,962,551	$ 30,859,022
D.1.2. Strategy: HAZARDOUS MATERIALS CLEANUP	$ 32,074,140	$ 32,074,142
Total, Goal D: POLLUTION CLEANUP	$ 97,036,691	$ 62,933,164
E. Goal: RIVER COMPACT COMMISSIONS Ensure Delivery of Texas' Equitable Share of Water.		
E.1.1. Strategy: CANADIAN RIVER COMPACT	$ 19,622	$ 19,622
E.1.2. Strategy: PECOS RIVER COMPACT	$ 119,311	$ 119,311
E.1.3. Strategy: RED RIVER COMPACT	$ 29,667	$ 29,667
E.1.4. Strategy: RIO GRANDE RIVER COMPACT	$ 132,855	$ 132,855
E.1.5. Strategy: SABINE RIVER COMPACT	$ 54,654	$ 54,654
Total, Goal E: RIVER COMPACT COMMISSIONS	$ 356,109	$ 356,109
F. Goal: INDIRECT ADMINISTRATION		
F.1.1. Strategy: CENTRAL ADMINISTRATION	$ 20,251,533	$ 19,665,577
F.1.2. Strategy: INFORMATION RESOURCES	$ 11,812,403	$ 11,490,112
F.1.3. Strategy: OTHER SUPPORT SERVICES	$ 10,659,735	$ 10,644,135
Total, Goal F: INDIRECT ADMINISTRATION	$ 42,723,671	$ 41,799,824
G. Goal: ADMINISTRATIVE REDUCTIONS		
G.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (1,448,157)	$ (1,471,938)
Grand Total, COMMISSION ON ENVIRONMENTAL QUALITY	$ 462,607,894	$ 420,675,371
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 141,292,763	$ 140,986,288
Other Personnel Costs	6,482,321	6,470,616
Professional Fees and Services	92,980,459	79,939,168
Fuels and Lubricants	450,793	450,793
Consumable Supplies	1,365,282	1,346,274
Utilities	2,259,469	2,261,819
Travel	2,052,850	2,052,849
Rent - Building	5,155,788	5,155,407
Rent - Machine and Other	1,173,730	1,173,730
Other Operating Expense	160,367,987	132,519,538
Client Services	15,113,669	15,113,669
Grants	28,291,194	28,485,297
Capital Expenditures	5,621,589	4,719,923
Total, Object-of-Expense Informational Listing	$ 462,607,894	$ 420,675,371
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 9,104,857	$ 9,241,429
Group Insurance	18,948,202	19,145,656
Social Security	10,953,196	11,117,494
Benefits Replacement	1,207,200	1,146,840
Subtotal, Employee Benefits	$ 40,213,455	$ 40,651,419

Debt Service		
Lease Payments	$ 3,531,515	$ 3,450,849
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 43,744,970	$ 44,102,268

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Commission on Environmental Quality. 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 Environmental Quality. In order to achieve the objectives and service standards established by this Act, the Commission on Environmental Quality shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ASSESSMENT, PLANNING AND PERMITTING		
Outcome (Results/Impact):		
Annual Percent of Stationary and Mobile Source Pollution Reductions in Nonattainment Areas	6%	6%
Nitrogen Oxides (NOx) Emissions Reduced through the Texas Emissions Reduction Plan (TERP)	70%	83.3%
Annual Percent Reduction in Pollution from Permitted Wastewater Facilities Discharging to the Waters of the State	.8%	.8%
Percent of Texas Surface Water Meeting or Exceeding Water Quality Standards	67%	67%
Annual Percent Reduction in Disposal of Municipal Solid Waste Per Capita	(.02)%	(.02)%
Annual Percent Decrease in the Toxic Releases in Texas	2%	2%
Percent of Scheduled Licensing Activities Complete	100%	100%
A.1.1. Strategy: AIR QUALITY ASSESSMENT AND PLANNING		
Output (Volume):		
Number of Point Source Air Quality Assessments	2,000	2,000
Number of Area Source Air Quality Assessments	2,500	2,500
Number of Mobile Source Air Quality Assessments	1,250	1,250
Number of Tons of Nitrogen Oxides Reduced Per Year through Texas Emissions Reduction Plan Expenditures	23,264	23,264
Number of New Technology Grant Proposals Reviewed	45	45
Efficiencies:		
Average Cost of Low Income Repair Assistance Program (LIRAP) Vehicle Emissions Repairs/Retrofits	525	525
Average Cost Per Ton of Nitrous Oxides Reduced through Texas Emissions Reduction Plan Expenditures	5,000	5,000
Average Number of Days to Review a Grant Proposal	1	1
A.1.2. Strategy: WATER ASSESSMENT AND PLANNING		
Output (Volume):		
Number of Surface Water Assessments	67	119
Number of Groundwater Assessments	60	60
A.1.3. Strategy: WASTE ASSESSMENT AND PLANNING		
Output (Volume):		
Number of Municipal Solid Waste Facility Capacity Assessments	250	250
Efficiencies:		
Average Cost per Municipal Solid Waste Facility Capacity Assessment	35	35
A.2.1. Strategy: AIR QUALITY PERMITTING		
Output (Volume):		
Number of State and Federal New Source Review Air Quality Permit Applications Reviewed	5,800	6,000
Number of Federal Air Quality Operating Permits Reviewed	1,100	1,100
A.2.2. Strategy: WATER RESOURCE PERMITTING		
Output (Volume):		
Number of Applications to Address Water Quality Impacts Reviewed	17,408	17,408
Number of Concentrated Animal Feeding Operation (CAFO) Authorizations Reviewed	90	90
A.2.3. Strategy: WASTE MANAGEMENT AND PERMITTING		
Output (Volume):		
Number of Nonhazardous Waste Permit Applications Reviewed	236	236
Number of Hazardous Waste Permit Applications Reviewed	160	160

A.2.4. Strategy: OCCUPATIONAL LICENSING		
Output (Volume):		
Number of Examinations Administered	10,500	10,500
B. Goal: DRINKING WATER AND WATER UTILITIES		
Outcome (Results/Impact):		
Percent of Texas Population Served by Public Water Systems Which Meet Drinking Water Standards	94%	90%
B.1.1. Strategy: SAFE DRINKING WATER		
Output (Volume):		
Number of Public Drinking Water Systems Which Meet Primary Drinking Water Standards	6,200	6,200
Number of Drinking Water Samples Collected	36,051	36,051
B.1.2. Strategy: WATER UTILITIES OVERSIGHT		
Output (Volume):		
Number of Utility Rate Reviews Performed	100	100
C. Goal: ENFORCEMENT AND COMPLIANCE SUPPORT		
Outcome (Results/Impact):		
Percent of Inspected or Investigated Air Sites in Compliance	98%	98%
Percent of Inspected or Investigated Water Sites and Facilities in Compliance	97%	97%
Percent of Inspected or Investigated Waste Sites in Compliance	97%	97%
Percent of Identified Noncompliant Sites and Facilities for Which Timely and Appropriate Enforcement Action Is Taken	85%	85%
Percent of Administrative Penalties Collected	88%	88%
C.1.1. Strategy: FIELD INSPECTIONS & COMPLAINTS		
Output (Volume):		
Number of Inspections and Investigations of Air Sites	13,000	13,000
Number of Inspections and Investigations of Water Rights Sites	34,000	34,000
Number of Inspections and Investigations of Water Sites and Facilities	8,500	8,500
Number of Inspections and Investigations of Livestock and Poultry Operation Sites	700	700
Number of Inspections and Investigations of Waste Sites	7,358	7,358
C.1.2. Strategy: ENFORCEMENT & COMPLIANCE SUPPORT		
Output (Volume):		
Number of Environmental Laboratories Accredited	300	300
Number of Small Businesses and Local Governments Assisted	54,000	54,000
D. Goal: POLLUTION CLEANUP		
Outcome (Results/Impact):		
Percent of Leaking Petroleum Storage Tank Sites Cleaned up	88%	90%
Percent of Superfund Sites Cleaned up	57%	56%
Percent of Voluntary and Brownfield Cleanup Properties Made Available for Commercial, Industrial and Community Redevelopment, or Other Economic Reuse	65%	65.1%
D.1.1. Strategy: STORAGE TANK ADMIN & CLEANUP		
Output (Volume):		
Number of Petroleum Storage Tank Reimbursement Applications Processed	3,500	0
D.1.2. Strategy: HAZARDOUS MATERIALS CLEANUP		
Output (Volume):		
Number of Voluntary and Brownfield Cleanups Completed	80	80
Number of Superfund Sites in Texas Undergoing Evaluation and Cleanup	67	73
Number of Superfund Cleanups Completed	4	4
Number of Dry Cleaner Remediation Program Applications Received	30	30
E. Goal: RIVER COMPACT COMMISSIONS		
Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Canadian River Compact	100%	100%
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Pecos River Compact	100%	100%

The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Red River Compact	100%	100%
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Rio Grande River Compact	100%	100%
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Sabine River Compact	100%	100%

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.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Air Quality Integration and Reporting (AQIR)	$ 167,000	$ 267,000
(2) Consolidated Compliance and Enforcement Database Interface Online (CCEDS Interface Online)	50,000	0
(3) Core Data Migration	100,000	0
(4) Electronic Data Management System (EDMS)	375,000	0
(5) Environmental Monitoring and Response Systems (EMRS)	482,000	208,000
(6) Hand-Held Devices (HHD)	325,000	325,000
(7) Online Permitting System	150,000	0
(8) Policy Review Tracking System (PRTS)	83,500	0
(9) Resource Planning Tool (RPT)	30,000	0
(10) State Implementation Plan Emissions Data Management System (SIP EDMS)	600,000	600,000
(11) State of Texas Air Reporting System (STARS)	150,000	0
(12) Surface Water Quality Monitoring Information System (SWQMIS)	1,000,000	0
(13) Water Supply Spatial System (WSSS)	130,983	0
(14) Life Cycle Replacement	1,336,037	1,218,452
(15) New Capacity	744,000	745,631
(16) Personal Computer and Printer Replacement	852,110	1,086,650
(17) Software	$ 1,150,506	$ 99,369
Total, Acquisition of Information Resource Technologies	$ 7,726,136	$ 4,550,102
b. Transportation Items		
(1) Replacement Boats	117,000	35,500
(2) Replacement Vehicles for Agency Fleet	$ 1,440,000	$ 87,000
Total, Transportation Items	$ 1,557,000	$ 122,500
c. Acquisition of Capital Equipment and Items		
(1) Air Monitoring Equipment	1,407,010	1,406,260
(2) Water Monitoring and Analysis Equipment	$ 750,000	$ 750,000
Total, Acquisition of Capital Equipment and Items	$ 2,157,010	$ 2,156,260
Total, Capital Budget	$ 11,440,146	$ 6,828,862

~~Method of Financing (Capital Budget):~~

~~General Revenue Fund - Dedicated~~		
~~Used Oil Recycling Account No. 146~~	~~$ 26,569~~	~~$ 26,569~~
~~Clean Air Account No. 151~~	~~4,731,599~~	~~3,304,337~~
~~Water Resource Management Account No. 153~~	~~2,157,137~~	~~1,014,117~~
~~Watermaster Administration No. 158~~	~~26,000~~	~~56,000~~
~~TCEQ Occupational Licensing Account No. 468~~	~~96,160~~	~~46,160~~
~~Waste Management Account No. 549~~	~~2,680,385~~	~~2,223,710~~
~~Hazardous and Solid Waste Remediation Fee Account No. 550~~	~~522,296~~	~~132,969~~
~~Operating Permit Fees Account No. 5094~~	~~200,000~~	~~25,000~~
~~Subtotal, General Revenue Fund - Dedicated~~	~~$ 10,440,146~~	~~$ 6,828,862~~
~~Federal Funds~~	~~1,000,000~~	~~0~~
~~Total, Method of Financing~~	~~$ 11,440,146~~	~~$ 6,828,862~~

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Life Cycle Replacement	$ 657,582	$ 545,762
(2) New Capacity	358,866	433,291
(3) PC Replacement	748,453	899,493
(4) Software	672,409	0
(5) Integrated Billing Accounts Receivable	363,000	187,800
(6) State of Texas Air Reporting System (STARS)	255,000	0
(7) TABS Budget Monitoring & LAR System	777,600	380,239
(8) Texas Air Monitoring Information System (TAMIS)	200,000	126,400
(9) Purchasing & Contracts Enterprise	204,000	173,400
(10) Occupational Licensing Enhancements	85,000	0
(11) Human Resource Retooling	275,400	0
(12) Data Repository (Water Utilities Districts-WUD)	297,500	0
(13) Data Network and Security	707,479	734,598
Total, Acquisition of Information Resource Technologies	$ 5,602,289	$ 3,480,983
b. Transportation Items		
(1) Replacement Boats	78,585	50,700
(2) Replacement Vehicles for Agency Fleet	$ 211,611	$ 66,679
Total, Transportation Items	$ 290,196	$ 117,379
c. Acquisition of Capital Equipment and Items		
(1) Air Monitoring Equipment	1,196,010	1,195,269
(2) Water Monitoring and Analysis Equipment	$ 637,500	$ 637,500
Total, Acquisition of Capital Equipment and Items	$ 1,833,510	$ 1,832,769
Total, Capital Budget	$ 7,725,995	$ 5,431,131

Method of Financing (Capital Budget):

General Revenue Fund - Dedicated		
Clean Air Account No. 151	$ 3,596,631	$ 2,753,926
Water Resource Management Account No. 153	1,605,060	1,070,238
TCEQ Occupational Licensing Account No. 468	131,160	46,160
Waste Management Account No. 549	1,623,448	1,422,206
Hazardous and Solid Waste Remediation Fee Account No. 550	432,196	138,601

Operating Permit Fees Account No. 5094	127,500	0
Subtotal, General Revenue Fund - Dedicated	$ 7,515,995	$ 5,431,131
Federal Funds	210,000	0
Total, Method of Financing	$ 7,725,995	$ 5,431,131

3. **Contingency Cash Flow.** If the Legislative Budget Board and Governor determine after review of relevant information that cash flow difficulties will occur as a result of the appropriations made above, the board and Governor may authorize the Texas Commission on Environmental Quality (TCEQ) to temporarily expend general revenue funds for the purpose of meeting the temporary cash flow needs of the TCEQ, limited to the amounts appropriated above. The transfer of funds shall be repaid to the General Revenue Fund by the end of the fiscal year in which the funds were transferred under procedures and standards established by the Comptroller of Public Accounts.

4. **Authorization: Aircraft Chartering.** Notwithstanding any other provision of this Act, the Texas Commission on Environmental Quality is authorized to spend appropriated funds for the chartering of aircraft for the purposes of monitoring environmental quality, and the enforcement of environmental and water rights laws of the State.

5. **Local Air Pollution Grants Allocation.** Out of the amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, an amount not less than $2,800,000 in each year of the biennium shall be utilized to fund grants or cooperative agreements with eligible local air pollution programs under Health and Safety Code, § 382.0622. It is provided, however, that the combined federal and state share of the funding for any such local air pollution programs shall not exceed 67 percent of the total allocation to the programs, with the local share being based on the local dollars allocated pursuant to maintenance-of-effort requirements for federal air pollution grants.

6. **Fee Revenue: Pollution Control Equipment Exemptions.** Pursuant to Tax Code, § 11.31, included in amounts appropriated above out of the General Revenue Fund in Strategy C.1.3, Pollution Prevention, Recycling, and Innovative Programs, is $133,600 each fiscal year from fee revenue collected beginning with the effective date of this Act for the purpose of determining whether pollution control equipment is exempt from taxation.

In addition to amounts appropriated above, any amounts collected by the Texas Commission on Environmental Quality pursuant to Tax Code, § 11.31 on or after September 1, ~~2005~~2007, in excess of $133,600 in each fiscal year of the biennium are hereby appropriated to the agency.

7. **Authorization: Operating Fund.** The Texas Commission on Environmental Quality (TCEQ) is hereby authorized to make transfers from any appropriation made to TCEQ into a single account in the General Revenue Fund known as the "Texas Commission on Environmental Quality Operating Fund" for the purpose of making expenditures for which appropriations were made in this Act. After the expenditures have been made from the fund and as soon as the proper strategies have been identified, TCEQ shall process adjustments to the Comptroller in summary accounts to facilitate accurate cost allocations; provided, however, that each special account and fund shall be used for the purposes as now described by law and nothing shall be done to jeopardize or divert the special accounts and funds or any portion thereof, including federal aid.

8. **Appropriation: Air Quality Planning.** Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is $5,075,000 for the biennium for air quality planning activities to reduce ozone and other federally designated criteria pollutants as approved by the Texas Commission on Environmental Quality (TCEQ) in areas including Austin, Corpus Christi, Longview-Tyler-Marshall, San Antonio, and Victoria. These activities may include identifying, inventorying, and monitoring of current pollution levels; modeling future pollution levels; and the identification, quantification, and implementation of potential pollution reduction through ~~voluntary~~appropriate controls. The areas receiving funds shall coordinate with the TCEQ to ensure that these activities are consistent with agency monitoring, inventory and modeling approaches and infrastructure.

~~Any unexpended balances from this appropriation as of August 31, 2006, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006.~~

9. **Appropriations Limited to Revenue Collections: Occupational Licensing.** It is the intent of the Legislature that fees, fines and other miscellaneous revenues deposited to the Occupational Licensing Account No. 468 as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above for strategy item A.2.4, Occupational Licensing, as well as the "Other direct and indirect costs" associated with this strategy, appropriated elsewhere in this Act. "Other direct and indirect costs" for strategy A.2.4, Occupational Licensing, are estimated to be ~~$311,354~~316,821 for fiscal year ~~2006~~ 2008 and ~~$319,598~~317,614 for fiscal year ~~2007~~2009. 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 the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

10. **Contract with the State Office of Administrative Hearings.** Included in the amounts appropriated above is $938,860 in fiscal year ~~2006~~2008 and $938,860 in fiscal year ~~2007~~2009 to cover the cost of contracting with the State Office of Administrative Hearings for funding the Natural Resources Division for the purpose of conducting administrative hearings and for related expenses. The Texas Commission on Environmental Quality (TCEQ) and the State Office of Administrative Hearings may not enter into a contract for an amount less than the amounts specified herein. If the State Office of Administrative Hearings determines, at the end of each fiscal year, that the amount paid under the contract exceeds the necessary funding, it shall refund the difference to TCEQ. If the State Office of Administrative Hearings determines that the amounts are insufficient to fund the Natural Resources Division, the State Office of Administrative Hearings may enter into negotiations with TCEQ in order to renegotiate the interagency contract to provide additional funds for administrative hearings. The State Office of Administrative Hearings is not appropriated any state funds from such renegotiated contracts until it gives written notice to the Legislative Budget Board and the Governor, together with written permission of the agency.

11. **Petroleum Storage Tank Administration.** Out of funds appropriated above in Strategy D.1.1, Storage Tank Administration and Cleanup, not more than ~~$7,385,406 in fiscal year 2006 and not more than $7,399,000 in fiscal year 2007~~$7,700,000 in gross receipts to the Petroleum Storage Tank Remediation (PSTR) Account No. 655 each fiscal year may be transferred to the Waste Management Account No. 549 for necessary expenses associated with the PSTR Account No. 655 and the groundwater protection cleanup program, in accordance with Water Code, § 26.3573 (d)-(e). Furthermore, the Texas Commission on Environmental Quality (TCEQ) shall not transfer funds, from the PSTR Account No. 655 from Strategy D.1.1, Storage Tank Administration and Cleanup, to any other strategy.

For the purposes of implementing activities supported in Strategy D.1.1, Storage Tank Administration and Cleanup, the TCEQ is exempt from provisions of Article IX relating to the inclusion of temporary or contract workers in the calculation of the number of Full-Time Equivalent (FTE) positions by a state agency.

~~13~~12. **Texas Parks and Wildlife Environmental Special Investigations Unit.** Included in amounts appropriated above in Strategy C.1.2, Enforcement and Compliance Support, is $250,000 out of Waste Management Account No. 549 for each fiscal year of the biennium for the purpose of supporting the Texas Parks and Wildlife Department's Environmental Special Investigations Unit to enforce state and federal laws on illegal dumping. This appropriation is contingent on a memorandum of understanding and an interagency transfer of the funds between the Texas Parks and Wildlife Department and the Texas Commission on Environmental Quality to jointly administer the program. Any unexpended balance of this appropriation from fiscal year ~~2006~~2008 is appropriated for the same purpose for fiscal year ~~2007~~2009.

~~**12.** **Certification of Section 404 Permits.** Except for the review of a federal permit or license by the state that is required in order to maintain delegation of a federal program or to comply with a requirement of federal law, none of the funds appropriated above may be expended by the commission for the purpose of certification of a federal permit issued by the US Army Corps of Engineers under § 404 of the Federal Clean Water Act.~~

~~14~~13. Federal Funds and Capital Budget Expenditures. To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Texas Commission on Environmental Quality (TCEQ) is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of ths Act, "Limitations on Expenditures - Capital Budget", when federal funds are received in excess of amounts identified in the agency's Capital Budget Rider and such funds are federally designated solely for the purchase of specific capital items. In addition, TCEQ also is hereby exempted from the Capital Budget Rider provisions within Article IX of this Act when funds are received in the form of gifts to the agency in excess of amounts identified in the agency's Capital Budget Rider and such funds are designated solely for the purchase of specific capital items. The TCEQ shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds or gift proceeds, of the amount received and items to be purchased.

~~15~~14. Appropriation: Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act. Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is $1,500,000 in fiscal year ~~2006~~2008 for research to obtain the data and information to refine and enhance any model used to demonstrate attainment with the National Ambient Air Quality Standard (NAAQS) for ozone and other pollutants under the Federal Clean Air Act during the biennium beginning on September 1, 2007. These funds may also be used to collect data and for modeling to demonstrate attainment with the National Ambient Air Quality Standard for Ozone and other pollutants. The Commission on Environmental Quality may contract as necessary to carry out these activities.

~~Any unexpended balances remaining in this appropriation on August 31, 2006 are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006.~~

~~17~~15. Reallocation of Revenue and Balances for Certain Accounts. Pursuant to Water Code, § 5.707, and notwithstanding provisions relating to Appropriation Transfers within the General Appropriations Act, the Texas Commission on Environmental Quality is hereby authorized to reallocate not more than 7 percent of the All Funds amount identified in the Method of Finance above from the following accounts (consisting of revenues and balances) to be used for purposes identified in the above strategies.

Used Oil Recycling Account No. 146
Clean Air Account No. 151
Water Resource Management Account No. 153
Watermasters Administration Account No. 158
Occupational Licensing Account No. 468
Waste Management Account No. 549
Hazardous and Solid Waste Remediation Fee Account No. 550
Solid Waste Disposal Account No. 5000
Dry Cleaning Facility Release Account No. 5093
Operating Permit Fee Account No. 5094

The Commission shall notify the Governor and the Legislative Budget Board of any decision to reallocate funds between accounts prior to any such reallocations.

~~18~~16. Appropriation: Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). Included in the amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is $~~4,000,000~~5,500,000 in each fiscal year of the ~~2006-07~~2008-09 biennium in estimated fee revenues from vehicle inspection and maintenance fees generated pursuant to Health and Safety Code, § 382.202, to fund the Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). Of the amounts, not more than $~~149,285~~161,418 in each fiscal year shall be used by the Texas Commission on Environmental Quality (TCEQ) for costs associated with administering the LIRAP as authorized in Health and Safety Code, § 382.202, and all remaining funds shall be used as LIRAP grants to local governments.

In addition to the amounts appropriated above, there is hereby appropriated to the TCEQ for the biennium beginning on September 1, ~~2005~~2007 any additional revenues from vehicle inspection and maintenance fees generated from additional counties participating in the

LIRAP beginning on or after September 1, ~~2005~~2007. Such funds shall be used to provide grants to local governments and to cover administrative costs of the TCEQ in administering the LIRAP.

17. **Waste Tires.** Out of amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall enforce statutory requirements relating to waste, scrap, or used tires. It is the intent of the Legislature that all reasonable steps be taken to minimize the illegal storage, transport, or disposal of waste or scrap tires. The TCEQ shall audit or otherwise monitor businesses that sell, transport, or store such tires and identify illegal or improper activities as well as study methods for achieving a greater level of compliance for tire disposal within the State of Texas. The TCEQ also shall seek opportunities for coordination with other agencies, such as the Comptroller of Public Accounts, through interagency agreements or contracts. Cooperating agencies shall use routine contracts with taxpayers during audits or other activity to obtain copies of tire manifests or other information relating to tire transport or storage in accordance with Health and Safety Code, § 361.112. Such agreements shall provide that the cooperating agency transmit such records to the commission for review and analysis and should be designed to have minimal costs for the cooperating agency. The TCEQ shall submit a report not later than December 1, ~~2006~~2008, to the Legislative Budget Board and the Governor detailing their efforts and findings in accordance with this provision.

~~19~~18. **Statewide Implementation Plan Credit.** The Texas Commission on Environmental Quality (TCEQ) shall evaluate all Congestion Mitigation Air Quality (CMAQ) expenditures by the Texas Department of Transportation that result in quantifiable improvements to air quality in areas considered to be nonattainment for federal air quality standards to determine whether such expenditures could result in nitrogen oxide (NOx) and volatile organic compound (VOC) emissions reductions that ~~could~~may be used as credit in the Statewide Implementation Plan (SIP) submitted to the Environmental Protection Agency (EPA).

At least annually, the TCEQ shall notify the Texas Emissions Reductions Plan (TERP) Advisory Board of its findings regarding potential additional SIP credit. In addition, the TCEQ ~~shall~~may include such items in any amendments to the SIP submitted to the EPA.

~~20~~19. **Appropriations Limited to Revenue Collections: Automobile Emission Inspections.** Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is $2,062,582 in fiscal year ~~2006~~2008 and $2,082,459 in fiscal year ~~2007~~2009 for the operation of the vehicle emissions inspection and maintenance program pursuant to § ~~382.037~~382.202, Health and Safety Code. These funds are for the purpose of developing, administering, evaluating, and maintaining the vehicle emissions inspection and maintenance program, including federally required reporting measures to demonstrate compliance with applicable federal and state laws.

In addition, if additional counties enter the vehicle emissions inspection and maintenance program during fiscal years ~~2006-07~~2008-09, 20 percent of revenues generated from the vehicle emissions and inspections fee in the additional counties in each fiscal year are hereby appropriated to the agency for the same purposes.

It is the intent of the Legislature that 20 percent of the fees authorized and generated by the operation of the vehicle emissions inspection and maintenance program cover, at a minimum, the costs of the appropriations made above, as well as the "Other direct and indirect costs" associated with the program, appropriated elsewhere in this Act. "Other direct and indirect costs" for the vehicle emissions inspection and maintenance program are estimated to be $~~165,085~~157,853 for fiscal year ~~2006~~2008 and $~~167,075~~159,224 for fiscal year ~~2007~~2009. 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.

~~22~~20. **Bosque River Water Quality Monitoring.** Out of funds appropriated above in Strategy A.1.2, Water Assessment and Planning, the Texas Commission on Environmental Quality shall conduct water quality monitoring of the Bosque River.

~~23~~21. **Appropriation: Administration Costs for the Texas River Compact Commission.** Out of the amounts appropriated above, and in addition to amounts appropriated above in Goal E, River Compact Commissions, the Texas Commission on Environmental Quality (TCEQ) shall

allocate at least ~~$37,500~~$43,750 for fiscal year 2008 and $49,750 for fiscal year 2009~~each fiscal year~~ to provide for ~~administrative services, support, and~~ operating costs for the Texas River Compact Commissions. In addition, out of amounts appropriated above, $10,700 each fiscal year shall be used for support and administrative services for the commissions.

~~**21. Appropriation: Operating Permit Fees.** In calculating the amount of the fee to be collected under Health and Safety Code, § 382.0621, the commission shall include upset and maintenance emissions in the total emissions for each source.~~

~~Included in the amounts appropriated above out of the Clean Air Act No. 151 is $520,000 in each fiscal year of the biennium in fee revenues from upset and maintenance emissions. These funds shall be used for enforcement and monitoring activities in Strategy A.2.1, Air Quality Permitting.~~

~~26~~22. Appropriation: Perpetual Care Account. In the event of an incident involving the release of radioactive material at a disposal, processing, or storage facility licensed by the Texas Commission on Environmental Quality (TCEQ), the TCEQ is hereby appropriated any revenues from the TCEQ licensee, including the proceeds of securities and interest earned, deposited to the credit of the Perpetual Care Account pursuant to Health and Safety Code, § 401.305 (b) and § 401.301 (d) during the biennium beginning September 1, ~~2005~~2007 (estimated to be $0). The funds shall be used in Strategy A.3.1, Low-Level Radioactive Waste Management, to mitigate radioactive pollution resulting from activities of a TCEQ licensee as provided in Health and Safety Code, § 401.305 (c)-(d), and pursuant to a memorandum of understanding with the Department of State Health Services relating to the regulations for the control of radiation.

~~27~~23. Environmental Health Institute. Out of amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall use up to $500,000 out of the Hazardous and Solid Waste Remediation Fee Account No. 550 during the biennium beginning on September 1, ~~2005~~2007 for the support of the Texas Environmental Health Institute (TEHI) established in conjunction with the Texas Department of State Health Services in Health and Safety Code, Chapter 427.

Any penalty amounts generated during the biennium beginning on September 1, ~~2005~~2007 from the TCEQ's administrative or civil enforcement actions that are invested in a Supplemental Environmental Project conducted by the TEHI or by any other organization in association with the TEHI, shall be considered an expenditure of the TCEQ for the purpose of supporting the TEHI.

~~28~~24. Unexpended Balance Authority within the Biennium. Any unexpended balances on August 31, ~~2006~~2008 in the appropriations made above to the Commission on Environmental Quality are hereby appropriated for the same purposes for the fiscal year beginning on September 1, ~~2006~~2008.

25. Nuisance Surveys for the Economically Distressed Areas Program. Out of amounts appropriated above out of the General Revenue Fund in Strategy A.1.2, Water Resource Assessment and Planning, the Texas Commission on Environmental Quality shall reimburse the Texas Department of State Health Services for costs incurred by the Department in conducting nuisance surveys for applicants for financial assistance through the Economically Distressed Areas program administered by the Water Development Board. The Commission shall reimburse such costs through Interagency Contracts with the Texas Department of State Health Services in an amount not to exceed a total of $250,000 for the biennium beginning on September 1, ~~2005~~2007.

26. ~~Contingency Appropriation and Unexpended Balance Authority within the Biennium~~Appropriation in Excess of the Biennial Revenue Estimate: Low-Level Radioactive Waste Disposal. Included in amounts appropriated above in ~~strategy~~Strategy A.3.1, Low-Level Radioactive Waste Management is ~~$990,428~~$1,036,319 in each fiscal year of the 2008-09 biennium ~~2006 and $990,425 in fiscal year 2007~~ out of the Low Level Waste Account No. 88 for costs incurred in the review and evaluation of applications received for a license to operate a low-level radioactive waste disposal site.

~~In addition to~~Also included in amounts appropriated above and contingent upon the Texas Commission on Environmental Quality assessing additional fees to recover costs in reviewing

and evaluating low-level radioactive waste disposal applications pursuant to Health and Safety Code, Chapter 401, ~~there is hereby appropriated to the TCEQ~~is an amount not to exceed $750,000 during the 2008-09 biennium in fee revenues deposited to the credit of the Low-Level Waste Management Account No. 88 in excess of the Comptroller's Biennial Revenue Estimate for ~~2006-07~~2008-09~~and not to exceed $250,000 in fiscal year 2006 and not to exceed $500,000 in fiscal year 2007~~ for the same purposes.

~~Any unexpended balances remaining in these appropriations on August 31, 2006, are hereby appropriated to the Commission for the same purposes for the fiscal year beginning in September 1, 2006.~~

~~29~~27. **On-Site Wastewater Treatment Research Council Fee.** Included in amounts appropriated above in Strategy A.1.2, Water ~~Resource~~Assessment and Planning, is an amount not to exceed $330,000 in each fiscal year of the biennium from fees collected and deposited to the General Revenue Fund pursuant to Health and Safety Code, Chapter 367, for costs relating to the On-Site Wastewater Treatment Research Council.

~~30~~28. **Texas Emissions Reduction Plan (TERP): Grants and Administration.** Included in amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, is ~~$128,520,574 in fiscal year 2006 and $128,520,572 in fiscal year 2007~~$128,520,573 in each fiscal year of the 2008-09 biennium out of the Texas Emissions Reduction Plan Account No. 5071. ~~Of these amounts, not more than $116,323,671 in fiscal year 2006 and $116,323,670 in fiscal year 2007~~These funds shall be used as incentive payments for the Diesel Emissions Reduction Programs established in Health and Safety Code, Chapter 386, Subchapter C and for grant funding for the New Technology Research Development Program established in Health and Safety Code, Chapter 387 according to provisions in Health and Safety Code § 386.252. ~~; not~~Not more than ~~$683,950 in fiscal year 2006 and $683,948 in fiscal year 2007~~ $683,949 in each fiscal year shall be used to administer the Diesel Emissions Reduction Program~~; not more than $11,262,953 in fiscal year 2006 and $11,262,954 shall be used for grant funding for the New Technology Research Development Program established in Health and Safety Code, Chapter 387;~~ and not more than $250,000 each fiscal year shall be used to administer the New Technology Research Development Program.

~~Any unexpended balances in the appropriations made to the Commission on Environmental Quality out of the Texas Emissions Reduction Plan Account No. 5071 on August 31, 2006 are hereby appropriated for the same purposes for the fiscal year beginning on September 1, 2006.~~

~~31~~29. **Reimbursement of Advisory Committees.** Pursuant to Government Code, § ~~2001.004~~2110.004, reimbursement of expenses for advisory committee members out of funds appropriated above is limited to the following advisory committees:

Irrigators Advisory Council
Small Business Compliance Advisory Panel
Municipal Solid Waste Management and Resource Recovery Advisory Council
Pollution Prevention Advisory Committee
Dry Cleaners Advisory Committee

~~32~~30. **Appropriation: Contracting for Debt Collection.** In addition to amounts appropriated above, there is hereby appropriated to the Texas Commission on Environmental Quality (TCEQ) for the biennium beginning on September 1, ~~2005~~2007, all proceeds from overdue and delinquent penalties and fees collected by a contractor working on behalf of the TCEQ to collect such funds. This appropriation shall be limited to the amount necessary to pay the contractor collecting such fees for its services and shall not exceed 18 percent of fine and fee proceeds collected by the contractor (estimated to be $293,388 for the ~~2006-07~~2008-09 biennium). All other amounts collected shall be deposited to the General Revenue Fund or to a General Revenue-Dedicated Account, based on the applicable statutory provisions.

~~33~~31. **Authorization: Water and Air Program Fee Rates.** To provide for the recovery of costs of processing certain water and air applications, the following fee rates are established pursuant to Government Code, Chapter 316, Subchapter E, to be effective during the biennium beginning on September 1, ~~2005~~2007.

The maximum rate for the fees authorized in Water Code, §§ 5.701 (b-c), shall be $2,000.

The maximum rate for fees authorized in Health and Safety Code, § 382.062, shall be $80,000.

~~35~~32. **Appropriation: North Bosque and Leon Watersheds Compost Project.** Included in amounts appropriated above in Strategy A.1.2, Water Assessment and Planning, is $98,853 in General Revenue in fiscal year 2006 to be used as matching funds to obtain Federal Funds to be used in the development and implementation of a manure compost project in the North Bosque and Leon River watersheds.

~~Any unexpended balances remaining in this appropriation on August 31, 2006 are hereby appropriated for the fiscal year beginning on September 1, 2006 for the same purpose.~~

~~37~~33. **Contingency Appropriation: Revenue from Increased Fee Rates at Watermaster Offices.** In addition to amounts appropriated above in Strategy A.2.2, Water Resource Permitting, there is hereby appropriated to the Texas Commission on Environmental Quality (TCEQ) fee revenues collected and deposited to the credit of the Watermaster Administration Account No. 158 ~~in an amount not to exceed $110,000 in fiscal year 2006 and not to exceed $130,000 in fiscal year 2007~~ from additional fees generated pursuant to Water Code, § 11.329 due to the implementation of increased fee rates at the watermaster offices and in excess of the Comptroller's Biennial Revenue Estimate (estimated to be $0). These funds shall be used for operating costs of the watermaster offices.

This appropriation is contingent upon the TCEQ and the watermaster offices assessing fees sufficient to generate, during the ~~2006-07~~2008-09 biennium, revenue to cover the appropriations out of the Watermaster Administration Account No. 158. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available. The TCEQ and the watermaster offices, upon completion of necessary actions to assess or increase additional fees, shall furnish copies of minutes and other information supporting the estimated revenues to be generated for the ~~2006-07~~2008-09 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues in excess of those estimated in the Biennial Revenue Estimate for ~~2006-07~~2008-09, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.

~~34.~~ ~~**Contingency Appropriation: Concho River Watermaster.** In addition to the amounts appropriated above out of the Watermaster Administration Account No. 158 in Strategy A.2.2, Water Resource Permitting, and contingent upon the creation of a watermaster office for the Concho River watershed and upon the Texas Commission on Environmental Quality (TCEQ) assessing new fees on water rights holders in the Concho River watershed, there is hereby appropriated to the TCEQ $139,768 in fiscal year in fiscal year 2006 and $110,548 in fiscal year 2007 in fee revenues deposited to the credit of the Watermaster Administration Account No. 158. These funds shall be used to administer the Concho River watermaster's office.~~

~~This appropriation is contingent upon the TCEQ assessing fees sufficient to generate, during the 2006-07 biennium, revenue to cover, at a minimum, appropriations for the Concho River watermaster's office as well as "Other direct and indirect costs" for the program appropriated elsewhere in this Act. "Other direct and indirect costs" associated with the Concho River Watermaster are estimated to be $12,243 in fiscal year 2006 and $13,042 in fiscal year 2007. 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 the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.~~

~~Also contingent upon the creation of a watermaster office for the Concho River watershed and upon the TCEQ assessing new fees on water rights holders in the Concho River watershed, the "Number of Full-Time-Equivalents (FTE)" figure indicated above is hereby increased by 2 in each fiscal year of the 2006-07 biennium, and the TCEQ's Capital Budget authority is hereby increased for the following item and in the following amount.~~

	2006	2007
b. Transportation Items		
(1) Replacement Vehicles for Agency Fleet	$25,000	$0

36. **Appropriation: Unexpended Balances for Waste Tire Disposal Grants.** Included in amounts appropriated above in Strategy C.1.3, Pollution Prevention and Recycling, is $2,400,000 in unexpended balances as of August 31, 2005, from funds appropriated out of the Solid Waste Disposal Account No. 5000 for grants for the disposal of waste tires and scrap tires. The Commission on Environmental Quality is authorized to expend these funds only for their original purpose.

Any unexpended balances remaining in this appropriation on August 31, 2006 are hereby appropriated for the fiscal year beginning on September 1, 2006.

38. **Memorandum of Understanding.** It is the intent of the Legislature that the Texas Commission on Environmental Quality (TCEQ) and each of the five River Compact Commissions enter into a memorandum of understanding (MOU) that specifies the manner in which the TCEQ shall manage and support the operations of each River Compact Commission, including the transfer of compact commission Full-Time-Equivalents (FTEs) and appropriations to the TCEQ. However, in no event shall this MOU interfere with the activities of each interstate river compact or individual compact commissioner in appropriating water supply between compact states or resolving water-related problems between compact states.

GENERAL LAND OFFICE AND VETERANS' LAND BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 975,462	$ 975,462
General Revenue Fund - Dedicated		
Coastal Protection Account No. 027	11,213,893	11,211,831
Coastal Public Lands Management Fee Account No. 450	194,409	194,410
Subtotal, General Revenue Fund - Dedicated	$ 11,408,302	$ 11,406,241
Federal Funds	13,688,494	14,639,738
Other Funds		
Permanent School Fund No. 044	11,026,681	11,026,682
Texas Veterans Homes Administration Fund No. 374	1,834,503	1,834,503
Veterans Land Program Administration Fund No. 522	15,069,087	15,069,086
Appropriated Receipts	6,090,190	6,134,020
Interagency Contracts	54,581	54,581
Subtotal, Other Funds	$ 34,075,042	$ 34,118,872
Total, Method of Financing	$ 60,147,300	$ 61,140,313
This bill pattern represents an estimated 6.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	560.6	560.6
Schedule of Exempt Positions:		
Land Commissioner, Group 6	$125,000	$125,000
Items of Appropriation:		
A. Goal: ENHANCE STATE ASSETS		
Enhance State Assets and Revenues by Managing State-owned Lands.		

A.1.1. Strategy: ENERGY LEASE MANAGEMENT & REV AUDIT Assess State Lands' Revenue Potential & Manage Energy Leases/Revenues.	$ 2,672,936	$ 2,769,806
A.1.2. Strategy: ENERGY MARKETING	$ 1,029,437	$ 1,003,437
A.1.3. Strategy: DEFENSE AND PROSECUTION Royalty and Mineral Lease Defense and Prosecution.	$ 2,698,021	$ 2,233,153
A.1.4. Strategy: UPLANDS LEASING Uplands Leasing and Inspection.	$ 540,704	$ 540,704
A.1.5. Strategy: COASTAL LEASING Coastal Leasing and Inspection.	$ 2,311,167	$ 2,337,834
A.2.1. Strategy: ASSET MANAGEMENT PSF & State Agency Real Property Evaluation/Acquisition/Disposition.	$ 4,929,654	$ 4,811,804
A.2.2. Strategy: SURVEYING AND APPRAISAL PSF & State Agency Surveying and Appraisal.	$ 893,174	$ 922,187
Total, Goal A: ENHANCE STATE ASSETS	$ 15,075,093	$ 14,618,925
B. Goal: PROTECT THE COASTAL ENVIRONMENT Protect the Environment, Promote Wise Resource Use, and Create Jobs.		
B.1.1. Strategy: COASTAL MANAGEMENT	$ 4,791,063	$ 3,364,630
B.1.2. Strategy: COASTAL EROSION CONTROL GRANTS	$ 6,611,545	$ 9,111,852
B.2.1. Strategy: OIL SPILL RESPONSE	$ 6,681,703	$ 6,704,514
B.2.2. Strategy: OIL SPILL PREVENTION	$ 4,050,069	$ 4,040,629
Total, Goal B: PROTECT THE COASTAL ENVIRONMENT	$ 22,134,380	$ 23,221,625
C. Goal: VETERANS' LAND BOARD (VLB) Provide Benefit Programs to Texas Veterans.		
C.1.1. Strategy: VETERANS' LOAN PROGRAMS	$ 12,087,408	$ 12,054,734
C.1.2. Strategy: VETERANS' HOMES State Veterans' Homes.	$ 2,421,534	$ 2,522,799
C.1.3. Strategy: VETERANS' CEMETERIES State Veterans' Cemeteries.	$ 8,497,648	$ 8,793,056
Total, Goal C: VETERANS' LAND BOARD (VLB)	$ 23,006,590	$ 23,370,589
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (68,763)	$ (70,826)
Grand Total, GENERAL LAND OFFICE AND VETERANS' LAND BOARD	$ 60,147,300	$ 61,140,313
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 29,329,234	$ 29,367,931
Other Personnel Costs	869,749	860,309
Professional Fees and Services	6,584,838	5,877,638
Fuels and Lubricants	144,999	144,999
Consumable Supplies	277,958	277,097
Utilities	565,272	565,272
Travel	1,019,350	991,868
Rent - Building	370,333	369,333
Rent - Machine and Other	182,385	180,385
Other Operating Expense	4,716,875	4,490,801
Grants	8,036,555	10,571,007
Capital Expenditures	8,049,752	7,443,673
Total, Object-of-Expense Informational Listing	$ 60,147,300	$ 61,140,313
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,077,656	$ 2,108,821
Group Insurance	3,955,385	4,002,325
Social Security	2,512,774	2,550,466
Benefits Replacement	261,422	248,351
Subtotal, Employee Benefits	$ 8,807,237	$ 8,909,963

Debt Service		
Lease Payments	$ 173,320	$ 176,489
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 8,980,557	$ 9,086,452

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the General Land Office and Veterans' Land 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 General Land Office and Veterans' Land Board. In order to achieve the objectives and service standards established by this Act, the General Land Office and Veterans' Land Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ENHANCE STATE ASSETS		
Outcome (Results/Impact):		
Percent of Permanent School Fund Uplands Acreage Leased	85%	85%
Average Annual Rate of Return on Real Property Investments Made by the GLO on Behalf of the PSF	8.5%	8.5%
A.1.1. Strategy: ENERGY LEASE MANAGEMENT & REV AUDIT		
Output (Volume):		
Amount of Revenue Detected from Audits	8,000,000	8,000,000
A.1.2. Strategy: ENERGY MARKETING		
Output (Volume):		
Average Monthly Volume of In-kind Gas Sold in MMBtu	2,512,394	2,587,766
Average Monthly Volume of In-kind Oil Sold in Barrels	55,586	58,365
A.1.4. Strategy: UPLANDS LEASING		
Output (Volume):		
Annual Revenue from Uplands Surface Leases	9,600,000	9,600,000
A.1.5. Strategy: COASTAL LEASING		
Output (Volume):		
Annual Revenue from Coastal Leases	2,700,000	2,700,000
A.2.1. Strategy: ASSET MANAGEMENT		
Output (Volume):		
Annual Value of Permanent School Fund Real Estate Transactions	468,000,000	298,000,000
B. Goal: PROTECT THE COASTAL ENVIRONMENT		
Outcome (Results/Impact):		
Percent of Eroding Shorelines Maintained, Protected or Restored for Gulf Beaches and Other Shorelines	4%	4%
B.2.1. Strategy: OIL SPILL RESPONSE		
Output (Volume):		
Number of Oil Spill Responses	1,043	1,043
B.2.2. Strategy: OIL SPILL PREVENTION		
Output (Volume):		
Number of Prevention Activities - Vessels	1,400	1,400
C. Goal: VETERANS' LAND BOARD (VLB)		
Outcome (Results/Impact):		
Percent of Texas Veterans Reached through Direct Outreach Efforts	17.5%	18%
Percent of Total Loan Income Used for Administrative Purposes	15.27%	15.5%
C.1.1. Strategy: VETERANS' LOAN PROGRAMS		
Output (Volume):		
Dollar Volume of Program Loans Serviced by Veterans' Land Board	324,959,000	296,099,000
Efficiencies:		
Average Number of Loans Serviced Per Loan Servicer	1,902	1,687
C.1.2. Strategy: VETERANS' HOMES		
Output (Volume):		
Occupancy Rate at Veterans Homes	80%	79%
C.1.3. Strategy: VETERANS' CEMETERIES		
Output (Volume):		
Number of Interments Provided by the State Veterans Cemetery Program	925	1,000

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.

	2006	2007
~~a. Construction of Buildings and Facilities~~		
~~(1) Oily Bilge Reclamation Systems~~	~~$ 130,000~~	~~$ 130,000~~
~~b. Acquisition of Information Resource Technologies~~		
~~(1) Disaster Recovery Project~~	~~95,000~~	~~95,000~~
~~(2) Hardware/Server Rotation Project~~	~~390,000~~	~~390,000~~
~~(3) Aggregated Hardware/Software Project~~	~~65,392~~	~~68,752~~
~~(4) Office Productivity Licensing Project~~	~~$ 191,000~~	~~$ 0~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 741,392~~	~~$ 553,752~~
~~c. Transportation Items~~		
~~(1) Replacement Vehicles~~	~~290,780~~	~~290,780~~
~~(2) Replacement Boats~~	~~52,128~~	~~94,000~~
~~Total, Transportation Items~~	~~$ 342,908~~	~~$ 384,780~~
~~d. Acquisition of Capital Equipment and Items~~		
~~(1) Replacement Equipment~~	~~$ 85,772~~	~~$ 43,900~~
~~Total, Capital Budget~~	~~$ 1,300,072~~	~~$ 1,112,432~~
~~Method of Financing (Capital Budget):~~		
~~GR Dedicated - Coastal Protection Account No. 027~~	~~$ 501,379~~	~~$ 445,544~~
~~Other Funds~~		
~~Permanent School Fund No. 044~~	~~225,978~~	~~211,150~~
~~Veterans Land Program Administration Fund No. 522~~	~~$ 572,715~~	~~$ 454,738~~
~~Subtotal, Other Funds~~	~~$ 798,693~~	~~$ 665,888~~
~~Total, Method of Financing~~	~~$ 1,300,072~~	~~$ 1,112,432~~

	2008	2009
a. Construction of Buildings and Facilities		
(1) Oily Bilge Reclamation Systems	$ 130,000	$ 130,000
b. Acquisition of Information Resource Technologies		
(1) Disaster Recovery Project	95,000	95,000
(2) Hardware/Server Rotation Project	390,000	390,000
(3) Aggregated Hardware/Software Project	75,100	71,000
(4) Field Automation and Workflow	150,000	150,000
(5) Coastal Resources Imagery	910,000	0
(6) Archives Records Management Systems	0	200,000
(7) Telecommuting/Mobile User Expansion	0	80,000
(8) Storage Enhancement	$ 628,000	$ 0
Total, Acquisition of Information Resource Technologies	$ 2,248,100	$ 986,000

c. Transportation Items		
(1) Vehicles - Replacement	169,780	162,000
(2) Boats - Replacement	54,500	66,000
Total, Transportation Items	$ 224,280	$ 228,000
d. Acquisition of Capital Equipment and Items		
(1) Replacement Equipment	$ 76,604	$ 230,806
Total, Capital Budget	$ 2,678,984	$ 1,574,806
Method of Financing (Capital Budget):		
General Revenue-Dedicated - Coastal Protection Account No. 027	487,637	527,506
Federal Funds	1,538,000	160,000
Other Funds		
Permanent School Fund No. 044	234,423	285,700
Veterans Land Program Administration Fund No. 522	368,924	551,600
Appropriated Receipts	50,000	50,000
Subtotal, Other Funds	$ 653,347	$ 887,300
Total, Method of Financing	$ 2,678,984	$ 1,574,806

3. **Per Diem: Boards, Commissions, and Councils.** Citizen members of the School Land Board, Veterans' Land Board, Boards for Lease, and the Coastal Coordination Council may be paid per diem at a rate not to exceed the amount established elsewhere in this Act and actual expenses from funds appropriated above.

4. **Appropriation Source: Veterans' Land Program.** In addition to amounts appropriated above, there is hereby appropriated from the Veterans' Land Funds, the Veterans' Housing Assistance Funds and the fund for State Veterans' Homes, all amounts necessary to administer the Veterans' Land Program, Veterans' Housing Assistance Program, State Veterans' Homes, and Veterans' Cemeteries, including the amounts incurred in issuing bonds, in compensating a Housing Program Administrator, and in paying contracts for services rendered in administering the land and housing programs, as created and authorized by Article III, § 49b of the Texas Constitution, as amended and Chapter 164 of the Natural Resources Code.

5. **Appropriation of Receipts: Land Sales Expenses.** Pursuant to §§ 31.1571, 31.158 and 32.112, Natural Resources Code, there is hereby appropriated to the General Land Office receipts from land sales sufficient to cover the usual and customary costs of conducting real estate transactions as authorized to be retained by the General Land Office and the School Land Board.

6. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the General Land Office and Veterans' Land Board, is hereby authorized to direct agency resources within the General Land Office and Veterans' Land Board, and transfer such amounts appropriated above between strategy line items.

7. **Appropriation: Defense of Title to Permanent School Fund ~~Land~~ Real Property and Prosecution of Mineral Lease Claims or Cases.** Included in amounts appropriated above in Strategy A.1.3, Defense and Prosecution, is $2,450,000 in fiscal year ~~2006~~2008 and $1,250,000 in fiscal year ~~2007~~2009 in Appropriated Receipts from funds recovered for the Permanent School Fund by the General Land Office from the prosecution of Relinquishment Act, royalty deficiency and other mineral lease claims or cases. Such funds are to be used for the defense of title to Permanent School Fund ~~lands~~real property, and the prosecution of Relinquishment Act, royalty deficiency and other mineral lease claims or cases.

8. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, ~~2006~~2008 in the appropriations made herein to the General Land Office and Veterans' Land Board are hereby appropriated for the same purpose for the fiscal year beginning September 1, ~~2006~~2008.

9. **Appropriation: Easement Fees for Use of State-owned Riverbeds.** Included in the amounts appropriated above in Strategy A.1.4, Uplands Leasing, are all unencumbered balances on hand as of August 31, ~~2005~~2007 (not to exceed $100,000 in ~~General Revenue~~Appropriated Receipts), and all amounts collected as easement fees for use of state-owned riverbeds pursuant to § 51.291, Natural Resources Code, or agency rules, during the biennium beginning September 1, ~~2005~~2007, for the removal or improvement of unauthorized structures on Permanent School Fund ~~lands~~real property.

10. **Reporting Requirements: Veterans' Land Board Loan Programs.** It is the intent of the Legislature that the General Land Office and Veterans' Land Board submit the following information on the Veterans' Land Board Housing and Land Loan Programs to the Bond Review Board on a semi-annual basis: the current and historical program cash flows for the last five fiscal years; a comparison of the net revenues of the programs to the debt service on the bonds; a comparison of actual to forecasted loan and investment income; and the number and dollar amount of foreclosures as a percentage of all active loans in the programs.

11. **Medicaid Reimbursement Rates for Texas State Veterans Homes.** It is the intent of the Legislature that the Health and Human Services Commission, in consultation with the General Land Office and Veterans' Land Board and pursuant to existing general law authority, should establish Medicaid reimbursement rates for long-term care services provided to Medicaid-eligible veterans who reside in veterans homes established and operated pursuant to Chapter 164, Natural Resources Code, that contract with the Texas Department of Aging and Disability Services to provide nursing facility services. The Health and Human Services Commission shall report on December 1 of each fiscal year in the biennium to the Legislative Budget Board and the Governor on the following: how many, on average, Medicaid-eligible veterans are in the veteran's homes; how many current residents of the homes are determined to be Medicaid-eligible in the prior fiscal year; and how many Medicaid-eligible veterans transfer into the homes and how many enter the homes as their initial nursing facility during the previous fiscal year. In addition, the report shall contain the total amount of Medicaid reimbursements paid in the prior fiscal year for veterans, the average daily rate paid to the facilities, and any other information requested by the Legislative Budget Board and the Governor.

12. **Real Property Investment Reporting.** On or before December 1 of each fiscal year, the General Land Office (GLO) shall submit to the Governor and Legislature a report on the amount of funds invested each year in the acquisition of real property, as well as the amount the GLO expects to invest on real property acquisitions in the following fiscal year. The report shall include the amount of funds expended from the Permanent School Fund No. 44 as well as the amount of funds deposited to the Permanent School Fund No. 44 as a result of real property sales, leases, or other investment income.

~~**12.** **State Veterans Homes.** It is the intent of the Legislature that no further state veterans homes' sites be selected by the General Land Office and Veterans' Land Board until all sites identified and selected through the agency's request for proposal process as of January 1, 2005 have the necessary state and federal funds to begin construction.~~

13. **Appropriation: Shared Project Funds.** Included in amounts appropriated above out of Appropriated Receipts in Strategy B.1.2, Coastal Erosion Control Grants, are estimated receipts for shared project funds received in accordance with Natural Resources Code, Chapter 33, Subchapter H, § 33.603(c)(1) and § 33.604 (estimated to be $2,625,000 for fiscal year 2008 and $3,125,000 for fiscal year 2009).

14. **Appropriation of Receipts: Real Property Sales and Mineral Royalties.** The General Land Office is hereby appropriated all additional receipts from real property sales of the Permanent School Fund (PSF) conducted by the General Land Office and all receipts from the lease of PSF land for mineral development, including royalties from existing and future active mineral leases of PSF lands that are necessary to purchase fee or lesser interests in real property for the use and benefit of the PSF or for the purpose of purchasing easements for access to PSF land as authorized by Natural Resources Code § 11.079. Any of these

Appropriated Receipts from the sale of PSF real property or lease of PSF minerals which remain unexpended for more than two years are to be transferred into the PSF as required by Natural Resources Code § 51.401(d).

15. **Appropriation: Receipts and Account Balances for Surface Damages.** Included in the amounts appropriated above out of the Permanent School Fund No. 44 in Strategy A.2.1, Asset Management, is $500,000 in each fiscal year of the biennium beginning on September 1, 2007 in receipts collected as surface damages pursuant to Natural Resources Code §§ 52.297, 53.115, 31.051, 51.291, 51.295, and 51.296. Such funds are appropriated for the purpose of funding conservation or reclamation projects, making permanent improvements on Permanent School Fund (PSF) real property, and making grants to a lessee of PSF real property for these purposes and for the purpose of purchasing easements for access to PSF land, as authorized by Natural Resources Code § 11.079. In addition to the funds appropriated above, additional revenues received from surface damage receipts during the biennium beginning on September 1, 2007 (estimated to be $0) are hereby appropriated to the General Land Office for the same purposes.

16. **Marketing, Acquisition, or Disposition of Real Property Purchased by the Permanent School Fund.** Included in the amounts appropriated above in Strategy A.2.1, Asset Management, are funds generated by the leasing of Permanent School Fund (PSF) real property surface interests to pay reasonable and necessary costs incurred by the General Land Office for the marketing, acquisition, or disposition of real property purchased with proceeds of the PSF (estimated to be $1,600,000 in each fiscal year of the biennium beginning on September 1, 2007).

17. **Appropriation Authority of Coastal Protection Account Funds.** Included in amounts appropriated above in Strategy B.1.2, Coastal Erosion Control Grants, is an estimated $391,787 in fiscal year 2008 and $580,167 in fiscal year 2009 in interest earnings out of the Coastal Protection Account No. 27.

18. **State Energy Marketing Program.** It is the intent of the Legislature that the General Land Office use a portion of the revenue from real property sales of the Permanent School Fund (PSF) and all receipts from the lease of PSF real property for mineral development, including royalties from existing and future active mineral leases of PSF land, to manage the State Energy Marketing Program as authorized by Natural Resources Code § 31.401 and Utilities Code §§ 35.102 and 104.2545.

PARKS AND WILDLIFE DEPARTMENT

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 7,435,948	$ 7,324,001
Sporting Goods Sales Tax - Transfer To:		
State Parks Account No. 64	15,500,000	15,500,000
Texas Recreation and Parks Account No. 467	5,231,242	5,231,242
Unclaimed Refunds of Motorboat Fuel Tax	13,977,784	13,977,784
Boat and Boat Motor Sales and Use Tax	5,300,000	5,300,000
Subtotal, General Revenue Fund	$ 47,444,974	$ 47,333,027
General Revenue Fund - Dedicated		
Game, Fish and Water Safety Account No. 9	91,640,939	91,644,914
State Parks Account No. 64	28,927,023	28,923,128
Texas Recreation and Parks Account No. 467	470,397	470,398
Non-Game and Endangered Species Conservation Account No. 506	23,315	23,315
Texas Parks and Wildlife Capital Account No. 5004	106,000	106,000
Shrimp License Buy Back Account No. 5023	96,000	96,000
Big Bend National Park Account No. 5030	56,500	56,500
Waterfowl/Wetland Conservation License Plate Account No. 5057	20,000	20,000
Texas Lions Camp License Plate Account No. 5116	6,000	6,000

Marine Mammal Recovery License Plate Account No. 5120	6,000	6,000
Subtotal, General Revenue Fund - Dedicated	$ 121,352,174	$ 121,352,255
Federal Funds	41,743,914	38,970,216
Other Funds		
Appropriated Receipts	16,409,706	6,131,124
Interagency Contracts	250,000	250,000
Bond Proceeds - General Obligation Bonds	6,672,813	0
Subtotal, Other Funds	$ 23,332,519	$ 6,381,124
Total, Method of Financing	$ 233,873,581	$ 214,036,622
This bill pattern represents an estimated 99.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	2,901.8	2,901.8
Schedule of Exempt Positions:		
Executive Director, Group 5	$130,000	$130,000
Items of Appropriation:		
A. Goal: CONSERVE NATURAL RESOURCES		
Conserve Fish, Wildlife, and Natural Resources.		
A.1.1. Strategy: WILDLIFE CONSERVATION Wildlife Conservation, Habitat Management, and Research.	$ 19,869,820	$ 19,869,820
A.1.2. Strategy: TECHNICAL GUIDANCE Technical Guidance to Private Landowners and the General Public.	$ 460,952	$ 460,953
A.1.3. Strategy: HUNTING AND WILDLIFE RECREATION Enhanced Hunting and Wildlife-related Recreational Opportunities.	$ 1,229,536	$ 1,229,536
A.2.1. Strategy: INLAND FISHERIES MANAGEMENT Inland Fisheries Management, Habitat Conservation, and Research.	$ 10,942,371	$ 10,937,372
A.2.2. Strategy: INLAND HATCHERIES OPERATIONS	$ 3,683,108	$ 3,688,108
A.2.3. Strategy: COASTAL FISHERIES MANAGEMENT Coastal Fisheries Management, Habitat Conservation and Research.	$ 11,482,454	$ 11,482,454
A.2.4. Strategy: COASTAL HATCHERIES OPERATIONS	$ 2,329,010	$ 2,329,010
Total, Goal A: CONSERVE NATURAL RESOURCES	$ 49,997,251	$ 49,997,253
B. Goal: ACCESS TO STATE AND LOCAL PARKS		
B.1.1. Strategy: STATE PARK OPERATIONS State Parks, Historic Sites and State Natural Area Operations.	$ 47,442,914	$ 47,935,996
B.1.2. Strategy: PARKS MINOR REPAIR PROGRAM	$ 1,705,972	$ 1,215,037
B.1.3. Strategy: PARKS SUPPORT	$ 6,611,216	$ 6,609,071
B.2.1. Strategy: LOCAL PARK GRANTS Provide Local Park Grants.	$ 6,589,084	$ 6,589,085
B.2.2. Strategy: BOATING ACCESS AND OTHER GRANTS Provide Boating Access, Trails and Other Grants.	$ 6,782,476	$ 6,782,476
Total, Goal B: ACCESS TO STATE AND LOCAL PARKS	$ 69,131,662	$ 69,131,665
C. Goal: INCREASE AWARENESS AND COMPLIANCE		
C.1.1. Strategy: ENFORCEMENT PROGRAMS Wildlife, Fisheries and Water Safety Enforcement.	$ 39,754,450	$ 39,754,451
C.1.2. Strategy: WARDEN TRAINING ACADEMY Game Warden Training Academy.	$ 779,473	$ 779,474
C.1.3. Strategy: LAW ENFORCEMENT SUPPORT Provide Law Enforcement Oversight, Management and Support.	$ 1,871,299	$ 1,871,300
C.2.1. Strategy: HUNTER AND BOATER EDUCATION Provide Hunter and Boater Education Programs.	$ 1,226,105	$ 1,238,405

C.2.2. Strategy: TP&W MAGAZINE Texas Parks & Wildlife Magazine.	$ 2,534,854	$ 2,564,855
C.2.3. Strategy: COMMUNICATION PRODUCTS AND SERVICES Provide Communication Products and Services.	$ 2,731,013	$ 2,732,215
C.2.4. Strategy: OUTREACH AND EDUCATION Provide Outreach and Education Programs.	$ 1,221,368	$ 1,221,368
C.3.1. Strategy: LICENSE ISSUANCE Hunting and Fishing License Issuance.	$ 7,454,836	$ 7,454,837
C.3.2. Strategy: BOAT REGISTRATION AND TITLING	$ 1,604,422	$ 1,604,423
Total, Goal C: INCREASE AWARENESS AND COMPLIANCE	$ 59,177,820	$ 59,221,328
D. Goal: MANAGE CAPITAL PROGRAMS		
D.1.1. Strategy: IMPROVEMENTS AND MAJOR REPAIRS Implement Capital Improvements and Major Repairs.	$ 14,174,451	$ 6,149,358
D.1.2. Strategy: LAND ACQUISITION	$ 12,018,980	$ 318,982
D.1.3. Strategy: INFRASTRUCTURE ADMINISTRATION Infrastructure Program Administration.	$ 3,694,137	$ 3,694,138
D.1.4. Strategy: DEBT SERVICE Meet Debt Service Requirements.	$ 7,913,823	$ 7,812,726
Total, Goal D: MANAGE CAPITAL PROGRAMS	$ 37,801,391	$ 17,975,204
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 7,953,043	$ 7,957,461
E.1.2. Strategy: INFORMATION RESOURCES	$ 7,437,078	$ 7,437,079
E.1.3. Strategy: OTHER SUPPORT SERVICES	$ 2,859,498	$ 2,859,498
Total, Goal E: INDIRECT ADMINISTRATION	$ 18,249,619	$ 18,254,038
F. Goal: ADMINISTRATIVE REDUCTIONS		
F.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (484,162)	$ (542,866)
Grand Total, PARKS AND WILDLIFE DEPARTMENT	$ 233,873,581	$ 214,036,622
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 116,383,212	$ 116,093,922
Other Personnel Costs	3,546,775	3,534,315
Professional Fees and Services	6,060,157	6,019,157
Fuels and Lubricants	4,850,875	5,228,601
Consumable Supplies	2,731,148	2,718,009
Utilities	10,419,729	11,271,518
Travel	2,688,299	2,684,198
Rent - Building	1,704,321	1,696,821
Rent - Machine and Other	1,953,896	1,971,296
Debt Service	7,913,823	7,812,726
Other Operating Expense	33,825,039	32,950,345
Grants	12,275,093	12,282,593
Capital Expenditures	29,521,214	9,773,121
Total, Object-of-Expense Informational Listing	$ 233,873,581	$ 214,036,622
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 7,609,361	$ 7,723,502
Group Insurance	22,673,985	23,034,318
Social Security	9,146,926	9,284,130
Benefits Replacement	1,177,868	1,118,975
Subtotal, Employee Benefits	$ 40,608,140	$ 41,160,925
Debt Service		
TPFA GO Bond Debt Service	$ 10,646,122	$ 7,091,689

Lease Payments	136,977	134,676
Subtotal, Debt Service	$ 10,783,099	$ 7,226,365
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 51,391,239	$ 48,387,290

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Parks and Wildlife Department. 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 Parks and Wildlife Department. In order to achieve the objectives and service standards established by this Act, the Parks and Wildlife Department shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: CONSERVE NATURAL RESOURCES		
Outcome (Results/Impact):		
Percent of Private Land Acreage in Texas Managed to Enhance Wildlife	14.05%	15.25%
Percent of Fish and Wildlife Kills or Pollution Cases Resolved Successfully	77%	77%
A.1.1. Strategy: WILDLIFE CONSERVATION		
Output (Volume):		
Number of Wildlife Population and Harvest Surveys Conducted	888	888
A.1.2. Strategy: TECHNICAL GUIDANCE		
Output (Volume):		
Number of Active Management Agreements with Private Landowners	6,327	6,590
A.2.2. Strategy: INLAND HATCHERIES OPERATIONS		
Output (Volume):		
Number of Fingerlings Stocked - Inland Fisheries (in millions)	14.5	14.5
A.2.3. Strategy: COASTAL FISHERIES MANAGEMENT		
Output (Volume):		
Number of Commercial Fishing Licenses Bought Back	177	177
A.2.4. Strategy: COASTAL HATCHERIES OPERATIONS		
Output (Volume):		
Number of Fingerlings Stocked - Coastal Fisheries (in millions)	24	24
B. Goal: ACCESS TO STATE AND LOCAL PARKS		
Outcome (Results/Impact):		
Percent of State Parks Maintenance and Minor Repair Needs Met	4.02%	2.7%
B.1.1. Strategy: STATE PARK OPERATIONS		
Output (Volume):		
Number of State Parks in Operation	108	108
B.1.2. Strategy: PARKS MINOR REPAIR PROGRAM		
Output (Volume):		
Number of State Park Minor Repair/Maintenance Needs Met	352	236
B.2.1. Strategy: LOCAL PARK GRANTS		
Output (Volume):		
Number of Grant Assisted Projects Completed	38	30
C. Goal: INCREASE AWARENESS AND COMPLIANCE		
Outcome (Results/Impact):		
Percent of Public Compliance with Agency Rules and Regulations	97	97
C.1.1. Strategy: ENFORCEMENT PROGRAMS		
Output (Volume):		
Miles Patrolled in Vehicles (in millions)	10.97	10.97
Hours Patrolled in Boats	133,100	133,100
C.2.1. Strategy: HUNTER AND BOATER EDUCATION		
Output (Volume):		
Number of Students Trained in Hunter Education	32,000	32,000
Number of Students Trained in Boater Education	11,000	11,000
C.2.4. Strategy: OUTREACH AND EDUCATION		
Output (Volume):		
Number of Outreach and Education Programs and Events Held	717	717

C.3.1. Strategy: LICENSE ISSUANCE		
Output (Volume):		
Number of Combination Licenses Sold	516,000	516,000
D. Goal: MANAGE CAPITAL PROGRAMS		
Outcome (Results/Impact):		
Percent of Scheduled Major Repair/Construction Projects Completed	62%	62%
D.1.1. Strategy: IMPROVEMENTS AND MAJOR REPAIRS		
Output (Volume):		
Number of Major Repair/Construction Projects Completed	30	18

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.

	2006	2007
~~a. Acquisition of Land and Other Real Property~~		
~~(1) Land Acquisition~~	~~$ UB~~	~~$ UB~~
~~b. Construction of Buildings and Facilities~~		
~~(1) Construction Projects in Progress & UB~~	~~3,200,941~~	~~UB~~
~~(2) Construction and Major Repairs & UB~~	~~2,416,666~~	~~2,416,665~~
~~(3) Critical Repairs~~	~~18,075,000~~	~~UB~~
~~(4) East Texas Fish Hatchery~~	~~15,000,000~~	~~UB~~
~~(5) Admiral Nimitz State Historic Site~~	~~0~~	~~0~~
~~(6) San Jacinto Monument~~	~~UB~~	~~UB~~
~~(7) Game Warden Academy~~	~~700,000~~	~~UB~~
~~(8) Government Canyon Residences & UB~~	~~255,800~~	~~UB~~
~~Total, Construction of Buildings and Facilities~~	~~$ 39,648,407~~	~~$ 2,416,665~~
~~c. Acquisition of Information Resource Technologies~~		
~~(1) Mainframe upgrades, microcomputers, and other equipment~~	~~702,841~~	~~702,842~~
~~d. Transportation Items~~		
~~(1) Purchase of Vehicles~~	~~2,152,800~~	~~1,963,300~~
~~e. Acquisition of Capital Equipment and Items~~		
~~(1) Office, field, marine and lab equipment~~	~~273,687~~	~~96,063~~
~~Total, Capital Budget~~	~~$ 42,777,735~~	~~$ 5,178,870~~
~~Method of Financing (Capital Budget):~~		
~~General Revenue Fund - Dedicated~~		
~~Game, Fish and Water Safety Account No. 009~~	~~$ 5,008,639~~	~~$ 4,761,907~~
~~State Parks Account No. 064~~	~~483,855~~	~~371,763~~
~~Subtotal, General Revenue Fund - Dedicated~~	~~$ 5,492,494~~	~~$ 5,133,670~~
~~Federal Funds~~	~~622,819~~	~~45,200~~
~~Other Funds~~		
~~Appropriated Receipts~~	~~890,700~~	~~0~~

~~Bond Proceeds - General Obligation Bonds~~	~~20,521,740~~	~~0~~
~~Bond Proceeds - Revenue Bonds~~	~~15,000,000~~	~~0~~
~~Texas Parks Development Receipts~~	~~249,982~~	~~0~~
~~Subtotal, Other Funds~~	~~$ 36,662,422~~	~~$ 0~~
~~Total, Method of Financing~~	~~$ 42,777,735~~	~~$ 5,178,870~~

	2008	2009
a. Acquisition of Land and Other Real Property		
(1) Land Acquisition	$ 11,700,000 & UB	$ UB
b. Construction of Buildings and Facilities		
(1) Construction Projects in Progress	7,441,453 & UB	UB
(2) Construction and Major Repairs	5,529,498	6,145,858 & UB
(3) Game Warden Academy	1,200,000	UB
Total, Construction of Buildings and Facilities	$ 25,870,951	$ 6,145,858
c. Acquisition of Information Resource Technologies		
(1) Mainframe upgrades, microcomputers, and other equipment	878,553	878,553
d. Transportation Items		
(1) Purchase of Vehicles	2,498,631	2,493,631
e. Acquisition of Capital Equipment and Items		
(1) Office, field, marine and lab equipment	250,079	255,079
Total, Capital Budget	$ 29,498,214	$ 9,773,121
Method of Financing (Capital Budget):		
General Revenue	$ 186,079	$ 186,079
General Revenue Fund - Dedicated		
Game, Fish and Water Safety Account No. 9	5,815,375	5,784,175
State Parks Account No. 64	230,555	274,055
Subtotal, General Revenue Fund - Dedicated	$ 6,045,930	$ 6,058,230
Federal Funds	$ 2,832,298	$ 46,300
Other Funds		
Appropriated Receipts	13,761,094	3,482,512
Bond Proceeds - General Obligation Bonds	6,672,813	
Subtotal, Other Funds	$ 20,433,907	$ 3,482,512
Total, Method of Financing	$ 29,498,214	$ 9,773,121

3. **Appropriation: Escrow Accounts.** Included in the amounts appropriated above in Strategy A.1.1, Wildlife Conservation, Strategy A.2.1, Inland Fisheries Management, ~~and~~ Strategy A.2.3, Coastal Fisheries Management, and Strategy B.1.1, State Park Operations are unexpended balances as of August 31, ~~2005~~2007 (estimated to be $724,911 in the Game, Fish, and Water Safety Account No. 9 and estimated to be $80,546 in the State Parks Account No. 64), and any revenue received during this biennium (~~not to exceed $793,170~~estimated to be $0 each fiscal year in Game, Fish, and Water Safety Account No. 9, and $0 each fiscal year in State Parks Account No. 64 ~~$12,287 each fiscal year in Lifetime License Endowment Account~~

~~No. 544~~), consisting of either principal or interest, from trust or escrow accounts set up to benefit the Texas Parks and Wildlife Department. Any unexpended balances and revenue remaining as of August 31, 2008 are appropriated for the same purpose for the fiscal year beginning September 1, 2008.

4. **Authorization: Purchase of Evidence.** From the amounts appropriated above, the Texas Parks and Wildlife Department is hereby authorized to establish a cash fund, for the purchase of evidence and/or information and surveillance deemed necessary by the department for enforcement of laws under the Parks and Wildlife Code.

5. **Authorization: Acceptance of Payment with Goods and Services.** The Texas Parks and Wildlife Department is hereby authorized to accept goods and/or services in lieu of cash for sales of products or rights on the department's public land areas. These goods and services may be on the same public land area as the product or right sold or any other public land area. In order to procure the goods and services in the amounts needed that equal the value of products or rights sold, an escrow bank account may be utilized.

~~7~~**6.** **Outreach Programs.** Out of amounts appropriated above in Strategy B.2.2, Boating Access and Other Grants, the department shall continue partnership projects by contracting an amount equal to $470,000 in each fiscal year of the ~~2006-07~~ 2008-09 biennium in partnership programs for underserved populations.

~~**6. Commissioned Peace Officer Compensation.** The Executive Director of the Texas Parks and Wildlife Department may not provide for the compensation of a state-commissioned peace officer at a rate less than the rate paid by any other state agency to a state-commissioned peace officer performing similar duties.~~

~~8~~**7.** **Appropriation: Unexpended Balance for Construction Projects.** Included in amounts appropriated above in strategies ~~A.1.1, Wildlife Conservation, B.1.1, State Park Operations, and~~ D.1.1, Improvements and Major Repairs are unexpended balances from appropriations made for construction, repair, acquisition, and renovation projects and listed in the capital budget riders of ~~Senate~~House Bill No. 1, Acts of the Seventy-~~seventh~~eighth Legislature, Regular Session and ~~House~~Senate Bill No. 1, Acts of the Seventy-~~eighth~~ninth Legislature, Regular Session. These unexpended balances are estimated to be ~~$3,339,341~~ $8,141,453 out of the following funds as of August 31, ~~2005~~2007:

General Revenue-Dedicated Accounts		
Game, Fish, and Water Safety Account No. 9	$	0
State Parks Account No. 64	$	0
Texas Parks and Wildlife Capital Account No. 5004	$	0
Federal Funds	$	~~577,619~~ 598,128
Other Funds		
Appropriated Receipts	$	~~65,000~~ 870,512
~~Texas Parks Development Fund No. 408 - General Obligation Bonds~~	~~$~~	~~249,982~~
Bond Proceeds - General Obligation Bonds	$~~2,446,740~~	6,672,813

Unexpended balances remaining in such appropriation items at August 31, ~~2005~~ 2007 are hereby appropriated for the same purposes for the fiscal year beginning September 1, ~~2005~~ 2007. Unexpended balances in General Revenue-related accounts may not be carried forward from fiscal year ~~2005~~ 2007 to fiscal year ~~2006~~ 2008 without 45 days prior notification to the Legislative Budget Board and the Governor. Unexpended balances appropriated under this provision are subject to the provisions of Government Code § 403.071 for the purposes of determining the life of an appropriation. Any appropriation made in this Act to the Texas Parks and Wildlife Department for construction and improvement projects shall include labor and all necessary costs involved in the project. It is provided, however, that the Texas Parks and Wildlife Department shall provide the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts a report by no later than December 1 of each fiscal year showing the progress and costs of all projects funded by appropriations made by the Seventy-~~seventh~~-eighth and the Seventy-~~eighth~~-ninth Legislatures.

~~9~~**8.** **Construction and Land Owner Incentive Grants.** Any funds appropriated above in Strategies B.2.1, Local Park Grants and B.2.2, Boating Access and Other Grants that are utilized for grants awarded for local park construction projects in excess of $25,000 and any funds appropriated above in Strategy A.1.2, Technical Guidance to private landowners and the general public that are utilized for landowner incentive grants shall be treated as construction appropriations for the purpose of determining the life of the appropriation under the provisions of § 403.071, Government Code. It is provided, however, that the Texas Parks and Wildlife Department shall provide the Governor and the Legislative Budget Board a status report at the close of each fiscal year showing the progress and costs for any grant for local park construction projects and landowner incentive grants not completed within two years of the date the grant was awarded.

~~10~~**9.** **Fund Transfer Authority.** The Texas Parks and Wildlife Department is hereby authorized to transfer funds between any funds/accounts authorized by the Parks and Wildlife Code in order to alleviate cash flow problems during the biennium. All funds transferred must be returned to the original fund/account before the end of the biennium.

~~11~~**10.** **Clothing Provision.** It is the intent of the Legislature that no funds may be expended to provide a clothing or cleaning allowance to any non-uniformed personnel. The Texas Parks and Wildlife Department may continue to expend funds for a cleaning allowance not to exceed $500 per employee per year.

~~10. State Parks, Community Concerns, and Inmate Labor. The Texas Parks and Wildlife Department is directed to give priority to community concerns regarding state parks, and may use inmates from the Texas Department of Criminal Justice to provide labor for park development and repair, and to provide labor for cleanup at beaches within state parks.~~

~~12~~**11.** **Lease Payments.** Included in amounts appropriated above in Strategy D.1.4, Debt Service are lease payments of ~~$5,368,572~~ $5,152,798 in fiscal year ~~2006~~ 2008 and ~~$5,274,153~~ $5,052,101 in fiscal year ~~2007~~ 2009 out of the General Revenue Fund which shall be transferred to the Texas Public Finance Authority for debt service payments on revenue bonds or other revenue obligations as authorized by § 13.0045, Parks and Wildlife Code. ~~Also included in amounts appropriated above in Strategy D.1.4, Debt Service are lease payments of $0 in fiscal year 2007 out of the General Revenue Fund which shall be transferred to the Texas Public Finance Authority for debt service payments on $9.0 million in revenue bonds or other revenue obligations for the Admiral Nimitz State Historic Site as authorized by § 22.233 of the Parks and Wildlife Code.~~ Also included in the amounts appropriated above in Strategy D.1.4, Debt Service are lease payments of $2,761,025 in fiscal year 2008 and $2,760,625 in fiscal year 2009 out of the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9 which shall be transferred to the Texas Public Finance Authority for debt service payments on revenue bonds or other obligations for the freshwater fish hatchery.

~~13~~**12.** **Appropriation: State-owned Housing Authorized.** The Texas Parks and Wildlife Department (TPWD) 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 TPWD requires an employee to live on-site in state-owned housing as a condition of employment, then the TPWD shall recover at least 20 percent of the established market rental value of housing regardless of the date of employment. Additionally, the TPWD will report biennially to the Legislative Budget Board and the Governor, the race, gender, and ethnicity, position title and classification, and salary of employees that reside in state-owned housing.

Included in the amounts appropriated above is rental income collected from employee housing (estimated to be ~~$24,697~~ $21,333 in Appropriated Receipts each fiscal year in Strategy A.1.1, Wildlife Conservation; estimated to be ~~$24,698~~ $21,333 in Appropriated Receipts each fiscal year in Strategy A.2.2, Inland Hatcheries Operations; estimated to be ~~$24,698~~ $21,334 in Appropriated Receipts each fiscal year in Strategy A.2.4, Coastal Hatcheries Operations; and, estimated to be ~~$202,941~~ $215,037 in Appropriated Receipts each fiscal year in Strategy B.1.2, Parks Minor Repair Program.) The recovered funds are appropriated to the TPWD for maintenance or replacement of employee housing~~., consistent with provisions in Article IX, § 11.01 of this Act.~~

~~Additionally, the TPWD is authorized to construct two new state-owned residences at Government Canyon State Park. Included in amounts appropriated above in fiscal year 2006 in Strategy D.1.1, Improvements and Major Repairs, is $117,400 in Appropriated Receipts and $138,400 in general obligation bond proceeds in fiscal year 2006 for this purpose. Any unexpended balances of these funds remaining as of August 31, 2006 are hereby appropriated to the TPWD for the fiscal year beginning September 1, 2006 for the same purpose.~~

Notwithstanding any other provision in this Act, the TPWD is hereby authorized to construct two new state-owned residences to provide 24-hour on-site supervision and maintenance for the new freshwater fish hatchery in East Texas at a cost not to exceed $150,000 per residence.

Additionally, notwithstanding the provisions in Article IX of this Act, the TPWD 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.

~~15~~13. **Indoor Recreational Facilities.** Included in the amounts appropriated above in Strategy B.2.1, Local Park Grants, are interest earnings accrued as of August 31, ~~2005~~ 2007 and earned through the biennium ending August 31, ~~2007~~ 2009 in the Texas Recreation and Parks Account No. 467. From this account, the Texas Parks and Wildlife Department shall use an amount equal to $835,125 of the total amounts allocated for grants in Strategy B.2.1, Local Park Grants for the ~~2006-07~~ 2008-09 biennium to fund local grants for the development of indoor recreation facilities. Any unexpended balances of such appropriations on August 31, ~~2006~~ 2008 are appropriated for the same purpose for the fiscal year beginning September 1, ~~2006~~ 2008.

~~16~~14. **Appropriation: License Plate Receipts.** Included in amounts appropriated above in Strategies A.1.1, Wildlife Conservation, A.2.3, Coastal Fisheries Management, and B.1.1, State Park Operations~~, and C.2.3, Communication Products and Services,~~ are all balances and revenue collected on or after September 1, ~~2005~~ 2007 (estimated to be $113,000 in Big Bend National Park Account No. 5030; ~~$55,000~~ $40,000 in Waterfowl and Wetland Conservation License Plate Account No. 5057; ~~$30,976~~ $12,000 in Texas Lions Camp License Plate Account No. 5116; ~~$28,670~~ $12,000 in Marine Mammal Recovery License Plate Account No. 5120; and, $0 in General Revenue associated with the sale of Texas PGA Junior Golf license plates over the biennium) from the sale of license plates, including any new license plates that the Texas Parks and Wildlife Department agrees to administer on behalf of a sponsoring organization, as provided by the Texas Transportation Code §§ 504.606 (Big Bend), 504.627 (Waterfowl and Wetland), 504.629 (Texas PGA Junior Golf), 504.644 (Marine Mammal Recovery), 504.656 (Texas Lions Camp), and 504.801 (other private nonprofit organizations).

~~18~~15. **Reporting Requirements: Full-Time Equivalent Positions.** The Texas Parks and Wildlife Department shall submit a semi-annual report to the Legislative Budget Board and the Governor which lists the number of authorized, budgeted, and filled positions in Strategy C.1.1, Enforcement Programs and C.1.2, Game Warden Training Academy. The report must include the classification of each position.

~~19~~16. **Reporting Requirements: Game Warden Academies.** The Texas Parks and Wildlife Department (TPWD) shall submit an annual plan to ensure the fulfilment of the agency's FTEs for Game Wardens. The TPWD shall submit a report to the Legislative Budget Board and the Governor within 30 days of the completion of a Game Warden Academy which lists the total number of applicants, the number selected to attend the academy, and the number who successfully complete the academy. The report shall include the race, ethnicity, gender, prior law enforcement experience, and educational background of all applicants; the applicants selected to attend the academy; the graduates of the academy; and those graduates who accepted positions with the agency.

~~21~~17. **Appropriation of Certain Concession Receipts.** Concession receipts generated as a result of the efforts of volunteer groups in state parks or other agency facilities are included in amounts appropriated above to Strategy B.1.1, State Park Operations (estimated to be ~~$75,000~~ $0 in Appropriated Receipts for the biennium beginning September 1, ~~2005~~ 2007), and Strategy A.2.4, Coastal Hatcheries Operations (estimated to be $105,000 in Appropriated Receipts for the biennium beginning September 1, ~~2005~~ 2007). These concession receipts shall be credited for the benefit of the specific state park or other agency facility where the funds are generated by volunteer groups. Concession receipts generated as a result of the efforts of department

employees or leased concession contracts with third parties are appropriated in the strategies above and are not subject to this rider.

~~17.~~ ~~**Reporting Requirements: Capital Equipment.** The Texas Parks and Wildlife Department shall submit a report annually to the Legislative Budget Board and the Governor which documents all leases, purchases, donations, or acquisitions of major capital items. The capital equipment itemized in the report shall include, at a minimum, boats, motors, and other water safety equipment; vehicles; computers; and radio equipment. The report shall identify which strategy within the agency's budget is the source of funding for the item; the method of finance for the item; the cost or value of the item; the date the item was acquired; and the law enforcement district and region, state park or other agency facility to which the item has been delivered.~~

~~23~~**18.** **Payments to License Agents.** Included in amounts appropriated above in Strategy C.3.1, License Issuance, are amounts necessary for payments to license agents (estimated to be ~~$3,657,000~~ $3,299,515 in each fiscal year out of the Game, Fish and Water Safety Account No. 9). Such amounts shall be used for the sole purpose of payments to license agents for the costs of issuing and collecting money associated with the sale of licenses, stamp endorsements, permits, tags and other similar items issued under the Parks and Wildlife Code.

~~25~~**19.** **Unexpended Balances ~~Appropriation~~: Sale of Game Warden Academy.** In the event that the sale of the department's existing Game Warden Academy is not finalized in the 2006-07 biennium, the ~~The~~ Texas Parks and Wildlife Department (TPWD) is ~~hereby appropriated~~ authorized to carry forward any unexpended balances of appropriations authorized by the Seventy-ninth Legislature and associated with ~~the proceeds from~~ the sale of the department's existing Game Warden Academy facility at 100 West 50th Street in Austin. ~~(not to exceed $700,000 in fiscal year 2006, and included in amounts appropriated above in Strategy D.1.1, Improvements and Major Repairs)~~ Additional proceeds resulting from an increase in appraised value of the Game Warden Academy facility (estimated to be $500,000) shall be used for the purpose of constructing and equipping a new Texas Game Warden Academy. Notwithstanding any other provision in this Act, the TPWD is hereby authorized to construct two new state-owned residences to provide 24-hour on-site supervision and maintenance for the new Texas Game Warden Academy at a cost not to exceed $150,000 per residence.

~~26~~**20.** **Capital Budget Expenditures from Federal and Other Funding Sources.** The Texas Parks and Wildlife Department (TPWD) is hereby exempted from the capital budget rider provisions contained in Article IX of this Act when gifts, grants, inter-local funds and federal funds are received in excess of the amounts identified in the agency's capital budget rider and such funds are designated by the donor, grantee or federal agency solely for construction and repairs, or purchase of specific capital items.

Additionally, the TPWD is hereby exempted from the capital budget rider provisions when pass through funds to local entities are received in excess of the amounts identified in the agency's capital budget rider and such funds are designated by the donor, grantee or federal agency solely for the acquisition of land. This provision does not exempt the TPWD from capital budget rider provisions for state land acquisition.

Amounts expended from these funding sources shall not count towards the limitation imposed by capital budget provisions elsewhere in this Act. The TPWD shall notify the Legislative Budget Board and the Governor upon receipt of such funds, of the amount received and the items to be purchased.

21. **Headquarters-based Vehicles.** It is the intent of the Legislature that at any given point and time during the ~~2006-07~~ 2008-09 biennium, no more than 60 vehicles be assigned to the Texas Parks and Wildlife Department (TPWD) headquarters facility located in Austin, Texas. However, contingent on the TPWD relocating approximately 70 staff from Austin lease space to the headquarters facility, the number of vehicles that may be assigned to the headquarters facility is increased to 90 vehicles.

22. **Appropriation: Land Sale Proceeds.** Included in amounts appropriated above in Strategy D.1.1. Improvements and Major Repairs, and D.1.2. Land Acquisition, are all balances (including balances from the sale of the Game Warden Academy) as of August 31, 2007, and all proceeds collected on or after September 1, 2007 (balances and revenues estimated to be $12,900,000 in Appropriated Receipts) from the sale of Texas Parks and Wildlife Department

(TPWD) lands, including the sale of land identified as underutilized and sold by the General Land Office. In accordance with Parks and Wildlife Code § 13.009, the balances and proceeds from the sale of these lands may be used only to improve or acquire other real property dedicated to the same purpose for which the land sold was dedicated. Excluding balances from the sale of the Game Warden Academy (estimated to be $1,200,000) and Eagle Mountain Lake (estimated to be $9,600,000), land sale proceeds (estimated to be $2,100,000) may only be used to acquire adjacent tracts, in-holdings of TPWD lands, or improvements and repairs at existing parks. Balances in proceeds from the sale of the Game Warden Academy are restricted to constructing and equipping the new Game Warden Academy. Also, proceeds from the sale of Eagle Mountain Lake may be used for improvements or repairs at existing parks or to acquire other real property, subject to approval by the Legislative Budget Board and the Governor. Any unexpended balances and revenue remaining as of August 31, 2008 are appropriated for the same purpose for the fiscal year beginning September 1, 2008.

~~22.~~ ~~**Appropriation of Earned Federal Funds.** It is the intent of the Legislature that the Texas Parks and Wildlife Department make efforts to maximize federal reimbursement of indirect costs for administering federal grants. Included in amounts appropriated above in Strategy E.1.1, Central Administration are earned federal funds received during fiscal year 2007 for this purpose (estimated to be $225,000). Earned federal funds received under this provision are appropriated to the Texas Parks and Wildlife Department for use in agency operations.~~

23. **State Park Facilities and Operations Management.** Using the funds appropriated above to the various strategies that are specified in the following provisions, or to any relevant strategy, the Texas Parks and Wildlife Department shall:

a. Require state park employees to use a standard definition to identify or flag health and safety-related repair needs in its facility management information system; and require the Infrastructure Division to monitor and set priorities to address new health and safety-related facility problems on a weekly basis.

b. Redirect $107,161 each fiscal year and three full-time equivalent employees to Strategy B.1.3, Parks Support, from Strategy E.1.1, Central Administration, so that the Budget Management section can perform critical budget analyses, and so that public safety staff, such as the Law Enforcement Division, can produce reports on the number of accidents, injuries, as well as property damage and crime incidents in each state park.

c. From Strategies B.1.1, State Park Operations and B.1.3, State Park Support, develop and implement an annual state park performance review process that evaluates visitor satisfaction, safety, staff performance, occupancy rates, park and concession profitability, and the facility maintenance of each state park and historic site.

d. From Strategies B.1.1, State Park Operations and B.1.3, State Park Support, ensure that all park managers conduct a thorough competitive analysis that shows their competitors' fee levels (e.g., private campgrounds such as KOA), visitor capacity, services, and amenities. These analyses should accompany the manager's annual fee proposals, and the entire package should be submitted electronically.

~~29~~**24.** **Battleship TEXAS.** It is the intent of the Legislature that $16,090,050 in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available during the biennium for the Battleship TEXAS project if the Battleship TEXAS project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Parks and Wildlife Department (TPWD) in conjunction with the Texas Department of Transportation will review the Battleship TEXAS project to determine if the Battleship TEXAS project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Battleship TEXAS project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Battleship TEXAS project under the Transportation Enhancement Program to other available projects should the Battleship TEXAS project fail to receive federal approval

or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

It is the intent of the Legislature that the funds awarded are to complete dry-dock repairs to the Battleship TEXAS.

~~**24.**~~ ~~**Appropriation: East Texas Fish Hatchery.** The Texas Public Finance Authority may issue revenue bonds or other revenue obligations in accordance with Texas Government Code, Chapter 1232 to finance construction, including construction project management and equipping, a freshwater fish hatchery for the Texas Parks and Wildlife Department (TPWD) in East Texas, at an estimated project cost of $15,000,000. From the proceeds of such bonds or other obligations, the Texas Public Finance Authority is hereby appropriated such amounts as may be necessary to pay costs associated with the issuance, including the costs of issuing the bonds or other obligations, reasonably required reserve funds, and capitalized interest, if any. From the remaining proceeds of the bonds or other obligations, the TPWD is hereby appropriated such amounts as are necessary to pay the costs of the construction of the fish hatchery, including project management and equipping the hatchery.~~

~~Notwithstanding any other provision of this Act, the TPWD is hereby authorized to construct two new state-owned residences to provide 24-hour on-site supervision and maintenance for the new hatchery at a cost not to exceed $150,000 per residence. When this new hatchery becomes operational, the TPWD is directed to close an existing fish hatchery in East Texas and to stop housing employees at the state-owned residences at that site. It is the intent of the Legislature that bonds be used to accelerate the construction and replacement of inland fish hatcheries and that once sufficient revenue from freshwater fish stamp proceeds have accumulated in the Game, Fish and Water Safety Account No. 9, these funds shall be used to retire all outstanding debt obligations.~~

~~Included in the amounts appropriated above in Strategy D.1.4, Debt Service are lease payments of $525,000 in fiscal year 2006 and $1,263,750 in fiscal year 2007 out of the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9 which shall be transferred to the Texas Public Finance Authority for debt service payments on revenue bonds or other obligations issued in fiscal year 2006 for the hatchery. Additionally, included in amounts appropriated above in Strategy A.2.2, Inland Hatcheries Operations is $150,000 per fiscal year for the purposes of stocking freshwater fish.~~

25. **Contingency Relating to Transfer of Historic Sites.** It is the intent of the Legislature that additional sporting goods sales tax collections be allocated to the Texas Parks and Wildlife Department and the Texas Historical Commission for the purpose of supporting the state park system, including historical sites, contingent on the transfer of certain historical sites from the Texas Parks and Wildlife Department to the Texas Historical Commission through legislation or agency transfer.

~~**27.**~~ ~~**Appropriation of Receipts out of General Revenue-Dedicated Accounts.** For the biennium beginning September 1, 2005, the Texas Parks and Wildlife Department (TPWD) is hereby appropriated any revenues that are deposited to an account of the department that are in excess of the amounts reflected in the Comptroller's Biennial Revenue Estimate for each year of the biennium (estimated to be $1,500,000 each fiscal year in the General Revenue-Dedicated Game Fish and Water Safety Account No. 9 and $1,500,000 each fiscal year in the General Revenue-Dedicated State Parks Account No. 64) Any unexpended balances and additional revenue collections in excess of the Biennial Revenue Estimate as of August 31, 2006 are hereby appropriated for the fiscal year beginning September 1, 2006. The TPWD is specifically authorized to expend these funds for purposes authorized by the Parks and Wildlife Code, including capital budget purposes. Such expenditures must comply with limitations established for salary, travel, and capital expenditures, employment levels, and other provisions contained in Article IX of this Act.~~

~~On March 1 of each year, the TPWD shall notify the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor of the amount that the department projects will be received in excess of the amount contained in the Comptroller's Biennial Revenue Estimate for each of the department's General Revenue-Dedicated accounts along with sufficient information to reflect how that estimate was determined. If the Comptroller finds the~~

~~information sufficient to support the projection of additional revenues, a finding of fact to that effect shall be issued to reflect the additional revenue available for each General Revenue-Dedicated account.~~

~~It is the intent of the legislature that in the event the Comptroller issues a finding of fact that additional revenue is available in the State Parks Account No. 64 and the Game, Fish and Water Safety Account No. 9 that the first $1,565,058 in additional revenue to State Parks Account No. 64 be allocated to Strategy B.1.1, State Park Operations and Strategy B.1.3, Parks Support to restore operations, services and staffing at state parks; and that the first $1,317,465 in additional revenue to Game, Fish and Water Safety Account No. 9 be allocated to Strategy C.1.2, Warden Training Academy and Strategy C.1.1, Enforcement Programs to restore funding for game warden cadet classes and law enforcement.~~

~~**28. Appropriation: Admiral Nimitz State Historic Site.** The Texas Parks and Wildlife Department (TPWD) is hereby authorized for expansion of the Admiral Nimitz State Historic Site at a cost not to exceed $9,000,000 in revenue bonds, which is included in the amounts appropriated above in Strategy D.1.1, Improvements and Major Repairs in fiscal year 2007.~~

~~**30. South Padre Island Birding and Nature Center.** From funds appropriated above, the Texas Parks and Wildlife Department shall allocate up to $1,000,000 of matching funds for the South Padre Island Birding and Nature Center construction.~~

RAILROAD COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 26,699,273	$ 26,698,797
General Revenue Fund - Dedicated		
Alternative Fuels Research and Education Account No. 101	1,907,159	1,922,653
Oil Field Cleanup Account No. 145	22,675,986	22,719,713
Subtotal, General Revenue Fund - Dedicated	$ 24,583,145	$ 24,642,366
Federal Funds		
Land Reclamation Fund No. 454	161,907	161,907
Federal Funds	4,207,709	4,207,709
Subtotal, Federal Funds	$ 4,369,616	$ 4,369,616
Other Funds		
Appropriated Receipts	1,938,910	1,938,910
Interagency Contracts	1,576,222	1,576,222
Subtotal, Other Funds	$ 3,515,132	$ 3,515,132
Total, Method of Financing	$ 59,167,166	$ 59,225,911
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 325,472	$ 326,310
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	716.1	716.1
Schedule of Exempt Positions:		
Railroad Commissioner, Group 6	(3) $125,000	(3) $125,000
Items of Appropriation:		
A. Goal: ENERGY RESOURCES		
Support Lignite, Oil, and Gas Resource Development.		

A.1.1. Strategy: ENERGY RESOURCE DEVELOPMENT Promote Energy Resource Development Opportunities.	$ 4,456,111	$ 4,277,638
A.2.1. Strategy: GAS UTILITY COMPLIANCE Ensure Fair Rates and Compliance to Rate Structures.	$ 1,775,720	$ 1,773,236
A.2.2. Strategy: PROMOTE LP GAS USAGE	$ 3,511,697	$ 3,504,716
Total, Goal A: ENERGY RESOURCES	$ 9,743,528	$ 9,555,590
B. Goal: SAFETY PROGRAMS Advance Safety Through Training, Monitoring, and Enforcement.		
B.1.1. Strategy: PIPELINE AND LP GAS SAFETY Ensure Pipeline and LPG/CNG/LNG Safety.	$ 4,371,627	$ 4,363,312
C. Goal: ENVIRONMENTAL PROTECTION Minimize Harmful Effects of Fossil Fuel Production.		
C.1.1. Strategy: OIL/GAS MONITOR & INSPECTIONS Oil and Gas Monitoring and Inspections.	$ 12,462,589	$ 12,441,990
C.1.2. Strategy: SURFACE MINING MONITORING/INSPECT Surface Mining Monitoring and Inspections.	$ 2,314,788	$ 2,310,621
C.2.1. Strategy: OIL AND GAS REMEDIATION	$ 7,220,966	$ 7,508,871
C.2.2. Strategy: OIL AND GAS WELL PLUGGING	$ 18,083,281	$ 18,360,806
C.2.3. Strategy: SURFACE MINING RECLAMATION	$ 2,160,246	$ 2,154,921
Total, Goal C: ENVIRONMENTAL PROTECTION	$ 42,241,870	$ 42,777,209
D. Goal: PUBLIC ACCESS TO INFO AND SERVICES Public Access to Information and Services.		
D.1.1. Strategy: GIS AND WELL MAPPING Geographic Information Systems and Well Mapping.	$ 789,113	$ 787,643
D.1.2. Strategy: PUBLIC INFORMATION AND SERVICES	$ 2,171,995	$ 1,752,695
Total, Goal D: PUBLIC ACCESS TO INFO AND SERVICES	$ 2,961,108	$ 2,540,338
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (150,967)	$ (10,538)
Grand Total, RAILROAD COMMISSION	$ 59,167,166	$ 59,225,911
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 32,835,877	$ 32,840,890
Other Personnel Costs	1,037,400	1,032,420
Professional Fees and Services	1,962,637	1,962,636
Fuels and Lubricants	709,473	721,269
Consumable Supplies	173,146	176,025
Utilities	163,330	165,974
Travel	459,521	459,521
Rent - Building	532,289	540,702
Rent - Machine and Other	428,276	435,049
Other Operating Expense	20,320,453	20,566,437
Capital Expenditures	544,764	324,988
Total, Object-of-Expense Informational Listing	$ 59,167,166	$ 59,225,911
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,062,297	$ 2,093,232
Group Insurance	5,722,781	5,821,498
Social Security	2,459,460	2,496,352
Benefits Replacement	326,761	310,423
Subtotal, Employee Benefits	$ 10,571,299	$ 10,721,505

Debt Service		
Lease Payments	$ 118,429	$ 128,436
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 10,689,728	$ 10,849,941

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Railroad 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 Railroad Commission. In order to achieve the objectives and service standards established by this Act, the Railroad Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ENERGY RESOURCES		
Outcome (Results/Impact):		
Percent of Oil and Gas Wells That Are Active	73%	73%
A.1.1. Strategy: ENERGY RESOURCE DEVELOPMENT		
Output (Volume):		
Number of Wells Monitored	364,000	364,000
Efficiencies:		
Average Number of Wells Monitored Per Analyst	30,333	30,333
A.2.1. Strategy: GAS UTILITY COMPLIANCE		
Output (Volume):		
Number of Gas Utility Dockets Filed	80	80
A.2.2. Strategy: PROMOTE LP GAS USAGE		
Output (Volume):		
Number of Rebate and Incentive Applications Handled	3,351	3,351
Efficiencies:		
Administrative Costs as a Percentage of Alternative Fuels Research and Education Account Fee Revenue	18.6%	18.6%
Explanatory:		
Number of Alternative Fuel Vehicles in Texas	16,502	16,502
B. Goal: SAFETY PROGRAMS		
Outcome (Results/Impact):		
Average Number of Pipeline Safety Violations Per Equivalent 100 Miles of Pipe Identified through Inspections	3.5	3.5
B.1.1. Strategy: PIPELINE AND LP GAS SAFETY		
Output (Volume):		
Number of Pipeline Safety Inspections Performed	2,300	2,300
Number of LPG/LNG/CNG Safety Inspections Performed	12,000	12,000
Efficiencies:		
Average Number of Pipeline Field Inspections Per Field Inspector	100	100
C. Goal: ENVIRONMENTAL PROTECTION		
Outcome (Results/Impact):		
Percentage of Oil and Gas Facility Inspections That Identify Environmental Violations	18%	18%
Percentage of Known Orphaned Wells Plugged with the Use of State-Managed Funds	18%	20%
C.1.1. Strategy: OIL/GAS MONITOR & INSPECTIONS		
Output (Volume):		
Number of Oil and Gas Facility Inspections Performed	115,000	115,000
Number of Oil and Gas Environmental Permit Applications and Reports Processed	94,000	94,000
Efficiencies:		
Average Number of Oil and Gas Facility Inspections Performed Per District Office Staff	900	900
Explanatory:		
Number of Oil and Gas Wells and Other Related Facilities Subject to Regulation	371,800	371,800
C.1.2. Strategy: SURFACE MINING MONITORING/INSPECT		
Output (Volume):		
Number of Coal Mining Inspections Performed	485	485
C.2.1. Strategy: OIL AND GAS REMEDIATION		
Output (Volume):		
Number of Abandoned Pollution Sites Investigated, Assessed, or Cleaned Up with the Use of State-Managed Funds	251	235

C.2.2. Strategy: OIL AND GAS WELL PLUGGING		
Output (Volume):		
Number of Orphaned Wells Plugged with the Use of State-Managed Funds	1,850	1,800
Total Aggregate Plugging Depth of Orphaned Wells Plugged with the Use of State Managed Funds (in Linear Feet)	3,241,200	3,153,600
D. Goal: PUBLIC ACCESS TO INFO AND SERVICES		
D.1.2. Strategy: PUBLIC INFORMATION AND SERVICES		
Output (Volume):		
Number of Documents Provided to Customers by Information Services	938,000	938,000

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.

	2006	2007
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Oil and Gas Technology Migration~~	~~$ 2,256,121~~	~~$ 1,596,063~~
~~(2) Infrastructure Upgrade~~	~~$ 199,755~~	~~$ 0~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 2,455,876~~	~~$ 1,596,063~~
~~b. Transportation Items~~		
~~(1) Vehicle Replacements~~	~~$ 368,094~~	~~$ 324,987~~
~~Total, Capital Budget~~	~~$ 2,823,970~~	~~$ 1,921,050~~
~~Method of Financing (Capital Budget):~~		
~~General Revenue Fund~~	~~$ 2,519,688~~	~~$ 1,659,875~~
~~General Revenue Fund - Dedicated~~		
~~Alternative Fuels Research and Education Account No. 101~~	~~24,000~~	~~24,000~~
~~Oil Field Cleanup Account No. 145~~	~~140,749~~	~~140,749~~
~~Subtotal, General Revenue Fund - Dedicated~~	~~$ 164,749~~	~~$ 164,749~~
~~Federal Funds~~	~~116,533~~	~~96,426~~
~~Appropriated Receipts~~	~~23,000~~	~~0~~
~~Total, Method of Financing~~	~~$ 2,823,970~~	~~$ 1,921,050~~

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Infrastructure Upgrade	$ 199,755	$ 0
(2) Expand Web Access	555,220	0
(3) Online Filing of Completion Forms	440,105	395,255
(4) OFCU Management System	0	600,070
Total, Acquisition of Information Resource Technologies	$ 1,195,080	$ 995,325
b. Transportation Items		
(1) Vehicle Replacements	324,988	324,988
Total, Capital Budget	$ 1,520,068	$ 1,320,313

Method of Financing (Capital Budget)		
General Revenue Fund	$ 1,195,080	$ 995,325
General Revenue Fund - Dedicated		
Alternative Fuels Research and Education Account No. 101	24,000	24,000
Oil Field Cleanup Account No. 145	140,749	140,749
Subtotal, General Revenue Fund - Dedicated	$ 164,749	$ 164,749
Appropriated Receipts	160,239	160,239
Total, Method of Financing	$ 1,520,068	$ 1,320,313

3. **Unexpended Balance and Estimated Appropriation Authority: Alternative Fuels Research and Education Account.** Included in amounts appropriated above in Strategy A.2.2, Promote LP Gas Usage, in fiscal year ~~2006~~2008 are balances remaining in the Alternative Fuels Research and Education Account No. 101 as of August 31, ~~2005~~2007 (not to exceed $~~259,884~~220,872) to be used during the biennium beginning on September 1, ~~2005~~2007.

   In addition to amounts appropriated above, there is hereby appropriated to the Railroad Commission for the biennium beginning on September 1, ~~2005~~2007 any revenues received in the AFRED Account No. 101 in excess of the Comptroller's Biennial Revenue Estimate for the ~~2006-07~~2008-09 biennium. These funds shall be used in accordance as provided in Natural Resources Code, § 113.243.

4. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Texas Railroad Commission is hereby authorized to direct agency resources and transfer such amounts appropriated above between appropriation line items.

5. **Appropriation: Unexpended Balances Between Fiscal Years within the Biennium.** Any unexpended balances as of August 31, ~~2006~~2008, in the appropriations made herein to the Railroad Commission are hereby appropriated for the same purposes for the fiscal year beginning September 1, ~~2006~~2008.

6. **Appropriations Limited to Revenue Collections and Contingent Revenue: LPG/CNG/LNG Fees.** It is the intent of the Legislature that revenues collected pursuant to Natural Resources Code §§ 113.082, ~~113.088~~, 113.090, 113.093, 113.094, 113.131, 116.032, 116.034, and 116.072 and deposited to Revenue Object Codes 3035, ~~3245~~, and 3246 in the General Revenue Fund, and $60,000 each fiscal year collected pursuant to Natural Resources Code, § 113.244, and deposited to Revenue Object Code 3034 in the Alternative Fuels Research and Education Account No. 101, cover, at a minimum, the cost of the appropriations made above for the LP Gas Program in Strategy B.1.1, Pipeline and LP Gas Safety (not to exceed $~~1,247,093~~1,484,473 in fiscal year ~~2006~~2008 and $~~1,244,426~~ 1,480,205 in fiscal year ~~2007~~2009).

   This appropriation is contingent upon the Railroad Commission assessing fees sufficient to generate, during the ~~2006-07~~2008-09 biennium, revenue to cover these appropriations. 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.

   In addition to amounts appropriated above, there is hereby appropriated to the Railroad Commission for the biennium beginning on September 1, ~~2005~~2007 any revenues collected by the Commission and deposited to Revenue Object Codes 3035~~, 3245~~ and 3246 in the General Revenue Fund in excess of the Comptroller's Biennial Revenue Estimate for the ~~2006-07~~2008-09 biennium.

7. **Unexpended Balance and Estimated Appropriation Authority: Oil Field Cleanup Account.** Included in amounts appropriated above in fiscal year ~~2006~~2008 is an amount not to exceed $~~1,892,950~~1,852,650 in Strategy C.2.1, Oil and Gas Remediation, and an amount

not to exceed ~~$3,515,479~~7,410,601 in Strategy C.2.2, Oil and Gas Well Plugging, in balances remaining in the Oil Field Cleanup Account No. 145 as of August 31, ~~2005~~2007. The agency shall use these funds to carry out duties authorized by Natural Resources Code, Subchapter D, Chapter 91.

In addition to amounts appropriated above, there is hereby appropriated to the Railroad Commission for the biennium beginning on September 1, ~~2005~~2007, any revenues received in the Oil Field Cleanup Account No. 145 in excess of the Comptroller's Biennial Revenue Estimate for ~~2006-07~~2008-09.

8. **Fee Appropriation: Liquid Propane (LP) Gas Licensing, Training, and Examination Renewal Fees.** Included in amounts appropriated above in Strategy A.2.2, Promote LP Gas Usage, is ~~$331,768~~425,000 in each fiscal year of the biennium beginning September 1, 2007 in Appropriated Receipts (Revenue Codes 3245 and 3722) from fees assessed and collected pursuant to Natural Resources Code, §§ 113.088 and 116.034~~, beginning September 1, 2005~~. These amounts may only be used for the purpose of providing training and examinations to licensees and certificate holders. In addition to amounts appropriated above, any additional amounts collected by the Railroad Commission pursuant to Natural Resources Code, §§ 113.088 and 116.034, on or after September 1, ~~2005~~2007, are hereby appropriated to the commission for the same purpose.

9. **Appropriation: Abandoned Mine Land Funds.** Included in amounts appropriated above in Strategy C.2.3, Surface Mining Reclamation, is an amount estimated to be ~~$732,572~~323,813 in unexpended balances remaining on August 31, ~~2005~~2007 in the Land Reclamation Fund Account No. 454 (Federal Funds). In addition to amounts appropriated above, the Railroad Commission is hereby appropriated any additional federal grant funds from the US Department of Interior for the purposes authorized by Natural Resources Code, Chapter 134, Subchapter G, Abandoned Mine Reclamation.

10. **Appropriation Limited to Revenue Collections: Surface Mining Permits.** Included in the amounts appropriated above is ~~$900,956 in fiscal year 2006 and $910,368 in fiscal year 2007~~$947,877 in each fiscal year of the 2008-09 biennium in Strategy C.1.2, Surface Mining Monitoring and Inspections, from surface mining fee revenues deposited to the General Revenue Fund to cover the cost of permitting and inspecting coal mining facilities.

This appropriation is contingent upon the Railroad Commission assessing fees sufficient to generate, during the ~~2006-07~~2008-09 biennium, revenue to cover the General Revenue appropriations. 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.

11. **Appropriation for Pipeline Safety Fees.** Included in the amounts appropriated above are revenues from fees assessed on pipelines and pipeline facilities and deposited to Revenue Object Code 3553 in the General Revenue Fund pursuant to Utilities Code, § 121.211 in an amount not to exceed ~~$1,192,328~~1,026,305 in fiscal year ~~2006~~2008 and ~~$1,192,328~~1,026,305 in fiscal year ~~2007~~2009. These funds shall be used to operate programs in Strategy B.1.1, Pipeline and LP Gas Safety, and the geographic information systems mapping program in Strategy D.1.1, Geographic Information Systems and Well Mapping. The Railroad Commission is hereby authorized to transfer appropriations made pursuant to this provision to the appropriate strategy items.

These appropriations are contingent upon the Railroad Commission assessing fees sufficient to generate, during the ~~2006-07~~2008-09 biennium, revenue to cover, at a minimum the General Revenue appropriations for the Pipeline Safety program as well as "Other direct and indirect costs" for the program, appropriated elsewhere in this Act. "Other direct and indirect costs" are estimated to be ~~$309,644~~325,472 in fiscal year ~~2006~~2008 and ~~$307,428~~326,310 in fiscal year ~~2007~~2009. 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 the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

~~13~~12. **Federal Funds and Capital Budget Expenditures.** To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements required for the receipt and

expenditure of federal funds, the Railroad Commission (RRC) is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of this Act, "Limitations on Expenditures - Capital Budget," when federal funds are received in excess of amounts identified in the agency's Capital Budget Rider and such funds are federally designated solely for the purchase of specific capital items. The RRC shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds, of the amount received and items to be purchased.

~~**12. Appropriation for Rail Safety Fees.** Included in the amounts appropriated above are amounts collected and deposited to the General Revenue Fund from the assessment of fees on railroad operators pursuant to Texas Revised Civil Statutes, Article 6448a, not to exceed $954,173 in each fiscal year of the 2006-07 biennium. These funds shall be used to operate the rail safety program in Strategy B.1.2, Rail Safety.~~

~~These appropriations are contingent upon the Railroad Commission assessing fees sufficient to generate, during the 2006-07 biennium, revenue to cover, at a minimum, the General Revenue appropriations for the rail safety program as well as "Other direct and indirect costs" for the program, appropriated elsewhere in this Act. "Other direct and indirect costs" are estimated to be $13,484 in fiscal year 2006 and $ 0 in fiscal year 2007. 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 the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.~~

~~**14. Field Offices in San Angelo and San Antonio.** It is the intent of the Legislature that the Railroad Commission maintain field offices in San Angelo and San Antonio, and that during the 2006-07 biennium the number of FTEs at each office be maintained at least equal to 2004-05 levels.~~

~~**15. Contingency Appropriation: Oil Field Cleanup Account and General Revenue Fee Allocations.** Notwithstanding other provisions contained in this Act, contingent upon the passage of legislation by the Seventy-Ninth Legislature modifying the allocation of fee revenues from oil and gas operators deposited to the credit of the General Revenue Fund and the Oil Field Cleanup Account No. 145, appropriations to the Railroad Commission are hereby modified as follows:~~

~~(1) Appropriations out of the General Revenue Fund are hereby increased by $3,429,891 in fiscal year 2006 and by $2,808,050 in fiscal year 2007 in new fee revenues generated from the passage of legislation by the Seventy-Ninth Legislature, 2005, increasing revenues to the General Revenue Fund from fee increases assessed to oil field operators and in new fee revenues contingent upon the Railroad Commission increasing fees assessed for the Pipeline Safety, Rail Safety, and Surface Mining programs. This appropriation shall be transferred to the appropriate strategies listed above.~~

~~(2) Appropriations out of the Oil Field Cleanup Account No. 145 are hereby increased by $352,907 in fiscal year 2006 and by $329,672 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.~~

~~(3) Appropriations out of Earned Federal Funds are hereby increased by $6,681 in fiscal year 2006 and by $6,241 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.~~

~~(4) Appropriations out of the Alternative Fuels Research and Education Account No. 101 are hereby increased by $151,255 in fiscal year 2006 and by $148,379 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.~~

~~(5) Appropriations out of Federal Funds are hereby increased by $57,453 in fiscal year 2006 and by $44,242 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.~~

~~(6) Appropriations out of Appropriated Receipts are hereby increased by $15,584 in fiscal year 2006 and by $12,000 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.~~

(7) Appropriations out of Interagency Contracts are hereby increased by $2,268 in fiscal year 2006 and by $1,747 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.

(8) The "Number of Full-Time-Equivalents (FTE)" indicated herein for the Railroad Commission is hereby increased by 9.5 in each fiscal year of the 2006-07 biennium; and

(9) The Railroad Commission's Capital Budget authority is hereby increased for the following items and in the following amounts:

	2006	2007
(a) Oil and Gas Technology Migration	$ 747,823	$ 747,823
(b) Information Technology Infrastructure Upgrade	$1,243,235	$ 503,831
(c) Replacement Vehicles	$ 222,285	$ 222,285

These appropriations are contingent upon new revenues being created due to the passage of legislation and deposited to the credit of the General Revenue Fund in an amount at least equal to $3,206,179 in fiscal year 2006 and at least equal to $2,615,392 in fiscal year 2007; deposited to the credit of the Oil Field Cleanup Account No. 145 in an amount at least equal to $352,907 in fiscal year 2006 and at least equal to $329,672 in fiscal year 2007; and deposited to the credit of the Alternative Fuels Research and Education Account No. 101 in an amount at least equal to $31,174 in each fiscal year of the 2006-07 biennium. The General Revenue appropriations are further contingent upon the Railroad Commission increasing by rule fees sufficient to cover the following increases: for the Pipeline Safety Program, an increase of $74,764 in fiscal year 2006 and $74,513 in fiscal year 2007; for the Rail Safety Program, $85,271 in fiscal year 2006 and $63,332 in fiscal year 2007; and for the Surface Mining Program, $58,677 in fiscal year 2006 and $54,813 in fiscal year 2007. In addition, it is the intent of the Legislature that such revenues cover "Other direct and indirect costs" related to the 9.5 additional FTEs authorized above and appropriated elsewhere in this Act. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

16. Competition in the Texas Natural Gas Pipeline Industry. Out of funds appropriated above in Strategy A.1.1, Energy Resource Development, the Railroad Commission shall conduct a study that examines and determines the extent to which viable competition exists in the Texas natural gas pipeline industry from the wellhead to the burner tip. The study shall recommend solutions to bring market competition to any non-competitive segments of the industry. The study also shall include an assessment of the effectiveness of current laws, regulations, enforcement and oversight in addressing any abuses of pipeline monopoly power and make recommendations for changes that may be necessary. In addition, the study shall include a comparative review of competition in the Texas intrastate gathering and pipeline industry with the open-access transportation in the interstate pipeline industry administered by the Federal Energy Regulatory Commission.

The Railroad Commission shall submit a report of its findings to the Legislative Budget Board and the Governor on or before November 1, 2006.

SOIL AND WATER CONSERVATION BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 9,445,180	$ 9,442,866
Federal Funds	4,022,981	4,022,981
Total, Method of Financing	$ 13,468,161	$ 13,465,847

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	61.5	61.5
Schedule of Exempt Positions:		
Executive Director, Group 3	$70,000	$70,000
Items of Appropriation:		
A. Goal: SOIL & WATER CONSERVATION ASSIST		
Soil and Water Conservation Assistance.		
A.1.1. Strategy: PROGRAM MANAGEMENT & ASSISTANCE Program Expertise, Financial & Conservation Implementation Assistance.	$ 3,192,298	$ 3,192,299
B. Goal: NONPOINT SOURCE POLLUTION ABATEMENT		
Administer a Program for Abatement of Agricl Nonpoint Source Pollution.		
B.1.1. Strategy: STATEWIDE MANAGEMENT PLAN Implement a Statewide Management Plan for Controlling NPS Pollution.	$ 3,904,900	$ 3,904,900
B.1.2. Strategy: POLLUTION ABATEMENT PLAN Pollution Abatement Plans for Problem Agricultural Areas.	$ 4,061,857	$ 4,061,857
Total, Goal B: NONPOINT SOURCE POLLUTION ABATEMENT	$ 7,966,757	$ 7,966,757
C. Goal: WATER SUPPLY ENHANCEMENT		
Protect and Enhance Water Supplies.		
C.1.1. Strategy: WATER CONSERVATION AND ENHANCEMENT Provide Financial/Technical Assistance for Water Quantity Enhancement.	$ 1,883,927	$ 1,883,926
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 444,760	$ 444,760
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (19,581)	$ (21,895)
Grand Total, SOIL AND WATER CONSERVATION BOARD	$ 13,468,161	$ 13,465,847
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,672,712	$ 2,672,712
Other Personnel Costs	81,242	81,242
Professional Fees and Services	12,000	12,000
Fuels and Lubricants	49,500	49,500
Consumable Supplies	29,250	29,250
Utilities	69,500	69,500
Travel	314,500	314,500
Rent - Building	161,500	161,500
Rent - Machine and Other	34,000	34,000
Other Operating Expense	218,402	247,589
Grants	9,779,905	9,779,904
Capital Expenditures	45,650	14,150
Total, Object-of-Expense Informational Listing	$ 13,468,161	$ 13,465,847
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 179,609	$ 182,303
Group Insurance	435,687	440,284
Social Security	215,478	218,710

Benefits Replacement	23,400	22,230
Subtotal, Employee Benefits	$ 854,174	$ 863,527
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 854,174	$ 863,527

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Soil and Water Conservation 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 Soil and Water Conservation Board. In order to achieve the objectives and service standards established by this Act, the Soil and Water Conservation Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: SOIL & WATER CONSERVATION ASSIST		
Outcome (Results/Impact):		
Percent of District Financial Needs Met by Soil and Water Conservation Board Grants	34.7%	34.7%
A.1.1. Strategy: PROGRAM MANAGEMENT & ASSISTANCE		
Output (Volume):		
Number of Contacts with Districts to Provide Conservation Education Assistance	14,000	14,000
B. Goal: NONPOINT SOURCE POLLUTION ABATEMENT		
Outcome (Results/Impact):		
Percent of Agricultural and Silvicultural Operations with a Potential to Cause Nonpoint Pollution in Problem Areas As Identified and Designated by the TSSWCB	50%	50%
B.1.1. Strategy: STATEWIDE MANAGEMENT PLAN		
Output (Volume):		
Number of Proposals for Federal Grant Funding Evaluated by TSSWCB Staff	20	20
B.1.2. Strategy: POLLUTION ABATEMENT PLAN		
Output (Volume):		
Number of Pollution Abatement Plans Certified	540	540
C. Goal: WATER SUPPLY ENHANCEMENT		
C.1.1. Strategy: WATER CONSERVATION AND ENHANCEMENT		
Output (Volume):		
Number of Acres of Brush Treated	13,776	13,776

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amount 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.

	~~2006~~	~~2007~~
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Acquisition of Information Resource Technologies~~	~~$ 48,200~~	~~$ 11,600~~
~~Total, Capital Budget~~	~~$ 48,200~~	~~$ 11,600~~
~~Method of Financing (Capital Budget):~~		
~~General Revenue Fund~~	~~$ 44,200~~	~~$ 9,800~~
~~Appropriated Receipts~~	~~4,000~~	~~1,800~~
~~Total, Method of Financing~~	~~$ 48,200~~	~~$ 11,600~~

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resource Technologies	$ 45,650	$ 14,150
Total, Capital Budget	$ 45,650	$ 14,150
Method of Financing (Capital Budget):		
General Revenue Fund	$ 38,700	$ 9,950
Federal Funds	6,950	4,200
Total, Method of Financing	$ 45,650	$ 14,150

3. **Matching Requirements.** Funds appropriated above for conservation assistance grants for ~~S~~soil and ~~W~~water ~~C~~conservation ~~D~~districts may be expended only when matched by equal amounts from sources other than state funds or earnings from state funds, not to exceed $7,500 in any district per fiscal year.

4. **Allocation of Grant Funds.** ~~It is the intent of the Legislature that~~ Out of the amounts appropriated above to the Soil and Water Conservation Board, any ~~Technical~~ Conservation Implementation Assistance grant funds ~~appropriated to the Soil and Water Conservation Board for~~ to the ~~S~~soil and ~~W~~water ~~C~~conservation ~~D~~districts shall be distributed to districts on a reimbursement basis during the fiscal year when expenditures are incurred. Grant distributions are made contingent upon districts filing annual ~~technical assistance~~ Conservation Implementation Assistance expenditure summary reports with the Soil and Water Conservation Board.

5. **Appropriation: ~~Wastewater~~ Water Quality Management Plans for Poultry Operators.** Included in amounts appropriated above in Strategy B.1.2, Pollution Abatement Plan, is ~~$250,000~~ 212,895 out of the General Revenue Fund in fiscal years ~~2006~~ 2008 and ~~2007~~ 2009 for additional administrative costs associated with the preparation of ~~waste~~ water quality management plans for poultry operators.

6. **Brush Control.** Included in amounts appropriated above in Strategy C.1.1, Water Conservation and Enhancement, is ~~$1,874,176~~ 1,883,927 in fiscal year ~~2006~~ 2008 and ~~$1,816,009~~ 1,883,926 in fiscal year ~~2007~~ 2009 out of the General Revenue Fund for the brush control program. These funds shall be used for supporting existing and implementing new brush control projects designated by the Soil and Water Conservation Board.

~~8~~7. **Conservation Assistance to the Soil and Water Conservation Districts.** ~~It is the intent of the Legislature that any funds provided to soil and water conservation districts by the Soil and Water Conservation Board as~~ Out of the amounts appropriated above to the Soil and Water Conservation Board, any conservation assistance grants awarded to soil and water conservation districts on a matching basis and requiring districts to raise funds from sources other than the Soil and Water Conservation Board prior to receiving such grants shall remain permanently with the soil and water conservation district granted the funds. The Soil and Water Conservation Board shall not require the soil and water conservation districts to return conservation assistance grant funds at the end of a fiscal year or at the end of a biennium.

~~**7. Appropriation: North Bosque and Leon Watersheds Compost Project.** Included in amounts appropriated above in Strategy B.1.1, Statewide Management Plan, is $152,000 in General Revenue in fiscal year 2006 to be used as matching funds to obtain Federal Funds to be used in the development and implementation of a manure compost project in the Bosque River and Leon River watersheds.~~

~~Any unexpended balance remaining in this appropriation on August 31, 2006 is hereby appropriated for the fiscal year beginning on September 1, 2006 for the same purpose.~~

8. **Brush Control Program Study.** The Soil and Water Conservation Board shall submit a report to the Legislative Budget Board and the Governor no later than September 1, 2008 providing: the number of additional acre feet of water generated as a result of the agency's

brush control efforts since the program's inception; the cost per acre foot of additional water generated as a result of the program since inception; and a comparison of the cost per acre foot of the state brush control program versus other significant water enhancement strategies.

WATER DEVELOPMENT BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 19,033,474	$ 18,526,571
Federal Funds	10,263,694	10,337,789
Other Funds		
Appropriated Receipts	8,173,894	8,031,757
Interagency Contracts	217,024	217,074
Agricultural Water Conservation Fund No. 358	1,038,704	1,035,954
Water Assistance Fund No. 480	3,016,733	4,359,180
Subtotal, Other Funds	$ 12,446,355	$ 13,643,965
Total, Method of Financing	$ 41,743,523	$ 42,508,325
This bill pattern represents an estimated 5.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	284.8	284.8
Schedule of Exempt Positions:		
Executive Administrator, Group 4	$115,000	$115,000
Items of Appropriation:		
A. Goal: WATER RESOURCE PLANNING		
Plan and Guide Conservation & Management of State's Water Resources.		
A.1.1. Strategy: ENVIRONMENTAL IMPACT INFORMATION	$ 1,233,071	$ 1,173,571
Collection, Analysis and Reporting of Environmental Impact Information.		
A.1.2. Strategy: WATER RESOURCES DATA	$ 3,681,482	$ 3,678,161
A.1.3. Strategy: AUTO INFO COLLECT., MAINT. & DISSEM	$ 5,407,330	$ 5,425,927
Automated Information Collection, Maintenance, and Dissemination.		
A.2.1. Strategy: TECHNICAL ASSISTANCE & MODELING	$ 2,086,763	$ 2,087,311
Technical Assistance and Modeling.		
A.2.2. Strategy: WATER RESOURCES PLANNING	$ 10,860,562	$ 9,893,393
A.3.1. Strategy: WATER CONSERVATION EDUCATION & ASST	$ 1,358,853	$ 1,357,353
Water Conservation Education and Assistance.		
Total, Goal A: WATER RESOURCE PLANNING	$ 24,628,061	$ 23,615,716
B. Goal: WATER PROJECT FINANCING		
Provide Financing for the Development of Water-related Projects.		
B.1.1. Strategy: STATE FINANCIAL ASSISTANCE PROGRAMS	$ 3,154,827	$ 2,824,854
B.1.2. Strategy: ECONOMICALLY DISTRESSED AREAS	$ 484,467	$ 2,410,647
Economically Distressed Areas Program.		
B.1.3. Strategy: FEDERAL FINANCIAL ASSISTANCE	$ 8,507,971	$ 8,626,374
Federal Financial Assistance Programs.		
Total, Goal B: WATER PROJECT FINANCING	$ 12,147,265	$ 13,861,875
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 3,120,508	$ 3,105,783

C.1.2. Strategy: INFORMATION RESOURCES	$ 1,293,363	$ 1,293,179
C.1.3. Strategy: OTHER SUPPORT SERVICES	$ 656,538	$ 631,772
Total, Goal C: INDIRECT ADMINISTRATION	$ 5,070,409	$ 5,030,734
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (102,212)	$ 0
Grand Total, WATER DEVELOPMENT BOARD	$ 41,743,523	$ 42,508,325
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 16,474,605	$ 16,473,105
Other Personnel Costs	410,180	432,538
Professional Fees and Services	1,179,281	1,183,532
Fuels and Lubricants	101,000	103,000
Consumable Supplies	376,708	367,988
Utilities	192,603	197,245
Travel	520,373	530,981
Rent - Building	400,088	402,838
Rent - Machine and Other	106,842	104,834
Other Operating Expense	1,631,298	1,676,442
Grants	17,412,191	18,115,468
Capital Expenditures	2,938,354	2,920,354
Total, Object-of-Expense Informational Listing	$ 41,743,523	$ 42,508,325
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 997,111	$ 1,012,068
Group Insurance	2,233,536	2,273,491
Social Security	1,203,939	1,221,998
Benefits Replacement	124,456	118,233
Subtotal, Employee Benefits	$ 4,559,042	$ 4,625,790
Debt Service		
Lease Payments	$ 45,578	$ 50,038
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,604,620	$ 4,675,828

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Water Development 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 Water Development Board. In order to achieve the objectives and service standards established by this Act, the Water Development Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: WATER RESOURCE PLANNING		
Outcome (Results/Impact):		
Percent of Information Available to Adequately Monitor the State's Water Supplies	69.1%	69.1%
Percent of Key Regional and Statewide Water Planning Activities Completed	84.6%	84.6%
Percent of Eligible Texas Communities and Other Entities Receiving Technical and/or Financial Assistance for Water Planning and Conservation	9.5%	9.5%
A.1.1. Strategy: ENVIRONMENTAL IMPACT INFORMATION		
Output (Volume):		
Number of Bay and Estuary and Instream Study Elements Completed	9	9
A.1.3. Strategy: AUTO INFO COLLECT., MAINT. & DISSEM		
Explanatory:		
Number of Responses to Requests for TNRIS-related Information	350,000	350,000

A.2.1. Strategy: TECHNICAL ASSISTANCE & MODELING		
Output (Volume):		
Number of Responses to Requests for Water Resources Information	2,850	2,850
A.2.2. Strategy: WATER RESOURCES PLANNING		
Output (Volume):		
Number of Active Grants for Regional Water, Wastewater, Flood and Research Studies Funded from the Research and Planning Fund	115	115
A.3.1. Strategy: WATER CONSERVATION EDUCATION & ASST		
Output (Volume):		
Number of Responses to Requests for Water Conservation Information, Data, Technical Assistance and Educational Activities Provided by the Texas Water Development Board Staff	575	575
B. Goal: WATER PROJECT FINANCING		
Outcome (Results/Impact):		
Total Dollars Committed as a Percent of Total Financial Assistance Dollars Available	77.7%	82.5%
B.1.2. Strategy: ECONOMICALLY DISTRESSED AREAS		
Output (Volume):		
Number of Completed Colonia or Economically Distressed Areas (Colonia) Projects	79	81
B.1.3. Strategy: FEDERAL FINANCIAL ASSISTANCE		
Output (Volume):		
Number of Financial Assistance/Loan Commitments Offered	79	88
Total Dollars Financial Assistance Commitments Provided to Communities	502,850,000	564,000,000
Number of Construction Contracts Managed	360	397
Efficiencies:		
Administrative Cost Per Active Financial Assistance Agreement	3,578	3,860

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.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) PC and Server Replacement	$ 506,961	$ 517,312
(2) Strategic Mapping Pool	1,780,071	1,780,071
(3) Water Information Integration and Dissemination Project	$ 277,786	$ 301,894
Total, Acquisition of Information Resource Technologies	$ 2,564,818	$ 2,599,277
b. Transportation Items		
(1) Purchase of Vehicles and Boats	$ 165,000	$ 205,000
c. Acquisition of Capital Equipment and Items		
(1) Gauging and Other Equipment	$ 165,283	$ 108,283
Total, Capital Budget	$ 2,895,101	$ 2,912,560
Method of Financing (Capital Budget):		
General Revenue Fund		
General Revenue Fund	$ 1,138,264	$ 1,166,117

~~Earned Federal Funds~~	~~3,393~~	~~3,372~~
~~Subtotal, General Revenue Fund~~	~~$ 1,141,657~~	~~$ 1,169,489~~
~~Federal Funds~~	~~842,336~~	~~801,163~~
~~Other Funds~~		
~~Appropriated Receipts~~	~~884,558~~	~~915,358~~
~~Agricultural Water Conservation Fund No. 358~~	~~26,550~~	~~26,550~~
~~Subtotal, Other Funds~~	~~$ 911,108~~	~~$ 941,908~~
~~Total, Method of Financing~~	~~$ 2,895,101~~	~~$ 2,912,560~~

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) PC and Server Replacement	$ 488,894	$ 467,604
(2) Strategic Mapping Pool	2,280,071	2,280,071
(3) Water Information Integration and Dissemination Project	$ 301,894	$ 301,894
Total, Acquisition of Information Resource Technologies	$ 3,070,859	$ 3,049,569
b. Transportation Items		
(1) Purchase of Vehicles and Boats	$ 160,000	$ 148,000
c. Acquisition of Capital Equipment and Items		
(1) Gauging and Other Equipment	$ 238,283	$ 242,283
Total, Capital Budget	$ 3,469,142	$ 3,439,852
Method of Financing (Capital Budget):		
General Revenue Fund	$ 1,139,564	$ 1,107,610
Federal Funds	1,421,518	1,430,258
Other Funds		
Appropriated Receipts	867,868	862,320
Agricultural Water Conservation Fund No. 358	27,192	27,164
Interagency Contracts	13,000	12,500
Subtotal, Other Funds	$ 908,060	$ 901,984
Total, Method of Financing	$ 3,469,142	$ 3,439,852

3. **Transfer Authorized.** Included in amounts appropriated above in Strategy A.2.1, ~~Groundwater~~ Technical Assistance and Modeling, and Strategy A.2.2, Water Resources Planning, is $1,612,722 out of the General Revenue Fund in each fiscal year of the ~~2006-07~~ 2008-09 biennium to be transferred to the Water Assistance Fund No. 480, for the sole purpose of making grants to regional planning groups pursuant to Water Code, § 15.4061. The Texas Water Development Board is authorized to transfer these funds from the Water Assistance Fund to other accounts as authorized under Water Code, § 15.011 as needed to support the regional planning process.

Also included in amounts appropriated above in Strategy A.2.2, Water Resources Planning, is ~~$2,557,278~~ 2,591,721 in balances and revenues to the Water Assistance Fund No. 480 ~~in each fiscal year of~~ for the ~~2006-07~~ 2008-09 biennium. These amounts also shall be used for the purpose of making grants to regional planning groups pursuant to Water Code, § 15.4061.

4. **Safe Drinking Water Act State Revolving Fund.** Included in amounts appropriated above in Strategy B.1.3, Federal Financial Assistance, is up to ~~$3,837,234~~ 4,214,134 out of the General Revenue Fund in each fiscal year of the biennium for the state match portion of the

community/non-community water system and economically disadvantaged community accounts established under the Safe Drinking Water Act State Revolving Fund.

5. **Appropriation: Water Assistance Fund.** Included in the amounts appropriated above are balances in the Water Assistance Fund No. 480 (WAF) as of August 31, ~~2005~~ 2007 and revenues accruing to the WAF during the ~~2006-07~~ 2008-09 biennium, estimated to be ~~$7,282,406~~ 7,375,913 during the ~~2006-07~~ 2008-09 biennium. In addition to the amounts appropriated above, there is hereby appropriated to the Water Development Board all revenues accruing to the Water Assistance Fund No. 480 during the biennium beginning on September 1, ~~2005~~ 2007, including receipts from the Water Resources Finance Authority. These funds shall be used as authorized in Chapter 15, Water Code.

6. **Appropriation: Water Resources Fund.** In addition to amounts appropriated above, any monies deposited into the Texas Water Resources Fund No. 591, including but not limited to proceeds from revenue bond sales, investment earnings, and loan repayments, are hereby appropriated to the Board for the biennium beginning with the effective date of this Act.

7. **Appropriation: Agricultural Water Conservation Fund.** Included in the amounts appropriated above out of the Agricultural Water Conservation Fund No. 358 is ~~$3,000,000~~ 1,038,704 in fiscal year ~~2006~~ 2008 and ~~$3,000,000~~ 1,035,954 in fiscal year ~~2007~~ 2009 for use pursuant to § 50-d of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapter J. In addition to amounts appropriated above, there are hereby appropriated such amounts as may be necessary to administer and disburse funds for loans and grants through the agricultural water conservation program and to pay the principal and interest on agricultural water conservation bonds that mature or become due during the biennium beginning with the effective date of this Act, pursuant to § 50-d of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapter J, to be transferred to the Agricultural Water Conservation Interest and Sinking Fund No. 359.

8. **Coordination with the Office of Rural and Community Affairs.** The Texas Water Development Board (TWDB) and the Office of Rural and Community Affairs (ORCA) shall continue to coordinate funds out of the Economically Distressed Areas Program (EDAP) administered by the TWDB and the Colonia Fund administered by ORCA as outlined in a Memorandum of Understanding (MOU) to maximize delivery of the funds and minimize administrative delay in their expenditure. At the beginning of each fiscal year of the ~~2006-07~~ 2008-09 biennium, the TWDB shall provide the ORCA a list of EDAP-funded areas whose colonia residents cannot afford the cost of service lines, hook-ups, and plumbing improvements associated with being connected to an EDAP-funded system. No later than September 15, ~~2006~~ 2008, the TWDB and the ORCA shall submit a joint report to the Legislative Budget Board that describes and analyzes the effectiveness of projects funded as a result of coordinated Colonia Fund/EDAP efforts, including an estimate of the amount each agency has saved by reduced duplication of efforts.

9. **Fee Appropriation: State Revolving Fund Program Operation.** Included in the amounts appropriated above is ~~$6,483,412~~ 2,335,510 in fiscal year ~~2006~~ 2008 and ~~$6,491,129~~ 2,357,461 in fiscal year ~~2007~~ 2009 in Appropriated Receipts fee revenue collected for the administration and operation of the State Revolving Fund (SRF) Program or additional state revolving funds created under Water Code, Chapter 15, Subchapter J. In addition to the amounts appropriated above, the Water Development Board is hereby appropriated any additional fee revenue collected for administration and operation of revolving fund programs for the biennium beginning September 1, ~~2005~~ 2007.

All fee revenue collected pursuant to the SRF program and additional state revolving funds may be deposited into an operating fund held in the Texas Treasury Safekeeping Trust Company. Monies in the SRF or additional SRFs operating fund, including interest, may be used only for the purposes of reimbursing expenditures from appropriations in this Act. Such reimbursement shall include both direct expenditures for salaries and other expenditures and fringe benefits. In addition, the Texas Water Development Board may transfer amounts from the operating fund to the SRF or additional SRFs for uses pursuant to the Water Code, Chapter 15, Subchapter J.

10. **Use of Texas Water Resources Finance Authority (TWRFA) Funds.** Included in the amounts appropriated above in ~~Strategy A.1.2, Surface Water Monitoring and Assessment,~~ Strategy ~~A.1.4~~ A.1.3, Automated Information Collection, Maintenance, and Dissemination,

Strategy A.2.1, ~~Groundwater~~ Technical Assistance and Modeling, Strategy A.2.2, Water Resources Planning, Strategy B.1.2, Economically Distressed Areas Program, ~~Strategy A.3.1, Water Conservation Education and Assistance,~~ and Strategy C.1.2, Information Resources, is ~~$824,707~~ 1,001,357 in fiscal year ~~2006~~ 2008 and ~~$827,568~~ 926,193 in fiscal year ~~2007~~ 2009 in Appropriated Receipts derived from cash flows from the Texas Water Resources Finance Authority (TWRFA). Also included in amounts appropriated above in Strategy B.1.1, State Financial Assistance Programs, is ~~$161,607~~ 60,892 in fiscal year 2008 and $60,679 in fiscal year 2009 in Appropriated Receipts in each fiscal year of the biennium derived from cash flows and reserved as operating costs of TWRFA and used to reimburse TWDB for administrative expenditures incurred by the Water Development Board in administering the TWRFA portfolio.

11. Appropriation: Unexpended Balances in the Groundwater District Loan Assistance Fund. In addition to amounts appropriated above, the Texas Water Development Board is hereby appropriated any unexpended balances in the Groundwater District Loan Assistance Fund No. 363 as of August 31, ~~2005~~ 2007. Any unexpended balances as of August 31, ~~2006~~ 2008 are hereby appropriated for the fiscal year beginning September 1, ~~2006~~ 2008.

12. Appropriation: Cost Recovery for the State Participation Program. Included in the amounts appropriated above to the Texas Water Development Board in Strategy B.1.1, State Financial Assistance Programs, is ~~$100,548~~ 109,616 in fiscal year ~~2006~~ 2008 and ~~$103,498~~ 87,094 in fiscal year ~~2007~~ 2009 in Appropriated Receipts collected for the administration and operation of the State Participation Program to be used for those purposes.

In addition to the amounts appropriated above, there is hereby appropriated to the Texas Water Development Board any additional revenues collected for the administration and operation of the State Participation Program for the same purposes.

13. Rural Water Assistance Fund. In addition to the amounts appropriated above, there is hereby appropriated to the Texas Water Development Board (TWDB) available balances in the Rural Water Assistance Fund, money that TWDB may place into the Rural Water Assistance Fund from any sources legally available, including but not limited to proceeds from bonds issued by the Board, money transferred to the fund, and any revenues that may accrue to the Rural Water Assistance Fund.

14. Economically Disadvantaged Community Account. Funds previously appropriated to the Texas Water Development Board for the Community/Noncommunity Water System Financial Assistance Account of the Safe Drinking Water Revolving Fund (SDWRF) and any interest earned on such funds may be transferred by the Board in whole or in part to the Economically Disadvantaged Community Account of the SDWRF for authorized use.

~~17~~15. Capital Budget Expenditures: Federal Funds and Appropriated Receipts Exemption. To comply with the legislative intent to maximize the use of federal funds, to maximize the use of state funds, and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Water Development Board is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of ths Act, "Limitations on Expenditures - Capital Budget," when Federal Funds or Appropriated Receipts are received in excess of amounts identified in the agency's Capital Budget Rider. The Water Development Board shall notify the Legislative Budget Board and the Governor upon receipt of such Federal Funds or Appropriated Receipts, of the amount received and items to be purchased.

~~**15. Appropriation: Financial Assistance to Unincorporated Communities.** Out of amounts appropriated above out of Water Assistance Fund No. 480, the Water Development Board is hereby authorized to use $400,000 in funds originally appropriated to the agency by the Seventy-sixth Legislature to provide grants to counties for the relocation of residents unable to utilize funds as originally intended. These funds shall be used to serve unincorporated communities located in a county with a population of greater than 2 million but less than 2.5 million, based on the 2000 US Census data.~~

~~21~~16. Appropriation: Desalination. Included in amounts appropriated above out of the General Revenue Fund in Strategy A.2.2, Water Resources Planning, is ~~$3,200,000~~ 600,000 in fiscal year ~~2006~~ 2008 ~~and $100,000 in fiscal year 2007~~ to be transferred to the Water Assistance Fund No. 480 to be used for grants for brackish groundwater desalination demonstration projects. ~~Of the amounts, $3,100,000 in fiscal year 2006 shall be used for grants for the~~

~~development of up to three pilot seawater desalination projects and for grants for the planning, permitting, design, and development of brackish groundwater desalination demonstration projects at sites to be determined, and $100,000 in each year of the biennium shall be used for staff costs to oversee the projects, monitor the development of desalination technology, and provide educational outreach and technology transfer.~~

Any unexpended balances remaining in this appropriation on August 31, ~~2006~~ 2008 are hereby appropriated for the fiscal year beginning September 1, ~~2006~~ 2008.

17. **Nuisance Surveys for the Economically Distressed Areas Program.** Out of amounts appropriated above out of the General Revenue Fund in Strategy B.1.2, Economically Distressed Areas, the Water Development Board shall reimburse the Texas Department of State Health Services for costs incurred by the Department in conducting nuisance surveys for applicants for financial assistance through the Economically Distressed Areas program administered by the Board. The Board shall reimburse such costs through Interagency Contracts with the Texas Department of State Health Services in an amount not to exceed a total of $250,000 for the biennium beginning on September 1, ~~2005~~2007.

~~**18.** **Appropriation: Water Infrastructure Fund.** In addition to amounts appropriated above, there is hereby appropriated to the Water Development Board for the biennium beginning on September 1, 2005 2007, all available funds in the Water Infrastructure Fund (WIF) No. 302, including, but not limited to fund balances, revenues, bonds issued by the Water Development Board, and funds transferred to the WIF.~~

~~**19.** **Appropriation: Brush Creek Reservoir (Lake Marlin).** In addition to amounts appropriated above, the Texas Water Development Board is hereby appropriated $400,000 out of General Revenue for the biennium beginning September 1, 2005. Such funds shall be transferred to the Water Assistance Fund No. 480 to be appropriated and used for grants for the local share of costs associated with development of Brushy Creek Reservoir (Lake Marlin).~~

~~**20.** **Interstate Reservoir Study.** Out of the amounts appropriated above, the Water Development Board shall conduct a study of the operation of Toledo Bend Reservoir, considering the need for operating the lake at a minimum level of 168 feet and the impact of a minimum operation level on downstream flooding and contractual obligations.~~

~~**22.** **Appropriation: Additional Staff Costs.** In addition to the amounts appropriated above, the Water Development Board is hereby appropriated out of the General Revenue Fund an amount not to exceed $155,745 in fiscal year 2006 and $155,746 in fiscal year 2007 to be used for salaries for additional staff to optimize cash management processes and returns on Water Development Board investments, for increased water planning activities, and to improve agency customer service. This appropriation shall be transferred to the appropriate strategies (Items of Appropriation) listed above.~~

~~In addition, the Number of Full-Time-Equivalents (FTE) indicated above for the Water Development Board is hereby increased by 3.0 in each fiscal year of the 2006-07 biennium.~~

DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 19,112,504	$ 18,198,724
Other Funds		
Economically Distressed Areas Bond Payment Account No. 357	2,064,596	2,086,960
State Participation Program Bond Payment Account No. 8432	6,164,059	7,078,951
Subtotal, Other Funds	$ 8,228,655	$ 9,165,911
Total, Method of Financing	$ 27,341,159	$ 27,364,635

DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS
(Continued)

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

Items of Appropriation:

A. Goal: GEN OBLIGATION BOND DEBT SERVICE		
Fulfill All General Obligation Bond Debt Service Commitments.		
A.1.1. Strategy: EDAP DEBT SERVICE	$ 16,871,521	$ 16,895,957 & UB
General Obligation Bond Debt Service Payments for EDAP.		
A.1.2. Strategy: STATE PARTICIPATION DEBT SERVICE	$ 7,775,153	$ 7,772,653 & UB
General Obligation Bond Debt Service Payments for State Participation.		
A.1.3. Strategy: AG WATER CONSERVATION DEBT SERVICE	$ 2,694,485	$ 2,696,025 & UB
Agricultural Water Conservation Debt Service.		
Total, Goal A: GEN OBLIGATION BOND DEBT SERVICE	$ 27,341,159	$ 27,364,635
Grand Total, DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS	$ 27,341,159	$ 27,364,635
Object-of-Expense Informational Listing:		
Debt Service	$ 27,341,159	$ 27,364,635
Total, Object-of-Expense Informational Listing	$ 27,341,159	$ 27,364,635

1. **Payment of Debt Service: Economically Distressed Areas Bonds.** All monies received by the Texas Water Development Board and deposited to the Economically Distressed Areas Bond Payment Account No. 357 are hereby appropriated for the payment of principal and interest on bonds issued to provide financial assistance for water and wastewater infrastructure through the Economically Distressed Areas Program that mature or become due during the biennium beginning with the effective date of this Act, pursuant to §§ 49-c, 49-d-7, and 49-d-8 of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapters C and L, including amounts issued prior to the effective date of this Act~~,. as well as additional amounts expected to be issued in fiscal year 2007, estimated to be $25 million~~. The amounts identified above in the Method of Financing as the Economically Distressed Areas Bond Payment Account No. 357 are estimated amounts to be received from repayments of loan principal and interest on such bonds that mature or become due during the biennium.

   The actual amount of funds to be paid from the General Revenue Fund shall be the total amount of debt service obligations due in each fiscal year less the amount available in the Economically Distressed Areas Bond Payment Account No. 357 for Debt Service Payments for the Economically Distressed Areas Program. The provisions contained herein shall not be construed, however, to abrogate the obligation of the State under §§ 49-c and 49-d-8 of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

2. **Payment of Debt Service: State Participation Bonds.** All monies received by the Texas Water Development Board and deposited to the State Participation Program Bond Payment Account are hereby appropriated for the payment of principal and interest on bonds issued to provide financial assistance for State Participation projects that mature or become due during the biennium beginning with the effective date of this Act, pursuant to §§ 49-c, 49-d-7, and 49-d-8 of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapters C and L, including amounts issued prior to the effective date of this Act, as well as additional amounts issued during the ~~2006-07~~ 2008-09 biennium. The amounts identified above in the Method of Financing as the State Participation Program Bond Payment Account are estimated amounts of payments received from political subdivisions representing the purchase of the state's ownership interest in projects dedicated to the payment of principal and interest on such bonds that mature or become due during the biennium.

   The actual amount of funds to be paid from the General Revenue Fund shall be the total amount of debt service obligations due in each fiscal year less the amount available in the

State Participation Program Bond Payment Account for Debt Service Payments for the State Participation Program. The provisions contained herein shall not be construed, however, to abrogate the obligation of the State under §§ 49-c and 49-d-8 of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

3. **Agricultural Water Conservation Bonds.** The amounts listed above in Strategy A.1.3, Agricultural Water Conversation Debt Service, are the estimated amounts of debt service anticipated to be required in each fiscal year for the repayment of Texas Agricultural Water Conservation Bonds issued during the 2002-03 biennium to provide financial assistance under Texas Water Code, § 17.894(b)~~(2)~~ for the following projects: $15 million in financial assistance to the Soil and Water Conservation Board for brush control projects and $1 million in financial assistance to the Department of Agriculture for saltcedar removal along the Pecos River. The provisions contained herein shall not be construed, to abrogate the obligation of the state under § 50-d of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 49,275,780	$ 49,977,541
General Revenue Dedicated Accounts, estimated	22,004,601	22,347,287
Federal Funds, estimated	8,639,481	8,767,739
Other Special State Funds, estimated	3,948,885	3,999,958
Total, Method of Financing	$ 83,868,747	$ 85,092,525
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 23,893,401	$ 24,251,801
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 59,975,346	$ 60,840,724
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 83,868,747	$ 85,092,525
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 83,868,747	$ 85,092,525

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 7,518,308	$ 7,582,247
General Revenue Dedicated Accounts, estimated	17,960,474	18,145,021
Federal Funds, estimated	4,721,708	4,716,807
Other Special State Funds, estimated	1,957,712	1,974,498
Total, Method of Financing	$ 32,158,202	$ 32,418,573
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH -- EMPLOYER State Match — Employer. Estimated.	$ 28,742,776	$ 29,173,918

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY
(Continued)

A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	$ 3,415,426	$ 3,244,655
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 32,158,202	$ 32,418,573
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 32,158,202	$ 32,418,573

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 6,551,823	$ 6,363,585
Current Fund Balance	4,098,500	732,188
Total, Method of Financing	$ 10,650,323	$ 7,095,773
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE To Texas Public Finance Authority for Payment of Bond Debt Service.	$ 10,650,323	$ 7,095,773 & UB
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 10,650,323	$ 7,095,773

LEASE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 4,064,438	$ 3,998,781
Total, Method of Financing	$ 4,064,438	$ 3,998,781
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS To TBPC for Payment to TPFA.	$ 4,064,438	$ 3,998,781 & UB
Grand Total, LEASE PAYMENTS	$ 4,064,438	$ 3,998,781

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(General Revenue)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Agriculture	$ 45,501,609	$ 41,775,263
Animal Health Commission	8,829,188	8,828,246
Commission on Environmental Quality	8,312,582	8,286,882
General Land Office and Veterans' Land Board	975,462	975,462
Parks and Wildlife Department	47,444,974	47,333,027
Railroad Commission	26,699,273	26,698,797
Soil and Water Conservation Board	9,445,180	9,442,866
Water Development Board	19,033,474	18,526,571
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	19,112,504	18,198,724
Subtotal, Natural Resources	$ 185,354,246	$ 180,065,838
Retirement and Group Insurance	49,275,780	49,977,541
Social Security and Benefit Replacement Pay	7,518,308	7,582,247
Subtotal, Employee Benefits	$ 56,794,088	$ 57,559,788
Bond Debt Service Payments	6,551,823	6,363,585
Lease Payments	4,064,438	3,998,781
Subtotal, Debt Service	$ 10,616,261	$ 10,362,366
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 252,764,595	$ 247,987,992

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(General Revenue - Dedicated)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Agriculture	$ 1,183,746	$ 183,747
Commission on Environmental Quality	403,860,652	363,504,780
General Land Office and Veterans' Land Board	11,408,302	11,406,241
Parks and Wildlife Department	121,352,174	121,352,255
Railroad Commission	24,583,145	24,642,366
Subtotal, Natural Resources	$ 562,388,019	$ 521,089,389
Retirement and Group Insurance	22,004,601	22,347,287
Social Security and Benefit Replacement Pay	17,960,474	18,145,021
Subtotal, Employee Benefits	$ 39,965,075	$ 40,492,308
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 602,353,094	$ 561,581,697

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(Federal Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Agriculture	$ 11,868,025	$ 11,868,025
Animal Health Commission	4,504,651	4,504,651
Commission on Environmental Quality	43,018,614	41,677,663
General Land Office and Veterans' Land Board	13,688,494	14,639,738
Parks and Wildlife Department	41,743,914	38,970,216
Railroad Commission	4,369,616	4,369,616
Soil and Water Conservation Board	4,022,981	4,022,981
Water Development Board	10,263,694	10,337,789
Subtotal, Natural Resources	$ 133,479,989	$ 130,390,679
Retirement and Group Insurance	8,639,481	8,767,739
Social Security and Benefit Replacement Pay	4,721,708	4,716,807
Subtotal, Employee Benefits	$ 13,361,189	$ 13,484,546
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 146,841,178	$ 143,875,225

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(Other Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Agriculture	$ 4,931,091	$ 4,062,887
Commission on Environmental Quality	7,416,046	7,206,046
General Land Office and Veterans' Land Board	34,075,042	34,118,872
Parks and Wildlife Department	23,332,519	6,381,124
Railroad Commission	3,515,132	3,515,132
Water Development Board	12,446,355	13,643,965
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	8,228,655	9,165,911
Subtotal, Natural Resources	$ 93,944,840	$ 78,093,937
Retirement and Group Insurance	3,948,885	3,999,958
Social Security and Benefit Replacement Pay	1,957,712	1,974,498
Subtotal, Employee Benefits	$ 5,906,597	$ 5,974,456
Bond Debt Service Payments	4,098,500	732,188
Subtotal, Debt Service	$ 4,098,500	$ 732,188
Less Interagency Contracts	$ 9,171,240	$ 8,961,290
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 94,778,697	$ 75,839,291

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(All Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Agriculture	$ 63,484,471	$ 57,889,922
Animal Health Commission	13,333,839	13,332,897
Commission on Environmental Quality	462,607,894	420,675,371
General Land Office and Veterans' Land Board	60,147,300	61,140,313
Parks and Wildlife Department	233,873,581	214,036,622
Railroad Commission	59,167,166	59,225,911
Soil and Water Conservation Board	13,468,161	13,465,847
Water Development Board	41,743,523	42,508,325
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	27,341,159	27,364,635
Subtotal, Natural Resources	$ 975,167,094	$ 909,639,843
Retirement and Group Insurance	83,868,747	85,092,525
Social Security and Benefit Replacement Pay	32,158,202	32,418,573
Subtotal, Employee Benefits	$ 116,026,949	$ 117,511,098
Bond Debt Service Payments	10,650,323	7,095,773
Lease Payments	4,064,438	3,998,781
Subtotal, Debt Service	$ 14,714,761	$ 11,094,554
Less Interagency Contracts	$ 9,171,240	$ 8,961,290
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 1,096,737,564	$ 1,029,284,205
Number of Full-Time-Equivalents (FTE)	8,165.3	8,158.3

ARTICLE VII

BUSINESS AND ECONOMIC DEVELOPMENT

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 business and economic development agencies.

DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 4,490,287	$ 4,533,372
Community Affairs Federal Fund No. 127	128,733,144	128,697,779
Other Funds		
Appropriated Receipts	16,586,560	16,787,596
Interagency Contracts	68,255	68,255
Subtotal, Other Funds	$ 16,654,815	$ 16,855,851
Total, Method of Financing	$ 149,878,246	$ 150,087,002
This bill pattern represents an estimated 12% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	298.0	298.0
Schedule of Exempt Positions:		
Executive Director, Group 4	$117,516	$117,516
Items of Appropriation:		
A. Goal: AFFORDABLE HOUSING		
Increase Availability of Safe/Decent/Affordable Housing.		
A.1.1. Strategy: MRB PROGRAM - SINGLE FAMILY Federal Mortgage Loans & MCCs through the SF MRB Program.	$ 955,227	$ 965,639
A.1.2. Strategy: HOME PROGRAM - SINGLE FAMILY Provide Single Family Housing through HOME Investment Program.	$ 31,126,928	$ 31,136,998
A.1.3. Strategy: HOUSING TRUST FUND - SINGLE FAMILY Provide Single Family Loans/Grants for Very Low/Low Income Households.	$ 2,893,036	$ 2,894,409
A.1.4. Strategy: SECTION 8 RENTAL ASSISTANCE Federal Rental Assistance through Section 8 Certificates and Vouchers.	$ 6,590,587	$ 6,591,062
A.1.5. Strategy: FEDERAL TAX CREDITS Provide Federal Tax Credits to Develop Rental Housing for VLI and LI.	$ 1,049,704	$ 1,057,290
A.1.6. Strategy: HOME PROGRAM - MULTIFAMILY Provide Multifamily Housing through HOME Investment Program.	$ 5,868,466	$ 5,871,327
A.1.7. Strategy: HOUSING TRUST FUND - MULTIFAMILY Provide MF HTF Loans/Grants for Very Low/Low Income Households.	$ 451,361	$ 453,052

A.1.8. Strategy: MRB PROGRAM - MULTIFAMILY Federal Mortgage Loans through the MF Mortgage Revenue Bond Program.	$ 305,256	$ 302,741
Total, Goal A: AFFORDABLE HOUSING	$ 49,240,565	$ 49,272,518
B. Goal: INFORMATION & ASSISTANCE Provide Information and Assistance.		
B.1.1. Strategy: HOUSING RESOURCE CENTER Center for Housing Research, Planning, and Communications.	$ 717,335	$ 716,636
B.2.1. Strategy: COLONIA SERVICE CENTERS Assist Colonias through Field Offices & Self-Help Centers.	$ 610,077	$ 614,011
Total, Goal B: INFORMATION & ASSISTANCE	$ 1,327,412	$ 1,330,647
C. Goal: POOR AND HOMELESS PROGRAMS Improve Poor/Homeless Living Conditions & Reduce VLI Energy Costs.		
C.1.1. Strategy: POVERTY-RELATED FUNDS Administer Poverty-related Federal Funds through a Network of Agencies.	$ 34,799,780	$ 34,816,797
C.2.1. Strategy: ENERGY ASSISTANCE PROGRAMS Administer State Energy Assistance Programs.	$ 49,858,073	$ 49,836,900
Total, Goal C: POOR AND HOMELESS PROGRAMS	$ 84,657,853	$ 84,653,697
D. Goal: ENSURE COMPLIANCE Ensure Compliance with Program Mandates.		
D.1.1. Strategy: MONITOR HOUSING REQUIREMENTS Monitor and Inspect for Federal & State Housing Program Requirements.	$ 2,149,863	$ 2,174,561
D.1.2. Strategy: MONITOR CONTRACT REQUIREMENTS Administer and Monitor Subrecipient Contracts.	$ 1,857,004	$ 1,809,121
Total, Goal D: ENSURE COMPLIANCE	$ 4,006,867	$ 3,983,682
E. Goal: MANUFACTURED HOUSING Regulate Manufactured Housing Industry.		
E.1.1. Strategy: TITLING AND LICENSING Provide SOL and Licensing Services in a Timely Manner.	$ 1,577,457	$ 1,635,219
E.1.2. Strategy: INSPECTIONS Conduct Inspections of Manufactured Homes in a Timely Manner.	$ 1,432,826	$ 1,485,023
E.1.3. Strategy: ENFORCEMENT Process Complaints/Conduct Investigations/Take Administrative Actions.	$ 1,444,525	$ 1,490,860
E.1.4. Strategy: TEXASONLINE TexasOnline fees. Estimated and Nontransferable.	$ 19,120	$ 19,120
Total, Goal E: MANUFACTURED HOUSING	$ 4,473,928	$ 4,630,222
F. Goal: INDIRECT ADMIN AND SUPPORT COSTS Indirect Administration and Support Costs.		
F.1.1. Strategy: CENTRAL ADMINISTRATION	$ 4,251,164	$ 4,278,109
F.1.2. Strategy: INFORMATION RESOURCE TECHNOLOGIES	$ 1,380,799	$ 1,394,138
F.1.3. Strategy: OPERATING/SUPPORT Operations and Support Services.	$ 539,658	$ 543,989
Total, Goal F: INDIRECT ADMIN AND SUPPORT COSTS	$ 6,171,621	$ 6,216,236
Grand Total, DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS	$ 149,878,246	$ 150,087,002
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 16,114,841	$ 16,391,948
Other Personnel Costs	332,320	357,321
Professional Fees and Services	2,274,899	2,276,368
Consumable Supplies	302,239	302,939

Utilities	72,865	72,865
Travel	930,036	875,965
Rent - Building	180,930	170,930
Rent - Machine and Other	99,764	99,764
Other Operating Expense	2,439,855	2,351,756
Client Services	5,967,047	5,967,047
Grants	121,139,169	121,139,939
Capital Expenditures	24,281	80,160
Total, Object-of-Expense Informational Listing	$ 149,878,246	$ 150,087,002
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 931,570	$ 945,543
Group Insurance	1,848,471	1,869,361
Social Security	1,135,354	1,152,384
Benefits Replacement	110,072	104,568
Subtotal, Employee Benefits	$ 4,025,467	$ 4,071,856
Debt Service		
Lease Payments	$ 29,135	$ 30,545
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,054,602	$ 4,102,401

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Housing and Community Affairs. 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 Housing and Community Affairs. In order to achieve the objectives and service standards established by this Act, the Department of Housing and Community Affairs shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: AFFORDABLE HOUSING		
Outcome (Results/Impact):		
Percent of Households/Individuals of Very Low, Low, and Moderate Income Needing Affordable Housing That Subsequently Receive Housing or Housing-related Assistance	.91%	.87%
Percent of Households/Individuals of Very Low Income Needing Affordable Housing That Subsequently Receive Housing or Housing-related Assistance	.27%	.26%
Percent of Households/Individuals of Low Income Needing Affordable Housing That Subsequently Receive Housing or Housing-related Assistance	3.15%	3.01%
Percent of Households/Individuals of Moderate Income Needing Affordable Housing That Subsequently Receive Housing or Housing-related Assistance	.1%	.08%
A.1.1. Strategy: MRB PROGRAM - SINGLE FAMILY		
Output (Volume):		
Number of Households Assisted with Single Family Mortgage Revenue Bond Funds	2,016	1,716
A.1.2. Strategy: HOME PROGRAM - SINGLE FAMILY		
Output (Volume):		
Number of Households Assisted with Single Family HOME Funds	1,255	1,255
A.1.3. Strategy: HOUSING TRUST FUND - SINGLE FAMILY		
Output (Volume):		
Number of Households Assisted through the Single Family Housing Trust Fund Program	150	131
A.1.4. Strategy: SECTION 8 RENTAL ASSISTANCE		
Output (Volume):		
Number of Households Assisted through Statewide Housing Assistance Payments Program	1,494	1,494

A.1.5. Strategy: FEDERAL TAX CREDITS		
Output (Volume):		
Number of Households Assisted through the Housing Tax Credit Program	12,261	11,779
A.1.6. Strategy: HOME PROGRAM - MULTIFAMILY		
Output (Volume):		
Number of Households Assisted with Multifamily HOME Funds	500	526
A.1.8. Strategy: MRB PROGRAM - MULTIFAMILY		
Output (Volume):		
Number of Households Assisted through the Multifamily Mortgage Revenue Bond Program	2,393	2,217
B. Goal: INFORMATION & ASSISTANCE		
B.1.1. Strategy: HOUSING RESOURCE CENTER		
Output (Volume):		
Number of Information and Technical Assistance Requests Completed	4,900	4,900
B.2.1. Strategy: COLONIA SERVICE CENTERS		
Output (Volume):		
Number of On-site Technical Assistance Visits Conducted Annually from the Field Offices	800	800
C. Goal: POOR AND HOMELESS PROGRAMS		
Outcome (Results/Impact):		
Percent of Persons in Poverty That Received Homeless and Poverty-related Assistance	12.32%	12.32%
Percent of Very Low Income Households Receiving Energy Assistance	4.12%	4.11%
C.1.1. Strategy: POVERTY-RELATED FUNDS		
Output (Volume):		
Number of Persons Assisted through Homeless and Poverty-related Funds	512,244	512,244
Number of Persons Assisted That Achieve Incomes above Poverty Level	2,200	2,200
Number of Shelters Assisted	73	73
C.2.1. Strategy: ENERGY ASSISTANCE PROGRAMS		
Output (Volume):		
Number of Households Assisted through the Comprehensive Energy Assistance Program	51,502	51,502
Number of Dwelling Units Weatherized by the Department	3,004	2,960
D. Goal: ENSURE COMPLIANCE		
D.1.1. Strategy: MONITOR HOUSING REQUIREMENTS		
Output (Volume):		
Total Number of Onsite Reviews Conducted	915	965
D.1.2. Strategy: MONITOR CONTRACT REQUIREMENTS		
Output (Volume):		
Total Number of Monitoring Reviews Conducted	12,715	12,765
E. Goal: MANUFACTURED HOUSING		
Outcome (Results/Impact):		
Percent of Consumer Complaint Inspections Conducted within 30 Days of Request	100%	100%
Percent of Complaints Resulting in Disciplinary Action	15%	15%
E.1.1. Strategy: TITLING AND LICENSING		
Output (Volume):		
Number of Manufactured Housing Statements of Ownership and Location (SOL) Issued	90,000	90,000
Number of Licenses Issued	4,000	4,000
E.1.2. Strategy: INSPECTIONS		
Output (Volume):		
Number of Routine Installation Inspections Conducted	6,000	6,000
Explanatory:		
Number of Installation Reports Received	20,000	20,000
E.1.3. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved	1,250	1,250
Efficiencies:		
Average Time for Complaint Resolution (Days)	180	180
Explanatory:		
Number of Jurisdictional Complaints Received	1,200	1,200

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 Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Normal Growth~~	~~$ 140,000~~	~~$ 210,000~~
~~(2) PeopleSoft 8.8 Implementation~~	~~400,000~~	~~200,000~~
~~(3) Community Services/Energy Assistance Contract System~~	~~100,000~~	~~100,000~~
~~(4) Section 8 System~~	~~$ 65,000~~	~~$ 0~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 705,000~~	~~$ 510,000~~
~~Total, Capital Budget~~	~~$ 705,000~~	~~$ 510,000~~
~~Method of Financing (Capital Budget):~~		
~~Community Affairs Federal Fund No. 127~~	~~$ 407,000~~	~~$ 263,000~~
~~Appropriated Receipts~~	~~298,000~~	~~247,000~~
~~Total, Method of Financing~~	~~$ 705,000~~	~~$ 510,000~~

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Purchase of Information Technologies -Scheduled Replacement of Items	$ 200,000	$ 190,000
(2) Manufactured Housing Systems Upgrade	175,000	175,000
Total, Acquisition of Information Resource Technologies	$ 375,000	$ 365,000
Total, Capital Budget	$ 375,000	$ 365,000
Method of Financing (Capital Budget):		
Community Affairs Federal Fund No. 127	$ 55,998	$ 71,382
Appropriated Receipts	319,002	293,618
Total, Method of Financing	$ 375,000	$ 365,000

~~6~~3. **Low/Moderate Income Housing Construction.** Out of the funds appropriated above, no~~t~~ less than $500,000 each year of the biennium shall be expended on low/moderate income housing construction in enterprise zone areas.

~~3.~~ ~~**Reporting Requirements.** Within 90 days following the conclusion of a contract issued by the Department of Housing and Community Affairs or, at the option of the contracting party, within 90 days following the conclusion of the contracting party's fiscal year during which a contract was in force, the contracting party shall provide to the Executive Director a full accounting of state funds expended under the terms of the contract. This requirement shall be a part of any contract entered into by the department and contracting entities. Failure of a contracting party to provide full accounting of state funds expended under the terms of any~~

~~contract under the conditions stated above shall be sufficient reason to terminate that contract and for the department to deny any future contracts to that contracting party.~~

~~9~~4. **Appropriations Limited to Revenue Collections.** ~~It is the intent of the Legislature that~~ F~~f~~ees, fines, and other miscellaneous revenues as authorized and generated by the agency shall cover, at a minimum, the cost of the appropriations made above for the strategy items in Goal E, Manufactured Housing, the cost of the appropriations required for manufactured housing consumer claims payments according to the Occupations Code § 1201, Manufactured Housing Standards Act, as well as the "other direct and indirect costs" associated with this goal, appropriated elsewhere in this Act. "Other direct and indirect costs" for Goal E, Manufactured Housing, are estimated to be $903,094~~721,523~~ for fiscal year ~~2006~~ 2008 and $943,625~~750,699~~ for fiscal year ~~2007~~ 2009. 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.

5. **Housing Assistance.** The housing finance division shall adopt an annual goal to apply no less than $30,000,000 of the division's total housing funds toward housing assistance for individuals and families in which the annual family income does not exceed the following amounts based on the number of persons in the family:

Number of Persons in the Family	Maximum Annual Income
1 Person	$13,000
2 Persons	$16,000
3 Persons	$17,000
4 Persons	$19,000
5 Persons	$21,000

For each additional person add $1,500. No less than 20 percent of the division's total housing funds shall be spent for individuals and families earning between 31 percent and 60 percent of median family income. In those counties where the median family income is lower than the state average median family income, the department shall use the average state median income in interpreting this rider. The department shall provide a quarterly report to the Legislative Budget Board documenting its expenditures in each income category.

~~5.~~ ~~**Local Site Visits.** From monies appropriated above, when the Department of Housing and Community Affairs receives a letter from the mayor or county judge of an affected city or county opposing an application for a federal tax incentive to develop rental housing, a site visit by an employee of the Department of Housing and Community Affairs with the mayor or county judge or their designated representative shall take place within 30 days following notification. The site visit must occur before the incentive can be approved. The Department of Housing and Community Affairs is authorized to obtain reimbursement from the applicant for a federal tax incentive for necessary travel and expenses at a rate not to exceed the federally authorized rate.~~

~~11~~6. **Conversions of Executory Contracts.** Out of the funds appropriated above, the department shall spend not less than $4,000,000 for the biennium for the sole purpose of contract for deed conversions for families that reside in a colonia and earn 60 percent or less of the applicable area median family income. It is the intent of the Legislature that the department complete at least 400 contract for deed conversions by August 31, 2009~~2007~~.

~~13~~7. **Bond Refinancing.** The department shall transfer any funds acquired through refinancing of bonds to the Housing Trust Fund. The first $3,000,000 ~~million~~ each fiscal year in savings from the refinancing of any bonds shall be used to fund mortgage loans under the Bootstrap Self-Help Housing Loan Program.

~~7.~~ ~~**Low Income Assistance: Scoring Criteria.** It is the intent of the Legislature that the department add to its contract award scoring criteria for the construction, acquisition, or rehabilitation of single and multi-family housing, and for the operation of multi-family housing, a system that gives increased points for comprehensive services to low-income citizens, such as case management, home-buyer assistance, and family budgeting. The department is also encouraged to develop a sliding scale fee schedule for the low-income tax credit program and the 501c(3) bond program to encourage increased participation by non-profit entities such as community development housing organizations.~~

~~14~~**8.** **Colonia Set-Aside Program Allocation.** The Office of Rural Community Affairs shall allocate 2.5 percent of the yearly allocation of Community Development Block Grant (CDBG) monies to support the operation of the Colonia Self-Help Centers and shall transfer such funds to the Department of Housing and Community Affairs on September 1 each year of the biennium.

Consistent with federal rules and regulations, the funds provided from ORCA to the Colonia Self-Help Center in El Paso county shall be used to provide ~~I~~internet access and training for parents and their children attending elementary schools in ~~C~~colonias, to establish ~~T~~technology ~~C~~centers within those elementary school libraries, to purchase wireless devices and laptop computers to loan out from the ~~T~~technology ~~C~~centers, and improve ~~I~~internet access for students and parents.

~~8. **Limitation on Expenditure.** Under Strategy A.1.5, Federal Tax Credits, no funds shall be used for processing or approving applications for allocations unless the department adopts or amends administrative rules containing the following:~~

~~a. All representations made by an applicant for an allocation are enforceable by the department, including enforcement by administrative penalties for failure to perform as stated in the representations and enforcement by inclusion in deed restrictions to which the department is a party.~~

~~b. The department will require inspections of all construction for quality during the construction process while defects can reasonably be corrected.~~

~~c. A general contractor hired by an applicant or an applicant, if the applicant serves as general contractor, must demonstrate a history of constructing similar types of housing without the use of federal tax credits.~~

~~d. The department shall give notice of a proposed project to the state representative and senator representing the area where a project would be located. The state representative or senator may hold a community meeting at which the department shall provide appropriate representation.~~

~~e. The department shall allocate credits among as many different entities as practicable without diminishing the quality of the housing that is built.~~

~~15~~**9.** **Appropriation: Housing Trust Fund Interest Earnings and Loan Repayments.** Interest earnings and loan repayments received from loans made through the Housing Trust Fund program from the General Revenue Fund are included above in Strategy A.1.3, Housing Trust Fund - Single Family, estimated to be $~~600,000~~900,000 each year.

~~19~~**10.** **Housing Trust Fund Deposits to the Texas Treasury Safekeeping Trust Company.**

a. Out of funds appropriated above in Strategy A.1.3, Housing Trust Fund - Single Family, $2,503,295~~$5,555,482~~ in fiscal year 2008~~2006~~ and $2,503,296~~$2,381,576~~ in fiscal year 2009~~2007~~ shall be deposited in the Housing Trust Fund in the Texas Treasury Safekeeping Trust Company established under Government Code, Chapter 2306, at the beginning of each fiscal year. The ~~amounts to be transferred in fiscal year 2006 include an estimated $3,500,000 from unexpended balances identified above in Rider 16, and~~ amounts to be transferred in fiscal years 2008~~2006~~ and 2009~~2007~~ include an estimated $900,000~~600,000~~ in each fiscal year from interest earnings and loan repayments received, identified above in Rider 9, Appropriation: Housing Trust Fund Interest Earnings and Loan Repayments~~15~~.

b. Out of funds appropriated above in Strategy A.1.7, Housing Trust Fund - Multifamily, $187,000~~495,034~~ in fiscal year 2008~~2006~~ and $187,000~~152,731~~ in fiscal year 2009~~2007~~ shall be deposited in the Housing Trust Fund in the Texas Treasury Safekeeping Trust Company established under Government Code, Chapter 2306, at the beginning of each fiscal year.

c. Interest earnings and loan repayments received from loans made through the Housing Trust Fund program from the General Revenue Fund shall be deposited in the Housing Trust Fund in the Texas Treasury Safekeeping Trust Company established under Government Code, Chapter 2306, for the same purpose.

11. **Mortgage Revenue Bond Program.** The Department of Housing and Community Affairs shall operate the First-Time Homebuyer Mortgage Revenue Bond Program in a manner that maximizes the creation of very low-income single family housing by ensuring that at least 30 percent of the lendable bond proceeds are set aside for a period of one year for individuals and families at 60 percent and below the area median family income (AMFI), while assuring the highest reasonable bond rating. In an effort to facilitate the origination of single family mortgage loans to individuals and families at 60 percent and below the AMFI, the department shall utilize down payment and closing cost assistance or other assistance methods.

12. **Additional Appropriated Receipts.**

a. Except during an emergency as defined by the Governor, no appropriation of appropriated receipts in addition to the estimated amounts above may be expended by the Department of Housing and Community Affairs unless:

(1) the department's governing board files a finding of fact along with a written plan outlining the source, use, and projected impact of the funds on performance measures with the Legislative Budget Board and the Governor and indicating that additional appropriations are required to maintain adequate levels of program performance; and,

(2) neither the Legislative Budget Board nor the Governor issue a written disapproval not later than 10 business days within receipt of the finding of fact and the written plan.

b. This provision does not apply to appropriated receipts included in the amounts appropriated above that are collected under Object Codes 3719 and 3802. Appropriated receipts collected under these revenue object codes are governed under provisions found in Article IX, Sec 8.03 and Article IX Sec 12.02.

~~**12.** **Colonia Annual Assessment.** The department shall collect information on the demand for contract for deed conversion, self-help housing, consumer education, and other colonia resident services in counties within 150 miles of the Texas-Mexico border. The department shall include the assessment of colonias needs in its annual state low income housing plan and report listing policy goals for its colonia programs, the strategies to meet the goals, and the expected outcomes.~~

~~18~~**13.** **Manufactured Homeowner Consumer Claims.** Included above in Goal E, Manufactured Housing, the Manufactured Housing Division of the Department of Housing and Community Affairs is appropriated an amount~~, not to exceed $100,000 per year for the biennium,~~ required for the purpose of paying manufactured housing consumer claims from Appropriated Receipts according to the Occupations Code Chapter ~~§~~ 1201, Manufactured Housing Standards Act, from Statement of Ownership and Location (SOL) issuance fees involving manufactured housing that are collected ~~and deposited in the General Revenue Fund~~ during the 2008-09~~2006-07~~ biennium. No General Revenue is appropriated for the payment of these claims.

~~**16.** **Unexpended Balances, Grants, and Contracts.** Unexpended general revenue balances remaining in Strategy A.1.1, Housing Trust Fund, General Appropriations Act, Seventy-eighth Legislature, as of August 31, 2005, are included above in Strategy A.1.3, Housing Trust Fund - Single Family, for the fiscal year beginning September 1, 2005 (estimated to be $3,500,000).~~

~~**17.** **Emergency Nutrition and Temporary Relief Program (ENTERP).** Out of the amounts appropriated above, $342,860 in fiscal year 2006 and $350,160 in fiscal year 2007 in Federal Funds shall be used for the Emergency Nutrition and Temporary Relief Program (ENTERP) to provide relief to needy low-income Texans if allowed under federal regulations.~~

TEXAS LOTTERY COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 14,023,247	$ 14,023,246
GR Dedicated - Lottery Account No. 5025	188,334,466	187,300,104
Total, Method of Financing	$ 202,357,713	$ 201,323,350
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	318.5	318.5
Schedule of Exempt Positions:		
Executive Director, Group 5	$115,000	$115,000
Items of Appropriation:		
A. Goal: OPERATE LOTTERY		
Run Self-supporting, Revenue-producing, and Secure Lottery.		
A.1.1. Strategy: LOTTERY OPERATIONS	$ 7,270,909	$ 7,355,707
A.1.2. Strategy: LOTTERY FIELD OPERATIONS	$ 2,197,682	$ 2,202,432
A.1.3. Strategy: MARKETING AND PROMOTION	$ 5,556,700	$ 5,561,474
A.1.4. Strategy: SECURITY	$ 4,433,522	$ 3,858,522
A.1.5. Strategy: CENTRAL ADMINISTRATION	$ 10,580,298	$ 10,369,114
A.1.6. Strategy: LOTTERY OPERATOR CONTRACT	$ 103,136,180	$ 103,136,180
Lottery Operator Contract. Estimated and Nontransferable.		
A.1.7. Strategy: INSTANT TICKET PRODUCTION CONTRACT	$ 16,200,000	$ 16,200,000
A.1.8. Strategy: MASS MEDIA ADVERTISING CONTRACTS	$ 32,000,000	$ 32,000,000
A.1.9. Strategy: INST TKT VENDING MACHINE CONTRACT	$ 342,500	$ 0
Instant Ticket Vending Machines Contract.		
A.1.10. Strategy: DRAWING & BROADCAST CONTRACT	$ 1,645,000	$ 1,645,000
Drawing and Broadcast Services Contract.		
A.1.11. Strategy: MARKET RESEARCH CONTRACT	$ 1,000,000	$ 1,000,000
Market Research Services Contract.		
A.1.12. Strategy: RETAILER BONUS	$ 4,200,000	$ 4,200,000
Total, Goal A: OPERATE LOTTERY	$ 188,562,791	$ 187,528,429
B. Goal: ENFORCE BINGO LAWS		
Enforce Bingo Laws/Rules for Fairness to Ensure Proceeds Used Lawfully.		
B.1.1. Strategy: BINGO LICENSING	$ 865,144	$ 865,144
Determine Eligibility and Process Applications.		
B.1.2. Strategy: BINGO EDUCATION AND DEVELOPMENT	$ 157,509	$ 157,509
Provide Education and Training for Bingo Regulatory Requirements.		
B.1.3. Strategy: BINGO LAW COMPLIANCE FIELD OPER	$ 1,429,536	$ 1,429,536
Bingo Law Compliance Field Operations.		
B.1.4. Strategy: BINGO PRIZE FEE COLLECTION & ACCT	$ 208,188	$ 208,187
Bingo Prize Fee Collections and Accounting.		
B.1.5. Strategy: BINGO PRIZE FEE ALLOCATIONS	$ 11,362,870	$ 11,362,870
Bingo Prize Fee Allocations. Estimated and Nontransferable.		
Total, Goal B: ENFORCE BINGO LAWS	$ 14,023,247	$ 14,023,246
C. Goal: ADMINISTRATIVE REDUCTIONS		
C.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (228,325)	$ (228,325)
Grand Total, TEXAS LOTTERY COMMISSION	$ 202,357,713	$ 201,323,350
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 17,597,894	$ 17,597,894
Other Personnel Costs	423,200	423,200
Professional Fees and Services	4,823,411	4,548,411

Fuels and Lubricants	5,000	5,000
Consumable Supplies	165,329	165,329
Utilities	439,207	439,207
Travel	494,143	494,143
Rent - Building	3,251,294	3,336,092
Rent - Machine and Other	2,341,819	1,999,319
Other Operating Expense	161,153,546	160,951,885
Grants	11,362,870	11,362,870
Capital Expenditures	300,000	0
Total, Object-of-Expense Informational Listing	$ 202,357,713	$ 201,323,350
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,026,376	$ 1,041,771
Group Insurance	1,819,126	1,830,718
Social Security	1,228,921	1,247,355
Benefits Replacement	137,000	130,150
Subtotal, Employee Benefits	$ 4,211,423	$ 4,249,994
Debt Service		
Lease Payments	$ 30,733	$ 30,727
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,242,156	$ 4,280,721

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Lottery 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 Lottery Commission. In order to achieve the objectives and service standards established by this Act, the Texas Lottery Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: OPERATE LOTTERY		
Outcome (Results/Impact):		
Percent of Retailers Satisfied with Lottery Commission	94%	94%
State Revenue Received Per Advertising Dollar Expended	32.37	32.37
A.1.1. Strategy: LOTTERY OPERATIONS		
Output (Volume):		
Number of Retailer Business Locations Licensed	16,800	16,800
Efficiencies:		
Average Cost Per Retailer Location License Issued	130	130
A.1.3. Strategy: MARKETING AND PROMOTION		
Efficiencies:		
Average Cost Per Survey Issued	2.45	2.45
A.1.8. Strategy: MASS MEDIA ADVERTISING CONTRACTS		
Output (Volume):		
Dollar Amount of Advertising Budget Spent on Television (Millions)	17	17
Efficiencies:		
Percentage of Adult Texans Aware of Lottery Advertising	67%	67%
B. Goal: ENFORCE BINGO LAWS		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action	8%	8%
Net Bingo Games Revenue Received by Charitable Organizations (in Millions)	31.6	31.6
Percentage of Organizations Who Met the Statutory Charitable Distribution Requirement	99%	99%
B.1.1. Strategy: BINGO LICENSING		
Output (Volume):		
Number of Licenses Issued to Individuals and Organizations	6,400	6,400

B.1.2. Strategy: BINGO EDUCATION AND DEVELOPMENT		
Efficiencies:		
Average Cost of Bingo Operator Training Class	850	850
B.1.3. Strategy: BINGO LAW COMPLIANCE FIELD OPER		
Output (Volume):		
Number of Bingo Complaints Completed	175	175
Efficiencies:		
Average Cost Per Bingo Complaint Completed	250	250
B.1.4. Strategy: BINGO PRIZE FEE COLLECTION & ACCT		
Output (Volume):		
Number of Days to Allocate Payments to Local Jurisdictions	19	17

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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas.

	2006	2007
Out of the GR Dedicated - Lottery Account No. 5025:		
a. Acquisition of Information Resource Technologies		
(1) Rider 14 Contingency - Drawings Automation Transition	$ 246,000	$ 0
(2) Rider 14 Contingency - Storage Area Network DASD Upgrade	0	250,000
(3) Rider 14 Contingency - LAN/WAN Upgrade and Replacement	250,000	250,000
(4) Rider 14 Contingency - PC Refresh	$ 694,000	$ 0
Total, Acquisition of Information Resource Technologies	$ 1,190,000	$ 500,000
b. Acquisition of Capital Equipment and Items		
(1) Capitalized Lottery Drawing Equipment	$ 300,000	0
(2) Rider 14 Contingency - Uninterrupted Power Supply	$ 110,000	$ 0
Total, Acquisition of Capital Equipment and Items	$ 410,000	$ 0
Total, Capital Budget	$ 1,600,000	$ 500,000

	2008	2009
Out of the GR Dedicated - Lottery Account No. 5025:		
a. Acquisition of Capital Equipment and Items		
(1) Capitalized Lottery Drawing Equipment	$ 300,000	0
Total, Acquisition of Capital Equipment and Items	$ 300,000	$ 0
Total, Capital Budget	$ 300,000	$ 0

3. **Operate Lottery.** Pursuant to Government Code, Chapter 466, appropriations made to Goal A, Operate Lottery, shall not exceed twelve percent of the gross revenue from the sale of lottery tickets. This appropriation shall be used for the administration of the lottery and for retailer commissions.

4. **Appropriation, Payment of Prizes.** In addition to the amounts appropriated above for the administration of the Lottery and retailer commissions, there is hereby appropriated pursuant to Government Code, Chapter 466, out of the State Lottery Account in the General Revenue Fund, sufficient funds for the payment of prizes to the holders of winning tickets.

5. **Limitation on Transfer Authority.** Funds appropriated above in Strategy ~~A.1.9~~ A.1.8, Mass Media Advertising Contracts, may be transferred into other items in the Lottery Commission appropriations, but none of the funds appropriated in other items may be transferred into Strategy ~~A.1.9~~ A.1.8, Mass Media Advertising Contracts.

6. **Limitation, Pooled Reserve Fund.** Pursuant to Government Code, Chapter 466, the Executive Director of the Texas Lottery Commission shall maintain balances in a pooled reserve fund to cover the potential loss of state revenue as a result of lottery retailer defaults. The Executive Director of the Texas Lottery Commission shall transfer all pooled reserve fund revenues and balances that exceed $5 million to the Foundation School Fund No. 193 ~~quarterly~~ monthly.

7. **Limitation: Out-of-Country and Out-of-State Travel.** Notwithstanding any other provisions included in this Act, it is the intent of the Legislature that the Texas Lottery Commission shall not be allowed to travel out-of-country, with the exception of travel to Mexico or Canada which is reimbursable by a third party. In addition, the Texas Lottery Commission shall not exceed amounts expended on out-of-state travel, for each fiscal year of the biennium, by an amount equal to 80 percent of travel expenditure amounts for fiscal year 1998.

8. **Appropriations Limited to Revenue Collections.** ~~It is the intent of the Legislature that f~~Fees, fines, and other miscellaneous revenues as authorized and generated by the operation of charity bingo shall cover, at a minimum, the cost of the appropriations made above for the strategy items in Goal B, Enforce Bingo Laws, as well as the "other direct and indirect costs" associated with this goal, appropriated elsewhere in this Act. "Other direct and indirect costs" for Goal B, Enforce Bingo Laws, are estimated to be ~~$586,313~~ $594,918 for fiscal year ~~2006~~ 2008 and ~~$602,452~~ $596,180 for fiscal year ~~2007~~ 2009. 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.

9. **Petty Cash Fund Authorized.** The Texas Lottery Commission is authorized to establish a petty cash fund to be used by Commission employees for the purchase of evidence and/or information and other expenses deemed necessary for agency security and enforcement activities, including audits and expenses, incurred by auditing. The petty cash fund, not to exceed $1,500, may be maintained in cash or at a local bank and shall be subject to such rules and regulations as the executive director may recommend and the commission may adopt.

~~11~~10. **Local Bingo Prize Fees.** The amounts appropriated above in Strategy B.1.5, Bingo Prize Fee Allocations, include ~~$10,979,500~~ $11,362,870 in ~~2006~~ 2008 and ~~$10,801,500~~ $11,362,870 in ~~2007~~ 2009 from bingo prize fees collected pursuant to Texas Occupations Code, Section 2001.504 for allocation to counties and municipalities as required by the Texas Occupations Code, Section 2001.503. Bingo prize fees collected in excess of amounts appropriated above are hereby appropriated for the same purpose.

~~**10.** **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Lottery Commission are made contingent on the continuation of the Lottery Commission by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

~~12~~11. **Retailer Commissions.** Pursuant to Government Code, Chapter 466, an amount equal to 5 percent of gross sales shall be made available for the purpose of paying retailer commissions.

~~13~~12. **Lottery Operator Contract.** The amounts included above in Strategy ~~A.1.7~~ A.1.6, Lottery Operator Contract, are estimated appropriations out of the State Lottery Account in the General Revenue Fund and may only be used for payment of lottery operator contractual obligations. The estimated amount appropriated for fiscal year ~~2006~~ 2008 is an amount equal to 2.6999 percent of gross sales in fiscal year ~~2006~~ 2008; and the estimated amount appropriated in fiscal year ~~2007~~ 2009 is an amount equal to 2.6999 percent of gross sales in fiscal year ~~2007~~ 2009.

~~15~~13. **Appropriation of Increased Revenues.** In addition to the amounts appropriated above, there is hereby appropriated out of the State Lottery Account in the General Revenue Fund, an amount equal to 1.49 percent of the amount by which gross sales exceed ~~$3,291,000,000~~ $3,820,000,000 in fiscal year ~~2006~~ 2008 and the amount by which gross sales exceed ~~$3,291,000,000~~ $3,820,000,000 in fiscal year ~~2007~~ 2009 for the purpose of fulfilling contractual obligations and other administrative costs in administration of the Lottery.

~~14. **Contingent Appropriation.** Out of the amounts appropriated above to the Texas Lottery Commission from General Revenue Dedicated - Lottery Account No. 5025, in Strategy A.1.1, Lottery Operations, the amount of $110,000 in fiscal year 2006; in Strategy A.1.6, Central Administration, the amounts of $1,190,500 in fiscal year 2006 and $500,000 in fiscal year 2007; in Strategy A.1.8, Instant Ticket Production Contract, the amounts of $759,041 in fiscal year 2006 and $1,624,493 in fiscal year 2007; and in Strategy A.1.10, Instant Ticket Vending Machine Contract, the amounts of $1,000,000 in fiscal year 2006 and $1,000,000 in fiscal year 2007 are contingent upon the Comptroller certifying increased lottery deposits to the Foundation School Fund Account in the amounts of $3,059,541 in excess of $1,045,183,000 in fiscal year 2006 and $3,124,493 in excess of $1,045,931,000 in fiscal year 2007. The Texas Lottery Commission, upon completion of necessary actions to increase such Lottery sales, shall furnish copies of the Lottery Commission's minutes and other information supporting the estimated increase in sales to be generated for the 2006-07 biennium under the revised lottery structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased sales, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.~~

~~Also contingent upon Texas Lottery Commission increasing lottery sales to meet the increased deposits to the Foundation School Fund Account as specified above, the Texas Lottery Commission's Capital Budget authority is hereby increased for the following items and in the following amounts:~~

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Drawings Automation Transition	$ 246,000	$ 0
(2) Storage Area Network DASD Upgrade	$ 0	$ 250,000
(3) LAN/WAN Upgrade and Replacement	$ 250,000	$ 250,000
(4) PC Refresh	$ 694,000	$ 0
b. Acquisition of Capital Equipment and Items		
(1) Uninterrupted Power Supply	$ 110,000	$ 0

OFFICE OF RURAL COMMUNITY AFFAIRS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 1,684,449	$ 1,684,451
GR Match for Community Development Block Grants	1,738,730	1,738,730

Subtotal, General Revenue Fund	$ 3,423,179	$ 3,423,181
GR Dedicated - Permanent Fund Rural Health Facility Capital Improvement Account No. 5047	1,989,204	1,989,204
Federal Funds		
Office of Rural Community Affairs Federal Fund No. 5091	77,712,305	77,712,305
Federal Funds	1,713,235	1,713,235
Subtotal, Federal Funds	$ 79,425,540	$ 79,425,540
Other Funds		
Appropriated Receipts	258,453	258,453
Interagency Contracts	72,391	72,391
Permanent Endowment Fund for Rural Communities Health Care Investment Program	127,500	127,500
Subtotal, Other Funds	$ 458,344	$ 458,344
Total, Method of Financing	$ 85,296,267	$ 85,296,269
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	70.0	70.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$90,000	$90,000
Items of Appropriation:		
A. Goal: COMMUNITY ECONOMIC DEVELOPMENT		
Support Community Economic Development Projects.		
A.1.1. Strategy: PROVIDE GRANTS Provide Grants for Community and Economic Development Projects.	$ 79,347,502	$ 79,347,502
B. Goal: EQUITABLE ACCESS TO MEDICAL CARE		
Promote Equitable Access to Medical Care and Eliminate Disparities.		
B.1.1. Strategy: HEALTH CARE ACCESS PROGRAMS Develop Programs to Increase Access to Health Care in Rural Areas.	$ 3,274,702	$ 3,274,701
B.1.2. Strategy: RURAL PHYSICIAN RELIEF PROGRAM Rural Physician Relief Program. Nontransferable.	$ 166,176	$ 166,176
B.2.1. Strategy: HEALTH FACILITY CAPITAL IMPROVEMENT Rural Health Facility Capital Improvements.	$ 1,929,528	$ 1,929,528
Total, Goal B: EQUITABLE ACCESS TO MEDICAL CARE	$ 5,370,406	$ 5,370,405
C. Goal: OUTREACH AND ASSISTANCE		
C.1.1. Strategy: RURAL POLICY AND RESEARCH	$ 158,089	$ 158,090
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 376,390	$ 376,392
D.1.2. Strategy: INFORMATION RESOURCES	$ 53,300	$ 53,300
Total, Goal D: INDIRECT ADMINISTRATION	$ 429,690	$ 429,692
E. Goal: ADMINISTRATIVE REDUCTIONS		
E.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (9,420)	$ (9,420)
Grand Total, OFFICE OF RURAL COMMUNITY AFFAIRS	$ 85,296,267	$ 85,296,269
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,019,731	$ 4,019,731
Other Personnel Costs	107,800	107,800
Professional Fees and Services	554,685	554,685
Consumable Supplies	38,500	38,500

Utilities	29,190	29,190
Travel	258,110	258,110
Rent - Building	36,500	36,500
Rent - Machine and Other	44,730	44,730
Other Operating Expense	354,428	354,430
Client Services	516,906	516,906
Grants	79,321,687	79,321,687
Capital Expenditures	14,000	14,000
Total, Object-of-Expense Informational Listing	$ 85,296,267	$ 85,296,269
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 234,834	$ 238,356
Group Insurance	366,890	368,117
Social Security	301,942	306,471
Benefits Replacement	28,275	26,861
Subtotal, Employee Benefits	$ 931,941	$ 939,805
Debt Service		
Lease Payments	$ 7,113	$ 7,975
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 939,054	$ 947,780

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Rural Community Affairs. 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 Rural Community Affairs. In order to achieve the objectives and service standards established by this Act, the Office of Rural Community Affairs shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: COMMUNITY ECONOMIC DEVELOPMENT		
Outcome (Results/Impact):		
Percent of the Small Communities' Population Benefiting from Public Facility, Economic Development, Housing Assistance and Planning Projects	36%	36%
A.1.1. Strategy: PROVIDE GRANTS		
Output (Volume):		
Number of New Community/Economic Development Contracts Awarded	325	325
Number of Projected Beneficiaries from New Community/Economic Development Contracts Awarded	483,000	483,000
Number of Programmatic Monitoring Visits Conducted	300	300
B. Goal: EQUITABLE ACCESS TO MEDICAL CARE		
Outcome (Results/Impact):		
Ratio of Rural County Population to Number of Health Care Professionals in Rural Counties	1,410	1,410
B.1.1. Strategy: HEALTH CARE ACCESS PROGRAMS		
Output (Volume):		
Number of Primary Care Practitioners Recruited/Retained in Rural Areas	42	42
B.2.1. Strategy: HEALTH FACILITY CAPITAL IMPROVEMENT		
Output (Volume):		
Number of Low Interest Loans and Grants Awarded	36	36

2. **Capital Budget.** None of the funds appropriated 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 a "(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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of

Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Scheduled Replacement of Computer Hardware	$ 48,000	$ 41,000
(2) Scheduled Replacement of Software Upgrades, License Maintenance, Support, and Application Services	$ 50,443	$ 49,366
Total, Capital Budget	$ 98,443	$ 90,366

Method of Financing (Capital Budget):

General Revenue Fund	$ 20,374	$ 18,659
Federal Funds	47,706	43,870
GR Match for Community Development Block Grants	30,363	27,837
Total, Method of Financing	$ 98,443	$ 90,366

~~2.~~ **Reporting Requirements.** ~~Within 90 days following the conclusion of a contract issued by the Office of Rural Community Affairs (ORCA) or, at the option of the contracting party, within 90 days following the conclusion of the contracting party's fiscal year during which a contract was in force, the contracting party shall provide to the Executive Director a full accounting of state funds expended under the terms of the contract. This requirement shall be a part of any contract entered into by ORCA and contracting entities. Failure of a contracting party to provide full accounting of state funds expended under the terms of any contract under the conditions stated above shall be sufficient reason to terminate that contract and for ORCA to deny any future contracts to that contracting party.~~

43. **Administrative Allocation: Councils of Governments.** From the federal administrative monies made available to the Office of Rural Community Affairs under the Community Development Block Grant Program, an amount up to 19 percent of such monies shall be allocated for the councils of government, based upon agreements between the Office of Rural Community Affairs and each council of government, to continue staff support to the 24 Regional Review Committees of local elected officials appointed by the Governor and/or for other technical assistance services so long as the staff support activities comply with the rules, policies, and standards established by the U.S. Department of Housing and Urban Development.

64. **Estimated Appropriation and Unexpended Balance.**

a. The estimated amounts appropriated above out of the Permanent Endowment Fund for Rural Communities Healthcare Investment Program, are out of the amounts available for distribution or investment returns of the funds. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the Office of Rural Community Affairs. 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 unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated for the same purposes for fiscal year ~~2007~~2009.

b. The estimated amounts appropriated above out of the Permanent Fund for Rural Health Facility Capital Improvement are out of the available earnings of the fund. Available earnings in excess of the amounts estimated above are appropriated to the Office of Rural Community Affairs. 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 unexpended appropriations made above as of August 31, ~~2006~~2008, are hereby appropriated for the same purposes for fiscal year ~~2007~~2009.

~~7~~5. Limitation on Use of Funds.

a. State agencies that are appropriated funds from the receipts collected pursuant to the Comprehensive Tobacco Settlement Agreement and Release, including distributions from funds, shall submit a budget by November 1 of each year of the biennium to the Legislative Budget Board and the Governor. This budget shall describe the purposes and amounts for which such funds will be expended by the state agency. No funds described in this budget may be expended by the state agency or institution of higher education until the Legislative Budget Board and the Governor receive the budget.

b. Authorized managers of permanent funds and endowments whose earnings are appropriated to the Office of Rural Community Affairs shall provide a copy of year end financial reports to the Legislative Budget Board and the Governor by November 1 of each year of the biennium. These reports should include, at a minimum, an income statement and balance sheet for each fund, and a summary of the investment return of the fund during the preceding fiscal year.

~~3~~6. Coordination with Texas Water Development Board. The Office of Rural Community Affairs (ORCA) and the Texas Water Development Board (TWDB) shall continue to coordinate funds as outlined in a Memorandum of Understanding (MOU) so as to assure that none of the funds appropriated above are expended in a manner that aids the proliferation of colonias or are otherwise used in a manner inconsistent with the intent of the Economically Distressed Areas Program (EDAP) operated by the Texas Water Development Board (TWDB); and maximize delivery of the funds and minimize administrative delay in their expenditure. The MOU shall be amended, if necessary, prior to the distribution of the Colonia Fund in fiscal years ~~2006~~2008 and ~~2007~~2009. ~~In distributing funds out of the Colonia Fund, ORCA shall provide top funding priority to those projects that are in EDAP-funded areas and which assist colonia residents who cannot afford the cost of service lines, hook-ups, and plumbing improvements associated with being connected to an EDAP-funded system.~~ None of the funds appropriated above for Strategy A.1.1, Provide Grants, may be expended in EDAP-eligible counties that have not adopted, or not enforcing, the Model Subdivision Rules established pursuant to § 16.343 of the Water Code. No later than September 15, ~~2006~~2008, ORCA and the TWDB shall submit a joint report to the Legislative Budget Board that describes and analyzes the effectiveness of projects funded as a result of coordinated Colonia Fund/EDAP efforts including an estimate of the amount each agency has saved by reduced duplication of efforts. If there is an insufficient number of TWDB EDAP projects ready for Colonia Economically Distressed Areas Program (CEDAP) connection funding within 12 months after ORCA receives the federal letter of credit, the CEDAP funds may be transferred at ORCA's discretion as stated within the current Community Development Block Grant action plan.

~~5~~7. Colonia Set-Aside Program Allocation. The Office of Rural Community Affairs (ORCA) shall continue the Community Development Block Grant (CDBG) Colonia Set-Aside Program by allocating not less than 10 percent of the yearly allocation of CDBG funds for eligible activities to assist in providing for the housing, planning, and infrastructure needs in colonias. From this 10 percent yearly allocation, $2,000,000 shall be reserved to provide financial assistance to units of general local government located in economically distressed areas as defined by § 17.921, Water Code, to pay for residential service lines, hookups, and plumbing improvements associated with being connected to a water supply or sewer service system, any part of which is financed under the economically distressed areas program established under Subchapter J, Chapter 16, Water Code and Subchapter K, Chapter 17, Water Code. ~~ORCA by rule shall provide that an application for assistance under the program hereby authorized may be submitted after construction of the water supply or sewer service system begins. ORCA shall approve or disapprove a timely application before construction of the water supply or sewer service is completed in order to eliminate delay in connection once construction is completed. ORCA shall coordinate the application process with the Texas Water Development Board to avoid duplication of effort and the necessity for applicants to submit dual applications.~~

In addition, ORCA shall allocate 2.5 percent of the CDBG monies to support the operation of the Colonia Self-Help Centers and shall transfer such funds to the Department of Housing and Community Affairs on September 1 of each year of the biennium.

~~Consistent with federal rules and regulations, the funds provided from ORCA to the Colonia~~

~~Self-Help Center in El Paso county shall be used to provide Internet access and training for parents and their children attending elementary schools in colonias, to establish technology Centers within those elementary school libraries, to purchase wireless devices and laptop computers to loan out from the Technology Centers, and improve internet access for students and parents.~~

8. **Administration of Public Health Funds.** Funds are appropriated above out of the Permanent Fund for Rural Health Facility Capital Improvement for the purpose of implementing House Bill 1676, Seventy-sixth Legislature, 1999. In no event shall the administrative costs to implement the provisions of the bill exceed three percent. Grants and program costs must compose at least 97 percent of the expenditures to implement the provisions of the bill.

9. **Informational Listing - Permanent Funds and Endowments.** The following is an informational list of the amounts used to capitalize certain Permanent Funds and Endowments created by House Bill 1676, Seventy-sixth Legislature and by Senate Bill 126, Seventy-seventh Legislature, and does not make appropriations.

Permanent Fund for Rural Health Facility Capital Improvement (Rural Hospital Infrastructure)	$	50,000,000
Permanent Endowment Fund for the Rural Communities Healthcare Investment Program	$	2,500,000

10. **Unexpended Balances, Grants, and Contracts.** Any unexpended and unobligated general revenue balances remaining from amounts appropriated above as of August 31, ~~2006~~2008 are hereby ~~re~~appropriated to the Office of Rural Community Affairs for the fiscal year beginning September 1, 2008 ~~2006~~ for the same purposes.

11. **Appropriation of Loan Repayments.** Loan repayments, interest, and reimbursements of expenses received by the Office of Rural Community Affairs pursuant to Government Code, Chapter 487, are hereby appropriated to the agency as Appropriated Receipts in the ~~2006-07~~2008-09 biennium for the same purpose. The Office of Rural Community Affairs may also expend these funds for the purpose of reimbursing community matching fund contributions for forgivable educational loans made pursuant to Government Code, Section 487.154.

12. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Office of Rural Community Affairs are made contingent on the continuation of the Office of Rural Community Affairs by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of the agency operations.

~~**12.** **Rural Physician Relief Program.** Amounts included above in Strategy B.1.2, Rural Physician Relief Program, are appropriations from fees collected pursuant to Government Code, Section 487.603, and other program contributions received by the Office of Rural Community Affairs pursuant to Government Code, Section 487.604, for the purposes of administering the Rural Physician Relief Program.~~

DEPARTMENT OF TRANSPORTATION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,222,189	$ 1,237,079
GR Dedicated - Texas Highway Beautification Account No. 071	530,229	539,493
Federal Reimbursements	3,301,286,533	3,189,013,537
Other Funds		
State Highway Fund No. 006, estimated	2,650,515,415	2,543,201,316
State Highway Fund No. 006 - Medicaid Match, estimated	41,958,639	43,423,086

State Highway Fund No. 006 - Workforce Client Transportation Services, estimated	6,829,352	6,829,352
Bond Proceeds - State Highway Fund, estimated	745,293,819	785,232,034
State Highway Fund - Debt Service, estimated	125,036,111	205,632,464
Bond Proceeds - Texas Mobility Fund, estimated	1,208,766,417	1,219,120,735
Texas Mobility Fund - Debt Service, estimated	186,070,973	248,106,950
Appropriated Receipts	310,000	310,000
Interagency Contracts	44,217,062	45,485,387
Bond Proceeds - General Obligation Bonds	10,000,000	0
Subtotal, Other Funds	$ 5,018,997,788	$ 5,097,341,324
Total, Method of Financing	$ 8,322,036,739	$ 8,288,131,433
This bill pattern represents an estimated 96% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	14,535.8	14,535.8
Schedule of Exempt Positions:		
Executive Director, Group 6	$175,000	$175,000
Commissioner	(5) 15,914	(5) 15,914
Items of Appropriation:		
A. Goal: TRANSPORTATION PLANNING		
A.1.1. Strategy: PLAN/DESIGN/MANAGE Plan, Design, and Manage Transportation Projects.	$ 376,904,450	$ 378,626,518
A.1.2. Strategy: CONTRACTED PLANNING AND DESIGN Contracted Planning and Design of Transportation Projects.	$ 557,961,815	$ 576,741,677
A.1.3. Strategy: RIGHT-OF-WAY ACQUISITION Optimize Timing of Transportation Right-of-way Acquisition.	$ 574,633,926	$ 586,891,996
A.1.4. Strategy: RESEARCH Fund Research and Development to Improve Transportation Operations.	$ 22,401,095	$ 22,408,300
Total, Goal A: TRANSPORTATION PLANNING	$ 1,531,901,286	$ 1,564,668,491
B. Goal: TRANSPORTATION CONSTRUCTION		
B.1.1. Strategy: TRANSPORTATION CONSTRUCTION Transportation Construction. Estimated.	$ 3,217,860,638	$ 3,238,078,331 & UB
B.1.2. Strategy: AVIATION SERVICES Support and Promote General Aviation.	$ 91,694,873	$ 66,763,696 & UB
Total, Goal B: TRANSPORTATION CONSTRUCTION	$ 3,309,555,511	$ 3,304,842,027
C. Goal: MAINTENANCE AND PRESERVATION		
C.1.1. Strategy: CONTRACTED MAINTENANCE Contract for Transportation System Maintenance Program.	$ 2,355,970,280	$ 2,298,844,520 & UB
C.1.2. Strategy: ROUTINE MAINTENANCE Provide for State Transportation System Routine Maintenance/Operations.	$ 580,421,325	$ 578,753,403 & UB
C.1.3. Strategy: GULF WATERWAY Support the Gulf Intracoastal Waterway.	$ 957,998	$ 908,662 & UB
C.1.4. Strategy: FERRY SYSTEM Maintain and Operate Ferry Systems in Texas.	$ 28,168,550	$ 22,642,451
C.1.5. Strategy: GROSS WEIGHT AND AXLE FEES Fees for Distribution to Counties. Estimated and Nontransferrable.	$ 5,400,000	$ 5,400,000 & UB
Total, Goal C: MAINTENANCE AND PRESERVATION	$ 2,970,918,153	$ 2,906,549,036

D. Goal: OPTIMIZE SERVICES AND SYSTEMS		
D.1.1. Strategy: PUBLIC TRANSPORTATION	$ 76,686,881	$ 79,848,283 & UB
Support and Promote Public Transportation.		
D.1.2. Strategy: CLIENT TRANSPORTATION SERVICES	$ 104,889,454	$ 106,217,030 & UB
Medical and Workforce Transportation Services.		
D.1.3. Strategy: REGISTRATION AND TITLING	$ 68,260,661	$ 68,542,533
D.1.4. Strategy: VEHICLE DEALER REGULATION	$ 6,156,643	$ 6,167,734
D.2.1. Strategy: TRAFFIC SAFETY	$ 34,200,078	$ 34,213,490 & UB
D.3.1. Strategy: TRAVEL INFORMATION	$ 19,151,858	$ 19,248,362 & UB
D.4.1. Strategy: AUTOMOBILE THEFT PREVENTION	$ 13,774,920	$ 13,783,835 & UB
D.5.1. Strategy: RAIL SAFETY Ensure Rail Safety through Inspection and Public Education.	$ 1,222,189	$ 1,237,079
Total, Goal D: OPTIMIZE SERVICES AND SYSTEMS	$ 324,342,684	$ 329,258,346
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 45,111,955	$ 43,604,065
E.1.2. Strategy: INFORMATION RESOURCES	$ 38,110,211	$ 37,623,134
E.1.3. Strategy: OTHER SUPPORT SERVICES	$ 37,745,866	$ 36,786,689
E.1.4. Strategy: REGIONAL ADMINISTRATION	$ 64,351,073	$ 64,799,645
Total, Goal E: INDIRECT ADMINISTRATION	$ 185,319,105	$ 182,813,533
Grand Total, DEPARTMENT OF TRANSPORTATION	$ 8,322,036,739	$ 8,288,131,433
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 604,457,301	$ 604,457,301
Other Personnel Costs	23,715,002	24,435,154
Professional Fees and Services	645,851,530	650,251,279
Fuels and Lubricants	44,260,228	48,665,349
Consumable Supplies	8,580,385	8,758,273
Utilities	55,015,499	59,374,949
Travel	7,539,123	7,538,643
Rent - Building	5,322,236	5,294,391
Rent - Machine and Other	7,039,787	7,190,655
Debt Service	311,107,084	453,739,413
Other Operating Expense	844,353,978	835,265,115
Client Services	70,025,748	71,134,160
Grants	261,560,623	229,826,148
Capital Expenditures	5,433,208,215	5,282,200,603
Total, Object-of-Expense Informational Listing	$ 8,322,036,739	$ 8,288,131,433
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 39,193,767	$ 39,781,674
Group Insurance	140,728,930	143,689,248
Social Security	46,595,219	47,294,147
Benefits Replacement	6,688,473	6,354,050
Subtotal, Employee Benefits	$ 233,206,389	$ 237,119,119
Debt Service		
TPFA GO Bond Debt Service	$ 9,651,030	$ 9,383,169
Lease Payments	674,217	743,468
Subtotal, Debt Service	$ 10,325,247	$ 10,126,637
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 243,531,636	$ 247,245,756

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Transportation. 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 Transportation. In order to achieve the objectives and service standards established by this Act, the Department of Transportation shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: TRANSPORTATION PLANNING		
Outcome (Results/Impact):		
Project to Funding Ratio	1	1
Percent of Dollar Volume Awarded on Schedule	100%	100%
A.1.1. Strategy: PLAN/DESIGN/MANAGE		
Output (Volume):		
Number of Construction Project Preliminary Engineering Plans Completed	865	650
Dollar Volume of Construction Contracts Awarded in Fiscal Year (Millions)	4,000	3,500
Number of Projects Awarded	800	620
B. Goal: TRANSPORTATION CONSTRUCTION		
Outcome (Results/Impact):		
Percent of Construction Projects Completed on Budget	99.99%	99.99%
Percent of Two-lane Highways with Improved Shoulders	53.5%	54%
Percent of Railroad Crossings with Signalization	53.4%	54.6%
Percent of Construction Projects Completed on Time	84%	85%
Urban Congestion Index	1.4	1.45
Statewide Congestion Index	1.1	1.1
B.1.2. Strategy: AVIATION SERVICES		
Output (Volume):		
Number of Airports Selected for Financial Assistance	110	110
Efficiencies:		
Administration and Support Costs as a Percent of Facility Grant Funds Expended	5.08%	5.22%
C. Goal: MAINTENANCE AND PRESERVATION		
Outcome (Results/Impact):		
Percent of Bridges Rated in Good Condition or Higher	78.18%	78.79%
Statewide Maintenance Assessment Program Condition Score	80	80
Statewide Traffic Assessment Program Condition Score	76.5	76.5
C.1.1. Strategy: CONTRACTED MAINTENANCE		
Output (Volume):		
Number of Lane Miles Contracted for Resurfacing	15,800	16,160
C.1.2. Strategy: ROUTINE MAINTENANCE		
Output (Volume):		
Number of Oversize/Overweight Permits Issued	589,624	619,105
Number of Highway Lane Miles Resurfaced by State Forces	5,900	6,035
D. Goal: OPTIMIZE SERVICES AND SYSTEMS		
Outcome (Results/Impact):		
Percent Change in the Number of Public Transportation Trips	1%	1%
Percent of Motor Vehicle Consumer Complaints Resolved	75%	75%
Number of Fatalities Per 100,000,000 Miles Traveled	1.5	1.5
D.1.1. Strategy: PUBLIC TRANSPORTATION		
Efficiencies:		
Administration and Support Costs as a Percent of Grant Expended	2.97%	2.87%
D.1.2. Strategy: CLIENT TRANSPORTATION SERVICES		
Output (Volume):		
Recipient One-way Trips	3,661,304	3,734,171
Efficiencies:		
Average Cost Per One-way Trip	19.02	18.94
D.1.3. Strategy: REGISTRATION AND TITLING		
Output (Volume):		
Number of Vehicle Titles Issued	6,150,138	6,260,840
Number of Vehicle Registration Transactions	20,703,370	21,076,031
D.1.4. Strategy: VEHICLE DEALER REGULATION		
Output (Volume):		
Number of Motor Vehicle Consumer Complaints Resolved	655	655
Efficiencies:		
Average Number of Weeks to Resolve a Motor Vehicle Complaint	17	17

D.4.1. Strategy: AUTOMOBILE THEFT PREVENTION		
Output (Volume):		
Number of Cars Stolen Per 100,000	520.9	516.8
Efficiencies:		
ATPA Administration and Support Costs as Percentage of Total Expenditures	6.6%	6.6%
D.5.1. Strategy: RAIL SAFETY		
Output (Volume):		
Number of Federal Railroad Administration (FRA) Units Inspected	110,000	110,000

2. **Capital Budget.** Notwithstanding the capital budget provisions in the General Provisions of this act, 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. No additional funds may be transferred to the capital budget items listed below without first obtaining written approval from the Legislative Budget Board and the Governor. 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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

The Department of Transportation shall submit to the Legislative Budget Board, in the format prescribed by the Legislative Budget Board, an annual report of expenditures made under this authority no later than 10 days after September 1 of each year.

	2006	2007
~~Out of the State Highway Fund No. 006:~~		
~~a. Acquisition of Land and Other Real Property~~	~~$ 2,142,400~~	~~$ 1,027,400~~
~~b. Construction of Buildings and Facilities~~	~~9,810,000~~	~~59,280,000~~
~~c. Repair or Rehabilitation of Buildings and Facilities~~	~~13,295,000~~	~~8,773,860~~
~~d. Acquisition of Information Resource Technologies~~	~~22,134,340~~	~~18,368,640~~
~~e. Transportation Items~~	~~10,987,965~~	~~10,624,968~~
~~f. Acquisition of Capital Equipment and Items~~	~~47,179,410~~	~~47,424,950~~
~~Total, Capital Budget~~	~~$ 105,549,115~~	~~$ 145,499,818db~~

	2008	2009
Out of the State Highway Fund No. 006:		
a. Acquisition of Land and Other Real Property	$ 1,420,000	$ 2,280,000
b. Construction of Buildings and Facilities	10,100,000	12,350,000
c. Repair or Rehabilitation of Buildings and Facilities	7,660,000	4,454,466
d. Acquisition of Information Resource Technologies	33,725,108	30,848,050
e. Transportation Items	10,596,321	10,636,920
f. Acquisition of Capital Equipment and Items	47,494,210	47,442,311
Total, Capital Budget	$ 110,995,639	$ 108,011,747

3. **Transfer Authority.** The Department of Transportation is hereby authorized to transfer appropriations from any Strategy into Strategy C.1.1, Contracted Maintenance, Strategy A.1.2,

Contracted Planning and Design, Strategy A.1.3, Right-of-Way Acquisition, and Strategy B.1.1, Transportation Construction. In addition, funds may be transferred between Strategies, except that no funds may be transferred out of Strategies C.1.1, Contracted Maintenance, or A.1.2, Contracted Planning and Design, Strategy A.1.3, Right-of-Way Acquisition, or B.1.1, Transportation Construction, except for transfers made between those Strategies. ~~The department may transfer an amount not to exceed 10 percent of the amounts appropriated in Strategy A.1.1, Plan/Design/Manage, in fiscal year 2006 and 10 percent of the amounts appropriated in Strategy A.1.1, Plan/Design/Manage, in 2007 from strategies C.1.1, Contracted Maintenance, A.1.2, Contracted Planning and Design, Strategy A.1.3, Right-of-Way Acquisition, or B.1.1, Transportation Construction, into Strategy A.1.1, Plan/Design/Manage. Appropriations transferred may not be transferred to any other Strategy.~~

The Department of Transportation shall submit to the Legislative Budget Board, in the format prescribed by the Legislative Budget Board, an annual report of transfers made under the authority of this rider no later than 10 days after September 1 of each fiscal year.

4. Magazine Appropriations. The Department of Transportation is directed to set subscription rates and other charges for Texas Highways Magazine at a level that will generate receipts approximately sufficient to cover the costs incurred in the production and distribution of the magazine. In addition to funds appropriated above, the department is hereby appropriated to Strategy D.3.1, Travel Information, any magazine revenues generated above ~~$5,462,846~~5,115,004 for the ~~2006~~2008 fiscal year and ~~$5,505,348~~5,155,207 for the ~~2007~~2009 fiscal year. Funds may be utilized only for the purpose of magazine costs. The Department of Transportation may transfer revenues available from prior years subscription fees to Strategy D.3.1, Travel Information, in the event of unforeseen or unusual expenditures associated with the production costs of the Texas Highways Magazine. The Department of Transportation is hereby appropriated all revenue collected from the sale of promotional items as authorized by Transportation Code~~,~~ § 204.009.

5. Equal Employment. To the maximum extent feasible, the department shall implement its Equal Employment Opportunity/Affirmative Action Plan to hire and promote qualified minority employees into vacant supervisory and management positions.

6. Limitation on Residences. None of the funds appropriated herein above may be expended for the purchase, construction, or maintenance of residences for employees of the Department of Transportation except maintenance camps in isolated areas.

7. Court Costs. Any necessary amounts appropriated above may be used by the Department of Transportation to pay refunds authorized by law and to pay court costs in suits involving the Department of Transportation. Such costs shall include payments for judgments, settlements, and other costs associated with right-of-way acquisition and inverse condemnation.

8. Appropriation Balances: Registration and Titling. Any unobligated balance remaining after the first year of the biennium in Strategy D.1.3, Registration and Titling, above for the purpose of purchasing ~~vehicle license plates and vehicle registration validation stickers~~ insignia stickers for registration and vehicle license plates, and enhancing the automated registration and titling system in accordance with the provisions of Transportation Code, Chapter 502, may be used for the same purpose during the second year of the biennium. Any expended amounts from revenue collected as a result of Transportation Code § 502.1705 may be used to purchase capital budget items each year and the capital budget appropriations shall be increased by a like amount.

9. Internal Audit. The Department of Transportation shall maintain an internal auditing program in compliance with the provisions of the Texas Internal Auditing Act, which shall incorporate, at a minimum, the assignment of an internal auditor at each district office and within each division of the department. Each internal auditor assigned pursuant to this provision shall report either directly to the Commissioners of the Department of Transportation or to the internal auditor appointed pursuant to Government Code § 2102.006.

An internal auditor whose duty station is assigned pursuant to this provision may consider suggestions from a District Engineer in developing proposals for the department's annual audit plan.

10. **Minimum Wage Contracts.** In contracting for maintenance and construction contract work with the private sector from funds appropriated above, the Department of Transportation shall require that contractors and subcontractors are paying all employees and contract labor at a rate at least equal to the federal minimum wage. The department shall withhold payments to contractors until their contractual obligations for paying employees and the contract labor have been fulfilled.

11. **Appropriation: Gross Weight and Axle Fees.** Amounts from State Highway Fund No. 006 equivalent to amounts collected from gross weight and axle weight fees ~~are appropriated~~ for distribution to counties as provided in VTCA, Transportation Code~~,~~ § 621.353 (estimated to be $~~4,700,000~~ $5,400,000 each year) are appropriated above in Strategy C.1.5, Gross Weight and Axle Fees. All unexpended balances as of August 31, ~~2005~~2007 (estimated to be $0), and amounts ~~from~~ out of State Highway Fund No. 006 equivalent to ~~all revenue received~~ amounts collected from gross weight and axle weight fees for distribution to counties as provided in VTCA, Transportation Code § 621.353 during the ~~2006-07~~2008-09 biennium are appropriated for the same purpose.

12. **Aviation Services Appropriations.** Out of funds appropriated above in Strategy B.1.2, Aviation Services, to the ~~Texas~~ Department of Transportation from State Highway Fund No. 006, an amount not to exceed $25,000,000 in fiscal year ~~2006~~2008 is contingent upon balances of the same amount remaining in Strategy B.1.2, Aviation Services, as of August 31, ~~2005~~2007, from appropriations made to the department for airport development grants in the ~~2004-05~~2006-07 biennium. In the event that actual and/or projected balances are insufficient for appropriations identified above for this purpose, the Comptroller is hereby directed to reduce the appropriation authority in Strategy B.1.2, Aviation Services, provided by this Act to the ~~Texas~~ Department of Transportation to be within the amount expected to be available each year.

13. **Interagency Agreements.** Out of funds appropriated in Strategy D.3.1, Travel Information, $670,000 through interagency contracts with the Commission on the Arts and $500,000 through interagency contracts with the ~~Texas~~ Historical Commission each fiscal year, shall be used to showcase the arts, culture, and historical diversity in Texas to promote tourism.

~~15~~14. **Trust Fund 927.** The Department of Transportation is hereby authorized to receive and hold funds in Trust Fund No. 927 (county or political subdivision road participation account) from governmental and private entities for purposes of reimbursing State Highway Fund No. 006 for expenses incurred with transportation projects, including highway and aviation.

~~**14.** **Project Status.** The Department of Transportation shall provide to each member of the House and Senate, unless a member requests it not be provided, a status report on all highway construction projects, airport projects, Trans Texas Corridor projects, rail projects, toll road projects, turnpike projects, toll authorities, regional mobility authorities, and toll road conversion projects by legislative district, currently under contract or awaiting funding. The report shall include projects that would be funded fully or in part by state, federal, or toll funds. The report shall be filed prior to January 1, each fiscal year. In addition, 90 days prior to any loan being granted by the department for any project, all members of the district shall be notified on the status of the project and how other projects in any district would be affected.~~

~~The Department of Transportation shall create a report detailing the reasons for the immediate and future needs for each mode of transportation in each segment of a Trans Texas Corridor project, as well as detailing the reasonableness and necessity for each mode of transportation within each segment of a Trans Texas Corridor project in the report. The department shall provide a report to the affected members at the same time that it submits a Tier 1 environmental impact statement and a Tier 2 environmental impact statement to the federal government for any segment of a Trans Texas Corridor route. The reports shall be posted on the department's website, as well as provided to each state senator, state representative, and commissioners court of the county in which a proposed Trans Texas Corridor project is being studied.~~

~~In addition, the Department of Transportation shall provide to each member of the House and Senate, unless a member requests it not be provided, notification of:~~

~~a. all Trans Texas Corridor projects included in the Unified Transportation Plan located within each member of the House and Senate's district no later than 10 days after being identified as Trans Texas Corridor Projects;~~

~~b. all eminent domain proceedings located within each member of the House and Senate's district related to Trans Texas Corridor projects no later than 10 days before the proceedings begin;~~

~~c. all rail projects, toll road projects, and turnpike projects included in the Unified Transportation Plan located within each member of the House and Senate's district no later than 10 days after being identified;~~

~~d. the establishment of regional mobility authorities and toll authorities located within each member of the House and Senate's district no later than 10 days after being approved; and~~

~~e. any toll authority or regional mobility authority board member that owns or participates in any holding included in a proposed project immediately.~~

~~16~~15. **State Highway Fund Reimbursement.** To the extent that funds are made available from local governments under Transportation Code § 22.055(b), the department is hereby appropriated amounts as necessary from State Highway Fund No. 006 for purposes authorized by Chapter 22 of the Texas Transportation Code. Funds made available to the department under Transportation Code § 22.055(b) are to be used only for the purpose of reimbursing State Highway Fund No. 006.

~~17~~16. **District Discretionary Funds.** Out of the funds appropriated above in Strategy B.1.1, Transportation Construction, the Department of Transportation shall allocate a minimum of $2.5 million for each district to the State District Discretionary Category each fiscal year. These funds may not be used for highway construction project cost overruns or shortfalls.

~~18~~17. **Travel Information.** If the department determines that it cannot meet anticipated production and distribution for the Texas State Travel Guide and related travel literature from funds appropriated in Strategy D.3.1, Travel Information, the department shall transfer sufficient funds to meet the demand for each year of the biennium from any Strategy except that no transfers shall be made into Strategy D.3.1, Travel Information, from Strategy A.1.2, Contracted Planning and Design, Strategy A.1.3, Right-of-Way Acquisition, Strategy B.1.1, Transportation Construction, and Strategy C.1.1, Contracted Maintenance.

~~19~~18. **Full-time Equivalent: Summer Hire Program.** Full-Time-Equivalent (FTE) positions associated with the Summer Hire Program of the Department of Transportation, in an amount not to exceed 1,200 FTEs, shall be exempt from the Article IX provision establishing a limitation on state agency employment levels for the third and fourth quarters of each fiscal year. ~~It is the intent of the Legislature that t~~This provision will not change the "Number of Full-Time-Equivalents ~~Positions~~ (FTE)" listed elsewhere in this Act. The Department of Transportation shall provide to the Legislative Budget Board, the Governor, and the State Auditor's Office a report of the number of FTEs associated with the Summer Hire Program each fiscal year. Out of individuals hired for the Summer Hire Program, the department shall hire no less than 10 interns each year for the Texas Prefreshman Engineering Program (TexPREP).

~~20~~19. **Clothing Provision.** The department may provide a cleaning allowance for Travel Counselors not to exceed $500 per year.

~~21~~20. **Reporting Requirements.**

a. The ~~Texas~~ Department of Transportation shall provide a report to the department's border district legislators and to the respective metropolitan planning organizations on department's trade transportation activities in such border districts during the ~~2006-07~~2008-09 biennium. The department shall report annually no later than January 1, each year of the biennium. The report shall also be provided to the Governor and the Legislative Budget Board.

b. In addition to other information that might be requested by the Legislative Budget Board, the ~~Texas~~ Department of Transportation shall submit to the Legislative Budget Board, in the format prescribed by the Legislative Budget Board, a monthly revenue report to the Legislative Budget Board and the Governor on state and federal funds received in State Highway Fund No. 006 as specified by the Legislative Budget Board. At any time, if the department becomes aware of any variances to estimated amounts appropriated above out of state and federal funds received in State Highway Fund No. 006, the department shall immediately notify the Legislative Budget Board and the Governor in writing specifying the affected funds and the reason for the anticipated change. The monthly revenue report shall include detailed explanations of the causes and effects of current and anticipated fluctuations in the cash balance. The level of detail requested in the monthly cash forecast shall be consistent with the recommendations prescribed by the March 2003, State Auditor Report number 03-021. In addition, the monthly cash forecast shall report expenditure information at the same level as the ~~Texas~~ Department of Transportation's appropriation bill pattern strategies.

c. The Department of Transportation shall provide to each member of the House and Senate, unless a member requests it not be provided, a status report on all highway construction projects, airport projects, Trans Texas Corridor projects, rail projects, toll road projects, turnpike projects, toll authorities, regional mobility authorities, and toll road conversion projects by legislative district, currently under contract or awaiting funding. The report shall include projects that would be funded fully or in part by state, federal, or toll funds. The report shall be filed prior to January 1, each fiscal year. In addition, 90 days prior to any loan being granted by the department for any project, all members of the district shall be notified on the status of the project and how other projects in any district would be affected.

d. The Department of Transportation shall create a report detailing the reasons for the immediate and future needs for each mode of transportation in each segment of a Trans Texas Corridor project, as well as detailing the reasonableness and necessity for each mode of transportation within each segment of a Trans Texas Corridor project in the report. The department shall provide a report to the affected members at the same time that it submits a Tier 1 environmental impact statement and a Tier 2 environmental impact statement to the federal government for any segment of a Trans Texas Corridor route. The reports shall be posted on the department's website, as well as provided to each state senator, state representative, and commissioners court of the county in which a proposed Trans Texas Corridor project is being studied.

In addition, the Department of Transportation shall provide to each member of the House and Senate, unless a member requests it not be provided, notification of:

(1) all Trans Texas Corridor projects included in the Unified Transportation Plan located within each member of the House and Senate's district no later than 10 days after being identified as Trans Texas Corridor Projects and at least 2 business days prior to public release;

(2) all eminent domain proceedings located within each member of the House and Senate's district related to Trans Texas Corridor projects no later than 10 days before the proceedings begin;

(3) all rail projects, toll road projects, and turnpike projects included in the Unified Transportation Plan located within each member of the House and Senate's district no later than 10 days after being identified and at least 2 business prior to public release;

(4) the establishment of regional mobility authorities and toll authorities located within each member of the House and Senate's district no later than 10 days after being approved and at least 2 business prior to public release; and

(5) any toll authority or regional mobility authority board member that owns or participates in any holding included in a proposed project immediately.

e. The Department of Transportation shall develop and submit an annual report to the Legislature no later than January 1, each fiscal year on public transportation activities in

Texas. The report shall at a minimum include monthly data on industry utilized standards which best reflect: ridership, mileage, revenue by source, and percent consumed of available capacity. In order to meet the mandates of Chapter 461, Transportation Code, relating to the coordination of public transportation and to implement the legislative intent of § 461.001, Transportation Code, the Department of Transportation is directed to engage the services of the Texas Transportation Institute, or any entity that the Department of Transportation deems appropriate, to conduct an inventory of all public transportation providers in the state to determine the types and levels of services being provided by each of them and the extent to which those providers can assist the state in meeting the mandates of the statute.

f. The Department of Transportation shall report annually to the Legislative Budget Board and the Governor on the progress of the Congestion Mitigation and Air Quality (CMAQ) Improvement Program at achieving credit in the State Implementation Plan (SIP) for air quality under the Federal Clean Air Act. The report shall include a listing of each CMAQ project, the amount of CMAQ funds designated, and the amount of quantifiable credit received in the SIP. The report shall be provided no later than September 1, each year of the biennium.

g. For each fiscal year in the biennium, the Department of Transportation shall provide a report, with results statewide by district, on the percentage of projects listed in the State Transportation Improvement Program (STIP) that were let on or before the letting date provided in the STIP.

~~23~~21. **Green Ribbon Project Expansion.** It is the intent of the Legislature that the Department of Transportation expand the Green Ribbon Project, a public-private partnership initiative to enhance the appearance of public highways by incorporating in the design and improvement of public highways the planting of trees and shrubs, emphasizing natural beauty and greenspace, integrating public art, and highlighting cultural uniqueness of neighborhoods, to other areas of the state.

Furthermore, in non-attainment and near non-attainment areas, in connection with a contract for a highway project, the department shall allocate to the district or districts in which the project is located an amount equal to not less than one half of one and not to exceed 1 percent of the amount to be spent under the contract for construction, maintenance, or improvement of the highway. If two or more districts share an allocation under this section, the districts shall divide the allocation according to the portion of the amount under the contract that will be spent in each district. A district that receives an allocation under this rider shall spend not less than one half of the allocation for landscaping and other enhancements included in the Green Ribbon program as improvements associated with the project that was the subject of the contract. The district may spend the allocated money that is not used for landscaping improvements associated with the project that was the subject of the contract for landscaping improvements associated with another highway or highway segment located in the district.

For purposes of this rider, landscape improvements means planting of indigenous or adapted trees and other plants that are suitable for the climate in which they will be located, and preparing the soil and installing irrigation systems for the growth of the trees and plants. In non-attainment and near non-attainment areas, the district or districts shall, to the extent possible, use trees and plants that help mitigate the effects of air pollution.

~~24~~22. **Tourist Information Center.** From funds appropriated above, the ~~Texas~~ Department of Transportation shall allocate $100,000 each year of the biennium for the establishment and operation of a tourist information center in the Lufkin District contingent on the donation of property and a facility by a local municipality. The tourist information center must be along the federally designated El Camino Real de los Tejas.

~~22.~~ ~~**Agency Coordination.** The Texas Department of Transportation and the Texas Commission on Environmental Quality shall coordinate their efforts on the acquisition and potential uses of crumb rubber and shredded tire pieces in the various phases of highway construction. The Texas Department of Transportation and the Texas Commission on Environmental Quality shall provide to the appropriate Legislative Committees a report on their progress by January 1, of each fiscal year.~~

~~26~~23. Appropriation for ~~Medical~~ Client Transportation Services. In addition to amounts appropriated above in Strategy D.1.2, ~~Medical~~ Client Transportation Services, the ~~Texas~~ Department of Transportation is hereby appropriated from the State Highway Fund No. 006 any additional amounts necessary in fiscal year ~~2006~~2008 and ~~2007~~2009, to Strategy D.1.2, ~~Medical~~ Client Transportation Services, to be used to provide recipient transportation services as required by federal and state programs administered by the Texas Workforce Commission and health and human services agencies in accordance with House Bill 2292 and House Bill 3588, Seventy-eighth Legislature, Regular Session. The ~~Texas~~ Department of Transportation shall enter into a memorandum of understanding with the Texas Workforce Commission, Health and Human Services Commission, and all necessary health and human services agencies to implement the interagency agreements required by House Bill 3588 and House Bill 2292.

~~27~~24. Miscellaneous Pay Provisions.

a. **Holiday Pay.** Notwithstanding other provisions of this bill, the Department of Transportation is authorized to grant compensatory time off or to pay hourly employees for work performed on official state holidays in addition to any applicable holiday pay.

b. **Compensatory Pay.** In order to operate in the most economical manner, when inclement weather or other circumstances beyond the control of the department prevent construction or maintenance employees from performing their normal duties, the Department of Transportation is authorized to grant such employees time off with pay with the hours charged to the Compensatory Time Taken Account, provided that such advanced time must be repaid by the employee at a time, and in the most appropriate manner as determined by the department within the following twelve months or at termination, whichever is sooner.

c. **Standby Pay.** It is expressly provided that the Department of Transportation, to the extent permitted by law, may pay compensation for on-call time at the following rates: credit for one hour worked per day on-call during the normal work week, and two hours worked per day on-call during weekends and holidays; this credit would be in addition to actual hours worked during normal duty hours or while on-call. Nonexempt employees who work a normal 40 hour work week, and also work on-call duty, will receive FLSA overtime rates for the on-call duty.

d. **Pay for Regular Compensatory Time.** It is expressly provided that the Department of Transportation, to the extent permitted by law, may pay FLSA exempt and FLSA nonexempt employees 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.

e. **Underwater Bridge Inspections.** To more adequately compensate employees who perform hazardous duties for the state, the Department of Transportation is authorized to compensate employees who perform underwater bridge inspections an additional rate of pay of up to $25 per hour for actual time spent performing underwater bridge inspections.

~~28~~25. Bond Programs. The ~~Texas~~ Department of Transportation:

a. in accordance with Section 49-k of Article III of the Texas Constitution; is hereby appropriated during each year of the biennium:

(1) all revenue of the state that is dedicated or appropriated to the Texas Mobility Fund No. 365 in accordance with Section 49-k (e) of Article III of the Texas Constitution, and such funds shall be deposited as received into the Texas Mobility Fund No. 365;

(2) all available funds in the Texas Mobility Fund No. 365, including any investment income, for the purposes outlined in Section 201, Subchapter M, Transportation Code; and

(3) such amounts to be transferred to the Texas Mobility Fund No. 365 in accordance with Section 49-k (g) of Article III of the Texas Constitution and Section 201, Subchapter M, Transportation Code, as may be necessary to make payments when due on any bonds, notes, other obligations, or credit agreements issued or entered into pursuant to Section 201, Subchapter M, Transportation Code, to the extent that the available funds in the Texas Mobility Fund No. 365 are insufficient for such purposes.

b. in accordance with Subchapter N of Chapter 201, Transportation Code, is authorized during the biennium to pay out of amounts appropriated above from the State Highway Fund No. 006, or otherwise dedicated or appropriated to such fund or available therein, debt service payments for notes issued or money borrowed in anticipation of a temporary cash shortfall in the State Highway Fund No. 006.

c. in accordance with Section 49-m of Article III of the Texas Constitution and Section 201.115 of Chapter 201, Transportation Code, is authorized to pay out of amounts appropriated above from the State Highway Fund No. 006, or otherwise dedicated or appropriated to such fund or available therein, debt service payments for notes issued or money borrowed on a short-term basis to carry out the functions of the department.

d. in accordance with Section 49-n of Article III of the Texas Constitution and Subchapter A of Chapter 222, Transportation Code, is authorized during each fiscal year of the biennium to pay out of amounts appropriated above from the State Highway Fund No. 006, or otherwise dedicated or appropriated to such fund or available therein, amounts due under bonds, other public securities and bond enhancement agreements that are issued or entered into to fund highway improvement projects and that are secured by and payable from revenue deposited to the credit of the State Highway Fund No. 006.

~~25.~~ **~~Public Transportation Report.~~** ~~The Texas Department of Transportation shall develop and submit an annual report to the Legislature on public transportation activities in Texas. The report shall at a minimum include monthly data on industry utilized standards which best reflect: ridership, mileage, revenue by source, and percent consumed of available capacity. In order to meet the mandates of Chapter 461, Transportation Code, relating to the coordination of public transportation and to implement the legislative intent of § 461.001, Transportation Code, the Texas Department of Transportation is directed to engage the services of the Texas Transportation Institute, or any entity that the Department of Transportation deems appropriate, to conduct an inventory of all public transportation providers in the state to determine the types and levels of services being provided by each of them and the extent to which those providers can assist the state in meeting the mandates of the statute.~~

~~31~~**26. Additional Funds.** Except during an emergency as defined by the Governor, no appropriation of additional State Highway Funds may be expended by the ~~Texas~~ Department of Transportation unless:

a. the ~~Texas~~ Department of Transportation submits a separate report within forty five (45) days of the end of the second quarter of each fiscal year to the Legislative Budget Board and the Governor outlining any additional funds available above amounts estimated for the ~~2006-07~~ 2008-09 biennium, their anticipated uses and projected impacts; and,

b. the Legislative Budget Board and the Governor issue a written approval or specify an alternate use for the additional funds.

~~32~~**27. Light Safety Installation and Reimbursement.** Out of funds appropriated above, the ~~Texas~~ Department of Transportation shall pay for the initial costs and maintenance of installing blinking colored light signals at dangerous intersections as provided by the manual and specifications adopted under § 544.001, Transportation Code, from State Highway Fund No. 006 in Yoakum County, or any county, as either the ~~Texas~~ Department of Transportation, or the county, deems necessary~~.~~ if ~~A~~all costs ~~shall be~~ are reimbursed by the county into State Highway Fund No. 006 at an acceptable payback rate and period as determined by the ~~Texas~~ Department of Transportation.

~~35~~28. **Auto Theft Prevention.** The ~~Texas~~ Department of Transportation shall prioritize awarding Auto Theft Prevention program grants to areas of the state based on a geographic distribution and shall include language in grant applications clarifying that funding from each grant is only guaranteed for the life of the grant.

~~36~~29. **Auto Theft Appropriation.** All fees collected in excess of $~~15,000,000~~_____ in fiscal year ~~2006~~2008, and $~~15,050,000~~_____ in fiscal year ~~2007~~2009, pursuant to VTCS, Title 70, Article 4413 (37), from General Revenue (Object Code 3206) in the Comptroller's Biennial Revenue Estimate (estimated to be $0) are hereby appropriated to Strategy D.4.1, Automobile Theft Prevention.

~~**29.** **Congestion Mitigation and Air Quality Improvement.** The Texas Department of Transportation shall report annually to the Legislative Budget Board and the Governor on the progress of the Congestion Mitigation and Air Quality (CMAQ) Improvement Program at achieving credit in the State Implementation Plan (SIP) for air quality under the Federal Clean Air Act. The report shall include a listing of each CMAQ project, the amount of CMAQ funds designated, and the amount of quantifiable credit received in the SIP. The report shall be provided no later than September 1, each year of the biennium.~~

~~37~~30. **Trans Texas Corridor Projects.** The ~~Texas~~ Department of Transportation shall identify all Trans Texas Corridor projects included in the Unified Transportation Plan and shall make that information available on its website.

~~**30.** **Unexpended Balance Appropriation: Colonia Projects.** Any unexpended balances in General Obligation Bond Proceeds remaining as of August 31, 2005, from the appropriation made to Strategy B.1.1, Transportation Construction, by the Seventy-eighth Legislature, Regular Session, (estimated to be $0) are hereby appropriated to the Texas Department of Transportation for the biennium beginning September 1, 2005, for the same purpose. Any unexpended balances of these funds remaining as of August 31, 2006, are hereby appropriated to the Texas Department of Transportation for the fiscal year beginning September 1, 2006, for the same purpose.~~

~~43~~31. ~~**Contingency for House Concurrent Resolution 94**~~**Tejano Monument.** ~~Contingent upon the passage of House Concurrent Resolution 94, or similar legislation, approving the use of public funding from general appropriations to complete the construction of a statue, monument, or exhibit on the Capitol grounds honoring contributions of Tejanos, by the Seventy-ninth Legislature, Regular Session, the~~ The Texas Department of Transportation shall make available during the biennium $602,645 out of the amounts appropriated above in federal Transportation Enhancement Program funds administered by the department for the Tejano Monument project if the Tejano Monument project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Historical Commission in conjunction with the Texas Department of Transportation will review the Tejano Monument project to determine if the Tejano Monument project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Tejano Monument project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Tejano Monument project under the Transportation Enhancement Program to other available projects should the Tejano Monument project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

~~44~~32. **Courthouse Preservation Program Grants.** Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $80 million in federal Transportation Enhancement Program funds administered by the department for courthouse preservation projects whenever such projects are approved by the Texas Historical Commission's Courthouse Preservation Program and meet federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Historical Commission in conjunction with the Texas Department of

Transportation will review courthouse preservation projects to determine if courthouse projects meet the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the costs of administering courthouse projects approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for courthouse preservation under the Transportation Enhancement Program to other available projects should such courthouse 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.

~~45~~33. Battleship TEXAS. Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $16,090,050 in federal Transportation Enhancement Program funds administered by the department for the Battleship TEXAS project if the Battleship TEXAS project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Parks and Wildlife Department in conjunction with the Texas Department of Transportation will review the Battleship TEXAS project to determine if the Battleship TEXAS project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Battleship TEXAS project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Battleship TEXAS project under the Transportation Enhancement Program to other available projects should the Battleship TEXAS project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

34. Local Government Assistance. The ~~Texas~~ Department of Transportation, pursuant to Texas Transportation Code § 201.706, may assist cities with the maintenance of city streets by providing engineering/maintenance expertise on roadway maintenance and when surplus materials are available, the department shall make available the surplus materials to any local government needing such materials.

For those cities that adopt or have adopted either a street use fee for maintenance or a specialized fee for street accessibility improvements as part of their local utility fees, the Department is authorized to coordinate its accessibility programs with those cities including providing engineering expertise where possible.

~~46~~35. Texas Emancipation Juneteenth Cultural and Historical Commission Memorial Monument. Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $602,645 in federal Transportation Enhancement Program funds administered by the department for the Juneteenth Memorial Monument project if the Juneteenth Memorial Monument project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Emancipation Juneteenth Cultural and Historical Commission in conjunction with the Texas Department of Transportation will review the Juneteenth Memorial Monument project to determine if the Junteenth Memorial Monument project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Juneteenth Memorial Monument project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Juneteenth Memorial Monument project under the Transportation Enhancement Program to other available projects should the Juneteenth Memorial Monument project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

~~**35.**~~ ~~**Projects for Traffic from International Trade.** The department annually shall review its proposed road and maintenance projects to determine whether the projects and maintenance are adequate to allow for the projected impact of overweight trucks on state highways, resulting from international trade.~~

~~47~~36. Woodall Rodgers Highway Enhancement Park. Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $10 million in federal Transportation Enhancement Program funds administered by the department for the Woodall Rodgers Highway Enhancement Park project if the Woodall Rodgers Highway Enhancement Park project meets federal funding requirements of the Transportation Enhancement Program as defined by 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 Woodall Rodgers Highway Enhancement Park project to determine if the Woodall Rodgers Highway Enhancement Park project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Woodall Rodgers Highway Enhancement Park project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Woodall Rodgers Highway Enhancement Park project under the Transportation Enhancement Program to other available projects if the Woodall Rodgers Highway Enhancement Park project fails to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

~~48~~37. ~~Contingency Appropriation for Senate Bill 1100~~Texas Museum of Music History. Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $10 million in federal Transportation Enhancement Program funds administered by the department for whichever entity is designated as the official Texas museum of music history by the Trusteed Programs Within the Office of the Governor, provided that such entity submits a project that meet federal funding requirements of the Transportation Enhancement Program as defined by federal regulations of the U.S. Department of Transportation, Federal Highway Administration under Title 23 of the United States Code ~~contingent upon the enactment of Senate Bill 1100, or similar legislation, related to the promotion of tourism relating to the musical heritage of this state~~. The Texas Department of Transportation shall review the Texas museum of music history project to determine if such project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover allowed costs of administering the Texas museum of music history project.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Texas museum of music history project under the Transportation Enhancement Program to other available projects if the Texas museum of music history project fails to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

~~50~~38. B22 Classification Salary Group. Notwithstanding the classification schedule under Section 2.01, Article IX, of this Act, the following positions at the ~~Texas~~ Department of Transportation are designated to be salary group B22 with an annual salary of no more than $170,000:

Deputy Executive Director
Assistant Executive Director for Engineering Operations
Assistant Executive Director for Support Operations
District Engineer, Austin
District Engineer, Dallas
District Engineer, Fort Worth
District Engineer, Houston
District Engineer, San Antonio
Director, Construction Division
Director, Design Division
Director, Environmental Affairs Division
Director, Finance Division

Director, Maintenance Division
Director, Texas Turnpike Authority Division
Director, Transportation Planning and Programming Division

~~The State Classification Office may update the classification schedule under Section 2.01, Article IX, of this Act, to conform to this rider.~~

~~**38.**~~ ~~**State Transportation Improvement Program - Accountability Report.** For each fiscal year in the biennium, the Texas Department of Transportation shall provide a report, with results statewide by district, on the percentage of projects listed in the State Transportation Improvement Program (STIP) that were let on or before the letting date provided in the STIP.~~

~~52~~**39.** **Houston Fire Museum.** Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $2 million in federal Transportation Enhancement Program funds administered by the department for a Houston Fire Museum, Inc., construction project if the Houston Fire Museum, Inc., construction project meets federal funding requirements of the Transportation Enhancement Program as defined by 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 Houston Fire Museum, Inc., construction project to determine if the construction of the Houston Fire Museum, Inc., meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Houston Fire Museum, Inc., construction project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Houston Fire Museum, Inc., construction project under the Transportation Enhancement Program to other available projects should the Houston Fire Museum, Inc., construction project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

~~**39.**~~ ~~**Contingency Appropriation for Senate Bill 1874.** Contingent upon the enactment of Senate Bill 1874, or similar legislation by the Seventy-ninth Legislature, Regular Session, related to automobile burglary and theft prevention, the amounts of $2,500,000 in fiscal year 2006 and $2,500,000 in fiscal year 2007, appropriated above to the Department of Transportation from the State Highway Fund in Strategy D.4.1, Automobile Theft Prevention, shall be used for the purpose of automobile burglary prevention. Also contingent upon the enactment of Senate Bill 1874, or similar legislation, Strategy D.4.1, Automobile Theft Prevention, shall be changed to Strategy D.4.1, Prevent Automobile Burglary & Theft.~~

40. **Appropriations Limited to Revenue Collections: Rail Safety.** It is the intent of the Legislature that revenues collected and deposited to the General Revenue Fund from the assessment of fees on railroad operators pursuant to Texas Revised Civil Statutes, Article 6448a, cover, at a minimum, the cost of general revenue appropriations made above in Strategy D.5.1, Rail Safety, as well as covering "other direct and indirect costs" associated with such general revenue appropriations. "Other direct and indirect costs" associated with such general revenue appropriations are estimated to be $360,895 for fiscal year 2008 and $361,676 for fiscal year 2009. 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.

~~**40.**~~ ~~**Capital Budget Reporting Requirement.** The Department of Transportation shall submit to the Legislative Budget Board, in the format prescribed by the Legislative Budget Board, an annual report of expenditures made under the authority of Rider 2, Capital Budget, above no later than 10 days after September 1 of each year.~~

41. **Road Construction and Maintenance at State Facilities.** Out of funds appropriated above, the Department of Transportation shall:

a. maintain paved surfaces on the State Capitol Grounds according to the Historic Capitol Grounds Master Plan adopted by the State Preservation Board;

b. construct, repair, and maintain roads in and providing access to and from Department of State Health Services and Department of Aging and Disability Services mental health and mental retardation facilities; and

c. construct, repair, and maintain roads in and providing access to and from Camp Mabry facilities.

~~**41. Appropriations Transfer Reporting Requirement.** The Department of Transportation shall submit to the Legislative Budget Board, in the format prescribed by the Legislative Budget Board, an annual report of transfers made under the authority of Rider 3, Transfer Authority, above no later than 10 days after September 1 of each year.~~

42. Unexpended Balance Appropriation: Motor Vehicle Financial Responsibility. Any unexpended balances in State Highway Fund No. 006 remaining as of August 31, 2007 (estimated to be $0), from the appropriation made to the Department of Transportation in Article IX, Sec. 14.52, Senate Bill 1, General Appropriations Act, Seventy-ninth Legislature, for the implementation of a motor vehicle financial responsibility verification program, are hereby appropriated to the Department of Transportation in Strategy D.1.3, Registration and Titling, in the fiscal year beginning September 1, 2007, for the same purpose. Any unexpended balances of these funds remaining as of August 31, 2008, are hereby appropriated to the Department of Transportation in Strategy D.1.3, Registration and Titling, in the fiscal year beginning September 1, 2008, for the same purpose.

~~**42. State Data Center.** Pursuant to the denial of the Texas Department of Transportation's waiver application by the Legislative Budget Board and pursuant to the Legislature's vision as expressed in Senate Bill 1701, 78th Legislature, Regular Session, the Texas Department of Transportation shall complete the migration of data center operations to the State Data Center located on the campus of Angelo State University by September 1, 2005, unless the Legislative Budget Board determines that a cost-effective agreement cannot be reached. If the Texas Department of Transportation fails to complete migration of data center operations by the above date, the Department of Information Resources shall notify the Legislative Budget Board and the Department of Transportation of the violation. After notification, the Texas Department of Transportation may not spend appropriated money for data center operations without the prior approval of both the Executive Director of the Department of Information Resources and the Legislative Budget Board. Upon the enactment of Senate Bill 1547, House Bill 1516, or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to the Department of Information Resources' management of state electronic services, this rider has no effect.~~

43. Unexpended Balance Appropriation: Organ Donor Program - Voluntary Fee. Any unexpended balances in State Highway Fund No. 006 remaining as of August 31, 2007 (estimated to be $0), from the appropriation made to the Department of Transportation in Article IX, Sec. 14.23, Senate Bill 1, General Appropriations Act, Seventy-ninth Legislature, for the creation of a donor education, awareness, and registry program and tissue council and anatomical gift donation, are hereby appropriated to the Department of Transportation in Strategy D.1.3, Registration and Titling, in the fiscal year beginning September 1, 2007, for the same purpose. Any unexpended balances of these funds remaining as of August 31, 2008, are hereby appropriated to the Department of Transportation in Strategy D.1.3, Registration and Titling, in the fiscal year beginning September 1, 2008, for the same purpose.

44. Federal Funds Reporting Requirement.

a. The Department of Transportation shall provide to the Legislative Budget Board and the Governor:

(1) written notification of any increases or decreases in the amounts of federal funds estimated to be available to the Department of Transportation for the 2008-09 biennium within 10 business days of the date upon which the Department of Transportation is notified of such increases or decreases; and

(2) written notification outlining:

(A) the use and projected impacts of any additional federal funds available to the Department of Transportation above amounts estimated for the 2008-09 biennium; and/or

(B) the Department of Transportation's plan for addressing any reductions in federal funds, including federally-mandated funding rescissions.

b. The Department of Transportation shall provide to the Legislative Budget Board and the Governor any documentation required by the U.S. Department of Transportation, Federal Highway Administration regarding the Department of Transportation's proposed use of additional federal funds and/or proposed actions to address federal funds reductions, including federally-mandated funding rescissions, at least 10 days prior to submitting the required documentation to the U.S. Department of Transportation, Federal Highway Administration.

45. Appropriations Contingent upon Reporting Requirements. The Department of Transportation shall submit to the Legislative Budget Board, no earlier than 10 business days before February 28th and no later than 10 business days after March 31st, each year of the biennium, a status report on actions taken by the Department of Transportation to fulfill the requirements made under the provisions of Rider 20, Reporting Requirements. In the event that the Department of Transportation does not submit the status report within this time period, or in the event that the Department of Transportation does not fulfill the requirements of Rider 20, Reporting Requirements, at any time, the Legislative Budget Board may direct the Comptroller of Public Accounts to withhold any appropriation authority provided above excluding appropriation authority for the following:

a. administration for and all costs related to the payment of debt service and bond proceeds for revenue bonds issued under Section 49-k, Article III, Texas Constitution;

b. administration for and all costs related to the payment of debt service and bond proceeds for revenue bonds issued under Section 49-n, Art. III, Texas Constitution;

c. administration for and all costs related to the payment of debt service and bond proceeds for revenue bonds issued under Section 49-o, Art. III, Texas Constitution;

d. administration for and all costs related to the payment of debt service and bond proceeds for all other revenue bonds previously issued by the department;

e. administration for and payment of General Obligation Bond proceeds for colonia road projects;

f. administration for and payments of State Highway Fund monies to counties related to revenues collected from Gross Weight and Axle fees;

g. appropriations necessary to register and title vehicles, license and regulate vehicle dealerships, regulate tow trucks and enforce the state lemon laws;

h. administration for and payments of State Highway Fund, Federal Funds, and Interagency Contract monies for public transportation services and medical transportation services;

i. appropriations provided for Routine Maintenance and Contracted Maintenance;

j. appropriations necessary to continue payments for previously entered contractual obligations;

k. appropriations necessary to continue ferry operations;

l. appropriations out of the GR Dedicated - Texas Highway Beautification Account No. 71; and

m. any other constitutionally or statutorily required appropriation.

The Department of Transportation shall provide any information necessary to the Comptroller of Public Accounts and the Legislative Budget Board to fulfill these requirements no later than 3 business days after receiving notification of the Legislative Budget Board directing the Comptroller of Public Accounts to withhold appropriations.

46. **Sale of State Aircraft.** The Department of Transportation shall sell all state-owned aircraft transferred to the Department of Transportation pursuant to the enactment of House Bill 2702, Seventy-ninth Legislature, Regular Session, and deposit all proceeds from such sales to the credit of the General Revenue Fund upon completion of each sale.

~~**49. State Aviation Coordination.**~~

~~a. Out of the funds appropriated above to the Department of Transportation in Strategy B.1.1, Transportation Construction, any amounts necessary for the 2006-07 biennium shall be transferred to Strategy B.1.2, Aviation Services, for the purpose of contracting with the state entity responsible for the custody, control, operation and maintenance of state aircraft to serve as a point of coordination for state officials and agencies to contact for the use of state aircraft to access remote and rural areas and to provide all necessary hangar space, maintenance, and services for the use of state aircraft.~~

~~b. The Department of Transportation shall sell all surplus aircraft and associated surplus equipment owned by the state entity responsible for the custody, control, operation and maintenance of state aircraft that is not necessary for the purposes of subsection (a) above in this rider as determined by the department.~~

~~c. It is the intent of the Legislature that state officials using the services of state aircraft coordinated through the Department of Transportation shall reimburse the Department of Transportation for reasonable costs associated with the use of the state aircraft.~~

~~d. In addition, the Department of Transportation's capital budget authority shall be increased for the following items and in the following amounts appropriated above from State Highway Fund No. 006:~~

	2006	2007
f. Acquisition of Capital Equipment and Items		
(1) Lease Payments (MLPP) - Airplane	$307,115	$305,982
(2) Lease Payments (MLPP) - Fuel Trucks (2)	22,302	22,209

~~**51. Houston District Headquarters Facility.** In addition to the amounts appropriated above for fiscal year 2007 in Strategy E.1.4, Regional Administration, the Department of Transportation is hereby appropriated an amount not to exceed $40,000,000 from State Highway Fund No. 006 to fund project costs associated with, and to pay the purchase option price through exercising the purchase option under the lease with an option to purchase relating to the design, construction, and renovation of, the Department's Houston District office headquarters facilities. In addition, the capital budget authority above in Rider 2, Capital Budget, shall be increased in fiscal year 2007 by $40,000,000 and any remaining proceeds received by the Department of Transportation upon the exercise of the purchase option under such lease shall be deposited to the credit of State Highway Fund No. 006 (estimated to be $0) and shall be appropriated to the department for the design, construction, and renovation of such facilities.~~

~~**53. Appropriation for Rail Safety Fees.** Included in the amounts appropriated above are amounts collected and deposited to the General Revenue Fund from the assessment of fees on railroad operators pursuant to Texas Revised Civil Statutes, Article 6448a, not to exceed $954,173 in each fiscal year of the 2006-07 biennium. These funds shall be used to operate the rail safety program in Strategy D.5.1, Rail Safety.~~

~~These appropriations are contingent upon the Texas Department of Transportation assessing fees sufficient to generate, during the 2006-07 biennium, revenue to cover, at a minimum, the General Revenue appropriations for the rail safety program as well as "Other direct and indirect costs" for the program, appropriated elsewhere in this Act. "Other direct and indirect costs" are estimated to be $310,327 in fiscal year 2006 and $348,348 in fiscal year 2007. 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 the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.~~

TEXAS WORKFORCE COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 26,213,524	$ 26,220,977
GR MOE for Temporary Assistance for Needy Families	27,745,141	27,745,141
GR for Child Care and Development Fund	42,563,817	42,563,817
Career Schools and Colleges	822,711	822,711
GR Match for Food Stamp Administration	3,986,130	3,986,131
Subtotal, General Revenue Fund	$ 101,331,323	$ 101,338,777
General Revenue Fund - Dedicated		
Unemployment Compensation Special Administration Account No. 165	5,379,869	5,379,868
Employment and Training Investment Assessment Holding Account No. 5128, estimated	368,376	368,376
Subtotal, General Revenue Fund - Dedicated	$ 5,748,245	$ 5,748,244
Workforce Commission Federal Account No. 5026	913,562,375	915,065,717
Other Funds		
Appropriated Receipts	3,644,965	3,711,532
Interagency Contracts	26,926,181	26,924,309
Subtotal, Other Funds	$ 30,571,146	$ 30,635,841
Total, Method of Financing	$ 1,051,213,089	$ 1,052,788,579
This bill pattern represents an estimated 31% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	2,931.1	2,928.2
Schedule of Exempt Positions:		
Commissioner, Group 4	(2) $109,200	(2) $109,200
Commissioner, Group 4	111,800	111,800
Executive Director, Group 5	135,000	135,000
Items of Appropriation:		
A. Goal: WORKFORCE DEVELOPMENT		
Support a Workforce System to Achieve/Sustain Economic Prosperity.		
A.1.1. Strategy: WORKFORCE INVESTMENT ACT Workforce Investment Act (WIA) Adult and Dislocated Adults.	$ 171,722,414	$ 173,444,706
A.1.2. Strategy: WORKFORCE INVESTMENT ACT - YOUTH Workforce Investment Act (WIA) Youth.	$ 66,744,550	$ 66,744,550
A.1.3. Strategy: TANF CHOICES Temporary Assistance for Needy Families (TANF) Choices.	$ 90,776,113	$ 90,764,434
A.1.4. Strategy: EMPLOYMENT AND COMMUNITY SERVICES	$ 42,452,338	$ 42,594,436
A.1.5. Strategy: FOOD STAMP EMPLOYMENT AND TRAINING	$ 19,947,331	$ 19,944,571
A.1.6. Strategy: TRADE AFFECTED WORKERS Trade Affected Worker Training and Assistance.	$ 12,018,750	$ 12,018,685
A.1.7. Strategy: PROJECT RIO Project Reintegration of Offenders (RIO).	$ 7,795,963	$ 7,803,415
A.1.8. Strategy: SENIOR EMPLOYMENT SERVICES	$ 4,972,164	$ 4,972,427
A.1.9. Strategy: APPRENTICESHIP	$ 1,759,436	$ 1,759,291
A.2.1. Strategy: SKILLS DEVELOPMENT	$ 15,082,676	$ 15,089,305
A.2.2. Strategy: SELF SUFFICIENCY	$ 3,117,106	$ 3,117,396
A.2.3. Strategy: LABOR MARKET AND CAREER INFORMATION	$ 4,620,799	$ 4,526,053
A.2.4. Strategy: WORK OPPORTUNITY TAX CREDIT Work Opportunity Tax Credit Certification.	$ 857,947	$ 828,041
A.2.5. Strategy: ALIEN LABOR CERTIFICATION	$ 551,625	$ 554,182

A.3.1. Strategy: TANF CHOICES CHILD CARE TANF Choices Child Care for Families Working or Training for Work.	$ 79,744,026	$ 81,491,647
A.3.2. Strategy: TRANSITIONAL CHILD CARE Transitional Child Care for Families Working or Training for Work.	$ 45,039,854	$ 45,039,854
A.3.3. Strategy: AT-RISK CHILD CARE At-Risk Child Care for Families Working or Training for Work.	$ 334,806,462	$ 333,058,841
A.3.4. Strategy: CHILD CARE ADMINISTRATION Child Care Admin for TANF Choices, Transitional & At-Risk Child Care.	$ 5,211,049	$ 5,159,637
A.3.5. Strategy: CHILD CARE - FOSTER CARE FAMILIES Child Care for Foster Care Families.	$ 19,583,584	$ 19,583,584
A.4.1. Strategy: UNEMPLOYMENT CLAIMS	$ 52,654,125	$ 52,648,611
A.4.2. Strategy: UNEMPLOYMENT APPEALS	$ 14,103,687	$ 13,874,937
A.4.3. Strategy: UNEMPLOYMENT TAX COLLECTION	$ 24,173,113	$ 24,329,540
Total, Goal A: WORKFORCE DEVELOPMENT	$ 1,017,735,112	$ 1,019,348,143
B. Goal: PROGRAM ACCOUNTABILITY/ENFORCEMENT		
B.1.1. Strategy: SUBRECIPIENT MONITORING	$ 2,926,302	$ 2,932,975
B.1.2. Strategy: TECHNICAL ASSISTANCE	$ 3,594,612	$ 3,610,575
B.1.3. Strategy: LABOR LAW INSPECTIONS	$ 3,455,010	$ 3,319,511
B.1.4. Strategy: CAREER SCHOOLS & COLLEGES Career Schools and Colleges.	$ 747,231	$ 746,981
B.2.1. Strategy: CIVIL RIGHTS	$ 1,722,716	$ 1,713,719
Total, Goal B: PROGRAM ACCOUNTABILITY/ENFORCEMENT	$ 12,445,871	$ 12,323,761
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 11,822,093	$ 11,861,235
C.1.2. Strategy: INFORMATION RESOURCES	$ 6,921,523	$ 6,964,429
C.1.3. Strategy: OTHER SUPPORT SERVICES	$ 2,302,324	$ 2,304,845
Total, Goal C: INDIRECT ADMINISTRATION	$ 21,045,940	$ 21,130,509
D. Goal: ADMINISTRATIVE REDUCTIONS		
D.1.1. Strategy: ADMINISTRATIVE REDUCTIONS	$ (13,834)	$ (13,834)
Grand Total, TEXAS WORKFORCE COMMISSION	$ 1,051,213,089	$ 1,052,788,579
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 116,999,656	$ 116,995,383
Other Personnel Costs	6,457,480	6,728,556
Professional Fees and Services	9,314,005	7,937,385
Fuels and Lubricants	36,071	42,320
Consumable Supplies	1,440,909	1,487,002
Utilities	3,822,054	3,822,070
Travel	1,774,061	1,775,858
Rent - Building	2,253,045	1,437,505
Rent - Machine and Other	1,895,766	1,899,238
Other Operating Expense	37,296,902	39,720,560
Grants	867,833,199	869,506,660
Capital Expenditures	2,089,941	1,436,042
Total, Object-of-Expense Informational Listing	$ 1,051,213,089	$ 1,052,788,579
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 7,971,448	$ 8,091,020
Group Insurance	31,621,474	32,419,823
Social Security	10,176,261	10,328,905
Benefits Replacement	1,377,265	1,308,402
Subtotal, Employee Benefits	$ 51,146,448	$ 52,148,150

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 51,146,448	$ 52,148,150

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Workforce 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 Workforce Commission. In order to achieve the objectives and service standards established by this Act, the Texas Workforce Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: WORKFORCE DEVELOPMENT		
Outcome (Results/Impact):		
Customers Served	1,710,000	1,710,000
Entered Employment Rate	75%	75%
Employment Retention Rate	80%	80%
WIA Entered Employment Rate	88%	88%
Workforce Investment Act (WIA) - Youth Educational Achievement Rate	45	45
Temporary Assistance for Needy Families (TANF) Choices Entered Employment Rate	78%	78%
Temporary Assistance for Needy Families (TANF) Choices Employment Retention Rate	70%	70%
Temporary Assistance for Needy Families (TANF) Choices Participation Rate : All Families	39.5%	37.9%
Employment Services Entered Employment Rate	75%	75%
Employment Services Employment Retention Rate	80%	80%
Food Stamp : Employment and Training Entered Employment Rate	80%	80%
Reintegration of Offenders Entered Employment Rate	72%	72%
Percent of Job Openings Filled	40%	40%
Skills Development Fund Employment Retention Rate	94	94
Percent of Unemployment Insurance Claimants Paid Timely	97%	97%
Percent of Unemployment Insurance Dispute Cases Resolved with Lower Appeal	85%	85%
A.1.1. Strategy: WORKFORCE INVESTMENT ACT		
Output (Volume):		
Workforce Investment Act (WIA): Adult and Dislocated Worker Customers Served	49,448	49,448
Efficiencies:		
Workforce Investment Act (WIA): Adult and Dislocated Worker Average Cost per Customer Served	2,945	2,945
A.1.3. Strategy: TANF CHOICES		
Output (Volume):		
Temporary Assistance for Needy Families (TANF) Choices Customers Served	82,330	82,330
Efficiencies:		
Temporary Assistance for Needy Families (TANF) Choices Average Cost Per Customer Served	1,043.54	1,043.54
A.1.4. Strategy: EMPLOYMENT AND COMMUNITY SERVICES		
Output (Volume):		
Employment Services Customers Served	1,550,000	1,550,000
Efficiencies:		
Employment Services Average Cost Per Customer Served	16.51	16.47
A.1.5. Strategy: FOOD STAMP EMPLOYMENT AND TRAINING		
Output (Volume):		
Food Stamp Employment and Training (E&T) Customers Served	36,236	36,236
A.1.7. Strategy: PROJECT RIO		
Output (Volume):		
Project Reintegration of Offenders (RIO) Customers Served	27,765	27,765
Efficiencies:		
Project Reintegration of Offenders (RIO) Average Cost Per Customer Served	136.23	136.23
A.1.9. Strategy: APPRENTICESHIP		
Output (Volume):		
Apprenticeship Customers Served	3,600	3,600
A.2.1. Strategy: SKILLS DEVELOPMENT		
Output (Volume):		
Skills Development Customers Served	11,640	11,640

Efficiencies:		
Skills Development Fund Average Cost Per Customer Served	1,250	1,250
A.2.2. Strategy: SELF SUFFICIENCY		
Output (Volume):		
Self-Sufficiency Customers Served	2,279	2,279
Efficiencies:		
Self-Sufficiency Fund Average Cost Per Customer Served	1,238	1,238
A.2.3. Strategy: LABOR MARKET AND CAREER INFORMATION		
Output (Volume):		
Number of Visitors to Labor Market Information Web Data Pages	799,560	879,510
A.3.1. Strategy: TANF CHOICES CHILD CARE		
Output (Volume):		
Average Number of Children Served Per Day, Temporary Assistance for Needy Families (TANF) Choices Services	16,900	16,900
Efficiencies:		
Average Cost Per Child Per Day for Child Care, Temporary Assistance for Needy Families (TANF) Choices Services	18.15	18.48
A.3.3. Strategy: AT-RISK CHILD CARE		
Output (Volume):		
Average Number of Children Served Per Day, Transitional and At Risk Services	99,565	96,964
Efficiencies:		
Average Cost Per Child Per Day for Child Care, Transitional and At Risk Services	14.11	14.37
Explanatory:		
Average Number of Children on Waiting List for Low-income Child Care	29,870	29,089
A.4.1. Strategy: UNEMPLOYMENT CLAIMS		
Efficiencies:		
Average Wait Time on Hold for Unemployment Insurance Customers (Minutes)	3.25	3.25
Explanatory:		
Unemployment Rate	4.8	4.8
A.4.2. Strategy: UNEMPLOYMENT APPEALS		
Efficiencies:		
Percent of Lower Unemployment Insurance Appeals Decisions Issued in a Timely Manner	80%	80%
B. Goal: PROGRAM ACCOUNTABILITY/ENFORCEMENT		
Outcome (Results/Impact):		
Percent Change in Employment Complaints against State Agencies	(15)%	(15)%
B.1.1. Strategy: SUBRECIPIENT MONITORING		
Output (Volume):		
Number of Monitoring Reviews and Investigations of Boards or Contractors	80	80
B.1.2. Strategy: TECHNICAL ASSISTANCE		
Output (Volume):		
Number of Times Technical Assistance Is Provided to Boards	2,673	2,673
B.1.3. Strategy: LABOR LAW INSPECTIONS		
Output (Volume):		
Number of On-site Inspections Completed for Texas Child Labor Law Compliance	2,572	2,572
B.1.4. Strategy: CAREER SCHOOLS & COLLEGES		
Output (Volume):		
Number of Licensed Career Schools and Colleges	429	433

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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information

resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas.

	2006	2007
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Repair or Rehabilitation of Buildings and Facilities	$ 3,164,362	$ 3,366,825
b. Acquisition of Information Resource Technologies		
(1) IBM Mainframe Lease (New)	2,297,664	2,297,664
(2) IBM Host Software	2,565,828	2,565,828
(3) PC Infrastructure and Refresh	1,000,000	1,000,000
(4) Phone System Replacement	117,219	117,024
(5) LAN/WAN Area Upgrade & Replacement	2,477,585	935,995
(6) Enterprise Infrastructure Upgrades	57,114	114,228
(7) PeopleSoft Financials 8.8 Upgrade	3,334,665	90,120
(8) Program Integrity & Fraud Detection Development Project	1,299,760	298,200
(9) Workforce Information System Redesign	2,217,527	1,749,528
(10) Operations Infrastructure	266,366	199,662
Total, Acquisition of Information Resource Technologies	$ 15,633,728	$ 9,368,249
Total, Capital Budget	$ 18,798,090	$ 12,735,074

Method of Financing (Capital Budget):

GR Dedicated - Unemployment Compensation Special Administration Account No. 165	$ 164,478	$ 119,953
Appropriated Receipts	36,531	3,818
Interagency Contracts	14,604	6,750
Workforce Commission Federal Account No. 5026	18,530,127	12,585,679
Proprietary School Fees	52,350	18,874
Total, Method of Financing	$ 18,798,090	$ 12,735,074

	2008	2009
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Repair or Rehabilitation of Buildings and Facilities	$ 3,232,833	$ 4,808,000
b. Acquisition of Information Resource Technologies		
(1) IBM Mainframe Lease	1,348,919	1,348,919
(2) IBM Host Software	1,967,989	1,967,989
(3) PC Infrastructure and Refresh	1,600,000	1,600,000
(4) Phone System Replacement	105,003	105,003
(5) LAN/WAN Area Upgrade & Replacement	894,676	919,171
(6) PeopleSoft Financials 8.8 Upgrade	295,239	0
(7) Program Integrity & Fraud Detection Development Project	489,600	0
(8) Workforce Information System Redesign	1,679,999	1,210,000
(9) Operations Infrastructure	624,187	594,854
Total, Acquisition of Information Resource Technologies	$ 9,005,612	$ 7,745,936

c. Transportation Items		
(1) Vehicles - Replacement	87,901	78,890
Total, Capital Budget	$ 12,326,346	$ 12,632,826
Method of Financing (Capital Budget):		
General Revenue	$ 110,312	$ 67,112
GR Dedicated - Unemployment Compensation Special Administration Account No. 165	104,777	99,107
Appropriated Receipts	188,800	300,017
Workforce Commission Federal Account No. 5026	11,922,457	12,166,590
Total, Method of Financing	$ 12,326,346	$ 12,632,826

43. **Appropriation: Federal Funds.** All moneys granted to Texas by the federal government for the administration of the Texas Unemployment Compensation Act or which are now on deposit to the credit of any funds maintained by the comptroller for the Texas Workforce Commission (TWC), and any moneys received for the credit of such funds are hereby appropriated for the purposes authorized by the provisions of the Texas Unemployment Compensation Act and for the purposes for which such moneys were granted. TWC shall notify the Legislative Budget Board and Governor of any funds and associated staffing received above the amounts appropriated above for the biennium.

~~**3.** **Capital Budget - Federal Cost Allocation.** Out of the funds appropriated above, the Texas Workforce Commission (TWC) is authorized to transfer $179,329110,312 in General Revenue in fiscal year 20062008 and $52,57467,112 in General Revenue in fiscal year 20072009 to projects included in Rider 2, Capital Budget, above in TWC's bill pattern. Amounts authorized for transfer by this rider are in addition to amounts identified in Rider 2, Capital Budget, above in TWC's bill pattern. Transfers authorized by this rider are necessary to comply with requirements of the U.S. Office of Management and Budget Circular A-87 and the cost allocation plan and methodology approved by its federal grantor agencies. This rider is not intended to limit TWC's transfer authority for capital budget projects, as provided in Sec. 6.16, Limitation on Expenditures - Capital Budget, of General Provisions of this Act.~~

54. **Section 903, Social Security Act Funds.**

a. Out of amounts credited to Texas' account in the Federal Unemployment Trust Fund under § 903 of the Social Security Act, there is included in the appropriation above $5,000,000 in fiscal year ~~2006~~2008 and $5,000,000 in fiscal year ~~2007~~2009 for withdrawal and use by the Texas Workforce Commission (TWC) for the administration of the Texas Unemployment Compensation Act and its Public Employment Offices and telecenters. Said funds may be used to provide necessary office facilities and automated equipment, to include the purchase of land and construction of buildings, and the construction of improvements on property owned by TWC, including the cost of repairs and alterations to such property and the purchase of computers and related peripheral equipment.

b. Any amounts initially allocated by the federal government to TWC during fiscal year 2000, 2001, or 2002, except amounts transferred pursuant to Subsection 903(d), shall be used only to pay expenses incurred for the administration of the Texas Unemployment Compensation Act. These funds shall not be used by TWC for the payment of Unemployment Compensation benefits, or the administration of its Public Employment Offices.

c. No part of any amounts based on an initial transfer from the federal government that occurred prior to fiscal year 2000 or after fiscal year 2002, herein appropriated out of amounts credited to Texas' account in the Federal Unemployment Trust Fund under § 903 of the Social Security Act, shall be expended after the close of the period covered by this act and any unused portion of such amounts shall, at such close, revert to Texas' said account in the Federal Unemployment Trust Fund. The amount obligated pursuant to this act shall not exceed at any time the amount by which (a) the aggregate of the amounts transferred to the account of this state pursuant to § 903 of the Social Security Act

exceeds (b) the aggregate of the amounts obligated for administration and paid out for benefits and required by law to be charged against the amounts transferred to the account of this State.

d. Should federal requirements concerning amounts made available under Section 903 of the Social Security Act change after passage of this Act, the appropriation made in this rider shall be subject to such conditions and limitations as required by the changed federal law.

~~6~~5. **Authorization: Sale of Agency-owned Buildings and Land.** In order to ensure effective facility management in coordination with the local workforce development boards, the Texas Workforce Commission (TWC) is hereby authorized to sell agency-owned buildings and land. Any such sale must be based on a finding by the commission that no other economically viable alternative exists, and specifically that operation within agency-owned or leased buildings would not be feasible. Furthermore, in order to accommodate sudden and unexpected fluctuations in federal funding, TWC is hereby authorized to sell agency-owned buildings and land as it deems necessary. The authority granted in this provision is contingent upon the filing of a written notice with the Governor and the Legislative Budget Board at least 90 days prior to the planned date of sale and is subject to the disapproval of either office within 90 days after notification.

~~7~~6. **Payment of Unemployment Benefits - State Agencies.** It is the intent of the Legislature that the Texas Workforce Commission charge the Comptroller of Public Accounts only for unemployment benefits paid based on wages earned from agencies appropriated funds under the General Appropriations Act, and that agencies outside the General Appropriations Act be maintained as individual reimbursing employers. For the purposes of this rider, 'agency' includes a state agency as defined under § 2151.002, Government Code, which includes an institution of higher education (except a public junior college) as defined under § 61.003, Education Code.

~~8~~7. **Federal Funds Appropriated.** ~~The appropriations herein made may be used to match federal funds granted to the state for the payment of personal services, travel and other necessary expenses in connection with the administration and operation of a state program of public welfare services.~~ The Texas Workforce Commission (TWC) 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 all fees authorized by federal law, and to receive, administer, and disburse federal funds for federal programs in accordance with plans agreed upon by the TWC and the responsible federal agency, and such other activities as come under the authority of the TWC, and such moneys are 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.

~~9~~8. **Reappropriation of Federal and Local Funds.** All funds received by the Texas Workforce Commission from counties, cities, federal agencies, and from any other local source during the ~~2006-07~~2008-09 biennium, and all balances from such sources as of August 31, ~~2005~~2007, are hereby appropriated for the biennium ending August 31, ~~2007~~2009, for the purpose of carrying out the provisions of this Act. Earned federal funds are not considered to be federal funds for the purpose of this section.

~~10~~9. **Unexpended Balances for Child Care Funds.** It is the intent of the Legislature that any additional federal funds received as a result of current efforts to obtain child care funds, be used for child care. Except as otherwise provided, all unexpended and unobligated balances in the area of child care remaining from appropriations for the first year of the biennium to the Texas Workforce Commission (TWC) are appropriated to ~~the commission~~ TWC for the purpose of drawing down all available federal funds for child care. The TWC may transfer unexpended and unobligated balances of General Revenue appropriations to Strategy A.3.3, At-Risk Child Care, in order to match available federal child care funds, which are appropriated to TWC. TWC is subject to the requirements of the Additional Federal Funds rider in this agency's bill pattern for federal child care funds matched with available General Revenue, and TWC ~~should~~ shall notify the Legislative Budget Board and the Governor of the amounts of additional General Revenue used as match and the federal child care funds matched in each year of the ~~2006-07~~2008-09 biennium not later than:

a. the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

b. within 10 business days by the Governor,

prior to drawing down the additional federal funds.

~~11~~10. **Maximization of Child Care and Development Funds.** It is the intent of the Legislature that the Texas Workforce Commission cooperate with cities, non-profit organizations, the Texas Education Agency and local school districts to obtain local match necessary to maximize federal funds for child care. In order to maximize the availability of state matching funds for federal child care funds and to encourage local child care planning and match participation, the commission shall use donated purchase agreements and other funding mechanisms, to the extent allowed by federal law and regulations.

~~12~~11. **Project RIO.** It is the intent of the Legislature that the Texas Workforce Commission (TWC), the Texas Department of Criminal Justice, and the Texas Youth Commission together enhance the effectiveness of Project RIO by improving cohesive program delivery among the three agencies. The agencies shall together develop and implement a biennial strategic plan for the implementation of a more cohesive and effective Project RIO program which will emphasize necessary skill development, rehabilitation and appropriate assessment of the offender prior to inmate release. Not later than March 1, ~~2006~~2008, the biennial strategic plan, jointly prepared by the three agencies, and including specific strategies, measures, timeframes for program improvement, and a methodology for program evaluation, shall be submitted to the Legislative Budget Board and the Governor. For performance measures included in the biennial strategic plan, TWC will set targets for local work force development boards and collect reports on actual performance. TWC shall maintain funding at $3,259,735 in each fiscal year of the ~~2006-07~~2008-09 biennium to the Texas Department of Criminal Justice and $446,250 in each fiscal year of the ~~2006-07~~2008-09 biennium to the Texas Youth Commission to fund Project RIO. The agencies shall enter into interagency contracts, to include reporting of performance levels, for the ~~2006-07~~2008-09 biennium.

~~13~~12. **Earned Income Tax Credit Assistance.** Out of funds appropriated above, the Texas Workforce Commission and local workforce development boards shall assist recipients of Temporary Assistance for Needy Families who become employed, and other low-income workers who may qualify for the credit under federal income and other requirements, to apply for the federal Earned Income Tax Credit.

~~14~~13. **Employment and Child Care Programs in Rural Areas.** It is the intent of the Legislature that the Texas Workforce Commission and local workforce development boards cost-effectively continue to expand the availability of employment and child care programs into rural areas.

~~17~~14. **Job Training Courses.** It is the intent of the Legislature that the primary objective of job training courses offered by the Texas Workforce Commission and local workforce development boards is to prepare individuals for high-skill, high-wage jobs with health benefits that result in long-term employability. Whenever possible, strategies should focus on incorporating industry sectors and/or regional industry clusters in order to promote high quality jobs. While English as a Second Language (ESL) may provide additional benefit to trainees, it may not be substituted for job training classes.

~~18~~15. **Formal Measures Report.** The Texas Workforce Commission shall submit ~~a quarterly~~an annual report to the Legislative Budget Board and the Governor on agency performance on Formal Measures prescribed by the ~~Texas Council on Workforce and Economic Competitiveness~~Texas Workforce Investment Council (TWIC). ~~Each~~The report shall be submitted with the agency's 4th quarterly performance report and must be accompanied by supporting documentation as specified by the Legislative Budget Board and the Governor.

~~15. **Priority for TANF Recipients.** To the extent allowed under federal law, the Texas Workforce Commission (TWC) and local workforce development boards shall give priority to recipients of Temporary Assistance for Needy Families (TANF) for training, employment~~

~~services and child care funded by the Workforce Investment Act (WIA). TWC shall report annually to the Legislative Budget Board and the Governor expenditures used for TANF recipients, the number of TANF recipients served with WIA funds, and their outcomes.~~

~~19~~16. **Budget and Performance Report.** The Texas Workforce Commission shall submit a monthly report to the Legislative Budget Board and the Governor on budgeted, expended, and encumbered funds by strategy (and substrategy as appropriate) along with Full-Time Equivalent positions and method of finance information. The report shall also include program performance information for performance measures included in this Act.

~~16.~~ ~~**Continuing Education.** Recipients of child care service benefits who are 17 years of age or older with a high school diploma or GED and who wish to acquire an Associate Degree shall continue to be eligible for child care service benefits for a period not to exceed four years for an educational program if that program will prepare the recipient for a job in a high demand occupation with an upward career path as determined by a local workforce development board. The local workforce development board may determine the duration of child care assistance for a recipient in an educational program based on that individual's progress toward completing the program.~~

~~20~~17. **Skills Development and Self-Sufficiency Fund Report.** The Texas Workforce Commission shall submit a quarterly report to the Legislative Budget Board and the Governor on contracts executed by the commission, expenditures, program participants, and closed contracts for each Skills Development Fund and Self-Sufficiency Fund contract. Each report shall be ~~submitted with the agency's quarterly ABEST/USAS reconciliation and must be~~ accompanied by supporting documentation as specified by the Legislative Budget Board and the Governor.

~~21~~18. **Contracts for Purchase of Client Services.** No funds appropriated to the Texas Workforce Commission 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 to achieve program objectives.

~~22~~19. **Additional Federal Funds.** No appropriation of federal funds in addition to the estimated amounts above may be expended by the Texas Workforce Commission (TWC) unless:

a. TWC files a finding of fact along with a written plan outlining the use and projected impact of the funds on performance measures with the Legislative Budget Board and the Governor and indicating that additional appropriations are required to maintain adequate levels of program performance; and,

b. neither the Legislative Budget Board nor the Governor issues a written disapproval not later than:

1. the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

2. within 10 business days of the receipt of the finding of fact by the Governor and the written plan,

which should not prohibit the agency from responding in an emergency.

~~23~~20. Night and Weekend Shift Differential. Out of amounts appropriated above, t~~T~~he Texas Workforce Commission is hereby authorized to pay an additional night shift salary differential not to exceed fifteen percent (15%) of the monthly pay rate to 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 differential not to exceed five percent (5%) 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.

~~24~~21. Work-at-Home Hearing Officers. It is provided that the Texas Workforce Commission is hereby authorized out of funds appropriated above to grant compensatory time to hearing officers and reviewing attorneys for overtime work performed at the employee's personal residence and for work performed at the employee's personal residence on state skeleton holidays. Work performed under this authority shall be approved in advance by the Director of the Appeals Office and must be verified by automated records, which includes audiotapes, and computer and telephone logs. Compensatory time is only granted when corresponding additional work is assigned.

~~25~~22. Transportation Services. Out of the funds appropriated above in Strategy A.1.3, TANF Choices and Strategy A.1.5, Food Stamp Employment and Training, the Texas Workforce Commission shall enter into a memorandum of understanding with the ~~Texas~~ Department of Transportation for the provision of transportation services provided to clients of the TANF Choices and Food Stamp Employment and Training programs during the ~~2006-07~~2008-09 biennium, pursuant to § 455.0015 of the Transportation Code and § 301.063 of the Labor Code, with $6,403,882 in fiscal year ~~2006~~2008 and $6,403,882 in fiscal year ~~2007~~2009 amounts in Strategy A.1.3, TANF Choices, and $425,470 in fiscal year ~~2006~~2008 and $425,470 in fiscal year ~~2007~~2009 amounts in Strategy A.1.5, Food Stamp Employment and Training in interagency contract receipts ~~for~~from the ~~Texas~~ Department of Transportation appropriated to the Texas Workforce Commission for this purpose.

~~26~~23. Cash Flow Contingency for Texas Workforce Civil Rights Division.

a. Contingent upon the receipt of federal funds allocated under the annual fixed cost performance based contracts and special projects with the U.S. Equal Employment Opportunity Commission and the U.S. Department of Housing and Urban Development, and upon the submission of monthly reports on all funds transfers and performance on all key measures to the Legislative Budget Board, Governor, and Comptroller of Public Accounts, the commission may temporarily utilize additional 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 to be received in each year of the biennium. The General Revenue amounts utilized above the 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. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be in accordance with procedures established by the Comptroller. All transfers of the method of finance shall be reported by the Texas Workforce Commission (TWC) Civil Rights Division to the Legislative Budget Board.

b. TWC Civil Rights Division may temporarily utilize additional General Revenue Funds pending reimbursement through interagency contracts in an amount not to exceed 50 percent of the estimated interagency contract receipts to be received each year of the biennium to be adjusted by actual contract amounts. The General Revenue amounts utilized above the General Revenue method of finance must be repaid upon receipt of interagency contract reimbursement and shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be in accordance with procedures established by the Comptroller. Any contract balance at the end of the first fiscal year of the biennium is hereby appropriated to the second fiscal year of the biennium.

~~27~~24. **Travel Expenditures.** The Texas Workforce Commission's Civil Rights Division is authorized to spend out of funds appropriated above up to $1,500 per employee or Civil Rights Division's Board Member for each year of the biennium for out-of-state travel. This limitation shall not apply to out-of-state travel required by the U.S. Equal Employment Opportunity Commission or the U.S. Department of Housing and Urban Development if the cost of such travel is reimbursed by the federal government.

~~28~~25. **Limitation on Texas Fair Housing Act Investigations or Prosecutions.** No funds appropriated by this Act may be used to investigate or prosecute under the Texas Fair Housing Act any otherwise lawful activity, engaged in by one or more persons, that is engaged solely for the purpose of preventing action by a government official or court of competent jurisdiction.

~~29~~26. **Child Care Benefit Costs Paid with Federal Funds.** The Texas Workforce Commission shall pay all benefit costs to the Employees Retirement System related to Full-time Equivalents for salaries in A.3.4, Child Care Administration with Federal Funds. No funds shall be paid for salaries in Strategy A.3.1, TANF Choices Child Care, Strategy A.3.2, Transitional Child Care, Strategy A.3.3, At-Risk Child Care, and Strategy A.3.5, Child Care for Foster Care Families.

~~30~~27. **Temporary Assistance for Needy Families (TANF) Maintenance of Effort.** All General Revenue appropriated above for TANF maintenance of effort (MOE) 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 A.3.1, TANF Choices Child Care, Strategy A.3.2, Transitional Child Care, and Strategy A.3.3, At-Risk Child Care, $27,745,141 in General Revenue is appropriated for TANF ~~maintenance of effort (~~MOE~~)~~ each fiscal year for TANF program Client Services or Grants. None of the General Revenue appropriated for TANF ~~maintenance of effort~~MOE in Strategy A.3.1, TANF Choices Child Care, Strategy A.3.2, Transitional Child Care, and Strategy A.3.3, At-Risk Child Care, 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. General Revenue may be transferred between the above mentioned three strategies.

~~31~~28. **Local Matching Funds.** Child Care Mandatory and Matching Federal Funds appropriated above are based upon an estimated local match of ~~$22,164,424~~$26,776,946 each year of the biennium, which includes $2,500,000 in Appropriated Receipts appropriated above each year of the biennium in Strategy A.3.3, At-Risk Child Care.

29. **School Readiness Models.** Out of federal funds appropriated to the Texas Workforce Commission in Strategies A.3.1, TANF Choices Child Care; A.3.2, Transitional Child Care; and A.3.3, At-Risk Child Care, ~~up to $50 million for the biennium shall be made~~ TWC may make funds available to child care providers participating in integrated school readiness models developed by the State Center for Early Childhood Development at the University of Texas Health Science Center at Houston. This initiative shall be implemented in a way to avoid any decline in the number of children receiving child care during the ~~2006-07~~ 2008-09 biennium.

30. **Employment and Training Investment Assessment Reimbursement.** Amounts appropriated above in Strategy A.4.3, Unemployment Tax Collection, include an estimated amount of $368,376 in GR-Dedicated Employment and Training Investment Holding Account No. 5128 each year for the purpose of reimbursing the Federal Government for collection costs associated with the Employment and Training Investment Assessment in compliance with the collection cost methodology approved by the U.S. Department of Labor.

31. **Project Rio Employment Retention Performance Measure.** The Texas Workforce Commission shall develop a statewide performance measure that captures the employment retention rate for participants who received post-release Project RIO services and report on the employment retention rate performance measure in the Project Rio strategic plan.

~~32.~~ ~~**Contingency Appropriation for Senate Bill 1177.** Contingent upon the enactment of Senate Bill 1177, or similar legislation by the Seventy-ninth Legislature, Regular Session, 2005, the~~

~~Texas Workforce Commission is hereby appropriated $5,100,000 in fiscal year 2006 and $5,100,000 in fiscal year 2007 in Strategy A.2.1, Skills Development, out of the Skills Development Operating Trust Fund created by that legislation.~~

REIMBURSEMENTS TO THE UNEMPLOYMENT COMPENSATION BENEFIT ACCOUNT

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
GR Dedicated - Unemployment Compensation Special Administration Account No. 165	$ 4,809,517	$ 4,914,190
Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165	10,117,353	10,337,547
Total, Method of Financing	$ 14,926,870	$ 15,251,737
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: STATE'S UC REIMBURSEMENT Reimburse UC Benefit Account 937 for UC Paid to Former State Employees.		
A.1.1. Strategy: STATE'S UC REIMBURSEMENT Reimburse UC Benefit Account 937 for UC Paid to Former State Employees.	$ 14,926,870	$ 15,251,737
Grand Total, REIMBURSEMENTS TO THE UNEMPLOYMENT COMPENSATION BENEFIT ACCOUNT	$ 14,926,870	$ 15,251,737
Object-of-Expense Informational Listing:		
Other Personnel Costs	$ 14,926,870	$ 15,251,737
Total, Object-of-Expense Informational Listing	$ 14,926,870	$ 15,251,737

1. Definition of Agency. For the purposes of the Reimbursements to the Unemployment Compensation Benefit Account item, 'agency' includes a state agency as defined under § 2151.002, Government Code, which includes an institution of higher education (except a public junior college) as defined under § 61.003, Education Code.

2. Reimbursements to the Unemployment Compensation Benefit Account No. 937. Reimbursements to the Unemployment Compensation Benefit Account No. 937 shall be made from:

a. Funds identified as GR-Dedicated - Unemployment Compensation Special Administration Account No. 165 above, which consists of penalty and interest receipts collected under ~~Chapters~~Sections 213.021 and 213.022, Texas Labor Code.

b. Funds identified as Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165 above, which consist of amounts transferred from other agencies' appropriations made elsewhere in this Act to state agencies in accordance with § ~~6.29~~15.01, Reimbursements for Unemployment Benefits, in General Provisions of this Act.

3. Funding Source for Unemployment Compensation Special Administration Account No. 165. Funds identified in the method of financing above, Unemployment Compensation Special Administration Account No. 165, include penalty and interest receipts collected under ~~Chapters~~Sections 213.021 and 213.022, Texas Labor Code and authorized for the payment of unemployment compensation benefits to former state employees pursuant to ~~Chapter~~Section 203.202, Texas Labor Code. These amounts are estimated and are to be utilized for amounts not paid by state agency reimbursements.

4. **Funding Source for Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165.** Funds identified in the method of financing above, Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165, include agency reimbursements from appropriations made elsewhere in this Act to GR-Dedicated Account No. 165. These amounts are estimated. Account No. 165 shall be reimbursed for one-half of the unemployment benefits paid from appropriations made in this Act to the state agency that previously employed each respective former state employee whose payroll warrants were originally issued in whole or in part from the General Revenue Fund, a dedicated General Revenue Account, Federal Funds or Other Funds, such as ~~Fund 006~~State Highway Fund No. 006.

5. **Proportionality Requirements for Agency Reimbursements related to Unemployment Compensation Benefits.** From information related to unemployment benefits paid on behalf of previously employed former state employees provided by the Texas Workforce Commission, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from the General Revenue Fund, any General Revenue-Dedicated Accounts, Federal Funds or Other Funds from appropriations made elsewhere in this Act to state agencies. The Comptroller shall transfer these amounts of appropriations made elsewhere in this Act to the Unemployment Compensation Special Administration Account No 165. The amounts reimbursed pursuant to this provision are hereby appropriated to the Unemployment Compensation Special Administration Account No. 165 for the purpose of reimbursing the Unemployment Compensation Benefit Account No. 937. These reimbursement requirements may be waived, either in whole or in part, by the Legislative Budget Board.

6. **Cash Flow Contingency.** Contingent upon the receipt of state agency reimbursements, the Texas Workforce Commission (TWC) may temporarily utilize additional GR-Dedicated Unemployment Compensation Special Administration Account No. 165 funds, in an amount not to exceed the anticipated state agency reimbursement. The Account No. 165 amounts utilized above amounts appropriated from penalty and interest collections as identified in Rider 2(a) must be repaid upon receipt of state agency reimbursements for previously paid payroll warrants 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 established state accounting procedures. All transfers of the method of finance shall be reported by the TWC on a monthly basis to the Legislative Budget Board and Governor.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 3,670,448	$ 3,791,971
General Revenue Dedicated Accounts, estimated	2,966,664	3,010,194
Federal Funds, estimated	38,434,549	39,246,887
Other Funds		
Other Special State Funds, estimated	1,086,136	1,099,869
State Highway Fund No. 006, estimated	179,585,087	183,126,707
Subtotal, Other Funds	$ 180,671,223	$ 184,226,576
Total, Method of Financing	$ 225,742,884	$ 230,275,628
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 49,357,993	$ 50,098,362
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 176,384,891	$ 180,177,266
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 225,742,884	$ 230,275,628
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 225,742,884	$ 230,275,628

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 1,011,567	$ 1,019,838
General Revenue Dedicated Accounts, estimated	1,516,752	1,529,711
Federal Funds, estimated	11,540,993	11,625,437
Other Funds		
Other Special State Funds, estimated	488,853	493,377
State Highway Fund No. 006, estimated	53,220,617	53,584,931
Subtotal, Other Funds	$ 53,709,470	$ 54,078,308
Total, Method of Financing	$ 67,778,782	$ 68,253,294
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH -- EMPLOYER State Match — Employer. Estimated.	$ 59,437,697	$ 60,329,263
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	$ 8,341,085	$ 7,924,031
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 67,778,782	$ 68,253,294
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 67,778,782	$ 68,253,294

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 9,651,030	$ 9,383,169
Total, Method of Financing	$ 9,651,030	$ 9,383,169
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	$ 9,651,030	$ 9,383,169 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 9,651,030	$ 9,383,169

LEASE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 741,198	$ 812,714
Total, Method of Financing	$ 741,198	$ 812,714
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 741,198	$ 812,714 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 741,198	$ 812,714

RECAPITULATION - ARTICLE VII
BUSINESS AND ECONOMIC DEVELOPMENT
(General Revenue)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Housing and Community Affairs	$ 4,490,287	$ 4,533,372
Texas Lottery Commission	14,023,247	14,023,246
Office of Rural Community Affairs	3,423,179	3,423,181
Department of Transportation	1,222,189	1,237,079
Texas Workforce Commission	101,331,323	101,338,777
Subtotal, Business and Economic Development	$ 124,490,225	$ 124,555,655
Retirement and Group Insurance	3,670,448	3,791,971
Social Security and Benefit Replacement Pay	1,011,567	1,019,838
Subtotal, Employee Benefits	$ 4,682,015	$ 4,811,809
Bond Debt Service Payments	9,651,030	9,383,169
Lease Payments	741,198	812,714
Subtotal, Debt Service	$ 10,392,228	$ 10,195,883
TOTAL, ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	$ 139,564,468	$ 139,563,347

RECAPITULATION - ARTICLE VII
BUSINESS AND ECONOMIC DEVELOPMENT
(General Revenue - Dedicated)

	For the Years Ending August 31, 2008	August 31, 2009
Texas Lottery Commission	$ 188,334,466	$ 187,300,104
Office of Rural Community Affairs	1,989,204	1,989,204
Department of Transportation	530,229	539,493
Texas Workforce Commission	5,748,245	5,748,244
Reimbursements to the Unemployment Compensation Benefit Account	4,809,517	4,914,190
Subtotal, Business and Economic Development	$ 201,411,661	$ 200,491,235
Retirement and Group Insurance	2,966,664	3,010,194
Social Security and Benefit Replacement Pay	1,516,752	1,529,711
Subtotal, Employee Benefits	$ 4,483,416	$ 4,539,905
TOTAL, ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	$ 205,895,077	$ 205,031,140

RECAPITULATION - ARTICLE VII
BUSINESS AND ECONOMIC DEVELOPMENT
(Federal Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Housing and Community Affairs	$ 128,733,144	$ 128,697,779
Office of Rural Community Affairs	79,425,540	79,425,540
Department of Transportation	3,301,286,533	3,189,013,537
Texas Workforce Commission	913,562,375	915,065,717
Subtotal, Business and Economic Development	$ 4,423,007,592	$ 4,312,202,573
Retirement and Group Insurance	38,434,549	39,246,887
Social Security and Benefit Replacement Pay	11,540,993	11,625,437
Subtotal, Employee Benefits	$ 49,975,542	$ 50,872,324
TOTAL, ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	$ 4,472,983,134	$ 4,363,074,897

RECAPITULATION - ARTICLE VII
BUSINESS AND ECONOMIC DEVELOPMENT
(Other Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Housing and Community Affairs	$ 16,654,815	$ 16,855,851
Office of Rural Community Affairs	458,344	458,344
Department of Transportation	5,018,997,788	5,097,341,324
Texas Workforce Commission	30,571,146	30,635,841
Reimbursements to the Unemployment Compensation Benefit Account	10,117,353	10,337,547
Subtotal, Business and Economic Development	$ 5,076,799,446	$ 5,155,628,907
Retirement and Group Insurance	180,671,223	184,226,576
Social Security and Benefit Replacement Pay	53,709,470	54,078,308
Subtotal, Employee Benefits	$ 234,380,693	$ 238,304,884
Less Interagency Contracts	$ 81,401,242	$ 82,887,889
TOTAL, ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	$ 5,229,778,897	$ 5,311,045,902

RECAPITULATION - ARTICLE VII
BUSINESS AND ECONOMIC DEVELOPMENT
(All Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Department of Housing and Community Affairs	$ 149,878,246	$ 150,087,002
Texas Lottery Commission	202,357,713	201,323,350
Office of Rural Community Affairs	85,296,267	85,296,269
Department of Transportation	8,322,036,739	8,288,131,433
Texas Workforce Commission	1,051,213,089	1,052,788,579
Reimbursements to the Unemployment Compensation Benefit Account	14,926,870	15,251,737
Subtotal, Business and Economic Development	$ 9,825,708,924	$ 9,792,878,370
Retirement and Group Insurance	225,742,884	230,275,628
Social Security and Benefit Replacement Pay	67,778,782	68,253,294
Subtotal, Employee Benefits	$ 293,521,666	$ 298,528,922
Bond Debt Service Payments	9,651,030	9,383,169
Lease Payments	741,198	812,714
Subtotal, Debt Service	$ 10,392,228	$ 10,195,883
Less Interagency Contracts	$ 81,401,242	$ 82,887,889
TOTAL, ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	$ 10,048,221,576	$ 10,018,715,286
Number of Full-Time-Equivalents (FTE)	18,153.4	18,150.5

ARTICLE VIII

REGULATORY

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 regulatory agencies.

STATE OFFICE OF ADMINISTRATIVE HEARINGS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,169,104	$ 2,169,103
Other Funds		
State Highway Fund No. 006	3,148,692	3,148,691
Appropriated Receipts	150,000	150,000
Interagency Contracts	1,450,054	1,450,054
Subtotal, Other Funds	$ 4,748,746	$ 4,748,745
Total, Method of Financing	$ 6,917,850	$ 6,917,848
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	105.0	105.0
Schedule of Exempt Positions:		
Chief Administrative Law Judge, Group 3	$98,625	$98,625
Items of Appropriation:		
A. Goal: ADMINISTRATIVE HEARINGS		
Provide for a Fair and Efficient Administrative Hearings Process.		
A.1.1. Strategy: CONDUCT HEARINGS Conduct Hearings and Prepare Proposals for Decisions and Final Orders.	$ 5,840,884	$ 5,840,883
A.2.1. Strategy: CONDUCT ALT DISPUTE RESOLUTION Conduct Alternative Dispute Resolution Proceedings.	$ 218,022	$ 218,021
Total, Goal A: ADMINISTRATIVE HEARINGS	$ 6,058,906	$ 6,058,904
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	$ 858,944	$ 858,944
Grand Total, STATE OFFICE OF ADMINISTRATIVE HEARINGS	$ 6,917,850	$ 6,917,848
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 5,827,269	$ 5,827,269
Other Personnel Costs	145,563	145,563
Professional Fees and Services	34,138	34,137
Consumable Supplies	57,230	57,230
Utilities	115,951	115,951
Travel	70,000	70,000
Rent - Building	217,595	217,595
Rent - Machine and Other	27,007	27,007
Other Operating Expense	423,097	423,096
Total, Object-of-Expense Informational Listing	$ 6,917,850	$ 6,917,848
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		

Employee Benefits		
Retirement	$ 398,347	$ 404,322
Group Insurance	616,046	618,935
Social Security	483,450	490,701
Benefits Replacement	49,199	46,739
Subtotal, Employee Benefits	$ 1,547,042	$ 1,560,697
Debt Service		
Lease Payments	$ 489,599	$ 480,663
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,036,641	$ 2,041,360

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the State Office of Administrative Hearings. 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 Administrative Hearings. In order to achieve the objectives and service standards established by this Act, the State Office of Administrative Hearings shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ADMINISTRATIVE HEARINGS		
Outcome (Results/Impact):		
Percentage of Participants Surveyed Expressing Satisfaction with Overall Process	76%	76%
A.1.1. Strategy: CONDUCT HEARINGS		
Output (Volume):		
Number of Administrative License Revocation Cases Disposed	27,701	27,701
Number of Cases Disposed	33,400	33,400
Number of Administrative Fine Cases Disposed	206	206
Percent of Available Administrative Law Judge Time Spent on Case Work	100%	100%
Efficiencies:		
Average Cost Per Case	204.41	204.41
Average Number of Days from Close of Record to Issuance of Proposal for Decision - Major Hearings	54.03	54.03
Average Time to Dispose of a Case (Median Number of Days)	167.5	167.5
Explanatory:		
Number of Cases Received	31,202	31,202
Number of Agencies Served	51	51
A.2.1. Strategy: CONDUCT ALT DISPUTE RESOLUTION		
Efficiencies:		
Average Cost Per Alternative Dispute Resolution Proceeding	1,939	1,939
Explanatory:		
Number of Alternative Dispute Resolution Cases Requested or Referred	344	344

4~~2~~. **Renegotiation of Lump Sum Contract.** Appropriations made above ~~to~~in Strategy A.1.1, Conduct Hearings, include $938,860 in fiscal year ~~2006~~2008 and $938,860 in fiscal year ~~2007~~2009 in Interagency Contracts to fund the Natural Resources Division for the purpose of conducting hearings for the Texas Commission on Environmental Quality (TCEQ). The State Office of Administrative Hearings (SOAH) and TCEQ may not enter into a contract for an amount less than the specified amounts herein above. If SOAH determines, at the end of each fiscal year, that the amount paid under the contract exceeds the funding necessary for the Natural Resources Division, it shall refund the difference. If SOAH determines that these amounts are insufficient to fund the Natural Resources Division it may enter into negotiations with the TCEQ in order to renegotiate an interagency contract in a manner which will provide it with additional funds, provided that SOAH shall not be appropriated any state funds from such renegotiated interagency contract until it gives prior written notice to the Legislative Budget Board and the Governor, accompanied by written permission of the TCEQ.

~~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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.~~

	~~2006~~	~~2007~~
~~Out of the Interagency Contracts:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Purchase of personal computers~~	~~$ 79,759~~	~~$ 74,959~~
~~Total, Capital Budget~~	~~$ 79,759~~	~~$ 74,959~~

~~5~~3. **Benefit Collection.** Agencies that enter into contracts with the State Office of Administrative Hearings (SOAH), for the purpose of performing the hearings function, and make payments to SOAH from funding sources other than General Revenue, must reimburse SOAH for employee benefit costs for salaries and wages. These reimbursements to SOAH will then be paid to the General Revenue Fund in proportion to the source of funds from which the respective salary or wage is paid.

~~**3.** **Interagency Contracts.** In executing interagency contracts with state agencies under its jurisdiction, the State Office of Administrative Hearings shall establish procedures which will allow agencies to establish a limitation on the aggregate billable amount for a fiscal year.~~

~~6~~4. **Contingency Appropriation for Expanded Jurisdiction.** Contingent on the enactment of legislation by the ~~Seventy-ninth~~ Eightieth Legislature transferring the hearings functions of other state agencies to the State Office of Administrative Hearings (SOAH), or otherwise expanding the jurisdiction of the office, SOAH is hereby authorized to expend funds transferred to the office from those agencies or funds appropriated for the purpose of handling the expanded jurisdiction, pursuant to provisions elsewhere in this Act. Appropriations authorized pursuant to this provision may be expended only to implement the transferred functions or expanded jurisdiction. All funds collected by SOAH as payment for, or reimbursement of, the office's costs of providing services to other state agencies or governmental entities, or others as directed by the Legislature, are appropriated to SOAH for its use during the biennium.

~~7~~5. **Hearings Activity Report.** By May 1st and November 1st of each fiscal year, the State Office of Administrative Hearings (SOAH) shall submit to the Legislative Budget Board and the Governor a report detailing hearings activity conducted during the prior two fiscal year quarters. The report shall indicate, for each agency served, the person hours allocated to the agency's cases and the cost, both direct and indirect, of conducting the hearings. The report shall also indicate, for each agency served, the number of cases received, the number of cases disposed of, the number of administrative fine cases disposed of and the median number of days between the date a case is received by SOAH and the date the case is finally disposed of, during the reporting period.

~~8~~6. **Interagency Contract for Administrative Law Judge Training.** Out of funds appropriated above, the State Office of Administrative Hearings shall enter into a contract in the amount of $25,000 with the Texas Center for the Judiciary for training of Administrative Law Judges. Any amounts not expended as of August 31, ~~2006~~ 2008, are appropriated for the fiscal year beginning September 1, ~~2006~~ 2008.

~~9~~7. **Contingency for Additional Self-directed Semi-independent Agency Pilot Projects.** Contingent upon additional agencies added as a self-directed semi-independent (SDSI) agency pilot project by the Legislature during the ~~2006-07~~ 2008-09 biennium, ~~the~~any agency added as a SDSI pilot project that is listed in Rider ~~10~~8 shall be removed from the exemption granted in Rider ~~10~~8 below.

~~10~~8. Billing Rate for Workload.

a. Amounts appropriated above and elsewhere in this Act for funding for the payment of costs associated with administrative hearings conducted by the State Office of Administrative Hearings (SOAH) are based on an hourly rate of $100 per hour for each hour of work performed during each fiscal year as reflected by the SOAH's Legislative Appropriation Request and Hearings Activity Report to the Eightieth~~Seventy-ninth~~ Legislature.

~~b. Amounts appropriated above include General Revenue funding for 5,895.5 hours of work performed by SOAH for the Division of Workers' Compensation (DWC) for the 2006-07 biennium. Also included in amounts appropriated above is $658,017 in fiscal year 2006 and $670,738 in fiscal year 2007 in estimated interagency contracts for anticipated increased workload performed by SOAH for DWC above the hours indicated in this subsection. These interagency amounts for additional work performed by SOAH for DWC above the hours identified in this subsection are calculated at the rate identified in subsection (a) of this Section.~~

~~c.~~ b. Amounts appropriated above in Strategy A.1.1, Conduct Hearings, to SOAH from the General Revenue Fund include funding in each year of the biennium for billable casework hours performed by SOAH for conducting administrative hearings at the rate determined by SOAH and approved by the Legislature for the following agencies that do not have appropriations for paying SOAH costs for administrative hearings and are not subject to subsection (a) of this Section:

(1) Appraiser Licensing and Certification Board
~~(2) Board of Barber Examiners~~
~~(3)~~ (2)Board of Chiropractic Examiners
~~(4) Cosmetology Commission~~
~~(5)~~ (3)Credit Union Department
~~(6)~~ (4)Texas State Board of Dental Examiners
~~(7)~~ (5)Funeral Service Commission
~~(8)~~ (6)Board of Professional Geoscientists
~~(9)~~ (7)Board of Professional Land Surveying
~~(10)~~(8)~~Board of Medical Examiners~~Texas Medical Board
~~(11)~~(9)Board of Nurse Examiners
~~(12)~~(10)Optometry Board
~~(13)~~(11)Structural Pest Control Board
~~(14)~~(12)Board of Pharmacy
~~(15)~~(13)Executive Council of Physical Therapy and Occupational Therapy Examiners
~~(16)~~(14)Board of Plumbing Examiners
~~(17)~~(15)Board of Podiatric Medical Examiners
~~(18)~~(16)Board of Examiners of Psychologists
~~(19)~~(17)Board of Tax Professional Examiners
~~(20)~~(18)Board of Veterinary Medical Examiners
~~(21)~~(19)Secretary of State
~~(22)~~(20)Securities Board
~~(23)~~(21)Public Utility Commission of Texas
~~(24)~~(22)Teacher Retirement System
~~(25)~~(23)Fire Fighters' Pension Commissioner
~~(26)~~(24)Employees Retirement System
~~(27)~~(25)Department of Housing and Community Affairs
~~(28)~~(26)Texas Lottery Commission
~~(29)~~(27)Department of Public Safety (Non-Administrative License Revocation Hearings)
~~(30)~~(28)Commission on Law Enforcement Officer Standards and Education
~~(31)~~(29)Commission on Fire Protection
~~(32)~~(30)Department of Insurance (not including the Division of Workers' Compensation)
~~(33)~~(31)Alcoholic Beverage Commission
~~(34)~~(32)~~Texas~~ Racing Commission
~~(35)~~(33)Department of Agriculture

~~(36)~~(34)Department of Transportation
~~(37)~~(35)Higher Education Coordinating Board
~~(38)~~(36)Parks and Wildlife Department
~~(39)~~(37)Department of Licensing and Regulation

DEPARTMENT OF BANKING

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 17,811,932	$ 17,736,929
Appropriated Receipts	11,100	11,100
Total, Method of Financing	$ 17,823,032	$ 17,748,029
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 2,533,487	$ 2,539,486
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	222.5	222.5
Schedule of Exempt Positions:		
Banking Commissioner, Group 5	$136,191	$136,191
Items of Appropriation:		
A. Goal: EFFECTIVE REGULATION		
Effective Supervision and Regulation of Banks and Other Licensees.		
A.1.1. Strategy: BANK EXAMINATION Examine Banks, Trust Companies and Foreign Bank Agencies.	$ 8,115,369	$ 8,059,822
A.2.1. Strategy: NON-BANK EXAMINATION Perform Examinations of Non-bank Licensees.	$ 1,496,915	$ 1,483,875
A.3.1. Strategy: APPLICATION PROCESSING Process Applications and Information.	$ 388,228	$ 387,861
Total, Goal A: EFFECTIVE REGULATION	$ 10,000,512	$ 9,931,558
B. Goal: FINANCE COMMISSION OVERSIGHT		
Regulatory Oversight of Finance Commission Agencies.		
B.1.1. Strategy: REGULATORY SUPPORT Support Efforts of Finance-related Regulatory Agencies of the State.	$ 150,861	$ 150,859
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 2,121,227	$ 2,115,180
D. Goal: REGULATORY RESPONSE		
D.1.1. Strategy: CONTINGENCY REGULATORY RESPONSE Bank/Non-Bank Examination Contingency Appropriation. Nontransferable.	$ 5,550,432	$ 5,550,432
Grand Total, DEPARTMENT OF BANKING	$ 17,823,032	$ 17,748,029
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 13,626,783	$ 13,626,782
Other Personnel Costs	399,834	399,834
Professional Fees and Services	154,020	154,019
Consumable Supplies	113,360	113,359
Utilities	146,198	146,197
Travel	2,079,009	2,079,010
Rent - Building	102,312	102,313
Rent - Machine and Other	27,861	27,860

Other Operating Expense	891,305	891,305
Capital Expenditures	282,350	207,350
Total, Object-of-Expense Informational Listing	$ 17,823,032	$ 17,748,029
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 587,108	$ 595,915
Group Insurance	1,001,799	1,012,635
Social Security	712,539	723,227
Benefits Replacement	62,317	59,201
Subtotal, Employee Benefits	$ 2,363,763	$ 2,390,978
Debt Service		
Lease Payments	$ 956	$ 1,078
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,364,719	$ 2,392,056

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Banking. 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 Banking. In order to achieve the objectives and service standards established by this Act, the Department of Banking shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: EFFECTIVE REGULATION		
Outcome (Results/Impact):		
Percentage of Banks Receiving Examinations When Due	95%	95%
Percentage of Money Service Business Licensees Examined by Special Audit When Due	85%	85%
Percentage of Bank and Trust, Money Service Business and Private Child Support Enforcement Agency Registration and Renewal Applications Completed within the Statutory Time Period	90%	90%
A.1.1. Strategy: BANK EXAMINATION		
Output (Volume):		
Number of Bank and Foreign Bank Examinations Performed	125	123
Number of Trust Company, Trust Department, and Information Technology Examinations or Certifications and Other Specialized Reviews Performed	189	179
Explanatory:		
Percentage of State-chartered Bank Assets in Banks Classified Safe and Sound	97%	97%
A.2.1. Strategy: NON-BANK EXAMINATION		
Output (Volume):		
Number of Special Audit Licensees Examined	657	665
A.3.1. Strategy: APPLICATION PROCESSING		
Output (Volume):		
Number of Bank and Trust Applications, Notices, and Filings, Money Service Business License, and Private Child Support Enforcement Agency Registration and Renewal Applications Completed	380	353

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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	~~2006~~ 2008	~~2007~~ 2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Purchase of Information Technologies - Scheduled Replacement of Items	$ 175,000	$ 100,000
Total, Capital Budget	$ 175,000	$ 100,000

3. Appropriation of Receipts. ~~In addition to amounts appropriated above, f~~Funds received by the Department of Banking pursuant to supervision or conservatorship proceedings as authorized under Texas Finance Code~~,~~ § 35.101-35.113, (estimated to be $5,000 each year) are ~~hereby appropriated~~ included in amounts appropriated above to the department in Strategy A.1.1, Bank Examination, to pay costs incidental to such proceedings, including the salary and per diem expenses of the appointed supervisor or conservator ~~(estimated to be $5,000 each year)~~.

4. Contingency Appropriation: State Regulatory Response.

a. Amounts appropriated above to the Department of Banking not to exceed $5,550,432 each fiscal year in General Revenue in Strategy D.1.1, Contingency Regulatory Response, and 56.5 Full-Time-Equivalents (FTE) positions each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" are ~~C~~contingent upon a finding of fact by the Finance Commission that additional resources are needed by the Department of Banking because:

(1) the number of exams required for the state-chartered commercial banking industry under the jurisdiction of the Department of Banking, determined either as a function of assets, number of institutions, expanded specialty areas, or relative proportion of problem banks or problem bank assets in the state system, increases to a point where additional appropriations are required to maintain adequate regulation of the industry;

(2) federal regulatory resources applied to the Texas state-chartered commercial banking industry, determined as a function of assets, have been reduced; or

(3) the Department of Banking is unable to maintain adequate supervision of the industry and is unable to meet its examination frequency performance measures due to reductions in the quality or quantity of its examination staff, resulting either from examiner turnover, or an inability to recruit adequately qualified examiners because of salary levels.~~, the Department of Banking is hereby appropriated out of fee revenues collected by the department an amount not to exceed $5,550,432 for fiscal year 2006 and $5,550,432 for fiscal year 2007 and the "Number of Full-time Equivalent Positions (FTE)" figure indicated above is hereby increased by no more than 56.5 for fiscal year 2006 and 56.5 for fiscal year 2007.~~

b. None of the funds appropriated above in Strategy D.1.1, Contingency Regulatory Response, above may be expended and none of the 56.5 Full-Time-Equivalents (FTE) positions each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" may be used by the Department of Banking unless the Finance Commission files a finding of fact with the Governor and the Legislative Budget Board and neither the Governor nor the Legislative Budget Board issues a written disapproval not later than:

(1) the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(2) within 10 business days of the receipt of the finding of fact by the Governor.

c. The appropriations above in Strategy D.1.1, Contingency Regulatory Response, and 56.5 Full-Time-Equivalents (FTE) positions each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" are also contingent upon the Department of Banking

generating sufficient additional fee revenues to cover these contingency appropriations and related employee benefits, and providing such information as may be deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues will be available to fund the increased appropriation. These increased revenues must exceed ~~$11,476,000~~ $_____ for fiscal year ~~2006~~ 2008 and ~~$11,401,000~~ $_____ for fiscal year ~~2007~~ 2009 (Object Code 3172) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate.

d. Funds appropriated above in ~~this provision~~ Strategy D.1.1, Contingency Regulatory Response, and 56.5 Full-Time-Equivalents (FTE) positions each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" may only be used to address issues included in the finding of fact submitted to the Governor and the Legislative Budget Board pursuant to subsection (b) above, and apply only to the ~~2006-07~~ 2008-09 biennium unless otherwise appropriated. It is the intent of the Legislature that these funds not be included in base level funding requests for the ~~2008-09~~ 2010-11 biennium.

5. Federal Per Diem Authorized. Employees of the Department of Banking~~, when traveling on official state business relating to the agency's regulatory responsibilities,~~ may be authorized reimbursement for travel expenses from amounts appropriated above, including mileage, at a rate equal to that paid by federal counterpart agencies when traveling on official state business relating to the agency's regulatory responsibilities.

~~**6. Sharing of Receptionist.** It is the intent of the Legislature that the Department of Banking, Department of Savings and Mortgage Lending, and Office of Consumer Credit Commissioner share one full-time-equivalent position each year of the biennium for the switchboard duties for the Finance Commission Building.~~

~~**7. Contingent Revenue.** Out of the amounts appropriated above to the Department of Banking in Strategy A.1.1, Bank Examination, the amounts of $585,540 in fiscal year 2006 and $568,040 in fiscal year 2007 and in Strategy C.1.1, Indirect Administration, the amounts of $17,764 in fiscal year 2006 and $17,764 in fiscal year 2007 in General Revenue for the purpose of providing Financial Examiner positions ($585,540 in fiscal year 2006 and $568,040 in fiscal year 2007) and to fund an exempt position salary increase ($17,764 each fiscal year) are contingent upon the Department of Banking assessing fees sufficient to generate, during the 2006-07 biennium, $1,474,971 in excess of $25,227,000 (Object Codes 3172, 3175, and 3217), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time-Equivalent Positions (FTE)" figure indicated above includes 10.0 FTEs in each fiscal year contingent upon the Department of Banking generating the amount of revenue indicated above. The Department of Banking, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Finance Commission's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

BOARD OF CHIROPRACTIC EXAMINERS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 361,457	$ 361,456
Appropriated Receipts	28,500	28,500
Total, Method of Financing	$ 389,957	$ 389,956
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 130,991	$ 130,765

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	7.5	7.5
Schedule of Exempt Positions:		
Executive Director, Group 1	$56,000	$56,000
Items of Appropriation:		
A. Goal: ENSURE PUBLIC PROTECTION		
Provide Public Protection through Enforcement of Chiropractic Statutes.		
A.1.1. Strategy: LICENSING SYSTEM	$ 127,973	$ 128,048
Operate a Comprehensive Licensing System for Chiropractors.		
A.1.2. Strategy: TEXASONLINE	$ 29,850	$ 29,850
TexasOnline. Estimated and Nontransferable.		
A.2.1. Strategy: ENFORCEMENT	$ 100,930	$ 100,470
Provide a System to Investigate and Resolve Complaints.		
Total, Goal A: ENSURE PUBLIC PROTECTION	$ 258,753	$ 258,368
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: LICENSING INDIRECT ADMINISTRATION	$ 65,852	$ 66,044
Indirect Administration for Licensing system.		
B.1.2. Strategy: ENFORCEMENT INDIRECT ADMINISTRATION	$ 65,352	$ 65,544
Indirect Administration for Enforcement.		
Total, Goal B: INDIRECT ADMINISTRATION	$ 131,204	$ 131,588
Grand Total, BOARD OF CHIROPRACTIC EXAMINERS	$ 389,957	$ 389,956
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 286,514	$ 286,514
Other Personnel Costs	7,320	8,760
Professional Fees and Services	1,600	1,600
Consumable Supplies	4,111	4,110
Utilities	500	500
Travel	15,000	15,000
Rent - Building	400	400
Rent - Machine and Other	5,500	5,500
Other Operating Expense	69,012	67,572
Total, Object-of-Expense Informational Listing	$ 389,957	$ 389,956
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 14,249	$ 14,462
Group Insurance	33,412	33,650
Social Security	21,128	21,445
Benefits Replacement	1,744	1,657
Subtotal, Employee Benefits	$ 70,533	$ 71,214
Debt Service		
Lease Payments	$ 25,112	$ 24,729
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 95,645	$ 95,943

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Chiropractic Examiners. 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 Board of Chiropractic Examiners. In order to achieve the objectives and

service standards established by this Act, the Board of Chiropractic Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ENSURE PUBLIC PROTECTION		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	97%	97%
Percent of Licensees Who Renew Online	84%	84%
Percent of New Individual Licenses Issued Online	0%	0%
Percent of Complaints Resulting in Disciplinary Action	14%	14%
A.1.1. Strategy: LICENSING SYSTEM		
Output (Volume):		
Number of Individuals Examined	295	295
Number of New Licenses Issued to Individuals	270	270
Number of Licenses Renewed (Individuals)	5,000	5,000
Efficiencies:		
Average Licensing Cost Per Individual License Issued	8.5	8.5
Average Licensing Cost Per Facility License Issued	5	5
Explanatory:		
Total Number of Business Facilities Licensed	3,150	3,150
A.2.1. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved	220	220
Efficiencies:		
Average Time Per Complaint Resolution (Days)	295	270
Explanatory:		
Number of Jurisdictional Complaints Received	240	240

~~**2.**~~ ~~**Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Board of Chiropractic Examiners are made contingent on the continuation of the Board of Chiropractic Examiners by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

~~**3.**~~ ~~**Contingent Revenue.** Out of the amounts appropriated above to the Board of Chiropractic Examiners in Strategy A.1.3, Licensing Indirect Administration, the amounts of $4,000 in fiscal year 2006 and $4,000 in fiscal year 2007 and in Strategy A.2.1, Enforcement, the amounts of $16,361 in fiscal year 2006 and $16,360 in fiscal year 2007 in General Revenue to provide funding for additional positions ($16,361 in fiscal year 2006 and $16,360 in fiscal year 2007) and to fund an exempt position salary increase ($4,000 per year) are contingent upon the Board of Chiropractic Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $52,301 in excess of $2,317,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Chiropractic Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Chiropractic Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

OFFICE OF CONSUMER CREDIT COMMISSIONER

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 4,267,030	$ 4,267,029
Total, Method of Financing	$ 4,267,030	$ 4,267,029
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 747,327	$ 748,958

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	64.0	64.0
Schedule of Exempt Positions:		
Commissioner, Group 3	$100,000	$100,000
Items of Appropriation:		
A. Goal: EFFECTIVE ENFORCEMENT		
Prompt, Fair and Effective Enforcement of Statutes and Regulations.		
A.1.1. Strategy: COMPLAINT RESOLUTION Resolve Complaints, Identify Problem Creditors.	$ 209,788	$ 209,788
B. Goal: CONSUMER PROTECTION		
Provide Consumer Protection through Licensure Standards.		
B.1.1. Strategy: EXAMINATION AND ENFORCEMENT Conduct Examinations and Initiate Enforcement Action When Appropriate.	$ 2,301,764	$ 2,301,763
B.2.1. Strategy: LICENSING INVESTIGATION Investigate, Review and Act on License Applications.	$ 699,119	$ 699,119
Total, Goal B: CONSUMER PROTECTION	$ 3,000,883	$ 3,000,882
C. Goal: CREDIT EDUCATION		
Educate Consumers and Creditors on Their Rights and Responsibilities.		
C.1.1. Strategy: CONSUMER EDUCATION Consumer Education through Credit Grantors and Trade Organizations.	$ 221,969	$ 221,969
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 312,390	$ 312,390
E. Goal: REGULATORY RESPONSE		
E.1.1. Strategy: CONTINGENCY REGULATORY RESPONSE Payday Lend/Motor Vehicle Contingency Appropriation. Nontransferable.	$ 522,000	$ 522,000
Grand Total, OFFICE OF CONSUMER CREDIT COMMISSIONER	$ 4,267,030	$ 4,267,029
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,608,985	$ 2,608,985
Other Personnel Costs	65,890	65,890
Professional Fees and Services	152,300	152,300
Consumable Supplies	80,500	80,500
Utilities	28,646	28,646
Travel	659,917	659,916
Rent - Building	1,300	1,300
Rent - Machine and Other	8,511	8,511
Other Operating Expense	593,481	593,481
Capital Expenditures	67,500	67,500
Total, Object-of-Expense Informational Listing	$ 4,267,030	$ 4,267,029
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 142,504	$ 144,642
Group Insurance	374,947	380,862
Social Security	172,415	175,001
Benefits Replacement	12,048	11,445
Subtotal, Employee Benefits	$ 701,914	$ 711,950
Debt Service		
Lease Payments	$ 262	$ 294

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 702,176	$ 712,244

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Consumer Credit 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 Office of Consumer Credit Commissioner. In order to achieve the objectives and service standards established by this Act, the Office of Consumer Credit Commissioner shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: EFFECTIVE ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Written Complaints Resolved within 90 Calendar Days	96%	96%
A.1.1. Strategy: COMPLAINT RESOLUTION		
Output (Volume):		
Number of Complaints Closed	2,650	2,650
Number of Field Investigations Initiated	90	95
B. Goal: CONSUMER PROTECTION		
Outcome (Results/Impact):		
Percentage of Examinations Reporting Acceptable Level of Compliance	93%	93%
Monies Returned to Consumers from Licensed Lenders	890,000	890,000
Percent of New Licensees Undergoing Background Checks When Required	100%	100%
B.1.1. Strategy: EXAMINATION AND ENFORCEMENT		
Output (Volume):		
Number of Compliance Examinations Performed	2,700	2,700
B.2.1. Strategy: LICENSING INVESTIGATION		
Output (Volume):		
Number of Business Applications Processed	1,500	1,500
Number of Employee License Applications Processed	2,100	2,100
C. Goal: CREDIT EDUCATION		
Outcome (Results/Impact):		
Percentage of Texans Reached through Public Service Announcements, Press Releases, and Distribution of Pamphlets	12%	12%
C.1.1. Strategy: CONSUMER EDUCATION		
Output (Volume):		
Number of Consumers Receiving Financial Education	250	250

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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	~~2006~~ 2008	~~2007~~ 2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) ~~Acquisition~~ Purchase of Information Resources Technologies - ~~Replacement Schedule~~ Scheduled Replacement of Items	$ 45,000	$ 45,000
Total, Capital Budget	$ 45,000	$ 45,000

3. **Appropriation: Criminal Record Check Receipts.** Funds appropriated above in Strategy B.2.1, Licensing Investigation, include receipts collected pursuant to Texas Finance Code §

14.151. Contingent upon certification by the Office of Consumer Credit Commissioner and verification by the Comptroller, all fees collected in excess of $130,000 each year of the biennium (estimated to be $0) are hereby appropriated to the Office of the Consumer Credit Commissioner. These funds shall be used for the sole purpose of acquiring criminal record checks from the Department of Public Safety, Federal Bureau of Investigation, or other law enforcement agency.

~~6~~4. Contingency Appropriation: Regulatory Response.

a. Amounts appropriated above to the Office of Consumer Credit Commissioner not to exceed $522,000 each fiscal year in Strategy E.1.1, Contingency Regulatory Response, and 9.0 Full-Time-Equivalents (FTE) positions each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" are contingent upon a finding of fact by the Finance Commission that additional resources are needed by the Office of Consumer Credit Commissioner for regulation of the Texas motor vehicle sales finance or payday lending industries~~, the Office of Consumer Credit Commissioner is hereby appropriated out of fee revenues collected by the agency an amount not to exceed $522,000 for fiscal year 2006 and $522,000 for fiscal year 2007, and the "Number of Full-time Equivalent Positions (FTE)" figure indicated above is hereby increased by no more than 9.0 for fiscal year 2006 and 9.0 for fiscal year 2007~~.

b. None of the funds appropriated above in ~~item (a)~~ Strategy E.1.1, Contingency Regulatory Response, above may be expended and none of the 9.0 Full-Time-Equivalents (FTE) positions each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" may be used by the Office of Consumer Credit Commissioner unless the Finance Commission files a finding of fact with the Governor and the Legislative Budget Board and neither the Governor nor the Legislative Budget Board issues a written disapproval not later than:

(1) the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(2) within 10 business days of the receipt of the finding of fact by the Governor.

c. The appropriations above in ~~item (a)~~ Strategy E.1.1, Contingency Regulatory Response, and 9.0 Full-Time-Equivalents (FTE) positions each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" are also contingent upon the Office of Consumer Credit Commissioner generating sufficient additional fee revenues to cover these contingency appropriations and related employee benefits, and providing such information as may be deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues will be available to fund the increased appropriation. These increased revenues must exceed ~~$3,396,000~~ $_____ for fiscal year ~~2006~~ 2008 and ~~$3,396,000~~ $_____ for fiscal year ~~2007~~ 2009 (Object Codes 3172, 3174, and 3175) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate.

d. Funds appropriated above in ~~this provision~~ Strategy E.1.1, Contingency Regulatory Response, and 9.0 Full-Time-Equivalents (FTE) positions each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" may only be used to address issues included in the finding of fact submitted to the Governor and the Legislative Budget Board pursuant to subsection (b) above, and apply only to the ~~2006-07~~ 2008-09 biennium unless otherwise appropriated. It is the intent of the Legislature that these funds not be included in base level funding requests for the fiscal year ~~2008-09~~ 2010-11 biennium.

~~**4. Sharing of Receptionist.** It is the intent of the Legislature that the Department of Banking, Department of Savings and Mortgage Lending, and Office of Consumer Credit Commissioner share one full-time-equivalent position each year of the biennium for the switchboard duties for the Finance Commission Building.~~

~~**5.** **Contingent Revenue.** Out of the amounts appropriated above to the Office of Consumer Credit Commissioner in Strategy B.1.1, Examination and Enforcement, the amounts of $131,000 in fiscal year 2006 and $131,000 in fiscal year 2007, in Strategy B.2.1, Licensing Investigation, the amounts of $44,000 in fiscal year 2006 and $44,000 in fiscal year 2007, and in Strategy D.1.1, Indirect Administration, the amounts of $10,000 in fiscal year 2006 and $10,000 in fiscal year 2007 in General Revenue for the purposes of motor vehicle finance sales regulation ($175,000 each fiscal year) and to fund an exempt position salary increase ($10,000 each fiscal year) are contingent upon the Office of Consumer Credit Commissioner assessing fees sufficient to generate, during the 2006-07 biennium, $454,462 in excess of $6,792,000 (Object Codes 3172, 3174, and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 3.0 FTEs in each fiscal year contingent upon the Office of Consumer Credit Commissioner generating the amount of revenue indicated above. The Office of Consumer Credit Commissioner, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Finance Commission's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

CREDIT UNION DEPARTMENT

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,881,444	$ 1,953,442
Total, Method of Financing	$ 1,881,444	$ 1,953,442
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 392,587	$ 393,557
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	29.0	31.0
Schedule of Exempt Positions:		
Credit Union Commissioner, Group 4	$105,000	$105,000
Items of Appropriation:		
A. Goal: EFFECTIVE SUPERVISION & REGULATION		
Effectively Supervise and Regulate State-chartered Credit Unions.		
A.1.1. Strategy: EXAMINE CREDIT UNIONS	$ 1,586,401	$ 1,586,400
Examine Credit Union Operations.		
A.2.1. Strategy: PROCESS APPLICATIONS	$ 95,478	$ 95,477
Process, Investigate and Evaluate Applications.		
Total, Goal A: EFFECTIVE SUPERVISION & REGULATION	$ 1,681,879	$ 1,681,877
B. Goal: ENSURE SAFETY AND SOUNDNESS		
Ensure State-chartered Credit Unions Operate in a Safe & Sound Manner.		
B.1.1. Strategy: DEPARTMENTAL OVERSIGHT	$ 79,565	$ 79,565
Provide Oversight of Departmental Operations.		

C. Goal: REGULATORY RESPONSE		
C.1.1. Strategy: CONTINGENCY REGULATORY RESPONSE Credit Union Examination Contingency Appropriation. Nontransferable.	$ 120,000	$ 192,000
Grand Total, CREDIT UNION DEPARTMENT	$ 1,881,444	$ 1,953,442
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,524,430	$ 1,588,430
Other Personnel Costs	24,351	24,351
Professional Fees and Services	2,768	2,768
Consumable Supplies	7,000	7,000
Utilities	15,785	15,785
Travel	213,594	221,595
Rent - Machine and Other	5,000	5,000
Other Operating Expense	88,516	88,513
Total, Object-of-Expense Informational Listing	$ 1,881,444	$ 1,953,442
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 83,892	$ 85,151
Group Insurance	148,732	151,144
Social Security	102,170	103,703
Benefits Replacement	8,032	7,630
Subtotal, Employee Benefits	$ 342,826	$ 347,628
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 342,826	$ 347,628

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Credit Union Department. 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 Credit Union Department. In order to achieve the objectives and service standards established by this Act, the Credit Union Department shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: EFFECTIVE SUPERVISION & REGULATION		
Outcome (Results/Impact):		
Percentage of Credit Unions Receiving Regular Examinations Annually	96%	96%
Percentage of Safe and Sound Credit Unions	96%	96%
Percentage of Complete Charter and Bylaw Applications Approved or Denied within 60 Days	100%	100%
A.1.1. Strategy: EXAMINE CREDIT UNIONS		
Output (Volume):		
Number of Examinations Performed	199	192
Efficiencies:		
Average Cost Per Regular Examination	6,060	6,242
Explanatory:		
Number of State-chartered Credit Unions	208	200
Percentage of Credit Unions Providing Services to Low Income or Underserved Populations	5%	5%
A.2.1. Strategy: PROCESS APPLICATIONS		
Output (Volume):		
Number of Applications Processed	100	100
B. Goal: ENSURE SAFETY AND SOUNDNESS		
Outcome (Results/Impact):		
Percentage of Rule Changes Provided to Credit Unions within 60 Days after Adoption	100%	100%

2. **Appropriation: Supervisions and Conservatorships.** Funds received by the Credit Union Department pursuant to supervision or conservatorship proceedings, as authorized by the Texas Finance Code § 126.101, (estimated to be $0) are hereby appropriated for costs related to such proceedings, including the salary and per diem of the appointed supervisor or conservator.

4~~3~~. Contingency Appropriation: Regulatory Response.

a. Amounts appropriated above in Strategy C.1.1, Contingency Regulatory Response, to the Credit Union Department not to exceed $120,000 in fiscal year 2008 and $192,000 in fiscal year year 2009 in General Revenue in Strategy C.1.1, Contingency Regulatory Response and 3.0 Full-Time-Equivalents (FTE) positions in fiscal year 2008 and 5.0 FTEs in fiscal year 2009 included above in the "Number of Full-Time-Equivalents (FTE)" are ~~C~~contingent upon a finding of fact by the Credit Union Commission that:

(1) the size of the state-chartered credit union industry under the jurisdiction of the Credit Union Department, determined either as a function of assets or number of institutions, has grown to a point where additional appropriations are deemed necessary to maintain adequate regulation of the industry; or

(2) increased incidents of regulatory and supervisory concern regarding the safe and sound operations of credit unions under the ~~D~~department's jurisdiction have occurred to the extent that additional appropriations are deemed necessary to maintain adequate regulation of the industry; or

(3) a reduction of federal regulatory resources applied to the Texas state-chartered credit union industry by the National Credit Union Administration has occurred to the extent that additional appropriations are deemed necessary to maintain adequate regulation of the industry.~~;~~

~~the following amounts, or any part thereof as found to be necessary by the Credit Union Commission, are hereby appropriated to the Credit Union Department out of the General Revenue Fund in an amount not to exceed $120,000 for fiscal year 2006 and an amount not to exceed $192,000 for fiscal year 2007 and the "Number of Full-Time Equivalents (FTE)" figure indicated above is hereby increased by no more than 3 for fiscal year 2006 and 5 for fiscal year 2007.~~

b. None of the funds appropriated above in Strategy C.1.1, Contingency Regulatory Response, ~~pursuant to this provision~~ may be expended and none of the 3.0 Full-Time-Equivalent (FTE) positions in fiscal year 2008 and 5.0 FTEs in fiscal year 2009 included above in the "Number of Full-Time-Equivalents (FTE)" may be used by the Credit Union Department unless:

(1) the Credit Union Commission files a written copy of the finding of fact, referenced in subsection ~~4~~(a) above, with the Governor and the Legislative Budget Board; and

(2) neither the Governor nor the Legislative Budget Board issues a written disapproval not later than:

(a) the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(b) within 10 business days of the receipt of the finding of fact by the Governor.

(3) The appropriations above in ~~item 4(a)~~ Strategy C.1.1, Contingency Regulatory Response, and 3.0 Full-Time-Equivalent (FTE) positions in fiscal year 2008 and 5.0 FTEs in fiscal year 2009 included above in the "Number of Full-Time-Equivalents (FTE)" are also contingent upon the ~~D~~department generating sufficient additional fee revenues to cover these contingency appropriations and related employee benefits and providing such information as may be deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues will be available to fund the increased appropriations.

These increased revenues must exceed $_____ (Object Code 3172) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal year ~~2006~~ 2008 and fiscal year ~~2007~~ 2009.

c. Funds appropriated above in ~~this provision~~ Strategy C.1.1, Contingency Regulatory Response, and 3.0 Full-Time-Equivalent (FTE) positions in fiscal year 2008 and 5.0 FTEs in fiscal year 2009 included above in the "Number of Full-Time-Equivalents (FTE)" may only be used to address issues included in the finding of fact submitted to the Governor and the Legislative Budget Board pursuant to subsection ~~4~~(b) above, and apply only to the ~~2006-07~~ 2008-09 biennium unless otherwise appropriated. It is the intent of the Legislature that these funds not be included in base level funding requests for the fiscal year ~~2008-09~~ 2010-11 biennium.

~~3.~~ ~~**Appropriation: Educational and Examination Receipts.** Funds received by the Credit Union Department to support staff attendance at graduate schools of banking, seminars, conferences, or other training or education activity considered by the commissioner to be of benefit to the Department are hereby appropriated to the Department for such purposes. The Credit Union Department is also authorized to accept funds for reimbursement from the National Credit Union Share Insurance Fund, or any other insurer, for costs incidental or necessary to examination and supervision of credit unions.~~

~~5.~~ ~~**Contingent Revenue.** Out of the amounts appropriated above to the Credit Union Department in Strategy A.1.1, Examine Credit Unions, the amounts of $105,182 in fiscal year 2006 and $89,511 in fiscal year 2007 in General Revenue to provide funding for credit union examinations ($31,313 each fiscal year), examiner salary increases ($63,869 in fiscal year 2006 and $48,198 in fiscal year 2007), and to fund an exempt position salary increase ($10,000 each fiscal year) are contingent upon the Credit Union Department assessing fees sufficient to generate, during the 2006-07 biennium, $248,920 in excess of $3,788,000 (Object Code 3172), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Credit Union Department, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Credit Union Commission's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

TEXAS STATE BOARD OF DENTAL EXAMINERS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,472,797	$ 1,472,595
Appropriated Receipts	72,000	72,000
Total, Method of Financing	$ 1,544,797	$ 1,544,595
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 440,302	$ 439,443
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	27.0	27.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$70,000	$70,000

Items of Appropriation:
A. Goal: QUALITY DENTAL CARE
To Ensure Quality Dental Care for the People of Texas.

A.1.1. Strategy: COMPLAINT RESOLUTION Provide a System to Investigate and Resolve Complaints.	$ 772,763	$ 773,001
A.1.2. Strategy: PEER ASSISTANCE PROGRAM Provide a Peer Assistance Program for Licensed Individuals.	$ 123,659	$ 123,659
A.2.1. Strategy: LICENSURE & REGISTRATION Conduct an Efficient Licensure and Examination Process.	$ 385,226	$ 384,766
A.2.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 184,629	$ 184,629
Total, Goal A: QUALITY DENTAL CARE	$ 1,466,277	$ 1,466,055
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMIN - LICENSURE Indirect Administration - Licensure and Registration.	$ 26,820	$ 26,820
B.1.2. Strategy: IND ADMIN - COMPLAINT RESOLUTION Indirect Administration - Complaint Resolution.	$ 51,700	$ 51,720
Total, Goal B: INDIRECT ADMINISTRATION	$ 78,520	$ 78,540
Grand Total, TEXAS STATE BOARD OF DENTAL EXAMINERS	$ 1,544,797	$ 1,544,595
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 966,573	$ 966,573
Other Personnel Costs	24,060	27,080
Professional Fees and Services	249,522	249,272
Consumable Supplies	8,000	8,000
Utilities	8,480	8,480
Travel	41,500	41,500
Rent - Building	405	405
Rent - Machine and Other	6,333	6,333
Other Operating Expense	239,924	236,952
Total, Object-of-Expense Informational Listing	$ 1,544,797	$ 1,544,595
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 48,189	$ 48,912
Group Insurance	144,717	147,200
Social Security	84,418	85,685
Benefits Replacement	4,930	4,684
Subtotal, Employee Benefits	$ 282,254	$ 286,481
Debt Service		
Lease Payments	$ 89,688	$ 88,326
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 371,942	$ 374,807

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State Board of Dental Examiners. 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 State Board of Dental Examiners. In order to achieve the objectives and service standards established by this Act, the Texas State Board of Dental Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: QUALITY DENTAL CARE		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action	16%	16%
Percent of Licensees with No Recent Violations: Dentist	99.5%	99.5%

Percent of Licensees Who Renew Online	75%	75%
Percent of New Individual Licenses Issued Online	25%	50%
A.1.1. Strategy: COMPLAINT RESOLUTION		
Output (Volume):		
Number of Complaints Resolved	956	956
Efficiencies:		
Average Time for Complaint Resolution (Days)	371.6	371.6
Explanatory:		
Number of Jurisdictional Complaints Received	1,398	1,566
A.1.2. Strategy: PEER ASSISTANCE PROGRAM		
Output (Volume):		
Number of Licensed Individuals Participating in a Peer Assistance Program	56	56
A.2.1. Strategy: LICENSURE & REGISTRATION		
Output (Volume):		
Number of New Licenses Issued to Individuals: Dentists	550	550
Number of Licenses Renewed (Individuals): Dentists	12,630	12,844
Number of New Licenses Issued to Individuals: Dental Hygienists	475	475
Number of Licenses Renewed (Individuals): Dental Hygienists	9,925	10,182
Efficiencies:		
Average Licensing Cost Per Individual License Issued: Dentist	4.54	4.54
Average Licensing Cost Per Facility License Issued	7.49	7.49
Average Licensing Cost Per Individual License Issued: Dental Hygienist	3.48	3.48
Explanatory:		
Total Number of Business Facilities Licensed	1,100	1,100

~~**2. Contingent Revenue.** Out of the amounts appropriated above to the State Board of Dental Examiners in Strategy A.1.1, Complaint Resolution, the amounts of $7,000 in fiscal year 2006 and $7,000 in fiscal year 2007 in General Revenue for the purpose of an exempt position salary increase are contingent upon the State Board of Dental Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $18,164 in excess of $5,688,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The State Board of Dental Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the State Board of Dental Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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. Competitive Bidding Processes.**~~

~~a. It is the intent of the Legislature that none of the funds appropriated above may be used for entering into a contract or agreement or for amendment or extension of a contract or agreement or for administration or oversight of a contract or agreement of any kind or for direct payment to a vendor for goods or services including the administration of examinations unless the vendor is selected following competitive bidding procedures and openness in contracting including:~~

~~(1) appropriate advertisement by the agency of the availability of the contract including using the internet and services available for the Texas Building and Procurement Commission.~~
~~(2) solicitation by the agency of requests for proposals;~~
~~(3) selection of a vendor based on the best value for the state;~~
~~(4) multiple bidders;~~
~~(5) use of the master bidder list compiled by the Texas Building and Procurement Commission; and~~
~~(6) other good contracting principles.~~

~~b. It is the intent of the Legislature that this rider apply to all contracts and agreements and to all amendments or extensions of a contract or agreement or for administration or oversight of any contract or agreement of any kind and for direct payment to a vendor for goods or services including the administration of examinations without regard to amount.~~

FUNERAL SERVICE COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 602,192	$ 602,192
Appropriated Receipts	52,000	52,000
Total, Method of Financing	$ 654,192	$ 654,192
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 183,601	$ 183,433
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	11.0	11.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$55,816	$55,816
Items of Appropriation:		
A. Goal: COMPETENT LICENSEES		
Manage Examination/Licensure to Develop Competent & Ethical Licensees.		
A.1.1. Strategy: LICENSING REQUIREMENTS Issue and Renew Licenses, Monitor Continuing Education.	$ 286,092	$ 286,093
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 39,000	$ 39,000
Total, Goal A: COMPETENT LICENSEES	$ 325,092	$ 325,093
B. Goal: ENFORCE STANDARDS		
To Aggressively & Effectively Provide Enforcement & Protect the Public.		
B.1.1. Strategy: INSPECTIONS Provide Enforcement through Inspections and Investigations.	$ 143,364	$ 143,363
B.2.1. Strategy: RULE COMPLIANCE Review Investigated Complaints & Recommend Disciplinary/Other Action.	$ 124,470	$ 124,470
Total, Goal B: ENFORCE STANDARDS	$ 267,834	$ 267,833
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMIN-LICENSIING Indirect Administration - Licensing Requirements.	$ 31,336	$ 31,337
C.1.2. Strategy: INDIRECT ADMIN - INSPECTIONS Indirect Administration - Inspections.	$ 17,838	$ 17,837
C.1.3. Strategy: INDIRECT ADMIN - RULE COMPLIANCE Indirect Administration - Rule Compliance.	$ 12,092	$ 12,092
Total, Goal C: INDIRECT ADMINISTRATION	$ 61,266	$ 61,266
Grand Total, FUNERAL SERVICE COMMISSION	$ 654,192	$ 654,192
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 409,562	$ 409,562
Other Personnel Costs	4,800	4,800
Professional Fees and Services	26,826	26,826
Consumable Supplies	2,000	2,000
Utilities	3,220	3,220
Travel	25,750	25,750
Rent - Building	240	240
Rent - Machine and Other	3,150	3,150
Other Operating Expense	178,644	178,644
Total, Object-of-Expense Informational Listing	$ 654,192	$ 654,192

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

Employee Benefits		
Retirement	$ 24,516	$ 24,884
Group Insurance	56,915	57,290
Social Security	31,020	31,486
Subtotal, Employee Benefits	$ 112,451	$ 113,660
Debt Service		
Lease Payments	$ 36,787	$ 36,228
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 149,238	$ 149,888

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Funeral Service 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 Funeral Service Commission. In order to achieve the objectives and service standards established by this Act, the Funeral Service Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: COMPETENT LICENSEES		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99.1%	99.1%
Percent of Licensees Who Renew Online	80%	80%
Percent of New Individual Licenses Issued Online	1%	1%
A.1.1. Strategy: LICENSING REQUIREMENTS		
Output (Volume):		
Number of New Licenses Issued to Individuals	500	500
Number of Individual Licenses Renewed	2,200	2,200
Number of New Licenses Issued to Facilities	120	120
Number of Facility Licenses Renewed	1,300	1,300
Number of Individuals Examined	260	260
Efficiencies:		
Average Licensing Cost Per Individual License Issued	17.5	17.5
Average Licensing Cost Per Facility License Issued	29.5	29.5
Average Cost Per Exam Administered	3.35	3.35
Explanatory:		
Total Number of Individuals Licensed	4,500	4,500
Total Number of Facilities Licensed	1,325	1,325
B. Goal: ENFORCE STANDARDS		
Outcome (Results/Impact):		
Percent of Complaints Resolved within Six Months	82%	82%
Percent of Complaints Resulting in Disciplinary Action	25%	25%
B.1.1. Strategy: INSPECTIONS		
Output (Volume):		
Number of Complaints Resolved	300	300
Number of Establishments Inspected	1,045	1,045
Number of Complaints Pending	58	58
Efficiencies:		
Average Time for Complaint Resolution (Days)	101	101
Average Cost Per Complaint Resolved	226.32	226.32
Explanatory:		
Number of Jurisdictional Complaints Received	300	300

~~2.~~ ~~**Contingent Revenue.** Out of the amounts appropriated above to the Funeral Service Commission in Strategy A.1.1, Licensing Requirements, the amounts of $5,000 in fiscal year 2006 and $5,000 in fiscal year 2007, and in Strategy B.1.1, Inspections, the amounts of $5,000 in fiscal year 2006 and $5,000 in fiscal year 2007 in General Revenue for the purpose of an exempt position salary increase are contingent upon the Funeral Service Commission assessing fees sufficient to generate, during the 2006-07 biennium, $25,948 in excess of $2,840,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Funeral Service Commission, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Funeral Service Commission's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the~~

~~Comptroller of Public Accounts. 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.~~

BOARD OF PROFESSIONAL GEOSCIENTISTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 443,490	$ 434,729
Total, Method of Financing	$ 443,490	$ 434,729
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 97,299	$ 97,347
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	6.0	6.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$52,400	$52,400
Items of Appropriation:		
A. Goal: LICENSING		
Assure Geoscience is Practiced Only by Qualified/Registered Licensees.		
A.1.1. Strategy: APPLICATION REVIEW Evaluate Applications and Ensure Proper Examination.	$ 129,488	$ 127,363
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 30,000	$ 30,000
A.1.3. Strategy: INFORMATIONAL SERVICES Maintain Current Registry and Provide Timely Information.	$ 68,621	$ 67,005
Total, Goal A: LICENSING	$ 228,109	$ 224,368
B. Goal: ENFORCEMENT		
Ensure Effective Enforcement of TX Geoscience Practice Act.		
B.1.1. Strategy: ENFORCEMENT Investigate & Reach Final Resolution of Reported Violations.	$ 171,276	$ 167,961
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMIN Indirect Administration - Licensing.	$ 22,172	$ 21,320
C.1.2. Strategy: INDIRECT ADMIN Indirect Administration - Enforcement.	$ 21,933	$ 21,080
Total, Goal C: INDIRECT ADMINISTRATION	$ 44,105	$ 42,400
Grand Total, BOARD OF PROFESSIONAL GEOSCIENTISTS	$ 443,490	$ 434,729
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 261,586	$ 261,586
Other Personnel Costs	6,100	6,580
Professional Fees and Services	15,672	6,666
Consumable Supplies	2,700	2,700
Travel	21,300	21,300
Rent - Building	3,431	3,431

Other Operating Expense	117,701	117,466
Capital Expenditures	15,000	15,000
Total, Object-of-Expense Informational Listing	$ 443,490	$ 434,729
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 15,965	$ 16,204
Group Insurance	25,733	25,733
Social Security	19,108	19,395
Benefits Replacement	982	933
Subtotal, Employee Benefits	$ 61,788	$ 62,265
Debt Service		
Lease Payments	$ 14,919	$ 14,692
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 76,707	$ 76,957

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Professional Geoscientists. 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 Board of Professional Geoscientists. In order to achieve the objectives and service standards established by this Act, the Board of Professional Geoscientists shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LICENSING		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	98%	98%
Percent of Licensees Who Renew Online	85%	85%
A.1.1. Strategy: APPLICATION REVIEW		
Output (Volume):		
Number of New Licenses Issued to Individuals	100	150
Efficiencies:		
Average Licensing Cost Per Individual License Issued	29	29
Percentage of New Individual Licenses Issued within 10 Days	95%	95%
Percentage of Individual License Renewals Issued within 7 Days	100%	100%
Explanatory:		
Total Number of Individuals Licensed	6,600	6,700
B. Goal: ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action	14%	14%
Percent of Documented Complaints Resolved within Six Months	75%	75%
B.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Complaints Resolved	5	5
Number of Enforcement Cases and Inquiries Resolved	45	45
Number of Compliance Orders Issued	45	45
Number of Disciplinary Actions Taken	45	45
Efficiencies:		
Average Time for Complaint Resolution (Days)	110	110
Average Cost Per Complaint Investigation	235	235
Explanatory:		
Jurisdictional Complaints Received	10	10

~~2.~~ ~~**Contingent Revenue.** Out of the amounts appropriated above to the Board of Professional Geoscientists in Strategy B.1.1, Enforcement, the amounts of $52,127 in fiscal year 2006 and $52,128 in fiscal year 2007 in General Revenue for the purposes of enforcement activities, are contingent upon the Board of Professional Geoscientists assessing fees sufficient to generate, during the 2006-07 biennium, $104,255 in excess of $1,971,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Professional Geoscientists, upon completion of necessary~~

~~actions to access or increase such additional fees, shall furnish copies of the Board of Professional Geoscientists' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

HEALTH PROFESSIONS COUNCIL

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
Interagency Contracts	$ 156,162	$ 159,662
Total, Method of Financing	$ 156,162	$ 159,662
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	2.0	2.0
Items of Appropriation:		
A. Goal: COORDINATION AND SUPPORT		
A.1.1. Strategy: AGENCY COORDINATION AND SUPPORT Member Agency Coordination and Support.	$ 156,162	$ 159,662
Grand Total, HEALTH PROFESSIONS COUNCIL	$ 156,162	$ 159,662
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 88,077	$ 88,077
Other Personnel Costs	3,700	3,700
Professional Fees and Services	10,650	10,650
Consumable Supplies	2,000	2,000
Utilities	120	120
Travel	600	600
Other Operating Expense	51,015	54,515
Total, Object-of-Expense Informational Listing	$ 156,162	$ 159,662
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 5,640	$ 5,725
Group Insurance	18,252	18,252
Social Security	6,054	6,145
Subtotal, Employee Benefits	$ 29,946	$ 30,122
Debt Service		
Lease Payments	$ 20,713	$ 20,398
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 50,659	$ 50,520

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Health Professions Council. 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 Professions Council. In order to achieve the objectives and service standards established by this Act, the Health Professions Council shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: COORDINATION AND SUPPORT		
Outcome (Results/Impact):		
Number of Events Attended by a HPC Staff Member on Behalf of HPC Member Agencies	12	12
Number of People Who Attend an HPC Sponsored Training Session	50	50

OFFICE OF INJURED EMPLOYEE COUNSEL

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
GR Dedicated - Texas Department of Insurance Operating Fund Account No. 036	$ 5,959,179	$ 5,959,179
Total, Method of Financing	$ 5,959,179	$ 5,959,179
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 1,218,017	$ 1,216,584
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	147.0	147.0
Schedule of Exempt Positions:		
Public Counsel, Group 3	$85,000	$85,000
Items of Appropriation:		
A. Goal: ADVOCATE FOR INJURED EMPLOYEES		
Advocate for Injured Employees in Rulemaking and Other Public Forums.		
A.1.1. Strategy: PARTICIPATE IN RULEMAKING Participate in Rulemaking & Provide Information, Research & Testimony.	$ 627,769	$ 627,769
B. Goal: EDUCATION AND REFERRAL		
Increase Injured Employee Education and Provide Referrals.		
B.1.1. Strategy: RIGHTS AND RESPONSIBILITIES Contact and Assist Injured Employees and Educate System Participants.	$ 1,012,453	$ 1,012,453
B.1.2. Strategy: REFERRALS Refer Injured Employees to Programs, Services, and Licensing Boards.	$ 403,906	$ 403,906
Total, Goal B: EDUCATION AND REFERRAL	$ 1,416,359	$ 1,416,359
C. Goal: OMBUDSMAN PROGRAM		
Assist Injured Employees through the Ombudsman Program.		
C.1.1. Strategy: OMBUDSMAN PROGRAM Prepare and Assist Injured Employees in BRCs, CCHs, and Appeals.	$ 3,915,051	$ 3,915,051
Grand Total, OFFICE OF INJURED EMPLOYEE COUNSEL	$ 5,959,179	$ 5,959,179
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 5,428,675	$ 5,428,675
Other Personnel Costs	147,220	147,220
Professional Fees and Services	61,860	61,860
Utilities	65,272	65,272
Travel	152,500	152,500
Other Operating Expense	103,652	103,652
Total, Object-of-Expense Informational Listing	$ 5,959,179	$ 5,959,179

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

Employee Benefits		
Retirement	$ 124,415	$ 126,281
Group Insurance	256,265	256,265
Social Security	279,147	283,334
Benefits Replacement	42,653	40,520
Subtotal, Employee Benefits	$ 702,480	$ 706,400
Debt Service		
Lease Payments	$ 143,818	$ 141,582
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 846,298	$ 847,982

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Injured Employee Counsel. 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 Injured Employee Counsel. In order to achieve the objectives and service standards established by this Act, the Office of Injured Employee Counsel shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ADVOCATE FOR INJURED EMPLOYEES		
Outcome (Results/Impact):		
Percentage of Rules Changed for the Benefit of Injured Employees as a Result of Office of Injured Employee Counsel Participation	50%	50%
A.1.1. Strategy: PARTICIPATE IN RULEMAKING		
Output (Volume):		
Number of Rules (Informal and Formal) Analyzed by Office of Injured Employee Counsel	22	22
Number of Rulemaking Processes (Informal and Formal) in which the Office of Injured Employee Counsel Participated	17	17
C. Goal: OMBUDSMAN PROGRAM		
Outcome (Results/Impact):		
Percentage of Scheduled Proceedings at the Division of Workers' Compensation with Ombudsman Assistance	45%	45%
Percentage Contested Case Hearings (CCH) Issues in which Injured Employees Prevailed when Assisted by an Ombudsman	40%	40%
Percentage of Appeal Issues in which Injured Employees Prevailed when Assisted by an Ombudsman	40%	40%
C.1.1. Strategy: OMBUDSMAN PROGRAM		
Output (Volume):		
Number of Benefit Review Conferences with Ombudsman Assistance	8,000	8,000
Number of Contested Case hearings with Ombudsman Assistance	2,700	2,700
Number of Injured Employees Prepared for an Appeal by an Ombudsman	875	875

DEPARTMENT OF INSURANCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 230,926	$ 230,926
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees, estimated	34,360,239	34,510,239
Subtotal, General Revenue Fund	$ 34,591,165	$ 34,741,165

General Revenue Fund - Dedicated		
GR Dedicated - Subsequent Injury Account No. 5101	3,670,140	3,670,140
GR Dedicated - Texas Department of Insurance Operating Fund Account No. 036, estimated	55,831,256	55,831,256
Subtotal, General Revenue Fund - Dedicated	$ 59,501,396	$ 59,501,396
Federal Funds	2,254,623	2,254,623
Other Funds		
Appropriated Receipts	1,489,700	1,489,700
Interagency Contracts	57,600	57,600
Subtotal, Other Funds	$ 1,547,300	$ 1,547,300
Total, Method of Financing	$ 97,894,484	$ 98,044,484
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 28,705,669	$ 28,691,545
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	1,709.4	1,709.4
Schedule of Exempt Positions:		
Commissioner of Insurance, Group 6	$163,800	$163,800
Commissioner of Workers' Compensation, Group 6	140,000	140,000
Items of Appropriation:		
A. Goal: ENCOURAGE FAIR COMPETITION		
Encourage Fair Competition in the Insurance Industry.		
A.1.1. Strategy: CONSUMER ED. AND MKT. ANALYSES Analyze Market Data and Provide Information.	$ 2,944,707	$ 2,944,707
A.1.2. Strategy: RATES, FORMS AND LICENSES Process Rates, Forms and Licenses.	$ 10,664,801	$ 10,664,801
A.1.3. Strategy: PROMOTE UNDERSERVED COVERAGE Create Incentives and Requirements for Coverage in Underserved Markets.	$ 153,298	$ 153,298
A.2.1. Strategy: RESOLVE COMPLAINTS Respond Promptly and Act on Complaints.	$ 2,802,861	$ 2,802,861
A.2.2. Strategy: INVESTIGATION AND ENFORCEMENT Investigate Trade Practices and Enforcement as Needed.	$ 2,893,212	$ 2,893,212
A.2.3. Strategy: INSURER FRAUD Investigate Potential Insurer Fraud and Initiate Legal Action.	$ 988,530	$ 988,530
A.2.4. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 380,000	$ 380,000
Total, Goal A: ENCOURAGE FAIR COMPETITION	$ 20,827,409	$ 20,827,409
B. Goal: INSURANCE INDUSTRY FINANCIAL HEALTH		
Encourage the Financial Health of the Insurance Industry.		
B.1.1. Strategy: INSURERS FINANCIAL CONDITION Analyze the Financial Condition of Insurers and Take Solvency Action.	$ 12,129,599	$ 12,129,598
C. Goal: DECREASE INDUSTRY LOSS COSTS		
Decrease Insurance Industry Loss Costs.		
C.1.1. Strategy: LOSS CONTROL PROGRAMS Inspect Loss Control Programs and Assure Code and Schedule Compliance.	$ 2,659,805	$ 2,659,805
C.1.2. Strategy: PROVIDER AND CONSUMER FRAUD Investigate Provider/Consumer Fraud & Refer Violations for Prosecution.	$ 1,299,461	$ 1,299,461

C.1.3. Strategy: WORKERS' COMPENSATION FRAUD Investigate Workers' Compensation Insurance Fraud.	$ 214,152	$ 214,152
Total, Goal C: DECREASE INDUSTRY LOSS COSTS	$ 4,173,418	$ 4,173,418
D. Goal: REDUCE LOSSES DUE TO FIRE Reduce Loss of Life and Property Due to Fire.		
D.1.1. Strategy: FIRE PROTECTION Provide Fire Prevention through Education & Enforcement of Regulations.	$ 3,919,812	$ 3,919,812
E. Goal: SAFE AND HEALTHY WORKPLACES To Promote Safe and Healthy Workplaces.		
E.1.1. Strategy: HEALTH AND SAFETY SERVICES Provide Health and Safety Services in Texas Workplaces.	$ 4,267,220	$ 4,267,220
E.2.1. Strategy: RETURN-TO-WORK EDUCATION Provide Education on Disability Management and Return-to-work Programs.	$ 337,456	$ 337,456
Total, Goal E: SAFE AND HEALTHY WORKPLACES	$ 4,604,676	$ 4,604,676
F. Goal: WORKERS' COMP BENEFITS & DELIVERY Ensure the Appropriate Delivery of Workers' Compensation Benefits.		
F.1.1. Strategy: MEDICAL COST CONTAINMENT Ensure Appropriate Utilization of Medical Services.	$ 1,939,542	$ 1,939,542
F.2.1. Strategy: MONITORING AND ENFORCEMENT Monitor Stakeholder Activity and Take Enforcement Action.	$ 2,435,660	$ 2,435,660
F.3.1. Strategy: DEVELOP AND IMPLEMENT PROCESSES	$ 6,289,152	$ 6,289,152
F.4.1. Strategy: CERTIFY SELF-INSURANCE Certify and Regulate Private Enployers that Qualify to Self-Insure.	$ 660,872	$ 660,872
F.5.1. Strategy: DISPUTE RESOLUTION Minimize and Resolve Indemnity and Medical Disputes.	$ 14,874,899	$ 14,874,899
F.6.1. Strategy: SUBSEQUENT INJURY FUND ADMIN Subsequent Injury Fund Administration.	$ 3,737,525	$ 3,737,525
Total, Goal F: WORKERS' COMP BENEFITS & DELIVERY	$ 29,937,650	$ 29,937,650
G. Goal: INDIRECT ADMINISTRATION		
G.1.1. Strategy: CENTRAL ADMINISTRATION	$ 7,835,338	$ 7,835,338
G.1.2. Strategy: INFORMATION RESOURCES	$ 10,790,586	$ 10,790,586
G.1.3. Strategy: OTHER SUPPORT SERVICES	$ 3,075,996	$ 3,075,997
Total, Goal G: INDIRECT ADMINISTRATION	$ 21,701,920	$ 21,701,921
H. Goal: CONTINGENCY APPROPRIATIONS		
H.1.1. Strategy: CONTINGENCY LONG TERM CARE Long Term Care Insurance Partnerships.	$ 150,000	$ 150,000
H.1.2. Strategy: CONTINGENCY CROSS BORDER Cross Border Health Plans.	$ 150,000	$ 150,000
Total, Goal H: CONTINGENCY APPROPRIATIONS	$ 300,000	$ 300,000
I. Goal: THREE-SHARE ASSISTANCE PROGRAMS Three-Share Premium Assistance Programs.		
I.1.1. Strategy: THREE-SHARE ASSISTANCE PROGRAMS Three-Share Premium Assistance Programs.	$ 300,000	$ 450,000
Grand Total, DEPARTMENT OF INSURANCE	$ 97,894,484	$ 98,044,484
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 73,112,897	$ 73,112,897
Other Personnel Costs	2,495,786	2,495,786
Professional Fees and Services	2,150,509	2,150,509
Fuels and Lubricants	109,550	109,550
Consumable Supplies	701,146	701,146

Utilities	935,266	935,266
Travel	2,245,177	2,245,177
Rent - Building	3,044,895	3,044,895
Rent - Machine and Other	524,475	524,475
Other Operating Expense	11,792,968	11,762,968
Grants	250,000	400,000
Capital Expenditures	531,815	561,815
Total, Object-of-Expense Informational Listing	$ 97,894,484	$ 98,044,484
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,723,743	$ 4,794,599
Group Insurance	12,502,684	12,683,880
Social Security	5,669,323	5,754,362
Benefits Replacement	766,012	727,711
Subtotal, Employee Benefits	$ 23,661,762	$ 23,960,552
Debt Service		
Lease Payments	$ 2,951,493	$ 2,900,359
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 26,613,255	$ 26,860,911

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Insurance. 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 Insurance. In order to achieve the objectives and service standards established by this Act, the Department of Insurance shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ENCOURAGE FAIR COMPETITION		
Outcome (Results/Impact):		
Percent of Agent License Filings Completed within 15 Days	96%	96%
Percent of Statutory Rate and Form Filings Completed within 90 Days	87%	87%
Number of Automobiles Covered by Voluntary Policies as a Percent of Total Private Passenger Automobiles in Underserved Markets	69%	69%
Percent of Personal Auto and Residential Property Rate and Form Filings Completed within 60 Days	95%	95%
Percent of Licensees Who Renew Online	60%	65%
A.1.1. Strategy: CONSUMER ED. AND MKT. ANALYSES		
Output (Volume):		
Number of Inquiries Answered	1,100,000	1,200,000
Number of Rate Guides Distributed	1,100,000	1,200,000
A.2.1. Strategy: RESOLVE COMPLAINTS		
Output (Volume):		
Number of Complaints Resolved	26,200	26,200
Efficiencies:		
Average Response Time (in Days) to Complaints	30	30
A.2.3. Strategy: INSURER FRAUD		
Output (Volume):		
Number of Referrals of Alleged Insurer Fraud to State and Federal Prosecutors	70	70
B. Goal: INSURANCE INDUSTRY FINANCIAL HEALTH		
Outcome (Results/Impact):		
Percent of Statutorily Mandated Examinations Completed within 18 Months	96%	97%
Special Deputy Receiver Receivership Asset Recovery Expenses as a Percent of the Total Dollars Collected by Special Deputy Receivers	15%	15%
Average Number of Days from Company "At Risk" Identification to the Date of Solvency-related Regulatory Action	31	31
Percent of Companies Rehabilitated after Texas Department of Insurance Solvency-related Intervention	18%	18%

B.1.1. Strategy: INSURERS FINANCIAL CONDITION		
Output (Volume):		
Number of Entities Receiving Texas Department of Insurance Solvency-related Intervention	8	8
Number of Holding Company Transactions Reviewed	750	750
Number of Actuarial Examinations Completed	80	80
Number of On-site Examinations Conducted	160	160
Efficiencies:		
Average State Cost Per Examination	29,482	28,482
Explanatory:		
Dollar Amount (in Millions) of Insurance Company Insolvencies	20	20
Number of Estates Placed in Receivership	4	4
C. Goal: DECREASE INDUSTRY LOSS COSTS		
Outcome (Results/Impact):		
Percent of Commercial Property Inspections That Meet Filed Rating Schedule Requirements	85%	85%
Percent of Windstorm Inspections That Result in an "Approved" Status Code	35%	35%
C.1.1. Strategy: LOSS CONTROL PROGRAMS		
Output (Volume):		
Number of Windstorm Inspections Completed	11,500	11,500
Number of Inspections of Insurer Loss Control Programs Completed	200	200
Number of Commercial Property Oversight Inspections Completed	1,160	1,160
Efficiencies:		
Average Cost Per Windstorm Inspection	50	50
C.1.2. Strategy: PROVIDER AND CONSUMER FRAUD		
Output (Volume):		
Number of Referrals of Alleged Consumer and Provider Fraud to State or Federal Prosecutors	110	110
D. Goal: REDUCE LOSSES DUE TO FIRE		
Outcome (Results/Impact):		
Percent of State Fire Marshal's Office Criminal Referrals Resulting in Enforcement/Legal Action	79%	79%
Percent of Registrations, Licenses, and Permits Issued, after Receipt of a Completed Application, within 20 Days to Fire Alarm, Fire Extinguisher, Fire Sprinkler, and Fireworks Firms, Individuals, and Other Regulated Entities	99%	99%
D.1.1. Strategy: FIRE PROTECTION		
Output (Volume):		
Number of Fire Investigations Completed	507	507
Number of Registrations, Licenses, and Permits Issued to Fire Alarm, Fire Extinguisher, Fire Sprinkler and Fireworks Firms, Individuals, and Other Regulated Entities	11,700	11,700
E. Goal: SAFE AND HEALTHY WORKPLACES		
Outcome (Results/Impact):		
Statewide Incidence Rate of Injuries and Illnesses per 100 Full-time Employees	3.9	3.9
Percent of Employees Temporary Income Benefits (TIBs) Recipients Returning to Work Within 90 Days of Injury (Based on TIBs Duration)	56	58
E.1.1. Strategy: HEALTH AND SAFETY SERVICES		
Output (Volume):		
Number of Consultations and Inspections Provided to Employers	3,360	3,360
E.2.1. Strategy: RETURN-TO-WORK EDUCATION		
Output (Volume):		
Number of Persons Receiving Return-to-work Training	10,417	10,417
F. Goal: WORKERS' COMP BENEFITS & DELIVERY		
Outcome (Results/Impact):		
Percentage of Medical Bills Processed Timely	95%	95%
Dollar Amount Returned to Workers' Compensation System Participants through Complaint Resolution	500,000	475,000
Average Number of Days to Resolve Indemnity Disputes through Dispute Resolution Proceedings	116	115
Percentage of Medical Fee Disputes Resolved by Agency Decision	95%	95%

Total Payments Made out of the Subsequent Injury Fund for Lifetime Income Benefits and Reimbursements to Insurance Carriers	3,373,000	3,654,500
F.1.1. Strategy: MEDICAL COST CONTAINMENT		
Output (Volume):		
Number of Quality of Care Reviews of Health Care Providers, Insurance Carriers, and Independent Review Organizations Completed	82	82
Efficiencies:		
Average Number of Days to Complete Quality of Care Reviews of Health Care Providers, Insurance Carriers, and Independent Review Organizations	180	180
F.2.1. Strategy: MONITORING AND ENFORCEMENT		
Output (Volume):		
Number of Complaints Completed Involving Workers' Compensation System Participants	2,885	2,885
Efficiencies:		
Average Days to Complete a Complaint Involving Workers' Compensation System Participants	120	120
F.5.1. Strategy: DISPUTE RESOLUTION		
Efficiencies:		
Average Number of Days from the Request for Benefit Review Conference to the Conclusion of the Benefit Review Conference	67	67
Average Number of Days from the Request for a Contested Case Hearing to the Distribution of the Decision	77	77
F.6.1. Strategy: SUBSEQUENT INJURY FUND ADMIN		
Output (Volume):		
Number of Injured Workers Receiving Lifetime Income Benefit (LIB) Payments through the SIF	41	42

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 a "(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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	~~2006~~ 2008	~~2007~~ 2009
a. Acquisition of Information Resource Technologies		
(1) ~~Acquisition~~ Purchase of Information Resource Technologies - Scheduled Replacement of Items	~~$ 680,604~~ $ 918,815	~~$ 680,604~~ $ 918,815
~~(2) Art. IX, Section 14.02 Contingency - Business Process Improvement~~	~~$ 2,808,500~~	~~$ 751,500~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 3,489,104~~	~~$ 1,432,104~~
b. Transportation Items		
(1) ~~Acquisition~~ Purchase of Transportation Items	$ 198,000	$ 198,000
Total, Capital Budget	~~$ 3,687,104~~ $ 1,116,815	~~$ 1,630,104~~ $ 1,116,815
Method of Financing (Capital Budget):		
GR Dedicated - Texas Department of Insurance Operating Fund Account No. 036	~~$ 3,103,975~~ $ 733,390	~~$ 1,046,975~~ $ 733,390

General Revenue - Insurance Companies		
Maintenance Tax and Insurance Department Fees	~~583,129~~	~~583,129~~
	~~$ 383,425~~	~~$ 383,425~~
Total, Method of Financing	~~$ 3,687,104~~	~~$ 1,630,104~~
	~~$ 1,116,815~~	~~$ 1,116,815~~

3. **Appropriation Source, Rehabilitation of Insurance Companies.** Of the amounts appropriated above, $125,000 each year of the biennium is from fees that the Department of Insurance shall collect from companies that are successfully rehabilitated by the department. Fees collected and appropriated above shall be in amounts sufficient to cover, yet not exceed, costs of rehabilitating those companies. Any such fees collected in excess of $125,000 each year of the biennium are also hereby appropriated for the biennium beginning September 1, ~~2005~~ 2007, for the sole purpose of the rehabilitation of other insurance companies pursuant to § 17(a) of Article 21.28A of the Texas Insurance Code (estimated to be $0).

4. **State Support for NAIC Activities.** The agency is prohibited from using resources in support of the National Association of Insurance Commissioners in the absence of NAIC accreditation of the ~~Texas~~ Department of Insurance for compliance with NAIC Financial Regulation Standards. The prohibition would be effective immediately upon loss of accreditation. The only exceptions to this prohibition shall be limited to expenditures necessary for (1) continued departmental use of the NAIC database for monitoring financial solvency of companies doing business in Texas; (2) solvency-related training; and (3) efforts to regain accreditation. The prohibition on using resources does not apply in the event that the Commissioner voluntarily determines not to participate in the state insurance department accreditation program.

5. **Liquidation Oversight and Title Examiner Full-Time-Equivalent Positions.** In addition to the ~~full-time-equivalent~~ "Number of Full-Time-Equivalents (FTE)" positions authorized above, an additional 32.5 ~~full-time-equivalent~~ FTE positions are authorized for each year of the ~~2006-07~~ 2008-09 biennium to support liquidation oversight and title examiner activities. These positions are excluded from the FTE cap.

6. **Appropriations Limited to Revenue Collections.** The application of special provisions limiting appropriations to revenue collections elsewhere in this Article shall be consistent with relevant statutory provisions governing the agency's assessment of tax rates and fees. As provided by the Texas Insurance Code and the Texas Labor Code, the Commissioners shall take into account unexpended funds in the preceding year when adjusting rates of assessment necessary to pay all expenses of regulating insurance and conducting the operations of the State Fire Marshal and the Office of Injured Employee Counsel during the succeeding year.

7. **Travel Cap.** Out of the funds appropriated above, expenditures for out-of-state travel by the ~~Texas~~ Department of Insurance are limited to ~~$600,551~~ $651,697 in fiscal year ~~2006~~ 2008 and ~~$600,551~~ $651,697 in fiscal year ~~2007~~ 2009. Of these amounts, ~~$483,488~~ $483,000 in fiscal year ~~2006~~ 2008 and ~~$483,488~~ $483,000 in fiscal year ~~2007~~ 2009 shall be utilized solely for out-of-state travel for the purpose of financial examinations. Notwithstanding any other provisions in this act, travel expenditures associated with federal programs and paid out of federal funds are exempt from this limiation.

8. **Limit on Estimated Appropriations.** Excluding appropriations for the TexasOnline Authority, the combined appropriation authority from the General Revenue Fund, which includes Insurance Companies Maintenance Tax (Object Code 3203)~~,~~ and Insurance Department Fees (Object Code 3215), and General Revenue Fund-Dedicated-Texas Department of Insurance Operating Fund Account No. Fund 36 shall not exceed ~~$48,252,512~~ $89,818,015 in fiscal year ~~2006~~ 2008 or ~~$48,222,616~~ $89,968,015 in fiscal year ~~2007~~ 2009.

9. **State Support for NCOIL Activities.** Funds appropriated above include funds from the General Revenue - Insurance Companies Maintenance Tax, Insurance Department Fees and General Revenue Fund-Dedicated for payment of state dues for the National Conference of Insurance Legislators.

10. **Crash Records Information System.** Included in Strategy B.1.4, Crash Records Information System, at the Department of Public Safety is $750,000 for fiscal year ~~2006~~ 2008 and

$750,000 for fiscal year ~~2007~~ 2009 from the Department of Insurance Operating Fund~~,~~ Account No. 36 for on-going maintenance of the Crash Records Information System.

11. **Increase Consumer Choice.** Out of amounts appropriated above, the ~~Texas~~ Department of Insurance shall contract with the Office of Public Insurance Counsel in the amount of $48,000 each fiscal year from the GR Dedicated-Texas Department of Insurance Operating Fund Account No. 036 to provide consumers with insurance information to make informed decisions.

12. **Consumer Information.** It is the intent of the ~~l~~Legislature that the ~~Texas~~ Department of Insurance, out of the funds appropriated above, make expenditures necessary to create or maintain a website and publish printed promotional materials that encourage insurance consumers to comparison shop by providing those consumers the information they need to be informed consumers.

~~14~~13. **Administrative Penalties.** The amounts appropriated above in ~~the Division of Workers' Compensation~~ Strategy E.2.1, Return-to-Work Education, ~~appropriation~~ include $100,000 each year from revenues collected by the ~~commission~~ Division of Workers' Compensation as administrative penalties provided that expenditure of such funds appropriated above shall be limited to such expenses as may be necessary to prosecute administrative violations under the Texas Workers' Compensation Act, including costs of conducting the Administrative Procedure Act hearings.

~~**DIVISION OF WORKERS' COMPENSATION**~~

~~**13.** **Appropriation of Certain Fees.** Revenues collected by the commission as reproduction fees, third party reimbursements, seminar fees, publication fees, and fees collected for audits, inspections, and consultations are estimated to be $1,264,106 for fiscal year 2006 and $1,271,270 for fiscal year 2007 are included in the above method of financing as Appropriated Receipts.~~

~~16~~14. **Appropriation of Unexpended Balances.** Any unexpended balances as of August 31, ~~2006~~ 2008, not to exceed 5 percent for any item of appropriation above within Goals E and F, are hereby appropriated ~~to the Division of Workers' Compensation~~ for the same purposes, in the same stratgeies, for the fiscal year beginning September 1, ~~2006~~ 2008.

~~18~~15. **Subsequent Injury Fund.** ~~The a~~Amounts appropriated above in ~~the Division of Workers' Compensation~~ Strategy F.6.1, Subsquent Injury Fund Administration, include an estimated $3,670,140 in fiscal year ~~2006~~ 2008 and $3,670,140 in fiscal year ~~2007~~ 2009 out of the GR Dedicated - Subsequent Injury Account No. 5101 for payment of liabilities pursuant to Labor Code, Chapter 403. In the event that actual liabilities exceed the estimated amounts, the Division of Workers' Compensation shall furnish information supporting the estimated additional liabilities to the Comptroller of Public Accounts. If the Comptroller finds that there are sufficient balances in the GR Dedicated - Subsequent Injury Account No. 5101 to support the payment of projected liabilities, a finding of fact to that effect shall be issued and a contingent appropriation shall be made available for the intended purposes.

~~**15.** **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that revenues as authorized and generated by the commission cover, at a minimum, the cost of general revenue appropriations made above, as well as covering "other direct and indirect costs" associated with such general revenue appropriations. "Other direct and indirect costs" associated with such general revenue appropriations are estimated to be $12,360,015 for fiscal year 2006 and $12,724,257 for fiscal year 2007. 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. The application of this provision shall be consistent with applicable statutory provisions governing the commission's assessment of tax rates and fees. When the commission sets the rate of assessment for the maintenance tax, it shall take into account a surplus or deficit produced by the tax in the preceding year and other factors as provided by § 403.003, Labor Code, Rate of Assessment.~~

16. **Contingency Appropriation: Long-term Care Insurance Partnership.** Amounts appropriated above to the Department of Insurance of $150,000 each fiscal year in General Revenue-Dedicated - Texas Department of Insurance Operating Fund Account No. 36 in

Strategy H.1.1, Contingency Long Term Care, and 3.0 Full-Time-Equivalents (FTE) positions each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" to implement licensing and regulatory requirements related to the Long-term Care Insurance Partnership are contingent upon the enactment of House/Senate Bill ___ by the Eightieth Legislature, Regular Session, 2007, or similar legislation relating to the establishment of the federally sponsored Long-term Care Insurance Partnership. Also, contingent upon the enactment of House/Senate Bill ___ by the Eightieth Legislature, Regular Session, 2007, or similar legislation relating to the establishment of the federally sponsored Long-term Care Insurance Partnership the Department of Insurance shall submit a progress report by September 1, 2008, on the status of establishing the Long-term Care Insurance Partnership, to the Legislative Budget Board and the Governor.

17. Contingency Appropriation: Cross-Border Health Plans.

(a) Contingent on passage of House/Senate Bill ____, or similar legislation allowing U.S. based insurers and HMOs to offer fully-insured cross-border group and individual health plans to U.S. and Mexican citizens and requiring the Department of Insurance to conduct an evaluation study, by the Eightieth Legislature, Regular Session, 2007, the Department of Insurance shall submit a progress report by January 1, 2009, on the status of implementing licensing and regulatory requirements related to fully-insured cross-border group and individual health plans and the status of the evaluation study, to the Legislative Budget Board and the Governor.

(b) Amounts appropriated above to the Department of Insurance of $150,000 each fiscal year in General Revenue-Dedicated Fund - Texas Department of Insurance Operating Fund Account No. 36 in Strategy H.1.2, Contingency Cross-Border Health Plans, and 2.0 Full-Time-Equivalents (FTE) positions each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" for the purpose of implementing licensing and regulatory requirements related to a fully-insured cross-border group and individual health plans, and conducting a study to evaluate effectiveness, are contingent on passage of House/Senate Bill ____, or similar legislation allowing U.S. based insurers and HMOs to offer fully-insured cross-border group and individual health plans to U.S. and Mexican citizens and requiring the Department of Insurance to conduct an evaluation study, by the Eightieth Legislature, Regular Session, 2007.

~~**17. Business Process Improvement.** Of the amounts appropriated above to the Division of Workers' Compensation, an amount not to exceed $3,560,000 for the biennium shall be used for the Business Process Improvement Project expenditures. As an exception to Rider 16: Appropriation of Unexpended Balances, the unexpended balances for the Business Process Improvement Project for the fiscal year ending August 31, 2006, not to exceed $2,808,500, are hereby appropriated to the agency for the same purposes for the fiscal year ending August 31, 2007. If the amounts for the Business Process Improvement in Rider 2, Capital Budget are reduced by other provisions in this Act, this rider shall not take effect.~~

18. Three Share Premium Assistance Programs. Amounts appropriated above to the Department of Insurance of $300,000 in fiscal year 2008 and $450,000 in fiscal year 2009 in General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees in Strategy I.1.1, Three-Share Assistance Programs, and 1.0 Full-Time-Equivalents (FTE) position each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" is for the purpose of awarding, through a competitive application process, grants to local government entities for the research, planning, and development of "three-share" premium assistance programs to increase access to private healthcare coverage for the uninsured, and providing technical assistance to grant recipients. The agency shall consider the following factors in selecting recipients of grant funds:

(a) proposals to match grant awards with local funds

(b) percentage of uninsured in the applicable area

(c) existing efforts in pursuing "three-share" premium assistance programs

(d) healthcare use and delivery factors affecting the area's healthcare infrastructure and capacity.

The agency shall develop grant application requirements, process, and award criteria and shall report that information to the Legislative Budget Board and the Governor no later than January 1, 2008. The agency shall report a summary of the grants awarded to local government entities to the Legislative Budget Board and the Governor no later than January 1, 2009.

~~**19.** **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Division of Workers' Compensation are made contingent upon the continuation of the Division of Workers' Compensation by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

~~**20.** **Out-of-State Travel Cap Exemption.** Out of the funds appropriated above, expenditures for out-of-state travel by the Division of Workers' Compensation are limited to $51,146 in fiscal year 2006 and $51,146 in fiscal year 2007. Notwithstanding any other provisions in this act, travel associated with federal programs and paid out of federal funds is exempt from this limitation.~~

OFFICE OF PUBLIC INSURANCE COUNSEL

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 996,726	$ 996,726
Interagency Contracts	48,000	48,000
Total, Method of Financing	$ 1,044,726	$ 1,044,726
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 335,433	$ 334,666
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	16.5	16.5
Schedule of Exempt Positions:		
Public Counsel, Group 3	$90,000	$90,000
Items of Appropriation:		
A. Goal: ADVOCATE FOR INSURANCE CONSUMERS		
Advocate for TX Consumers in Rate/Rule/Judicial/Legislative Hearings.		
A.1.1. Strategy: PARTICIPATE IN RATE/RULE HEARINGS	$ 957,049	$ 957,049
Participate in Rate, Rulemaking, Judicial, and Legislative Proceedings.		
B. Goal: INCREASE CONSUMER CHOICE		
Increase Consumer Choice-Educate Texas Insurance Consumers.		
B.1.1. Strategy: INSURANCE INFORMATION	$ 87,677	$ 87,677
Provide Consumers with Information to Make Informed Choices.		
Grand Total, OFFICE OF PUBLIC INSURANCE COUNSEL	$ 1,044,726	$ 1,044,726
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 815,122	$ 815,122
Other Personnel Costs	22,546	22,546
Professional Fees and Services	123,532	123,532
Consumable Supplies	8,361	8,361
Utilities	3,985	3,985
Travel	4,750	4,750
Rent - Building	157	157
Rent - Machine and Other	8,912	8,912
Other Operating Expense	53,486	53,486
Capital Expenditures	3,875	3,875
Total, Object-of-Expense Informational Listing	$ 1,044,726	$ 1,044,726

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 54,919	$ 55,742
Group Insurance	79,147	79,187
Social Security	66,936	67,940
Benefits Replacement	6,487	6,163
Subtotal, Employee Benefits	$ 207,489	$ 209,032
Debt Service		
Lease Payments	$ 83,808	$ 82,534
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 291,297	$ 291,566

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Public Insurance Counsel. 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 Public Insurance Counsel. In order to achieve the objectives and service standards established by this Act, the Office of Public Insurance Counsel shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ADVOCATE FOR INSURANCE CONSUMERS		
Outcome (Results/Impact):		
Percentage of Analyzed Rate and Rulemaking Proceedings in Which OPIC Participated	75%	75%
Percentage of Rate Filings and Rules Changed for the Benefit of Consumers as a Result of OPIC Participation	90%	90%
A.1.1. Strategy: PARTICIPATE IN RATE/RULE HEARINGS		
Output (Volume):		
Number of Rate Hearings in Which OPIC Participated	5	5
Number of Analyzed Rate Filings in Which OPIC Participated	32	32
Number of Rulemaking Proceedings in Which OPIC Participated	40	40
B. Goal: INCREASE CONSUMER CHOICE		
Outcome (Results/Impact):		
Percent of Texas Insurance Consumers Reached by OPIC Outreach Efforts	26%	26%
B.1.1. Strategy: INSURANCE INFORMATION		
Output (Volume):		
Number of Report Cards and Publications Produced and Distributed	600,000	600,000
Total Number of Public Presentations or Communications by OPIC	48	48

BOARD OF PROFESSIONAL LAND SURVEYING

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 354,556	$ 344,557
Total, Method of Financing	$ 354,556	$ 344,557
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 78,104	$ 77,967

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	4.5	4.5
Schedule of Exempt Positions:		
Executive Director, Group 1	$50,000	$50,000
Items of Appropriation:		
A. Goal: LICENSING & ENFORCEMENT		
Ensure Surveys Prepared by Qualified Licensees Meet/Exceed Standards.		
A.1.1. Strategy: LICENSING AND EDUCATION	$ 254,049	$ 244,050
Examine New Applicants & Ensure Continuing Education Requirements.		
A.1.2. Strategy: INDIRECT ADMIN-LICENSING/EDUCATION	$ 78,327	$ 78,327
Indirect Administration - Licensing and Education.		
A.1.3. Strategy: EXAMINATION	$ 8,180	$ 8,180
Purchase and Grade the National Exam. Estimated and Nontransferable.		
A.1.4. Strategy: TEXASONLINE	$ 14,000	$ 14,000
TexasOnline. Estimated and Nontransferable.		
Total, Goal A: LICENSING & ENFORCEMENT	$ 354,556	$ 344,557
Grand Total, BOARD OF PROFESSIONAL LAND SURVEYING	$ 354,556	$ 344,557
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 217,670	$ 217,670
Other Personnel Costs	15,682	15,682
Professional Fees and Services	44,440	34,440
Consumable Supplies	1,000	1,000
Utilities	2,000	2,000
Travel	10,000	10,000
Rent - Machine and Other	3,385	3,385
Other Operating Expense	60,379	60,380
Total, Object-of-Expense Informational Listing	$ 354,556	$ 344,557
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 9,906	$ 10,055
Group Insurance	28,233	28,502
Social Security	17,436	17,698
Benefits Replacement	3,611	3,430
Subtotal, Employee Benefits	$ 59,186	$ 59,685
Debt Service		
Lease Payments	$ 9,487	$ 9,382
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 68,673	$ 69,067

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Professional Land Surveying. 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 Board of Professional Land Surveying. In order to achieve the objectives and service standards established by this Act, the Board of Professional Land Surveying shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LICENSING & ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99%	99%
Percent of Documented Complaints Resolved within Six Months	95%	95%
Percent of Licensees Who Renew Online	50%	50%
A.1.1. Strategy: LICENSING AND EDUCATION		
Output (Volume):		
Number of New Licenses Issued to Individuals	70	70
Number of Licenses Renewed (Individuals)	2,986	2,986
Complaints Resolved	57	57
Efficiencies:		
Average Licensing Cost Per Individual License Issued	5.81	5.81
Median Time for Complaint Resolution (Days)	110	110
A.1.3. Strategy: EXAMINATION		
Output (Volume):		
Individuals Examined (National Exam)	121	121

~~2.~~ ~~**Contingent Revenue.**~~

~~Out of the amounts appropriated above to the Board of Professional Land Surveying in Strategy A.1.1, Licensing and Education, the amounts of $20,574 in fiscal year 2006 and $20,574 in fiscal year 2007 in General Revenue for the purposes of an exempt position salary increase ($3,000 each fiscal year) and additional operating costs ($17,574 each fiscal year), are contingent upon the Board of Professional Land Surveying assessing fees sufficient to generate, during the 2006-07 biennium, $42,932 in excess of $992,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Professional Land Surveying, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Professional Land Surveying' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

DEPARTMENT OF LICENSING AND REGULATION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 14,363,972	$ 14,363,971
Other Funds		
Appropriated Receipts	495,000	495,000
Interagency Contracts	18,634	18,634
Auctioneer Education and Recovery Trust Fund No. 898	2,000	2,000
Subtotal, Other Funds	$ 515,634	$ 515,634
Total, Method of Financing	$ 14,879,606	$ 14,879,605
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 3,562,956	$ 3,570,801
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	251.0	251.0
Schedule of Exempt Positions:		
Executive Director, Group 4	$112,500	$112,500

Items of Appropriation:
A. Goal: LICENSING
License, Certify, and Register Qualified Individuals and Businesses.

A.1.1. Strategy: LICENSE, REGISTER AND CERTIFY Issue Licenses, Registrations, & Certificates to Qualified Individuals.	$ 1,108,653	$ 1,108,653
A.1.2. Strategy: LICENSE BUSINESSES AND FACILITIES	$ 516,110	$ 516,110
A.1.3. Strategy: EXAMINATIONS Administer Exams to Applicants.	$ 223,288	$ 223,288
A.1.4. Strategy: CONTINUING EDUCATION/CUSTOMER SERV Develop Continuing Education and Provide Customer Service.	$ 896,071	$ 896,071
A.1.5. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 652,360	$ 652,360
Total, Goal A: LICENSING	$ 3,396,482	$ 3,396,482
B. Goal: ENFORCEMENT Protect the Public by Enforcing Laws Administered by the Agency.		
B.1.1. Strategy: CONDUCT INSPECTIONS Enforce Laws by Conducting Routine, Complex, and Special Inspections.	$ 5,166,238	$ 5,166,237
B.1.2. Strategy: BUILDING PLAN REVIEWS Perform Building Plan Reviews.	$ 705,159	$ 705,160
B.1.3. Strategy: RESOLVE COMPLAINTS Enforce Compliance by Settlement, Prosecution, Penalty and Sanction.	$ 1,292,452	$ 1,292,451
B.1.4. Strategy: INVESTIGATION Investigate Complaints.	$ 1,244,030	$ 1,244,030
Total, Goal B: ENFORCEMENT	$ 8,407,879	$ 8,407,878
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,561,563	$ 1,561,564
C.1.2. Strategy: INFORMATION RESOURCES	$ 1,150,415	$ 1,150,414
C.1.3. Strategy: OTHER SUPPORT SERVICES	$ 363,267	$ 363,267
Total, Goal C: INDIRECT ADMINISTRATION	$ 3,075,245	$ 3,075,245
Grand Total, DEPARTMENT OF LICENSING AND REGULATION	$ 14,879,606	$ 14,879,605
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 10,650,402	$ 10,650,402
Other Personnel Costs	401,480	401,480
Professional Fees and Services	189,682	189,682
Fuels and Lubricants	5,000	5,000
Consumable Supplies	89,500	89,500
Utilities	90,000	90,000
Travel	531,000	531,000
Rent - Machine and Other	50,403	50,403
Other Operating Expense	2,847,263	2,855,554
Capital Expenditures	24,876	16,584
Total, Object-of-Expense Informational Listing	$ 14,879,606	$ 14,879,605
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 650,376	$ 660,132
Group Insurance	1,690,126	1,714,465
Social Security	818,673	830,953
Benefits Replacement	81,730	77,644
Subtotal, Employee Benefits	$ 3,240,905	$ 3,283,194
Debt Service		
Lease Payments	$ 39,322	$ 40,556

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,280,227	$ 3,323,750

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Licensing and Regulation. 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 Licensing and Regulation. In order to achieve the objectives and service standards established by this Act, the Department of Licensing and Regulation shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LICENSING		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99.8%	99.8%
Percent of Licensees Who Renew Online	83.2%	83.2%
Percent of New Individual Licenses Issued Online	30.1%	30.1%
A.1.1. Strategy: LICENSE, REGISTER AND CERTIFY		
Output (Volume):		
Number of New Licenses Issued to Individuals	65,058	67,799
Number of Licenses Renewed (Individuals)	176,563	182,983
Efficiencies:		
Average Licensing Cost Per Individual License Issued	3.9	3.9
Explanatory:		
Total Number of Individuals Licensed	366,400	372,390
A.1.2. Strategy: LICENSE BUSINESSES AND FACILITIES		
Explanatory:		
Total Number of Business Facilities Licensed	193,500	201,339
B. Goal: ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Documented Complaints Resolved within Six Months	75%	75%
Percent of Architectural Barrier Building Plan Reviews Completed within Thirty Days	98%	98%
Inspection Coverage Rate	98%	98%
Percentage of Boilers Inspected for Certification within Appropriate Timelines	72%	74%
B.1.1. Strategy: CONDUCT INSPECTIONS		
Output (Volume):		
Total Number of Architectural Barrier Inspections Completed by Agency and Third Party Inspectors	15,750	16,000
Efficiencies:		
Average Number of Months to Complete Architectural Barrier Inspections by Agency Staff	1.85	1.85
Explanatory:		
Total Number of Inspections Completed	101,688	101,688
B.1.3. Strategy: RESOLVE COMPLAINTS		
Output (Volume):		
Number of Complaints Resolved	4,182	4,182
Efficiencies:		
Average Time for Consumer Complaint Resolution (Days)	107	107
B.1.4. Strategy: INVESTIGATION		
Explanatory:		
Number of Jurisdictional Complaints Received	6,100	6,100

2. **Capital Budget.** None of the funds appropriated 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 a "(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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
~~Out of the General Revenue Fund:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Acquisition of Information Resource Technologies~~	~~$ 92,000~~	~~$ 95,000~~
~~Total, Capital Budget~~	~~$ 92,000~~	~~$ 95,000~~

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Purchase of Information Resource Technologies - Scheduled Replacement of Items	$ 95,000	$ 95,000
Total, Capital Budget	$ 95,000	$ 95,000

3. **Appropriation: Travel Expenses and Fee Reimbursements.** Funds appropriated above include reimbursements for travel expenses and special inspection fees collected pursuant to Health and Safety Code~~,~~ § 755.030, Boilers Fees. Contingent upon certification by the Department of Licensing and Regulation and verification by the Comptroller, all fees collected in excess of $137,400 each year of the biennium (estimated to be $0) are hereby appropriated to the Texas Department of Licensing and Regulation for the same purpose.

4. **Auctioneer Education and Recovery.** Funds appropriated above in Strategy B.1.3, Resolve Complaints, include all revenue deposited to the Auctioneer Education and Recovery Fund for the purpose and in the amounts specified in Subchapter D~~,~~ § 1802.151, Occupations Code, not to exceed $2,000 in each fiscal year from the interest on the fund.

5. **Elimination of Architectural Barriers.** Out of the General Revenue appropriated above, ~~$3,831,435~~$4,095,000 for each year of the biennium, is appropriated from fees collected pursuant to Government Code, Chapter 469, Subchapter B, for the purposes of administering and enforcing the Architectural Barrier Act. Any fees collected above those annual amounts (estimated to be $0) are hereby appropriated to the Department of Licensing and Regulation for the same purpose.

6. **Elevators, Escalators, and Related Equipment.** Out of the General Revenue appropriated above, ~~$784,834~~$1,042,900 for each year of the biennium, is appropriated from fees collected pursuant to Health and Safety Code, Chapter 754, Subchapter B, for the purposes of administering and enforcing laws relating to elevators, escalators and related equipment, as set out in Chapter 754, Health and Safety Code. Any fees collected above those annual amounts (estimated to be $0) are hereby appropriated to the Department of Licensing and Regulation for the same purpose.

7. **Reciprocity Agreements.** It is the intent of the Legislature that the Department of Licensing and Regulation initiate and enter into reciprocity agreements with other states for the purpose of performing industrialized housing inspections in order to minimize the need for the agency sending state employees out of state to perform such inspections. The d~~D~~epartment may enter into contracts with out-of-state inspectors to conduct such inspections.

8. **Elimination of Architectural Barriers: Reduce Duplicate Inspections.** None of the funds appropriated by this Act shall be expended for the purpose of conducting inspections and plan reviews within the corporate boundaries of a municipality which has applied with the department to perform review and inspection functions pursuant to the Elimination of Architectural Barriers Act, Government Code, Chapter 469, Subchapter C.

9. **Architectural Barrier Standards: Exemption.** None of the funds appropriated by this Act shall be expended for the purpose of enforcing the accessibility standards under the Elimination of Architectural Barriers program, Government Code, Chapter 469, with respect to a structure or facility used primarily for religious rituals within a building or facility of a

religious organization and which is exempt from the application of Government Code, Chapter 469, Subchapter A, pursuant to § 469.003 of that article.

10. **Fee Rates.** The Department of Licensing and Regulation shall not reduce fees to generate less revenue for the 2008-09 biennium than $ (Object Codes 3146, 3147, 3160, 3161, 3163, 3164, 3175, 3366, 3727) that is included in the Comptroller's Biennial Revenue Estimate for fiscal years 2008 and 2009.

~~**10.** **Electronic Examinations.** It is the intent of the Legislature that the Department of Licensing and Regulation identify programs for which the required examinations could be offered in an electronic medium, and that the agency develop and implement electronic examinations for these programs.~~

~~**11.** **Contingent Revenue.** Out of the amounts appropriated to the Department of Licensing and Regulation in Strategy A.1.1, License, Register, and Certify, the amounts of $139,980 in fiscal year 2006 and $136,251 in fiscal year 2007, in Strategy B.1.1, Conduct Inspections, the amounts of $188,940 in fiscal year 2006 and $177,855 in fiscal year 2007, in Strategy B.1.3, Resolve Complaints, the amounts of $313,268 in fiscal year 2006 and $277,868 in fiscal year 2007, in Strategy B.1.4, Investigation, the amounts of $151,368 in fiscal year 2006 and $133,668 in fiscal year 2007, and in Strategy C.1.1, Central Administration, the amounts of $36,500 in fiscal year 2006 and $36,500 in fiscal year 2007, in General Revenue for the purposes of enforcement ($188,940 in fiscal year 2006 and $177,855 in fiscal year 2007), licensing ($139,980 in fiscal year 2006 and $136,251 in fiscal year 2007), resolving complaints ($313,268 in fiscal year 2006 and $277,868 in fiscal year 2007), an exempt position salary increase ($36,500 each year), and investigations ($151,368 in fiscal year 2006 and $133,668 in fiscal year 2007), are contingent upon the Department of Licensing and Regulation assessing fees sufficient to generate, during the 2006-07 biennium, $1,954,401 in excess of $14,592,000 (Object Codes 3146, 3147, and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Department of Licensing and Regulation, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Department of Licensing and Regulation's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

~~**12.** **Memorandum of Understanding.** It is the intent of the Legislature that the Department of Licensing and Regulation Commission, the Board of Barber Examiners, and the Cosmetology Commission shall enter into a memorandum of understanding to specify the manner in which the Department of Licensing and Regulation Commission shall manage the operations and activities of the Board of Barber Examiners and the Cosmetology Commission.~~

~~**13.** **Sunset Contingency: Cosmetology Commission.** Funds appropriated above for fiscal year 2007 for the Cosmetology Commission in Goal D: Cosmetology Regulation, are made contingent on the continuation of the Cosmetology Commission by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

~~**14.** **Sunset Contingency: Board of Barber Examiners.** Funds appropriated above for fiscal year 2007 for the Board of Barber Examiners in Goal E: Barbers Examine and Goal F: Barbers Enforcement, are made contingent on the continuation of the Board of Barber Examiners by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

~~**15.** **Board of Barber Examiners Fee Rates.** The Board of Barber Examiners shall not reduce fees to generate less revenue for the 2006-07 biennium than $2,056,000 (Object Code 3175) that is included in the Comptroller's Biennial Revenue Estimate for fiscal years 2006 and 2007.~~

~~**16.** **Cosmetology Commission School Inspections.** Cosmetology Commission schools, with the exception of schools in districts without a designated inspector, shall be inspected by an~~

~~inspector assigned to that district. Schools located in districts without a designated inspector may be inspected by the Director of Enforcement.~~

~~17.~~ ~~**Cosmetology Commission Fee Rates.** To provide for the recovery of costs for the preceding appropriations, the following fee rates shall not be less than:~~

~~a. License and Renewal Fees:~~

~~(1) Individual Licenses~~	~~$53.00~~
~~(2) Instructor Licenses~~	~~$70.00~~
~~(3) Salon Licenses~~	~~$65.00~~
~~(4) Independent Contractor~~	~~$65.00~~

~~b. Duplicate License Fees:~~

~~(1) All Licenses~~	~~$53.00~~

~~18.~~ ~~**Overnight Travel.** It is the intent of the Legislature that the Cosmetology Commission shall maintain written overnight travel policies and procedures.~~

~~19.~~ ~~**Limitation on Out-of-State Travel.** None of the funds appropriated above for the Cosmetology Commission and Cosmetology regulation may be used for expenditures or reimbursements of expenditures for out-of-state travel, except for no more than one Cosmetology Commission member per trip.~~

TEXAS MEDICAL BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 5,705,109	$ 5,704,066
GR Dedicated - Public Assurance Account No. 5105	2,548,920	2,555,832
Appropriated Receipts	80,423	80,423
Total, Method of Financing	$ 8,334,452	$ 8,340,321
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 2,113,877	$ 2,115,724
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	133.0	133.0
Schedule of Exempt Positions:		
Executive Director, Group 4	$100,000	$100,000
Salary Supplement	12,000	12,000
Items of Appropriation:		
A. Goal: LICENSURE		
Protect the Public through Licensure of Qualified Practitioners.		
A.1.1. Strategy: LICENSING Conduct a Timely, Efficient, Cost-effective Licensure Process.	$ 1,361,731	$ 1,355,244
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 316,841	$ 316,841
Total, Goal A: LICENSURE	$ 1,678,572	$ 1,672,085
B. Goal: ENFORCE ACTS		
Protect the Public with Investigations, Discipline and Education.		

B.1.1. Strategy: ENFORCEMENT Conduct Competent, Fair, Timely Investigations and Monitor Results.	$ 5,129,072	$ 5,147,112
B.2.1. Strategy: PUBLIC EDUCATION Provide Programs to Educate the Public and Licensees.	$ 334,308	$ 331,805
Total, Goal B: ENFORCE ACTS	$ 5,463,380	$ 5,478,917
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMIN Indirect Administration - Licensing.	$ 495,657	$ 493,024
C.1.2. Strategy: INDIRECT ADMIN Indirect Administration - Enforcement.	$ 696,843	$ 696,295
Total, Goal C: INDIRECT ADMINISTRATION	$ 1,192,500	$ 1,189,319
Grand Total, TEXAS MEDICAL BOARD	$ 8,334,452	$ 8,340,321
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 5,648,060	$ 5,648,060
Other Personnel Costs	172,680	186,780
Professional Fees and Services	1,260,857	1,265,652
Fuels and Lubricants	7,000	7,000
Consumable Supplies	53,500	53,500
Utilities	40,940	40,940
Travel	174,006	179,250
Rent - Building	8,030	8,030
Rent - Machine and Other	15,479	15,479
Other Operating Expense	845,900	904,630
Capital Expenditures	108,000	31,000
Total, Object-of-Expense Informational Listing	$ 8,334,452	$ 8,340,321
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 352,302	$ 357,587
Group Insurance	860,326	870,641
Social Security	433,449	439,950
Benefits Replacement	36,957	35,109
Subtotal, Employee Benefits	$ 1,683,034	$ 1,703,287
Debt Service		
Lease Payments	$ 248,884	$ 245,103
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,931,918	$ 1,948,390

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Medical 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 Texas Medical Board. In order to achieve the objectives and service standards established by this Act, the Texas Medical Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LICENSURE		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations (Physician)	99%	99%
Percent of Licensees Who Renew Online (Physicians)	90%	90%
Percent of Licensees Who Renew Online (Physician Assistant)	88%	90%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals (Physicians)	6,418	5,477

Number of New Licenses Issued to Individuals (Acupuncture)	86	86
Number of New Licenses Issued to Individuals (Physician Assistant)	368	368
Number of New Licenses Issued to Individuals (Surgical Assistant)	10	10
Number of Licenses Renewed (Individuals) (Physicians)	29,046	29,283
Number of Licenses Renewed (Individuals) (Acupuncture)	826	857
Number of Licenses Renewed (Individuals) (Physician Assistant)	3,958	4,036
Number of Licenses Renewed (Individuals) (Surgical Assistant)	128	128
Efficiencies:		
Average Licensing Cost Per Individual License Issued (Physician)	32.66	32.1
Average Licensing Cost Per Individual License Issued (Acupuncture)	32.66	32.1
Average Licensing Cost Per Individual License Issued (Physician Assistant)	32.66	32.1
Average Licensing Cost Per Individual License Issued (Surgical Assistant)	32.66	32.1
Average Licensing Cost Per Facility License Issued	32.66	32.1
Average Number of Days for Individual License Issuance (Physicians)	180	180
B. Goal: ENFORCE ACTS		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action (Physician)	18%	18%
Percent of Complaints Resulting in Disciplinary Action (Acupuncture)	18%	18%
Percent of Complaints Resulting in Disciplinary Action (Physician Assistant)	18%	18%
Percent of Complaints Resulting in Disciplinary Action (Surgical Assistant)	18%	18%
B.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved (Physicians)	1,750	1,750
Number of Complaints Resolved (Acupuncture)	6	6
Number of Complaints Resolved (Physician Assistant)	50	50
Number of Complaints Resolved (Surgical Assistant)	3	3
Efficiencies:		
Average Time for Complaint Resolution (Physician) (Days)	250	250
Explanatory:		
Number of Jurisdictional Complaints Received (Physicians)	1,950	1,950
Number of Jurisdictional Complaints Received (Acupuncture)	6	6
Number of Jurisdictional Complaints Received (Physician Assistant)	50	50
Number of Jurisdictional Complaints Received (Surgical Assistant)	3	3

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 a "(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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
~~Out of the General Revenue Fund:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Replace Computer Hardware-Desktops and Laptops~~	~~$ 55,650~~	~~$ 55,650~~

~~(2) Replace Network Hardware-Network Printers and Servers~~	~~73,500~~	~~33,500~~
~~(3) Replacement of Computer Software~~	~~$ 36,000~~	~~$ 0~~
~~Total, Acquisition of Information Resource Technologies~~	~~$ 165,150~~	~~$ 89,150~~
~~Total, Capital Budget~~	~~$ 165,150~~	~~$ 89,150~~

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Replace Computer Hardware-Desktops and Laptops	$ 52,000	$ 52,000
(2) Replace Network Hardware-Network Printers and Servers	53,000	31,000
(3) Replacement of Computer Software	$ 45,000	$ 0
Total, Acquisition of Information Resource Technologies	$ 150,000	$ 83,000
Total, Capital Budget	$ 150,000	$ 83,000

3. **Salary Supplementation.** In addition to the amount specified in the schedule of exempt positions for the salary of the executive director, the ~~State Board of Medical Examiners~~Texas Medical Board may approve a salary supplement not to exceed $12,000 annually if the executive director is a medical doctor and an attorney.

4. **Executive Director Salary.** If the Executive Director is not a physician, the amount listed in the Schedule of Exempt Positions shall be $68,173 for fiscal year 200~~6~~8 and $68,173 for fiscal year 200~~7~~9. The exempt position shall also be listed as "Group 2."

~~6~~5. **Rural Physician Assistant Loan Reimbursement.** Out of the amounts appropriated above to the ~~Board of Medical Examiners~~Texas Medical Board in Strategy B.2.1, Public Education, and in accordance with § 204.104, Occupations Code, the Physician Assistant Board shall authorize and the ~~Board of Medical Examiners~~Texas Medical Board shall transfer annually to the Office of Rural Community Affairs $112,000 in General Revenue each year for the Rural Physician Assistant Loan Reimbursement program.

~~**5. Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Texas Board of Medical Examiners are made contingent on the continuation of the Texas Board of Medical Examiners by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary to be used to provide for the phase out of the agency operations.~~

BOARD OF NURSE EXAMINERS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 6,040,818	$ 6,040,818
Appropriated Receipts	823,100	823,100
Total, Method of Financing	$ 6,863,918	$ 6,863,918
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 1,331,378	$ 1,330,649

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	81.7	81.7
Schedule of Exempt Positions:		
Executive Director, Group 2	$83,784	$83,784
Items of Appropriation:		
A. Goal: LICENSING		
Accredit, Examine, and License Nurse Education and Practice.		
A.1.1. Strategy: LICENSING Operate Efficient System of Nursing Credential Verification.	$ 1,768,185	$ 1,768,185
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 325,000	$ 325,000
A.2.1. Strategy: ACCREDITATION Accredit Programs That Include Essential Competencies Curricula.	$ 377,624	$ 377,624
Total, Goal A: LICENSING	$ 2,470,809	$ 2,470,809
B. Goal: PROTECT PUBLIC		
Protect Public and Enforce Nursing Practice Act.		
B.1.1. Strategy: ADJUDICATE VIOLATIONS Administer System of Enforcement and Adjudication.	$ 2,781,444	$ 2,781,444
B.1.2. Strategy: PEER ASSISTANCE Identify, Refer and Assist Those Nurses Whose Practice Is Impaired.	$ 625,000	$ 625,000
Total, Goal B: PROTECT PUBLIC	$ 3,406,444	$ 3,406,444
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMIN - LICENSING Indirect Administration for Licensing Programs.	$ 590,060	$ 590,060
C.1.2. Strategy: INDIRECT ADMIN - ENFORCEMENT Indirect Administration for Enforcement and Adjudication Programs.	$ 396,605	$ 396,605
Total, Goal C: INDIRECT ADMINISTRATION	$ 986,665	$ 986,665
Grand Total, BOARD OF NURSE EXAMINERS	$ 6,863,918	$ 6,863,918
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,211,733	$ 3,211,733
Other Personnel Costs	75,888	75,888
Professional Fees and Services	18,100	18,100
Consumable Supplies	64,799	64,799
Utilities	500	500
Travel	79,000	79,000
Rent - Building	7,000	7,000
Rent - Machine and Other	15,050	15,050
Other Operating Expense	3,361,848	3,361,848
Capital Expenditures	30,000	30,000
Total, Object-of-Expense Informational Listing	$ 6,863,918	$ 6,863,918
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 206,289	$ 209,384
Group Insurance	446,516	450,921
Social Security	251,007	254,772
Benefits Replacement	15,645	14,863
Subtotal, Employee Benefits	$ 919,457	$ 929,940

Debt Service		
Lease Payments	$ 203,619	$ 200,526
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,123,076	$ 1,130,466

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Nurse Examiners. 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 Board of Nurse Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Nurse Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LICENSING		
Outcome (Results/Impact):		
Percentage of Licensees with No Recent Violations (RN)	97.5%	97.5%
Percent of Licensees Who Renew Online (RN)	91.5%	91.5%
Percent of New Individual Licenses Issued Online (RN)	50%	50%
Percentage of Licensees with No Recent Violations (LVN)	96%	96%
Percent of Licensees Who Renew Online (LVN)	80%	80%
Percent of New Individual Licenses Issued Online (LVN)	35%	35%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals (RN)	12,419	12,419
Number of Individual Licenses Renewed (RN)	89,115	89,115
Number of New Licenses Issued to Individuals (LVN)	6,016	6,016
Number of Individual Licenses Renewed (LVN)	36,690	36,690
Efficiencies:		
Average Licensing Cost Per Individual License Issued (RN)	1.8	1.8
A.2.1. Strategy: ACCREDITATION		
Output (Volume):		
Total Number of Programs Licensed (LVN)	120	120
B. Goal: PROTECT PUBLIC		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action (RN)	38%	38%
Percent of Complaints Resulting in Disciplinary Action (LVN)	42%	42%
B.1.1. Strategy: ADJUDICATE VIOLATIONS		
Output (Volume):		
Number of Complaints Resolved (RN)	3,625	3,625
Number of Complaints Resolved (LVN)	2,404	2,404
Efficiencies:		
Average Time for Complaint Resolution (Days) (RN)	131.3	131.3
Explanatory:		
Number of Jurisdictional Complaints Received (RN)	4,500	4,500
Number of Jurisdictional Complaints Received (LVN)	2,500	2,500
B.1.2. Strategy: PEER ASSISTANCE		
Output (Volume):		
Number of Licensed Individuals Participating in a Peer Assistance Program (RN)	550	550
Number of Licensed Individuals Participating in a Peer Assistance Program (LVN)	225	225

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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	~~2006~~ 2008	~~2007~~2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) ~~Acquisition~~Purchase of Information Resource Technologies	$ 30,000	$ 30,000
Total, Capital Budget	$ 30,000	$ 30,000

3. ~~**Contingent Revenue.** Out of the amounts appropriated above to the Board of Nurse Examiners in Strategy A.1.1, Licensing, the amounts of $55,571 in fiscal year 2006 and $55,571 in fiscal year 2007, in Strategy A.1.3, Indirect Administration, the amounts of $92,784 in fiscal year 2006 and $92,784 in fiscal year 2007, in Strategy A.2.1, Accreditation, the amounts of $17,306 in fiscal year 2006 and $17,306 in fiscal year 2007, in Strategy B.1.1, Adjudicate Violations, the amounts of $1,645,777 in fiscal year 2006 and $1,645,777 in fiscal year 2007, and in Strategy B.1.3, Peer Assistance, the amounts of $121,250 in fiscal year 2006 and $121,250 in fiscal year 2007 in General Revenue for the purposes of funding initial Licensed Vocational Nurse criminal background checks ($383,760 each fiscal year), renewal licensure criminal background checks ($1,205,787 each fiscal year), agency operations ($200,107 each fiscal year), the peer assistance program ($121,250 each fiscal year), and an exempt position salary increase ($21,784 each fiscal year) are contingent upon the Board of Nurse Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $4,108,375 in excess of $16,389,578 (Object Codes 3560 and 3570), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 5.0 FTEs in each fiscal year contingent upon the Board of Nurse Examiners generating the amount of revenue indicated above. The Board of Nurse Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Nurse Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

4. **Appropriation: Criminal Record Check Receipts.** Funds appropriated above include receipts collected pursuant to Texas Occupations Code, Sections 301.1615, 301.2511, and 301.3011 for the purpose of obtaining criminal history record information. Contingent upon certification by the Board of Nurse Examiners and verification by the Comptroller of Public Accounts, all fees collected in excess of ~~$1,643,550~~ $1,053,000 each year of the biennium are hereby appropriated to the Board of Nurse Examiners. These funds shall be used for the sole purpose of acquiring criminal record checks from the Department of Public Safety, Federal Bureau of Investigation, or other law enforcement agency.

5. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Board of Nurse Examiners are made contingent on the continuation of the Board of Nurse Examiners by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof as may be necessary are to be used to provide for the phase out of the agency operations.

OPTOMETRY BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 367,090	$ 367,090
Other Funds		
Appropriated Receipts	13,574	13,575
Interagency Contracts	23,824	23,824
Subtotal, Other Funds	$ 37,398	$ 37,399
Total, Method of Financing	$ 404,488	$ 404,489
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 122,365	$ 122,174
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	6.5	6.5
Schedule of Exempt Positions:		
Executive Director, Group 1	$65,000	$65,000
Items of Appropriation:		
A. Goal: LICENSURE AND ENFORCEMENT		
Manage Quality Program of Examination and Licensure, Enforce Statutes.		
A.1.1. Strategy: LICENSURE AND ENFORCEMENT Operate an Efficient & Comprehensive Licensure & Enforcement System.	$ 287,124	$ 287,125
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 16,400	$ 16,400
A.1.3. Strategy: INDIRECT ADMINISTRATION	$ 100,964	$ 100,964
Total, Goal A: LICENSURE AND ENFORCEMENT	$ 404,488	$ 404,489
Grand Total, OPTOMETRY BOARD	$ 404,488	$ 404,489
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 267,647	$ 267,647
Other Personnel Costs	10,000	10,000
Professional Fees and Services	50,460	50,460
Consumable Supplies	3,781	3,781
Utilities	1,125	1,125
Travel	21,880	21,880
Rent - Building	30	30
Rent - Machine and Other	2,075	2,075
Other Operating Expense	47,490	47,491
Total, Object-of-Expense Informational Listing	$ 404,488	$ 404,489
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 14,968	$ 15,193
Group Insurance	41,409	42,021
Social Security	20,208	20,511
Benefits Replacement	1,725	1,639
Subtotal, Employee Benefits	$ 78,310	$ 79,364
Debt Service		
Lease Payments	$ 22,275	$ 21,936
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 100,585	$ 101,300

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Optometry 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 Optometry Board. In order to achieve the objectives and service standards established by this Act, the Optometry Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LICENSURE AND ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	98%	98%
Percent of Licensees Who Renew Online	85%	85%
A.1.1. Strategy: LICENSURE AND ENFORCEMENT		
Output (Volume):		
Number of New Licenses Issued to Individuals	165	165
Number of Licenses Renewed (Individuals)	3,519	3,589
Number of Complaints Resolved	145	145
Number of Investigations Conducted	60	60
Efficiencies:		
Average Time for Complaint Resolution (Days)	70	70

~~3~~**2.** **Investigative Expenses Authorized.** The Texas Optometry Board is authorized to hire investigators as independent contractors and to establish a petty cash account not to exceed $5,000 for the advancement of monies for purposes of purchases of evidence and investigative expenses, including travel, deemed necessary by the Board.

~~2. **Contingent Revenue.** Out of the amounts appropriated above to the Optometry Board in Strategy A.1.1, Licensure and Enforcement, the amounts of $10,892 in fiscal year 2006 and $8,560 in fiscal year 2007, and in Strategy A.1.3, Indirect Administration, the amounts of $1,500 in fiscal year 2006 and $1,500 in fiscal year 2007 in General Revenue for the purposes of providing investigator travel ($1,640 per year), an exempt position salary increase ($5,000 per year), and acquiring information technology ($5,752 in fiscal year 2006 and $3,420 in fiscal year 2007) are contingent upon the Optometry Board assessing fees sufficient to generate, during the 2006-07 biennium, $25,426 in excess of $1,290,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Optometry Board, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Optometry Board's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

~~4. **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Texas Optometry Board are made contingent on the continuation of the Texas Optometry Board by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

STRUCTURAL PEST CONTROL BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,316,397	$ 1,316,398
Federal Funds	150,000	150,000
Appropriated Receipts	600	600
Total, Method of Financing	$ 1,466,997	$ 1,466,998
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 514,975	$ 514,655

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	31.0	31.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$67,200	$67,200
Items of Appropriation:		
A. Goal: LICENSE AND EDUCATE		
Appropriately License Applicators; Encourage Competence with Education.		
A.1.1. Strategy: LICENSING AND EXAMINATIONS	$ 294,680	$ 294,680
Examine & License Applicators & Technicians; Set Training Course Stds.		
A.1.2. Strategy: TEXASONLINE	$ 103,150	$ 103,150
TexasOnline. Estimated and Nontransferable.		
Total, Goal A: LICENSE AND EDUCATE	$ 397,830	$ 397,830
B. Goal: REGULATE PEST SERVICES		
Mandate Compliance with Regulations and Methods of Providing Services.		
B.1.1. Strategy: REGULATORY ACTIVITIES	$ 734,226	$ 734,226
Respond to Complaints, Perform Inspections & Take Enforcement Actions.		
C. Goal: EDUCATION AND AWARENESS		
Provide for Public Education and Awareness of Pest Control Matters.		
C.1.1. Strategy: PUBLIC AWARENESS EFFORTS	$ 48,894	$ 48,894
Conduct a Public Awareness/Education Program about Pest Management.		
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 141,003	$ 141,003
Indirect Administration - Licensing.		
D.1.2. Strategy: INDIRECT ADMINISTRATION	$ 145,044	$ 145,045
Indirect Administration - Enforcement.		
Total, Goal D: INDIRECT ADMINISTRATION	$ 286,047	$ 286,048
Grand Total, STRUCTURAL PEST CONTROL BOARD	$ 1,466,997	$ 1,466,998
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,102,260	$ 1,102,260
Other Personnel Costs	28,383	28,383
Consumable Supplies	11,922	11,923
Utilities	8,837	8,837
Travel	101,911	101,911
Rent - Building	1,110	1,110
Rent - Machine and Other	6,095	6,095
Other Operating Expense	197,479	197,479
Grants	9,000	9,000
Total, Object-of-Expense Informational Listing	$ 1,466,997	$ 1,466,998
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 66,835	$ 67,837
Group Insurance	247,785	252,642
Social Security	88,653	89,983
Benefits Replacement	7,358	6,990
Subtotal, Employee Benefits	$ 410,631	$ 417,452
Debt Service		
Lease Payments	$ 64,683	$ 63,700

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 475,314	$ 481,152

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Structural Pest Control 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 Structural Pest Control Board. In order to achieve the objectives and service standards established by this Act, the Structural Pest Control Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LICENSE AND EDUCATE		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	95%	95%
Percent of Licensees Who Renew Online	22%	22%
Percent of New Individual Licenses Issued Online	10%	10%
A.1.1. Strategy: LICENSING AND EXAMINATIONS		
Output (Volume):		
Number of New Licenses Issued to Individuals	6,038	6,038
Number of Licenses Renewed (Individuals)	14,258	14,258
Efficiencies:		
Average Licensing Cost per Individual License Issued	10	10
B. Goal: REGULATE PEST SERVICES		
Outcome (Results/Impact):		
Percent of Complaints Resolved Within Six Months	75%	75%
B.1.1. Strategy: REGULATORY ACTIVITIES		
Output (Volume):		
Number of Complaints Resolved	805	805
Number of Inspections Performed	1,900	1,900
Efficiencies:		
Average Time for Complaint Resolution (Days)	88	88
C. Goal: EDUCATION AND AWARENESS		
Outcome (Results/Impact):		
Percent of Independent School Districts Reviewed Regarding Integrated Pest Management	20%	20%
C.1.1. Strategy: PUBLIC AWARENESS EFFORTS		
Output (Volume):		
Number of School Inspections Performed	200	200

2. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Structural Pest Control Board are made contingent on the continuation of the Structural Pest Control Board by the Eighteenth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof may be necessary to be used to provide for the phase out of the agency operations.

~~2. **Use of Temporary and Contract Workers.** None of the amounts appropriated above to the Structural Pest Control Board may be expended for temporary staffing service contracts.~~

~~3. **Field Investigators.** It is the intent of the legislature that the Structural Pest Control Board, whenever possible, hire qualified job candidates from the region where the vacancy exists.~~

~~4. **Contingency Appropriation: Mileage Reimbursement.** Out of the amounts appropriated above to the Structural Pest Control Board in Strategy B.1.1, Regulatory Activities, an amount not to exceed $8,000 in fiscal year 2006 and $8,000 in fiscal year 2007 in General Revenue for the purpose of mileage reimbursement, is contingent upon the maximum mileage reimbursement rate authorized elsewhere in this act, in Article IX, Section 5.04, Transportation Expenses, exceeding 35 cents per mile, and the Structural Pest Control Board assessing fees sufficient to generate, during the 2006-07 biennium, $16,000 in excess of $4,038,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Structural Pest Control Board, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Structural Pest Control Board's minutes and other information, including eligible mileage reimbursement information, supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure and mileage reimbursement needs, to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support~~

~~the projection of increased revenues and mileage reimbursement, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.~~

~~5.~~ ~~**Contingent Revenue.** Out of the amounts appropriated above to the Structural Pest Control Board in Strategy B.1.1, Regulatory Activities, the amounts of $4,200 in fiscal year 2006 and $4,200 and in fiscal year 2007 in General Revenue for the purposes of an exempt position salary increase, are contingent upon the Structural Pest Control Board assessing fees sufficient to generate, during the 2006-07 biennium, $10,898 in excess of: (1) $4,038,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, and (2) the $16,000 required to be raised in Rider 4. The Structural Pest Control Board, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Structural Pest Control Board's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

BOARD OF PHARMACY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 3,645,803	$ 3,682,438
Appropriated Receipts	7,730	7,730
Total, Method of Financing	$ 3,653,533	$ 3,690,168
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 991,635	$ 991,488
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	57.0	57.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$77,500	$77,500
Items of Appropriation:		
A. Goal: MAINTAIN STANDARDS		
Establish and Maintain Standards for Pharmacy Education and Practice.		
A.1.1. Strategy: LICENSING Operate an Application and Renewal Licensure System.	$ 516,387	$ 534,502
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 209,480	$ 212,610
Total, Goal A: MAINTAIN STANDARDS	$ 725,867	$ 747,112
B. Goal: ENFORCE REGULATIONS		
Protect Public Health by Enforcing All Laws Relating to Practice.		
B.1.1. Strategy: ENFORCEMENT Operate System of Inspection Assistance Education.	$ 2,154,618	$ 2,153,414
B.1.2. Strategy: PEER ASSISTANCE Provide a Peer Assistance Program for Licensed Individuals.	$ 146,825	$ 146,825
Total, Goal B: ENFORCE REGULATIONS	$ 2,301,443	$ 2,300,239

C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: LICENSING - INDIRECT ADMINISTRATION	$ 106,456	$ 109,278
C.1.2. Strategy: ENFORCEMENT-INDIRECT ADMINISTRATION	$ 519,767	$ 533,539
Total, Goal C: INDIRECT ADMINISTRATION	$ 626,223	$ 642,817
Grand Total, BOARD OF PHARMACY	$ 3,653,533	$ 3,690,168
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,595,241	$ 2,595,241
Other Personnel Costs	86,415	111,340
Professional Fees and Services	254,962	254,473
Fuels and Lubricants	23,630	23,630
Consumable Supplies	24,942	24,942
Utilities	7,074	7,074
Travel	140,204	140,204
Rent - Building	2,566	2,566
Rent - Machine and Other	10,359	10,359
Other Operating Expense	508,140	520,339
Total, Object-of-Expense Informational Listing	$ 3,653,533	$ 3,690,168
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 164,925	$ 167,398
Group Insurance	387,673	392,069
Social Security	206,988	210,093
Benefits Replacement	19,399	18,429
Subtotal, Employee Benefits	$ 778,985	$ 787,989
Debt Service		
Lease Payments	$ 118,317	$ 116,520
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 897,302	$ 904,509

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Pharmacy. 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 Board of Pharmacy. In order to achieve the objectives and service standards established by this Act, the Board of Pharmacy shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: MAINTAIN STANDARDS		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	95%	95%
Percent of Licensees Who Renew Online	84.58%	84.58%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals	1,091	1,091
Number of Licenses Renewed (Individuals)	11,696	12,434
Efficiencies:		
Average Licensing Cost per Individual License Issued	11.89	11.89
Average Licensing Cost per Facility License Issued	41.09	41.09
Explanatory:		
Total Number of Business Facilities Licensed	6,292	6,354
B. Goal: ENFORCE REGULATIONS		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action	15%	15%
B.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved	3,338	3,338
Efficiencies:		
Average Time for Complaint Resolution (Days)	208	208

Explanatory:		
Number of Jurisdictional Complaints Received	3,500	3,500
B.1.2. Strategy: PEER ASSISTANCE		
Output (Volume):		
Number of Individuals Participating in a Peer Assistance Program	150	150

2. ~~**Contingent Revenue:**~~ **Capital Budget** ~~**Items.**~~ ~~Out of the amounts appropriated above to the Board of Pharmacy in Strategy A.1.1, Licensing, the amounts of $7,500 in fiscal year 2006 and $7,500 in fiscal year 2007, and in Strategy B.1.1, Enforcement, the amounts of $101,592 in fiscal year 2006 and $120,984 in fiscal year 2007 in General Revenue for the purposes of purchasing six enforcement vehicles ($33,000 in fiscal year 2006 and $66,000 in fiscal year 2007), an exempt position salary increase ($7,500 per year), and acquiring information technology ($68,592 in fiscal year 2006 and $54,984 in fiscal year 2007) are contingent upon the Board of Pharmacy assessing fees sufficient to generate, during the 2006-07 biennium, $242,037 in excess of $8,272,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Pharmacy, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Pharmacy's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

~~The Board of Pharmacy may expend appropriations for capital budget items listed below, contingent upon the Board of Pharmacy meeting the above revenue target.~~ None of the funds appropriated 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 a "(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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	~~2006~~	~~2007~~
~~Out of the General Revenue Fund:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Replacement and Acquisition of New Computer Hardware~~	~~$ 68,592~~	~~$ 54,984~~
~~b. Transportation Items~~		
~~(1) Purchase of New Vehicles (6)~~	~~$ 33,000~~	~~$ 66,000~~
~~Total, Capital Budget~~	~~$ 101,592~~	~~$ 120,984~~

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Purchase of Computer Hardware - Scheduled Replacement of Items	$ 29,450	$ 40,700
Total, Capital Budget	$ 29,450	$ 40,700

~~**3.**~~ ~~**Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Board of Pharmacy are made contingent on the continuation of the Board of Pharmacy by the Seventy-~~

~~ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 926,967	$ 926,966
Appropriated Receipts	60,000	60,000
Total, Method of Financing	$ 986,967	$ 986,966
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 320,788	$ 320,495
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 1	$55,198	$55,198
Items of Appropriation:		
A. Goal: LICENSING AND REGISTRATION		
License Physical and Occupational Therapists and Register Facilities.		
A.1.1. Strategy: OPERATE LICENSING SYSTEM	$ 534,544	$ 534,544
Issue and Renew Licenses and Register Facilities.		
A.1.2. Strategy: TEXASONLINE	$ 124,675	$ 124,675
TexasOnline. Estimated and Nontransferable.		
Total, Goal A: LICENSING AND REGISTRATION	$ 659,219	$ 659,219
B. Goal: ENFORCEMENT		
Promote Compliance and Enforce PT and OT Practice Acts and Rules.		
B.1.1. Strategy: ADMINISTER ENFORCEMENT	$ 284,624	$ 284,624
Enforce the Physical Therapy and Occupational Therapy Practice Acts.		
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: LICENSING INDIRECT ADMINISTRATION	$ 25,873	$ 25,874
C.1.2. Strategy: ENFORCEMENT INDIRECT ADMINISTRATION	$ 17,251	$ 17,249
Total, Goal C: INDIRECT ADMINISTRATION	$ 43,124	$ 43,123
Grand Total, EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS	$ 986,967	$ 986,966
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 712,021	$ 712,021
Other Personnel Costs	26,854	26,854
Professional Fees and Services	10,500	10,500
Consumable Supplies	13,960	13,960
Utilities	10,100	10,100
Travel	36,083	36,082
Rent - Building	300	300

Other Operating Expense	177,149	177,149
Total, Object-of-Expense Informational Listing	$ 986,967	$ 986,966
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 48,825	$ 49,557
Group Insurance	119,796	120,512
Social Security	55,081	55,907
Benefits Replacement	5,561	5,283
Subtotal, Employee Benefits	$ 229,263	$ 231,259
Debt Service		
Lease Payments	$ 51,287	$ 50,506
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 280,550	$ 281,765

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Executive Council of Physical Therapy & Occupational Therapy Examiners. 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 Executive Council of Physical Therapy & Occupational Therapy Examiners. In order to achieve the objectives and service standards established by this Act, the Executive Council of Physical Therapy & Occupational Therapy Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LICENSING AND REGISTRATION		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations: Physical Therapy	99%	99%
Percent of Licensees with No Recent Violations: Occupational Therapy	100%	100%
Percent of Licensees Who Renew Online	91%	91%
Percent of New Individual Licenses Issued Online	77%	77%
A.1.1. Strategy: OPERATE LICENSING SYSTEM		
Output (Volume):		
Number of New Licenses Issued to Individuals: Physical Therapy	975	985
Number of New Licenses Issued to Individuals: Occupational Therapy	580	585
Number of Licenses Renewed (Individuals): Physical Therapy	6,390	6,520
Number of Licenses Renewed (Individuals): Occupational Therapy	3,900	3,950
Explanatory:		
Total Number of Business Facilities Registered	2,920	2,930
B. Goal: ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action: Physical Therapy	25%	25%
Percent of Complaints Resulting in Disciplinary Action: Occupational Therapy	25%	25%
B.1.1. Strategy: ADMINISTER ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved: Physical Therapy	225	225
Number of Complaints Resolved: Occupational Therapy	70	70
Efficiencies:		
Average Time for Complaint Resolution: Physical Therapy (Days)	105	105
Average Time for Complaint Resolution: Occupational Therapy (Days)	122	122
Explanatory:		
Number of Jurisdictional Complaints Received: Physical Therapy	225	225
Number of Jurisdictional Complaints Received: Occupational Therapy	70	70

~~**2.**~~ ~~**Contingent Revenue.** Out of the amounts appropriated above to the Executive Council of Physical Therapy and Occupational Therapy Examiners in Strategy A.1.1, Operate Licensing System, the amounts of $2,000 in fiscal year 2006 and $2,000 in fiscal year 2007, and in Strategy B.1.1, Administer Enforcement, the amounts of $2,000 in fiscal year 2006 and $2,000 in fiscal year 2007 in General Revenue for the purpose of an exempt position salary increase ($4,000 per year) are contingent upon the Executive Council of Physical Therapy and Occupational Therapy Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $10,379 in excess of $5,420,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Executive Council of Physical Therapy and Occupational Therapy Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Executive Council of Physical Therapy and Occupational Therapy Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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 purpose.~~

BOARD OF PLUMBING EXAMINERS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,757,056	$ 1,757,056
Appropriated Receipts	30,000	30,000
Total, Method of Financing	$ 1,787,056	$ 1,787,056
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 386,005	$ 386,618
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	23.0	23.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$70,000	$70,000
Items of Appropriation:		
A. Goal: ENSURE PUBLIC SAFETY/PLUMBING		
Ensure Public Health by Licensing and Registering Plumbers.		
A.1.1. Strategy: EXAMINE AND LICENSE PLUMBERS Administer Competency Examinations, Issue and Renew Licenses.	$ 640,301	$ 640,301
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 155,000	$ 155,000
A.1.3. Strategy: INSPECTIONS AND ENFORCEMENT Inspect and Monitor Job Sites, Investigate and Resolve Complaints.	$ 707,280	$ 707,280
Total, Goal A: ENSURE PUBLIC SAFETY/PLUMBING	$ 1,502,581	$ 1,502,581
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMIN - EXAM/LICENSE Indirect Administration - Exam/License.	$ 103,401	$ 103,401

B.1.2. Strategy: INDIRECT ADMIN - INSPECT/ENFORCE Indirect Administration - Inspections/Enforcement.	$ 181,074	$ 181,074
Total, Goal B: INDIRECT ADMINISTRATION	$ 284,475	$ 284,475
Grand Total, BOARD OF PLUMBING EXAMINERS	$ 1,787,056	$ 1,787,056
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,048,700	$ 1,048,700
Other Personnel Costs	44,500	44,500
Professional Fees and Services	79,325	79,325
Fuels and Lubricants	13,500	13,500
Consumable Supplies	13,600	13,600
Utilities	37,300	37,300
Travel	39,700	39,700
Rent - Building	191,310	191,310
Rent - Machine and Other	6,775	6,775
Other Operating Expense	312,346	312,346
Total, Object-of-Expense Informational Listing	$ 1,787,056	$ 1,787,056
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 71,826	$ 72,904
Group Insurance	211,523	215,943
Social Security	84,265	85,529
Benefits Replacement	9,963	9,464
Subtotal, Employee Benefits	$ 377,577	$ 383,840
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 377,577	$ 383,840

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Plumbing Examiners. 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 Board of Plumbing Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Plumbing Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ENSURE PUBLIC SAFETY/PLUMBING		
Outcome (Results/Impact):		
Percentage of Complaints Resolved Resulting in Disciplinary Action	50%	50%
Percentage of Licensees with No Recent Violations	98.5%	98.5%
Percent of Licensees Who Renew Online	32%	34%
Percent of New Individual Licenses Issued Online	9%	10%
A.1.1. Strategy: EXAMINE AND LICENSE PLUMBERS		
Output (Volume):		
Number of New Licenses Issued to Individuals	1,950	1,950
Efficiencies:		
Average Licensing Cost Per Individual License Issued	4.07	4.08
A.1.3. Strategy: INSPECTIONS AND ENFORCEMENT		
Output (Volume):		
Number of Job Sites Monitored	9,645	9,645
Number of Field Investigations Conducted	850	850
Number of Complaints Resolved	880	880

~~2.~~ ~~**Contingent Revenue: Capital Budget Items.** Out of the amounts appropriated above to the Board of Plumbing Examiners in Strategy A.1.3, Inspections and Enforcement, the amounts of $91,300 in fiscal year 2006 and $54,100 in fiscal year 2007, and in Strategy B.1.2, Indirect Admin - Inspect/Enforce, the amounts of $8,000 in fiscal year 2006 and $8,000 in fiscal year 2007 in General Revenue for the purposes of enforcement ($57,300 in fiscal year 2006 and $54,100 in fiscal year 2007), an exempt position salary increase ($8,000 per year), and two~~

~~vehicles ($34,000 in fiscal year 2006) are contingent upon the Board of Plumbing Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $219,690 in excess of $5,163,000 (Object Code 3175) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Plumbing Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Plumbing Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

~~The Board of Plumbing Examiners may expend appropriations for capital budget items listed below, contingent upon the Board of Plumbing Examiners meeting the above revenue target. None of the funds appropriated 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 a "(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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.~~

	~~2006~~	~~2007~~
~~Out of the General Revenue Fund:~~		
~~a. Transportation Items~~		
~~(1) Purchase of New Vehicles (2)~~	~~$ 34,000~~	~~$ 0~~
~~Total, Capital Budget~~	~~$ 34,000~~	~~$ 0~~

BOARD OF PODIATRIC MEDICAL EXAMINERS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 217,437	$ 218,190
Appropriated Receipts	3,200	3,200
Total, Method of Financing	$ 220,637	$ 221,390
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 82,664	$ 82,460
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	4.0	4.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$55,000	$55,000
Items of Appropriation:		
A. Goal: PROTECT TEXANS		
Protect Citizens of Texas from Incompetent and Unethical Podiatrists.		
A.1.1. Strategy: LICENSURE AND ENFORCEMENT	$ 180,797	$ 181,515
Provide Exams and Continuing Education & Investigate Violations of Act.		

A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 4,130	$ 4,130
A.1.3. Strategy: INDIRECT ADMINISTRATION	$ 35,710	$ 35,745
Total, Goal A: PROTECT TEXANS	$ 220,637	$ 221,390
Grand Total, BOARD OF PODIATRIC MEDICAL EXAMINERS	$ 220,637	$ 221,390
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 160,913	$ 160,913
Other Personnel Costs	5,470	5,471
Professional Fees and Services	15,249	14,816
Consumable Supplies	2,560	2,560
Utilities	135	135
Travel	12,534	12,534
Other Operating Expense	23,776	24,961
Total, Object-of-Expense Informational Listing	$ 220,637	$ 221,390
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 7,923	$ 8,042
Group Insurance	16,029	16,029
Social Security	10,864	11,027
Benefits Replacement	927	880
Subtotal, Employee Benefits	$ 35,743	$ 35,978
Debt Service		
Lease Payments	$ 19,658	$ 19,360
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 55,401	$ 55,338

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Podiatric Medical Examiners. 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 Board of Podiatric Medical Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Podiatric Medical Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: PROTECT TEXANS		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	98.5%	98.5%
Percent of Documented Complaints Resolved within Six Months	77%	77%
Percent of Licensees Who Renew Online	80%	80%
A.1.1. Strategy: LICENSURE AND ENFORCEMENT		
Output (Volume):		
Number of New Licenses Issued to Individuals	50	50
Complaints Resolved	130	130
Efficiencies:		
Average Licensing Cost Per Individual License Issued	20.17	20.17
Average Time for Complaint Resolution (Days)	220	220
Explanatory:		
Total Number of Individuals Licensed	1,055	1,055

2. ~~**Contingent Revenue.** Out of the amounts appropriated above to the Board of Podiatric Medical Examiners in Strategy A.1.1, Licensure and Enforcement, the amounts of $8,461 in fiscal year 2006 and $8,461 in fiscal year 2007 in General Revenue for the purposes of Board member travel expense reimbursements ($5,461 per year) and an exempt position salary increase ($3,000 per year) are contingent upon the Board of Podiatric Medical Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $18,706 in excess of $784,000 (Object Code 3562) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Podiatric Medical Examiners,~~

~~upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Podiatric Medical Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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. ~~**Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Texas State Board of Podiatric Medical Examiners are made contingent on the continuation of the Texas State Board of Podiatric Medical Examiners by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

BOARD OF EXAMINERS OF PSYCHOLOGISTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 660,891	$ 660,890
Other Funds		
Appropriated Receipts	40,000	40,000
Interagency Contracts	22,398	22,398
Subtotal, Other Funds	$ 62,398	$ 62,398
Total, Method of Financing	$ 723,289	$ 723,288
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 205,432	$ 205,002
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	12.0	12.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$62,000	$62,000
Items of Appropriation:		
A. Goal: LICENSURE		
Protect Public through Quality Program of Licensure.		
A.1.1. Strategy: LICENSING	$ 321,125	$ 321,125
Operate Quality Program of Licensure.		
A.1.2. Strategy: TEXASONLINE	$ 30,000	$ 30,000
TexasOnline. Estimated and Nontransferable.		
Total, Goal A: LICENSURE	$ 351,125	$ 351,125
B. Goal: ENFORCEMENT LAWS & RULES		
Protect the Public through Enforcement of Laws & Rules.		
B.1.1. Strategy: ENFORCEMENT	$ 239,457	$ 239,457
Operate a Quality Investigation/Enforcement Program.		
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMIN - LICENSING	$ 80,005	$ 80,005
Indirect Administration - Licensing.		
C.1.2. Strategy: INDIRECT ADMIN - ENFORCEMENT	$ 52,702	$ 52,701
Indirect Administration - Enforcement.		
Total, Goal C: INDIRECT ADMINISTRATION	$ 132,707	$ 132,706
Grand Total, BOARD OF EXAMINERS OF PSYCHOLOGISTS	$ 723,289	$ 723,288

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 472,539	$ 472,539
Other Personnel Costs	17,040	17,040
Professional Fees and Services	66,640	66,640
Consumable Supplies	10,000	10,000
Utilities	800	800
Travel	20,960	20,960
Rent - Building	2,340	2,340
Other Operating Expense	132,970	132,969
Total, Object-of-Expense Informational Listing	$ 723,289	$ 723,288
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 29,437	$ 29,878
Group Insurance	59,353	59,592
Social Security	39,122	39,709
Benefits Replacement	5,351	5,083
Subtotal, Employee Benefits	$ 133,263	$ 134,262
Debt Service		
Lease Payments	$ 40,499	$ 39,884
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 173,762	$ 174,146

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Examiners of Psychologists. 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 Board of Examiners of Psychologists. In order to achieve the objectives and service standards established by this Act, the Board of Examiners of Psychologists shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: LICENSURE		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99%	99%
Percent of Licensees Who Renew Online	76%	76%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Certificates/Licenses Issued to Individuals	552	552
Number of Certificates/Licenses Renewed (Individuals)	7,018	7,018
Efficiencies:		
Average Licensing Cost Per Individual License Issued	20	20
B. Goal: ENFORCEMENT LAWS & RULES		
Outcome (Results/Impact):		
Percent of Documented Complaints Resolved within Six Months	51%	51%
B.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Complaints Resolved	182	182
Efficiencies:		
Average Time for Complaint Resolution (Days)	220	220
Explanatory:		
Number of Jurisdictional Complaints Received	189	189

~~2.~~ ~~**Contingent Revenue.** Out of the amounts appropriated above to the Board of Examiners of Psychologists in Strategy A.1.1, Licensing, the amounts of $6,000 in fiscal year 2006 and $6,000 in fiscal year 2007, and in Strategy B.1.1, Enforcement, the amounts of $4,000 in fiscal year 2006 and $4,000 in fiscal year 2007 in General Revenue for the purpose of an exempt position salary increase ($10,000 per year) are contingent upon the Board of Examiners of Psychologists assessing fees sufficient to generate, during the 2006-07 biennium, $25,948 in excess of $2,104,000 (Object Code 3175) contained in the Comptroller of Public Accounts'~~

~~Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Examiners of Psychologists, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Examiners of Psychologists' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.** **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Board of Examiners of Psychologists are made contingent on the continuation of the Board of Examiners of Psychologists by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

RACING COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
GR Dedicated - Texas Racing Commission Account No. 597	$ 10,049,271	$ 10,050,270
Total, Method of Financing	$ 10,049,271	$ 10,050,270
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 987,747	$ 983,612
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	75.6	75.8
Number of FTEs in Riders:	1.0	1.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$77,760	$77,760
Items of Appropriation:		
A. Goal: ENFORCE RACING REGULATION		
Enforce Racing Regulations in Texas.		
A.1.1. Strategy: LICENSE/REGULATE RACETRACKS Provide Regulatory and Enforcement Services to Racetrack Owners.	$ 251,055	$ 251,895
A.2.1. Strategy: TEXAS BRED INCENTIVE PROGRAM Allocate Texas Bred Funds to Breed Registries. Nontransferable.	$ 5,389,159	$ 5,389,619
A.3.1. Strategy: SUPERVISE & CONDUCT LIVE RACES Supervise the Conduct of Racing through Enforcement and Monitoring.	$ 849,215	$ 829,374
A.3.2. Strategy: MONITOR LICENSEE ACTIVITIES Monitor Occupational Licensee Activities.	$ 434,687	$ 435,947
A.4.1. Strategy: INSPECT & PROVIDE EMERGENCY CARE Inspect and Provide Emergency Care.	$ 436,742	$ 437,982
A.4.2. Strategy: ADMINISTER DRUG TESTS	$ 325,703	$ 326,803
Total, Goal A: ENFORCE RACING REGULATION	$ 7,686,561	$ 7,671,620
B. Goal: REGULATE PARTICIPATION		
Regulate the Participation in Racing.		
B.1.1. Strategy: OCCUPATIONAL LICENSING PROGRAM Administer the Occupational Licensing Program through Enforcement.	$ 547,692	$ 549,532

B.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 23,250	$ 23,250
Total, Goal B: REGULATE PARTICIPATION	$ 570,942	$ 572,782
C. Goal: REGULATE PARI-MUTUEL WAGERING Regulate pari-mutuel wagering in Texas.		
C.1.1. Strategy: MONITOR WAGERING AND AUDIT Regulate Pari-mutuel Wagering to Maintain an Honest Racing Industry.	$ 457,218	$ 457,938
C.1.2. Strategy: WAGERING COMPLIANCE INSPECTIONS Conduct Wagering Compliance Inspections.	$ 200,143	$ 200,883
Total, Goal C: REGULATE PARI-MUTUEL WAGERING	$ 657,361	$ 658,821
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMIN & OTHER SUPPORT SVCS Central Administration and Other Support Services.	$ 753,938	$ 760,698
D.1.2. Strategy: INFORMATION RESOURCES	$ 380,469	$ 386,349
Total, Goal D: INDIRECT ADMINISTRATION	$ 1,134,407	$ 1,147,047
Grand Total, RACING COMMISSION	$ 10,049,271	$ 10,050,270
Supplemental Appropriations Made in Riders:	$ 368,906	$ 368,806
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,657,998	$ 3,632,998
Other Personnel Costs	140,680	162,140
Professional Fees and Services	85,742	89,721
Consumable Supplies	27,750	27,750
Utilities	22,500	22,500
Travel	239,790	239,790
Rent - Building	105,314	105,314
Rent - Machine and Other	13,500	13,500
Other Operating Expense	318,367	318,367
Grants	5,721,196	5,721,656
Capital Expenditures	85,340	85,340
Total, Object-of-Expense Informational Listing	$ 10,418,177	$ 10,419,076
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 224,604	$ 227,973
Group Insurance	408,623	411,925
Social Security	273,944	278,053
Benefits Replacement	28,752	27,314
Subtotal, Employee Benefits	$ 935,923	$ 945,265
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 935,923	$ 945,265

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Racing 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 Racing Commission. In order to achieve the objectives and service standards established by this Act, the Racing Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ENFORCE RACING REGULATION		
Outcome (Results/Impact):		
Percentage of Investigations (Individuals) Resulting in Disciplinary Action	99%	99%
Percentage of Licensees with No Recent Violations	97.5%	97.5%

Percentage of Race Animals Injured or Dismissed from the Racetrack	.3%	.3%
A.1.1. Strategy: LICENSE/REGULATE RACETRACKS		
Output (Volume):		
Number of Racetrack Inspections	71	71
Efficiencies:		
Average Regulatory Cost per Horse Racetrack	33,046	32,660
Average Regulatory Cost per Greyhound Racetrack	32,491	33,246
Explanatory:		
Number of Horse Tracks Regulated	7	7
Number of Greyhound Tracks Regulated	3	3
A.2.1. Strategy: TEXAS BRED INCENTIVE PROGRAM		
Output (Volume):		
Number of Texas-bred Awards	23,450	23,450
A.3.1. Strategy: SUPERVISE & CONDUCT LIVE RACES		
Output (Volume):		
Number of Occupational Licenses Suspended or Revoked	212	212
A.3.2. Strategy: MONITOR LICENSEE ACTIVITIES		
Output (Volume):		
Number of Investigations Completed	900	900
A.4.1. Strategy: INSPECT & PROVIDE EMERGENCY CARE		
Output (Volume):		
Number of Race Animals Inspected Pre-race	116,800	116,500
B. Goal: REGULATE PARTICIPATION		
Outcome (Results/Impact):		
Average Time Required to Issue a New Occupational License (Minutes)	7.5	7.5
B.1.1. Strategy: OCCUPATIONAL LICENSING PROGRAM		
Output (Volume):		
Number of New Occupational Licenses Issued	4,600	4,600
Number of Occupational Licenses Renewed	8,000	8,000
Efficiencies:		
Average Regulatory Cost per Licensee	46.33	45.56
C. Goal: REGULATE PARI-MUTUEL WAGERING		
Outcome (Results/Impact):		
Percentage of Compliance Audits Passed	98%	98%
C.1.1. Strategy: MONITOR WAGERING AND AUDIT		
Explanatory:		
Total Pari-mutuel Handle (In Millions)	477.47	464.39
Total Take to the State Treasury from Pari-mutuel Wagering on Live and Simulcast Races	4,143,756	4,030,217

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. If a finding of fact is not issued by the Comptroller of Public Accounts to make the contingent appropriation specified in Rider 8, Contingent Appropriation: New Horse Racetrack available, the capital budget expenditure and transfer authority provided to the Racing Commission by Article IX, Section 6.16, Limitation on Expenditures - Capital Budget, of this act, only applies to $35,340 each fiscal year to purchase computer hardware and software. The amount 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" or for other 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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas.

	~~2006~~ 2008	~~2007~~ 2009
Out of the GR Dedicated - Texas Racing Commission Account No. 597:		
a. Acquisition of Information Resource Technologies		
(1) Purchase Computer Hardware and Software - Scheduled Replacement of Items	$ ~~32,250~~	$ ~~32,250~~
	$ 35,340	$ 35,340

(2) Rider 8 Contingency - Purchase Computer Hardware and Software	$ 25,000	$ 25,000
Total, Acquisition of Information Resource Technologies	$ ~~57,250~~ $ 64,340	$ ~~57,250~~ $ 64,340
Total, Capital Budget	$ ~~57,250~~ $ 60,340	$ ~~57,250~~ $ 60,340

3. **Limitation on Travel Reimbursement.** Out of the funds appropriated above, not more than $1,500 per Commissioner may be expended on out-of-state travel and not more than $3,000 per Commissioner may be expended on in-state travel in each year of the biennium.

4. **Appropriation: Unexpended Balances.** Unexpended balances remaining in Racing Commission receipts as of August 31, 2008 ~~2006~~, are hereby appropriated for the fiscal year beginning September 1, 2008 ~~2006~~.

5. **Texas Bred Incentive Program Receipts.** Amounts set aside by the Texas Racing Act for the Texas Bred Incentive Program are appropriated above in Strategy A.2.1, Texas Bred Incentive Program.

6. **Criminal History Checks and Background Checks.** Out of the funds appropriated above in Strategy B.1.1, Occupational Licensing Program, $25,000 in fiscal year 2008 ~~2006~~ and $25,000 in fiscal year 2009 ~~2007~~ are appropriated to the Racing Commission for the purpose of reimbursing the Department of Public Safety for costs incurred in conducting criminal history checks or background checks on individuals seeking to transfer ownership interest in an existing racetrack license on Racing Commission license applicants and renewals. Any additional revenue received from occupational license fees to cover the costs of criminal history checks or background checks (estimated to be $0) is hereby appropriated to the Racing Commission for the purpose of reimbursing the Department of Public Safety.

7. **Texas Bred Incentive Program Awards.** None of the funds appropriated above for Texas Bred Incentive Program Awards may be expended for payments to a member serving on the commission. The Racing Commission shall take all necessary steps to ensure compliance with this provision.

8. **Contingent Appropriation: New Horse Racetrack and Accredited Texas Bred Program.**

a. In addition to the amounts appropriated above, the Texas Racing Commission shall be appropriated out of funds collected by the agency and deposited to GR Dedicated-Texas Racing Commission Account No. 597 during each fiscal year of the 2008-09 ~~2006-07~~ biennium, the following amounts for each new horse racetrack that begins operation for the first time during the biennium (estimated to be one new horse racetrack) contingent upon the Texas Racing Commission assessing fees sufficient to generate, during the 2008-09 ~~2006-07~~ biennium, ~~$323,978~~ $326,052 for fiscal year 2008 ~~2006~~ and ~~323,978~~ $326,052 for fiscal year 2009 ~~2007~~ for each new horse racetrack during the 2008-09 ~~2006-07~~ biennium in excess of $ ~~$9,932,000~~ in fiscal year 2008 ~~2006~~ and $ ~~$9,672,000~~ in fiscal year 2009 ~~2007~~ (Object Codes 3188, 3189, 3190, ~~3191~~, 3193, 3194,and 3197) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2008 ~~2006~~ and 2009 ~~2007~~:

~~(a)~~ (1) $76,551 in Strategy A.3.1, Supervise and Conduct Live Races;
~~(b)~~ (2) $66,893 in Strategy A.3.2, Monitor Licensee Activities;
~~(c)~~ (3) $33,493 in Strategy A.4.1, Inspect and Provide Emergency Care;
~~(d)~~ (4) $24,946 in Strategy A.4.2, Administer Drug Tests;
~~(e)~~ (5) $29,132 in Strategy B.1.1, Occupational Licensing Program;
~~(f)~~ (6) $38,000 in Strategy C.1.1, Monitor Wagering and Audit.

Also, the "Number of Full-Time-Equivalents (FTE)" figure indicated above shall be increased by 5.0 FTEs in each fiscal year for each new horse racetrack that begins operations for the first time during the biennium contingent upon the Texas Racing Commission generating the amount of revenue indicated above for each new horse racetrack. The Texas Racing Commission upon completion of necessary actions to access

or increase such additional revenue shall furnish copies of the Texas Racing Commissions' minutes and other information supporting the estimated revenues to be generated for the 2008-09 ~~2006-07~~ biennium under the revised fee structure to the Comptroller of Public Accounts. 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 purpose.

Also, contingent upon the Texas Racing Commission assessing fees to cover the costs of the regulation of each new horse racetrack, the Texas Racing Commission's Capital Budget authority ~~shall be increased for the following item~~ includes the purchase of computer hardware and software ~~and in the following amounts~~ in the amount of $25,000 each year.

~~2006 2007~~

~~a. Acquisition of Information Resource Technologies~~
~~(1) Purchase Computer Hardware and Software $ 25,000 $ 25,000~~

b. In addition to amounts appropriated above in GR Dedicated - Texas Racing Commission Account No. 597, the Texas Racing Commission shall be appropriated in Strategy A.2.1, Texas Bred Incentive Program, revenue set aside by the Texas Racing Act pursuant to VTCS, Article 179e § 6.08 (j) for the Texas Bred Incentive Progam that is collected by the agency from each new horse racetrack that begins operations for the first time in the 2008-09 biennium in an amount not to exceed $332,037 from GR Dedicated - Texas Racing Commission Account No. 597 each year for each new horse racetrack. Any appropriations from revenue collected by the agency from new horse racetracks for the Texas Bred Incentive Program during the 2008-09 biennium may be used only for that purpose and are not transferable to any other strategy.

9. **Contingent Reduction of Appropriation: Supervision of Racetracks.** Contingent upon the enactment of House/Senate Bill ____ by the Eightieth Legislature, Regular Session, 2007, or similar legislation relating to the transferring of one-third of state stewards and judges to racetrack association employment, amounts appropriated above from GR Dedicated - Texas Racing Commission Account No. 597 in Strategy A.3.1, Supervise and Conduct Live Races, shall be reduced by $232,146 in fiscal year 2008 and $232,246 in fiscal year 2009. Also contingent upon the enactment of such legislation, the "Number of Full-Time-Equivalents (FTE)" above shall be reduced by 4.0 FTEs each year.

~~**9.** **Contingency Appropriation: Accredited Texas Bred Program.** In addition to amounts appropriated above in GR Dedicated-Texas Racing Commission Account No. 597, the Texas Racing Commission shall be appropriated in Strategy A.2.1, Texas Bred Incentive Program, revenue set aside by the Texas Racing Act pursuant to VTCS, Article 179e. § 6.08 (j) for the Texas Bred Incentive Program that is collected by the agency from each new horse racetrack that begins operations for the first time during the 2006-07 biennium in an amount not to exceed $332,037 from GR Dedicated-Texas Racing Commission Account No. 597 each year. Any appropriations from revenue collected by the agency from new horse racetracks for the Texas Bred Incentive Program during the 2006-07 biennium may be used only for that purpose and are not transferable to any other strategy.~~

REAL ESTATE COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 4,735,411	$ 4,735,411
GR Dedicated - Appraiser Registry Account No. 028	120,000	120,000
Other Funds		
Appropriated Receipts	186,500	186,500
Real Estate Recovery Trust Fund	3,500	3,500
Real Estate Inspection Trust Fund	500	500

Subtotal, Other Funds	$ 190,500	$ 190,500
Total, Method of Financing	$ 5,045,911	$ 5,045,911
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 1,151,712	$ 1,153,191
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	83.0	83.0
Schedule of Exempt Positions:		
Administrator, Group 2	$80,000	$80,000
Items of Appropriation:		
A. Goal: ENSURE STANDARDS		
Determine the Eligibility of TREC Applicants for Licensure.		
A.1.1. Strategy: TREC LICENSING Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses.	$ 964,802	$ 964,802
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 322,000	$ 322,000
Total, Goal A: ENSURE STANDARDS	$ 1,286,802	$ 1,286,802
B. Goal: ENFORCE REGULATIONS		
Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules.		
B.1.1. Strategy: TREC INVESTIGATION Investigate and Resolve Valid Complaint Cases.	$ 1,364,598	$ 1,364,598
C. Goal: PROVIDE EDUCATION		
To Communicate Effectively with the Public and Licensees.		
C.1.1. Strategy: LICENSEE/CONSUMER EDUCATION Prepare and Distribute Information Describing TREC Functions.	$ 597,423	$ 597,423
D. Goal: LICENSING APPRAISERS		
Implement and Enforce TALCB and Standards.		
D.1.1. Strategy: TALCB LICENSING Process Applications and License Applicants.	$ 313,732	$ 313,732
D.2.1. Strategy: TALCB ENFORCEMENT Investigate and Resolve Complaints; Impose Penalties as Appropriate.	$ 177,083	$ 177,083
Total, Goal D: LICENSING APPRAISERS	$ 490,815	$ 490,815
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: INDIRECT ADMINISTRATION	$ 1,306,273	$ 1,306,273
Grand Total, REAL ESTATE COMMISSION	$ 5,045,911	$ 5,045,911
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,407,699	$ 3,407,699
Other Personnel Costs	137,100	137,100
Professional Fees and Services	47,600	47,600
Consumable Supplies	52,500	52,500
Utilities	36,000	36,000
Travel	71,000	71,000
Rent - Building	406,200	406,200
Rent - Machine and Other	35,600	35,600
Other Operating Expense	798,212	798,212
Capital Expenditures	54,000	54,000
Total, Object-of-Expense Informational Listing	$ 5,045,911	$ 5,045,911
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 209,643	$ 212,788

Group Insurance	612,819	623,425
Social Security	266,157	270,150
Benefits Replacement	36,857	35,014
Subtotal, Employee Benefits	$ 1,125,476	$ 1,141,377
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,125,476	$ 1,141,377

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Real Estate 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 Real Estate Commission. In order to achieve the objectives and service standards established by this Act, the Real Estate Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ENSURE STANDARDS		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	90%	90%
Percent of Licensees Who Renew Online	35%	35%
Percent of New Individual Licenses Issued Online	50%	50%
A.1.1. Strategy: TREC LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals	20,000	20,000
Number of Licenses Renewed (Individuals)	65,000	65,000
Efficiencies:		
Average Licensing Cost per Individual License Issued	13	13
Average Time for Individual License Issuance (Days)	42	42
Percentage of New Individual Licenses Issued Within Ten Days	95%	95%
Percentage of Individual License Renewals Issued within Seven Days	97%	97%
B. Goal: ENFORCE REGULATIONS		
Outcome (Results/Impact):		
Percent of Documented Complaints Resolved Within Six Months	82%	82%
B.1.1. Strategy: TREC INVESTIGATION		
Output (Volume):		
Number of Complaints Resolved	3,500	3,500
Efficiencies:		
Average Time for Complaint Resolution (Days)	105	105
C. Goal: PROVIDE EDUCATION		
C.1.1. Strategy: LICENSEE/CONSUMER EDUCATION		
Output (Volume):		
Number of Calls Received	513,000	513,000
D. Goal: LICENSING APPRAISERS		
Outcome (Results/Impact):		
Percent of Licensed or Certified Appraisers with No Recent Violations	99%	99%
Percent of Licensees Who Renew Online	50%	50%
Percent of Documented Complaints Resolved Within Six Months	45%	45%
D.1.1. Strategy: TALCB LICENSING		
Output (Volume):		
Number of New Licenses and Certifications Issued to Individuals	500	500
Number of Licenses and Certifications Renewed (Individuals)	2,200	2,200
D.2.1. Strategy: TALCB ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved	225	225
Efficiencies:		
Average Time for Complaint Resolution (Days)	260	260

2. ~~**Contingency Appropriation**~~ **Capital Budget.** ~~Out of the amounts appropriated above to the Real Estate Commission in Strategy A.1.1, TREC Licensing, the amounts of $94,368 in fiscal year 2006 and $80,000 in fiscal year 2007, in Strategy D.1.1, TALCB Licensing, the amounts of $6,000 in fiscal year 2006 and $6,000 in fiscal year 2007, in Strategy D.2.1, TALCB Enforcement, the amounts of $4,000 in fiscal year 2006 and $4,000 in fiscal year 2007, and in~~

~~Strategy E.1.1, Indirect Administration, the amounts of $59,400 in fiscal year 2006 and $54,000 in fiscal year 2007 in General Revenue for the purposes of acquiring information resource technology items ($59,400 in fiscal year 2006 and $54,000 in fiscal year 2007), education record keeping upgrade (94,368 in fiscal year 2006 and $80,000 in fiscal year 2007), an exempt position salary increase ($10,000 each fiscal year), are contingent upon the Real Estate Commission assessing fees sufficient to generate, during the 2006-07 biennium, $386,282 in excess of $13,932,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Real Estate Commission, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Real Estate Commission' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

~~The Real Estate Commission may expend appropriations for capital budget items listed below, contingent upon the Real Estate Commission meeting the above revenue target.~~ None of the funds appropriated 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 a "(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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the state of Texas.

	~~2006~~	~~2007~~
~~Out of the General Revenue Fund:~~		
~~a. Acquisition of Information Resource Technologies~~		
~~(1) Acquisition of Information Resource Technologies~~	~~$ 59,400~~	~~$ 54,000~~
~~Total, Capital Budget~~	~~$ 59,400~~	~~$ 54,000~~

	2008	2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Lease Payments for (MLPP) for Enterprise Server Acquisition	$ 54,000	$ 54,000
Total, Capital Budget	$ 54,000	$ 54,000

3. **Appropriation of Residential Service Company Examination Fees.** In addition to the funds appropriated above ($5,500 each year of the biennium), all monies collected pursuant to § 1303.052 (c), Occupations Code, are hereby appropriated to the Texas Real Estate Commission for the purposes of conducting examinations and related activities included within Strategy B.1.1, TREC Investigation.

4. **Reporting Requirement.** In its annual report, the Real Estate Commission shall provide a schedule showing a breakdown of the number of broker and salesman license renewals and the amount of funds transferred to the Real Estate Research Center.

5. **Appropriation of Receipts, National Registry Fees.** Fee revenue deposited to the Appraiser Registry Account No. 028, in the General Revenue Fund pursuant to § 1103.156, Occupations Code, including the estimated amounts appropriated above, $120,000 in fiscal year ~~2006~~2008 and $120,000 in fiscal year ~~2007~~2009, is hereby appropriated to the Texas Appraiser Licensing and Certification Board, as an independent subdivision of the Texas Real Estate

Commission. The appropriation made herein shall be expended only for the purpose specified in § 1103.156, Occupations Code, relating to revenue transmitted to the federal Appraisal Subcommittee.

6. **Real Estate Recovery Fund and Inspection Recovery Fund.** The amounts appropriated above include an estimated total of $4,000 per year from the Real Estate Recovery Trust Fund and the Real Estate Inspection Trust Fund to recover travel and related expenses incurred for collection of court judgments affecting the funds.

7. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Real Estate Commission are made contingent on the continuation of the Real Estate Commission by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008 or as much thereof may be necessary to be used to provide for the phase out of the agency operations.

~~**7.** **Promotion of On-line Services.** It is the intent of the Legislature that the Texas Real Estate Commission print, in at least 13 point font, a notice on any form with an on-line alternative that such services are available on the Internet, listing the website address.~~

RESIDENTIAL CONSTRUCTION COMMISSION

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 3,286,342	$ 3,286,343
Appropriated Receipts	50,500	50,500
Total, Method of Financing	$ 3,336,842	$ 3,336,843
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 464,129	$ 465,756
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	32.0	32.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$98,000	$98,000
Items of Appropriation:		
A. Goal: REGISTRATION		
Ensure Effective Supervision of Residential Construction/Remodeling.		
A.1.1. Strategy: REGISTRATION PROGRAM	$ 617,665	$ 617,665
Implement and Monitor the Registration Program.		
A.1.2. Strategy: TEXASONLINE	$ 315,000	$ 315,000
TexasOnline. Estimated and Nontransferable.		
Total, Goal A: REGISTRATION	$ 932,665	$ 932,665
B. Goal: COMPLAINT RESOLUTION & COMPLIANCE		
Complaint Resolution and Compliance.		
B.1.1. Strategy: COMPLAINT RESOLUTION	$ 942,107	$ 942,107
Implement and Monitor the SIRP Process.		
B.1.2. Strategy: PERFORMANCE STANDARDS & WARRANTIES	$ 454,970	$ 454,970
Develop Performance Standards and Warranties for Review.		

B.1.3. Strategy: THIRD-PARTY INSPECTIONS	$ 100,000	$ 100,000 & UB
Third-party Inspections. Estimated and Nontransferable.		
Total, Goal B: COMPLAINT RESOLUTION & COMPLIANCE	$ 1,497,077	$ 1,497,077
C. Goal: INDUSTRY & CONSUMER EDUCATION		
Provide Information for Industry & Consumers.		
C.1.1. Strategy: EDUCATION	$ 450,220	$ 450,221
Implement an Education Program for Industry and Consumers.		
D. Goal: INDIRECT ADMINISTRATION		
Indirect Administration and Support.		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 456,880	$ 456,880
Indirect Administration and Support.		
Grand Total, RESIDENTIAL CONSTRUCTION COMMISSION	$ 3,336,842	$ 3,336,843
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,605,317	$ 1,605,317
Other Personnel Costs	24,140	24,140
Professional Fees and Services	461,270	461,270
Consumable Supplies	34,050	34,050
Utilities	60	60
Travel	75,504	75,505
Rent - Building	20,430	20,430
Rent - Machine and Other	186,884	186,884
Other Operating Expense	905,187	905,187
Capital Expenditures	24,000	24,000
Total, Object-of-Expense Informational Listing	$ 3,336,842	$ 3,336,843
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 97,251	$ 98,710
Group Insurance	155,316	155,316
Social Security	119,508	121,300
Benefits Replacement	7,634	7,252
Subtotal, Employee Benefits	$ 379,709	$ 382,578
Debt Service		
Lease Payments	$ 3,400	$ 3,836
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 383,109	$ 386,414

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Residential Construction 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 Residential Construction Commission. In order to achieve the objectives and service standards established by this Act, the Residential Construction Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: REGISTRATION		
Outcome (Results/Impact):		
Percent of Registrants Who Renew Online	43%	44%
Percent of Home Registrations Completed Online	70%	72.5%
A.1.1. Strategy: REGISTRATION PROGRAM		
Output (Volume):		
Number of Home Registrations Issued	150,000	150,000
Number of New Builder/Remodeler Registrations Issued	1,200	1,200
Number of Registrations Renewed	10,000	10,000

Efficiencies:		
Average Cost Per Registration Issued	3.5	3.5
B. Goal: COMPLAINT RESOLUTION & COMPLIANCE		
B.1.1. Strategy: COMPLAINT RESOLUTION		
Output (Volume):		
Total Number of SIRP Actions Closed	240	250
Efficiencies:		
Average Days to Complete the SIRP	100	100
Explanatory:		
Total Number of Complaints Received	1,410	1,410
Number of Non-jurisdictional Complaints	1,100	1,100
Number of SIRP Requests Received	310	310
C. Goal: INDUSTRY & CONSUMER EDUCATION		
C.1.1. Strategy: EDUCATION		
Output (Volume):		
Total Number of Texans Reached in Person	65,000	65,000

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. 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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2008	2009
a. Acquisition of Information Resource Technologies		
(1) Purchase of Information Technologies - Scheduled Replacement of Items	$ 24,000	$ 24,000
Total, Capital Budget	$ 24,000	$ 24,000

~~**2.** **Third Party Inspection.** None of the funds appropriated above for fiscal year 2007 may be expended until the Texas Residential Construction Commission, pursuant to Property Code § 426.004 (a) and (b), adopts rules permitting a waiver or reduction of the inspection fees for homeowners demonstrating financial inability to pay the expenses and sets the fee at the lowest possible rate necessary to cover costs associated with third-party inspections.~~

3. **Home Registration Fees.** Home registration fees may not be set below the levels in place as of May 1, 2005.

4. **Builder Registration Fees.** The Builder registration and renewal fees collected by the ~~Texas~~ Residential Construction Commission shall be set at the statutory maximums.

5. **Builder/Remodeler Registration Applications.** It is the intent of the Legislature that the ~~Texas~~ Residential Construction Commission thoroughly investigate each builder or remodeler registration application in its efforts to be satisfied with the person's honesty, trustworthiness and integrity pursuant to Property Code § 416.005(2).

~~**6.** **Contingent Revenue: Builder Registrations and Complaint Resolution.** Out of the amounts appropriated above to the Residential Construction Commission in Strategy A.1.1, Registration Program, the amounts of $52,134 in fiscal year 2006 and $52,134 in fiscal year 2007, and in Strategy B.1.1, Complaint Resolution, the amounts of $127,128 in fiscal year 2006 and $127,128 in fiscal year 2007 in General Revenue for the purpose of adding two Investigators ($59,136 per year), two Administrative Assistants ($45,132 per year), one Paralegal ($35,082 per year) and one Attorney ($39,912 per year) to review and investigate new and renewal builder registrations and to support the Complaint Resolution Process are contingent upon the Residential Construction Commission assessing fees sufficient to generate, during the 2006-07 biennium, $420,543 in excess of $6,730,000 (Object Codes 3175~~

~~and 3846), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 6.0 FTEs in each fiscal year contingent upon the Residential Construction Commission generating the amount of revenue indicated above. The Residential Construction Commission, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Residential Construction Commissions' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 6,246,116	$ 6,472,713
Total, Method of Financing	$ 6,246,116	$ 6,472,713
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 847,622	$ 850,051
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	99.0	102.0
Schedule of Exempt Positions:		
Commissioner, Group 4	$100,000	$100,000
Items of Appropriation:		
A. Goal: THRIFT SAFETY AND SOUNDNESS		
Aggressively Enforce Thrift Safety and Soundness Standards.		
A.1.1. Strategy: THRIFT EXAMINATION AND SUPERVISION Perform Examinations and Coordinate with Federal Regulators.	$ 1,084,571	$ 1,086,846
A.2.1. Strategy: APPLICATION PROCESSING Process, Investigate and Evaluate Applications.	$ 51,909	$ 52,061
Total, Goal A: THRIFT SAFETY AND SOUNDNESS	$ 1,136,480	$ 1,138,907
B. Goal: MORTGAGE REGULATION		
Regulate Mortgage Bankers, Brokers, and Loan Officers.		
B.1.1. Strategy: MORTGAGE BROKER LICENSING Process License Applications, Establish Continuing Education Standards.	$ 712,744	$ 694,521
B.1.2. Strategy: MORTGAGE BROKER EXAMINATION	$ 1,298,884	$ 1,301,520
B.1.3. Strategy: MORTGAGE BANKER REGISTRATION	$ 154,546	$ 155,162
B.1.4. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 67,867	$ 67,868
Total, Goal B: MORTGAGE REGULATION	$ 2,234,041	$ 2,219,071
C. Goal: CONSUMER RESPONSIVENESS		
To Ensure Responsiveness to Inquiries, Requests and Complaints.		
C.1.1. Strategy: COMPLAINT AND INQUIRY PROCESS Provide a Forum for Registering Complaints, and Respond to Requests.	$ 383,729	$ 395,318
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 302,266	$ 303,217

E. Goal: REGULATORY RESPONSE		
E.1.1. Strategy: CONTINGENCY THRIFT REG RESPONSE Contingency Appropriation. Nontransferable.	$ 512,500	$ 739,100
E.1.2. Strategy: CONTINGENCY BROKER REG RESPONSE Contingency Appropriation. Nontransferable.	$ 1,677,100	$ 1,677,100
Total, Goal E: REGULATORY RESPONSE	$ 2,189,600	$ 2,416,200
Grand Total, DEPARTMENT OF SAVINGS AND MORTGAGE LENDING	$ 6,246,116	$ 6,472,713
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,312,517	$ 4,489,265
Other Personnel Costs	40,000	40,000
Professional Fees and Services	305,700	305,700
Consumable Supplies	62,390	62,390
Utilities	8,970	8,970
Travel	524,550	547,210
Rent - Building	40,500	40,500
Other Operating Expense	951,489	978,678
Total, Object-of-Expense Informational Listing	$ 6,246,116	$ 6,472,713
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 153,524	$ 155,827
Group Insurance	370,617	374,729
Social Security	181,316	184,036
Benefits Replacement	6,487	6,163
Subtotal, Employee Benefits	$ 711,944	$ 720,755
Debt Service		
Lease Payments	$ 262	$ 294
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 712,206	$ 721,049

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Savings and Mortgage Lending. 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 Savings and Mortgage Lending. In order to achieve the objectives and service standards established by this Act, the Department of Savings and Mortgage Lending shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: THRIFT SAFETY AND SOUNDNESS		
Outcome (Results/Impact):		
Percent of State-chartered Savings Institutions Receiving Examinations as Required by Priority Schedule	100%	100%
Percent of Safe and Sound Institutions to Total Savings Institutions	95%	97%
Percentage of Applications Receiving Final Action within Statutory Time Frames	100%	97%
A.1.1. Strategy: THRIFT EXAMINATION AND SUPERVISION		
Output (Volume):		
Number of Examinations Performed	20	20
Explanatory:		
Number of State-chartered Savings and Loans and Savings Banks	25	26
Dollar Amount of Assets under Regulation (in Billions)	11	11
A.2.1. Strategy: APPLICATION PROCESSING		
Output (Volume):		
Number of Applications Processed	20	20

B. Goal: MORTGAGE REGULATION		
Outcome (Results/Impact):		
Percent of Licensees Who Renew Online	70%	70%
Percent of New Individual Licenses Issued Online	0%	0%
B.1.1. Strategy: MORTGAGE BROKER LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals	5,000	5,000
B.1.2. Strategy: MORTGAGE BROKER EXAMINATION		
Output (Volume):		
Licensees Inspected	4,000	4,000
C. Goal: CONSUMER RESPONSIVENESS		
Outcome (Results/Impact):		
Percentage of Complaints, Requests and Inquiries Answered within Ten Business Days	85%	85%
C.1.1. Strategy: COMPLAINT AND INQUIRY PROCESS		
Output (Volume):		
Number of Consumer Complaints Completed	1,000	1,000

2. **Appropriation of Receipts.** Funds received by the Department of Savings and Mortgage Lending pursuant to supervision and conservatorship proceedings authorized by ~~Subchapter B,~~ Section 13.007, Texas Finance Code ~~and Subchapter C, Texas Finance Code~~, (estimated to be $0) are hereby appropriated to the department in Strategy A.1.1, Thrift Examination and Supervision to pay costs incidental to such proceedings, including the salary and per diem expenses of the appointed supervisory agent.

3. **Federal Per Diem Authorized.** Financial Institutions Examiners employed by the Department of Savings and Mortgage Lending, shall be authorized reimbursement for travel expenses from amounts appropriated above, at a rate of per diem equal to that of the participating federal regulatory agency when (1) traveling on official state business related to the examining function of the Department of Savings and Mortgage Lending and (2) participating in either a joint or concurrent examination with the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Federal Reserve, or their successors~~, shall be authorized reimbursement for travel expenses at a rate of per diem equal to that of the participating federal regulatory agency~~.

4. **Contingency Appropriation: Thrift Regulatory Response.**

a. Amounts appropriated above to the Department of Savings and Mortgage Lending not to exceed $512,500 in fiscal year 2008 and $739,100 in fiscal year year 2009 in General Revenue in Strategy E.1.1, Contingency Thrift Reg Response, and 7.0 Full-Time-Equivalents (FTE) positions in fiscal year 2008 and 10.0 FTEs in fiscal year 2009 included above in the "Number of Full-Time-Equivalents (FTE)" are ~~C~~contingent upon a finding of fact by the Finance Commission that:

(1) the size of the state-chartered thrift industry under the jurisdiction of the Department of Savings and Mortgage Lending, determined either as a function of assets or number of institutions, has grown to a point where additional appropriations are deemed necessary to maintain adequate regulation of the industry; or

(2) increased incidents of regulatory and supervisory concern regarding the safe and sound operations of thrift institutions under the ~~D~~department's jurisdiction have occurred to the extent that additional appropriations are deemed necessary to maintain adequate regulation of the industry; or

(3) a reduction of federal regulatory resources applied to the Texas state-chartered thrift industry by the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, Federal Reserve Board, or their successors, has occurred to the extent that additional appropriations are deemed necessary to maintain adequate regulation of the industry; then

~~the following amounts, or any part thereof as found to be necessary by the Finance Commission, are hereby appropriated to the Department of Savings and Mortgage Lending out of fee revenues collected by the Department: an amount not to exceed $512,500 for fiscal year~~

~~2006 and an amount not to exceed $739,100~~ for fiscal year 2007 and the "Number of Full-Time-Equivalent Positions (FTE)" figure indicated above is hereby increased by no more than seven ~~7~~ for fiscal year 2006 and 10 for fiscal year 2007.

b. None of the funds appropriated ~~pursuant to this provision~~ in Strategy E.1.1, Contingency Thrift Reg Response, above may be expended and none of the 7.0 Full-Time-Equivalents (FTE) positions in fiscal year 2008 and 10.0 FTEs in fiscal year 2009 included above in the "Number of Full-Time-Equivalents (FTE)" may be used by the Department of Savings and Mortgage Lending unless:

(1) the Finance Commission files a written copy of the finding of fact, referenced in subsection 4(a) above, with the Governor and the Legislative Budget Board; and

(2) neither the Governor nor the Legislative Budget Board issues a written disapproval not later than:

(a) the 10th day after the date the staff of the Legislative Budget Board concludes its reviews of findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(b) within 10 business days of the receipt of the finding of fact by the Governor

(3) The appropriations above in Strategy E.1.1, Contingency Thrift Reg Response, and 7.0 Full-Time-Equivalents (FTE) positions in fiscal year 2008 and 10.0 FTEs in fiscal year 2009 include above in the "Number of Full-Time-Equivalents (FTE)" are also contingent upon the ~~D~~department generating sufficient additional fee revenues to cover these contingency appropriations and related employee benefits and providing such information as may be deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues will be available to fund the increased appropriations. These increased revenues must exceed ~~$1,092,000~~ $_____ for fiscal year ~~2006~~ 2008 and ~~$1,113,000~~ $_____ for fiscal year ~~2007~~ 2009 (Object Code 3172) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate.

c. Funds appropriated ~~in this provision~~ above in Strategy E.1.1, Contingency Thrift Reg Response, and 7.0 Full-Time-Equivalents (FTE) positions in fiscal year 2008 and 10.0 FTEs in fiscal year 2009 include above in the "Number of Full-Time-Equivalents (FTE)" may only be used to address issues included in the finding of fact submitted to the Governor and the Legislative Budget Board pursuant to subsection 4(b) above, and apply only to the ~~2006-07~~ 2008-09 biennium unless otherwise appropriated. It is the intent of the Legislature that these funds not be included in base level funding requests for the ~~2008-09~~ 2010-11 biennium.

5. Contingency Appropriation: Mortgage Broker Regulatory Response.

a. Amounts appropriated above to the Department of Savings and Mortgage Lending not to exceed $1,677,100 in each fiscal year in General Revenue in Strategy E.1.2, Contingency Broker Reg Response, and 29.0 Full-Time-Equivalents (FTE) positions in each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" are ~~C~~contingent upon a finding of fact by the Finance Commission that either:

(1) the size of the mortgage broker industry under the jurisdiction of the Department of Savings and Mortgage Lending, determined as a function of the number of licensees, has grown to a point where additional appropriations are deemed necessary to maintain adequate regulation of the industry; or

(2) increased incidents of regulatory and supervisory concern regarding compliance with applicable statutes and regulations by mortgage broker licensees under the ~~D~~department's jurisdiction have occurred to the extent that additional appropriations are deemed necessary to maintain adequate regulation of the industry.~~; then~~

~~the following amounts, or any part thereof as found to be necessary by the Finance Commission, are hereby appropriated to the Department of Savings and Mortgage Lending out of fee revenues collected by the Department: an amount not to exceed $1,865,000 for fiscal year 2006 and an amount not to exceed $1,865,000 for fiscal year 2007 and the "Number of Full-Time-Equivalent Positions (FTE)" figure indicated above is hereby increased by no more than 30 for fiscal year 2006 and 30 for fiscal year 2007.~~

b. None of the funds appropriated ~~pursuant to this provision~~ in Strategy E.1.1, Contingency Broker Reg Response, above may be expended and none of the 29.0 Full-Time-Equivalents (FTE) positions in each fiscal year included above in the "Number of Full-Time-Equivalents (FTE)" may be used ~~may be expended~~ by the Department of Savings and Mortgage Lending unless:

(1) the Finance Commission files a written copy of the finding of fact, referenced in subsection ~~4~~5(a) above, with the Governor and the Legislative Budget Board; and

(2) neither the Governor nor the Legislative Budget Board issues a written disapproval not later than:

(a) the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusion or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(b) within 10 business days of the receipt of the finding of fact by the Governor.

(3) The appropriations in ~~subsection 4(a)~~ Strategy E.1.1, Contingency Broker Reg Response, and 7.0 Full-Time-Equivalents (FTE) positions in each fiscal year include above in the "Number of Full-Time-Equivalents (FTE)" are also contingent upon the ~~D~~department generating sufficient additional fee revenues to cover these contingency appropriations and related employee benefits and providing such information as may be deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues will be available to fund the increased appropriations. These increased revenues must exceed ~~$2,780,000~~ $_____ for fiscal year ~~2006~~ 2008 and ~~$2,825,000~~ $_____ for fiscal year ~~2007~~ 2009 (Object Code 3175) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate.

c. Funds appropriated above in ~~this provision~~ Strategy E.1.1, Contingency Broker Reg Response, and 7.0 Full-Time-Equivalents (FTE) positions in each fiscal year include above in the "Number of Full-Time-Equivalents (FTE)" may only be used to address issues included in the finding of fact submitted to the Governor and the Legislative Budget Board pursuant to subsection ~~4~~5(b) above, and apply only to the ~~2006-07~~ 2008-09 biennium unless otherwise appropriated. It is the intent of the Legislature that these funds not be included in base level funding requests for the ~~2008-09~~ 2010-11 biennium.

~~**6.** **Sharing of Receptionist.** It is the intent of the Legislature that the Department of Banking, Department of Savings and Mortgage Lending, and Office of Consumer Credit Commissioner share one full-time-equivalent position each year of the biennium for the switchboard duties for the Finance Commission Building.~~

7. **Appropriation: Criminal Record Check Receipts.** Funds appropriated above in Strategy B.1.1, Mortgage Broker Licensing, include receipts collected pursuant to Section 156.206, Texas Finance Code ~~Section 156.206~~. Contingent upon certification by the Department of Savings and Mortgage Lending, and verification by the Comptroller of Public Accounts, all fees collected in excess of $225,000 each fiscal year of the biennium (estimated to be $0) are hereby appropriated to the Department of Savings and Mortgage Lending. These funds shall be used for the sole purpose of acquiring criminal record checks from the Department of Public Safety, Federal Bureau of Investigation, or other law enforcement agency.

~~**8.**~~ ~~**Contingent Revenue.** Out of the amounts appropriated above to the Department of Savings and Mortgage Lending in Strategy B.1.2, Mortgage Broker Examination, the amounts of $483,467 in fiscal year 2006 and $483,467 in fiscal year 2007 in General Revenue for the purpose of providing seven Mortgage Broker Inspector positions are contingent upon the Department of Savings and Mortgage Lending assessing fees sufficient to generate, during the 2006-07 biennium, $1,162,067 in excess of $7,810,000 (Object Codes 3172 and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 7.0 FTEs in each fiscal year contingent upon the Department of Savings and Mortgage Lending generating the amount of revenue indicated above. The Department of Savings and Mortgage Lending, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Finance Commission's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

SECURITIES BOARD

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 5,712,676	$ 5,712,676
Total, Method of Financing	$ 5,712,676	$ 5,712,676
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 1,801,038	$ 1,805,698
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	95.0	95.0
Schedule of Exempt Positions:		
Securities Commissioner, Group 5	$118,000	$118,000
Items of Appropriation:		
A. Goal: PROTECT INVESTORS		
Protect Investors and Assure Access to Capital for Business.		
A.1.1. Strategy: LAW ENFORCEMENT Investigate Violations, Coordinate Appropriate Action by Authorities.	$ 2,402,872	$ 2,402,872
A.2.1. Strategy: SECURITIES REGISTRATION Review Security Documentation for Conformity.	$ 441,260	$ 441,260
A.3.1. Strategy: DEALER REGISTRATION Perform Extensive Dealer Registration Review.	$ 528,930	$ 528,930
A.4.1. Strategy: INSPECT RECORDS Inspect Dealer & Investment Adviser Records for Regulatory Compliance.	$ 1,077,769	$ 1,077,769
Total, Goal A: PROTECT INVESTORS	$ 4,450,831	$ 4,450,831
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,083,710	$ 1,083,710
B.1.2. Strategy: INFORMATION TECHNOLOGY	$ 178,135	$ 178,135
Total, Goal B: INDIRECT ADMINISTRATION	$ 1,261,845	$ 1,261,845
Grand Total, SECURITIES BOARD	$ 5,712,676	$ 5,712,676

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,791,165	$ 4,791,165
Other Personnel Costs	106,920	106,920
Professional Fees and Services	18,383	18,383
Consumable Supplies	36,305	36,305
Utilities	59,670	59,670
Travel	114,815	114,815
Rent - Building	123,704	123,704
Rent - Machine and Other	23,436	23,436
Other Operating Expense	348,503	348,503
Capital Expenditures	89,775	89,775
Total, Object-of-Expense Informational Listing	$ 5,712,676	$ 5,712,676
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 311,161	$ 315,829
Group Insurance	620,895	628,638
Social Security	366,985	372,490
Benefits Replacement	31,552	29,975
Subtotal, Employee Benefits	$ 1,330,593	$ 1,346,932
Debt Service		
Lease Payments	$ 205,037	$ 206,443
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,535,630	$ 1,553,375

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Securities 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 Securities Board. In order to achieve the objectives and service standards established by this Act, the Securities Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: PROTECT INVESTORS		
Outcome (Results/Impact):		
Number of Law Enforcement Actions Taken	433	433
Percentage of Enforcement Actions Successful	100%	100%
Percentage of Texas Dealers and Investment Advisers Inspected	20%	20%
Percentage of Inspected Dealers and Investment Advisers Found to Require Corrective Action	80%	80%
A.1.1. Strategy: LAW ENFORCEMENT		
Output (Volume):		
Number of Investigations Opened	370	370
Efficiencies:		
Average Cost of Law Enforcement Actions	4,287	4,287
A.2.1. Strategy: SECURITIES REGISTRATION		
Output (Volume):		
Number of Securities Filings and Submissions Processed	44,000	44,000
Explanatory:		
Revenues Deposited to the State Treasury from Securities Applications	93,500,000	97,000,000
A.3.1. Strategy: DEALER REGISTRATION		
Output (Volume):		
Number of New Applications Processed	46,000	46,000
Explanatory:		
Number of Dealers, Agents, Investment Advisers, and Investment Adviser Representatives Registered	190,000	190,000
A.4.1. Strategy: INSPECT RECORDS		
Output (Volume):		
Number of Inspections Conducted	225	225
Efficiencies:		
Average Cost Per Inspection	4,790	4,790

~~5~~**2.** ~~**Contingent Revenue:**~~ **Capital Budget** ~~**Items and Agency Operations.** Out of the General Revenue amounts appropriated above to the Securities Board in Strategy A.1.1, Law~~

~~Enforcement, the amounts of $38,176 in fiscal year 2006 and $38,176 in fiscal year 2007, in Strategy A.2.1, Securities Registration, the amounts of $5,966 in fiscal year 2006 and $5,966 in fiscal year 2007, in Strategy A.3.1, Dealer Registration, the amounts of $59,478 in fiscal year 2006 and $59,478 in fiscal year 2007, in Strategy A.4.1, Inspect Records, the amounts of $21,769 in fiscal year 2006 and $21,769 in fiscal year 2007, in Strategy B.1.1, Central Administration, the amounts of $124,435 in fiscal year 2006 and $124,435 in fiscal year 2007, in Strategy B.1.2, Information Technology, the amounts of $2,237 in fiscal year 2006 and $2,237 in fiscal year 2007 for the purposes of agency operations ($106,761 each fiscal year), capital budget authority for the regular replacement of information technologies ($89,775 each fiscal year), and investor education initiatives ($55,525 each fiscal year) are contingent upon the Securities Board assessing fees sufficient to generate, during the 2006-07 biennium, $578,333 in excess of $142,000,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 1.0 FTE in each fiscal year contingent upon the Securities Board generating the amount of revenue indicated above. The increase in fees shall only be from the fees for the filing of any original application of a dealer or investment adviser or for the submission of a notice filing for a federal covered investment adviser, and for the filing of any original application for each agent, officer, or investment adviser representative or for the submission of a notice filing for each representative of a federal covered investment adviser. The Securities Board, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Securities Board's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

~~The Securities Board may expend appropriations for capital budget items listed below, contingent upon the Securities Board meeting the above revenue target.~~ None of the funds appropriated 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 a "(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. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	~~2006~~ 2008	~~2007~~ 2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Purchase of Information Technologies - Scheduled Replacement of Items	$89,775	$89,775
Total, Capital Budget	$89,775	$89,775

~~**2. Grants and Donations for Investor Education Initiatives.** The Securities Commissioner may accept grants and donations from a person who is not affiliated with the securities industry or from a nonprofit association, regardless of whether the entity is affiliated with the securities industry, for use in providing investor education initiatives.~~

3. Appropriation of Unexpended Balances Within the Biennium. The unobligated and unexpended balances of appropriations to the State Securities Board for the fiscal year ending August 31, ~~2006~~ 2008, are hereby appropriated to the State Securities Board for the same purposes for the fiscal year beginning September 1, ~~2006~~ 2008.

4. Out-of-State Travel Cap Exemption. Out of the funds appropriated above, expenditures for out-of-state travel by the Securities Board are limited to $5,300 in fiscal year ~~2006~~ 2008 and

$5,300 in fiscal year ~~2007~~ 2009. Travel related to regulatory matters, including examinations, inspections and the training of financial examiners, inspectors, investigators, attorneys and related directors is exempt from this limitation.

BOARD OF TAX PROFESSIONAL EXAMINERS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 190,028	$ 190,028
Total, Method of Financing	$ 190,028	$ 190,028
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 82,472	$ 82,334
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	3.7	3.7
Schedule of Exempt Positions:		
Executive Director, Group 1	$60,000	$60,000
Items of Appropriation:		
A. Goal: ESTABLISH AND OVERSEE PROCESS		
Maintain Registration & Certification Process and Enforce Statute.		
A.1.1. Strategy: CERTIFICATION PROGRAM Conduct Exams, Register Candidates, Manage CE Program, Distribute Info.	$ 167,028	$ 167,028
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 16,250	$ 16,250
A.1.3. Strategy: INDIRECT ADMINISTRATION	$ 6,750	$ 6,750
Total, Goal A: ESTABLISH AND OVERSEE PROCESS	$ 190,028	$ 190,028
Grand Total, BOARD OF TAX PROFESSIONAL EXAMINERS	$ 190,028	$ 190,028
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 137,068	$ 137,068
Professional Fees and Services	16,857	16,857
Consumable Supplies	2,000	2,000
Travel	7,000	7,000
Rent - Building	480	480
Rent - Machine and Other	2,200	2,200
Other Operating Expense	24,423	24,423
Total, Object-of-Expense Informational Listing	$ 190,028	$ 190,028
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 8,490	$ 8,618
Group Insurance	32,220	33,072
Social Security	10,535	10,693
Benefits Replacement	1,231	1,170
Subtotal, Employee Benefits	$ 52,476	$ 53,553
Debt Service		
Lease Payments	$ 13,764	$ 13,555

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 66,240	$ 67,108

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Tax Professional Examiners. 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 Board of Tax Professional Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Tax Professional Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ESTABLISH AND OVERSEE PROCESS		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99%	99%
Number of Approved Courses Offered	120	120
Percent of Complaints Resulting in Disciplinary Action	20%	20%
A.1.1. Strategy: CERTIFICATION PROGRAM		
Output (Volume):		
Number of Persons Certified/Recertified	450	450
Number of New Licenses Issued to Individuals	400	400
Number of Course, Sponsor and Instructor Applications Processed	20	20
Number of Complaints Resolved	9	9
Efficiencies:		
Average Licensing Cost per Individual License Issued	40	40
Explanatory:		
Total Number of Individuals Licensed	4,000	4,000

2. **Fees Established.** To provide for the recovery of costs for the preceding appropriations, the following fee rates shall be in effect for fiscal years ~~2006~~ 2008 and ~~2007~~ 2009, pursuant to provisions of Government Code § 316.041-316.045:

(1)	Registration Fee	Not Less Than $45 or More Than $75
(2)	Annual Renewal Fee	Not Less Than $45 or More Than $75

3. **Interagency Agreement.** Out of funds appropriated above in Strategy A.1.3, Indirect Administration, the Board of Tax Professional Examiners shall transfer no less than $6,750 each fiscal year of biennium beginning September 1, 2007, to the Comptroller of Public Accounts through an interagency contract, for administrative support services which shall consist of the same levels of service as were provided to the Board by the Comptroller of Public Accounts during the 2006-07 biennium.

~~3.~~ ~~**Contingent Revenue.** Out of amounts appropriated above in General Revenue to the Board of Tax Professional Examiners in Strategy A.1.1, Certification Program, the amounts of $20,500 in fiscal year 2006 and $20,500 in fiscal year 2007 for an exempt position salary increase ($8,000 per year), information technology maintenance ($6,000 per year), board member travel ($2,500 per year) and licensing database revisions ($4,000 per year) are contingent on the Board of Tax Professional Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $45,759 in excess of $506,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Tax Professional Examiners, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of the Board of Tax Professional Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.~~

PUBLIC UTILITY COMMISSION OF TEXAS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 10,159,072	$ 10,159,071
GR Dedicated - System Benefit Account No. 5100	2,895,592	2,895,592
Appropriated Receipts	475,000	475,000
Total, Method of Financing	$ 13,529,664	$ 13,529,663
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	190.0	190.0
Schedule of Exempt Positions:		
Executive Director, Group 4	$105,000	$105,000
Commissioner Chairman, Group 4	111,800	111,800
Commissioners, Group 4 (2)	109,200	109,200
Items of Appropriation:		
A. Goal: COMPETITION/CHOICE/RATES/SERVICE		
Ensure Competition, Choice, Just Rates, and Reliable Quality Service.		
A.1.1. Strategy: MARKET COMPETITION	$ 4,495,495	$ 4,495,494
Foster and Monitor Market Competition.		
A.2.1. Strategy: UTILITY REGULATION	$ 2,868,155	$ 2,868,155
Conduct Rate Cases for Regulated Telephone and Electric Utilities.		
Total, Goal A: COMPETITION/CHOICE/RATES/SERVICE	$ 7,363,650	$ 7,363,649
B. Goal: EDUCATION AND COMPLIANCE		
Educate Customers, Ensure Compliance with Laws, and Assist Customers.		
B.1.1. Strategy: PROVIDE FACTS ABOUT CHANGES	$ 1,851,830	$ 1,851,830
Provide Information about Changes in Electric and Telecom Industries.		
B.2.1. Strategy: INVESTIGATIONS AND ENFORCEMENT	$ 1,989,003	$ 1,989,003
Conduct Investigations and Initiate Enforcement Actions.		
Total, Goal B: EDUCATION AND COMPLIANCE	$ 3,840,833	$ 3,840,833
C. Goal: ELECTRIC UTILITY RESTRUCTURING		
C.1.1. Strategy: CONSUMER EDUCATION	$ 750,000	$ 750,000
Customer Education. Nontransferable.		
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 772,347	$ 772,347
D.1.2. Strategy: INFORMATION RESOURCES	$ 523,367	$ 523,367
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 279,467	$ 279,467
Total, Goal D: INDIRECT ADMINISTRATION	$ 1,575,181	$ 1,575,181
Grand Total, PUBLIC UTILITY COMMISSION OF TEXAS	$ 13,529,664	$ 13,529,663
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 11,160,392	$ 11,160,392
Other Personnel Costs	515,000	515,000
Professional Fees and Services	779,999	779,999
Consumable Supplies	49,999	49,999
Utilities	25,000	25,000
Travel	45,001	45,001
Rent - Building	10,000	10,000
Other Operating Expense	519,273	519,272
Capital Expenditures	425,000	425,000
Total, Object-of-Expense Informational Listing	$ 13,529,664	$ 13,529,663

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

Employee Benefits		
Retirement	$ 642,613	$ 652,252
Group Insurance	1,121,122	1,131,353
Social Security	773,365	784,965
Benefits Replacement	58,651	55,718
Subtotal, Employee Benefits	$ 2,595,751	$ 2,624,288
Debt Service		
Lease Payments	$ 31,879	$ 35,648
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,627,630	$ 2,659,936

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Public Utility Commission 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 Public Utility Commission of Texas. In order to achieve the objectives and service standards established by this Act, the Public Utility Commission of Texas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: COMPETITION/CHOICE/RATES/SERVICE		
Outcome (Results/Impact):		
Average Price of Electricity Per kWh in Texas for Residential Customers from Competitive Suppliers as a Percentage of the National Residential Average	113%	113%
Average Annual Residential Electric Bill from Competitive Suppliers as a Percentage of the National Average	150%	149%
Percent of Texas Cities Served by Three or More Certificated Telecommunication Providers	85.2%	85.7%
Average Annual Residential Telephone Bill in Texas as a Percentage of the National Average	72.2%	72.4%
A.1.1. Strategy: MARKET COMPETITION		
Output (Volume):		
Number of Investigations Conducted for Market Power, Market Design, or Anti-competitive Conduct in the Electric Market	10	10
Number of Investigations Conducted for Market Power, Market Design, or Anti-competitive Conduct in the Telephone Market	3	3
Number of Cases Completed Related to Competition Among Providers	500	500
Efficiencies:		
Average Number of Days to Process an Application for a Certificate of Authority and Service Provider Certificate of Authority	60	60
A.2.1. Strategy: UTILITY REGULATION		
Output (Volume):		
Number of Rate Cases Completed for Regulated Electric Utilities	20	20
Number of Rate Cases Completed for Regulated Telecommunications Providers	6	6
Efficiencies:		
Average Number of Days to Process a Major Rate Case for a Transmission and Distribution Utility	220	220
B. Goal: EDUCATION AND COMPLIANCE		
Outcome (Results/Impact):		
Percentage of Customer Complaints Resolved through Informal Complaint Resolution Process	99%	99%
B.1.1. Strategy: PROVIDE FACTS ABOUT CHANGES		
Output (Volume):		
Number of Information Requests to Which Responses Were Provided	100,000	115,000
Efficiencies:		
Average Cost Per Customer Information Product Distributed	.25	.25

Explanatory:		
Number of Calls Completed through Relay Texas	3,100,000	3,200,000
B.2.1. Strategy: INVESTIGATIONS AND ENFORCEMENT		
Output (Volume):		
Number of Utilities for Which a Detailed Review of Earnings Is Conducted	5	5
Number of Enforcement Investigations Conducted	150	150
Number of Customer Complaints Concluded	15,000	15,000
Efficiencies:		
Average Cost Per Enforcement Investigation Conducted	500	500
Average Number of Days to Conclude Customer Complaints	30	30

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 a "(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. Upon approval from the Legislative Budget Board, capital budget funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas.

	~~2006~~ 2008	~~2007~~ 2009
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Digital Copiers Lease	$ 220,000	$ 220,000
(2) Microsoft Open License Software Lease & Desktop Lease	$~~220,000~~ 205,000	$~~204,999~~ 205,000
~~(3) Network Infrastructure Upgrade~~	~~$ 90,000~~	~~$ 0~~
Total, Acquisition of Information Resource Technologies	$~~530,000~~ 425,000	$~~424,999~~ 425,000
Total, Capital Budget	$~~530,000~~ 425,000	$~~424,999~~ 425,000

3. **Appropriation of Receipts: Electronic Information System.** Out of Appropriated Receipts appropriated above, $30,000 each year from fee revenue derived from implementation of an electronic information system for public access to records on file with the agency may be used only for operating lease payments~~;~~ and for service agreements limited to PUC interchange support.

4. **Transfer Authority.** The Public Utility Commission has no authority to transfer an appropriation to or from any item under Goal C: Electric Utility Restructuring, and may not expend amounts above those appropriated above in each strategy of Goal C: Electric Utility Restructuring.

5. **System Benefit Account Reporting.** The Public Utility Commission shall submit a quarterly report to the Legislative Budget Board and the Governor on revenues and expenditures made from the GR Dedicated - System Benefit Account No. 5100. The report shall be submitted with documentation as specified by the Legislative Budget Board and the Governor.

6. **Appropriation of Unexpended Balances: ~~2006~~ 2008 Appropriations.** The unobligated and unexpended balances of appropriations to the Public Utility Commission for the fiscal year ending August 31, ~~2006~~ 2008, are hereby appropriated to the commission for the same purposes for the fiscal year ending August 31, ~~2007~~ 2009.

7. **Contingent Revenue.** Of the amounts appropriated above to the Public Utility Commission from the GR Dedicated - System Benefit Account No. 5100, the estimated amounts of ~~$3,625,842~~ $2,895,592 in fiscal year ~~2006~~ 2008 and ~~$3,625,842~~ $2,895,592 in fiscal year ~~2007~~ 2009 are contingent on the Public Utility Commission assessing a rate sufficient to generate the estimated needs of the GR Dedicated - System Benefit Account No. 5100. The

Public Utility Commission, upon completion of necessary actions for the assessment, shall furnish copies of the Public Utility Commission's order and other information supporting the estimated revenues to be generated for the ~~2006-07~~ 2008-09 biennium to the Comptroller of Public Accounts. If the comptroller finds the information sufficient to support the projection of revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

8. **Allocation of System Benefit Account.** The GR Dedicated - System Benefit Account No. 5100, calculated at the maximum statutory assessment rate estimated to be ~~$144,512,577~~ $ _____ in fiscal year ~~2006~~ 2008 and ~~$146,680,266~~ $ _____ in fiscal year ~~2007~~ 2009, has been allocated throughout this Act as follows: The estimated balance as of August 31, ~~2005~~ 2007 is ~~$121,791,811~~ $ _____, interest income is estimated to be ~~$13,920,082~~ $ for the biennium. The total account balance available for appropriation for ~~2006-07~~ 2008-09 is estimated to be ~~$426,904,736~~ $ _____.

	~~2006~~ 2008	~~2007~~ 2009
Public Utility Commission:		
Electric Market Oversight Contracts		
Wholesale Market	~~$1,500,000~~ 700,000	~~$1,500,000~~ 700,000
Retail Market	$500,000	$500,000
Customer Education	$750,000	$750,000
Administration	~~$875,842~~ 945,592	~~$875,842~~ 945,592
Total	~~$3,625,842~~2,895,592	~~$3,625,842~~2,895,592

~~**9.** **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Public Utility Commission are made contingent on the continuation of the Public Utility Commission by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

OFFICE OF PUBLIC UTILITY COUNSEL

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,568,800	$ 1,568,800
Total, Method of Financing	$ 1,568,800	$ 1,568,800
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	23.0	23.0
Schedule of Exempt Positions:		
Public Counsel, Group 3	$90,000	$90,000
Items of Appropriation:		
A. Goal: EQUITABLE ELECTRIC RATES		
Equitable Electric Rates for Residential and Small Business Consumers.		
A.1.1. Strategy: PARTICIPATION IN PROCEEDINGS	$ 1,086,633	$ 1,086,633
Participate in Major Electric Rate Cases, Rules and Other Proceedings.		

B. Goal: TELEPHONE COMPETITION Provide Benefits and Protect Telephone Consumers in Competitive Market.		
B.1.1. Strategy: TELECOMMUNICATIONS PROCEEDINGS Participate in Telecom Proceedings Involving Competitive Issues.	$ 482,167	$ 482,167
Grand Total, OFFICE OF PUBLIC UTILITY COUNSEL	$ 1,568,800	$ 1,568,800
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,247,720	$ 1,247,720
Other Personnel Costs	30,240	30,240
Professional Fees and Services	171,771	171,771
Consumable Supplies	12,500	12,500
Utilities	401	401
Travel	3,840	3,840
Rent - Building	2,786	2,786
Rent - Machine and Other	31,521	31,521
Other Operating Expense	68,021	68,021
Total, Object-of-Expense Informational Listing	$ 1,568,800	$ 1,568,800
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 76,378	$ 77,524
Group Insurance	123,964	124,952
Social Security	99,743	101,239
Benefits Replacement	7,723	7,336
Subtotal, Employee Benefits	$ 307,808	$ 311,051
Debt Service		
Lease Payments	$ 4,638	$ 5,186
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 312,446	$ 316,237

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Public Utility Counsel. 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 Public Utility Counsel. In order to achieve the objectives and service standards established by this Act, the Office of Public Utility Counsel shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: EQUITABLE ELECTRIC RATES		
Outcome (Results/Impact):		
Percentage of OPUC Electric Proceedings That Are Competition Related	55%	55%
A.1.1. Strategy: PARTICIPATION IN PROCEEDINGS		
Output (Volume):		
Number of Electric Cases in Which OPUC Participates	37	37
Number of Electric Projects in Which OPUC Participates	13	13
Efficiencies:		
Average Cost Per Electric Proceeding in Which OPUC Participates	11,400	11,400
B. Goal: TELEPHONE COMPETITION		
Outcome (Results/Impact):		
Percent of OPUC Telecommunications Proceedings That Are Competition Related	65%	65%
B.1.1. Strategy: TELECOMMUNICATIONS PROCEEDINGS		
Output (Volume):		
Number of Telecommunications Cases in Which OPUC Participates	6	6
Number of Telecommunications Projects in Which OPUC Participates	21	21

Efficiencies:		
Average Cost Per Telecommunications Proceeding in Which OPUC Participates	3,300	3,300

2. **Unexpended Balance Authority.** The unobligated and unexpended balances of appropriations to the Office of Public Utility Counsel for the fiscal year ending August 31, ~~2006~~ 2008, are hereby appropriated to the agency for the same purposes for the fiscal year ending August 31, ~~2007~~ 2009.

~~**3.** **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Office of Public Utility Counsel are made contingent on the continuation of the Office of Public Utility Counsel by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

BOARD OF VETERINARY MEDICAL EXAMINERS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 630,119	$ 630,119
Appropriated Receipts	500	500
Total, Method of Financing	$ 630,619	$ 630,619
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 194,282	$ 193,864
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	10.8	10.8
Schedule of Exempt Positions:		
Executive Director, Group 1	$65,000	$65,000
Items of Appropriation:		
A. Goal: VETERINARY REGULATION		
Implement Standards of Veterinary Practice, Enforce Statutes and Rules.		
A.1.1. Strategy: OPERATE LICENSURE SYSTEM	$ 124,013	$ 124,013
Examine and License Veterinarians and Renew Licenses.		
A.1.2. Strategy: TEXASONLINE	$ 33,650	$ 33,650
TexasOnline. Estimated and Nontransferable.		
A.2.1. Strategy: COMPLAINTS AND ACTION	$ 356,309	$ 356,309
Investigate Complaints, Take Disciplinary Action, Compliance Program.		
A.2.2. Strategy: PEER ASSISTANCE	$ 15,000	$ 15,000
Total, Goal A: VETERINARY REGULATION	$ 528,972	$ 528,972
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: LICENSING INDIRECT ADMINISTRATION	$ 24,187	$ 24,187
B.1.2. Strategy: COMPLAINTS & ACTION INDIRECT ADMIN	$ 77,460	$ 77,460
Complaints and Action Indirect Administration.		
Total, Goal B: INDIRECT ADMINISTRATION	$ 101,647	$ 101,647
Grand Total, BOARD OF VETERINARY MEDICAL EXAMINERS	$ 630,619	$ 630,619

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 481,936	$ 481,936
Other Personnel Costs	20,520	20,520
Professional Fees and Services	24,389	24,389
Consumable Supplies	3,000	3,000
Utilities	1,480	1,480
Travel	20,847	20,847
Rent - Building	1,720	1,720
Other Operating Expense	76,727	76,727
Total, Object-of-Expense Informational Listing	$ 630,619	$ 630,619
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 21,265	$ 21,584
Group Insurance	67,477	67,954
Social Security	37,274	37,833
Benefits Replacement	4,249	4,037
Subtotal, Employee Benefits	$ 130,265	$ 131,408
Debt Service		
Lease Payments	$ 35,284	$ 34,748
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 165,549	$ 166,156

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Veterinary Medical Examiners. 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 Board of Veterinary Medical Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Veterinary Medical Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: VETERINARY REGULATION		
Outcome (Results/Impact):		
Percentage of Licensees with No Recent Violations	99%	99%
Percent of Licensees Who Renew Online	84%	84%
Percent of New Individual Licenses Issued Online	0%	0%
Percentage of Complaints Resulting in Disciplinary Action	14%	14%
Recidivism Rate for Peer Assistance Programs	16%	16%
A.1.1. Strategy: OPERATE LICENSURE SYSTEM		
Output (Volume):		
Number of New Licenses Issued to Individuals	345	345
Number of Licenses Renewed (Individuals)	6,815	6,966
Efficiencies:		
Average Licensing Cost per Individual License Issued	4.45	4.36
A.2.1. Strategy: COMPLAINTS AND ACTION		
Output (Volume):		
Number of Complaints Resolved	320	320
Efficiencies:		
Average Time for Complaint Resolution (Days)	200	200
Explanatory:		
Number of Jurisdictional Complaints Received	400	420
A.2.2. Strategy: PEER ASSISTANCE		
Output (Volume):		
Number of Licensed Individuals Participating in a Peer Assistance Program	15	15

2. **Appropriation: Peer Assistance Program Penalties.** The amounts appropriated above in Strategy A.2.2,~~A.2.3. Strategy:~~ Peer Assistance, include $6,000 per year from administrative penalties generated pursuant to Occupations Code § 801.451. Any additional penalties are hereby appropriated to the Board of Veterinary Medical Examiners for the purpose of financing the Peer Assistance program, as defined in the Health and Safety Code, Chapter 467.

~~**3.** **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Board of Veterinary Medical Examiners are made contingent on the continuation of the Board of Veterinary Medical Examiners by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.~~

~~**4.** **Contingent Revenue**: **Executive Director Salary and Enforcement.** Out of the amounts appropriated above to the Board of Veterinary Medical Examiners in Strategy A.1.1, Operate Licensure System, the amounts of $1,250 in fiscal year 2006 and $1,250 in fiscal year 2007, in Strategy A.1.3, Licensing Indirect Administration, the amounts of $1,250 in fiscal year 2006 and $1,250 in fiscal year 2007, in Strategy A.2.1, Complaints and Action, the amounts of $31,610 in fiscal year 2006 and $31,610 in fiscal year 2007, and in Strategy A.2.2, Complaints and Action Indirect Admin, the amounts of $1,250 in fiscal year 2006 and $1,250 in fiscal year 2007 in General Revenue for an exempt salary cap increase ($5,000 per year) and for the purpose of funding an Investigator Assistant position ($23,640 per year) to perform compliance inspections and for additional investigator travel ($6,720 per year) are contingent upon the Board of Veterinary Medical Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $87,755 in excess of $1,610,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 1.0 FTE in each fiscal year contingent upon the Board of Veterinary Medical Examiners generating the amount of revenue indicated above. The Board of Veterinary Medical Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Veterinary Medical Examiners' minutes and other information supporting the estimated revenue to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenue, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.~~

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated, estimated	$ 14,040,298	$ 14,220,464
General Revenue Dedicated Accounts, estimated	18,435,501	18,698,643
Total, Method of Financing	$ 32,475,799	$ 32,919,107
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 9,592,028	$ 9,735,908
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 22,883,771	$ 23,183,199
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 32,475,799	$ 32,919,107
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 32,475,799	$ 32,919,107

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 5,681,029	$ 5,736,370
General Revenue Dedicated Accounts, estimated	7,228,451	7,281,975
State Highway Fund No. 006, estimated	218,566	220,447
Total, Method of Financing	$ 13,128,046	$ 13,238,792
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH -- EMPLOYER	$ 11,802,281	$ 11,979,315
State Match — Employer. Estimated.		
A.1.2. Strategy: BENEFIT REPLACEMENT PAY	$ 1,325,765	$ 1,259,477
Benefit Replacement Pay. Estimated.		
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 13,128,046	$ 13,238,792
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 13,128,046	$ 13,238,792

LEASE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 2,017,960	$ 1,997,710
GR Dedicated - Texas Department of Insurance Operating Fund Account No. 036	2,951,493	2,900,359
Total, Method of Financing	$ 4,969,453	$ 4,898,069
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 4,969,453	$ 4,898,069 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 4,969,453	$ 4,898,069

SPECIAL PROVISIONS RELATING TO ALL REGULATORY AGENCIES

Sec. 2. Appropriations Limited to Revenue Collections. It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by each of the following agencies cover, at a minimum, the cost of appropriations made above and elsewhere in this Act to those agencies as well as an amount equal to the amount identified in the informational item "Other Direct and Indirect Costs Appropriated Elsewhere in This Act."

~~Board of Barber Examiners~~Department of Banking
Board of Chiropractic Examiners
~~Cosmetology Commission~~Office of Consumer Credit Commissioner
Credit Union Department
Texas State Board of Dental Examiners
~~Department of Banking~~Funeral Service Commission
~~Office of Consumer Credit Commissioner~~Board of Professional Geoscientists
~~Department of Savings and Mortgage Lending~~
~~Funeral Service Commission~~
~~Board of Professional Geoscientists~~Office of Injured Employee Counsel
Department of Insurance

Office of Public Insurance Counsel
Board of Professional Land Surveying
Department of Licensing and Regulation
~~Board of Medical Examiners~~Texas Medical Board
Board of Nurse Examiners
Optometry Board
Structural Pest Control Board
Board of Pharmacy
Executive Council of Physical Therapy and Occupational Therapy Examiners
Board of Plumbing Examiners
Board of Podiatric Medical Examiners
Board of Examiners of Psychologists
Racing Commission
Real Estate Commission
Residential Construction Commission
Department of Savings and Mortgage Lending
Securities Board
Board of Tax Professional Examiners
Board of Veterinary Medical Examiners
~~Residential Construction Commission~~
~~Securities Board~~

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

Sec. 3. Funding for Health Professions Council. An agency participating in the Health Professions Council shall transfer funds through interagency contract to the Health Professions Council from appropriations made to the agency elsewhere in this Act in order to carry out the functions required under Chapter 101, Occupation Code. Included in the amounts appropriated above to the Health Professions Council, are funds transferred by the following participating agencies in the amounts noted below for each year of the ~~2006-07~~2008-09 biennium:

	~~2006~~	~~2007~~
~~Board of Chiropractic Examiners~~	~~$ 5,115~~	~~$ 5,115~~
~~Texas State Board of Dental Examiners~~	~~19,002~~	~~19,002~~
~~Board of Medical Examiners~~	~~24,140~~	~~24,140~~
~~Board of Nurse Examiners~~	~~21,309~~	~~21,309~~
~~Optometry Board~~	~~5,1595~~	~~5,159~~
~~Board of Pharmacy~~	~~19,188~~	~~19,188~~
~~Executive Council of Physical and Occupational Therapy Examiners~~	~~10,357~~	~~10,357~~
~~Board of Podiatric Medical Examiners~~	~~4,591~~	~~4,591~~
~~Board of Examiners of Psychologists~~	~~8,549~~	~~8,549~~
~~Board of Veterinary Medical Examiners~~	~~7,693~~	~~7,693~~
~~Funeral Service Commission~~	~~7,970~~	~~7,970~~
~~Total~~	~~$ 133,073~~	~~$133,0731~~

	2008	2009
Department of State Health Services	$ 11,571	$ 11,571
Board of Chiropractic Examiners	5,309	5,309
Texas State Board of Dental Examiners	19,718	19,718
Funeral Service Commission	8,271	8,271
Texas Medical Board	25,050	25,050
Board of Nurse Examiners	22,112	22,112
Optometry Board	5,354	5,354
Board of Pharmacy	19,911	19,911
Executive Council of Physical and Occupational Therapy Examiners	10,748	10,748
Board of Podiatric Medical Examiners	4,764	4,764

Board of Examiners of Psychologists	8,871	8,871
Board of Veterinary Medical Examiners	7,983	7,983
Total	$ 149,662	$ 149,662

~~Also included in the amounts appropriated above to the Health Professions Council are $11,151 in fiscal year 2006 and $11,151in fiscal year 2007 to be transferred by the Department of State Health Services.~~

Sec. 4. TexasOnline Authority Appropriation.

a. Each Article VIII licensing agency participating in the TexasOnline Authority is authorized in accordance with § 2054.252 of the Government Code to increase the occupational license, permit, and registration fees imposed on the licensees by an amount sufficient to cover the cost of the subscription fee charged by the TexasOnline Authority.

b. The following is an informational listing for each Article VIII licensing agency participating in TexasOnline of appropriated fee revenue for the purpose of paying TexasOnline Authority subscription fees.

	~~2006~~	~~2007~~
~~Board of Barber Examiners~~	~~$ 60,000~~	~~$ 60,000~~
~~Board of Chiropractic Examiners~~	~~17,832~~	~~17,832~~
~~Cosmetology Commission~~	~~224,360~~	~~224,360~~
~~Texas State Board of Dental Examiners~~	~~194,478~~	~~202,627~~
~~Board of Professional Land Surveying~~	~~14,221~~	~~14,221~~
~~Optometry Board~~	~~15,725~~	~~15,725~~
~~Structural Pest Control Board~~	~~95,690~~	~~95,690~~
~~Executive Council of Physical Therapy & Occupational Therapy Examiners~~	~~112,945~~	~~116,855~~
~~Board of Plumbing Examiners~~	~~135,000~~	~~135,000~~
~~Board of Podiatric Medical Examiners~~	~~4,130~~	~~4,130~~
~~Board of Examiners of Psychologists~~	~~32,000~~	~~32,000~~
~~Board of Tax Professional Examiners~~	~~15,490~~	~~16,250~~
~~Board of Veterinary Medical Examiners~~	~~32,745~~	~~33,650~~
~~Real Estate Commission~~	~~224,000~~	~~224,000~~
~~Funeral Services Commission~~	~~25,000~~	~~25,000~~
~~Board of Nurse Examiners~~	~~256,100~~	~~256,100~~
~~Board of Pharmacy~~	~~178,340~~	~~182,810~~
~~Department of Licensing and Regulation~~	~~368,000~~	~~368,000~~
~~Board of Medical Examiners~~	~~181,532~~	~~155,298~~
~~Department of Insurance~~	~~296,100~~	~~296,100~~
~~Department of Savings and Mortgage Lending~~	~~67,867~~	~~67,868~~
~~Residential Construction Commission~~	~~315,000~~	~~315,000~~
~~Board of Professional Geoscientists~~	~~30,000~~	~~30,000~~
~~Racing Commission~~	~~23,250~~	~~23,250~~
~~Total~~	~~$ 2,919,805~~	~~$ 2,911,766~~

	2008	2009
Board of Chiropractic Examiners	$ 29,850	$ 29,850
Texas State Board of Dental Examiners	184,629	184,629
Funeral Services Commission	39,000	39,000
Board of Professional Geoscientists	30,000	30,000
Department of Insurance	380,000	380,000
Board of Professional Land Surveying	14,000	14,000
Department of Licensing and Regulation	652,360	652,360
Texas Medical Board	316,841	316,841
Board of Nurse Examiners	325,000	325,000
Optometry Board	16,400	16,400
Structural Pest Control Board	103,150	103,150

Board of Pharmacy	209,480	212,610
Executive Council of Physical Therapy & Occupational Therapy Examiners	124,675	124,675
Board of Plumbing Examiners	155,000	155,000
Board of Podiatric Medical Examiners	4,130	4,130
Board of Examiners of Psychologists	30,000	30,000
Racing Commission	23,250	23,250
Real Estate Commission	322,000	322,000
Residential Construction Commission	315,000	315,000
Department of Savings and Mortgage Lending	67,867	67,868
Board of Tax Professional Examiners	16,250	16,250
Board of Veterinary Medical Examiners	33,650	33,650
Total	$ 3,392,532	$ 3,395,663

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 agencies participating in TexasOnline to be within the amount of fee revenue expected to be available.

d. For new licensing applications, the Article VIII licensing agencies participating in TexasOnline are hereby appropriated the additional revenue generated from occupational license, permit, or registration fees in excess of the Comptroller's biennial revenue estimate ~~2006-07~~2008-09 for the sole purpose of payment to the TexasOnline Authority contractor of subscription fees for implementing and maintaining electronic services for the licensing agencies. Each agency, upon completion of necessary actions to access or increase fees, shall furnish copies of board meeting minutes, 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. Each Article VIII licensing agency participating in TexasOnline 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, an agency 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.

Sec. 5. Peer Assistance Program Funding Requirements. Funds collected during the biennium beginning September 1, 200~~5~~7, by the Board of Pharmacy pursuant to Chapter 564, Occupations Code, and by the Board of Nurse Examiners, the Board of Dental Examiners, and the Board of Veterinary Medical Examiners pursuant to Chapter 467 of the Health and Safety Code, in order to administer or finance peer assistance programs for professionals impaired by chemical dependency or mental illness, are appropriated elsewhere in this Act as identified in each Board's peer assistance strategy. The expenditure of the appropriations identified by this section is hereby made contingent upon sufficient revenue collections from peer assistance surcharges or other receipts collected pursuant to Chapter 467 of the Health and Safety Code or Chapter 564, Occupations Code as appropriate. None of the appropriations identified by this section may be expended unless each agency with a peer assistance program has on file the following current documents:

1. a request for proposal documentation and contracts documenting that the respective agency governing board has a competitively bid contract with the peer assistance program;

2. documentation for programs authorized under Chapter 467 of the Health and Safety Code that the agency's peer assistance program has been certified by the Department of State Health Services (DSHS) as meeting all DSHS criteria for peer assistance programs;

3. documentation for programs authorized under Chapter 467 showing compliance with statutory requirements regarding eligible participants and conditions for which services may be offered; and

4. documentation that the program has been approved by the agency governing board.

RECAPITULATION - ARTICLE VIII
REGULATORY
(General Revenue)

	For the Years Ending August 31, 2008	August 31, 2009
State Office of Administrative Hearings	$ 2,169,104	$ 2,169,103
Department of Banking	17,811,932	17,736,929
Board of Chiropractic Examiners	361,457	361,456
Office of Consumer Credit Commissioner	4,267,030	4,267,029
Credit Union Department	1,881,444	1,953,442
Texas State Board of Dental Examiners	1,472,797	1,472,595
Funeral Service Commission	602,192	602,192
Board of Professional Geoscientists	443,490	434,729
Department of Insurance	34,591,165	34,741,165
Office of Public Insurance Counsel	996,726	996,726
Board of Professional Land Surveying	354,556	344,557
Department of Licensing and Regulation	14,363,972	14,363,971
Texas Medical Board	5,705,109	5,704,066
Board of Nurse Examiners	6,040,818	6,040,818
Optometry Board	367,090	367,090
Structural Pest Control Board	1,316,397	1,316,398
Board of Pharmacy	3,645,803	3,682,438
Executive Council of Physical Therapy & Occupational Therapy Examiners	926,967	926,966
Board of Plumbing Examiners	1,757,056	1,757,056
Board of Podiatric Medical Examiners	217,437	218,190
Board of Examiners of Psychologists	660,891	660,890
Real Estate Commission	4,735,411	4,735,411
Residential Construction Commission	3,286,342	3,286,343
Department of Savings and Mortgage Lending	6,246,116	6,472,713
Securities Board	5,712,676	5,712,676
Board of Tax Professional Examiners	190,028	190,028
Public Utility Commission of Texas	10,159,072	10,159,071
Office of Public Utility Counsel	1,568,800	1,568,800
Board of Veterinary Medical Examiners	630,119	630,119
Subtotal, Regulatory	$ 132,481,997	$ 132,872,967
Retirement and Group Insurance	14,040,298	14,220,464
Social Security and Benefit Replacement Pay	5,681,029	5,736,370
Subtotal, Employee Benefits	$ 19,721,327	$ 19,956,834
Lease Payments	2,017,960	1,997,710
TOTAL, ARTICLE VIII - REGULATORY	$ 154,221,284	$ 154,827,511

RECAPITULATION - ARTICLE VIII
REGULATORY
(General Revenue - Dedicated)

	For the Years Ending August 31, 2008	August 31, 2009
Office of Injured Employee Counsel	$ 5,959,179	$ 5,959,179
Department of Insurance	59,501,396	59,501,396
Texas Medical Board	2,548,920	2,555,832
Racing Commission	10,049,271	10,050,270
Contingency Appropriations	368,906	368,806
Total	10,418,177	10,419,076
Real Estate Commission	120,000	120,000
Public Utility Commission of Texas	2,895,592	2,895,592
Subtotal, Regulatory	$ 81,443,264	$ 81,451,075
Retirement and Group Insurance	18,435,501	18,698,643
Social Security and Benefit Replacement Pay	7,228,451	7,281,975
Subtotal, Employee Benefits	$ 25,663,952	$ 25,980,618
Lease Payments	2,951,493	2,900,359
TOTAL, ARTICLE VIII - REGULATORY	$ 110,058,709	$ 110,332,052

RECAPITULATION - ARTICLE VIII
REGULATORY
(Federal Funds)

	For the Years Ending August 31, 2008	For the Years Ending August 31, 2009
Department of Insurance	$ 2,254,623	$ 2,254,623
Structural Pest Control Board	150,000	150,000
Subtotal, Regulatory	$ 2,404,623	$ 2,404,623
TOTAL, ARTICLE VIII - REGULATORY	$ 2,404,623	$ 2,404,623

RECAPITULATION - ARTICLE VIII
REGULATORY
(Other Funds)

	For the Years Ending August 31, 2008	August 31, 2009
State Office of Administrative Hearings	$ 4,748,746	$ 4,748,745
Department of Banking	11,100	11,100
Board of Chiropractic Examiners	28,500	28,500
Texas State Board of Dental Examiners	72,000	72,000
Funeral Service Commission	52,000	52,000
Health Professions Council	156,162	159,662
Department of Insurance	1,547,300	1,547,300
Office of Public Insurance Counsel	48,000	48,000
Department of Licensing and Regulation	515,634	515,634
Texas Medical Board	80,423	80,423
Board of Nurse Examiners	823,100	823,100
Optometry Board	37,398	37,399
Structural Pest Control Board	600	600
Board of Pharmacy	7,730	7,730
Executive Council of Physical Therapy & Occupational Therapy Examiners	60,000	60,000
Board of Plumbing Examiners	30,000	30,000
Board of Podiatric Medical Examiners	3,200	3,200
Board of Examiners of Psychologists	62,398	62,398
Real Estate Commission	190,500	190,500
Residential Construction Commission	50,500	50,500
Public Utility Commission of Texas	475,000	475,000
Board of Veterinary Medical Examiners	500	500
Subtotal, Regulatory	$ 9,000,791	$ 9,004,291
Social Security and Benefit Replacement Pay	218,566	220,447
Subtotal, Employee Benefits	$ 218,566	$ 220,447
Less Interagency Contracts	$ 1,776,672	$ 1,780,172
TOTAL, ARTICLE VIII - REGULATORY	$ 7,442,685	$ 7,444,566

RECAPITULATION - ARTICLE VIII
REGULATORY
(All Funds)

	For the Years Ending August 31, 2008	August 31, 2009
State Office of Administrative Hearings	$ 6,917,850	$ 6,917,848
Department of Banking	17,823,032	17,748,029
Board of Chiropractic Examiners	389,957	389,956
Office of Consumer Credit Commissioner	4,267,030	4,267,029
Credit Union Department	1,881,444	1,953,442
Texas State Board of Dental Examiners	1,544,797	1,544,595
Funeral Service Commission	654,192	654,192
Board of Professional Geoscientists	443,490	434,729
Health Professions Council	156,162	159,662
Office of Injured Employee Counsel	5,959,179	5,959,179
Department of Insurance	97,894,484	98,044,484
Office of Public Insurance Counsel	1,044,726	1,044,726
Board of Professional Land Surveying	354,556	344,557
Department of Licensing and Regulation	14,879,606	14,879,605
Texas Medical Board	8,334,452	8,340,321
Board of Nurse Examiners	6,863,918	6,863,918
Optometry Board	404,488	404,489
Structural Pest Control Board	1,466,997	1,466,998
Board of Pharmacy	3,653,533	3,690,168
Executive Council of Physical Therapy & Occupational Therapy Examiners	986,967	986,966
Board of Plumbing Examiners	1,787,056	1,787,056
Board of Podiatric Medical Examiners	220,637	221,390
Board of Examiners of Psychologists	723,289	723,288
Racing Commission	10,049,271	10,050,270
Contingency Appropriations	368,906	368,806
Total	10,418,177	10,419,076
Real Estate Commission	5,045,911	5,045,911
Residential Construction Commission	3,336,842	3,336,843
Department of Savings and Mortgage Lending	6,246,116	6,472,713
Securities Board	5,712,676	5,712,676
Board of Tax Professional Examiners	190,028	190,028
Public Utility Commission of Texas	13,529,664	13,529,663
Office of Public Utility Counsel	1,568,800	1,568,800
Board of Veterinary Medical Examiners	630,619	630,619
Subtotal, Regulatory	$ 225,330,675	$ 225,732,956
Retirement and Group Insurance	32,475,799	32,919,107
Social Security and Benefit Replacement Pay	13,128,046	13,238,792
Subtotal, Employee Benefits	$ 45,603,845	$ 46,157,899
Lease Payments	4,969,453	4,898,069
Less Interagency Contracts	$ 1,776,672	$ 1,780,172
TOTAL, ARTICLE VIII - REGULATORY	$ 274,127,301	$ 275,008,752
Number of Full-Time-Equivalents (FTE)	3,581.7	3,586.9

ARTICLE IX

PART 1. GENERAL PROVISIONS LEGISLATIVE INTENT

Sec. 1.01. **Limitations.** The provisions of this Article and all other Articles of this Act are limitations on the appropriations made by this Act. It is the purpose of the Legislature in enacting this bill only to appropriate funds and to restrict and limit by its provisions the amount and conditions under which the appropriations can be expended.

PART 2. PROVISIONS RELATING TO THE POSITION CLASSIFICATION PLAN

Sec. 2.01. **Position Classification Plan.** Except as otherwise specifically provided in this Act, expenditures of appropriations for the salaries of employees, in classified positions in all affected agencies appropriated funds by this Act, other than institutions of higher education, university system offices, and the Texas Higher Education Coordinating Board, are governed by Chapter 654, Government Code (the Position Classification Act), Chapter 659, Government Code, and this section, including the following lists of position classification numbers, position titles, salary group allocations, and rates of pay in classification salary schedules as provided by this Article.

CLASSIFIED POSITIONS FOR THE 2008–09[~~2006–07~~] BIENNIUM

Class Number	Class Title	Salary Group
0006	Receptionist	A05
0053	Clerk I	A04
0055	Clerk II	A06
0057	Clerk III	A08
0059	Clerk IV	A10
0130	Customer Service Representative I	A09
0132	Customer Service Representative II	A11
0134	Customer Service Representative III	A13
0136	Customer Service Representative IV	A15
0150	Administrative Assistant I	A08
0152	Administrative Assistant II	A11
0154	Administrative Assistant III	A13
0156	Administrative Assistant IV	A15
0160	Executive Assistant I	B09
0162	Executive Assistant II	B11
0203	Data Entry Operator I	A06
0205	Data Entry Operator II	A08
0207	Data Entry Operator III	A10
0218	Computer Record Control Clerk I	A07
0220	Computer Record Control Clerk II	A09
0223	Computer Operator I	A109
0225	Computer Operator II	A121
0227	Computer Operator III	A14
0233	Computer Operations Supervisor I	B108
0234	Computer Operations Supervisor II	B120
02283[~~6~~]	Systems Support Specialist I	B05[~~A12~~]
02293[~~7~~]	Systems Support Specialist II	B07[~~A14~~]
02308	Systems Support Specialist III	B09[~~A16~~]
0231	Systems Support Specialist IV	B11
~~0239~~	~~Programmer I~~	~~B06~~
0240	Programmer II[~~I~~]	B08
0241	Programmer III[~~I~~]	B10
0242	Programmer III[~~V~~]	B12
0243	Programmer IV	B14
0244	Programmer V[~~I~~]	B16
0245	Programmer VII[~~I~~]	B18
0250	Information Technology Security Analyst I	B14
0251	Information Technology Security Analyst II	B16
0252	Information Technology Auditor I	B15
0253	Information Technology Auditor II	B17
0254	Systems Analyst I	B08
0255	Systems Analyst II	B10
0256	Systems Analyst III	B12
0257	Systems Analyst IV	B14
0258	Systems Analyst V	B16
0259	Systems Analyst VI	B18
~~0271~~	~~Data Base Administrator I~~	~~B08~~
02107[~~2~~]	Data Base Administrator II[~~I~~]	B10
02117[~~3~~]	Data Base Administrator III[~~I~~]	B12
02127[~~4~~]	Data Base Administrator III[~~V~~]	B14
02137[~~5~~]	Data Base Administrator IV	B16
02147[~~6~~]	Data Base Administrator V[~~I~~]	B18
0215	Data Base Administrator VI	B20
0277	Web Administrator I	B10
0278	Web Administrator II	B12
0279	Web Administrator III	B14
0280	Web Administrator IV	B16
0281	Telecommunications Specialist I	B07
0282	Telecommunications Specialist II	B09
0283	Telecommunications Specialist III	B11
0284	Telecommunications Specialist IV	B13
0285	Telecommunications Specialist V	B15

0287	Network Specialist I	B08
0288	Network Specialist II	B10
0289	Network Specialist III	B12
0290	Network Specialist IV	B14
0291	Network Specialist V	B16
~~0293~~	~~Business Continuity Coordinator I~~	~~B13~~
0294	Business Continuity Coordinator I~~I~~	B15
0295	Business Continuity Coordinator II~~I~~	B17
~~0330~~	~~Printing Services Technician I~~	~~A07~~
0331	Printing Services Technician I~~I~~	A09
0332	Printing Services Technician II~~I~~	A11
0333	Printing Services Technician III~~V~~	A13
0334	Printing Services Technician IV	A15
0335	Printing Services Technician V~~I~~	A16
0340	Microfilm Camera Operator I	A06
0341	Microfilm Camera Operator II	A08
~~0350~~	~~Micrographics Technician I~~	~~A09~~
0352	Micrographics Technician I~~I~~	A11
0354	Micrographics Technician II~~I~~	A13
0356	Micrographics Technician III~~V~~	A15
0367	Photographer	B08~~A16~~
0516	Planner I	B09
0517	Planner II	B11
0518	Planner III	B12
0519	Planner IV	B13
0520	Planner V	B14
0590	Research and Statistics Technician I	A11
0592	Research and Statistics Technician II	A13
0600	Research Specialist I	B07
0602	Research Specialist II	B09
0604	Research Specialist III	B10
0606	Research Specialist IV	B11
0608	Research Specialist V	B13
0624	Statistician I	B07
0626	Statistician II	B09
0628	Statistician III	B11
0630	Statistician IV	B13
0640	Economist I	B08
0642	Economist II	B10
0644	Economist III	B12
~~0810~~	~~Teacher Aide I~~	~~A07~~
0812	Teacher Aide I~~I~~	A09
0813	Teacher Aide II~~I~~	A11
0814	Teacher Aide III~~V~~	A13
1000	Accounting Technician I	A11
1002	Accounting Technician II	A13
1012	Accountant I	B06
1014	Accountant II	B08
1016	Accountant III	B09
1018	Accountant IV	B11
1020	Accountant V	B12
1022	Accountant VI	B13
1024	Accountant VII	B15
1042	Auditor I	B07
1044	Auditor II	B09
1046	Auditor III	B11
1048	Auditor IV	B13
1050	Auditor V	B15
1052	Auditor VI	B17
1059	Taxpayer Compliance Officer I	B03
1060	Taxpayer Compliance Officer II	B05~~4~~
1061	Taxpayer Compliance Officer III	B07~~6~~
1062	Taxpayer Compliance Officer IV	B09~~8~~
1063	Taxpayer Compliance Officer V	B11~~0~~
1073	Accounts Examiner I	B04
1074	Accounts Examiner II	B06

1075	Accounts Examiner III	B08
1076	Accounts Examiner IV	B10
1077	Accounts Examiner V	B12
1080	Financial Analyst I	B11
1082	Financial Analyst II	B13
1084	Financial Analyst III	B15
1085	Financial Analyst IV	B17
1100	Financial Examiner I	B07
1102	Financial Examiner II	B09
1104	Financial Examiner III	B11
1106	Financial Examiner IV	B13
1108	Financial Examiner V	B15
1110	Financial Examiner VI	B17
1112	Financial Examiner VII	B19
1130	Investment Analyst I	B12
1131	Investment Analyst II	B15
1132	Investment Analyst III	B18
1133	Investment Analyst IV	B20
1150	Portfolio Manager I	B18
1151	Portfolio Manager II	B20
1152	Portfolio Manager III	B21
1153	Portfolio Manager IV	B22
1155	Budget Analyst I	B08~~6~~
1156	Budget Analyst II	B10~~9~~
1157	Budget Analyst III	B12~~1~~
1158	Budget Analyst IV	B14~~3~~
1159	Budget Analyst V	B16
1161	Trader I	B16
1162	Trader II	B19
1165	Chief Investment Officer	B22
1175	Chief Trader I	B21
1176	Chief Trader II	B22
~~1240~~	~~Reimbursement Officer I~~	~~A09~~
1242	Reimbursement Officer II~~I~~	A11
1244	Reimbursement Officer III~~I~~	A13
1246	Reimbursement Officer III~~V~~	A15
1248	Reimbursement Officer IV	A17
1320	Inspector I	B01
1321	Inspector II	B03
1322	Inspector III	B05
1323	Inspector IV	B07
1324	Inspector V	B08
1325	Inspector VI	B10
1326	Inspector VII	B12
1350	Investigator I	B04
1351	Investigator II	B06
1352	Investigator III	B08
1353	Investigator IV	B09
1354	Investigator V	B10
1355	Investigator VI	B12
1356	Investigator VII	B13
~~1372~~	~~Seed Analyst I~~	~~B03~~
~~1374~~	~~Seed Analyst II~~	~~B05~~
~~1376~~	~~Seed Analyst III~~	~~B07~~
~~1378~~	~~Seed Analyst IV~~	~~B09~~
1550	Staff Services Officer I	B08
1551	Staff Services Officer II	B10
1552	Staff Services Officer III	B11
1553	Staff Services Officer IV	B12
1554	Staff Services Officer V	B13
1560	Project Manager I	B15
1561	Project Manager II	B17
1570	Program Specialist I	B09
1571	Program Specialist II	B10
1572	Program Specialist III	B11
1573	Program Specialist IV	B12

1574	Program Specialist V	B13
1575	Program Specialist VI	B15
1576	Program Specialist VII	B17
1580	Program Supervisor I	B09
1582	Program Supervisor II	B11
1584	Program Supervisor III	B13
1586	Program Supervisor IV	B15
1588	Program Supervisor V	B17
1600	Manager I	B13
1601	Manager II	B14
1602	Manager III	B15
1603	Manager IV	B16
1604	Manager V	B17
1620	Director I	B17
1621	Director II	B18
1622	Director III	B19
1623	Director IV	B20
1624	Director V	B21
1630	Deputy Director	B22
1640	Deputy Comptroller	B22
1650	Director, Finance Division – Department of Transportation	B22
~~1651~~	~~District Engineer, Austin – Department of Transportation~~	~~B22~~
~~1652~~	~~District Engineer, Dallas – Department of Transportation~~	~~B22~~
~~1653~~	~~District Engineer, Fort Worth – Department of Transportation~~	~~B22~~
~~1654~~	~~District Engineer, Houston – Department of Transportation~~	~~B22~~
~~1655~~	~~District Engineer, San Antonio – Department of Transportation~~	~~B22~~
1656	Director, Construction Division – Department of Transportation	B22
1657	Director, Design Division – Department of Transportation	B22
1658	Director, Environmental Affairs Division – Department of Transportation	B22
1659	Director, Maintenance Division – Department of Transportation	B22
1660	Director, Transportation and Planning and Programming Division – Department of Transportation	B22
1661	Director, Texas Turnpike Authority Division – Department of Transportation	B22
1662	Assistant Executive Director for Engineering Operations – Department of Transportation	B22
1663	Assistant Executive Director for Support Operations – Department of Transportation	B22
1664	Deputy Executive Director – Department of Transportation	B22
1727	Human Resources Assistant	B03~~A11~~
1729	Human Resources Specialist I	B05
1731	Human Resources Specialist II	B07
1733	Human Resources Specialist III	B09
1735	Human Resources Specialist IV	B11
1737	Human Resources Specialist V	B13
1739	Human Resources Specialist VI	B15
1780	Training Assistant	B03~~A11~~
1781	Training Specialist I	B05
1782	Training Specialist II	B07
1783	Training Specialist III	B09
1784	Training Specialist IV	B11
1785	Training Specialist V	B13
1786	Training Specialist VI	B15
~~1821~~	~~Marketing Specialist I~~	~~B04~~
1822	Marketing Specialist I~~I~~	B07~~6~~
1823	Marketing Specialist II~~I~~	B09~~8~~
1824	Marketing Specialist III~~V~~	B11~~0~~
1825	Marketing Specialist IV	B13
1830	Information Specialist I	B06
1831	Information Specialist II	B08
1832	Information Specialist III	B10
1833	Information Specialist IV	B13
1834	Information Specialist V	B15
1840	Audio/Visual Technician I	A09
1841	Audio/Visual Technician II	A11
1842	Audio/Visual Technician III	A14
1843	Audio/Visual Technician IV	A16

1860	Management Analyst I	B10
1862	Management Analyst II	B12
1864	Management Analyst III	B14
1870	Technical Writer I	B09~~8~~
1871	Technical Writer II	B11~~0~~
~~1880~~	~~State and Federal Relations Representative I~~	~~B15~~
~~1881~~	~~State and Federal Relations Representative II~~	~~B17~~
~~1882~~	~~State and Federal Relations Representative III~~	~~B19~~
1890	Government Relations Specialist I	B15
1892	Government Relations Specialist II	B17
1894	Government Relations Specialist III	B19
1991	Inventory and Store Specialist I	A10
1912	Inventory and Store Specialist ~~Coordinator~~ II	A12
1913	Inventory and Store Specialist ~~Coordinator~~ III	A14
1914	Inventory and Store Specialist IV	A16
1920	Grant Coordinator I	B10
1921	Grant Coordinator II	B12
1930~~54~~	Purchaser I	B04
1931~~55~~	Purchaser II	B06
1932~~56~~	Purchaser III	B08
1933~~57~~	Purchaser IV	B10
1934~~58~~	Purchaser V	B12
1935	Purchaser VI	B14
1960	Contract Administration Manager I	B17
1962	Contract Administration Manager II	B19
1970	Contract Technician I	A09
1972	Contract Technician II	A11
1974	Contract Technician III	A13
1976	Contract Specialist I	B07
~~1978~~	~~Contract Specialist II~~	~~B08~~
1980	Contract Specialist II~~I~~	B09
1982	Contract Specialist III~~V~~	B11~~0~~
1984	Contract Specialist IV	B13
1986	Contract Specialist V	B15
1990	Property Manager I	B08
1992	Property Manager II	B10
1994	Property Manager III	B12
2050	Land Surveyor I	B11
2054	Land Surveyor II	B13
2056	Land Surveyor III	B15
~~2061~~	~~Appraiser I~~	~~B07~~
2062	Appraiser II~~I~~	B09
2064	Appraiser III~~I~~	B11
2065	Appraiser III~~V~~	B13
2080	Right of Way Agent I	B04
2082	Right of Way Agent II	B06
2084	Right of Way Agent III	B08
2086	Right of Way Agent IV	B10
2088	Right of Way Agent V	B12
2093	Utility Specialist I	B12
2094	Utility Specialist II	B14
2095	Utility Specialist III	B16
2119	Engineering Aide	A08~~6~~
~~2121~~	~~Engineering Technician I~~	~~A08~~
2122	Engineering Technician II~~I~~	A10
2123	Engineering Technician III~~I~~	A12
2124	Engineering Technician III~~V~~	A14
2125	Engineering Technician IV	A16
2126	Engineering Specialist I	B08
2127	Engineering Specialist II	B09
2128	Engineering Specialist III	B10
2129	Engineering Specialist IV	B11
2130	Engineering Specialist V	B12
2131	Engineering Specialist VI	B13
2132	Engineering Specialist VII	B14
2137	Engineering Assistant	B07

CLASSIFIED POSITIONS FOR THE 2008–09[~~2006–07~~] BIENNIUM
(Continued)

2151	Engineer I	B12
2152	Engineer II	B13
2153	Engineer III	B14
2154	Engineer IV	B15
2155	Engineer V	B16
2156	Engineer VI	B17
2157	Engineer VII	B18
2160	District Engineer I	B21
2161	District Engineer II	B22
2167	Graphic Designer I	B08~~6~~
2168	Graphic Designer II	B10~~8~~
2169	Graphic Designer III	B12
2181	Drafting Technician I	A15
2182	Drafting Technician II	A17
2255	Project Design Assistant	B08
2260	Architect I	B11
2264	Architect II	B13
2266	Architect III	B15
2268	Architect IV	B17
2350	Earth Science Technician	B08
2356	Geoscientist ~~Geologist~~ I	B09
2360	Geoscientist ~~Geologist~~ II	B11
2364	Geoscientist ~~Geologist~~ III	B13
2365	Geoscientist ~~Geologist~~ IV	B15
2366	Geoscientist V	B17
2456	Hydrologist I	B09
2460	Hydrologist II	B11
2464	Hydrologist III	B13
2465	Hydrologist IV	B15
2466	Hydrologist V	B17
~~2471~~	~~Chemist I~~	~~B05~~
2472	Chemist I~~I~~	B07
2473	Chemist II~~I~~	B09
2474	Chemist III~~V~~	B11
2475	Chemist IV	B13
2476	Chemist V~~I~~	B15
2583	Sanitarian I	B09
2584	Sanitarian II	B11
2585	Sanitarian III	B13
2650	Environmental Specialist I	B05
2651	Environmental Specialist II	B07
2652	Environmental Specialist III	B09
2653	Environmental Specialist IV	B11
2654	Environmental Specialist V	B13
2655	Environmental Specialist VI	B15
2681	Natural Resources Specialist I	B05
2682	Natural Resources Specialist II	B07
2683	Natural Resources Specialist III	B09
2684	Natural Resources Specialist IV	B11
2685	Natural Resources Specialist V	B13
2686	Natural Resources Specialist VI	B15
2687	Park Specialist I	B06
2688	Park Specialist II	B08
2689	Park Specialist III	B10
2691	Fish and Wildlife Technician I	A11
2692	Fish and Wildlife Technician II	A13
2693	Fish and Wildlife Technician III	A15
2694	Fish and Wildlife Technician IV	A17
2695	Park Ranger I	A07
2696	Park Ranger II	A09
2697	Park Ranger III	A11
2698	Park Ranger IV	A13
2699	Park Ranger V	A15
2720	Lifeguard	A03
2730	Safety Officer I	B07
2731	Safety Officer II	B09

2732	Safety Officer III	B11
2733	Safety Officer IV	B13
2734	Safety Officer V	B15
2740	Risk Management Specialist I	B07
2741	Risk Management Specialist II	B09
2742	Risk Management Specialist III	B10
2743	Risk Management Specialist IV	B12
2744	Risk Management Specialist V	B13
2761	Rescue Specialist I	B08
2762	Rescue Specialist II	B10
2763	Rescue Specialist III	B12
2802	Actuary I	B13
2803	Actuary II	B15
2804	Actuary III	B17
2805	Actuary IV	B19
2806	Actuary V	B21
2808	Chief Actuary	B22
2824	Insurance Technician	A10
2841	Insurance Specialist I	B04
2842	Insurance Specialist II	B06
2843	Insurance Specialist III	B08
2844	Insurance Specialist IV	B09
2845	Insurance Specialist V	B10
2911	Retirement System Benefits Specialist I	B02
2912	Retirement System Benefits Specialist II	B04
2913	Retirement System Benefits Specialist III	B06
2914	Retirement System Benefits Specialist IV	B08
2920	Claims Assistant	A12
2921	Claims Examiner I	B07
2922	Claims Examiner II	B08
2923	Claims Examiner III	B09
2924	Claims Examiner IV	B10
3020	Workforce Development ~~Employment~~ Specialist I	B02
3021	Workforce Development ~~Employment~~ Specialist II	B03
~~3022~~	~~Employment Specialist III~~	~~B04~~
3023	Workforce Development ~~Employment~~ Specialist III~~V~~	B05
~~3024~~	~~Employment Specialist V~~	~~B06~~
3025	Workforce Development ~~Employment~~ Specialist IV~~I~~	B07
3026	Workforce Development ~~Employment~~ Specialist V~~II~~	B09~~8~~
3151	Unemployment Insurance Claims Examiner I	B03~~A11~~
3153	Unemployment Insurance Claims Examiner II	B05~~A13~~
3154	Unemployment Insurance Claims Examiner III	B07~~A15~~
3171	Unemployment Insurance Specialist I	B08~~7~~
3173	Unemployment Insurance Specialist II	B10~~9~~
3501	Attorney I	B11~~0~~
3502	Attorney II	B12
3503	Attorney III	B14
3504	Attorney IV	B16
3505	Attorney V	B18
3506	Attorney VI	B20
3510	Assistant Attorney General I	B11~~0~~
3511	Assistant Attorney General II	B12
3512	Assistant Attorney General III	B14
3513	Assistant Attorney General IV	B16
3514	Assistant Attorney General V	B18
3515	Assistant Attorney General VI	B20
3516	Assistant Attorney General VII	B21
3517	First Assistant Attorney General	B22
3520	General Counsel I	B14
3521	General Counsel II	B16
3522	General Counsel III	B18
3523	General Counsel IV	B20
3524	General Counsel V	B21
3559	Hearings Reporter	B12
3565	Legal Secretary I	A09
3566	Legal Secretary II	A11

3567	Legal Secretary III	A13
3568	Legal Secretary IV	A15
3572	Legal Assistant I	B07~~6~~
3574	Legal Assistant II	B09~~8~~
3576	Legal Assistant III	B11~~0~~
3578	Legal Assistant IV	B13
3604	Law Clerk	B03
3610	Court Law Clerk I	B09
3611	Court Law Clerk II	B11
3620	Deputy Clerk I	A09
3622	Deputy Clerk II	A11
3624	Deputy Clerk III	A14
3626	Deputy Clerk IV	A17
3630	Chief Deputy Clerk	B13
3635	Clerk of the Court	B17
3640	Administrative Law Judge I	B15
3642	Administrative Law Judge II	B17
3644	Administrative Law Judge III	B18
3646	Master Administrative Law Judge ~~IV~~	B20
3650	Associate Judge I	B18
3652	Associate Judge II	B20
3660	Ombudsman I	B09
3662	Ombudsman II	B10
3672	Benefit Review Officer	B12
4001	Dietetic Technician I	A08~~7~~
4002	Dietetic Technician II	A10~~9~~
4007	Dietitian	B08~~7~~
4016	Nutritionist I	B08~~7~~
4017	Nutritionist II	B10
4018	Nutritionist III	B12
~~4070~~	~~Public Health Technician I~~	~~B03~~
4072	Public Health Technician I~~I~~	B05
4074	Public Health Technician II~~I~~	B07
4076	Public Health Technician III~~V~~	B09
4078	Public Health Technician IV	B11
4082	Epidemiologist I	B11
4083	Epidemiologist II	B13
4084	Epidemiologist III	B15
4125	Veterinarian I	B14
4127	Veterinarian II	B16
4129	Veterinarian III	B18
~~4140~~	~~Laboratory Technician I~~	~~A05~~
4142	Laboratory Technician I~~I~~	A10~~7~~
4144	Laboratory Technician II~~I~~	A12~~09~~
4146	Laboratory Technician III~~V~~	A14~~1~~
4148	Laboratory Technician IV	A16
~~4220~~	~~Microbiologist I~~	~~B05~~
4221	Microbiologist I~~I~~	B07
4222	Microbiologist II~~I~~	B09
4223	Microbiologist III~~V~~	B11
4224	Microbiologist IV	B13
4225	Microbiologist V~~I~~	B15
4292	Radiological Technologist I	B05
4293	Radiological Technologist II	B07
4294	Radiological Technologist III	B09
4342	Orthopedic Equipment Technician I	A08
4344	Orthopedic Equipment Technician II	A10
4346	Orthopedic Equipment Technician III	A12
4360	Registered Therapist Assistant	A16~~5~~
~~4361~~	~~Registered Therapist I~~	~~B06~~
4362	Registered Therapist I~~I~~	B08
4363	Registered Therapist II~~I~~	B10
4364	Registered Therapist III~~V~~	B12
4365	Registered Therapist IV	B14
4366	Registered Therapist V~~I~~	B16~~5~~
4374	Medical Aide I	A05

CLASSIFIED POSITIONS FOR THE 2008–09[~~2006–07~~] BIENNIUM
(Continued)

4376	Medical Aide II	A07
4385	Medical Technician I	A09
4386	Medical Technician II	A11
4387	Medical Technician III	A13
4390	Health Physicist I	B14
4392	Health Physicist II	B16
4394	Health Physicist III	B18
4401	Medical Technologist I	B05
4402	Medical Technologist II	B07
4403	Medical Technologist III	B09
4404	Medical Technologist IV	B11
4405	Medical Technologist V	B13
~~4410~~	~~Certified Nurse Assistant I~~	~~A05~~
~~4412~~	~~Certified Nurse Assistant II~~	~~A07~~
4428	Respiratory Care Practitioner	A14
442~~3~~0	Licensed Vocational Nurse I	A09
44~~3~~21	Licensed Vocational Nurse II	A11
4422~~3~~4	Licensed Vocational Nurse III	A13
4423	Licensed Vocational Nurse IV	A15
4435	Resident Physician	B10
4436	Physician I	B20
4437	Physician II	B21
4438	Physician III	B22
4440	Physician Assistant	B17
4444	Nurse I	B08
4446	Nurse II	B10
4448	Nurse III	B12
4450	Nurse IV	B14~~3~~
4451	Nurse Practitioner	B16~~5~~
4453	Medical Research Specialist	B17
4455	Dentist I	B18~~7~~
4457	Dentist II	B20~~19~~
4459	Dentist III	B22~~1~~
4462	Psychologist I	B14
4464	Psychologist II	B16
4465	Psychologist III	B18
4466	Psychological Assistant	B04
4468	Associate Psychologist I	B08
4469	Associate Psychologist II	B09
4470	Associate Psychologist III	B10
4471	Associate Psychologist IV	B11
4472	Associate Psychologist V	B12
4476	Psychiatrist I	B20
4477	Psychiatrist II	B21
4478	Psychiatrist III	B22
4482	Dental Assistant I	A06
4483	Dental Assistant II	A08
4489	Dental Hygienist	B09
4492	Pharmacist I	B17~~6~~
4493	Pharmacist II	B19~~8~~
4494	Pharmacist III	B21
4498	Pharmacy Technician I	A08
4499	Pharmacy Technician II	A10
4501	Correctional Officer I	A07
4502	Correctional Officer II	A09
4503	Correctional Officer III	A11
4504	Correctional Officer IV	A12
4505	Correctional Officer V	A14
4510	Sergeant of Correctional Officers	B07
4511	Lieutenant of Correctional Officers	B08
4512	Captain of Correctional Officers	B09
4513	Major of Correctional Officers	B10
4520	Juvenile Correctional Officer I	A07
4521	Juvenile Correctional Officer II	A09
4522	Juvenile Correctional Officer III	A11
4523	Juvenile Correctional Officer IV	A13

4524	Juvenile Correctional Officer V	A15
4525	Juvenile Correctional Officer VI	A16
4526	Dorm Supervisor	B09
4540	Parole Officer I	B06
4541	Parole Officer II	B07
4542	Parole Officer III	B08
4543	Parole Officer IV	B10
4544	Parole Officer V	B12
4550	Assistant Warden	B14
4551	Warden I	B16
4552	Warden II	B18
4560	Counsel Substitute I	A11
4561	Counsel Substitute II	A13
4562	Counsel Substitute III	A15
4571	Correctional Transportation Officer	A12
4646	Industrial Specialist I	A11
4647	Industrial Specialist II	A12
4648	Industrial Specialist III	A13
4649	Industrial Specialist IV	A14
4650	Industrial Specialist V	A16
4651	Industrial Specialist VI	A18
4671	Agriculture Specialist I	A12
4672	Agriculture Specialist II	A13
4673	Agriculture Specialist III	A14
4674	Agriculture Specialist IV	A15
4675	Agriculture Specialist V	A16
5023	Protective Services Specialist I	B05
5024	Protective Services Specialist II	B06
5025	Protective Services Specialist III	B07
5026	Protective Services Specialist IV	B08
5027	Protective Services Specialist V	B09
5046	Disability Case Review Specialist	B03
5050	Rehabilitation Therapy Technician I	A05
5051	Rehabilitation Therapy Technician II	A07
5052	Rehabilitation Therapy Technician III	A09
5053	Rehabilitation Therapy Technician IV	A11
5054	Rehabilitation Therapy Technician V	A13
5062	Vocational Rehabilitation Counselor I	B07
5063	Vocational Rehabilitation Counselor II	B08
5064	Vocational Rehabilitation Counselor III	B09
5065	Vocational Rehabilitation Counselor IV	B10
5079	Chaplaincy Services Assistant	A11
5081	Chaplain I	B076
5082	Chaplain II	B09
5083	Chaplain III	B11
5090	Rehabilitation Teacher I	B02
5091	Rehabilitation Teacher II	B04
5092	Rehabilitation Teacher III	B06
5105	Veterans Assistance Counselor I	B06
5106	Veterans Assistance Counselor II	B07
5107	Veterans Assistance Counselor III	B08
5108	Veterans Assistance Counselor IV	B10
5109	Veterans Assistance Counselor V	B12
5111	Substance Abuse Counselor I	B04
5112	Substance Abuse Counselor II	B05
5113	Substance Abuse Counselor III	B06
5120	Mental Retardation ~~MHMR Services~~ Aide	A054
5121	Mental Retardation ~~MHMR Services~~ Assistant I	A06
5122	Mental Retardation ~~MHMR Services~~ Assistant II	A087
5123	Mental Retardation ~~MHMR Services~~ Assistant III	A098
5124	Mental Retardation Assistant IV ~~MHMR Services Supervisor~~	A110
~~5130~~	~~Qualified Mental Retardation Professional I~~	~~B05~~
5131	Qualified Mental Retardation Professional II~~I~~	B06
5132	Qualified Mental Retardation Professional III~~I~~	B07
5133	Qualified Mental Retardation Professional III~~IV~~	B08
5134	Qualified Mental Retardation Professional IV	B09

CLASSIFIED POSITIONS FOR THE 2008–09[~~2006–07~~] BIENNIUM
(Continued)

5140	Recreation Program Specialist I	B~~A~~02~~9~~
5142	Recreation Program Specialist II	B04~~A11~~
5144	Recreation Program Specialist III	B06~~A13~~
5150	Psychiatric Nursing Aide	A05
5151	Psychiatric Nursing Assistant I	A06
5152	Psychiatric Nursing Assistant II	A08
5153	Psychiatric Nursing Assistant III	A09
5154	Psychiatric Nursing Assistant IV	A11
5201	Resident Specialist I	A07
5203	Resident Specialist II	A09
5205	Resident Specialist III	A11
5207	Resident Specialist IV	A13
5209	Resident Specialist V	A15
5221	Clinical Social Worker I	B05
5222	Clinical Social Worker II	B07
5223	Clinical Social Worker III	B09
5224	Clinical Social Worker IV	B11
5226	Case Manager I	B04
5227	Case Manager II	B05
5228	Case Manager III	B07
5229	Case Manager IV	B09
~~5231~~	~~Volunteer Services Coordinator I~~	~~B03~~
5232	Volunteer Services Coordinator I~~I~~	B05
5233	Volunteer Services Coordinator II~~I~~	B07
5234	Volunteer Services Coordinator III~~V~~	B09
5235	Volunteer Services Coordinator IV	B11
5300	Health and Human Services Program Coordinator I	B10
5302	Health and Human Services Program Coordinator II	B12
5304	Health and Human Services Program Coordinator III	B14
~~5502~~	~~Human Services Technician I~~	~~A04~~
5503	Human Services Technician I~~I~~	A06
5504	Human Services Technician II~~I~~	A07
5505	Human Services Technician III~~V~~	A09
5506	Human Services Technician IV	A11
~~5525~~	~~Quality Assurance Specialist I~~	~~B07~~
5526	Quality Assurance Specialist I~~I~~	B08
5527	Quality Assurance Specialist II~~I~~	B09
5528	Quality Assurance Specialist III~~V~~	B11
5529	Quality Assurance Specialist IV	B13
5540	Child Support Officer I	B03
5541	Child Support Officer II	B05
5542	Child Support Officer III	B07
5543	Child Support Officer IV	B09
5550	Child Support Technician I	A09
5551	Child Support Technician II	A11
5552	Child Support Technician III	A13
~~5614~~	~~Interpreter I~~	~~B06~~
5616	Interpreter I~~I~~	B08
5618	Interpreter II~~I~~	B10
5700	Human Services Specialist I	B03
5701	Human Services Specialist II	B04
5702	Human Services Specialist III	B05
5703	Human Services Specialist IV	B06
5704	Human Services Specialist V	B07
5705	Human Services Specialist VI	B08
5706	Human Services Specialist VII	B09
6052	Forensic Scientist I	B10
6053	Forensic Scientist II	B11
6054	Forensic Scientist III	B12
6055	Forensic Scientist IV	B13
6056	Forensic Scientist V	B14
6057	Forensic Scientist VI	B15
~~6082~~	~~Forensic Photographer I~~	~~B07~~
6084	Forensic Photographer I~~I~~	B09
6086	Forensic Photographer II~~I~~	B11
~~6090~~	~~Communications Center Specialist I~~	~~A08~~

6092	Communications Center Specialist ~~II~~	A10
6095	Police Communications Operator I	A12
6096	Police Communications Operator II	A13
6097	Police Communications Operator III	A14
6098	Police Communications Operator IV	A15
~~6114~~	~~Fingerprint Technician I~~	~~A10~~
6115	Fingerprint Technician I~~I~~	A11
6116	Fingerprint Technician II~~I~~	A13~~2~~
6117	Fingerprint Technician III~~V~~	A15~~4~~
6121	Firearms/Latent Print Technician I	B07
6122	Firearms/Latent Print Technician II	B08
6150	Crime Lab Evidence Technician	B05
~~6152~~	~~Combined DNA Index System Analyst I~~	~~B10~~
6154	Combined DNA Index System Analyst ~~II~~	B12
6221	Public Safety Records Technician I	A09
6222	Public Safety Records Technician II	A10
6229	Security Officer I	A06
6230	Security Officer II	A08
6232	Security Officer III	A10
6234	Security Officer IV	A12
~~7304~~	~~Archeologist I~~	~~B06~~
7306	Archeologist I~~I~~	B08
7308	Archeologist II~~I~~	B10
7310	Archeologist III~~V~~	B12
7315	Historian I	B06
7317	Historian II	B08
7319	Historian III	B10
7350	Library Assistant I	A07
7352	Library Assistant II	A09
7354	Library Assistant III	A11
7401	Librarian I	B06
7402	Librarian II	B08
7403	Librarian III	B10
7404	Librarian IV	B12
~~7405~~	~~Archivist I~~	~~B06~~
7407	Archivist I~~I~~	B08
7409	Archivist II~~I~~	B10
~~7460~~	~~Exhibit Technician I~~	~~B02~~
7462	Exhibit Technician I~~I~~	B04
7464	Exhibit Technician II~~I~~	B06
7466	~~Museum~~ Curator I	B08
7468	Curator II	B10
8003	Custodian I	A03
8005	Custodian II	A05
8007	Custodian III	A08
8021	Custodial Manager I	A11
8023	Custodial Manager II	A13
8025	Custodial Manager III	A15
8031	Groundskeeper I	A04
8032	Groundskeeper II	A06
8033	Groundskeeper III	A08
8103	Food Service Worker I	A03
8104	Food Service Worker II	A05
8108	Food Service Manager I	A09
8109	Food Service Manager II	A11
8110	Food Service Manager III	A14
8111	Food Service Manager IV	A16
8116	Cook I	A03
8117	Cook II	A04
8118	Cook III	A06
8119	Cook IV	A08
~~8202~~	~~Sewing Room Worker~~	~~A03~~
~~8203~~	~~Sewing Room Supervisor~~	~~A06~~
8252	Laundry/Sewing Room Worker I	A03
8253	Laundry/Sewing Room Worker II	A05
8254	Laundry/Sewing Room Worker III	A07

CLASSIFIED POSITIONS FOR THE 2008–09[~~2006–07~~] BIENNIUM
(Continued)

8260	Laundry Manager I	A09
8261	Laundry Manager II	A11
8262	Laundry Manager III	A14
8263	Laundry Manager IV	A16
8302	Barber/ Cosmetologist	A06
~~8400~~	~~Canteen Manager I~~	~~A10~~
~~8401~~	~~Canteen Manager II~~	~~A13~~
9004	Maintenance Assistant	A06
9022	Equipment Operator I	A09
9024	Equipment Operator II	A11
9026	Equipment Operator III	A13
9034	Air Conditioning and Boiler Operator I	B04~~3~~
9035	Air Conditioning and Boiler Operator II	B06~~5~~
9036	Air Conditioning and Boiler Operator III	B08~~7~~
9037	Air Conditioning and Boiler Operator IV	B10~~9~~
9041	Maintenance Technician I	A07~~6~~
9042	Maintenance Technician II	A09~~8~~
9043	Maintenance Technician III	A10~~9~~
9044	Maintenance Technician IV	A12~~1~~
9045	Maintenance Technician V	A14~~3~~
~~9051~~	~~Maintenance Supervisor I~~	~~A10~~
9052	Maintenance Supervisor I~~I~~	A13~~2~~
9053	Maintenance Supervisor II~~I~~	A14~~~~
9054	Maintenance Supervisor III~~V~~	A15
9055	Maintenance Supervisor IV	A16
9056	Maintenance Supervisor V	A17
9060	Electronics Technician I	A15
9062	Electronic Technician II	A17
9305	Transportation Maintenance Specialist I	A14~~3~~
9306	Transportation Maintenance Specialist II	A15
9307	Transportation Maintenance Specialist III	A16
9308	Transportation Maintenance Specialist IV	A17
9309	Transportation Maintenance Specialist V	A18
~~9321~~	~~Vehicle Driver I~~	~~A03~~
9322	Vehicle Driver I~~I~~	A05
9323	Vehicle Driver II~~I~~	A07
9324	Vehicle Driver III~~V~~	A09
9416	Motor Vehicle Technician I	A09~~8~~
9417	Motor Vehicle Technician II	A11~~0~~
9418	Motor Vehicle Technician III	A13~~2~~
9419	Motor Vehicle Technician IV	A15~~4~~
9512	Machinist I	A13
9514	Machinist II	A15
9624	Aircraft Pilot I	B11
9626	Aircraft Pilot II	B13
9628	Aircraft Pilot III	B15
9636	Aircraft Mechanic	B12~~0~~
9700	Radio Communications Technician I	A10
9704	Radio Communications Technician II	A12
9706	Radio Communications Technician III	A14
9733	Equipment Maintenance Technician I	A14
9734	Equipment Maintenance Technician II	A16
9802	Electrician I	B06
9804	Electrician II	B08
9806	Electrician III	B10
9812	HVAC Mechanic I	A14~~2~~
9814	HVAC Mechanic II	A16~~4~~
9816	HVAC Mechanic III	A18~~6~~
9901	Public Safety Inspector I	C05
9902	Public Safety Inspector II	C06
9905	Pilot Investigator I	C04
9906	Pilot Investigator II	C05
9907	Pilot Investigator III	C06
9908	Pilot Investigator IV	C07
9920	Trooper Trainee	C01
9922	Probationary Trooper	C02

CLASSIFIED POSITIONS FOR THE 2008–09[~~2006–07~~] BIENNIUM
(Continued)

9928	Trooper	C03
9935	Corporal	C03
9940	Sergeant, Public Safety	C04
9941	Lieutenant, Public Safety	C05
9942	Captain, Public Safety	C06
9943	Assistant Commander, Public Safety	C07
9944	Commander, Public Safety	C08
9945	Major, Public Safety	C08
9950	Agent Trainee	C02
9956	Agent	C03
9960	Sergeant, Alcoholic Beverage	C04
9961	Lieutenant, Alcoholic Beverage	C05
9962	Captain, Alcoholic Beverage	C06
9963	Major, Alcoholic Beverage	C08
9965	Investigator Trainee - Office of the Inspector General	C01
9971	Investigator - Office of the Inspector General	C03
9972	Regional Supervisor - Office of the Inspector General	C04
9973	Regional Manager - Office of the Inspector General	C05
9974	Multi-Regional Administrator - Office of the Inspector General	C06
9975	Chief Inspector – Office of the Inspector General (less than 12 years service)	C07
9976	Chief Inspector - Office of the Inspector General (12 or more[than 12] years service)	C08
9980	Game Warden Trainee	C01
9981	Probationary Game Warden	C02
9987	Game Warden	C03
9990	Sergeant, Game Warden	C04
9991	Lieutenant, Game Warden	C05
9992	Captain, Game Warden	C06
9993	Assistant Commander, Game Warden	C07
9994	Commander, Game Warden	C08
9995	Major, Game Warden	C08

SCHEDULE A CLASSIFICATION SALARY SCHEDULE

For the Fiscal Year Beginning September 1, 2007 [~~2005~~]

Salary Group	Minimum	Maximum
A2	16,176 [~~15,576~~]	20,777 [~~20,172~~]
A3	16,908 [~~16,308~~]	21,778 [~~21,144~~]
A4	17,664 [~~17,064~~]	22,804 [~~22,140~~]
A5	18,456 [~~17,856~~]	23,880 [~~23,184~~]
A6	19,332 [~~18,732~~]	25,066 [~~24,336~~]
A7	20,244 [~~19,644~~]	26,314 [~~25,548~~]
A8	21,272 [~~20,652~~]	27,686 [~~26,880~~]
A9	22,446 [~~21,792~~]	29,231 [~~28,380~~]
A10	23,632 [~~22,944~~]	32,612 [~~31,662~~]
A11	24,980 [~~24,252~~]	34,578 [~~33,571~~]
A12	26,401 [~~25,632~~]	36,648 [~~35,580~~]
A13	27,946 [~~27,132~~]	38,885 [~~37,752~~]
A14	29,602 [~~28,740~~]	41,301 [~~40,098~~]
A15	31,345 [~~30,432~~]	43,846 [~~42,569~~]
A16	33,280 [~~32,311~~]	46,597 [~~45,240~~]
A17	35,337 [~~34,308~~]	49,477 [~~48,036~~]
A18	37,599 [~~36,504~~]	52,639 [~~51,106~~]

SCHEDULE A CLASSIFICATION SALARY SCHEDULE

For the Fiscal Year Beginning September 1, 2008 [~~2006~~]

Salary Group	Minimum	Maximum
A2	16,176	20,777
A3	16,908	21,778
A4	17,664	22,804
A5	18,456	23,880
A6	19,332	25,066
A7	20,244	26,314
A8	21,272	27,686
A9	22,446	29,231
A10	23,632	32,612
A11	24,980	34,578
A12	26,401	36,648
A13	27,946	38,885
A14	29,602	41,301
A15	31,345	43,846
A16	33,280	46,597
A17	35,337	49,477
A18	37,599	52,639

SCHEDULE B CLASSIFICATION SALARY SCHEDULE

For the Fiscal Year Beginning September 1, 2007 [2005]

Salary Group	Minimum	Maximum
B1	22,446 [21,792]	31,357 [30,444]
B2	23,632 [22,944]	33,074 [32,111]
B3	24,980 [24,252]	35,067 [34,045]
B4	26,401 [25,632]	37,175 [36,092]
B5	27,946 [27,132]	39,450 [38,301]
B6	29,602 [28,740]	41,892 [40,672]
B7	31,345 [30,432]	44,463 [43,168]
B8	33,280 [32,311]	47,253 [45,876]
B9	35,337 [34,308]	50,171 [48,709]
B10	37,599 [36,504]	57,164 [55,499]
B11	39,990 [38,825]	60,776 [59,005]
B12	42,535 [41,296]	64,658 [62,774]
B13	45,222 [43,905]	68,745 [66,743]
B14	48,127 [46,725]	73,167 [71,036]
B15	51,225 [49,733]	82,590 [80,184]
B16	54,580 [52,990]	87,988 [85,426]
B17	58,128 [56,435]	93,709 [90,979]
B18	61,932 [60,129]	99,840 [96,932]
B19	70,005 [67,966]	112,849 [109,562]
B20	79,183 [76,877]	127,644 [123,926]
B21	100,007 [97,094]	161,220 [156,524]
B22	126,500 [122,816]	203,935 [197,995]

SCHEDULE B CLASSIFICATION SALARY SCHEDULE

For the Fiscal Year Beginning September 1, 2008 []

Salary Group	Minimum	Maximum
B1	22,446	31,357
B2	23,632	33,074
B3	24,980	35,067
B4	26,401	37,175
B5	27,946	39,450
B6	29,602	41,892
B7	31,345	44,463
B8	33,280	47,253
B9	35,337	50,171
B10	37,599	57,164
B11	39,990	60,776
B12	42,535	64,658
B13	45,222	68,745
B14	48,127	73,167
B15	51,225	82,590
B16	54,580	87,988
B17	58,128	93,709
B18	61,932	99,840
B19	70,005	112,849
B20	79,183	127,644
B21	100,007	161,220
B22	126,500	203,935

SCHEDULE C CLASSIFICATION SALARY SCHEDULE

For the Fiscal Years Beginning September 1, 2007[] and September 1, 2008[]

Salary Rates

Salary Group	Less than 4 years of Service	≥ 4 Years of Service	≥ 8 Years of Service	≥ 12 Years of Service	≥ 16 Years of Service	≥ 20 Years of Service
C1	$33,300					
C2	$36,380					
C3	$41,000	$45,496	$48,992	$52,488	$54,984	$57,480
C4		$51,736	$55,232	$58,728	$61,224	$63,720
C5		$57,976	$61,472	$64,968	$67,464	$69,960
C6		$64,216	$67,712	$71,208	$73,704	$76,200
C7		$75,864	$76,864	$77,864	$77,864	$77,864
C8		$80,024	$81,024	$82,024	$82,024	$82,024

PART 3. SALARY ADMINISTRATION AND OTHER EMPLOYMENT PROVISIONS

Sec. 3.01. **Salary Rates.**

(a) For each fiscal year of the biennium beginning September 1, 2007[~~2005~~], annual salary rates for classified positions are as provided by the Classification Salary Schedules of § 2.01.

(b) In addition to the limits under this Article, the State Classification Office shall review new exempt positions created during the interim and provide recommendations on the appropriate class title and salary group for these positions to the Legislature during the appropriations process.

[~~(c) For the fiscal year beginning September 1, 2006, the salary of a classified employee shall be converted to the applicable salary schedule for fiscal year 2007 in this Act at the same salary rate in the same salary group in which paid in August 2006.~~]

(c)[~~(d)~~] There is no authority to grant salary increases as part of the conversion of employees to Salary Schedules A, B, and C, except in the cases of:

(1) across-the-board salary increases authorized in this Act; or

(2) employees whose positions are reallocated or reclassified in accordance with § § 654.0155, 654.0156, or 659.254, Government Code.

(d)[~~(e)~~] [~~Notwithstanding other provisions in this Act, agencies are authorized to pay salaries that are below or in excess of the designated salary ranges in § 2.01 as a result of the fiscal year 2006 conversion of employees to appropriate salary groups in Salary Schedules A and B.~~] An employee hired by the State on or after September 1, 2007[~~2005~~], including interagency transfers, must be paid at a salary rate that falls within the salary range of the applicable salary group.

(e)[~~(f)~~] Notwithstanding other provisions in this Act, the Department of Public Safety of the State of Texas may pay its employees classified as Corporal I, II, III, IV, or V, Traffic Law Enforcement, at rates that exceed the maximum rates designated in Salary Schedule C by up to $600 per fiscal year.

(f)[~~(g)~~] Employees within the Principals, Teachers, Supervisors, and Coaches title at the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, and Texas Youth Commission are not subject to the salary administration provisions in Part 3 of this Article.

(g)[~~(h)~~] Notwithstanding other provisions in this Act, the Department of Public Safety, Department of Criminal Justice, Parks and Wildlife Department, and the Alcoholic Beverage Commission of Texas shall pay its employees classified as commissioned peace officers in Salary Schedule C, salary stipends at rates that exceed the maximum rates designated in Salary Schedule C. Salary stipends shall be paid to commissioned peace officers who achieve certain levels of skill or certifications as approved by the departments. Such skills and certifications shall include:

(1) Education Level: $50 per month for an associate degree, $100 per month for a bachelor degree, and $150 per month for a masters degree.

(2) Commission on Law Enforcement Officer Standards and Education Certification Level: $50 per month for intermediate, $100 per month for advanced, and $150 per month for masters.

(3) Bilingual Capabilities: $50 per month for the ability to speak a language other than English.

Commissioned peace officers may receive a stipend for education level or certification level, but not both. The agencies shall work with the Comptroller to establish an efficient salary reporting and payment system.

Sec. 3.02. **Salary Supplementation.** Funds appropriated by this Act to a state agency or to an institution of higher education may not be expended for payment of salary to a person whose classified or exempt salary is being supplemented from other than appropriated funds until a report showing the amount and sources of salary being paid from other sources has been reported to the Secretary of State and Comptroller.

Sec. 3.03. **Classified Salary Rates.** An agency subject to Part 2 or Part 3 of this Article shall make employments of personnel as provided by the Position Classification Plan including paying salaries at rates within the salary schedules provided by this Article IX.

Sec. 3.04. **Salary Limits.** For the biennium beginning September 1, 2007[~~2005~~], the rate for determining the expenditure limitations for merit salary increases and promotions under § 659.261, Government Code, is not limited by this Act as a percentage of the total amount spent by the agency in the preceding fiscal year for classified salaries.

Sec. 3.05. **Scheduled Exempt Positions.**

(a) Except for the positions listed under Subsection (b)(3), a position listed following an agency's appropriation in the agency's "Schedule of Exempt Positions" shall receive compensation at a rate not to exceed the amount indicated in that agency's "Schedule of Exempt Positions."

(b) (1) Notwithstanding the rate listed in an agency's "Schedule of Exempt Positions," a position listed in Subsection (b)(3) may receive compensation at a rate set by the Governor in an amount not to exceed the "Maximum Salary" but not less than the "Minimum Salary" for the appropriate group as listed in Subsection (b)(2).

(2) An exempt position listed in Subsection (b)(3) for which the term "Group," followed by an Arabic numeral, is indicated, may receive compensation at a rate within the range indicated below for the respective salary group indicated.

Scheduled Exempt Position Salary Rates

Group	Minimum Salary	Maximum Salary
1	$ 49,080[~~45,816~~]	$ 75,828[~~70,788~~]
2	58,092[~~54,228~~]	89,749[~~83,784~~]
3	68,772[~~64,200~~]	106,260[~~99,192~~]
4	81,480[~~76,068~~]	125,880[~~117,516~~]
5	96,468[~~90,060~~]	149,052[~~139,140~~]
6	114,288[~~106,692~~]	214,236[~~189,000~~]

(3)

Agency	Position	Salary Group
(A) Fire Fighters' Pension Commissioner:	Commissioner	Group 1;
(B) Secretary of State:	Secretary of State	Group 4;
(C) Office of State-Federal Relations:	Executive Director	Group 3;
(D) Health and Human Services Commission:	Commissioner	Group 6;
(E) Texas Education Agency:	Commissioner of Education	Group 6;
(F) Adjutant General's Department:	Adjutant General	Group 4;
(G) Texas Department of Criminal Justice:	Presiding Officer, Board of Pardons and Paroles	Group 3;
(H) Texas Department of Criminal Justice:	Parole Board Members (6)	Group 3;
(J) Texas Commission on Environmental Quality:	Commissioners (3)	Group 5;
(J) Texas Department of Housing and Community Affairs:	Executive Director	Group 4;
(K) Texas Workforce Commission:	Commissioners (3)	Group 4;
(L) State Office of Administrative Hearings:	Chief Administrative Law Judge	Group 3;
(M) Texas Department of Insurance:	Commissioner of Insurance	Group 6;
(N) Office of Public Insurance Counsel:	Public Counsel	Group 3;
(O) Public Utility Commission of Texas:	Commissioners (3)	Group 4;
(P) Office of Public Utility Counsel: and	Public Counsel	Group 3;
(Q) Bond Review Board:	Executive Director	Group 3.

(c) In addition to all other requirements, any salary increase from appropriated funds within the limits provided by this section and salary increases within the limit established under an agency's bill pattern, must be:

(1) in writing;

(2) signed by the presiding officer of the governing board;

(3) submitted to the Governor, the Legislative Budget Board and the Comptroller; and

(4) approved by the governing board in a public meeting.

(d) (1) Each title listed in a "Schedule of Exempt Positions" following an agency's appropriation authorizes one position for the agency unless the title is followed by an Arabic numeral indicating the number of positions authorized or unless the title is followed by "(UL)" which authorizes an unlimited number of positions for such position title.

(2) The number of authorized positions for a title listed in a "Schedule of Exempt Positions" may be exceeded only:

(A) for the purpose of hiring a replacement in a key management position as certified by the chief administrator of the agency;

(B) if the current incumbent of the position has formally resigned or otherwise announced irrevocable plans to vacate the position;

(C) for a period of time not to exceed the equivalent of one month's salary per fiscal year per terminating incumbent (excluding time spent on the payroll for the purpose of exhausting accrued annual leave or state compensatory time); and

(D) if exceptions are reported as prescribed for payroll reporting procedures.

[~~(e) Notwithstanding the rate listed in the agency's "Schedule of Exempt Positions," a position listed in this subsection shall receive compensation at the rate and within the group provided below.~~

~~Scheduled Exempt Position Salary Rates~~

~~Position~~	**~~Salary Group~~**	**~~Rate~~**
~~(1) Attorney General~~	~~Group 6~~	~~$125,000;~~
~~(2) Comptroller of Public Accounts~~	~~Group 6~~	~~$125,000;~~
~~(3) Commissioner of Agriculture~~	~~Group 6~~	~~$125,000;~~
~~(4) Land Commissioner~~	~~Group 6~~	~~$125,000;~~
~~(5) Railroad Commissioner (3)~~	~~Group 6~~	~~$125,000.~~]

Sec. 3.06. **Evening, Night, Weekend Shift Pay: Registered Nurses and Licensed Vocational Nurses.** A state agency may pay an additional evening shift or night shift differential not to exceed 15 percent of the monthly pay rate to registered nurses or licensed vocational nurses who work the 3:00 p.m. to 11:00 p.m. shift, or its equivalent, or who work the 11:00 p.m. to 7:00 a.m. shift, or its equivalent. An additional weekend shift salary differential not to exceed five percent of the monthly pay rate may be paid to registered nurses and licensed vocational nurses. The weekend shift salary differential may be paid to an eligible individual in addition to the evening shift or night shift salary differential.

Sec. 3.07. **Recruitment and Retention Bonuses.** A state agency may pay a bonus to an individual as provided by § 659.262, Government Code[~~, as added by Acts 2003, Seventy-eighth Legislature, Chapter 200, § 16(f)~~].

Sec. 3.08. **Equity Adjustments.**

(a) A state agency is authorized to adjust the salary rate of an employee whose position is classified under the position classification plan to any rate within the employee's salary group range as necessary to maintain desirable salary relationships:

(1) between and among employees of the agency; or

(2) between employees of the agency and employees who hold similar positions in the relevant labor market.

(b) In determining desirable salary relationships under Subsection (a), a state agency shall consider the education, skills, related work experience, length of service, and job performance of agency employees and similar employees in the relevant labor market.

(c) A state agency may award an equity adjustment to an employee under this section only if:

(1) the employee has worked in the employee's current position for not less than six months while maintaining at least a satisfactory level of job performance; and

(2) the adjustment does not take effect during the same fiscal year as another equity adjustment made to the employee's salary under this section.

(d) A state agency shall adopt internal written rules relating to making equity adjustments under this section. The rules shall include procedures under which the agency will review and analyze the salary relationships between agency employees who receive salaries under the same job classification and perform the same type and level of work to determine if inequities exist.

~~[Sec. 3.09. **Appropriation for Schedule C Pay Raises and Stipends.**~~

~~(a) Appropriations made by this Act to the agencies listed below are hereby increased for each fiscal year by the amounts and from the appropriation sources indicated below for Schedule C pay raises and stipends.~~

~~(b) For the fiscal years beginning September 1, 2005 and September 1, 2006:~~

~~Agency Name~~	~~General Revenue~~	~~General Revenue - Dedicated (Fund 9)~~	~~Federal Funds~~	~~Other Funds (Fund 6)~~	~~Total for Each Fiscal Year of the Biennium~~
~~Alcoholic Beverage Commission~~	~~$2,041,994~~	~~$0~~	~~$0~~	~~$0~~	~~$2,041,994~~
~~Department of Criminal Justice~~	~~$780,300~~	~~$0~~	~~$0~~	~~$0~~	~~$780,300~~
~~Parks and Wildlife Department~~	~~$0~~	~~$4,225,766~~	~~$297,640~~	~~$0~~	~~$4,523,406~~
~~Department of Public Safety~~	~~$0~~	~~$0~~	~~$1,008,291~~	~~$30,503,827~~	~~$31,512,218~~
~~Subtotal~~	~~$2,822,294~~	~~$4,225,766~~	~~$1,306,031~~	~~$30,503,827~~	~~$38,857,918~~
~~Additional Benefits~~	~~$385,243~~	~~$576,817~~	~~$178,273~~	~~$4,163,772~~	~~$5,304,106~~
~~Grand Total~~	~~$3,207,537~~	~~$4,802,583~~	~~$1,484,304~~	~~$34,667,599~~	~~$44,162,024~~

~~(c) The amounts appropriated above include $2,041,994 in each fiscal year in General Revenue Funds to the Texas Alcoholic Beverage Commission for Schedule C pay raises and stipends. These appropriations are contingent upon the Texas Alcoholic Beverage Commission increasing fees and surcharges, pursuant to § 5.50, Alcoholic Beverage Code, by $4,641,452 and providing such information deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues are estimated to be available in excess of the Comptroller's Biennial Revenue Estimate, including supplemental estimates used in certifying this Act, to fund the increased appropriations and benefits.~~]

PART 4. EMPLOYMENT POLICIES AND PROVISIONS

Sec. 4.01. **Method of Salary Payments.** All annual salaries appropriated by this Act are for full-time employment unless specifically designated as part-time. This section may not be construed to prevent the chief administrator of an agency from paying less than the maximum salary rate specified in this Act for a position, or the employment of a part-time employee to fill a regular position provided for in this Act, so long as the salary rate for such part-time employee is proportional to the regular rate for full-time employment.

Sec. 4.02. **Exception - Contracts Less Than 12 Months.** Facilities of the Texas Youth Commission in Article V or institutions of higher education or the schools for the blind or deaf in Article III of this Act that make contracts for less than a twelve-month period may pay salaries in equal monthly payments for the period of the contract.

Sec. 4.03. **Matching Retirement and Certain Insurance.** In each instance in which an operating fund or account is created and named by statute, the responsible officials of the state may transfer into the operating fund or account sufficient moneys from treasury funds, local, institutional, or federal funds to pay proportionally the costs of matching state employees' retirement contributions and the state's share of Old Age and Survivors Insurance.

[~~Sec. 4.04. **Per Diem of Board or Commission Members and Advisory Committee Members.**~~

~~(a) As authorized by § 659.032, Government Code, the per diem of state board and commission members consists of:~~

~~(1) compensatory per diem, if specifically authorized by law, at $30 per day;~~

~~(2) reimbursement of actual expenses for meals and lodging not to exceed $121 per day when traveling within this state and reimbursement of actual expenses for meals and lodging when traveling outside of this state in an amount not to exceed the rates specified for a state employee under this Act; and~~

~~(3) reimbursement of transportation and incidental expenses at the rates specified in this Act for state employees.~~

~~(b) If a law enacted after former Article 6813f, VTCS, (September 1, 1983), authorizes per diem for members of a particular state board or commission, but does not specify the amount of the per diem, then the amount of the per diem is the amount provided by Subsection (a).~~

~~(c) The funds appropriated by this Act may not be expended to reimburse members of a state agency advisory committee for expenses associated with conducting committee business, including travel expenses, unless the expenditures for an advisory committee are within the limits provided by Subsection (f) below, and are:~~

~~(1) specifically authorized by this Act; or~~

~~(2) approved by the Governor and the Legislative Budget Board subsequent to the effective date of this Act.~~

~~(3) For the purpose of this subsection, the term "advisory committee" has the meaning assigned by § 2110.001, Government Code.~~

~~(4) This subsection does not apply to an advisory committee established by the governing board of a retirement system trust fund.~~

~~(5) This subsection applies only to an advisory committee that is subject to Chapter 2110, Government Code.~~

~~(d) An agency that has a "Schedule of Exempt Positions and Per Diem of Board (or Commission) Members" following the agency's appropriations may expend appropriations for board or commission member compensatory per diem in an amount not to exceed the amount specified in the schedule for each respective fiscal year.~~

~~(e) A full time employee paid from funds appropriated by this Act may not be paid both a salary and compensatory per diem for concurrent service as a state employee and as a board or commission member.~~

(f) (1) Unless otherwise specifically provided for in this Act or by the written authorization of the Legislative Budget Board and Governor, and pursuant to Government Code, § 2110.004, total amounts expended in each fiscal year of the biennium for reimbursement of expenses for an advisory committee authorized to be reimbursed elsewhere in this Act by agencies and institutions, out of funds appropriated to those entities, may not exceed the greater of:

(A) ninety percent (90%) of total expenditures for reimbursement of the same advisory committee by the agency or institution in fiscal year 2003; or

(B) total expenditures for reimbursement of the advisory committee by the agency or institution as approved by the Legislative Budget Board and Governor for fiscal year 2004 .

(2) Unless otherwise provided for in this Act, to the maximum extent possible, agencies and institutions 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.]

{{{ DRAFTER'S COMMENT: Sec. 4.04 re-designated as Sec. 5.09 and 5.10. }}}

[Sec. 4.05. **Political Aid and Legislative Influence Prohibited.** The funds appropriated by this Act, regardless of source or character, may not be expended except in compliance with Chapter 556, Government Code.]

{{{ DRAFTER'S COMMENT: Sec. 4.05 re-designated as Sec. 6.24. }}}

[Sec. 4.06. **Limitations on Use of Appropriated Funds.** Funds appropriated by this Act, other than those appropriated to an institution of higher education, may be expended only for items set out in the expenditure classifications of the Comptroller's Manual of Accounts insofar that an agency expending the appropriated funds has existing statutory authority for making the expenditures and the expenditures are not otherwise limited or prohibited in this Act.]

{{{ DRAFTER'S COMMENT: Sec. 4.06 re-designated as Sec. 6.25. }}}

[Sec. 4.07. **Contract Workforce.**

(a) In this section, contract workers are defined as independent contractors, temporary workers supplied by staffing companies, contract company workers, and consultants.

(b) No appropriated funds may be expended for payment of a contract workforce in which the contract is executed, amended, or renewed on or after September 1, 2005, until an agency or institution:

(1) develops and documents comprehensive policies and procedures for its contract workforce;

(2) examines and documents the legal and personnel issues related to the use of a contract workforce;

(3) conducts and documents a cost benefit analysis of its current contract workforce prior to hiring additional contract workers or amending or renewing existing contracts; and

(4) documents why and how the use of contract workers fit into agency staffing strategies, including consideration of agency mission, goals and objectives, existing and future employee skills needed, compensation costs, productivity, nature of services to be provided, and workload.

Agencies shall consult the Best Practices and Guidelines for Effectively Using a Contract Workforce (SAO Report No. 99-326) when planning for and implementing the requirements of this section.

(c) The State Auditor may require an agency to provide interim reports or additional information as necessary to ensure compliance with this section. The State Auditor may review each agency's report and follow up based on identified risks.]

PART 5. TRAVEL REGULATIONS

Sec. 5.01. **Travel Definitions.**

The definitions established by § 660.002, Government Code, apply to Part 5 of this Article, unless another meaning is clearly provided. In Part 5 of this Article:

(1) "Council of governments" includes:

(A) a council of governments created under Chapter 391, Local Government Code;

(B) a regional planning commission created under Chapter 391, Local Government Code; or

(C) a regional planning agency created under Chapter 391, Local Government Code.

(2) "State agency" includes the entities within the definition of § 660.002(19), Government Code, and also includes a council of governments, a local workforce development board, or a MHMR community center, that uses funds appropriated by this Act to pay for the transportation, meals, lodging, or other travel expenses of its employees.

Sec. 5.02. **General Travel Provisions.** The funds appropriated by this Act to a state agency for the payment of transportation, meals, lodging, or incidental expenses is the maximum amount that may be expended by the agency. The funds appropriated by this Act may not be expended for those expenses unless the travel and the resulting requests for payment or reimbursement comply with the conditions and limitations in this Act, Chapter 660, Government Code, and the Comptroller's Rules.

Sec. 5.03. **Failure to Comply.**

(a) If the State Auditor determines that the travel for which payment was made out of appropriated funds is not in compliance with Chapter 660, Government Code, the State Auditor shall so certify to the Comptroller. The Comptroller shall reduce the appropriation of the state agency that paid the travel expenses by an amount equal to the entire amount paid by the state agency for that individual for that travel occurrence.

(b) The Comptroller shall prepare an annual report indicating the appropriation reductions, by state agency, made pursuant to this section for the previous fiscal year. The Comptroller shall submit the report to the Legislative Budget Board not later than December 1.

Sec. 5.04. **Transportation Expenses.** For a state employee's use of a personally owned or leased motor vehicle, the mileage reimbursement rate for travel equals the maximum fixed mileage allowance specified in the revenue rulings issued by the Internal Revenue Service under the federal income tax regulations as announced by the Comptroller.

Sec. 5.05. **Transportation in Personally Owned or Leased Aircraft.**

(a) The rate of reimbursement to be paid to a key official, member of a board, commission, or a member of the Legislature for travel in the person's personally owned or leased aircraft, either within or without the boundaries of this state, is:

(1) 40 cents per highway mile when traveling in single-engine aircraft;

(2) 55 cents per highway mile when traveling in twin-engine aircraft; and

(3) one dollar per highway mile when traveling in turbine-powered or other aircraft.

(b) The rate of reimbursement for a state employee when the employee travels in the employee's personally owned or leased aircraft, either within or without the boundaries of this state, is:

(1) 40 cents per highway mile when traveling in single-engine aircraft; or

(2) 55 cents per highway mile when traveling in twin-engine, turbine-powered, or other aircraft.

Sec. 5.06. **Travel Meals and Lodging Expenses.**

(a) A state employee who travels within this state shall be reimbursed for the actual cost of lodging and meals. However, the reimbursements may not exceed $85 per day per location for lodging and $36 per day for meals.

(b) At the discretion of each chief administrator of a state agency, a state employee whose duties require the employee to travel outside the employee's designated headquarters without an overnight stay away from the employee's headquarters may be reimbursed for the actual cost of the employee's meals not to exceed $36.

(c) A state employee who travels outside of this state but within the continental United States shall be reimbursed for the employee's actual expenses for lodging and meals. However, the reimbursement may not exceed the maximum out-of-state meals and lodging rates, based on the federal travel regulations, issued by the Comptroller unless the agency head or the designee of the agency head[~~Comptroller~~] determines[~~, in advance of travel,~~] that local conditions necessitate a change in the lodging rate for a particular location. If an employee travels to a location where an allowance has not been set by the Comptroller, the Comptroller shall establish a rate for that location.

(d) A state employee may receive reimbursements for the employee's actual expenses for meals and lodging when traveling outside the continental United States.

(e) A state agency or institution may reimburse a state employee for a meal expense the employee incurs while traveling outside the employee's designated headquarters for less than six consecutive hours if the reimbursement:

(1) receives the written approval by the chief administrator of the state agency or institution;

(2) meets the rules adopted by the Comptroller regarding reimbursement for traveling outside the employee's designated headquarters for less than six consecutive hours; and

(3) complies with § 660.206, Government Code.

Sec. 5.07. **Special Provisions Regarding Travel Expenses.** Reimbursement for meals and lodging as authorized by Subchapter H, Chapter 660, Government Code, on an "actual expenses" or "actual amount of" basis may not exceed twice the maximum rates specified in § 5.06 of this Article.

Sec. 5.08. **Limitation on Travel Expenditures.**

(a) In this section "travel" refers only to travel outside the state of Texas, except as provided by[~~set forth in~~] Subsection (k) of this section.

(b) (1) None of the funds appropriated by this Act may be expended, without the prior approval of the Legislative Budget Board, for travel purposes if such expenditure would cause the agency's or institution's travel expenditures for that fiscal year to exceed the greatest of [~~an amount equal to~~]:

(A) 125[~~100~~] percent of that agency's or institution's fiscal year 2000 amount of travel expenditures; or

(B) 100 percent of that agency's or institution's fiscal year 2000 amount of travel expenditures plus $10,000; or

(C) 100 percent of that agency's or institution's fiscal year 2000 amount of travel expenditures plus[~~including~~] any excess travel expenditure amounts approved by waiver.

(2) The general limitations provided by this subsection apply in addition to the limits of any additional agency specific limitation.

(3) In the event that a state agency or institution had, as determined by the Comptroller, no expenditures for travel outside the state of Texas during fiscal year 2000, the general

limitations provided by Subsection (b)(1) shall not apply, but out-of-state travel spending may not exceed in either year of the biennium the amount spent for that purpose in the last state fiscal year in which out-of-state travel occurred.

(c) The Legislative Budget Board may consider requests from agencies which demonstrate circumstances which would make such reductions in actual travel impractical or inefficient in accomplishing the goals and strategies contained in their appropriations pattern. Such circumstances may include: new or expanded programs, law enforcement, tax collection activities, statutorily mandated travel, or other pressing public purposes.

(d) The Comptroller shall prescribe accounting procedures and reporting requirements to administer this section and to ensure that expenditures for travel by all state agencies and institutions of higher education are properly reported and monitored.

(e) (1) Upon notification by the Comptroller that a state agency or institution of higher education has exceeded the travel cap limit as specified in Subsection (b) of this section for two consecutive fiscal years without the written approval of the Legislative Budget Board, the state agency or institution of higher education may not pay or reimburse with funds appropriated by this Act, a travel expense for travel to conventions, conferences, or seminars except as provided by this Subsection (e).

(2) The Comptroller may allow a state agency or institution of higher education to reimburse or pay a travel expense incurred by an employee on or after the date the agency or institution receives notice of its exceeding the limits if:

(A) the expense is incurred while the employee is returning to the employee's designated headquarters;

(B) the reimbursement or payment is necessary to prevent unreasonable hardship to the employee; or

(C) the expense is incurred while the employee is completing official state business that the agency or institution deems critical to fulfillment of the agency's or institution's constitutional or statutory duties.

(3) The Comptroller shall notify the Legislative Budget Board if the Comptroller allows such a payment or reimbursement. The notification must include the reason that the payment or reimbursement is allowed. The Legislative Budget Board may then direct the Comptroller to reduce the agency's or institution's appropriation by the amount of the payment or reimbursement if in the Legislative Budget Board's opinion the payment was the result of an agency failing to comply with the notification by the Comptroller.

(f) All documents filed by an appointed officer under this section are public information. In this section, the term "public information" has the meaning provided by Chapter 552, Government Code.

(g) In this section "appointed officer" includes all persons included under the definition provided by Chapter 572, Government Code, except that for the purposes of the definition of "appointed officer," the term "state agency" also includes a council of governments, a local workforce development board, or a mental health mental retardation community center that uses funds appropriated by this Act to pay for the transportation, meals, lodging, or other travel expenses of its employees or officials. For the purpose of this provision, the term "council of governments" shall include a council of governments, a regional planning commission, or similar regional planning agency created under Chapter 391, Local Government Code.

(h) An appointed officer may not receive reimbursement from funds appropriated by this Act for expenses related to travel before filing with the Texas Ethics Commission copies of all documents that will be submitted to the Comptroller and Legislative Budget Board in support of the travel expense claim.

(i) Funds appropriated by this Act may not be used to pay expenses for a trip to foreign countries, except for Canada or Mexico, unless the board or commission of each state agency and institution of higher education has approved the travel before departure. A copy of the approval must be

attached to each travel voucher submitted to the Comptroller. By October 1 of each year, each agency and institution of higher education must submit a report on all foreign travel with required approvals to the Governor and the Legislative Budget Board.

(j) In implementing this rider, state agencies shall review their travel policies in order to ensure that travel which is critical to the delivery of services consistent with the mission of the agency is not affected.

(k) Travel expenses incurred within the Washington, D.C. area by the Office of State-Federal Relations (OSFR) and by state agencies and institutions of higher education that are represented by their employees in the Washington, D.C. office of OSFR shall be considered in-state travel for the purpose of calculating the agencies' compliance with out-of-state travel limitation provisions.

~~Sec. 5.09. **Expenditures for Commercial Air Travel.**~~

~~(a) It is the intent of the Legislature that the Texas Building and Procurement Commission establish rules to encourage state agencies and institutions of higher education to reduce travel expenses by purchasing airline tickets at least 14 days before an employee of the agency or institution travels by commercial air carrier on agency or institution business.~~

~~(b) Effective September 1, 2005, the Comptroller shall reduce appropriations made to all state agencies appropriated funds under Articles I through VIII of this Act, excluding institutions of higher education, by a total of $4,994,716 in General Revenue for the biennium beginning September 1, 2005. Amounts to be reduced at each affected agency shall be determined by the Texas Building and Procurement Commission based on historical information related to agency travel and all reductions in appropriations must be approved by the Legislative Budget Board and Governor.~~

~~(c) Effective September 1, 2005, the Comptroller shall reduce appropriations made to all institutions of higher education appropriated funds under Article III of this Act by a total of $3,000,000 in General Revenue for the biennium beginning September 1, 2005. Amounts to be reduced at each affected institution shall be determined by the Texas Building and Procurement Commission based on historical information related to agency travel and all reductions in appropriations must be approved by the Legislative Budget Board and Governor.~~]

Sec. 5.09. **Travel and Per Diem of Board or Commission Members** [~~**and Advisory Committee Members**~~]**.**

(a) As authorized by § 659.032, Government Code, the per diem of state board and commission members consists of:

(1) compensatory per diem, if specifically authorized by law, at $30 per day; and

(2) at the rates provided by this Act for state employees, expense per diem, which includes:

(A) reimbursement of actual expenses for meals, at the rates provided by this Act for state employees;

(B) [~~and~~]lodging at the rates provided by this Act for state employees;

(C) [~~not to exceed $121 per day when traveling within this state and reimbursement of actual expenses for meals and lodging when traveling outside of this state in an amount not to exceed the rates specified for a state employee under this Act; and~~

~~(3) reimbursement of~~]transportation at the rates provided by this Act for state employees; and

(D) incidental expenses[~~at the rates provided by this Act for state employees~~].

(b) If a law enacted after former Article 6813f, VTCS, (September 1, 1983), authorizes per diem for members of a particular state board or commission, but does not specify the amount of the per diem, then the amount of the per diem is the amount provided by Subsection (a).

[~~(d) An agency that has a "Schedule of Exempt Positions and Per Diem of Board (or Commission) Members" following the agency's appropriations may expend appropriations for board or commission member compensatory per diem in an amount not to exceed the amount specified in the schedule for each respective fiscal year.~~]

(c)[e] A full-time employee paid from funds appropriated by this Act may not be paid both a salary and compensatory per diem for concurrent service as a state employee and as a board or commission member.

{{{ DRAFTER'S COMMENT: Part of Sec. 4.04 re-designated as Sec. 5.09. }}}

Sec. 5.10. **Travel of Advisory Committee Members.**

(a) For the purpose of this section, the term "advisory committee" has the meaning assigned by § 2110.001, Government Code.

(b) In addition to the limits placed on reimbursement of advisory committee member expenses by this section and to the extent not otherwise limited by this Act or other law, a member of a state agency advisory committee may be reimbursed, at the rates specified in this Act for a state employee, for actual expenses for meals, lodging, transportation, and incidental expenses.

(c) The funds appropriated by this Act may not be expended to reimburse a member of a state agency advisory committee for expenses associated with conducting committee business, including travel expenses, unless the expenditures for an advisory committee are within the limits provided by this section and other law and are:

(1) specifically authorized by this Act; or

(2) approved by the Governor and the Legislative Budget Board subsequent to the effective date of this Act.

(d) The limitations provided by this section do not apply to an advisory committee established by the governing board of a retirement system trust fund.

(e) The limitations provided by this section apply only to an advisory committee that is subject to Chapter 2110, Government Code.

(f) Unless otherwise specifically provided for in this Act or by the written authorization of the Legislative Budget Board and Governor, and pursuant to Government Code, § 2110.004, total amounts expended in each fiscal year of the biennium for reimbursement of expenses for an advisory committee authorized to be reimbursed elsewhere in this Act by agencies and institutions, out of funds appropriated to those entities, may not exceed one hundred and twenty-five percent (125%) of total expenditures for reimbursement of the same advisory committee by the agency or institution in fiscal year 2003.

{{{ DRAFTER'S COMMENT: Sec. 5.10 based on former Sec. 4.04 (c) and (f). }}}

PART 6. GENERAL LIMITATIONS ON EXPENDITURES

Sec. 6.01. **Definitions.**

In this Act[~~:~~

~~(a) "Earned federal funds" means all moneys received in connection with each entitlement period of a federally-funded contract, grant, or program, excluding reimbursements under § 8.02(c), which are not required by the governing agreement to be disbursed thereon. Typically, earned federal funds arise from recoveries of costs previously paid from a nonfederal fund source, indirect cost allocations, interest earned on federal funds, and minor sources such as the sale of fixed assets purchased with federal funds. Except for state agencies of higher education and their affiliated agencies whose earned federal funds are held outside the state treasury, the expenditure of funds received or earned by a state agency is limited to the appropriation authority granted to the agency. Any such excess funds remaining at the end of the 2004-05 biennium for an agency shall be returned to the General Revenue Fund. A state agency or institution participating in federally funded or other programs, where indirect cost reimbursements are an allowable part of charges to the program, shall establish procedures to maximize the recovery of such costs.~~

{{{ DRAFTER'S COMMENT: See Sec. 6.26 for a new section concerning "Earned Federal Funds." }}}

~~(b)~~]"Unexpended balance" or the abbreviation "UB" means the unobligated balance remaining in an appropriation, i.e., only that part of an appropriation, if any, that has not been set apart by the incurring of an obligation, commitment, or indebtedness by the state agency authorized to spend the appropriation. A reference in this Act to "unexpended balance" or "UB" is a reference to the unobligated balance of an amount appropriated by this Act for the fiscal year ending August 31, 2008[~~2006~~], unless another meaning is clearly indicated.

Sec. 6.02. **Interpretation of Estimates.** In the event the amounts of federal funds, local funds, or funds other than appropriations from the General Revenue Fund, have been estimated in this Act in sums greater than are actually received by the respective agencies of the state, this Act may not be construed as appropriating additional funds from General Revenue to make up such differences. Wherever the language of this Act appropriates all receipts or balances from a specified source but uses an estimated amount to inform the Legislature and the public, the estimated figure is not to be construed as a limitation on the amount appropriated.

[~~Sec. 6.03. **Emergency and Deficiency Grants Out of Special Funds.** For the purposes of § § 401.061 and 403.075, Government Code, appropriations to the Office of the Governor from "special funds" include excess revenues from General Revenue Fund-Dedicated accounts that were previously special funds above those estimated by the Comptroller in certifying this Act.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.03 re-designated as Sec. 17.01. }}}

Sec. 6.03[~~6.04~~]. **Excess Obligations Prohibited.**

(a) An agency specified in this Act may not incur an obligation in excess of the amounts appropriated to it for the respective objects or purposes named.

(b) As a specific exception to Subsection (a) the Texas Building and Procurement Commission may determine that a proposed installment purchase arrangement is cost effective and certify this finding in response to an agency request.

(c) A determination made by the Texas Building and Procurement Commission under Subsection (b) may be made for obligations incurred for the purchase or lease of automated information system equipment only if the agency has on file with the Legislative Budget Board a Biennial Operating Plan, including any amendments to the Biennial Operating Plan, and the plan has been approved by the Legislative Budget Board.

(d) If this section is violated, the State Auditor shall certify the fact of the violation and the amount of over-obligation to the Comptroller, and the Comptroller shall deduct an amount equivalent to the over-obligation from the salary or other compensation due the responsible disbursing or requisitioning officer or employee, and apply the amount to the payment of the obligation.

(e) This provision is specified pursuant to § 10, Article XVI, Texas Constitution.

Sec. 6.04[~~6.05~~]. **Interpretation of Legislative Intent.** Funds appropriated by this Act shall be expended, as nearly as practicable, for the purposes for which appropriated. In the event an agency cannot determine legislative purpose from the pattern of appropriations, the agency shall seek to determine that purpose from the proceedings of the legislative committees responsible for proposing appropriations for this state.

Sec. 6.05[~~6.06~~]. **Comptroller's Duty to Pay.** The Comptroller may not refuse to pass for payment a legal claim, factually justified, for which a valid appropriation has been made.

Sec. 6.06[~~6.07~~]. **Last Quarter Expenditures.**

(a) A state agency or other governmental unit using funds appropriated by this Act may not expend during the last quarter of a fiscal year more than one-third of the funds appropriated for that fiscal year.

(b) Specifically exempted from Subsection (a) are:

(1) expenditures contracted for in previous quarters;

(2) funds required by statute, rule or regulation to be expended on a different time frame;

(3) seasonal employment of personnel;

(4) construction contracts;

(5) contracts dealing with purchases of food, medicines, or drugs;

(6) expenditures related to the Children with Special Health Care Needs [~~(formerly known as "CIDC") ~~]program operated by the Department of State Health Services; and

(7) expenditures occasioned by disaster or other Act of God.

(c) The funds exempted, under Subsection (b) may not be considered in the computation of the total funds appropriated in a fiscal year for the purpose of applying Subsection (a).

[~~Sec. 6.08. **Appropriation Transfers.**~~

~~(a) Subject to any specific restriction in another provision of this Act, an appropriation contained in this Act may be transferred from one appropriation item to another appropriation item in an amount not to exceed 12.5 percent of the appropriation item from which the transfer is made for the fiscal year, at the discretion of the chief administrative officer of the state agency or institution.~~

~~(b) As a specific exception to Subsection (a), funds appropriated for capital budget items are subject to restrictions contained elsewhere in this Act.~~

~~(c) Funds appropriated by this Act in items of appropriation that are part of a Goal for "Indirect Administrative and Support Costs" or "Indirect Administration" may also be transferred from one appropriation item to another appropriation item within that same Goal without limitation as to the amount of such a transfer.~~

~~(d) Appropriations made by this Act to each state agency or institution of higher education are not subject to transfer between agencies or institutions except under the provisions of interagency contract, budget execution statutes, or specific rider or statutory authorization.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.08 re-designated as Sec. 14.01. }}}

[~~Sec. 6.09. **Transfers for Contract Services.** Funds appropriated in the various Articles of this Act for "Employees Retirement System," "Social Security State Match," and "Benefit Replacement Pay" may be transferred between Articles for similar appropriation items for the purpose of paying employee benefits costs incurred by higher education institutions when those institutions have contracted to provide services to state agencies.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.09 re-designated as Sec. 14.02. }}}

Sec. 6.07[~~6.10~~]. **Employee Benefit and Debt Service Items.**

(a) Funds appropriated in the various Articles of this Act for "Employees Retirement System," "Social Security State Match," "Benefit Replacement Pay," "Texas Public Finance Authority-G.O. Bond Debt Service Payments," and "Lease-Payments to the Texas Public Finance Authority" may be transferred between Articles to a like appropriation item without limitation as to the amount of such transfer.

(b) An agency to which an appropriation listed under Subsection (a) is made may pool such appropriations, made in the various Articles for a common purpose, into a single cost pool for the purpose of administering the appropriation.

Sec. 6.08[~~6.11~~]. **Benefits Paid Proportional by Fund.**

(a) Unless otherwise provided, in order to maximize balances in the General Revenue Fund, payment for benefits paid from appropriated funds, including "local funds" and "education and general funds" as defined in § 51.009 (a) and (c), Education Code, shall be proportional to the source of funds.

(b) Unless otherwise specifically authorized by this Act, the funds appropriated by this Act out of the General Revenue Fund may not be expended for employee benefit costs, or other indirect costs, associated with the payment of salaries or wages, if the salaries or wages are paid from a source other than the General Revenue Fund. Payments for employee benefit costs for salaries and wages paid from sources, including payments received pursuant to interagency agreements or as contract receipts, other than the General Revenue Fund shall be made in proportion to the source of funds from which the respective salary or wage is paid or, if the Comptroller determines that achieving proportionality at the time the payment is made would be impractical or inefficient, then the General Revenue Fund shall be reimbursed for any such payment made out of the General Revenue Fund.

(c) The Comptroller, after consulting with the Legislative Budget Board and the State Auditor's Office, shall develop rules to provide for the administration of this section.

(d) Each agency or institution of higher education (including a community or junior college) having General Revenue Fund appropriations and other sources of financing shall file with the Comptroller and the State Auditor a report demonstrating proportionality. The report shall be filed before November 20th following the close of the fiscal year for the salaries, wages, and benefits of the preceding year ended August 31. The report shall be in a format prescribed by the Comptroller [~~of Public Accounts~~] in collaboration with the Legislative Budget Board and the State Auditor's Office. The State Auditor shall at least biennially review agency and institution (including a community or junior college) compliance with the requirements of this section if the agency or institution (including a community or junior college) receives funds appropriated under Articles II, III, or VI of this Act. The Comptroller, on receipt of notification from the State Auditor of amounts disproportionally paid from General Revenue Fund appropriations, shall reduce current year General Revenue Fund appropriations of the agency or institution until such time as such amounts are repaid from sources other than the General Revenue Fund.

Sec. 6.09[~~6.12~~]. **Appropriations from Special Funds.** Notwithstanding other provisions of this Act, appropriation amounts from special funds or special accounts in the General Revenue Fund are specifically limited to amounts not to exceed the actual balances and revenues available to each such fund or account.

[~~Sec. 6.13. **Limitation on Grants to Units of Local Government.**~~

~~(a) The funds appropriated by this Act may not be expended in the form of a grant to, or a contract with, a unit of local government unless the terms of the grant or contract require that the funds received under the grant or contract will be expended subject to limitations and reporting requirements similar to those provided by:~~

~~(1) Parts 2 and 3 of this Article (except there is no requirement for increased salaries for local government employees);~~

~~(2) § § 556.004, 556.005, and 556.006, Government Code;~~

~~(3) § § 2113.012 and 2113.101, Government Code;~~

~~(4) § 6.24 of this Article (Performance Rewards and Penalties);~~

~~(5) § 7.01 of this Article (Budgeting and Reporting);~~

~~(6) § 7.02 of this Article (Annual Reports and Inventories); and~~

~~(7) § 2102.0091, Government Code.~~

~~(b) In this section, "unit of local government" means:~~

~~(1) a council of governments, a regional planning commission, or a similar regional planning agency created under Chapter 391, Local Government Code;~~

~~(2) a local workforce development board; or~~

~~(3) a MHMR community center.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.13 re-designated as Sec. 17.02. }}}

Sec. 6.10[~~6.14~~]. **Limitation on State Employment Levels.**

(a) [~~(1) If the reduction of the number of full-time equivalent employees (FTEs) required by Subsection (a)(2) of this section would be impractical or inefficient in accomplishing the goals and strategies contained in the appropriations pattern of a state agency or institution of higher education or would impede new or expanded programs, law enforcement, tax collection activities, or other pressing public purposes, then the Legislative Budget Board and Governor may consider requests for exemptions from the requirements of this Subsection (a) from those entities which demonstrate such circumstances.~~

~~(2) The FTE limit shown in the bill pattern of state agencies and institutions of higher education appropriated funds under this Act are reduced by two percent (2%). This reduction does not apply to:~~

~~(A) a state agency or institution having fewer than 300 FTEs;~~
~~(B) the Office of the Governor;~~
~~(C) the Office of the Comptroller; or~~
~~(D) the Office of the Attorney General.~~

~~(b)~~] Without the written approval of the Governor and the Legislative Budget Board, a state agency or institution of higher education may not use funds appropriated by this Act to pay all or part of the salaries or benefits of a number of employees which would cause the number of full-time equivalent employees (FTEs) paid from funds appropriated by this Act by the state agency or institution of higher education for a fiscal quarter to exceed the figure indicated by this Act for that state agency or institution.

(b)[~~(c)~~] A request by a state agency or institution of higher education to exceed or reduce the FTE limitations established by this section must be submitted by the governing board of the state agency or institution of higher education and must include at a minimum:

(1) the date on which the board approved the request;

(2) a statement justifying the need to exceed or reduce the limitation;

(3) the source of funds to be used to pay any additional salaries; and

(4) an explanation as to why the functions of any proposed additional FTEs cannot be performed within current staffing levels.

(c)[~~(d)~~] For the purpose of Subsection (a)[~~(b)~~], the number of FTEs employed by a state agency (not including an institution of higher education or an affiliated entity, the State Preservation Board, Parks and Wildlife Department, Texas School for the Blind and Visually Impaired,

Texas School for the Deaf, and Texas Commission on Environmental Quality) for a fiscal quarter:

(1) shall be determined in accordance with the report filed pursuant to § 2052.103, Government Code;

(2) shall[~~only~~] include only employees paid with funds appropriated through this Act;

(3) shall not include overtime hours; and

(4) shall include a position filled by temporary or contract workers for more than half of the work days of the year preceding the final day of the reporting period. Temporary or contract workers shall include workers employed under contract to fill specific positions customarily filled by state employees. The State Auditor is authorized to provide interpretations of this provision.

(d)[~~(e)~~] For the purpose of Subsection (a)[~~(b)~~], the number of FTEs employed by the State Preservation Board, Texas Commission on Environmental Quality, the Parks and Wildlife Department, the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, or an institution of higher education or an affiliated entity, for a fiscal year:

(1) shall be determined in accordance with the reports filed pursuant to § 2052.103, Government Code;

(2) shall be an average of the four reports filed for that fiscal year;

(3) shall include only employees paid with funds appropriated through this Act;

(4) shall not include overtime hours; and

(5) shall include a position filled by temporary or contract workers for more than half of the work days of the year preceding the final day of the reporting period. Temporary or contract workers shall include workers employed under contract to fill specific positions customarily filled by state employees. The State Auditor is authorized to provide interpretations of this provision.

(e)[~~(f)~~] This section shall not apply to appropriations made by this Act to the:

(1) Office of the Governor; or

(2) Comptroller when that agency has determined by a cost/benefit analysis that an outsourcing or contracting arrangement provides savings to this State.

(f) [~~(g)~~] The limitations on FTEs under this section do not apply to a state agency or institution in instances of employment, including employment of temporary or contract workers, directly associated with events declared disasters by the Governor. Each state agency or institution shall annually notify the State Auditor, Comptroller, Legislative Budget Board, and Governor of FTEs exempted under this section.

(g)[~~(h)~~] (1) The limitations on FTEs under this section do not apply to a state agency or institution in an instance of employment, including employment of a temporary or contract worker, if the FTEs associated with that project are not included in the number of FTEs allowed in the agency's bill pattern and the employees are associated with:

(A) implementation of a new, unanticipated project that is 100 percent federally funded; or

(B) the unanticipated expansion of an existing project that is 100 percent federally funded.

(2) With regard to the exemption from the FTE limitations provided by this Subsection (g), a[~~the~~] state agency or institution is exempt from the FTE limitations only for the duration

of the federal funding for the employment related to the project and all salaries, benefits, and other expenses incurred related to employment must be paid from federal funds.

(3) This Subsection (g) does not exempt any employees associated with existing projects that are 100 percent federally funded and included in the number of FTEs allowed in the agency's bill pattern.

(4) Each state agency or institution shall notify the State Auditor, Comptroller, Legislative Budget Board, and Governor of FTEs exempted under this Subsection (g).

(h)[~~(i)~~] If a program is transferred from a state agency or institution of higher education, then at any time during the biennium, the Legislative Budget Board and the Governor may agree to reduce the number of FTEs paid from funds appropriated by this Act by the state agency or institution of higher education for one or more fiscal quarters to a figure below that indicated by this Act for that agency or institution.

Sec. 6.11[~~6.15~~]. **Purchases of Postage.**

(a) If the expenditures for postage by an agency, other than the Legislature or an institution of higher education, exceed $4,000 for a fiscal year, the agency shall purchase postage only in accordance with § 2113.103(c), Government Code.

(b) The amount received by an agency as a refund of postage used by the agency shall be deposited in the fund to the credit of the appropriation from which postage for the agency is paid and is hereby appropriated to the agency for postage use.

[~~Sec. 6.16. **Limitation on Expenditures - Capital Budget.**~~

~~(a) Contained in appropriations made to certain agencies by this Act are amounts identified as the "Capital Budget." Except as provided under this section, none of the funds appropriated by this Act, in excess of amounts restricted to capital budget purposes, may be expended for capital budget purposes without the prior approval of the Governor and Legislative Budget Board.~~

~~(b) A request for approval to exceed the transfer limitation on capital budget expenditures under Subsection (i) must be submitted by the agency's governing board and must include at a minimum:~~

~~(1) the date on which the board approved the request;~~

~~(2) a statement justifying the need to exceed the limitation;~~

~~(3) the source of funds to be used to make the purchases; and~~

~~(4) an explanation as to why such expenditures cannot be deferred.~~

~~(c) This restriction does not apply to:~~

~~(1) expenditures for capital outlay items or projects that are not included in the definition of "Capital Budget" under Subsection (d); or~~

~~(2) expenditures for Capital Budget purposes made by:~~

~~(A) institutions of higher education; or~~
~~(B) public community/junior colleges.~~

~~(d) "Capital Budget" includes expenditures, for assets with a biennial project cost or unit cost in excess of $25,000, within the following categories:~~

~~(1) Acquisition of Land and Other Real Property (except for right-of-way purchases made by the Texas Department of Transportation);~~

~~(2) Construction of Buildings and Facilities;~~

~~(3) Repairs or Rehabilitation of Buildings and Facilities;~~

(4) Construction of Roads (except for such expenditures made by the Texas Department of Transportation);

(5) Acquisition of Information Resource Technologies;

(6) Transportation Items;

(7) Acquisition of Capital Equipment and Items; or

(8) Other Lease Payments to the Master Lease Purchase Program (for items acquired prior to September 1, 2005 only).

(e) Any expenditure directly related to acquisition of an asset, or to placing an asset in service, may be paid from the appropriation made to the "Capital Budget."

(f) In implementing this section, the Comptroller should refer to the detailed instructions for preparing and submitting requests for legislative appropriations for the biennium beginning September 1, 2005, and the definitions therein, and to the official request for legislative appropriations submitted by the affected agency.

(g) Appropriations restricted to capital budget purposes and not identified in a "Capital Budget" as being for lease payments to the master lease purchase program (MLPP) or for other lease-purchase payments may be utilized to make lease payments under MLPP or for other lease or installment payments only if the agency to which the appropriation is made provides a report to the Comptroller specifying the sum of the lease payments to be made during the biennium for the Capital Budget item being acquired. The Comptroller shall reduce the appropriation made by this Act for the Capital Budget item in an amount equal to the difference between the appropriated amount and the sum of the lease payments for the biennium and deposit that amount into the unappropriated balance of the original funding source. In the event that the Comptroller cannot determine the amount appropriated for a specific Capital Budget item, the amount shall be determined by the Legislative Budget Board.

(h) Funds restricted to "Acquisition of Information Resource Technologies" may also be used to purchase or contract for computer time, facility resources, maintenance, and training.

(i) (1) An agency may transfer appropriations:
- (A) from a non-capital budget item to a capital budget item;
- (B) from a capital budget item to another capital budget item; or
- (C) from a capital budget item to an additional capital budget item not presented in the agency's bill pattern.

(2) Without the approval of the Governor and the Legislative Budget Board:

(A) the amounts transferred during a fiscal year as provided by Subdivision (1) of this Subsection (i) may not exceed 25 percent of either:
- (i) the amount of the capital budget item, as presented in the agency's bill pattern from which funds are being transferred; or
- (ii) the amount of the capital budget item, if presented in the agency's bill pattern, to which funds are being transferred;

(B) appropriations may not be transferred directly from a non-capital budget item to an additional capital budget item not presented in the agency's bill pattern;

(C) appropriations may not be transferred to an additional capital budget item that is not presented in the agency's bill pattern if that additional capital budget item was presented to a committee, subcommittee, or working group of the Seventy-ninth Legislature but was not adopted by the Seventy-ninth Legislature; and

(D) an agency that does not have a capital budget provision following its items of appropriation in this Act may not use funds appropriated by this Act for capital budget purposes.

~~(j) Any unexpended balances remaining in appropriations made by this Act for capital budget purposes for fiscal year 2008[2006] are hereby appropriated for fiscal year 2009[2007] for the same purpose.~~

~~(k) (1) Notwithstanding limitations on capital expenditures provided elsewhere, appropriations made by this Act that may be used for the payment of utility bills are hereby authorized to be used to pay for energy and water conservation-related projects, including lease payments under the state's Master Lease Purchase Program, entered into in accordance with energy and water conservation statutes.~~

~~(2) Capital expenditures for items that could be financed through the utility savings made possible by a comprehensive energy and water conservation contract authorized by § 2166.406, Government Code, are prohibited unless part of a comprehensive energy and/or water conservation contract authorized under § 2166.406, Government Code.~~

~~(3) Before authorizing expenditures for capital items that consume energy or water or that are related to the energy and/or water consumption of an agency's facilities, the Comptroller must verify that the items could not be part of a cost-effective contract for energy and water conservation measures authorized by § 2166.406, Government Code.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.16 re-designated as Sec. 14.03. }}}

Sec. 6.12[~~6.17~~]. **Construction Policy.** A state entity receiving an appropriation under this Act may not establish a rule or policy that is inconsistent with the legislative intent that funds appropriated by this Act for construction projects be expended only pursuant to state entity policies that provide the greatest competitive advantage to the state allowable under Chapter 2258, Government Code.

[~~Sec. 6.18. **Grant Restriction.** Funds appropriated by this Act may not be expended for a grant to a law enforcement agency regulated by Chapter 1701, Occupations Code, unless:~~

~~(1) the law enforcement agency requesting the grant is in compliance with all rules developed by the Commission on Law Enforcement Officer Standards and Education; or~~

~~(2) the Commission on Law Enforcement Officer Standards and Education certifies that the requesting agency is in the process of achieving compliance with such rules.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.18 re-designated as Sec. 17.03. }}}

Sec. 6.13[~~6.19~~]. **Expenditures for State-Federal Relations.**

(a) Funds appropriated by this Act may not be spent by a state agency to carry on functions for which funds have been appropriated to the Office of State-Federal Relations to perform except when an interagency contract has been executed between the Office of State-Federal Relations and the state agency.

(b) Prior to travel to the Washington, D.C. area, including any trip with a destination to the Reagan-National, Dulles, or Baltimore Washington International airports, state agency personnel shall inform the Office of State-Federal Relations regarding:

(1) the timing of the trip;

(2) the purpose of the trip; and

(3) the name of a contact person for additional information.

(c) Under Subsection (b) the term "travel" is limited to only activities:

(1) involving obtaining or spending federal funds; or

(2) impacting federal policies.

Sec. 6.14[~~6.20~~]. **Research Policy.**

(a) An agency may not expend any funds appropriated by this Act for research projects of any type until the agency has adopted and filed with the Legislative Budget Board a policy that clearly establishes and protects the property rights of the state with regard to any patentable product, process, or idea that might result from such research.

(b) In order to avoid duplication, a state agency, excluding an institution of higher education, may not expend funds appropriated by this Act to conduct or support policy research on a subject within the statutory jurisdiction of another agency without providing prior written notification, to the agency that has the statutory jurisdiction, concerning a work plan and the coordination of resources.

[~~Sec. 6.21. **Court Representation and Outside Legal Counsel.**~~

~~(a) Except as otherwise provided by the Constitution or general or special statutes, the Attorney General shall have the primary duty of representing the State in the trial of civil cases. Prior to expenditure of funds for retaining outside legal counsel, agencies or departments (other than those included in Article X of this Act) shall request the Attorney General to perform such services. If the Attorney General determines that outside counsel is in the best interest of the State, the Attorney General shall so certify to the Comptroller and to the requesting agency which may then utilize appropriated funds to retain outside counsel. However, funds appropriated by this Act may not be used to contract with an attorney who represents clients before the agency or who has, during a six month period preceding the initiative of the contract and a six month period following the termination of the contract, represented clients before the agency. An agency may not initiate the process of selecting outside legal counsel prior to receiving the approval of the Attorney General to retain outside counsel.~~

~~(b) Funds appropriated in this Act may not be expended by any agency of the state government (other than those included in Article X of this Act) to initiate a civil suit or defend itself against a legal action without the consent of the Attorney General. Absent this consent, the agency shall be represented in that particular action by the Attorney General.~~

~~(c) On receipt of a request for outside counsel, the Attorney General shall make a determination on the request as expeditiously as possible, but in no event later than 10 working days after receiving such request.~~

~~(d) Where the Attorney General, district attorney, criminal district attorney, county attorney, or other lawyer is required by constitutional or statutory provision to represent a state agency, state official, state board, or state department, compensation may not be paid from any appropriation made in this Act to any other attorney for representing the State in the trial of a civil suit except in those cases where the Attorney General consents to such representation or the district attorney, criminal district attorney, county attorney, or other lawyer has requested that the attorneys employed by the particular state agency, state official, state department, or state board assist with the trial of the particular civil suit.~~

~~(e) This section does not restrict a state agency, state official, state department, or state board in the investigation and assembling of evidence in connection with a pending or prospective civil suit. This section does not prohibit the foregoing state officials, state agencies, state boards, or state departments and their employees from investigating, filing, or presenting to any person a claim, owing to the State.~~

~~(f) This section does not restrict the Attorney General from employing special assistants to assist in the trial of civil suits to be paid from the appropriations therefore made to the Attorney General.~~

~~(g) If a state agency requests the Attorney General to take legal action in court against another state agency, the Attorney General shall give special consideration to permitting one of the agencies to employ, from the permitted agency's funds, outside counsel to represent that agency in that action, in order to avoid a conflict of interest by the Attorney General in the representation of both agencies.~~

~~(h) If the Attorney General initiates legal action against another state agency on behalf of the Attorney General rather than another agency, the Legislature determines that a conflict of interest~~

exists and the agency against which the Attorney General takes action may expend appropriated funds for outside legal counsel to represent that agency without the prior approval or consent of the Attorney General.

(i) Subsections (a) - (h) do not apply to funds appropriated to:

(1) the Office of the Governor;

(2) Comptroller;

(3) Department of Agriculture;

(4) General Land Office and Veteran's Land Board; or

(5) the Railroad Commission of Texas.

(j) The funds appropriated by this Act may not be expended to pay the legal fees or expenses of a lawyer or law firm that represents the State or any of its agencies in a contested matter if the lawyer or law firm is representing a plaintiff in a proceeding seeking monetary damages from the State or any of its agencies.

(k) (1) None of the money appropriated by this Act may be expended by a state governmental entity for payment of legal fees or expenses under a contingent fee contract for legal services without the prior approval of the Legislative Budget Board.

(2) For purposes of this section, "state governmental entity" means a board, commission, department, office, or other agency in the executive branch of state government created under the constitution or a statute, including an institution of higher education.

(3) This section applies to all contingent fee contracts for legal services entered into by a state governmental entity, including legal services related to a parens patriae action or proceeding brought by a state governmental entity in the name of the state, except that this section does not apply to a contingent fee contract:

(A) for legal services performed for a state governmental entity in relation to the entity's actions as a receiver, special deputy receiver, liquidator, or liquidating agent in connection with the administration of the assets of an insolvent entity, including actions under Article 21.28, Insurance Code, or Chapters 36, 66, 96, or 126, Finance Code; or

(B) under which recoveries from more than one entity are contemplated and the expected amount of each recovery and the actual amount of each recovery do not exceed $100,000.

(l) Any litigation that results in settlement, court order or other arrangement providing revenues or financial benefits to the State of Texas shall be structured to require the entire amount due to be paid to the treasury.

(m) (1) None of the money paid to a state governmental entity (as a result of a settlement of litigation, or other arrangement providing revenues or financial benefits as a result of litigation) may be expended by any state government entity unless the Legislative Budget Board is notified in writing by the Office of the Attorney General regarding the terms of the settlement or other arrangement and by the state governmental entity receiving the money regarding the plans for the use of the money. The written notice must be delivered to the Legislative Budget Board as soon as practicable, but no later than the 20th day of the month following approval of the settlement or arrangement by a court.

(2) This subsection does not apply to a settlement of litigation, court order resulting from litigation, or other arrangement providing revenues or financial benefits as a result of litigation:

(A) for a state governmental entity in relation to the entity's actions as a receiver, special deputy receiver, liquidator, or liquidating agent in connection with the administration

of the assets of an insolvent entity, including actions under Article 21.28, Insurance Code, or Chapters 36, 66, 96, or 126, Finance Code; or

(B) under which recovery to the state governmental entity does not exceed $500,000.]

{{{ DRAFTER'S COMMENT: Sec. 6.21 re-designated as Sec. 16.01. }}}

[Sec. 6.22. **Judgments and Settlements.**

(a) The funds appropriated by this Act, including appropriations made in Article X of the Act, may not be expended for payment of a judgment or settlement prosecuted by or defended by the Attorney General and obtained against the State or a state agency, except:

(1) pursuant to this section; or

(2) where it is specifically provided in an item of appropriation that the funds thereby appropriated or expenditures therein authorized may be used for the payment of such judgments or settlements.

(b) The authorization provided by this subsection does 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. State agencies appropriated funds by this Act may expend funds appropriated elsewhere in this Act for the purposes of paying settlements and judgments against the state for causes brought in a federal court or a court in this state under specific statutory authority. Payments made pursuant to this subsection are subject to the following processes and limitations:

(1) such funds are to be paid out by the Comptroller on vouchers drawn by the agency settling the lawsuit or paying the judgment, subject to the approval of the Governor and of the Attorney General according to Subsection (d);

(2) for purposes of this subsection, "judgment" means a judgment order rendered in a federal court or a court in this state for which an appeal or rehearing, or application therefore, is not pending and for which the time limitations for appeal or rehearing have expired;

(3) the payment of a settlement or judgment may not exceed $250,000;

(4) the payment of the settlement or judgment would not cause the total amount of payments made by the payer agency for that fiscal year to exceed 10 percent of the total amount of funds available for expenditure by that agency for that fiscal year; and

(5) the payment of a settlement or judgment may be made only with a complete release from any and all related claims and causes against the State, and in the case of a judgment, the payment may be made only in full satisfaction of that judgment.

(c) A state agency shall report a claim for property damage to the Attorney General not later than the second working day after the date the agency receives the claim. A state agency shall prepare a voucher for payment of a claim not later than the 10th working day after the date an agreement to settle the claim has been reached.

(d) Payment of all judgments and settlements prosecuted by or defended by the Attorney General is subject to approval of the Attorney General as to form, content, and amount, and certification by the Attorney General that payment of the judgment or settlement is a legally enforceable obligation of the State. This subsection applies equally to funds appropriated for expenditure through the state treasury, as well as funds appropriated for expenditure from funds held in local banks.

(e) The Attorney General shall report to the Legislative Budget Board and the Governor not less than monthly, a listing of all settlements and judgments of more than $5,000 submitted to the Comptroller for payment. The document for publication shall contain at least the following information unless all or part of the information is exempt by court order or Chapter 552, Government Code, (the Open Records Act):

(1) a summary of the cause of action;

~~(2) a summary of the terms of the settlement;~~

~~(3) the style of the case;~~

~~(4) the name and business address of each attorney representing the opposing litigants at the time of the settlement;~~

~~(5) the amount of the judgment or settlement;~~

~~(6) the fund or account from which payment was or should be made;~~

~~(7) the statutory citation for the appropriation or other authority to be made;~~

~~(8) specific statutes granting waiver of sovereign immunity or legislative resolution granting litigant permission to sue;~~

~~(9) the date of judgment or settlement; and~~

~~(10) other information as the Legislative Budget Board may request and in the form requested by the Legislative Budget Board.~~

~~(f) The State Auditor may verify compliance with this section for all funds appropriated in this Act, including funds that are retained and expended from accounts held outside the state treasury and that are not subject to reimbursement through funds held in the state treasury. On verification that an agency has not obtained the Attorney General's approval prior to payment of a judgment or settlement, the State Auditor may certify such fact to the Comptroller. The Comptroller may withhold all appropriations for administrative expenses for the involved agency, until the Legislative Audit Committee notifies the Comptroller that the agency's non-compliance has been reviewed and necessary recommendations or changes have been made.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.22 re-designated as Sec. 16.02. }}}

[~~Sec. 6.23. **Expenditures for Representatives of Grievants Prohibited.**~~

~~(a) The funds appropriated by this Act may not be used to pay expenses for salary, travel, or per diem of a public employee who represents grievants in the presentation of grievances concerning wages, hours of work, or conditions of work.~~

~~(b) Notwithstanding Subsection (a), a state employee may take annual leave, compensatory leave, or leave without pay, subject to the procedures established by the state employee's agency of employment, to engage in this activity.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.23 re-designated as Sec. 16.03. }}}

Sec. 6.15[~~6.24~~]. **Performance Rewards and Penalties.**

(a) 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 each state agency and institution. In order to achieve the objectives and service standards established by this Act, agencies and institutions shall make every effort to attain the designated key performance target levels associated with each item of appropriation.

(b) To support and encourage the achievement and maintenance of these appropriated annual performance levels, continued expenditure of any appropriations in this Act shall be contingent upon compliance with the following provisions:

(1) Agencies and institutions, in coordination with the Legislative Budget Board, shall establish performance milestones for achieving targets within each annual budget and performance period; time frames for these milestones and the related performance reporting schedule shall be under guidelines developed by the Legislative Budget Board.

(2) Agencies and institutions shall provide testimony as to the reasons for any performance variances to the Senate Finance Committee and the House Appropriations Committee, as determined to be necessary by those committees; assessments of agency and institution

performance shall be provided to the committees under guidelines and procedures developed by the Legislative Budget Board.

(c) Upon a finding that an agency or institution has successfully met or exceeded performance expectations, or has failed to achieve expected performance levels, the Legislative Budget Board, and the Governor, may adopt a budget execution order, which may include but is not limited to, one or more of the following:

(1) Positive Incentives/Rewards - Increased funding, exemption from reporting requirements, increased funding transferability, formalized recognition or accolade, awards or bonuses, expanded responsibility, or expanded contracting authority; or

(2) Negative Incentives/Redirection - Evaluation of outcome variances for remedial plan, reduction of funding, elimination of funding, restriction of funding, withholding of funding, reduction of funding transferability, transfer of functional responsibility to other entity, recommendation for placement in conservatorship, direction that a management audit be conducted or direction that other remedial or corrective actions be implemented.

(3) The Legislative Budget Board may develop rules and procedures for the implementation of the above provisions.

(4) The Legislative Budget Board may request comments from the State Auditor's Office regarding performance penalties and rewards.

(d) To further foster, support, and reward outstanding performance, ongoing productivity improvements and innovative improvement programs, and to retain key high performing employees, qualified state agencies and institutions may expend amounts necessary from funds appropriated in this Act for the purposes of enhancing compensation for employees who directly contributed to such improvements. Only classified employees (including classified employees of institutions of higher education) are eligible for enhanced compensation, and this award shall not exceed 6.8 percent of an employee's annual base pay. To be eligible for this provision, an agency or institution must:

(1) Achieve or exceed targets for 80 percent of the established key performance measures:

(A) For fiscal year 2008[~~2006~~], eligibility shall be determined by the Legislative Budget Board based on performance reported to the Automated Budgeting and Evaluation System of Texas (ABEST) for fiscal year 2007[~~2005~~];

(B) For fiscal year 2009[~~2007~~], eligibility shall be determined by the Legislative Budget Board based on performance reported to ABEST for fiscal year 2008[~~2006~~]; and

(2) Have an unqualified certification for at least 70 percent of its performance measures as shown by its most recent certification review by the State Auditor's Office; and

(3) File a report with the Comptroller, Legislative Budget Board, Governor, House Appropriations Committee, and Senate Finance Committee describing the success of the innovative program and criteria used to assess the improvements; and

(4) Sixty days prior to implementation file a report with the Comptroller, Legislative Budget Board, Governor, House Appropriations Committee, and Senate Finance Committee describing in detail how the agency intends to use this flexibility to further the goals of this section.

Sec. 6.16[~~6.25~~]. **Bookkeeping Entries.** Should clerical or bookkeeping errors result in any moneys being expended, transferred, or deposited into incorrect funds in or with the state treasury or any moneys being cleared from a trust and suspense fund to other than the proper fund, such erroneously expended, transferred, deposited, or cleared moneys may be transferred to the correct funds or accounts or trust and suspense account within the state treasury on request of the administering department with the concurrence of the Comptroller, and so much as is necessary for said transfer is hereby appropriated.

Sec. 6.17[~~6.26~~]. **Accounting for State Expenditures.**

(a) Notwithstanding the various patterns of appropriation established in this Act, the Comptroller shall account for the expenditure of funds appropriated by this Act in a manner that allows for the reporting of expenditures attributable to each strategy in each agency's respective Strategic Planning and Budget Structure as approved by the Governor and the Legislative Budget Board. The information shall be recorded and maintained systematically in the state accounting system in a manner that provides for the integration of the state's budget data and the state's accounting data and to facilitate the state's budget development process.

(b) This section does not require the deposit into and subsequent disbursement of funds from the state treasury that relate to Texas Public Education Grants, Skiles Act Debt Service, or "local funds" defined in § 51.009, Education Code, except for tuition and lab fees.

[~~Sec. 6.27. **Grants.**~~

~~(a) Funds appropriated by this Act for grants of money to be made by state agencies, including the agencies in the legislative branch, are appropriated for the statutory purposes as the grantor agency may specify. A state agency shall distribute grants on a reimbursement or as needed basis unless otherwise provided by statute or otherwise determined by the grantor agency to be necessary for the purposes of the grant.~~

~~(b) Funds appropriated by this Act for grants to be made by a state agency for a particular fiscal year may be distributed in subsequent fiscal years so long as the grant has been awarded and treated as a binding encumbrance by the grantor agency prior to the end of the appropriation year of the funds appropriated for grant purposes. Distribution of the grant funds is subject to § 403.071, Government Code.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.27 re-designated as Sec. 17.04. }}}

Sec. 6.18[~~6.28~~]. **Fee Increase Notification.** None of the funds appropriated by this Act may be expended by an agency which increases the rate of a fee assessed by that agency unless the agency provides a notice to the payer of the fee that the fee rate was set by the agency or its governing board and not mandated by the Legislature.

[~~Sec. 6.29. **Reimbursements for Unemployment Benefits.**~~

~~(a) For the purposes of this section, "agency" includes a state agency as defined under § 2151.002, Government Code, which includes an institution of higher education (except a public junior college) as defined under § 61.003, Education Code.~~

~~(b) At the close of each calendar quarter, the Texas Workforce Commission shall prepare a statement reflecting the amount of unemployment benefits paid to all former state employees based on wages earned from state employment and present it to the Comptroller. The Comptroller shall pay by warrant or transfer out of funds appropriated from the Unemployment Compensation Special Administration Account No. 165 such amount to the Unemployment Compensation Benefit Account No. 937 to reimburse it for such payments.~~

~~(c) The Unemployment Compensation Special Administration Account No. 165 shall be reimbursed, as Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165, for one-half of the unemployment benefits paid, from appropriations made in this Act to the agency that previously employed each respective former state employee whose payroll warrants were originally issued in whole or part from the General Revenue Fund or dedicated General Revenue Fund accounts, Federal Funds, or Other Funds, such as Fund No. 006.~~

~~(d) From information related to unemployment benefits paid on behalf of previously employed former state employees provided by the Texas Workforce Commission, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from the General Revenue Fund, any General Revenue-Dedicated accounts, Federal Funds or Other Fund appropriations made elsewhere in this Act to agencies. The Comptroller shall transfer such amounts to the Unemployment Compensation Special Administration Account No. 165. The amounts reimbursed pursuant to this subsection are hereby appropriated to the Unemployment Compensation Special Administration Account No. 165 for the purpose of reimbursing the~~

~~Unemployment Compensation Benefit Account No. 937, as Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165. The reimbursement requirements established by this subsection may be waived, either in whole or in part, by the Legislative Budget Board.~~

~~(e) In addition to other reimbursement provided by this section, the Unemployment Compensation Special Administration Account No. 165 shall be reimbursed, for one-half of the unemployment benefits paid, from amounts appropriated to the Reimbursements to the Unemployment Compensation Benefit Account item in this Act out of dedicated General Revenue Fund accounts or Other Funds and shall be fully reimbursed from funds held in local bank accounts, for all former state employees whose payroll warrants were originally issued in whole or part from dedicated General Revenue Fund accounts, Other Funds or local bank accounts, respectively. From information provided by the Texas Workforce Commission, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from funds other than General Revenue and transfer such funds to the Unemployment Compensation Special Administration Account No. 165. The amounts reimbursed from local funds pursuant to this subsection are hereby appropriated to the Unemployment Compensation Special Administration Account No. 165 for the purpose of reimbursing the Unemployment Compensation Benefit Account No. 937. Such transfers and payments as are authorized under law shall be made not later than the 30th day after the date of receipt of the statement of payments due.~~

~~(f) The Comptroller may prescribe accounting procedures and regulations to implement this section.~~

~~(g) The Comptroller, upon certification of amounts due from the Texas Workforce Commission, including the sources of such amounts due, may transfer funds from such agencies or other units of state government as the Texas Workforce Commission certifies remain due more than 30 days from receipt of the statement of payments due. The Texas Workforce Commission shall also determine the amounts due from funds held outside the state treasury and notify the State Auditor and Comptroller of such amounts.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.29 re-designated as Sec. 15.01. }}}

[~~Sec. 6.30. **Payments to the State Office of Risk Management (SORM).**~~

~~(a) In this section:~~

~~(1) "Agency" includes a state agency as defined under § 2151.002, Government Code, which includes an institution of higher education (except a public junior college) as defined under § 61.003, Education Code, and may also include any other unit of state government as defined by the rules of the SORM, which participates in cost allocation plan provided under this section;~~

~~(2) "Assessment" means the amount of the workers' compensation assessment placed on an agency by SORM as provided by this section and other relevant law; and~~

~~(3) "SORM" means the State Office of Risk Management.~~

~~(b) At the beginning of each fiscal year, the SORM shall prepare a statement reflecting the assessments due from all agencies and present it to the Comptroller.~~

~~(c) Notwithstanding other provisions in this Act, agencies shall transfer to SORM their assessed allocation amounts for workers' compensation coverage for their employees from funding in the same proportion as their expected payroll funding, including General Revenue Funds, dedicated General Revenue Fund accounts, Other Funds or local bank accounts.~~

~~(d) Transfers and payments as are authorized under law shall be made not more than 30 days from receipt of the statement of payments due.~~

~~(e) The Comptroller may prescribe accounting procedures and regulations to implement this section.~~

~~(f) Upon certification by SORM of amounts due, the Comptroller may transfer funds from an agency if the assessment amount due remains unpaid after more than 30 days from receipt of the statement of payments due.~~

~~(g) All funds recovered by SORM from third parties by way of subrogation are appropriated to SORM to be used for the payment of workers' compensation benefits to state employees and shall be retained in Strategy A.1.1., Workers' Compensation Payments, in whole for that purpose.~~

~~(h) Amounts not to exceed 2 percent in total of workers' compensation annual expenditures may be awarded to agencies by SORM for the purposes of risk management and loss prevention. In the event that Strategy A.1.1., Workers' Compensation Payments, funded by the annual assessments to agencies, exceeds 110 percent of the expected annual payments, the portion of the excess over 110 percent funded from all funding sources shall be returned to agencies. The excess returned to the agencies by SORM is appropriated to the agencies for expenditures consistent with the original funding source. An all funds excess of 10 percent or less will be used to lower the cumulative assessments to agencies the following year.~~

~~(i) In the event the total assessments in any year prove insufficient to fund expenditures, SORM may, with the approval of the Legislative Budget Board, temporarily utilize additional general revenue in an amount not to exceed 20 percent of the cumulative assessments for that fiscal year. Any additional general revenue funds will be utilized only for the purpose of temporary cash flow and must be repaid upon receipt of the following year's assessments in accordance with procedures established by the Comptroller. All transfers from and repayments to the General Revenue Fund shall be reported by SORM to the Legislative Budget Board.~~

~~(j) The reimbursement requirements established by this section may be waived or delayed, either in whole or in part, by the Legislative Budget Board.~~

~~(k) SORM shall require agencies to provide to SORM and agencies shall submit to SORM information regarding the specific funding sources from which agencies pay their assessed allocation amounts for workers' compensation coverage for their employees.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.30 re-designated as Sec. 15.02. }}}

Sec. 6.19[~~6.31~~]. **Consolidated Funds.** Contingent on the enactment of legislation relating to the dedication of funds, the Comptroller, on approval of the Legislative Budget Board, may change an applicable agency's method of financing source name as provided in this Act to reflect changes made by the other legislation that affects the status of the funding source. No change in the amount of the appropriation would be affected by this change.

Sec. 6.20[~~6.32~~]. **Demographic and Statistical Studies.**

[~~(a)~~] Before expending funds appropriated by the Act for the purpose of contracting for a consultant or other private assistance in performing a study required by the Legislature that includes statistical or demographic analysis of data, the agency conducting the study shall determine if the resources of the Texas Legislative Council or the Office of the State Demographer and the Texas State Data Center at The University of Texas at San Antonio are available to assist the agency in designing or conducting that component of the study.

[~~(b) None of the funds appropriated by the Act may be granted to or expended by any entity which performs political polling. This prohibition regarding political polling does not apply to a poll conducted by an academic institution as a part of the institution's academic mission that is not conducted for the benefit of a particular candidate or party.~~]

{{{ DRAFTER'S COMMENT: Sec. 6.32(b) re-designated as Sec. 17.05. }}}

Sec. 6.21[~~6.33~~]. **Cost Allocations.** For the purpose of more effective and efficient identification and allocation of costs, and to effect timely payments to employees and vendors, agencies may temporarily charge salary and/or operating costs to appropriations most applicable for the expense being incurred. Upon receipt of more specific information such as personnel-time allocation information for payrolls, or allocation of office supplies or other goods and services, agencies may reimburse the original paying appropriations by transfer from the appropriation to which the expenditure should have been charged. Such transfers must be accomplished within twelve months in a manner which records appropriate expenditures to the borrowing appropriation and negative expenditures to the lending appropriation. These transfers may be in summary amounts in a manner approved by the Comptroller. Each agency must maintain adequate detailed records to support summary transfer amounts.

Sec. 6.22[~~6.34~~]. **Use of Appropriations to Contract for Audits.**

(a) Notwithstanding any other law, or other sections of this Act, none of the funds appropriated in this Act shall be used by the agencies or institutions of higher education to enter into a contract with an independent audit entity for audit services, except as specified by this section.

(b) An agency or institution appropriated funds in this Act may use funds appropriated in this Act to:

(1) Enter into an interagency contract with the State Auditor's Office (SAO) for the SAO to provide audit services to the agency or institution. At the discretion of the State Auditor and the Legislative Audit Committee, the SAO may conduct the audit or the SAO may enter into a contract with an independent audit entity to conduct the audit; or

(2) Enter into a contract with an independent audit entity for the provision of audit services pursuant to Section 321.020, Government Code, if:

(A) the SAO has reviewed the scope of the proposed audit and has issued a written approval for the scope of the proposed audit, and

(B) the SAO has delegated the authority to enter into the proposed audit to the agency or institution, in the event the agency or institution does not have a specific statutory delegation of authority to enter into a contract for audit services.

Sec. 6.23[~~6.35~~]. **Restriction on Expenditures for Lobbying Activities.**

(a) Except as provided by Subsection (b) of this section, none of the funds appropriated under this Act may be used to compensate a lobbyist registered under Chapter 305, Government Code, for engaging in lobbying activities.

(b) Subsection (a) of this section does not apply to the payment of compensation to a person employed by a state agency or institution.

Sec. 6.24[~~4.05~~]. **Political Aid and Legislative Influence Prohibited.** The funds appropriated by this Act, regardless of source or character, may not be expended except in compliance with Chapter 556, Government Code.

{{{ DRAFTER'S COMMENT: Sec. 4.05 re-designated as Sec. 6.24. }}}

Sec. 6.25[~~4.06~~]. **Limitations on Use of Appropriated Funds.** Funds appropriated by this Act, other than those appropriated to an institution of higher education, may be expended only for items set out in the expenditure classifications of the Comptroller's Manual of Accounts insofar that an agency expending the appropriated funds has existing statutory authority for making the expenditures and the expenditures are not otherwise limited or prohibited in this Act.

{{{ DRAFTER'S COMMENT: Sec. 4.06 re-designated as Sec. 6.25. }}}

Sec. 6.26. **Definition, Appropriation, Reporting and Audit of Earned Federal Funds.**

(a) Definition. Earned Federal Funds are defined as all monies received in connection with each entitlement period of a federally funded contract, grant or program, excluding reimbursements under Section 8.02(c) of this Article which are not required by the governing agreement to be distributed thereon. Typically, EFF arise from recoveries of costs previously paid from a nonfederal fund source, indirect cost allocations, interest earned on federal funds, and minor sources such as the sale of fixed assets purchased with federal funds. These funds are received in connection with a federally funded program but are not required by the governing agreement to be distributed on that program. For state accounting purposes, Earned Federal Funds are defined as revenues collected and deposited into the state General Revenue Fund (70000) as Comptroller revenue object codes 3702, 3726, 3750, 3773, 3851, and 3971.

(b) Collected Revenue. General Revenue in the amounts specified by year below is appropriated in agency bill patterns elsewhere in this Act and is contingent on collection of Earned Federal Fund revenues by the following agencies:

	2008	2009
Article I: General Government		
Attorney General	$8,700,000	$8,700,000
Trusteed Programs of the Governor	926,250	926,250
Library & Archives Commission	110,630	110,630
Article II: Health and Human Services		
Department of Aging and Disability Services	$7,598,314	$7,392,172
Department of Assistive and Rehabilitative Services	3,400,000	3,400,000
Department of Family and Protective Services	1,146,989	1,125,374
Department of State Health Services	6,000,000	6,000,000
Health and Human Services Commission	7,200,000	7,200,000
Article III: Education		
Texas Education Agency	$1,800,000	$1,800,000
Higher Education Coordinating Board	447,370	447,370
Article V: Public Safety and Criminal Justice		
Adjutant General's Department	$57,000	$57,000
Department of Public Safety	389,000	389,000
Youth Commission	85,000	85,000
Article VI: Natural Resources		
Department of Agriculture	$1,102,162	$1,102,162
Animal Health Commission	106,313	106,313
Commission on Environmental Quality	4,821,000	4,805,000
Parks and Wildlife Commission	225,000	225,000
Railroad Commission	903,112	903,112
Water Development Board	102,723	102,796
Article VII: Business and Economic Development		
Housing and Community Affairs	$1,100,000	$1,100,000
Office of Rural Community Affairs	222,814	222,814
Workforce Commission	475,000	475,000
Article VIII: Regulatory		
Department of Insurance	$285,024	$286,366
Total, General Revenue in Lieu of Earned Federal Funds	$47,203,701	$46,961,359

(c) Reporting and Appropriation. On a quarterly basis, the Comptroller shall notify the Legislative Budget Board and Governor of the Earned Federal Funds (EFF) amounts deposited by agency. In the event that an agency specified above collects and deposits more EFF than identified above in fiscal year 2008, the agency is hereby appropriated the additional amounts subject to the following conditions:

(1) At least 30 days prior to budgeting or expending the EFF above the 2008 level above, the agency shall report the anticipated amounts and proposed use of these funds to the Legislative Budget Board.

(2) Notification shall include information regarding the need that will be served with the additional revenue.

(3) Notification shall also identify the impact on established performance targets, measures, capital budget authority, and full-time-equivalent positions.

(d) Reporting and Appropriation. Subsection (c) authority and requirements shall also apply to fiscal year 2009.

(e) No Unexpended Balance Authority from Fiscal Year 2007 for Agencies. The amounts of General Revenue above for all listed agencies exclude any unexpended balances of EFF that remain on August 31, 2007. It is assumed that any remaining balances of EFF on August 31, 2007, lapse to the General Revenue Fund.

(f) Unexpended Balance Authority Between Years of the 2008-09 Biennium. Any EFF balances in excess of the amounts identified in Subsection (b) or any balance remaining from the amounts identified in Subsection (b) on August 31, 2008 may be carried forward into fiscal year 2009.

(g) Benefits Proportional if Used for Salaries. Revenues collected as Earned Federal Funds as authorized and generated by each of the agencies above cover, at a minimum, the cost of the General Revenue appropriations specified above and any associated employee benefits in the event that these revenues are used to pay salaries.

(h) Federal Monies Collected for Post-retirement Health Care. Federal monies collected for post-retirement health care costs shall be deposited as unappropriated general revenue and are not eligible for appropriation by this provision.

(i) Amounts Contingent on Collection. The yearly amounts by agency identified above are contingent on collection. In the event that actual and/or projected revenue collections are insufficient to offset the appropriations identified in this provision, the Comptroller shall reduce the General Revenue appropriations provided by this Act to be within the amount of EFF collections expected to be available.

(j) Contingency Appropriation for Additional Agencies. In the event that an agency not identified above enters into an agreement with a federal agency which results in the receipt of EFF which are a new source of collections not anticipated for fiscal years 2008 and 2009, the affected agency shall furnish documentation of the new revenue to the Comptroller. If the Comptroller finds the information sufficient to support the revenue stream as a new collection, a finding of fact shall be issued and the additional EFF collections are hereby appropriated subject to the notification requirements in Subsections (c) and (d).

(k) Audit. The depositing and classification practices of Earned Federal Funds by agencies referenced above shall be subject to audit by the State Auditor's Office. The State Auditor, in conjunction with the Comptroller, shall select and review a minimum of three agencies referenced above during the 2008–09 biennium.

PART 7. REPORTING REQUIREMENTS

Sec. 7.01. **Budgeting and Reporting.**

(a) As a limitation and restriction upon appropriations made by this Act, agencies and institutions of higher education appropriated funds by this Act may expend funds only if there is compliance with the following provisions:

(1) On or before December 1 of each fiscal year, an itemized budget covering the operation of that fiscal year shall be filed with the Governor, the Legislative Budget Board, the Comptroller, and the Legislative Reference Library in the format prescribed jointly by the Legislative Budget Board and the Governor.

(2) All subsequent amendments to the original budget shall be filed with the Governor and the Legislative Budget Board within 30 days of approval of such amendments unless such reporting requirement is waived.

(3) Under guidelines developed by the Legislative Budget Board, each agency shall file a report with the Legislative Budget Board, the Governor, the Legislative Reference Library, the state publications clearinghouse of the Texas State Library, State Auditor's Office, and the appropriate substantive committees of the House and Senate. The report shall analyze the agency's performance relative to the attainment of stated outcome, output and efficiency targets of each funded goal and strategy. The report shall be submitted at such intervals required by the Legislative Budget Board. The report shall contain a comparison of actual performance for the reporting period with targeted performance based on the level of funding appropriated. In developing guidelines for the submission of agency performance reports, the Legislative Budget Board (in consultation with the Governor) shall:

(A) specify the measures to be reported including the key performance measures established in this Act;

(B) approve the definitions of measures reported; and

(C) establish standards for and the reporting of variances between actual and targeted performance levels.

(4) The Legislative Budget Board (in consultation with the Governor) may adjust projected performance target levels, develop new measures, modify or omit existing measures and measure definitions, and/or transfer measures between agencies, goals or strategies to reflect appropriation changes made by riders or other legislation subsequent to passage of this Act, invocation of budget execution authority by the Governor and the Legislative Budget Board, or as unforeseen circumstances may warrant during the biennium.

(5) To ensure that the Program and Cost Accounting functions of the Uniform Statewide Accounting System (USAS) are maximized, it is the intent of the Legislature that the Legislative Budget Board and the Governor:

(A) determine the agencies, institutions, goals, strategies or other reporting units for which cost accounting data is required;

(B) approve the basis for calculating and allocating costs to selected functions, tasks or measures;

(C) determine the frequency of reporting cost accounting data needed; and

(D) provide for the integration of cost accounting data into the budget development and oversight process.

(6) The determinations to be made should be based upon due consideration of the relative benefits and cost-effectiveness of applying cost accounting requirements to a given state operation.

(b) It is further the intent of the Legislature that the Comptroller develop and provide USAS training modules and support for state agencies and institutions to activate the cost accounting requirements addressed above.

Sec. 7.02. **Annual Reports and Inventories.**

(a) None of the moneys appropriated by this Act may be expended after November 20th following the close of the fiscal year unless an annual report has been filed by the executive head of each agency specified in this Act in accordance with § 2101.011, Government Code.

(b) The State Auditor shall certify to the Comptroller any agency that has not filed the required annual report within the specified time. The Comptroller shall withhold any appropriations for expense reimbursements for the heads of agencies or any employees of such agencies as are on this certified list until the State Auditor notifies the Comptroller that the delinquent reports have been filed.

(c) The words “heads of agencies” as used in this section means the elected and appointed officials, members of commissions, boards, etc., and the chief administrative officer of such department, board, commission, bureau, office, or agency of the state for which appropriations are made in this Act.

Sec. 7.03**.** **Notification to Members of the Legislature.**

(a) An agency may not use funds appropriated by this Act to close an agency’s field office unless the agency provides[~~shall provide~~] notification to affected members of the Legislature prior to the public announcement of the closing of the field office[~~any agency field offices~~].

(b) It is the intent of the Legislature that at [~~At~~] the time of announcing information to the news media concerning a matter of public safety, a state agency that receives funds appropriated under this Act shall make a reasonable attempt to contact each member of the Legislature whose district could be affected by the content of the press release and disclose to the member the content of the press release. [~~To receive notice from an agency as provided by this section, a member of the Legislature must request that the agency inform the member regarding all press releases.~~]

Sec. 7.04. **Contract Notification: Amounts Greater than $50,000.**

(a) In this section "contract" includes a contract, agreement, or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part, by a state agency or institution of higher education during a fiscal year.

(b) In this section a contract does not include:

(1) a contract that has been reported to the Legislative Budget Board under §§ 2054.008, 2166.2551, 2254.006, or 2254.0301, Government Code;

(2) a purchase order;

(3) an interagency contract;

(4) an interlocal agreement;

(5) a contract with a value of less than or equal to $50,000; or

(6) a contract paid only with funds not appropriated by this Act.

(c) Before October 1 of each fiscal year, a state agency or an institution of higher education shall report to the Legislative Budget Board in the manner prescribed by Legislative Budget Board all contracts to which the agency or institution was a party during the prior fiscal year.

Sec. 7.05. **Contract Notification: Amounts Greater than $500,000.**

(a) In this section "contract" includes:

(1) a contract, agreement, purchase order, interagency contract, interlocal agreement, or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part, by a state agency or institution of higher education during a fiscal year, which has a value of more than $500,000; or

(2) a series of contracts, agreements, purchase orders, interagency contracts, interlocal agreements, or other written expressions of terms of agreement, or amendments, modifications, renewals, or extensions of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part, by a state agency or institution of higher education during a fiscal year which together total in value an amount greater than $500,000 and involving both:

(A) a single entity or individual; and

(B) a state agency or institution of higher education.

(b) In this section a contract does not include a contract that has been reported to the Legislative Budget Board:

(1) under §§ 2054.008, 2166.2551, 2254.006, or 2254.0301, Government Code; or

(2) Sec. 7.04 of this Article.

(c) Before October 1 of each fiscal year, a state agency or an institution of higher education shall report to the Legislative Budget Board in the manner prescribed by the Legislative Budget Board all contracts to which the agency or institution was a party during the prior fiscal year.

Sec. 7.06. **Reports and References.**

(a) All references in this Act to the "Governor," "Office of the Governor," and "Governor's Office of Budget, [~~and~~]Planning and Policy" are changed to "the Governor's Office."

(b) A state agency or institution shall submit to the Governor's Office all reports, approval processes, notifications, filings, documentation of expenditures, plans, addendums, or updates submitted to the Legislative Budget Board, under provisions contained in this Act.

Sec. 7.07. **Disclosure of Federal Funds.** Before December 1, 2008[~~the beginning of each regular session of the Legislature~~], a state agency that has been awarded federal funds designated to be expended in a specific geographical area of the state or designated to be expended for specific purposes shall itemize federal funds awarded, expended, and unexpended, in a report to be provided to the Legislature, Speaker of the House, Lieutenant Governor, Governor, Legislative Reference Library, and Legislative Budget Board, to the extent those awarded funds exceed estimated appropriations during the prior two fiscal years.

[~~Sec. 7.08. **Report of Form Documents Available to Public.**~~

~~(a) Before October 1 of each fiscal year, each state agency shall report to the Texas Building and Procurement Commission in the manner prescribed by the Texas Building and Procurement Commission the agency's efforts to make information, documents, and forms more easily accessible to the public.~~

~~(b) As part of the reporting required by this section, each agency shall report the total number of different form documents that may be filed with the agency as required by statute, rule, or agency policy and the number of those form documents that are available to the public immediately:~~
~~(1) for printing, copying, or electronic filing by way of the agency's internet website;~~
~~(2) on request at the agency's offices; and~~
~~(3) by way of facsimile or other means.~~]

Sec. 7.08[~~7.09~~]. **Reporting Fees, Fines, and Penalties.**

(a) Before November 1 of each fiscal year, each state agency and institution of higher education shall report to the Legislative Budget Board in the manner prescribed by the Legislative Budget Board all fees, fines, and penalties assessed and all fees, fines, and penalties assessed but not collected by the agency or institution during the prior fiscal year.

(b) Each report made under this section shall detail the effort made by the reporting state agency or institution of higher education to collect fees, fines, and penalties that are more than ninety days past due.

Sec. 7.09[~~7.10~~]. **Reporting of Federal Homeland Security Funding.**

(a) All state agencies and institutions of higher education shall include [~~report~~] in their operating budget reports to the Legislative Budget Board:

(1)[~~a~~] an estimated amount of federal homeland security funding received by the agency or institution of higher education and used for the operation and administration of state homeland security programs; and

(2)[~~b~~] the amount of federal homeland security funding received by the agency or institution of higher education and passed through to other agencies, institutions, or local units of government.

(b)[~~(1)~~] Information provided in accordance with Subsection (a)(2) of this section[~~(b)~~] shall be used for informational purposes only and shall be reported to the members of the legislature by the Legislative Budget Board at the end of each fiscal year.

PART 8. OTHER APPROPRIATION AUTHORITY

Sec. 8.01. **Acceptance of Gifts of Money.**

(a) A gift or bequest of money to a state agency named in this Act, including the legislative branch, that has specific authority to accept gifts is appropriated to the agency designated by the grantor and for the purpose the grantor may specify, subject to Subsections (b), (c), (d), and (e).

(b) Unless exempted by specific statutory authority, a gift or bequest of money shall be:

(1) deposited into the state treasury, and

(2) expended in accordance with the provisions of this Act.

(c) A gift or bequest to a state agency may not be transferred to a private or public development fund or foundation, unless written permission for the transfer is given by the donor of the gift or representative of the estate. An account of all such letters of written permission and transfers of gifts or bequests shall be kept by the agency and shall be reported to the State Auditor.

(d) An unexpended balance, from a gift or bequest, existing at the beginning of this biennium or at the end of a fiscal year of this biennium is hereby appropriated for use during this biennium for the purpose provided by the grantor.

(e) It is the intent of the Legislature that during the years subsequent to this biennium, to the extent allowed by law, the gift or bequest be used by the beneficiary agency for the purpose provided by the grantor.

Sec. 8.02. **Federal Funds/Block Grants.**

(a) All funds received from the United States government by a state agency or institution named in this Act are hereby appropriated to the agency for the purposes for which the federal grant, allocation, aid, payment, or reimbursement was made subject to the provisions of this section.

(b) Except for an institution of higher education, federal funds:

(1) including unexpended balances, shall be deposited to and expended from the specific appropriation item identified in this Act; and

(2) may not be expended for a strategy or function other than a strategy or function that has been reviewed by the Eightieth[~~Seventy-ninth~~] Legislature and authorized by specific language in this Act or encompassed by an agency's budget structure as established by this Act.

(c) As applicable, federal reimbursements received for expenditures previously made or services performed on behalf of federal programs from state funds shall be credited by the Comptroller to the fund from which the expenditure was originally made. The credit shall be to the agency's current appropriation item or accounts from which the expenditures of like character were originally made and are hereby appropriated. Reimbursements received from employee benefits paid from General Revenue Fund appropriations of other administering agencies shall be deposited to the unappropriated General Revenue Fund.

(d) A position created for administration of federal grant programs shall be phased out upon discontinuance of the particular federal grant for which it was authorized.

(e) (1) Semi-annual reports, of federal funds received and their intended usage comparing historical, appropriated, and agency expected amounts for those funds, shall be filed by the Governor with the Legislative Budget Board and the presiding officers of both houses of the Legislature for referral to appropriate standing committees for review.

(2) Before expending or obligating funds received under a federal grant or program, an agency must file the required information regarding application for federal funds and receipt of federal funds.

(f) Agencies subject to Chapter 654, Government Code (the Position Classification Act) will make federal grant employment in accordance with the provisions of that Act in positions listed in, or otherwise authorized by, this Article.

(g) In order to maximize the amount of federal alcohol and drug abuse funds that might become available to the Department of State Health Services, state funds used by a state agency to provide alcohol and drug abuse services may be counted towards any required state matching contribution for such federal funds.

(h) In the event that federal programs that authorize federal funds included in this Act are eliminated, consolidated, or replaced with new federal programs and funding authorization or block grants, or the federal funds appropriated to agencies are reduced, any reduction or reallocation of federal funds will be distributed across affected agencies and programs to pattern the strategies and programs included in this Act to the extent possible without restricting the state's ability to receive federal funds, in accordance with a plan adopted by the designated single state agency or otherwise by each affected agency. An agency shall provide a copy of the plan to the Legislative Budget Board and the Governor.

Sec. 8.03. **Reimbursements and Payments.**

(a) Except as provided in Subsection (f), any reimbursements received by an agency of the state for authorized services, including contractual agreements with a non-governmental source or any unit of government, including state, federal, or local government, refund of expenditures received by an agency of the state and any payments to an agency of the state government made in settlement of a claim for damages, are hereby appropriated to the agency of the state receiving such reimbursements and payments for use during the fiscal year in which they are received. Revenues specifically established by statute on a fee or service provided basis are not appropriated by this section and are available for expenditure by the collecting agency only if appropriated elsewhere in this Act.

(b) Forfeited money, proceeds from the sale of forfeited property or similar monetary awards related to the agency's participation in the seizure of controlled substances or other contraband are hereby appropriated to the receiving state agency, unless distribution is otherwise provided by statute or specific provision of this Act.

(c) Except as provided elsewhere in this Act, net amounts of money received by an agency as a result of tax seizures or other similar recoveries authorized by statute shall be deposited in the state treasury as unappropriated revenues to the funds or accounts authorized by statute.

(d) The portion of proceeds representing recoveries of costs incurred in forfeitures under Subsection (b) or, seizures or similar recoveries under Subsection (c) are appropriated to the receiving agency. Such cost recoveries include court costs, attorney fees, rentals or storage fees, auction and sale costs, preparation costs to condition property for sale, and salaries, travel, and other overhead costs of the agency.

(e) The reimbursements, refunds, and payments received under Subsection (a) shall be credited by the Comptroller to the agency's current appropriation items or accounts from which the expenditures of like character were originally made, or in the case of damage settlements to the appropriation items or accounts from which repairs or replacements are made; provided, however, that any refund of less than $50 to an institution of higher education for postage, telephone service, returned books and materials, cylinder and container deposits, insurance premiums and like items, shall be deposited to the current fund account of the institution in the state treasury and such funds are hereby appropriated.

(f) Fifty percent of the reimbursements, refunds, and payments of state funds received under Subsection (a) as a result of a recovery audit pursuant to Chapter 2115, Government Code, shall be credited by the Comptroller to the agency's current appropriation items or accounts from which the expenditures of like character were originally made and such funds are hereby appropriated to the agency in the fiscal year in which the funds are received. The remaining 50 percent shall be deposited in the state treasury as unappropriated revenues to the originating funds or accounts.

(g) An unexpended balance received by an agency or institution from disaster related recoveries, reimbursements, refunds, or other payments that are existing at the end of a fiscal year of this biennium are hereby appropriated for use during the following fiscal year.

Sec. 8.04. **Surplus Property.** Twenty-five percent of the receipts[~~Receipts~~] to a state agency specified in this Act received from the sale of surplus property, equipment, commodities, or salvage (including recycled products) pursuant to the provisions of Chapter 2175, Government Code, are hereby appropriated to the state agency for expenditure during the fiscal year in which the receipts are received. Receipts from such surplus equipment, commodities, or salvage (including recycled products) sales shall be expended from the appropriation item from which like property, equipment, or commodities would be purchased.

Sec. 8.05. **Refunds of Deposits.**

(a) Any money deposited into the state treasury which is subject to refund as provided by law shall be refunded from the fund into which the money was deposited, transferred, or otherwise credited, and so much as is necessary for said refunds is hereby appropriated.

(b) Unless another law, or section of this Act, provides a period within which a particular refund claim must be made, funds appropriated by this Act 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, may not receive payment of a refund under this section.

(c) As a specific limitation to the amount of refunds paid from funds appropriated by this Act during the 2008–09[~~2006–07~~] biennium, the Comptroller may 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 used for certification of this Act. Any claim or portion of a claim that is in excess of this limitation shall be presented to the next Legislature for a specific appropriation in order for payment to be made. The limit provided by this subsection does not apply to any taxes or fees paid under protest.

Sec. 8.06. **Vending Machines.** All receipts collected from vending machine operations pursuant to § 2203.005, Government Code, are hereby appropriated to the institution, board, commission, or agency for use as directed by the board or commission authorizing the installation.

Sec. 8.07. **Pay Station Telephones.** All receipts collected from pay station telephone operations pursuant to § 2170.009, Government Code, are hereby appropriated for use by the agency as determined by the governing board or commission.

Sec. 8.08. **Appropriation of Collections for Seminars and Conferences.** All funds collected for the reimbursement of costs directly associated with the conducting of seminars, conferences, or clinics that directly relate to the legal responsibilities and duties of the agency and that are for the purposes of education, training, or informing employees or the general public are hereby appropriated for the necessary expenses incurred in conducting the seminar; provided, however, all applicable laws, and rules and regulations for the acquisition of goods and services for the state shall apply to the expenditures. Any unexpended balances remaining as of August 31, 2007[~~2005~~], in an appropriation made by Article IX, § 8.08, of Senate[~~House~~] Bill 1, Seventy-ninth[~~Seventy-eighth~~] Legislature, Regular Session, 2005[~~2003~~], are hereby appropriated for the same purpose.

Sec. 8.09. **Appropriation of Bond Proceeds.** The proceeds from the issuance and sale of bonds or other obligations pursuant to the provisions of Chapter 1232, Government Code, and Chapter 1401, Government Code or other law, are appropriated to the state agency to whose account the proceeds are deposited or credited. Proceeds include interest and investment income.

Sec. 8.10. **CMIA Interest Payments.**

(a) There is hereby appropriated to the Comptroller for the biennium ending August 31, 2009[~~2007~~] sufficient general revenue monies for the payment of interest due the federal government under the federal Cash Management Improvement Act of 1990 (31 U.S.C. § 6501 et seq.).

(b) An amount equal to the amount of interest payments made from general revenue on behalf of special funds or accounts as a result of the federal Cash Management Improvement Act of 1990 is

hereby appropriated from special funds. The Comptroller shall transfer from each special fund or account to general revenue, an amount equal to the amount of interest paid on behalf of each special fund or account.

Sec. 8.11. **Appropriation of Receipts: Credit, Charge, or Debit Card Service Fees.** Any fee receipts assessed by an agency for the use of a credit, charge, or debit card for the payment of a fee, tax, penalty, or other charge authorized by law are appropriated to that agency from the fund to which the fee was deposited for the purpose of paying the costs associated with receiving the payment. [~~Any cost recovery fees, excluding subscription fees as defined in Subchapter I, Chapter 2054, Government Code, approved by the TexasOnline Authority as authorized under Chapter 2054, Government Code, are hereby appropriated to that agency from the fund to which the fee was deposited for the purpose of paying the costs associated with implementing and maintaining electronic services.~~] Any unexpended balances from credit, charge, or debit card processing or convenience fees remaining at the end of the fiscal biennium ending August 31, 2007[~~2005~~], are reappropriated to the assessing agency from the agency from the fund to which the fee was deposited for the same purposes for the fiscal biennium beginning September 1, 2007[~~2005~~].

{{{ DRAFTER'S COMMENT: Part of Sec. 8.11 re-designated as Sec. 9.06. }}}

PART 9. INFORMATION RESOURCES PROVISIONS

Sec. 9.01. **Purchases of Information Resources Technologies.**

(a) In this section:

(1) "Information resources," "Information resources technologies," and "Major information technology project" have the meanings provided by § 2054.003, Government Code.

(2) "Quality Assurance Team" and "QAT" means the quality assurance team established under[~~representatives of the Legislative Budget Board, the State Auditor, and the Department of Information Resources, as defined~~] § 2054.158, Government Code.

(b) A state agency may not request appropriations for information technology unless the information technology is in a plan approved by the Legislative Budget Board.

(c) Prior to amending a contract for development of a major information technology project, when the amendment constitutes a 10 percent or greater change, the agency shall notify the Governor, Lieutenant Governor, Speaker of the House, Senate Finance Committee, House Appropriations Committee, and the QAT. For contracts having a total value in excess of $1.0 million an amendment to the contract that changes the total value of the contract or any element of the contract by more than 10 percent of the total value of the contract is not valid without QAT approval.

Sec. 9.02. **Quality Assurance Review of Major Information Resources Projects.**

(a) In this section:

(1) "Major information resources project" has the meaning provided by § 2054.003, Government Code.

(2) "Quality Assurance Team" and "QAT" means the quality assurance team established under [~~representatives of the Legislative Budget Board, the State Auditor, and the Department of Information Resources, as defined~~] § 2054.158, Government Code.

(b) A state agency may not expend appropriated funds for a major information resources project unless the project has been reviewed and approved by the Legislative Budget Board in the agency's biennial operating plan and the QAT. The QAT shall determine approval based on an analysis of the project's risk. The QAT may request any information necessary to determine a project's potential risk. The QAT may waive the project review requirements for a project.

(c) The QAT may require independent project monitoring, project status reporting, project expenditure reporting, or any additional information necessary to assess a project's on-going

potential for success. After a project has been completed, the QAT may also require an agency to submit a project post-implementation evaluation report to determine if the project met its planned objectives. The QAT may take any additional actions or request information as specified in § 2054.1181, Government Code.

(d) On request by the QAT, the State Auditor's Office shall provide audit and review of the projects and the information provided by the agencies.

(e) The QAT may request the assistance of the Comptroller in regard to the accuracy of project expenditures and compliance with this Act.

(f) The QAT shall provide an annual report to the Governor, Lieutenant Governor, Speaker of the House, the House Appropriations Committee, and Senate Finance Committee on the status of projects under its review by December 1.

(g) The State Auditor's Office may:

(1) provide an independent evaluation of the post implementation evaluation review process to ensure the validity of its results; and

(2) send the evaluation to the Legislative Audit Committee.

(h) The Legislative Budget Board may issue guidelines for software development, quality assurance, and the review of major information resources projects.

(i) Unless waived by the Legislative Budget Board the QAT shall require each affected agency to:

(1) quantitatively define the expected outcomes and outputs for each major information resource project at the outset;

(2) monitor cost; and

(3) evaluate the final results to determine whether expectations have been met.

Sec. 9.03. **Biennial Operating Plan and Information Resources Strategic Plan Approval.** It is the intent of the Legislature that agencies and institutions of higher education receiving appropriated funds for the acquisition of information technology must have a current Information Resources Strategic Plan and a Biennial Operating Plan including any amendments as approved by the Legislative Budget Board prior to expending any funds for information technology. Information Technology items identified in the Capital Budget Rider must be included and approved in the Biennial Operating Plan or a subsequently approved amendment of the Biennial Operating Plan. The Legislative Budget Board may direct the Comptroller to deny the agency or institution of higher education access to information technology appropriations for non-compliance.

Sec. 9.04. **Information Technology Replacement.** It is the intent of the Legislature that agencies and institutions of higher education receiving appropriated funds for the acquisition of information technology[~~, including seat management,~~] perform a cost-benefit analysis of leasing versus[~~vs.~~] purchasing information technology and develop a personal computer replacement schedule. Agencies and institutions of higher education should use the Department of Information Resources' (DIR) Guidelines for Lease versus Purchase of Information Technologies to evaluate costs and DIR's PC Life Cycles: Guidelines for Establishing Life Cycles for Personal Computers to prepare a replacement schedule.[~~The use of the State Data Center for seat management should also be evaluated.~~]

[~~Sec. 9.05. **Training Programs Using the Internet.** To reduce costs, maximize efficiency, and minimize travel costs and other budget expense, it is the intent of the Legislature that state agencies and institutions of higher education use Internet-based training for state-mandated human resources training and other training programs if Internet-based training is available and appropriate. Not later than January 1, 2006, the Department of Information Resources (DIR) shall report to the Legislature regarding the amount of training conducted by state agencies and institutions of higher education and on the use of Internet-based training by the agencies and institutions. The agencies and institutions shall timely provide the DIR with information necessary to make the report.~~]

[~~Sec. 9.06. **Higher Education Institution Data Centers.**~~

~~(a) Each institution of higher education (as defined under § 61.003, Education Code) shall conduct a detailed inventory of its data center services.~~

~~(b) The chief information officer (or similar position) of each institution shall submit the inventory in a format, at a level of detail and by a date determined by the Department of Information Resources (DIR), to DIR. In addition, to ensure the accuracy of the inventory data, the internal auditor (or similar position) of each institution or system (as applicable) shall verify that the inventory data reported captures the full size, scope, and cost of data center services of each institution or system based on the format and level of detail determined by DIR.~~

~~(c) All institutions of higher education are required to report this inventory to DIR. Institutions of higher education that are associated with university systems shall report the inventory to DIR on a system-wide basis.~~

~~(d) DIR may perform follow-up site visits to confirm the information reported by the institution.~~

~~(e) The results of the inventory and DIR's recommendations based on potential cost savings for data center service consolidation including consolidation within institutions or systems shall be submitted by DIR to the Legislative Budget Board and the Governor by September 1, 2006.~~

~~(f) DIR shall investigate and report to the Legislative Budget Board and the Governor by September 1, 2006 on the potential impact on higher education institution data center service consolidation efforts of the Lonestar Education And Research Network (LEARN).~~]

Sec. 9.05[~~13.12~~]. **TexasOnline Project[~~Authority~~]: Occupational Licenses.** Each licensing entity not otherwise authorized to increase occupational license fees elsewhere in this Act is authorized to increase the occupational license or permit fees imposed on the licensing entity's licensees by an amount sufficient to cover the cost of the subscription fee charged by the TexasOnline Project[~~Authority~~] to the licensing entity pursuant to Chapter 2054, Government Code. Each licensing entity provided by Chapter 2054, Government Code and not otherwise authorized to increase occupational license fees elsewhere in this Act is hereby appropriated the additional occupational license or permit fees in excess of the Comptroller's biennial revenue estimate 2008–09[~~2006–07~~] for the sole purpose of payment to the TexasOnline contractor subscription fees for implementing and maintaining electronic services for the licensing entities. Each agency, upon completion of necessary actions to access or increase fees, shall furnish copies of board meeting minutes, an annual schedule of the number of license issuances or renewals and associated annual fee total, and any other supporting documentation to the Comptroller [~~of Public Accounts~~]. 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.

{{{ DRAFTER'S COMMENT: Sec. 13.12 re-designated as Sec. 9.05. }}}

Sec. 9.06. **Texas Online Project: Cost Recovery Fees.** Any cost recovery fees, excluding subscription fees as defined in Subchapter I, Chapter 2054, Government Code, approved by the Department of Information Resources in relation to the TexasOnline Project as authorized under Chapter 2054, Government Code, are hereby appropriated to that agency from the fund to which the fee was deposited for the purpose of paying the costs associated with implementing and maintaining electronic services.

{{{ DRAFTER'S COMMENT: Part of Sec. 8.11 re-designated as Sec. 9.06. }}}

PART 10. HEALTH-RELATED PROVISIONS

Sec. 10.01. **Purchasing of Pharmaceuticals.** An agency appropriated funds for the purpose of the purchase of pharmaceutical products may establish a preference for the purchase of those pharmaceutical products from a manufacturer that voluntarily participates in the Department of State Health Services' Vendor Drug Rebate Program for the Children with Special Health Care Needs [~~(formerly known as "CIDC")~~] Program and the Kidney Health Care Program.

Sec. 10.02. **Full Application for Health Coverage.** To the fullest extent permitted by federal law and regulations, all state agencies that have children in their custody must apply for enrollment of all children in

the Medicaid or the Children's Health Insurance Program, unless the children have otherwise been provided health insurance.

Sec. 10.03. **State Agency Communication with Employees Regarding the State Kids Insurance Program (SKIP).**

(a) A state agency shall provide each employee with information regarding the State Kids Insurance Program (SKIP) and Medicaid. When offering insurance to employees, agencies must provide separate literature, including eligibility requirements and prices, for SKIP and Children's Medicaid. The outreach shall be performed at least annually during open enrollment and with any new state employee at the time of hiring.

(b) The Health and Human Services Commission shall maintain an application and a brochure for state employees about SKIP and for Children's Medicaid. These documents shall be maintained with collaboration from the Employees Retirement System, the Health and Human Services Commission's internal Medicaid division, and the Health and Human Services Commission's Children's Health Insurance Program department. The brochure should include an eligibility chart, pricing information, and a telephone number to call the Health and Human Services Commission or the Employees Retirement System to answer questions. All of the aforementioned documents shall be easily reproduced by other state agencies, and shall be made available on each agency's website to download from the Internet. The information contained within these documents shall be updated annually.

~~[Sec. 10.04. **Completion of Memorandum of Understanding Regarding Transition Services for Students with Disabilities.** The Texas Education Agency, the Department of Aging and Disability Services, the Department of Assistive and Rehabilitative Services, and the Department of State Health Services, with other appropriate agencies as requested by the above agencies, shall develop, agree to, and by rule adopt an updated memorandum of understanding that establishes the respective responsibilities of each agency for the provision of services necessary to prepare students enrolled in special education programs for a successful transition to life outside of the public school system. The memorandum of understanding shall include clear designation of the respective responsibility of each participating agency to provide or pay for specific services, establish a uniform system across participating agencies for resolution of disputes regarding transition services, and establish a point of responsibility within each participating agency for implementation by that agency of the requirements of the memorandum of understanding. The updated memorandum of understanding must be completed by December 31, 2005.]~~

Sec. 10.04~~[10.05]~~. **Interagency Contract Funding for Regional Specialist Projects.**

(a) The Department of Assistive and Rehabilitative Services is hereby authorized to collect funds to be used as provided by this section through interagency contracts with the 20 state agencies identified as provided by this section.

(b) Each agency identified as provided by this section shall provide $24,750 for fiscal year 2008~~[2006]~~ and $24,750 for fiscal year 2009~~[2007]~~ via interagency contract by October 1 of each fiscal year to the Department of Assistive and Rehabilitative Services for the purpose of funding a Regional Specialist project in all eleven health and human services regions of this state. General Revenue in the amount of $240,000 in Department of Assistive and Rehabilitative Services Strategy B.1.1~~[A.1.1.]~~, Contract Services-Deaf made available by this method of finance change to current Regional Specialist projects shall be made available for expenditure on development of a Hispanic trilingual interpreter test, hard of hearing projects, and senior citizens projects.

(c) The 20 state agencies having the greatest number of employees whose duties include direct interaction with members of the public shall contract with the Department of Assistive and Rehabilitative Services for the purpose of funding a Regional Specialist project in all eleven health and human services regions of this state. The State Auditor's Office and the Department of Assistive and Rehabilitative Services shall cooperate to identify the 20 state agencies with the greatest number of employees whose duties include direct interaction with members of the public for each year of the biennium. Unless the State Auditor's Office and the Department of Assistive and Rehabilitative Services cooperatively identify other agencies to be substituted on the list of 20 agencies subject to this section, the 20 agencies subject to this section include:

(1) Texas Education Agency;

(2) Texas Health and Human Services Commission;

(3) Texas Department of Transportation;

(4) Department of Aging and Disability Services;

(5) Texas Department of Criminal Justice;

(6) Department of State Health Services;

(7) Department of Family and Protective Services;

(8) Texas Workforce Commission;

(9) Texas Building and Procurement Commission;

(10) Texas Department of Insurance;

(11) Department of Public Safety of the State of Texas;

(12) Office of the Attorney General;

(13) Texas Commission on Environmental Quality;

(14) Railroad Commission of Texas;

(15) Texas Youth Commission;

(16) General Land Office and Veteran's Land Board;

(17) Parks and Wildlife Department;

(18) Texas Lottery Commission;

(19) Comptroller of Public Accounts; and

(20) Texas Alcoholic Beverage Commission.

Sec. 10.05[~~10.06~~]. **Appropriation of Disproportionate Share Hospital Payments to State-Owned Hospitals.** Disproportionate Share Hospital Program payments from the Health and Human Services Commission to state-owned hospitals are appropriated to the receiving state agency/hospital as replacement funding for funds transferred to the Health and Human Services Commission and are subject to the accounting provisions as required by the Comptroller including deposits to the fund or account from which the original source of transfers to the Health and Human Services Commission was made.

Sec. 10.06[~~10.07~~]. **Informational Listing - Health Care Appropriations.** The following is an informational listing of amounts appropriated specifically for health care services in this Act, and does not make appropriations. For purposes of this section, health care appropriations include programs identified as health care-related in this Act, and do not include health care appropriations made to institutions of higher education with non-appropriated funds.

For purposes of this informational listing, health care appropriations include, but are not limited to, appropriations for Medicaid, inpatient and outpatient services, health care premiums, medications, laboratory services, community care services, nursing facility and hospice payments, rehabilitation services, alcohol and drug abuse treatment, mental retardation, and comprehensive therapies and related services for children with developmental delays. Certain non-health care-related costs which could not be broken out from other health care costs are also included in the listing below.

HEALTH-RELATED PROVISIONS
(Continued)

Programs	All Funds (in millions) 2008[2006]	All Funds (in millions) 2009[2007]
Article I		
Employees Retirement System - State Employee Group Health Insurance	$1,045.7[992.2]	$1,060.9[1,060.3]
Employee Children's Insurance Program (SKIP)	8.6[10.0]	9.2[10.6]
Workers' Compensation (State Office of Risk Management agencies)	45.9[60.3]	45.9[62.7]
Article II		
Health and Human Services Commission – Medicaid	13,544.9[12,953.7]	13,800.8[12,950.4]
Health and Human Services Commission – Children's Health Insurance Program	842.8[609.7]	893.3[791.5]
Department of Aging and Disability Services	5,058.3[4,870.2]	5,080.3[4,781.0]
Department of Assistive and Rehabilitative Services	359.1[319.9]	367.6[326.2]
Department of State Health Services	1,350.8[1,308.4]	1,348.8[1,313.3]
[Article II Special Provisions]	[(92.9)]	[(184.7)]
Article III		
Health-related Higher Education Institutions	2,369.8[1,664.6]	2,587.0[1,823.7]
Higher Education Group Health Insurance	672.0[604.2]	672.0[638.5]
Higher Education Workers' Compensation Non-State Office of Risk Management	15.0[15.2]	15.1[15.4]
Teacher Retirement System – TRS Care	242.2[210.8]	254.3[295.9]
[Teacher Retirement System – Active Care Independent School District Employee Pass-Through]	[272.7]	[274.8]
Texas Education Agency – Independent School District Employee Insurance	508.1[440.4]	517.2.[444.8]
Article V		
Texas Department of Criminal Justice – Correctional [Managed]Health Care	336.3[334.2]	336.3[334.2]
Texas Department of Criminal Justice – Psychiatric Care	43.1	43.1
Texas Department of Criminal Justice – Substance Abuse Treatment	90.3[47.0]	90.3[47.0]
Texas Department of Criminal Justice – Special Needs Offenders	15.4	15.4
Texas Youth Commission	19.0	19.2
Article VII		
Texas Department of Transportation	53.8[42.2]	53.9[42.1]
Office of Rural Community Affairs	3.4[5.6]	3.4[5.6]
Total*	**$26,624.8[24,745.9]**	**$27,214.1[25,110.8]**
Method of Finance		
Total, General Revenue	$10,232.0[10,177.3]	$10,473.2[10,177.9]
Total, General Revenue–Dedicated	303.9[299.0]	303.0[314.2]
Total, Federal Funds	12,576.7[12,024.1]	12,707.2[12,209.1]
Total, Other Funds	3,512.1[2,245.5]	3,730.7[2,409.7]
Total,* All Funds	**$26,624.8[24,745.9]**	**$27,214.1[25,110.8]**

*Totals may not add because of rounding.

Sec. 10.07[~~10.08~~]. **Informational Listing on Use of Tobacco Settlement Receipts.**

(a) The following is an informational list of the amounts (as shown in thousands) appropriated elsewhere in this Act to agencies from tobacco settlement receipts and estimated distributions from funds and endowments created by House Bill 1676 and House Bill 1945, Seventy-sixth Legislature and Senate Bill 126, Seventy-seventh Legislature for each fiscal year of the 2008–09[~~2006–07~~] biennium and does not make appropriations:

	2008[~~2006~~]	2009[~~2007~~]
(1) Health and Human Services Commission		
A.1.2. Integrated Eligibility and Enrollment	$10,860[~~10,812~~]	$10,860[~~11,066~~]
B.1.4. [~~Premiums:~~]Children and[~~/~~]Medically Needy Risk Groups	244,554[~~277,324~~]	226,842[~~211,261~~]
[~~B.3.1. Health Steps (EPSDT) Medical~~]	[~~2,779~~]	[~~2,779~~]
C.1.1. Children's Health Insurance Program (CHIP)	100,675[~~130,426~~]	105,807[~~175,002~~]
C.1.2. Immigrant Children Health Insurance	19,526[~~17,779~~]	20,263[~~18,501~~]
C.1.3. School Employee Children Insurance	9,843[~~9,697~~]	10,214[~~10,106~~]
C.1.4. CHIP Perinatal Services[~~Vendor Drug Program~~]	86,134	95,030
C.1.5 CHIP Vendor Drug Program	36,430[~~29,201~~]	39,023[~~35,934~~]
(2) Department of State Health Services		
[~~B.2.8 Tobacco Education and Prevention, estimated~~]	[~~5,482~~]	[~~5,743~~]
A.1.1. Public Health Preparedness and Coordinated Services[~~Coordinated Public Health Services~~], estimated	4,048[~~4,240~~]	4,048[~~4,391~~]
B.2.5 Reduce Use of Tobacco Products	7,997	8,104
B.3.1. EMS and Trauma Care Systems, estimated	3,952[~~4,140~~]	3,952[~~4,186~~]
C.1.1. Texas Center for Infectious Disease, estimated	991[~~1,042~~]	991[~~1,076~~]
[~~B.3.3. Health Care Facilities Improvements, estimated~~]	[~~0~~]	[~~0~~]
(3) Office of Rural Community Affairs		
B.1.1. Health Care Access Programs, estimated	188[~~173~~]	188[~~173~~]
B.2.1. Health Facility Capital Improvements, estimated	1,930[~~2,190~~]	1,930[~~2,190~~]
(4) Texas Higher Education Coordinating Board		
G.1.1. Earnings-Minority Health, estimated	1,125	1,125
G.1.2. Earnings-Nursing, Allied Health, estimated	2,025	2,025
G.2.1. Earnings-Baylor College of Medicine, estimated	1,125	1,125
G.2.2. Tobacco-Permanent Health Fund, estimated	1,916	1,916
(5) University of Texas Southwestern Medical Center at Dallas		
E.1.1. Tobacco Earnings-UT SWMC Dallas, estimated	2,250	2,250
E.1.2. Tobacco-Permanent Health Fund, estimated	2,079	2,079
(6) University of Texas Medical Branch at Galveston		
F.1.1. Tobacco Earnings-UTMB Galveston, estimated	1,125	1,125
F.1.2. Tobacco-Permanent Health Fund, estimated	1,912	1,912
(7) University of Texas Health Science Center at Houston		
F.1.1. Tobacco Earnings-UTHSC Houston, estimated	1,125	1,125
F.1.2. Tobacco-Permanent Health Fund, estimated	1,713	1,713
(8) University of Texas Health Science Center at San Antonio		
F.1.1. Tobacco Earnings-UTHSC San Antonio, estimated	9,000	9,000
F.1.2. Tobacco-Permanent Health Fund, estimated	1,571	1,571
(9) University of Texas M.D. Anderson Cancer Center		
F.1.1. Tobacco Earnings-UT MD Anderson, estimated	4,500	4,500
F.1.2. Tobacco-Permanent Health Fund, estimated	1,656	1,656
(10) University of Texas Health Center at Tyler		
F.1.1. Tobacco Earnings-UTHC Tyler, estimated	1,125	1,125
F.1.2. Tobacco-Permanent Health Fund, estimated	1,164	1,164
(11) Texas A&M University System Health Science Center		
F.1.1. Tobacco Earnings-TAMU System HSC, estimated	1,125	1,125
F.1.2. Tobacco-Permanent Health Fund, estimated	1,185	1,185

(12) University of North Texas Health Science Center at Fort Worth		
E.1.1. Tobacco Earnings-UNT HSC Ft. Worth, estimated	1,125	1,125
E.1.2. Tobacco-Permanent Health Fund, estimated	1,155	1,155
(13) Texas Tech University Health Sciences Center		
E.1.1. Tobacco Earnings-TX Tech HSC El Paso, estimated	1,125	1,125
E.1.2. Tobacco Earnings-TX Tech HSC not El Paso, estimated	1,125	1,125
E.1.3. Tobacco-Permanent Health Fund, estimated	1,399	1,399
(14) University of Texas System		
F.1.1. Tobacco Earnings-RAHC, estimated	1,102[~~900~~]	1,102[~~900~~]
(15) University of Texas El Paso		
F.1.1. Tobacco Earnings-UTEP, estimated	1,240[~~1,125~~]	1,240[~~1,125~~]
[~~(16)Baylor College of Medicine Article III, Special Provisions-Health Fund for Higher Education, estimated~~]	[~~1,916~~]	[~~1,916~~]

(b) 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 and 1945, Seventy-sixth Legislature and by Senate Bill 126, Seventy-seventh Legislature, and does not make appropriations.

(1)	Permanent Health Fund for Higher Education, Fund No. 810	$ 350,000,000
(2)	Permanent Fund for Children and Public Health, Fund No. 5045	100,000,000
(3)	Permanent Fund for Health and Tobacco Education and Enforcement, Fund No. 5044	200,000,000
(4)	The University of Texas Health Science Center at San Antonio Endowment, Fund No. 811	200,000,000
(5)	Permanent Fund for Emergency Medical Services and Trauma Care, Fund No. 5046	100,000,000
(6)	Permanent Fund for Rural Health Facility Capital Improvement (Rural Hospital Infrastructure), Fund No. 5047	50,000,000
(7)	The University of Texas M.D. Anderson Cancer Center Endowment, Fund No. 812	100,000,000
(8)	Texas Tech University Health Sciences Center Endowment (El Paso), Fund No. 820	25,000,000
(9)	The University of Texas Southwestern Medical Center at Dallas Endowment, Fund No. 813	50,000,000
(10)	Texas Tech University Health Sciences Center Endowment (Other than El Paso), Fund No. 821	25,000,000
(11)	The University of Texas Medical Branch at Galveston Endowment, Fund No. 814	25,000,000
(12)	The University of Texas Health Science Center at Houston Endowment, Fund No. 815	25,000,000
(13)	The University of Texas Health Center at Tyler Endowment, Fund No. 816	25,000,000
(14)	Texas A&M University System Health Science Center Endowment, Fund No. 818	25,000,000
(15)	University of North Texas Health Science Center at Fort Worth Endowment, Fund No. 819	25,000,000
(16)	Permanent Endowment Fund for University of Texas Regional Academic Health Center, Fund No. 822[~~Lower Rio Grande Valley Regional Academic Health Center Endowment~~]	20,000,000
(17)	The University of Texas at El Paso Endowment, Fund No. 817	25,000,000
(18)	Baylor College of Medicine, Fund No. 823	25,000,000
(19)	Permanent Fund for Higher Education Nursing, Allied Health and Other Health-related Programs, Fund No. 824	45,000,000
(20)	Permanent Fund for Minority Health Research and Education, Fund No. 825	25,000,000

(21) Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease, Fund No. 5048	25,000,000
(22) Permanent Endowment Fund for the Rural Communities Healthcare Investment Program, Fund No. 364	2,500,000

[~~Sec. 10.09. **Interagency Contract Funding for Prescription Drug Importation Study.**~~

~~(a) The Employees Retirement System of Texas is hereby authorized to collect funds to be used as provided by this section through interagency contracts with the 20 state agencies identified as provided by this section. A new strategy is hereby created in the Employees Retirement System's bill pattern, Statewide Drug Cost Containment, and funds received through interagency contract shall be deposited to the new strategy and spent for the purposes as provided in this section.~~

~~(b) Each agency identified as provided by this section shall provide $12,500 for fiscal year 2006 via interagency contract by October 1, 2005 to the Employees Retirement System of Texas in the Statewide Drug Cost Containment Strategy for the purpose of conducting a detailed cost-effectiveness and feasibility study for implementing a prescription drug importation program. If an agency has not executed the contract by the specified date, then the Comptroller of Public Accounts may reduce an agency's appropriation and execute the transfer of funds. The Employees Retirement System of Texas is required to report to the Legislative Budget Board and Governor the results of this study by March 1, 2006.~~

~~(c) In conducting this study the Employees Retirement System shall analyze and report on the following:~~

~~(1) Safety of managed prescription drugs importation;~~

~~(2) Feasibility and cost savings by method of finance of prescription drug importation for each drug purchasing program administered by state agencies and institutions of higher education including but not limited to the Health and Human Service Commission, Teacher Retirement System, Employees Retirement System, Department of State Health Services, Department of Aging and Disability Services, Texas Department of Criminal Justice, University of Texas System, and Texas A&M University System;~~

~~(3) Prescription drug importation operating models utilized by other jurisdictions and make recommendations on the most feasible and cost-effective model for Texas;~~

~~(4) Opportunities to integrate Texas pharmacists into the state's efforts to increase the affordability of safe prescription drugs;~~

~~(5) Federal statutory developments that may impact Texas' ability to implement a prescription drug importation program; and~~

~~(6) All potential foreign sources of safe, lower cost prescription drugs.~~

~~(d) The 20 state agencies having the greatest number of employees shall contract with the Employees Retirement System of Texas for the purpose of funding the study of a prescription drug importation program in fiscal year 2006. The State Auditor's Office and the Employees Retirement System of Texas shall cooperate to identify the 20 state agencies with the greatest number of employees. Unless the State Auditor's Office and the Employees Retirement System of Texas cooperatively identify other agencies to be substituted on the list of 20 agencies subject to this section, the 20 agencies subject to this section include:~~

~~(1) Texas Education Agency;~~
~~(2) Texas Health and Human Services Commission;~~
~~(3) Texas Department of Transportation;~~
~~(4) Department of Aging and Disability Services~~
~~(5) Texas Department of Criminal Justice;~~
~~(6) Department of State Health Services;~~
~~(7) Department of Family and Protective Services;~~
~~(8) Texas Workforce Commission;~~
~~(9) Texas Building and Procurement Commission;~~
~~(10) Texas Department of Insurance;~~
~~(11) Department of Public Safety of the State of Texas;~~

~~(12) Office of the Attorney General;~~
~~(13) Texas Commission on Environmental Quality;~~
~~(14) Railroad Commission of Texas;~~
~~(15) Texas Youth Commission;~~
~~(16) General Land Office and Veteran's Land Board;~~
~~(17) Parks and Wildlife Department;~~
~~(18) Texas Lottery Commission;~~
~~(19) Comptroller of Public Accounts; and~~
~~(20) Texas Alcoholic Beverage Commission.~~]

[~~10.10. **Use of Unused Unopened Nursing Home Prescription Drugs.** The Department of State Health Services shall require nursing homes to send in a secure manner unopened packages of prescription drugs that would otherwise be destroyed because the intended recipient of the drugs has died to the appropriate entity as directed by the Correctional Managed Health Care Committee for use in the Correctional Managed Care program.~~]

PART 11. PROVISIONS RELATED TO REAL PROPERTY

Sec. 11.01. **Limitation on Use of Funds for Personal Residences.**

(a) Out of appropriations made by this Act, expenditures exceeding an aggregate amount of $25,000 for the biennium beginning on September 1, 2007[~~2005~~], may not be made for purchasing, remodeling, or repairing of any one particular personal residence or living quarters unless the expenditures are:

(1) (A) required by court order;

(B) will result in increased safety, significant net cost savings, or prevention of substantial waste; or

(C) are specifically identified in a Capital Budget in this Act; and

(2) the Governor and Legislative Budget Board have approved the expenditure.

(b) The Texas Building and Procurement Commission shall report all expenditures exceeding an aggregate amount of $25,000 for the biennium for purchasing, remodeling, or repairing any one particular personal residence or living quarters to the Legislative Budget Board.

Sec. 11.02. **Statewide Capital Planning.**

(a) An agency or institution of higher education appropriated funds by this Act shall supply to the Bond Review Board capital planning information relating to projects subject to this section and financing options for the 2010–11[~~2008–09~~] fiscal biennium in a format and according to guidelines developed by the Bond Review Board. Such information shall include:

(1) a description of the project or acquisition;
(2) the cost of the project;
(3) the anticipated useful life of the project;
(4) the timing of the capital need;
(5) a proposed source of funds (method of financing);
(6) a proposed type of financing; and
(7) any additional related information requested by the Bond Review Board.

(b) The Bond Review Board shall compile a statewide capital expenditure plan for the 2010–11 [~~2008–09~~] fiscal biennium from the information submitted by agencies and institutions in accordance with the capital planning guidelines. Copies of the guidelines shall be filed with the Governor and the Legislative Budget Board no later than December 31, 2007[~~2005~~]. The Bond Review Board shall file copies of the capital expenditure plan for the period beginning September 1, 2009[~~2007~~] with the Governor and the Legislative Budget Board no later than September 1, 2008[~~2006~~].

(c) The statewide capital plan required by this section shall identify the state's capital needs and alternatives to finance these needs. The Bond Review Board shall review input from all state agencies and institutions regarding the agencies' and institutions' current and future capital needs as part of the strategic planning process. The Bond Review Board shall inform the Legislature on the possible budget impact of the capital plan on the state's debt capacity.

(d) This section applies to each anticipated state project requiring capital expenditures for:

(1) land acquisition;
(2) construction of building and other facilities;
(3) renovations of buildings and other facilities estimated to exceed $1 million in the aggregate for a single state agency or institution of higher education; or
(4) major information resources projects estimated to exceed $1 million.

(e) The Higher Education Coordinating Board and the Bond Review Board shall eliminate redundant reporting by consolidating this report and the Higher Education Coordinating Board's Master Plan report, to the greatest extent possible.

Sec. 11.03. **Limitation on Expenditures for Leased Space.** Funds appropriated by this Act may not be expended for leased office or building space for operations that are moved into newly constructed, purchased, expanded, or renovated state owned facilities funded from Texas Public Finance Authority Revenue Bonds.

Sec. 11.04. **Efficient Use of State Owned and Leased Space.**

(a) In the event that an agency moves from leased space to state owned space subsequent to the passage of this Act, the Comptroller shall reduce funds appropriated to each affected agency, by an amount equal to the lease costs that would have been incurred for the remainder of the biennium had the agency remained in leased space, less the costs the agency incurs for moving and the agency's tenant finish-out expenses as defined by the Texas Building and Procurement Commission. Required moving and tenant finish-out costs incurred by an agency moving from leased space to state owned space in fiscal year 2007[~~2005~~] may be paid from 2008[~~2006~~] fiscal year appropriations and costs incurred in 2008[~~2006~~] may be paid from 2009[~~2007~~] fiscal year appropriations as necessary to facilitate the move. The Comptroller shall transfer to the Texas Building and Procurement Commission from the special funds or accounts, including dedicated General Revenue Fund accounts, of those agencies that move into a state facility funded from Texas Public Finance Authority revenue bond proceeds, each agency's proportional share of the lease payments made for the facility as determined by the Texas Building and Procurement Commission. The Comptroller shall reduce the amounts appropriated to the Texas Building and Procurement Commission out of the General Revenue Fund for Lease Payments, in the appropriate Article of this Act, by an amount equal to the sum of the transfers from the special funds or accounts. The funds so transferred are hereby appropriated to the Texas Building and Procurement Commission for the purposes of making lease payments to the Texas Public Finance Authority.

(b) In the event that an agency obtains a lease at a rate lower than existing lease amounts, subsequent to the passage of the Act, the Comptroller shall reduce funds appropriated to each affected agency by an amount equal to the lease costs that would have been incurred for the remainder of the 2008-09[~~2006–07~~] biennium, as determined by the Comptroller. If obtaining a reduced lease rate requires the agency to move its location, the Comptroller shall reduce the agency's appropriations less costs the agency incurs for moving the agency's tenant finish-out expenses as defined by the Texas Building and Procurement Commission. Required moving and tenant finish-out costs incurred by an agency moving from leased space in fiscal year 2008[~~2006~~] may be paid from fiscal year 2009[~~2007~~] appropriations as necessary to facilitate the move.

Sec. 11.05. **State Owned Housing - Recover Housing Costs.**

(a) It is the intent of the Legislature that the General Land Office (GLO) shall contract for the determination of the fair market rental value of all housing provided to state employees by agencies required to report their housing. The GLO shall provide, to each state agency providing housing to employees, information regarding the fair market rental values. The GLO shall also provide the statewide total and agency totals to the Legislative Budget Board, Governor, and Comptroller.

(b) Each agency required to report employee housing to the General Land Office shall recover, from persons first employed by the agency before September 1, 1999, at least 20 percent of the established fair market rental value of its housing. Each agency required to report employee housing to the General Land Office shall recover, from persons first employed by the agency after August 31, 1999, at least 100 percent of the established fair market rental value of its housing. The recovered funds are hereby appropriated to the agency for its use.

(c) Agencies that provide employee housing shall report to the Legislature annually all employees who receive agency housing, the fair market rental value of housing supplied by the agency, and the amount of revenue recovered to meet the mandated goals.

(d) Unless specifically authorized by this Act, a person may not receive housing below the rate established by this section. Individuals authorized by this Act for reduced rate housing are absolutely critical to safe operation of a facility.

(e) Funds may not be expended to construct additional employee housing.

(f) When existing facilities are no longer suitable for employee housing, the agency should determine the feasibility of converting the use of housing or razing the structure before making repairs or updates.

(g) A person may not receive additional compensation in lieu of state-owned housing.

(h) An agency may withhold rent payments from the salary of an agency employee. The Comptroller may adopt rules related to withholding of rent payments from salaries.

Sec. 11.06. **State Agency Emergency Leases.** It is the intent of the Legislature that all emergency leases held by state agencies be eliminated. To assure for better planning on the part of state agencies and response from the Texas Building and Procurement Commission Leasing Division, state agencies are directed to adhere to the following provisions:

(a) A state agency that is in an emergency lease agreement on September 1, 2007[~~2005~~] shall have its appropriation in each fiscal year in which it is in the emergency lease agreement reduced by the dollar amount charged to the agency in addition to its base level rent.

(b) At least one year before an agency's lease expires, an agency must notify the Texas Building and Procurement Commission in writing of its intent to renew its existing lease or relocate its offices.

(c) If an agency fails to notify the Texas Building and Procurement Commission in writing at least one year prior to a lease expiration, and is subsequently forced to initiate an emergency lease agreement, the agency shall have its appropriation in each fiscal year in which it is in an emergency lease agreement reduced by the dollar amount charged to the agency in addition to its base level rent.

(d) If an agency notifies the Texas Building and Procurement Commission in writing one year prior to a lease expiration in accordance with Chapter 2167, Government Code, and the Texas Building and Procurement Commission fails to renew/initiate a lease agreement for the agency by the lease expiration date, and an agency is forced to initiate an emergency lease agreement, the Texas Building and Procurement Commission shall have its appropriation reduced in each fiscal year in which the affected agency is in an emergency lease agreement by the dollar amount charged to the agency in addition to the agency's base level rent.

(e) The Comptroller will make all necessary reductions established in this provision each month of an emergency lease agreement. Funds lapsed by agencies for violation of this provision shall be deposited into the fund in the State Treasury from which they were originally appropriated.

(f) Additionally, the Texas Building and Procurement Commission shall provide quarterly reports to the Legislative Budget Board and the Governor detailing the number of state agencies holding emergency leases, and providing the status on the progress of terminating the emergency lease agreement.

(g) In addition to the requirements of this section, emergency leases for health and human services agencies are also governed by § 2167.004, Government Code.

(h) The Department of Agriculture is exempted from the provisions of this section.

Sec. 11.07. **Prepayment of Annual Lease Costs.**

(a) In order to effectuate greater savings out of funds appropriated to state agencies for leased office or building space, the Texas Building and Procurement Commission (TBPC) is hereby authorized to enter into an agreement, on behalf of a state agency, with a landlord for prepayment of the annual lease costs in exchange for an early payment discount.

(b) A report regarding the amount of savings realized as a result of an early payment discount shall be provided to the Legislative Budget Board by TBPC no later than 30 days subsequent to the date of the duly executed agreement with the landlord. After approval by the Legislative Budget Board, the Comptroller ~~[of Public Accounts]~~ shall reduce the appropriations of the affected agency for each year of the biennium in an amount identified by TBPC and submitted to the Comptroller.

Sec. 11.08. **Equipment Maintenance Cost Reductions.**

(a) It is the intent of the Legislature that all state agencies participate in a cooperative effort with the Texas Building and Procurement Commission (TBPC) to reduce equipment maintenance costs. The TBPC may assist state agencies in reducing equipment maintenance costs by establishing consolidated volume contracts for maintenance services, by making TBPC maintenance contracts available to other state agencies, or by assisting state agencies with restructuring or renegotiating their maintenance contracts. If the TBPC enters into a contract for consulting services related to reducing equipment maintenance costs, each state agency shall use the services provided under the contract to the greatest extent possible.

(b) By October 1 of each fiscal year TBPC shall report to the Legislative Budget Board and the Governor's Office any savings achieved by agencies or institutions of higher education through use of TBPC procurement services and maintenance services contracts.

PART 12. PROVISIONS RELATED TO PROPERTY

Sec. 12.01. **Aircraft.**

(a) Notwithstanding any other provision of this Act, the purchase of aircraft may not be made from appropriated funds except as authorized in this section.

(b) Agencies authorized to expend appropriated funds for the maintenance and operation of state-owned aircraft or replacements authorized by Subsection (d) are:

(1) Texas A&M University System;
(2) Texas Department of Criminal Justice;
(3) Texas Department of Transportation;
(4) Parks and Wildlife Department;
(5) Department of Public Safety of the State of Texas;
(6) University of Texas System;
(7) Texas State Technical College; and
(8) Texas Forest Service[~~; and~~
~~(9) State Aircraft Pooling Board~~].

(c) Notwithstanding any other provision of this Act, all state-owned aircraft (including aircraft forfeited to or seized by a particular agency) are subject to the authority of the Texas Department of Transportation[~~State Aircraft Pooling Board under Chapter 2205, Government Code~~].

(d) Expenditure of appropriated funds for replacement of aircraft with aircraft of comparable quality may be made contingent upon approval of the Texas Department of Transportation[~~State Aircraft Pooling Board~~] and a finding of fact by the Governor that a report has been filed with the Governor showing that:

(1) the aircraft to be replaced has been destroyed or has deteriorated to an extent that continued operation presents a serious hazard or that the aircraft to be replaced can no longer meet the mission requirements of the principal user state agency; and

(2) other state-owned aircraft cannot be effectively utilized in lieu of a replacement aircraft.

(e) Expenditures necessary to purchase liability insurance pursuant to § 2205.045(a), Government Code, shall be made on a pro rata basis, as determined by the Texas Department of Transportation[~~State Aircraft Pooling Board~~], from appropriations authorized to each agency operating a state-owned aircraft. The Comptroller shall transfer such necessary amounts from agencies operating aircraft to the Texas Department of Transportation[~~State Aircraft Pooling Board~~] for the purchase of liability insurance and expenditure of such funds by the Department[~~Board~~] is hereby authorized.

(f) Any reimbursements received by a state agency for authorized aircraft services rendered to another state agency are hereby appropriated to the agency receiving the reimbursements, and shall be credited to the agency's appropriation item from which the cost of aircraft operation is paid.

[~~(g) In this section "State Aircraft Pooling Board" includes a state agency performing the functions of the State Aircraft Pooling Board.~~]

Sec. 12.02. **Publication or Sale of Printed, Recorded, or Electronically Produced Matter or Records.**

(a) Funds appropriated by this Act may not be used for the publication, recording, production, or distribution of any item or matter, including lists, notices, pamphlets, video tapes, audio tapes, microfiche, films or other electronically produced information or records unless such publication, recording, or production is:

(1) essential to accomplish or achieve a strategy or outcome target established by this Act; or

(2) required by law.

(b) Any funds received and collected from any charges specifically authorized by statute for the productions, publications, or records are hereby appropriated to the agency issuing the productions, publications, or records for use during the year in which the receipts are collected. The Comptroller shall credit such receipts to the like appropriation item from which the original costs are paid.

Sec. 12.03. **Limitation on Expenditures for Purchases and Conversions of Alternative Fuel Vehicles.** A state agency, including an institution of higher education, that is required to meet the percentage requirements for vehicles capable of using alternative fuels under Chapter 2158, Government Code, may expend funds appropriated by this Act for the purpose of meeting the percentage requirements only if the agency purchases or converts a vehicle that uses the most cost-effective, fuel efficient and mechanically efficient alternative fuel source.

Sec. 12.04. **Lost Property.**

(a) A state agency or institution of higher education must annually report to the Legislative Budget Board and the Comptroller the value of property lost or missing from the possession of the agency or institution of higher education. The Legislative Budget Board and the Comptroller may prescribe forms and dates for reporting.

(b) The Comptroller shall withhold from the General Revenue Funds, General Revenue–Dedicated Funds, or Other Funds appropriated to the state agency or institution of higher education by this Act an amount equal to 50 percent of the value of the lost property originally purchased with those funds provided that the loss falls outside the standards promulgated by the American Society for Testing and Materials. If a state agency or institution of higher education subsequently recovers or accounts for lost property to the satisfaction of the Comptroller, the Comptroller shall release to the state agency or institution of higher education a proportional amount of previously withheld General Revenue Funds, General Revenue–Dedicated Funds, or Other Funds.

(c) This section applies to all state agency and institution of higher education property without regard to the source of funds or classification of funds used to acquire the property.

Sec. 12.05. **Transfer of Master Lease Purchase Program Payments.**

(a) 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 agency's appropriations made elsewhere in this Act to the Texas Public Finance Authority Master Lease Purchase Program cost of issuance funds and the State Lease Fund Account, respectively. Transfers for administrative fees and lease payments may not be made earlier than 15 days prior to the date that debt service payment is required. The Texas Public Finance Authority may transfer funds necessary for Master Lease Purchase Program debt service payments from the State Lease Fund Account to the Texas Public Finance Authority Master Lease Purchase Program interest and sinking funds.

(b) The Comptroller shall assist the Texas Public Finance Authority in the transfer of lease payments. State agencies participating in the Master Lease Purchase Program shall cooperate in the timely transfer of lease payments to the Texas Public Finance Authority. The absence of specific Master Lease payment appropriations, identified in an agency's capital budget, does not release an agency from lease payment obligations.

Sec. 12.06. **Vehicle Fleet Management.** It is the intent of the Legislature that all state agencies and institutions shall adopt rules or policies to implement the State Vehicle Fleet Management Plan issued by the Office of Vehicle Fleet Management of the Texas Building and Procurement Commission. In accordance with the State Vehicle Fleet Management Plan, the Office of Vehicle Fleet Management shall not grant a waiver for vehicle purchases for those agencies that have not adopted rules or procedures as required by § 2171.1045, Government Code. It is the intent of the Legislature that agencies follow recommendations in the State Vehicle Fleet Management Plan regarding replacing state vehicles when they reach 6 years (72 months) of service or 100,000 miles, whichever comes first. Circumstances may warrant exceptions to this policy based on economic factors for the state, as in the case of vehicles with excessive maintenance costs or unusually low maintenance costs. All state agencies and institutions must maintain detailed supporting documentation on their vehicle fleets and shall submit fleet data to the Office of Vehicle Fleet Management.

Sec. 12.07. **Interoperability Communications Equipment: Federal Funding.**

(a) It is the intent of the Legislature that contingent upon receipt of any federal funds for interoperability communications equipment by a state agency, the state agency receiving the federal funding shall expend those funds to establish an interoperable communications system. The interoperable communications equipment shall be subject to guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

(b) This section applies to federal funds appropriated by this Act and received by:

(1) the Texas Parks and Wildlife Department;
(2) the Texas Department of Transportation;
(3) the Texas Youth Commission;
(4) the Texas Alcoholic Beverage Commission;
(5) the Department of Public Safety of the State of Texas;
(6) the Texas Department of Criminal Justice; and
(7) the Texas Forest Service.

(c) Except as provided by Subsection (e) of this section, none of the federal funds received by an agency named under Subsection (b) of this section to establish an interoperable communications system may be used to purchase new agency radio equipment until equipment required to achieve system interoperability has been established at the agency. The interoperable communications equipment shall be subject to guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

(d) Except as provided by Subsection (e) of this section, after the establishment of a interoperable communications system by all seven of the state agencies listed under Subsection (b) of this section, no federal communications interoperability grants or funds provided to the State of Texas for distribution to local, county, or municipal government agencies shall be spent by those local, county, or municipal government agencies for new radio equipment purchases unless such funds are first used for equipment to connect to an interoperable system established by the state agencies. The interoperable communications equipment shall be subject to guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

(e) (1) A state or local entity may use any funds not otherwise restricted to replace broken or failing communications equipment and maintain an existing communications system until an interoperable system can be created.

(2) This section is not a limitation on maintenance of an existing communications system or replacement of broken or failing communications equipment.

(f) Quarterly, each agency named under Subsection (b) of this section to establish an interoperable communications system shall report to the Legislative Budget Board and the Governor regarding the agency's progress to achieve system interoperability and meet any interoperable communications equipment guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

Sec. 12.08. **Interoperability Communications Equipment: All Appropriated Funding.**

(a) It is the intent of the Legislature that except as provided by Subsection (c) of this section, none of the funds appropriated to a state agency listed under Subsection (b) of this section shall be expended by the state agency for the purchase of new radio equipment until the state agency has established an interoperable communications system. The interoperable communications equipment shall be subject to guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

(b) This section applies to the following state agencies:

(1) the Texas Parks and Wildlife Department;
(2) the Texas Department of Transportation;
(3) the Texas Youth Commission;
(4) the Texas Alcoholic Beverage Commission;
(5) the Department of Public Safety of the State of Texas;
(6) the Texas Department of Criminal Justice; and
(7) the Texas Forest Service.

(c) (1) A state agency may use any funds not otherwise restricted to replace broken or failing communications equipment and maintain an existing communications system until an interoperable system can be created.

(2) This section is not a limitation on maintenance of an existing communications system or replacement of broken or failing communications equipment.

(d) Quarterly, each agency named under Subsection (b) of this section to establish an interoperable communications system shall report to the Legislative Budget Board and the Governor regarding the agency's progress to achieve system interoperability and meet any interoperable communications equipment guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

PART 13. OTHER PROVISIONS

Sec. 13.01. **Employee Meal Authorization.** State agencies providing institution-based services, including the Texas Department of Criminal Justice, the Department of Aging and Disability Services, the Department of State Health Services, the Texas Youth Commission, the Texas School for the Blind and Visually Impaired, and the Texas School for the Deaf, may provide meals to employees working in institutional settings and may charge a fee at costs established by the agencies that does not exceed the direct and indirect costs of preparation.

Sec. 13.02. **Bank Fees and Charges.** From interest income appropriated by this Act, amounts may be used for the purpose of paying bank fees and charges as necessary.

[~~Sec. 13.03. **In-kind Gas Program.** The General Land Office shall, on a monthly basis, inform the Comptroller of the savings being achieved by an agency under the in-kind gas program of § 31.401, Natural Resources Code and the Comptroller shall reduce the agency's utility appropriation authority accordingly. The Comptroller shall transfer the savings realized into the General Revenue Fund.~~]

[~~Sec. 13.04. **Cleaning Allowances.** A cleaning allowance is an allotment to help defray the cost of maintaining a uniform for certain state employees. A cleaning allowance authorized elsewhere in this Act for specific positions of employment is an authorization for the specific position and shall not transfer with an employee if that employee transfers to a position for which such reimbursement is not authorized.~~]

[~~Sec. 13.05. **Coordination of Tourism and Travel Promotion.** It is the intent of the Legislature that the Texas Commission on the Arts, the Texas Historical Commission, the Texas Economic Development and Tourism Office within the Office of the Governor, the Texas Department of Parks and Wildlife, and the Texas Department of Transportation coordinate their efforts and spending related to tourism and travel promotion. These agencies shall develop, maintain and adhere to a memorandum of understanding that details the specific travel and tourism objectives and responsibilities of each agency and continues to provide interagency coordination and support to achieve the objectives.~~]

Sec. 13.03[~~13.06~~]. **Appropriation: Temporary Assistance for Needy Families (TANF) Federal Funds.**

(a) For the biennium beginning September 1, 2007[~~2005~~], in addition to sums appropriated elsewhere by this Act, the balance of all available TANF federal funds allocated to the State is hereby appropriated for the purposes for which the TANF block grant is made. In the event of an expenditure requirement related to fiscal penalties, caseload growth, or other program needs (such as meeting work participation targets or increasing the capacity to serve TANF recipients facing time-limited benefits), the funds appropriated by this provision and/or the balance of all available TANF federal funds appropriated elsewhere by this Act may be expended and/or transferred as appropriate by the Single State Agency for TANF, subject to the written prior approval of the Governor and the Legislative Budget Board.

(b) The expenditure of TANF federal funds is hereby limited to those amounts specifically identified and appropriated by this Act, unless specific written approval is made by the Legislative Budget Board and Governor.

Sec. 13.04[~~13.07~~]. **Incentive and Productivity.**

(a) Net annual savings or revenues realized from employee suggestions implemented by a state agency under rules promulgated by the State Council on Competitive Government must be allocated by the state agency as follows:

(1) An amount not to exceed $5,000 or 10 percent of the annual net savings or revenues attributable to a suggestion implemented by a state agency shall be available for the payment of employee awards under an employee awards program.

(2) The remaining amount, equal to at least 90 percent of the original annual net savings or revenues from amounts appropriated to the agency in the fiscal year(s) in which the savings or revenues were realized, shall be retained by the agency to pay for agency operations.

(b) The net savings or revenues realized in a fiscal year are to be considered encumbered by the agency implementing the suggestion for purposes of carrying out the allocation of funds listed in Subsection (a). The amounts encumbered shall be accounted for in the following manner:

(1) Upon implementation of an approved employee suggestion, an agency shall establish a Savings Measurement Account for that suggestion and transfer into this account the share of the projected net first-year savings or revenues attributable to the suggestion during that fiscal year. All balances in these accounts as of August 31, 2007[~~2005~~], are appropriated for fiscal year 2008[~~2006~~], and all balances in these accounts as of August 31, 2008,[~~2006~~] are appropriated for fiscal year 2009[~~2007~~]. At the beginning of the following fiscal year, the agency shall transfer into the Savings Measurement Account the remaining share of the projected net savings or revenues for each approved suggestion.

(2) At the conclusion of the implementation period for an approved and implemented suggestion, the amount of net savings or revenues certified by the agency and the State Council on Competitive Government shall be compared with the balance in the Savings Measurement Account for that employee suggestion. If the certified net savings or revenue amount exceeds the balances in the Savings Measurement Account, the additional funds shall be derived from that agency's current year appropriations. If the certified net savings or revenue amount is less than the balance in the Savings Measurement Account, the excess amount deposited is available to the agency for expenditures in the current fiscal year for the same purposes as the original source appropriations. The certified net savings or revenues shall be transferred in accordance with Subsection (a).

(c) In the event that agencies identify statutory, federal or constitutional restrictions on the use of funds in accounts where savings or revenues were generated by approved employee suggestions, agencies are authorized to substitute other funding and appropriation sources for the $5,000 or 10 percent employee award portion under Subsection (a). All such substitutions for statutory, federal, or constitutional restrictions shall be reviewed and approved by the Comptroller before the substitution of $5,000 or 10 percent from other funds is adopted.

(d) The Comptroller and the State Council on Competitive Government shall jointly develop rules for the above provisions of this section.

[~~Sec. 13.08. **Contingency Appropriation Reduction.**~~

~~(a) After considering all other contingency riders in this Act and all legislation passed by the Seventy-ninth Legislature that affects revenue, if the appropriations made by Articles I through X of this Act exceed the estimated available revenue, all appropriations made under this Act out of the General Revenue Fund and General Revenue-Dedicated accounts are hereby automatically reduced on a pro-rata basis by the amount necessary, if any, to ensure that the total amount appropriated does not exceed the estimated revenue, pursuant to Article 3, Section 49a, Texas Constitution; provided, however, that appropriations described under Subsection (c) of this section shall not be reduced.~~

~~(b) The Comptroller shall report the amount of the automatic reductions, if any, to the Governor and Legislative Budget Board.~~

~~(c) Appropriations described under this Subsection (c) that may not be reduced by an action taken pursuant to this section are as follows:~~

~~(1) Appropriations identified in Sec. 6.10 of Article IX;~~

~~(2) Appropriations made to the Texas Education Agency for the Foundation School Program in Strategies A.1.1, FSP-Equalized Operations, and A.1.2, FSP-Equalized Facilities;~~

~~(3) Appropriations made in Article IV of this Act;~~

~~(4) Appropriations made to the Teacher Retirement System;~~

~~(5) Appropriations made to the Optional Retirement Program;~~

~~(6) Appropriations made to the Higher Education Fund;~~

~~(7) Appropriations made for Debt Service Payments for Non-Self Supporting G.O. Water Bonds;~~

~~(8) Appropriations made for Compensation to Victims of Crime; and~~

~~(9) Appropriations designated as "estimated."~~]

{{{ DRAFTER'S COMMENT: Sec. 13.08 re-designated as Sec. 15.03. }}}

Sec. 13.05[~~13.09~~]. **Appropriations from State Tax Revenue.** The appropriations from state tax revenue not dedicated by the Constitution for the 2008–09[~~2006–07~~] biennium shall not exceed the Texas Constitution's Article VIII, § 22 limit of $62,829,000,336[~~52,145,745,157~~] established by the Legislative Budget Board pursuant to § 316.002, Government Code. The limit on appropriations that can be made for the 2008–09[~~2006–07~~] biennium is subject to adjustments resulting from revenue forecast revisions or subsequent appropriations certified by the Comptroller to the 2006–07[~~2004–05~~] biennial appropriations from state tax revenue not dedicated by the Constitution. The Comptroller may adjust the composition of fund and account balances without any net change in balances or change in appropriations so as to ensure compliance with the limit set forth in Article VIII, § 22 of the Texas Constitution.

[~~Sec. 13.10. **Appropriation Transfers: Billings for Statewide Allocated Costs.** As provided by Chapter 2106, Government Code, relating to billings to state agencies for the costs of support services allocated to agencies under the statewide cost allocation plan which implements e-Texas Issue AFM-3 (2001), the Comptroller shall transfer appropriations made to state agencies and institutions of higher education by this Act to the General Revenue Fund, under Articles I-VIII of this Act, in amounts which total an estimated $30 million for the biennium.~~

~~At least thirty days prior to making transfers of agency appropriations to the General Revenue Fund pursuant to this provision, the Comptroller shall develop and prepare a plan of reductions and notify the Legislative Budget Board and Governor of the amounts proposed for reduction by each agency.~~]

{{{ DRAFTER'S COMMENT: Sec. 13.10 re-designated as Sec. 15.04. }}}

Sec. 13.06[~~13.11~~]. **Contingency Rider.** It is the intent of the Legislature that appropriations made in this Act be expended only for purposes and programs specifically funded in the Act, and contingency appropriations made for legislation adopted by the Eightieth[~~Seventy-ninth~~] Legislature be the sole source of funding for implementation of that legislation. No state agency or institution of higher education is required to reallocate or redistribute funds appropriated in this Act to provide funding for programs or legislation adopted by the Eightieth[~~Seventy-ninth~~] Legislature for which there is not specific appropriation or contingency provision identified in this Act.

[~~Sec. 13.12. **TexasOnline Authority: Occupational Licenses.** Each licensing entity not otherwise authorized to increase occupational license fees elsewhere in this Act is authorized to increase the occupational license or permit fees imposed on the licensing entity's licensees by an amount sufficient to cover the cost of the subscription fee charged by the TexasOnline Authority to the licensing entity pursuant to Chapter 2054, Government Code. Each licensing entity provided by Chapter 2054, Government Code and not otherwise authorized to increase occupational license fees elsewhere in this Act is hereby appropriated the additional occupational license or permit fees in excess of the Comptroller's biennial revenue estimate 2006–07 for the sole purpose of payment to the TexasOnline contractor subscription fees for implementing and maintaining electronic services for the licensing entities. Each agency, upon completion of necessary actions to access or increase fees, shall furnish copies of board meeting minutes, an annual schedule of the number of license issuances or renewals and associated annual fee total, and any other supporting documentation to the Comptroller of Public Accounts. 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.~~]

{{{ DRAFTER'S COMMENT: Sec. 13.12 re-designated as Sec. 9.05. }}}

[~~Sec. 13.13. **Disaster Related Transfer Authority.**~~

~~(a) In the event of a disaster proclamation by the Governor under the Texas Disaster Act of 1975, Chapter 418, Government Code, transfers of appropriations made in this Act, if necessary to respond to the disaster and if made according to the terms of this section, are permitted.~~

~~(b) Health and Human Services Agencies: For a health and human services agency listed in Chapter 531, Government Code, that directly responds to the disaster, the Commissioner of Health and Human Services is authorized to transfer funds from another health and human services agency listed in Chapter 531, Government Code to the responding agency, and may transfer funds between the strategies of each agency for the purpose of funding the disaster response subject to~~

~~the prior notification of the Legislative Budget Board and Governor as provided by Subsection (e).~~

~~(c) Other Agencies: An agency other than a health and human services agency listed in Chapter 531, Government Code that directly responds to a disaster may transfer appropriations within the agency, without regard to any limits on transfer of appropriations between strategies, subject to the prior notification of the Legislative Budget Board and Governor as provided by Subsection (e).~~

~~(d) Transfers Between Agencies: In the event that a transfer involving at least one agency not listed in Chapter 531, Government Code is necessary in order to respond to a disaster, the agencies involved in the transfer shall request approval from the Legislative Budget Board and the Governor for the emergency transfer of funds, pursuant to Article XVI, Section 69, Texas Constitution. Any request under this subsection should include the same information required in the recommended plan of transfer below, and a copy shall be provided to the Comptroller.~~

~~(e) Notification of Recommended Plan of Transfer.~~

~~(1) Recommended Plan of Transfer: A recommended plan of transfer submitted by an agency to the Governor and Legislative Budget Board under this section must include the following information:~~

~~(A) a copy of the appropriate disaster proclamation made under Chapter 418, Government Code;~~

~~(B) the amounts to be transferred (listed by method of finance);~~

~~(C) the agency or agencies affected;~~

~~(D) the programs affected by the transfer; and~~

~~(E) any other information requested by the Legislative Budget Board.~~

~~(2) Notification and Approval: An agency must notify the Legislative Budget Board, the Comptroller, the Governor, and any other agency involved in the transfer at least 14 days prior to the date of recommended transfers. If neither the Legislative Budget Board nor the Governor issue a written disapproval within 14 days of receipt of the agency recommended plan of transfer, the Comptroller shall transfer the funds as recommended.~~]

{{{ DRAFTER'S COMMENT: Sec. 13.13 re-designated as Sec. 14.04. }}}

Sec. 13.07[~~13.14~~]. **Informational Items.** Object of expense (OOE) listings contained in this Act, and other informational listings are not appropriations, and are merely informational listings that are intended to qualify or direct the use of funds appropriated in agency strategies, or are incidental to the appropriation made in the agency strategies.

[~~Sec. 13.15. **Incentive Program to Waive Participation in Group Benefit Plan.**~~

~~(a) This section is contingent on the enactment of Senate Bill 1863 or similar legislation by the Seventy-ninth Legislature, Regular Session, providing that employees and retirees may receive an incentive under certain circumstances if they waive participation in the Group Benefit Plan.~~

~~(b) The Employees Retirement System is required to inform employees and retirees in the Group Benefit Plan that they may waive participation in the plan, and to provide an opportunity for employees and retirees to waive participation in the plan. The employee or retiree shall certify to the Employees Retirement System on a form prescribed by the Employees Retirement System that the employee or retiree receives comprehensive health coverage from another source, such as the TRICARE military health system, or as a dependent in another health plan.~~

~~(c) The employing agency of the employee or retiree shall submit $60 per month to the Employees Retirement System in lieu of the "employee-only" state contribution amount for each employee and retiree that waives participation in the Group Benefit Plan. Each employee or retiree that waives participation in the Group Benefit Plan and certifies such to the Employees Retirement~~

System, may enroll in optional coverage at the Employees Retirement System without charge if the monthly payment for the optional coverages does not exceed $60 per month. Optional insurance for the employees and retirees participating in the Group Benefit Plan shall be defined under rules adopted by the Employees Retirement System. An employee or retiree participating in the Group Benefit Plan is defined by the Employees Retirement System pursuant to this rider may only use $60 per month of the employee-only state contribution if they sign and submit the appropriate form to the Employees Retirement System documenting comprehensive health insurance coverage from another source.

(d) Appropriations made by this Act to the Employees Retirement System are hereby reduced pursuant to Subsection (c) from the General Revenue Fund, $2,387,823, from General Revenue–Dedicated Funds, $251,350, and from Other Funds, $1,549,991 in each fiscal year of the biennium. The Comptroller will make the reductions in a manner consistent with statutory provisions, in consultation with the Legislative Budget Board.

Sec. 13.16. **Contingency Rider for House Bill 3540.**

(a) This section is contingent on the enactment of House Bill 3540 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to eliminating benefit replacement pay and longevity pay payments to retirees who retire from state employment and return to work for the state (return-to-work retirees).

(b) The Comptroller shall identify:

(1) the number of return-to-work retirees receiving benefit replacement pay on September 1, 2007[2005];

(2) by agency, the number of return-to-work retirees receiving longevity pay on September 1, 2007[2005]; and

(3) by agency, the number of return-to-work retirees receiving longevity pay on September 1, 2006.

(c) On September 1, 2007[2005], the Comptroller shall reduce biennial appropriations for benefit replacement pay to each article of the General Appropriations Act by that amount identified pursuant to Subsection (b) and by method of financing that would have been paid to return-to-work retirees during the 2006–07 biennium.

(d) On September 1 of each year of the biennium, the Comptroller shall reduce each agency's fiscal year appropriation by the annual amount of longevity pay that would have been paid to return-to-work retirees employed by the agency during that fiscal year and by method of financing, as identified pursuant to Subsection (b).

(e) The Comptroller shall reduce biennial appropriations pursuant to Subsection (c). Appropriations made by this Act for benefit replacement pay are hereby reduced from the General Revenue Fund, $4,923,533, from General Revenue–Dedicated Funds, $518,267, and from Other Funds, $3,195,977 for the 2006–2007 biennium. The Comptroller shall reduce each agency's budget pursuant to Subsection (d). The sum of the reductions from appropriations made by this Act for the 2006–2007 biennium pursuant to Subsection (d) shall equal from the General Revenue Fund, $5,973,499, from General Revenue–Dedicated Funds, $628,789, and from Other Funds, $3,877,535. The Comptroller will make the reductions in a manner consistent with statutory provisions, in consultation with the Legislative Budget Board.

Sec. 13.17. **Appropriation for a Salary Increase for General State Employees.**

(a) As used in this section, "salary increase" shall mean a four percent (4%) increase in annual salary with a minimum of $100 per month increase in salary, to begin on September 1, 2007[2005], and another increase in annual salary to occur on September 1, 2006, consisting of an additional three percent (3%) increase in the annual salary with a minimum of $50 per month increase in salary.

(b) The Comptroller of Public Accounts is hereby appropriated an amount estimated to be $350,000,000 out of the General Revenue Fund, an amount estimated to be $30,000,000 out of General Revenue–Dedicated, and an amount estimated to be $205,000,000 out of other funds and accounts to fund a salary increase described in Subsection (a) of this section for employees of

~~state agencies, including employees of the Higher Education Coordinating Board, as such a salary increase is reflected in the salary rates authorized elsewhere in this Act.~~

~~(c) This section shall not apply to statewide elected officials, justices and judges of the appellate and district courts, district attorneys, criminal district attorneys, county attorneys performing the duties of a district attorney, line item exempt (non-classified) employees, salary Schedule C personnel, employees of institutions of higher education except for employees of a Texas A&M University System service agency and except as provided by Subsection (h) regarding longevity pay and hazardous duty pay, employees of a Texas A&M University System service agency to the extent that the salary increase would cause the employee to earn a gross monthly salary from all state-related entity payroll sources of more than $6,250, other employees who have been given a salary increase described elsewhere in this Act, or the compensatory per diem of board or commission members. The other employees who have been given a salary increase described elsewhere in this Act include:~~

~~(1) at the Office of the Attorney General the approximately 272 employees (Assistant Attorney Generals I, II, III, IV, and V) who receive pay increases as a result of the appropriation of $2,433,609 for use during each fiscal year out of the General Revenue Funds generated by a contingency rider for a fee increase in the bond review fee as provided by a rider following the bill pattern of the Office of the Attorney General;~~

~~(2) at the State Commission on Judicial Conduct the approximately 14 employees who receive one time increases of approximately four percent (4%) from the approximately $32,000 appropriated from the General Revenue Fund for use during each fiscal year of the biennium but only to the extent of that four percent (4%) pay increase included in appropriations made in this Act;~~

~~(3) at the Supreme Court of Texas:~~
~~(A) Staff Attorneys;~~
~~(B) Law Clerks;~~

~~(4) at the Court of Criminal Appeals:~~
~~(A) Staff Attorneys;~~
~~(B) Law Clerks;~~
~~(C) The Clerk of the Court;~~

~~(5) at the 14 Courts of Appeals:~~
~~(A) Staff Attorneys;~~
~~(B) Law Clerks;~~
~~(C) employees whom a Court of Appeals designate as receiving salary increases from the $4,000,000 block grant appropriated for use of the 14 Courts of Appeals;~~

~~(6) contingent on the passage of Senate Bill 1698 or other similar legislation modifying fees paid by oil and gas operators, the approximately 453 employees at the Railroad Commission {composed of 237 engineering employees (Engineering Tech I-V, Engineering Specialist I-VI, Engineering Assistants I-III, and Engineers I-VII); 22 financial employees (Accountants I-VII, Auditors I-VI, and Budget Analysts I-IV); and 194 administrative employees (Clerks I-V, Word Processing Operator I-III, Administrative Assistants I-IV, Executive Assistants I-II, and Legal Secretaries I-IV)} who receive pay increases as a result of the appropriation of $1,029,982 for use during fiscal year 2006 from the General Revenue Fund and the appropriation of $1,059,952 for use during fiscal year 2007 from the General Revenue Fund, $4,768 for use during each fiscal year of the biennium from Earned Federal Funds, $251,851 for use during each fiscal year of the biennium from General Revenue-Dedicated Fund Oil Field Cleanup Account No. 145, and $31,174 for use during each fiscal year of the biennium from General Revenue-Dedicated Fund Alternative Fuels Research and Education Account No. 101, as provided by rider following the bill pattern of the Railroad Commission;~~

~~(7) at the Credit Union Department the approximately 24 employees who receive a pay increase funded from the $63,869 appropriated for use during fiscal year 2006 to fund regular salary progressions for examination staff and $48,198 appropriated for use during fiscal year 2007 for the same purpose;~~

~~(8) at the Animal Health Commission (AHC) the approximately 18 employees (six Veterinary I positions, ten Veterinary II positions, and two Deputy Director Veterinarian positions) who~~

receive a pay increase funded from the $180,000 appropriated for use during fiscal year 2006 out of the General Revenue Fund and $180,000 appropriated for use during fiscal year 2007 out of the General Revenue Fund as provided by rider following the bill pattern to be used for salary increases for veterinarians located in AHC field offices;

(9) at the State Office of Administrative Hearings the Administrative Law Judges who receive a pay increase from the $348,100 appropriated for use during the biennium out of the General Revenue Fund and $236,900 appropriated for use during the biennium out of the State Highway Fund 006;

(10) at the Department of Family and Protective Services the approximately 2,413 child protective services investigation caseworkers and supervisors who receive an annual stipend of $5,000 as a result of the appropriation of $14,853,750 in General Revenue Funds and $19,805,000 in All Funds appropriated for use during the 2006-07 biennium; and

(11) at the Department of the Family and Protective Services the approximately 3,059 child protective services direct delivery staff who receive a two percent (2%) pay increase but only to the extent of that two percent (2%) pay increase included in appropriations made in this Act or in House Bill 10 for child protective services reform.

(d) Any increase in employee benefits costs associated with the salary increase as described above shall be paid only out of the appropriations made above in Subsection (b).

(e) Provisions requiring salaries and benefits to be proportional to the source of funds shall apply to all sums allocated under this section, except as otherwise provided and except for county extension agents who may receive a salary increase solely from appropriations made from the General Revenue Fund. Each agency shall pay the increase in compensation from funds held in the state treasury and from local funds in the same proportion as the employee's regular compensation.

(f) The Comptroller of Public Accounts shall promulgate rules and regulations as necessary to administer this section. Funds appropriated in this section shall be allocated to each agency, and to the appropriate employee benefit appropriation items, in accordance with such rules and regulations and may be used only for the purpose of providing a salary increase and paying associated employee benefit costs.

(g) This section does not authorize an increase of classified salary rates or exempt salary rates above the rates listed in the applicable schedule in this Act.

(h) Longevity Pay and Hazardous Duty Pay

(1) In addition to the amounts appropriated above, an amount estimated to be $49,348,427 out of the General Revenue Fund, an amount estimated to be $6,245,138 out of the General Revenue-Dedicated, and an amount estimated to be $41,803,704 out of Other Funds and accounts out of funds appropriated elsewhere in this Act to state agencies will be used to provide employees of state agencies entitled to longevity pay and increases in longevity pay with longevity pay at the rate of $20 per month for each two years of lifetime service credit, contingent on the passage of appropriate legislation.

(2) In addition to the amounts appropriated above, an amount estimated to be $24,365,414 out of the General Revenue Fund, and an amount estimated to be $10,442,320 out of Other Funds and accounts out of funds appropriated elsewhere in this Act to institutions of higher education and out of funds appropriated elsewhere in this Act to state agencies for benefits for employees of institutions of higher education will be used to provide employees of institutions of higher education entitled to longevity pay and increases in longevity pay with longevity pay at the rate of $20 per month for each two years of lifetime service credit, contingent on the passage of appropriate legislation.

(3) In addition to the amounts appropriated above, an amount not to exceed $23,875,075 out of General Revenue, and an amount estimated to be $540,095 out of General Revenue-Dedicated, and an amount estimated to be $4,224,006 out of Other Funds and accounts out of funds appropriated elsewhere in this Act to state agencies will be used to provide employees of state agencies entitled to hazardous duty pay and increases in hazardous duty

~~pay with hazardous duty pay at the rate of $10 per month for each year of lifetime service credit, contingent on the passage of appropriate legislation.~~

~~(4) The appropriations made in this subsection also include amounts to pay for associated benefits.~~

~~(i) Agencies subject to a special provisions rider "Appropriations Limited to Revenue Collections" shall increase revenues as necessary to cover the increased salary amounts appropriated above. It is estimated that the aggregate amount will be $20,000,000.~~]

Sec. 13.08[~~13.18~~]. **Appropriation of Any Vetoed Funds.** An amount equal to the sum of the General Revenue Fund and General Revenue–Dedicated account appropriations contained in this Act that are vetoed by the Governor under Section 14, Article IV, Texas Constitution, shall be segregated by the Comptroller and that amount is hereby appropriated to the Comptroller to be used during the state fiscal biennium beginning September 1, 2007, for the purpose of transferring funds to state agencies for fiscal relief, as directed by the Governor and Legislative Budget Board as part of the process of[~~for~~] budget execution as provided by Chapter 317, Government Code.

Sec. 13.09. **Strategic Sourcing.** Out of funds appropriated elsewhere in this Act, the Texas Building and Procurement Commission and the Department of Information Resources shall implement strategic sourcing initiatives that result in better value for the state for commonly purchased goods and services. A quarterly report on the progress of implementing strategic sourcing initiatives shall be submitted to the Governor and Legislative Budget Board beginning December 1, 2007. A report, in a format prescribed by the Legislative Budget Board, of the savings resulting from strategic sourcing should be submitted to the Governor and Legislative Budget Board before October 1, 2008 and quarterly thereafter.

Sec. 13.10. **Appropriation of All Specialty License Plate Receipts and Unexpended Balances.**

(a) (1) For the fiscal year beginning September 1, 2007, the amounts appropriated to an agency under Articles I–VIII of this Act include, regardless of whether or not the amounts may be shown under or limited by the bill pattern or riders of the agency or the special provisions applicable to the Article of this Act under which the agency's appropriation might be located:

(A) all estimated balances and revenue collected by an agency or held in a fund or an account by or on behalf of an agency before September 1, 2007, and that are associated with the sale of a Texas specialty license plate, as authorized by Subchapter G, Chapter 504, Transportation Code, or other applicable statute; and

(B) all estimated balances and revenue collected by an agency or held in a fund or an account by or on behalf of an agency on or after September 1, 2007, and that are associated with the sale of a Texas specialty license plate, as authorized by Subchapter G, Chapter 504, Transportation Code or other applicable statute, during the 2008–09 biennium, including any new license plates that may be authorized or issued after September 1, 2007.

(2) Amounts appropriated by this section shall be used for purposes consistent with this Act and all applicable statutes.

(b) Any unexpended balance as of August 31, 2008, associated with an appropriation made by Subsection (a) of this section is hereby appropriated for the same purpose for use during the fiscal year beginning September 1, 2008.

(c) The following is an informational listing of estimated revenues and balances associated with certain Texas specialty license plates that are specifically referenced under Articles I–VIII of this Act. The Texas specialty license plates that are listed below are authorized by Subchapter G, Chapter 504, Transportation Code, or other applicable statute.

Specialty License Plate	Fund or Account Number	Estimated Balance on 8/31/07	Estimated Revenue FY2008	Estimated Revenue FY2009
Article I				
Commission on the Arts				
State of the Arts (Texas Commission on the Arts)	334	$0	$384,096	$384,097
Office of the Attorney General				
Lone Star Proud for Kids (Volunteer Advocate)	5036	$43,934	$56,000	$71,000
Cancer Council				
Texans Conquer Cancer	5090	$0	$12,000	$12,000
Trusteed Programs within the Office of the Governor				
Texas Aerospace and Aviation*	5110	$47,000	$10,000	$10,000
Texas Aerospace Commission	0001	$0	$13,000	$13,000
Texas.-It's Like a Whole Other Country	5053	$0	$23,000	$23,000
Native Texan (Daughters of the Republic of Texas)	5115	$0	$56,000	$56,000
Space Shuttle Columbia	0001	$0	$12,000	$12,000
Texas Music	5113	$0	$5,000	$5,000
Library & Archives Commission				
Texas Reads	5042	$1,000	$5,500	$5,500
Veterans Commission				
American Legion		$0		
Air Force Association	5123	$0	$7,500	$7,500
Article II**				
Department of Aging and Disability Services				
Special Olympics Texas	5055	$3,080	$3,080	$3,080
Department of Assistive and Rehabilitative Services				
I Love Texas (Comm for Deaf & Hard of Hearing)	5086	$8,117	$7,678	$7,678
Department of State Health Services				
Animal Friendly	5032	$1,600,000	$250,000	$250,000
Article III				
Texas Education Agency				
Read to Succeed	5027		$29,198	$29,198
YMCA	5089		$673	$673
100th Football Season of S. F. Austin High School	5058			
Share The Road	5121		$45,371	$45,371
Knights of Columbus	5118		$10,898	$10,898
Star Day School Library Readers are Leaders	-			
Keeping Texas Strong	-			
Higher Education Coordinating Board				
Mothers Against Drunk Driving	0001	$0	$4,800	$4,800
Houston Livestock Show and Rodeo	5034	$10,000	$29,000	$29,000
Collegiate License Plates	5015	$150,000	$75,000	$75,000
Girl Scouts	5052	$0	$13,500	$13,500
Cotton Boll	5119	$13,628	$6,000	$6,000
Boy Scouts of America	5126	$1,200	$7,200	$7,200
Higher Ed. Coor. Board “College for Texans”	-	$0		
Texas Forest Service				
Urban Forestry	5133	$2,500	$2,000	$2,000
Special Prov Relating Only to State Agencies of Higher Ed				
Collegiate License Plates	5015		$453,880	$453,880
Article VI				
Department of Agriculture				
Go Texan (Texas Agricultural Products)	5051		$5,000	$5,000
Parks and Wildlife Department				
Big Bend National Park	5030		$56,500	$56,500
Waterfowl & Wetland Conservation	5057		$20,000	$20,000
Texas PGA Junior Golf	0001		$0	$0
Marine Mammal Recovery	5120		$6,000	$6,000
Texas Lions Camp	5116		$6,000	$6,000

* The Texas Aerospace and Aviation specialty license plate is authorized by § 502.271 Transportation Code.
** In the agency bill patterns, the Article II agencies split their specialty license plate “Estimated Balance on 8/31/07” evenly between FY2008 and FY2009. All other agencies with specialty license plates put the entire balance into FY2008.

Sec. 13.11. **Information on Reductions in Administrative Appropriations.** From reductions taken elsewhere in this Act, appropriations from the General Revenue Fund have been reduced $9,867,358 in

fiscal year 2008 and $9,396,448 in fiscal year 2009; appropriations from various General Revenue–Dedicated accounts have been reduced a total of $2,364,634 in fiscal year 2008 and a total $2,385,599 in fiscal year 2009; and appropriations in Federal Funds have been reduced a total of $1,430,011 in fiscal year 2008 and a total of $1,430,011 in fiscal year 2009 as a result of reductions in administrative appropriations. The reduction in All Funds for fiscal year 2008 totals $13,662,003 and the reduction in All Funds for fiscal year 2009 totals $13,212,058.

PART 14. AGENCY DISCRETIONARY TRANSFER PROVISIONS

Sec. 14.01[~~6.08~~]. **Appropriation Transfers.**

(a) Subject to any specific restriction in another provision of this Act, an appropriation contained in this Act may be transferred from one appropriation item to another appropriation item in an amount not to exceed 12.5 percent of the appropriation item from which the transfer is made for the fiscal year, at the discretion of the chief administrative officer of the state agency or institution.

(b) As a specific exception to Subsection (a), funds appropriated for capital budget items are subject to restrictions contained elsewhere in this Act.

(c) Funds appropriated by this Act in items of appropriation that are part of a Goal for "Indirect Administrative and Support Costs" or "Indirect Administration" may also be transferred from one appropriation item to another appropriation item within that same Goal without limitation as to the amount of such a transfer.

(d) Appropriations made by this Act to each state agency or institution of higher education are not subject to transfer between agencies or institutions except under the provisions of interagency contract, budget execution statutes, or specific rider or statutory authorization.

{{{ DRAFTER'S COMMENT: Sec. 6.08 re-designated as Sec. 14.01. }}}

Sec. 14.02[~~6.09~~]. **Transfers for Contract Services.** Funds appropriated in the various Articles of this Act for "Employees Retirement System," "Social Security State Match," and "Benefit Replacement Pay" may be transferred between Articles for similar appropriation items for the purpose of paying employee benefits costs incurred by higher education institutions when those institutions have contracted to provide services to state agencies.

{{{ DRAFTER'S COMMENT: Sec. 6.09 re-designated as Sec. 14.02. }}}

Sec. 14.03[~~6.16~~]. **Limitation on Expenditures - Capital Budget.**

(a) Contained in appropriations made to certain agencies by this Act are amounts identified as the "Capital Budget." Except as provided under this section, none of the funds appropriated by this Act, in excess of amounts restricted to capital budget purposes, may be expended for capital budget purposes without the prior approval of the Governor and Legislative Budget Board.

(b) A request for approval to exceed the transfer limitation on capital budget expenditures under Subsection (i) must be submitted by the agency's governing board and must include at a minimum:

(1) the date on which the board approved the request;

(2) a statement justifying the need to exceed the limitation;

(3) the source of funds to be used to make the purchases; and

(4) an explanation as to why such expenditures cannot be deferred.

(c) This restriction does not apply to:

(1) expenditures for capital outlay items or projects that are not included in the definition of "Capital Budget" under Subsection (d); or

(2) expenditures for Capital Budget purposes made by:

(A) institutions of higher education; or
(B) public community/junior colleges.

(d) "Capital Budget" includes expenditures, for assets with a biennial project cost or unit cost in excess of $25,000, within the following categories:

(1) Acquisition of Land and Other Real Property (except for right-of-way purchases made by the Texas Department of Transportation);

(2) Construction of Buildings and Facilities;

(3) Repairs or Rehabilitation of Buildings and Facilities;

(4) Construction of Roads (except for such expenditures made by the Texas Department of Transportation);

(5) Acquisition of Information Resource Technologies;

(6) Transportation Items;

(7) Acquisition of Capital Equipment and Items; or

(8) Other Lease Payments to the Master Lease Purchase Program (for items acquired prior to September 1, 2007[~~2005~~] only).

(e) Any expenditure directly related to acquisition of an asset, or to placing an asset in service, may be paid from the appropriation made to the "Capital Budget."

(f) In implementing this section, the Comptroller should refer to the detailed instructions for preparing and submitting requests for legislative appropriations for the biennium beginning September 1, 2007[~~2005~~], and the definitions therein, and to the official request for legislative appropriations submitted by the affected agency.

(g) Appropriations restricted to capital budget purposes and not identified in a "Capital Budget" as being for lease payments to the master lease purchase program (MLPP) or for other lease-purchase payments may be utilized to make lease payments under MLPP or for other lease or installment payments only if the agency to which the appropriation is made provides a report to the Comptroller specifying the sum of the lease payments to be made during the biennium for the Capital Budget item being acquired. The Comptroller shall reduce the appropriation made by this Act for the Capital Budget item in an amount equal to the difference between the appropriated amount and the sum of the lease payments for the biennium and deposit that amount into the unappropriated balance of the original funding source. In the event that the Comptroller cannot determine the amount appropriated for a specific Capital Budget item, the amount shall be determined by the Legislative Budget Board.

(h) Funds restricted to "Acquisition of Information Resource Technologies" may also be used to purchase or contract for computer time, facility resources, maintenance, and training.

(i) (1) An agency may transfer appropriations:
(A) from a non-capital budget item to a capital budget item;
(B) from a capital budget item to another capital budget item; or
(C) from a capital budget item to an additional capital budget item not presented in the agency's bill pattern.

(2) Without the approval of the Governor and the Legislative Budget Board:

(A) the amounts transferred during a fiscal year as provided by Subdivision (1) of this Subsection (i) may not exceed 25 percent of either:
(i) the amount of the capital budget item, as presented in the agency's bill pattern from which funds are being transferred; or

(ii) the amount of the capital budget item, if presented in the agency's bill pattern, to which funds are being transferred;

(B) appropriations may not be transferred directly from a non-capital budget item to an additional capital budget item not presented in the agency's bill pattern;

(C) appropriations may not be transferred to an additional capital budget item that is not presented in the agency's bill pattern if that additional capital budget item was presented to a committee, subcommittee, or working group of the Eightieth[~~Seventy-ninth~~] Legislature but was not adopted by the Eightieth[~~Seventy-ninth~~]Legislature; and

(D) an agency that does not have a capital budget provision following its items of appropriation in this Act may not use funds appropriated by this Act for capital budget purposes.

(j) Any unexpended balances remaining in appropriations made by this Act for capital budget purposes for fiscal year 2008[~~2006~~] are hereby appropriated for fiscal year 2009[~~2007~~] for the same purpose.

(k) (1) Notwithstanding limitations on capital expenditures provided elsewhere, appropriations made by this Act that may be used for the payment of utility bills are hereby authorized to be used to pay for energy and water conservation-related projects, including lease payments under the state's Master Lease Purchase Program, entered into in accordance with energy and water conservation statutes.

(2) Capital expenditures for items that could be financed through the utility savings made possible by a comprehensive energy and water conservation contract authorized by § 2166.406, Government Code, are prohibited unless part of a comprehensive energy and/or water conservation contract authorized under § 2166.406, Government Code.

(3) Before authorizing expenditures for capital items that consume energy or water or that are related to the energy and/or water consumption of an agency's facilities, the Comptroller must verify that the items could not be part of a cost-effective contract for energy and water conservation measures authorized by § 2166.406, Government Code.

{{{ DRAFTER'S COMMENT: Sec. 6.16 re-designated as Sec. 14.03. }}}

Sec. 14.04[~~13.13~~]. **Disaster Related Transfer Authority.**

(a) In the event of a disaster proclamation by the Governor under the Texas Disaster Act of 1975, Chapter 418, Government Code, transfers of appropriations made in this Act, if necessary to respond to the disaster and if made according to the terms of this section, are permitted. No part of this Section 14.04 shall be read to limit, modify, or abridge the authority of the Governor to proclaim martial law or exercise any other powers vested in the Governor under the constitution or laws of this state.

(b) Health and Human Services Agencies: For a health and human services agency listed in Chapter 531, Government Code, that directly responds to the disaster, the Commissioner of Health and Human Services is authorized to transfer funds from another health and human services agency listed in Chapter 531, Government Code to the responding agency, and may transfer funds between the strategies of each agency for the purpose of funding the disaster response subject to the prior notification of the Legislative Budget Board and Governor as provided by Subsection (g)[~~(e)~~].

(c) Other Agencies: An agency other than a health and human services agency listed in Chapter 531, Government Code that directly responds to a disaster may transfer appropriations within the agency, without regard to any limits on transfer of appropriations between strategies, subject to the prior notification of the Legislative Budget Board and Governor as provided by Subsection (g)[~~(e)~~].

(d) Transfers Between Agencies: In the event that a transfer involving at least one agency not listed in Chapter 531, government Code is necessary in order to respond to a disaster, the agencies

involved in the transfer shall request approval from the Legislative Budget Board and the Governor for the emergency transfer of funds, pursuant to Article XVI, Section 69, Texas Constitution. Any request under this subsection should include the same information required in the recommended plan of transfer below, and a copy shall be provided to the Comptroller.

(e) Appropriation Transfers between Fiscal Years: Agencies responding to a disaster are authorized to transfer funds appropriated in fiscal year 2009 to fiscal year 2008, subject to the prior notification of the Legislative Budget Board and Governor as provided by Subsection (g).

(f) Unexpended Balances: Any unobligated balances from transfers made under Subsection (e) as of August 31, 2008, are appropriated to the agency for the same purpose for the fiscal year beginning September 1, 2008.

(g) Notification of Recommended Plan of Transfer.

(1) Recommended Plan of Transfer: A recommended plan of transfer submitted by an agency to the Governor and Legislative Budget Board under this section must include the following information:

(A) a copy of the appropriate disaster proclamation made under Chapter 418, Government Code;

(B) the amounts to be transferred (listed by method of finance);

(C) the agency or agencies affected;

(D) the programs affected by the transfer; and

(E) any other information requested by the Legislative Budget Board.

(2) Notification[~~and Approval~~]: An agency must notify the Legislative Budget Board, the Comptroller, the Governor, and any other agency involved in the transfer[~~at least 14 days~~] prior to the date of recommended transfers. The[~~If neither the Legislative Budget Board nor the Governor issue a written disapproval within 14 days of receipt of the agency recommended plan of transfer, the~~] Comptroller shall transfer the funds as recommended.

{{{ DRAFTER'S COMMENT: Sec. 13.13 re-designated as Sec. 14.04. }}}

PART 15. AGENCY NON-DISCRETIONARY TRANSFER PROVISIONS

Sec. 15.01[~~6.29~~]. **Reimbursements for Unemployment Benefits.**

(a) For the purposes of this section, "agency" includes a state agency as defined under § 2151.002, Government Code, which includes an institution of higher education (except a public junior college) as defined under § 61.003, Education Code.

(b) At the close of each calendar quarter, the Texas Workforce Commission shall prepare a statement reflecting the amount of unemployment benefits paid to all former state employees based on wages earned from state employment and present it to the Comptroller. The Comptroller shall pay by warrant or transfer out of funds appropriated from the Unemployment Compensation Special Administration Account No. 165 such amount to the Unemployment Compensation Benefit Account No. 937 to reimburse it for such payments.

(c) The Unemployment Compensation Special Administration Account No. 165 shall be reimbursed, as Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165, for one-half of the unemployment benefits paid, from appropriations made in this Act to the agency that previously employed each respective former state employee whose payroll warrants were originally issued in whole or part from the General Revenue Fund or dedicated General Revenue Fund accounts, Federal Funds, or Other Funds, such as Fund No. 006.

(d) From information related to unemployment benefits paid on behalf of previously employed former state employees provided by the Texas Workforce Commission, the Comptroller shall

determine the proportionate amount of the reimbursement or payment due from the General Revenue Fund, any General Revenue–Dedicated accounts, Federal Funds or Other Fund appropriations made elsewhere in this Act to agencies. The Comptroller shall transfer such amounts to the Unemployment Compensation Special Administration Account No. 165. The amounts reimbursed pursuant to this subsection are hereby appropriated to the Unemployment Compensation Special Administration Account No. 165 for the purpose of reimbursing the Unemployment Compensation Benefit Account No. 937, as Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165. The reimbursement requirements established by this subsection may be waived, either in whole or in part, by the Legislative Budget Board.

(e) In addition to other reimbursement provided by this section, the Unemployment Compensation Special Administration Account No. 165 shall be reimbursed, for one-half of the unemployment benefits paid, from amounts appropriated to the Reimbursements to the Unemployment Compensation Benefit Account item in this Act out of dedicated General Revenue Fund accounts or Other Funds and shall be fully reimbursed from funds held in local bank accounts, for all former state employees whose payroll warrants were originally issued in whole or part from dedicated General Revenue Fund accounts, Other Funds or local bank accounts, respectively. From information provided by the Texas Workforce Commission, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from funds other than General Revenue and transfer such funds to the Unemployment Compensation Special Administration Account No. 165. The amounts reimbursed from local funds pursuant to this subsection are hereby appropriated to the Unemployment Compensation Special Administration Account No. 165 for the purpose of reimbursing the Unemployment Compensation Benefit Account No. 937. Such transfers and payments as are authorized under law shall be made not later than the 30th day after the date of receipt of the statement of payments due.

(f) The Comptroller may prescribe accounting procedures and regulations to implement this section.

(g) The Comptroller, upon certification of amounts due from the Texas Workforce Commission, including the sources of such amounts due, may transfer funds from such agencies or other units of state government as the Texas Workforce Commission certifies remain due more than 30 days from receipt of the statement of payments due. The Texas Workforce Commission shall also determine the amounts due from funds held outside the state treasury and notify the State Auditor and Comptroller of such amounts.

{{{ DRAFTER'S COMMENT: Sec. 6.29 re-designated as Sec. 15.01. }}}

Sec. 15.02[~~6.30~~]. **Payments to the State Office of Risk Management (SORM).**

(a) In this section:

(1) "Agency" includes a state agency as defined under § 2151.002, Government Code, which includes an institution of higher education (except a public junior college) as defined under § 61.003, Education Code, and may also include any other unit of state government as defined by the rules of the SORM, which participates in cost allocation plan provided under this section;

(2) "Assessment" means the amount of the workers' compensation assessment placed on an agency by SORM as provided by this section and other relevant law; and

(3) "SORM" means the State Office of Risk Management.

(b) At the beginning of each fiscal year, the SORM shall prepare a statement reflecting the assessments due from all agencies and present it to the Comptroller.

(c) (1) Notwithstanding other provisions in this Act, agencies shall transfer to SORM seventy-five percent (75%) of their assessed allocation amounts for workers' compensation coverage for their employees from funding in the same proportion as their expected payroll funding, including General Revenue Funds, dedicated General Revenue Fund accounts, Other Funds or local bank accounts.

(2) On March 1 of each fiscal year SORM shall determine, based on actual costs since the beginning of the fiscal year and other estimated costs, the remaining assessment due from each agency. SORM shall prepare a statement reflecting the remaining assessments due from each agency and present the statement to the Comptroller. Each agency shall transfer to SORM the remaining assessed allocation amounts for workers' compensation coverage for their employees from funding in the same proportion as their expected payroll funding, including General Revenue Funds, dedicated General Revenue Fund accounts, Other Funds or local bank accounts.

(d) Transfers and payments as are authorized under law shall be made not more than 30 days from receipt of the statement of payments due.

(e) The Comptroller may prescribe accounting procedures and regulations to implement this section.

(f) Upon certification by SORM of amounts due, the Comptroller may transfer funds from an agency if the assessment amount due remains unpaid after more than 30 days from receipt of the statement of payments due.

(g) All funds recovered by SORM from third parties by way of subrogation are appropriated to SORM to be used for the payment of workers' compensation benefits to state employees and shall be retained in Strategy A.1.1, Workers' Compensation Payments, in whole for that purpose.

(h) Amounts not to exceed 2 percent in total of workers' compensation annual expenditures may be awarded to agencies by SORM for the purposes of risk management and loss prevention. In the event that Strategy A.1.1, Workers' Compensation Payments, funded by the annual assessments to agencies, exceeds 110 percent of the expected annual payments, the portion of the excess over 110 percent funded from all funding sources shall be returned to agencies. The excess returned to the agencies by SORM is appropriated to the agencies for expenditures consistent with the original funding source. An all funds excess of 10 percent or less will be used to lower the cumulative assessments to agencies the following year.

(i) In the event the total assessments in any year prove insufficient to fund expenditures, SORM may, with the approval of the Legislative Budget Board, temporarily utilize additional general revenue in an amount not to exceed 20 percent of the cumulative assessments for that fiscal year. Any additional general revenue funds will be utilized only for the purpose of temporary cash flow and must be repaid upon receipt of the following year's assessments in accordance with procedures established by the Comptroller. All transfers from and repayments to the General Revenue Fund shall be reported by SORM to the Legislative Budget Board.

(j) The reimbursement requirements established by this section may be waived or delayed, either in whole or in part, by the Legislative Budget Board.

(k) SORM shall require agencies to provide to SORM and agencies shall submit to SORM information regarding the specific funding sources from which agencies pay their assessed allocation amounts for workers' compensation coverage for their employees.

{{{ DRAFTER'S COMMENT: Sec. 6.30 re-designated as Sec. 15.02. }}}

Sec. 15.03[~~13.08~~]. **Contingency Appropriation Reduction.**

(a) After considering all other contingency riders in this Act and all legislation passed by the Eightieth[~~Seventy-ninth~~] Legislature that affects revenue, if the appropriations made by Articles I through X of this Act exceed the estimated available revenue, all appropriations made under this Act out of the General Revenue Fund and General Revenue–Dedicated accounts are hereby automatically reduced on a pro-rata basis by the amount necessary, if any, to ensure that the total amount appropriated does not exceed the estimated revenue, pursuant to Article 3, Section 49a, Texas Constitution; provided, however, that appropriations described under Subsection (c) of this section shall not be reduced.

(b) The Comptroller shall report the amount of the automatic reductions, if any, to the Governor and Legislative Budget Board.

(c) Appropriations described under this Subsection (c) that may not be reduced by an action taken pursuant to this section are as follows:

(1) Appropriations identified in Sec. 6.07[~~6.10~~] of Article IX;

(2) Appropriations made to the Texas Education Agency for the Foundation School Program in Strategies A.1.1, FSP-Equalized Operations, and A.1.2, FSP-Equalized Facilities;

(3) Appropriations made in Article IV of this Act;

(4) Appropriations made to the Teacher Retirement System;

(5) Appropriations made to the Optional Retirement Program;

(6) Appropriations made to the Higher Education Fund;

(7) Appropriations made for Debt Service Payments for Non-Self Supporting G.O. Water Bonds;

(8) Appropriations made for Compensation to Victims of Crime; and

(9) Appropriations designated as "estimated."

{{{ DRAFTER'S COMMENT: Sec. 13.08 re-designated as Sec. 15.03. }}}

Sec. 15.04[~~13.10~~]. **Appropriation Transfers: Billings for Statewide Allocated Costs.** As provided by Chapter 2106, Government Code, relating to billings to state agencies for the costs of support services allocated to agencies under the statewide cost allocation plan[~~which implements e-Texas Issue AFM-3 (2001)~~], the Comptroller shall transfer appropriations made to state agencies and institutions of higher education by this Act to the General Revenue Fund, under Articles I–VIII of this Act, in amounts which total an estimated $46[~~30~~] million for the biennium.

At least thirty days prior to making transfers of agency appropriations to the General Revenue Fund pursuant to this provision, the Comptroller shall develop and prepare a plan of reductions and notify the Legislative Budget Board and Governor of the amounts proposed for reduction by each agency.

{{{ DRAFTER'S COMMENT: Sec. 13.10 re-designated as Sec. 15.04. }}}

PART 16. LEGAL REPRESENTATION AND JUDGMENTS PROVISIONS

Sec.16.01[~~6.21~~]. **Court Representation and Outside Legal Counsel.**

(a) (1) Except as otherwise provided by the Constitution or general or special statutes, the Attorney General shall have the primary duty of representing the State in the trial of civil cases. The provisions of this section apply to the representation of a state governmental entity by outside legal counsel in all legal matters.

(2) Funds appropriated by this Act may not be used by a state governmental entity[~~Prior to expenditure of funds~~] for retaining outside legal counsel before the state governmental entity [~~agencies or departments (other than those included in Article X of this Act) shall~~] requests the Attorney General to perform such services.

(3) If the Attorney General determines that outside legal counsel is in the best interest of the State, the Attorney General shall so certify to the Comptroller and to the requesting a state governmental entity[~~agency~~] which may then utilize appropriated funds to retain outside legal counsel.

(4) Funds[~~However, funds~~] appropriated by this Act may not be used to contract with an outside legal counsel[~~an attorney~~] who represents clients before the state governmental entity [~~agency~~] or who has, during a six month period preceding the initiative of the contract and a six month period following the termination of the contract, represented clients before the state governmental entity[~~agency~~].

(5) A state governmental entity[~~An agency~~] may not initiate the process of selecting outside legal counsel prior to receiving the approval of the Attorney General to retain outside legal counsel.

(b) Funds appropriated by[~~in~~] this Act may not be expended by a state governmental entity[~~any agency of the state government (other than those included in Article X of this Act)~~] to initiate a civil suit or defend itself against a legal action without the consent of the Attorney General. Absent this consent, the state governmental entity[~~agency~~] shall be represented in that particular action by the Attorney General.

(c) On receipt of a request by a state governmental entity to retain[~~for~~] outside legal counsel, the Attorney General shall make a determination on the request as expeditiously as possible, but in no event later than 10 working days after receiving such request.

(d) Funds appropriated by this Act may not be used to pay compensation to outside legal counsel for representing a state governmental entity in the trial of a civil suit if[~~Where~~] the Attorney General, district attorney, criminal district attorney, county attorney, or other lawyer is required by constitutional or statutory provision to represent a state governmental entity[~~agency, state official, state board, or state department, compensation may not be paid from any appropriation made in this Act to any other attorney for representing the State in the trial of a civil suit~~] except in those cases where the Attorney General consents to such representation or the district attorney, criminal district attorney, county attorney, or other lawyer has requested that the attorneys employed by the particular state governmental entity[~~agency, state official, state department, or state board~~] assist with the trial of the particular civil suit.

(e) (1) This section does not restrict a state governmental entity[~~agency, state official, state department, or state board~~] in the investigation and assembling of evidence in connection with a pending or prospective civil suit.

(2) This section does not prohibit a[~~the foregoing~~] state governmental entity[~~officials, state agencies, state boards, or state departments and~~] or its[~~their~~] employees from investigating, filing, or presenting to any person a claim, owing to the State.

(f) This section does not restrict the Attorney General from employing special assistants to assist in the trial of civil suits to be paid from the appropriations therefore made to the Attorney General.

(g) If a state governmental entity[~~agency~~] requests the Attorney General to take legal action in court against another state governmental entity[~~agency~~], the Attorney General shall give special consideration to permitting one of the state governmental entities[~~agencies~~] to employ, from the permitted state governmental entity's[~~agency's~~] funds, outside legal counsel to represent that state governmental entity[~~agency~~] in that action, in order to avoid a conflict of interest by the Attorney General in the representation of both state governmental entities[~~agencies~~].

(h) If the Attorney General initiates legal action against another state governmental entity[~~agency~~] on behalf of the Attorney General rather than another state governmental entity[~~agency~~], the Legislature determines that a conflict of interest exists and the state governmental entity[~~agency~~] against which the Attorney General takes action may expend appropriated funds for outside legal counsel to represent that state governmental entity[~~agency~~] without the prior approval or consent of the Attorney General.

(i) Subsections (a) - (h) do not apply to funds appropriated to:

(1) the Office of the Governor;

(2) Comptroller;

(3) Department of Agriculture;

(4) General Land Office and Veteran's Land Board; or

(5) the Railroad Commission of Texas.

(j) Funds[~~The funds~~] appropriated by this Act may not be expended to pay the legal fees or expenses of outside legal counsel [~~a lawyer or law firm~~]that represents the State or any of its state governmental entities [~~agencies~~]in a contested matter if the outside legal counsel[~~a lawyer or law firm~~] is representing a plaintiff in a proceeding seeking monetary damages from the State or any of its state governmental entity[~~agencies~~].

(k) (1) Funds[~~None of the money~~] appropriated by this Act may not be expended by a state governmental entity for payment of legal fees or expenses under a contingent fee contract for legal services without the prior approval of the Legislative Budget Board.

(2) For purposes of this section, "state governmental entity" means a board, commission, department, office, or other agency in the executive branch of state government created under the constitution or a statute, including an institution of higher education.

(3) This section applies to all contingent fee contracts for legal services entered into by a state governmental entity, including legal services related to a *parens patriae* action or proceeding brought by a state governmental entity in the name of the state, except that this section does not apply to a contingent fee contract:

(A) for legal services performed for a state governmental entity in relation to the entity's actions as a receiver, special deputy receiver, liquidator, or liquidating agent in connection with the administration of the assets of an insolvent entity, including actions under Chapter 21A[~~Article 21.28~~], Insurance Code, or Chapters 36, 66, 96, or 126, Finance Code; or

(B) under which recoveries from more than one entity are contemplated and the expected amount of each recovery and the actual amount of each recovery do not exceed $100,000.

(l) Any litigation that results in settlement, court order or other arrangement providing revenues or financial benefits to the State of Texas shall be structured to require the entire amount due to be paid to the treasury.

(m) (1) None of the money paid to a state governmental entity (as a result of a settlement of litigation, or other arrangement providing revenues or financial benefits as a result of litigation) may be expended by any state government entity unless the Legislative Budget Board is notified in writing by the [~~Office of the~~] Attorney General regarding the terms of the settlement or other arrangement and by the state governmental entity receiving the money regarding the plans for the use of the money. The written notice must be delivered to the Legislative Budget Board as soon as practicable, but no later than the 20th day of the month following approval of the settlement or arrangement by a court.

(2) This subsection does not apply to a settlement of litigation, court order resulting from litigation, or other arrangement providing revenues or financial benefits as a result of litigation:

(A) for a state governmental entity in relation to the entity's actions as a receiver, special deputy receiver, liquidator, or liquidating agent in connection with the administration of the assets of an insolvent entity, including actions under Chapter 21A[~~Article 21.28~~], Insurance Code, or Chapters 36, 66, 96, or 126, Finance Code; or

(B) under which recovery to the state governmental entity does not exceed $500,000.

{{{ DRAFTER'S COMMENT: Sec. 6.21 re-designated as Sec. 16.01. }}}

Sec. 16.02[~~6.22~~]. **Judgments and Settlements.**

(a) The funds appropriated by this Act, including appropriations made in Article X of the Act, may not be expended for payment of a judgment or settlement prosecuted by or defended by the Attorney General and obtained against the State or a state agency, except:

(1) pursuant to this section; or

(2) where it is specifically provided in an item of appropriation that the funds thereby appropriated or expenditures therein authorized may be used for the payment of such judgments or settlements.

(b) The authorization provided by this subsection does 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. State agencies appropriated funds by this Act may expend funds appropriated elsewhere in this Act for the purposes of paying settlements and judgments against the state for causes brought in a federal court or a court in this state under specific statutory authority. Payments made pursuant to this subsection are subject to the following processes and limitations:

(1) such funds are to be paid out by the Comptroller on vouchers drawn by the agency settling the lawsuit or paying the judgment, subject to the approval of the Governor and of the Attorney General according to Subsection (d);

(2) for purposes of this subsection, "judgment" means a judgment order rendered in a federal court or a court in this state for which an appeal or rehearing, or application therefore, is not pending and for which the time limitations for appeal or rehearing have expired;

(3) the payment of a settlement or judgment may not exceed $250,000;

(4) the payment of the settlement or judgment would not cause the total amount of payments made by the payer agency for that fiscal year to exceed 10 percent of the total amount of funds available for expenditure by that agency for that fiscal year; and

(5) the payment of a settlement or judgment may be made only with a complete release from any and all related claims and causes against the State, and in the case of a judgment, the payment may be made only in full satisfaction of that judgment.

(c) (1) A state agency shall report a claim for property damage to the Attorney General not later than the second working day after the date the agency receives the claim.

(2) A state agency shall prepare a voucher for payment of a claim not later than the 10th working day after the date an agreement to settle the claim has been reached.

(d) Payment of all judgments and settlements prosecuted by or defended by the Attorney General is subject to approval of the Attorney General as to form, content, and amount, and certification by the Attorney General that payment of the judgment or settlement is a legally enforceable obligation of the State. This subsection applies equally to funds appropriated for expenditure through the state treasury, as well as funds appropriated for expenditure from funds held in local banks.

(e) The Attorney General shall report to the Legislative Budget Board and the Governor not less than monthly, a listing of all settlements and judgments of more than $5,000 submitted to the Comptroller for payment. The document for publication shall contain at least the following information unless all or part of the information is exempt by court order or Chapter 552, Government Code, (the Open Records Act):

(1) a summary of the cause of action;

(2) a summary of the terms of the settlement;

(3) the style of the case;

(4) the name and business address of each attorney representing the opposing litigants at the time of the settlement;

(5) the amount of the judgment or settlement;

(6) the fund or account from which payment was or should be made;

(7) the statutory citation for the appropriation or other authority to be made;

(8) specific statutes granting waiver of sovereign immunity or legislative resolution granting litigant permission to sue;

(9) the date of judgment or settlement; and

(10) other information as the Legislative Budget Board may request and in the form requested by the Legislative Budget Board.

(f) The State Auditor may verify compliance with this section for all funds appropriated in this Act, including funds that are retained and expended from accounts held outside the state treasury and that are not subject to reimbursement through funds held in the state treasury. On verification that an agency has not obtained the Attorney General's approval prior to payment of a judgment or settlement, the State Auditor may certify such fact to the Comptroller. The Comptroller may withhold all appropriations for administrative expenses for the involved agency, until the Legislative Audit Committee notifies the Comptroller that the agency's non-compliance has been reviewed and necessary recommendations or changes have been made.

{{{ DRAFTER'S COMMENT: Sec. 6.22 re-designated as Sec. 16.02. }}}

Sec. 16.03[~~6.23~~]. **Expenditures for Representatives of Grievants Prohibited.**

(a) The funds appropriated by this Act may not be used to pay expenses for salary, travel, or per diem of a public employee who represents grievants in the presentation of grievances concerning wages, hours of work, or conditions of work.

(b) Notwithstanding Subsection (a), a state employee may take annual leave, compensatory leave, or leave without pay, subject to the procedures established by the state employee's agency of employment, to engage in this activity.

{{{ DRAFTER'S COMMENT: Sec. 6.23 re-designated as Sec. 16.03. }}}

PART 17. GRANT-MAKING PROVISIONS

Sec. 17.01[~~6.03~~]. **Emergency and Deficiency Grants Out of Special Funds.** For the purposes of §§ 401.061 and 403.075, Government Code, appropriations to the Office of the Governor from "special funds" include excess revenues from General Revenue Fund–Dedicated accounts that were previously special funds above those estimated by the Comptroller in certifying this Act.

{{{ DRAFTER'S COMMENT: Sec. 6.03 re-designated as Sec. 17.01. }}}

Sec. 17.02[~~6.13~~]. **Limitation on Grants to Units of Local Government.**

(a) The funds appropriated by this Act may not be expended in the form of a grant to, or a contract with, a unit of local government unless the terms of the grant or contract require that the funds received under the grant or contract will be expended subject to limitations and reporting requirements similar to those provided by:

(1) Parts 2 and 3 of this Article (except there is no requirement for increased salaries for local government employees);

(2) § § 556.004, 556.005, and 556.006, Government Code;

(3) § § 2113.012 and 2113.101, Government Code;

(4) § 6.15[~~6.24~~] of this Article (Performance Rewards and Penalties);

(5) § 7.01 of this Article (Budgeting and Reporting);

(6) § 7.02 of this Article (Annual Reports and Inventories); and

(7) § 2102.0091, Government Code.

(b) In this section, "unit of local government" means:

(1) a council of governments, a regional planning commission, or a similar regional planning agency created under Chapter 391, Local Government Code;

(2) a local workforce development board; or

(3) a MHMR community center.

{{{ DRAFTER'S COMMENT: Sec. 6.13 re-designated as Sec. 17.02. }}}

Sec. 17.03[~~6.18~~]. **Grant Restriction.** Funds appropriated by this Act may not be expended for a grant to a law enforcement agency regulated by Chapter 1701, Occupations Code, unless:

(1) the law enforcement agency requesting the grant is in compliance with all rules developed by the Commission on Law Enforcement Officer Standards and Education; or

(2) the Commission on Law Enforcement Officer Standards and Education certifies that the requesting agency is in the process of achieving compliance with such rules.

{{{ DRAFTER'S COMMENT: Sec. 6.18 re-designated as Sec. 17.03. }}}

Sec. 17.04[~~6.27~~]. **Grants.**

(a) Funds appropriated by this Act for grants of money to be made by state agencies, including the agencies in the legislative branch, are appropriated for the statutory purposes as the grantor agency may specify. A state agency shall distribute grants on a reimbursement or as needed basis unless otherwise provided by statute or otherwise determined by the grantor agency to be necessary for the purposes of the grant.

(b) Funds appropriated by this Act for grants to be made by a state agency for a particular fiscal year may be distributed in subsequent fiscal years so long as the grant has been awarded and treated as a binding encumbrance by the grantor agency prior to the end of the appropriation year of the funds appropriated for grant purposes. Distribution of the grant funds is subject to § 403.071, Government Code.

{{{ DRAFTER'S COMMENT: Sec. 6.27 re-designated as Sec. 17.04. }}}

Sec. 17.05. **Grants for Political Polling Prohibited.** None of the funds appropriated by the Act may be granted to or expended by any entity which performs political polling. This prohibition regarding political polling does not apply to a poll conducted by an academic institution as a part of the institution's academic mission that is not conducted for the benefit of a particular candidate or party.

{{{ DRAFTER'S COMMENT: Sec. 6.32(b) re-designated as Sec. 17.05. }}}

~~PART 14. CONTINGENCY AND OTHER PROVISIONS~~

~~Sec. 14.01. **Contingency Appropriation for Senate Bill 978.**~~

~~(a) Contingent on passage of Senate Bill 978 or similar legislation by the Seventy-ninth Legislature, relating to expanding participation in the Model Fines Collection Program, and the Comptroller of Public Accounts issuing a finding of fact certifying the availability of an amount equal to $6,214,926 in additional, unappropriated balances in General Revenue and General Revenue-Dedicated Accounts in excess of the Comptroller's Biennial Revenue Estimate, excluding the Compensation to Victims of Crime Fund No. 469, in addition to the amounts appropriated elsewhere in this Act, appropriations to the following agencies are increased in the amounts and for the purposes indicated below. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified below as well as related employee benefit costs, the Comptroller of Public Accounts shall reduce the appropriation authority provided below to be within the amount of revenue expected to be available.~~

(b) Out of the General Revenue Fund:

	August 31, 2006	August 31 2007
(1) Office of Court Administration, Strategy A.1.1, Court Administration, to provide 4.0 full-time-equivalent positions and related funding to expand the Model Fines Collection Program.	$310,588	$268,668
(2) Comptroller of Public Accounts, Strategy A.1.1, Ongoing Audit Activities, to provide 5.0 full-time-equivalent positions in fiscal year 2006 and 8.0 full-time-equivalent positions in fiscal year 2007 and related costs to perform revenue audits related to the Model Fines Collection Program.	$244,500	$391,200
(3) Supreme Court of Texas, Strategy A.1.2, Basic Civil Legal Services, to provide additional funding for civil legal services for the indigent.	$1,500,000	$1,500,000
(4) Judiciary Section, Comptroller's Department, Strategy A.1.2, Visiting Judges–Regions	$918,345	$918,345
(5) Judiciary Section, Comptroller's Department, Strategy A.1.3, Visiting Judges–Appellate	$81,655	$81,655
Total	$3,055,088	$3,159,868

Sec. 14.02. **Contingency for House Bill 7.**

(a) Contingent upon the enactment of House Bill 7 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the creation of the Office of Injured Employee Counsel, amounts not to exceed $3,090,313 in fiscal year 2006 and $3,096,687 in fiscal year 2007, out of General Revenue Funds appropriated to the Workers' Compensation Commission by this Act for the 2006–07 biennium, and 91 full-time-equivalent positions in each fiscal year of the 2006–07 biennium shall be transferred to the Office of Injured Employee Counsel not later than March 1, 2006. In addition to the transfers identified in the previous sentence above, the Office of Injured Employee Counsel shall be appropriated, out of the General Revenue–Dedicated – Texas Department of Insurance Operating Fund No. 36, $1,636,000 in each fiscal year of the 2006–07 biennium and is authorized 31 additional full-time-equivalent positions in each fiscal year of the 2006–07 biennium. The salary for the Injured Employee Counsel position shall be authorized at the Group 3 Exempt Position salary level not to exceed $85,000 in each fiscal year of the 2006–07 biennium.

(b) Contingent upon the enactment of House Bill 7 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the transfer of the functions of the Workers' Compensation Commission to the Department of Insurance, all applicable riders, all applicable performance measures, and all funds and full-time-equivalent positions remaining after the transfers made according to the terms as stated above in subsection (a) of this rider that are appropriated to the Workers' Compensation Commission by this Act for the 2006–07 fiscal biennium shall be transferred to the Department of Insurance not later than February 28, 2006.

(c) Contingent upon the enactment of House Bill 7 by the Seventy-ninth Legislature, Regular Session, or similar legislation shifting the deposit of revenues collected from any workers' compensation maintenance taxes, application fees, or regulatory fees from the General Revenue Fund to the General Revenue–Dedicated – Texas Department of Insurance Operating Fund No. 36, money appropriated to the Workers' Compensation Commission by this Act for the 2006–07 fiscal biennium out of the General Revenue Fund, excluding funds appropriated out of the GR Dedicated – Subsequent Injury Account No. 5101, shall be appropriated in an equal amount out of the General Revenue–Dedicated – Texas Department of Insurance Operating Fund No. 36 and not out of the General Revenue Fund.

(d) Contingent upon the enactment of House Bill 7 by the Seventy-ninth Legislature, Regular Session, or similar legislation shifting the deposit of revenues collected from any workers' compensation maintenance taxes, application fees, or regulatory fees from the General Revenue Fund to the General Revenue–Dedicated – Texas Department of Insurance Operating Fund No. 36,

and contingent upon the receipt of revenue collections from workers' compensation maintenance taxes, application fees, and regulatory fees, the Workers' Compensation Commission, the Department of Insurance, and the Office of Injured Employee Counsel may temporarily utilize General Revenue Funds. 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, 2007.

(e) Contingent upon the enactment of House Bill 7 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the creation of a return-to-work pilot program for small employers, and notwithstanding any other provision in this Act, revenues collected from administrative penalties and appropriated to the Workers' Compensation Commission, not to exceed $100,000 in each fiscal year of the 2006-07 biennium, shall be used for the purpose of making eligible reimbursements under the provisions of the return-to-work pilot program.

(f) The Legislative Budget Board is authorized to resolve any disputes concerning the transfers identified in this rider.

Sec. 14.03. **Contingency Appropriation for House Bill 164 and Senate Bill 66.** Contingent upon the enactment of House Bill 164 or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to the civil and criminal consequences of engaging in conduct related to the manufacture of methamphetamine and to the distribution and retail sales of certain chemical substances, the Department of State Health Services is hereby appropriated $1,090,553 in fiscal year 2006 and $1,186,957 in fiscal year 2007 in General Revenue and $92,640 in fiscal year 2006 and $101,726 in fiscal year 2007 from General Revenue-Dedicated Account 5024 to implement the provisions of the bill.

Further, contingent upon the enactment of both House Bill 164 or similar legislation and Senate Bill 66 or similar legislation relating to the establishment of certain programs and initiatives designed to prevent the manufacture and use of methamphetamines, the Department of State Health Services is appropriated $80,060 in fiscal year 2006 and $80,060 in fiscal year 2007 in General Revenue to implement the provisions of the Senate Bill 66, including implementation of a methamphetamine watch program and prevention and education programs for private and public school students and their parents. In no event shall the total amounts appropriated herein exceed the amounts of additional revenue collected pursuant to House Bill 164.

Sec. 14.04. **Contingency Appropriation for House Bill 275.** Contingent on the enactment of House Bill 275 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the application fee for wine and beer retailer's permits and retail dealer's on-premise licenses, the Alcoholic Beverage Commission is appropriated an amount not to exceed $45,800 in fiscal year 2006 in Strategy D.1.2, Information Resources, from the General Revenue Fund. In no event shall the amount appropriated by this provision exceed the amount of additional revenue generated pursuant to House Bill 275.

Sec. 14.05. **Contingency Appropriation for House Bill 677.** Contingent upon the enactment of House Bill 677 or similar legislation relating to emergency services for sexual assault survivors, by the Seventy-ninth Legislature, Regular Session, the Department of State Health Services is hereby appropriated $53,511 in fiscal year 2006 and $62,927 in fiscal year 2007 out of additional revenue collected in the General Revenue-Dedicated Hospital Licensing account and certified by the Comptroller of Public Accounts pursuant to House Bill 677 for the purpose of implementing that Act. In no event shall the total amount appropriated herein exceed the amount of additional revenue collected pursuant to the Act in each fiscal year.

Sec. 14.06. **Contingency Appropriation for House Bill 972.** Contingent upon the enactment of House Bill 972, or similar legislation relating to the continuation and functions of the Texas Board of Chiropractic Examiners, by the Seventy-ninth Legislature, Regular Session, the Board of Chiropractic Examiners shall be appropriated in Strategy A.2.2, Enforcement Indirect Administration, the amount of $5,600 in fiscal year 2006 and $5,600 in fiscal year 2007 out of General Revenue in the Board of Chiropractic Examiners' bill pattern for the purpose of reimbursement of peer review committee members. Such appropriations are also contingent on the Board of Chiropractic Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $11,200 in excess of: (1) $2,317,000 (Object Codes 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, and (2) the $52,301 required to be raised in Rider 3, Contingent Revenue, above in the Board of Chiropractic Examiners' bill pattern. The Board of Chiropractic Examiners, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and

other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.

Sec. 14.07. **Contingency Appropriation for House Bill 1068.** Contingent on the enactment of House Bill 1068 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to forensic analysis and DNA testing, the Department of Public Safety is appropriated an amount not to exceed $3,494,950 in fiscal year 2006 and $2,081,650 in fiscal year 2007 in Strategy C.1.6, Crime Labs, from the State Highway Fund. In no event shall the amount appropriated by this provision exceed the biennial amount of additional revenue generated in the State Highway Fund pursuant to House Bill 1068.

Sec. 14.08. **Contingency for House Bill 1126.** Contingent on passage of House Bill 1126, or similar legislation relating to relating to exemptions from the law governing emergency medical services for certain transfer vehicles and staff and to the minimum qualifications for obtaining an emergency medical services provider license, by the Seventy-ninth Legislature, Regular Session, the Department of State Health Services is appropriated $128,000 for fiscal year 2006 and $67,000 for fiscal year 2007 from the Emergency Medical Services Account No. 512 for the purposes of implementing the provisions of the legislation. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to House Bill 1126.

Sec. 14.09. **Contingency Appropriation for House Bill 1361:** Animal Identification Program. In addition to amounts appropriated elsewhere in this Act and contingent upon passage of House Bill 1361, or similar legislation creating the Animal Identification Program, there is hereby appropriated to the Texas Animal Health Commission out of the General Revenue Fund an amount not to exceed $255,636 in fiscal year 2006 and $189,136 in fiscal year 2007 in fee revenues from premises registration fees for the program. These funds shall be used to administer the Animal Identification Program established through the legislation.

This appropriation is contingent upon new revenue being generated due to the passage of legislation and deposited to the credit of the General Revenue Fund in an amount at least equal to $444,772 for the 2006–07 biennium. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

Sec. 14.10. **Graduate Medical Education.** The Comptroller of Public Accounts shall adjust the amounts in the Graduate Medical Education strategies in Article III of this Act for the Health-Related Institutions for fiscal year 2006–07 by November 1, 2005 based on information provided by the Legislative Budget Board. The Higher Education Coordinating Board shall provide any information requested by the Legislative Budget Board for this adjustment by October 1, 2005.

Sec. 14.11. **Contingency Appropriation for House Bill 951:** Pipeline Right-of-Way Assessments. In addition to amounts appropriated elsewhere in this Act and contingent upon passage of House Bill 951, or similar legislation authorizing municipalities to assess charges to the owners or operators of pipelines located in rights-of-way, there is hereby appropriated to the Railroad Commission out of the General Revenue Fund in an amount not to exceed $297,934 in fiscal year 2006 and $286,884 in fiscal year 2007 in new revenues resulting from cost recovery by the Railroad Commission as provided in the legislation for costs incurred associated with the appeals of municipal assessments by oil and gas pipeline owners and operators.

Sec. 14.12. **Contingency for House Bill 1480.** Contingent on the enactment of House Bill 1480 or similar legislation, relating to the issuance of special license plates to benefit certain programs, the Higher Education Coordinating Board is appropriated the following amounts:

(a) In addition to the amounts appropriated in Strategy B.1.2, License Plate Scholarships, the Higher Education Coordinating Board is hereby appropriated out of the General Revenue Fund an amount equal to the amount collected under the provisions of the legislation above the Comptroller's 2006–07 Biennial Revenue Estimate not to exceed $4,800 in fiscal year 2006 and $4,800 in fiscal year 2007 for grants to benefit drug abuse prevention and education programs sponsored by Mother's Against Drunk Driving.

(b) In addition to the amounts appropriated in Strategy B.1.2, License Plate Scholarships, the Higher Education Coordinating Board is hereby appropriated out of the General Revenue Fund an

amount equal to the amount collected under the provisions of the legislation above the Comptroller's 2006-07 Biennial Revenue Estimate not to exceed $7,200 in fiscal year 2006 and $7,200 in fiscal year 2007 for grants to benefit educational projects sponsored by Boy Scouts Council in the State of Texas.

Sec. 14.13. **Contingency Appropriation for House Bill 1982:** Texas Certified Retirement Community Program. In addition to amounts appropriated elsewhere in this Act and contingent upon passage of House Bill 1982, or similar legislation creating the Texas Certified Retirement Community Program, there is hereby appropriated to the Texas Department of Agriculture out of the General Revenue Fund an amount not to exceed $65,071 in fiscal year 2006 and $47,978 in fiscal year 2007 in fee revenues from application fees for the program. These funds shall be used to administer the Texas Certified Retirement Community Program established through the legislation.

This appropriation is contingent upon new revenue being generated due to the passage of legislation and deposited to the credit of the General Revenue Fund in an amount at least equal to $113,049 for the 2006-07 biennium. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

Sec. 14.14. **Contingency for House Bill 2100.** Contingent on passage of House Bill 2100, or similar legislation relating to heirloom wedding anniversary certificates, by the Seventy-ninth Legislature, Regular Session, the Department of State Health Services is appropriated $300,000 for fiscal year 2006 and $300,000 for fiscal year 2007, out of the Childhood Immunization Account created under the provisions of the bill, for the purposes of implementing the provisions of the legislation. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to House Bill 2100.

Sec. 14.15. **Contingency for House Bill 2101.** Contingent on passage of House Bill 2101, or similar legislation relating to heirloom birth certificates, by the Seventy-ninth Legislature, Regular Session, the Department of State Health Services is appropriated $157,000 for fiscal year 2006 and $157,000 for fiscal year 2007, out of the Childhood Immunization Account created under the provisions of the bill, for the purposes of implementing the provisions of the legislation. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to House Bill 2101.

Sec. 14.16. **Contingency Appropriation for House Bill 2337.** Contingent on the enactment of House Bill 2337 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the use of information provided by an applicant for a driver's license or personal identification certificate in an image verification system, the Department of Public Safety is appropriated $7,447,447 in fiscal year 2006 in Strategy B.1.1, Driver License and Records, from the State Highway Fund.

Sec. 14.17. **Contingency for House Bill 2421 or Senate Bill 1096.** Notwithstanding any other provisions in this act and contingent upon the enactment of House Bill 2421, or Senate Bill 1096, or similar legislation by the Seventy-ninth Legislature, Regular Session, $41,500,000 of the amount transferred from the Employment and Training Investment Holding Fund to the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107, is hereby appropriated out of the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 to the Trusteed Programs Within the Office of the Governor, Strategy A.1.8, Texas Enterprise Fund, for the purposes of economic development initiatives in accordance with Government Code § 481.078.

Also contingent upon the enactment of House Bill 2421, or Senate Bill 1096, or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to funding for the Texas Enterprise Fund, Rider 24, Contingency Appropriation for Senate Bill 1096 in the Trusteed Programs Within the Office of the Governor's bill pattern, is hereby repealed.

Contingent upon the enactment of House Bill 2421, or Senate Bill 1096, or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to funding for the Skills Development Fund, the Texas Workforce Commission shall be appropriated $10,157,092 from General Revenue - Holding Trust Fund 5069 in fiscal year 2006 and $20,500,000 in fiscal year 2007 from the Skills Development Fund in Strategy A.2.1, Skills Development from revenue generated by House Bill 2421 or Senate Bill 1096.

Also contingent upon the enactment of House Bill 2421, or Senate Bill 1096, or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to funding for the Skills Development Fund, Rider

32, Contingency Appropriation for Senate Bill 1177 in the Texas Workforce Commission's bill pattern, is hereby repealed.

In no event shall the total amount appropriated by this rider exceed the amount of additional revenue collected pursuant to House Bill 2421 or Senate Bill 1096 in each fiscal year.

Sec. 14.18. **Contingency Appropriation for House Bill 2510:** On-Site Sewage Disposal System Service and Maintenance Licensing and Registration. In addition to amounts appropriated elsewhere in this Act and contingent upon passage of House Bill 2510, or similar legislation requiring persons engaged in on-site sewage disposal service and maintenance to obtain licenses and registrations from the Texas Commission on Environmental Quality (TCEQ), there is hereby appropriated to the TCEQ out of the Occupational Licensing Account No. 468 an amount not to exceed $166,960 in fiscal year 2006 and $127,470 in fiscal year 2007 in fee revenues collected from registrants and licensees pursuant to Water Code, Chapter 37. These funds shall be used to administer the licensing and administration program for persons engaged in on-site sewage disposal service and maintenance established through the legislation.

Sec. 14.19. **Petroleum Storage Tank Administration and Contingency Appropriation.** Out of funds appropriated above in Strategy D.1.1, Storage Tank Administration and Cleanup, not more than $7,385,406 in fiscal year 2006 and not more than $2,954,000 in fiscal year 2007 in gross receipts to the Petroleum Storage Tank Remediation (PSTR) Account No. 655 may be transferred to the Waste Management Account No. 549 for necessary expenses associated with the PSTR Account and the groundwater protection cleanup program, in accordance with Water Code, § 26.3573 (d)-(e). Furthermore, the Texas Commission on Environmental Quality (TCEQ) shall not transfer funds, from the PSTR Account No. 655 from Strategy D.1.1, Storage Tank Administration and Cleanup, to any other strategy.

For the purposes of implementing activities supported in Strategy D.1.1, Storage Tank Administration and Cleanup, the TCEQ is exempt from provisions of Article IX relating to the inclusion of temporary or contract workers in the calculation of the number of Full-Time-Equivalent (FTE) positions by a state agency.

Contingent upon passage of House Bill 3540, or similar legislation extending the PSTR program and maintaining the petroleum products delivery fee at the fiscal year 2005 level for the 2006-07 biennium, by the Seventy-ninth Legislature, Regular Session, and in addition to the amounts appropriated above in Strategy D.1.1., Storage Tank Administration and Cleanup, the TCEQ is hereby appropriated for the fiscal year beginning on September 1, 2006, $61,300,000 out of the PSTR Account No. 655 in revenues in excess of the Comptroller's Biennial Revenue Estimate (BRE) for the 2006-07 biennium. Notwithstanding provisions contained within this Act, an amount not to exceed $4,445,000 in revenues in excess of the Comptroller's BRE for the 2006-07 biennium may be transferred from the PSTR Account No. 655 to the Waste Management Account No. 549. Upon such transfer of funds and in addition to amounts appropriated above, an amount not to exceed $4,445,000 out of the Waste Management Account No. 549 is hereby appropriated for necessary administrative expenses associated with the PSTR Account and the groundwater protection cleanup program, in accordance with Water Code, § 26.3573 (d)-(e).

In addition, contingent upon legislation extending the PSTR program and maintaining the petroleum products delivery fee at the fiscal year 2005 level for the 2006-07 biennium, by the Seventy-ninth Legislature, Regular Session, the "Number of Full-Time-Equivalents (FTE)" figure indicated above for the TCEQ is hereby increased by 54 in fiscal year 2007.

Sec. 14.20. **Contingency Appropriation for House Bill 3112.** Contingent on the passage of House Bill 3112, or similar legislation by the Seventy-ninth Legislature, Regular Session, and the availability of federal homeland security funds for cyber security infrastructure, the Department of Information Resources is hereby appropriated $492,000 in Federal Funds in fiscal year 2006 and $3,592,000 in Federal Funds in fiscal year 2007 for the purpose of establishing a network security center to provide network security services to state agencies and local entities. In addition, the Department of Information Resources may expend amounts collected through interagency contracts with state agencies and receipts from local governments to provide network security services to state agencies and local entities.

Sec. 14.21. **Contingency Reduction in Appropriations for House Bill 3540.** Contingent upon the enactment of House Bill 3540, or similar legislation by the Seventy-ninth Legislature, Regular Session, implementing a recommendation from the Staff Performance Report related to the establishment of a multi-state drug purchasing pool, appropriations to the Health and Human Services Commission made above in Strategy B.2.2, Medicaid Vendor Drug Program are reduced by $5,626,901 in General Revenue

Funds and $8,682,720 in Federal Funds for fiscal year 2006, and $11,934,280 in General Revenue Funds and $18,256,157 in Federal Funds for fiscal year 2007 to reflect savings from the anticipated increase in supplemental rebates due to the states' increased purchasing power.

Sec. 14.22. **Contingency Appropriation for Senate Bill 6:** Guardianship Certification. Contingent upon the enactment of Senate Bill 6, or similar legislation by the Seventy-ninth Legislature, Regular Session, and contingent upon the establishment of a board to oversee certification of private professional guardians, out of General Revenue funds appropriated above in Article II, $65,000 for state fiscal year 2006 and $65,000 for state fiscal year 2007 shall be transferred from the Health and Human Services Commission to the Office of Court Administration (OCA) for providing staff support to the board established to oversee certification for private professional guardians. In addition, the Full-Time Equivalent (FTE) cap for the Office of Court Administration is hereby increased by 1 for each year of the 2006-07 biennium.

Any fees collected under Government Code Sec. 111.062 added by Senate Bill 6 or similar legislation by the Seventy-ninth Legislature, Regular Session, and deposited to the Guardianship Certification Account in the General Revenue fund are appropriated to the Office of Court Administration for the administration of this chapter (estimated to be $20,000 for the 2006–07 biennium).

Sec. 14.23. **Contingency Appropriation for Senate Bill 24.** Contingent upon the enactment of Senate Bill 24 or similar legislation relating to the creation of a donor education, awareness, and registry program and the establishment of an organ donor and tissue council and anatomical gift donation by the Seventy-ninth Legislature, Regular Session:

(a) The Department of State Health Services (DSHS) is hereby appropriated revenue generated from additional fees collected under the provisions of the bill for the purpose of implementing and administering the Donor Education, Awareness, and Registry Program and the Texas Organ, Tissue, and Eye Donor Council (estimated to be $414,720 in General Revenue in each fiscal year of the 2006–07 biennium); and

(b) The Department of Transportation is hereby appropriated the funds deposited to the State Highway Fund, under the provisions of the bill, to Strategy D.1.3, Registration and Titling, for initial costs incurred by the agency to implement the provisions of the bill (estimated to be $451,200 in State Highway Funds for the 2006–07 biennium). Any unexpended balances remaining as of August 31, 2006 in the appropriation made pursuant to this rider are hereby appropriated for the fiscal year beginning September 1, 2006. It is the intent of the Legislature that not more than 25 percent of the revenue generated under the provisions of the bill, may be deposited in the State Highway Fund for this purpose.

In no event shall the amount appropriated herein exceed the amount of additional revenue generated pursuant to Senate Bill 24.

Sec. 14.24. **Contingency for Senate Bill 40.** Contingent upon enactment of Senate Bill 40 by the Seventy-ninth Legislature, Regular Session, or other similar legislation relating to permanency planning procedures for children residing in state institutions, out of funds appropriated to the Department of Aging and Disability Services, the department shall allocate $164,096 in General Revenue Funds for fiscal year 2006 and $176,852 in General Revenue Funds for fiscal year 2007 to implement provisions of the bill.

Sec. 14.25. **Contingency Appropriation for Senate Bill 46.** Contingent upon enactment of Senate Bill 46 or similar legislation relating to the consolidation of recipient identification and benefits issuance by the Seventy-ninth Legislature, Regular Session, the Health and Human Services Commission shall expend out of appropriated funds an amount not to exceed $10,000,000 for the biennium in General Revenue to implement the provisions of the bill.

Sec. 14.26. **Contingency for Senate Bill 52.** Contingent upon enactment of Senate Bill 52 by the Seventy-ninth Legislature, Regular Session, or other similar legislation relating to competitive grant programs for aging and disability services, out of funds appropriated to the Department of Aging and Disability Services, the department shall allocate $75,000 in General Revenue Funds, $150,000 in All Funds for fiscal year 2006 and $75,000 in General Revenue Funds, and $150,000 in All Funds for fiscal year 2007 to implement provisions of the bill.

Sec. 14.27. **Health and Human Services.** Notwithstanding other provisions of this Act, the salary of the Commissioner of Health and Human Services shall be $200,000 per year.

Sec. 14.28. **Construction of Snyder Office.** Contingent on the donation of land, the Department of Public Safety is appropriated $1,180,085 in State Highway Funds in fiscal year 2006 in Strategy F.1.6, Physical Plant, for construction of a Snyder Office.

Sec. 14.29. **The University of Texas Health Science Center at San Antonio.** In addition to funds appropriated elsewhere in this Act, The University of Texas Health Science Center at San Antonio is appropriated $1.5 million in general revenue funds for fiscal year 2006 and $1.5 million in general funds fiscal year 2007 to allocated to Strategy E.1.3, Laredo Extension Campus.

Sec. 14.30. **Funding for the Abilene Campus at Cisco Junior College.** In addition to the funds appropriated elsewhere in this Act for Cisco Junior College, $216,500 in General Revenue is hereby appropriated to Strategy I.1.1, Academic Education, Cisco Junior College in fiscal year 2006 to fund contact hour growth associated with the new campus at Abilene.

Sec. 14.31. **Texas Museum of Music History.** Notwithstanding any other provisions in this Act it is the intent of the Legislature that $10 million in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available during the biennium for whichever entity is designated as the official Texas museum of music history by the Trusteed Programs within the Office of the Governor. The Texas Department of Transportation shall make available during the biennium $10 million in federal Transportation Enhancement Program funds administered by the department for the designated entity provided that such entity's project meets federal funding requirements of the Transportation Enhancement Program as defined by federal regulations of the U.S. Department of Transportation, Federal Highway Administration under Title 23 of the United States Code. The Texas Department of Transportation will review the Texas museum of music history project to determine if it meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover allowed costs of administering the Texas museum of music history project.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Texas museum of music history under the Transportation Enhancement Program to other available projects should the project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

Sec. 14.32. **Railroad Commission.** Increase the appropriations to the Railroad Commission out of the General Revenue Fund by $1,180,011 in each fiscal year of the 2006-07 biennium and $107,572 out of the General Revenue-Dedicated Alternative Fuels Research and Education Account No. 101 in each fiscal year of the 2006-07 biennium for the Oil and Gas Migration capital project, Oil and Gas Monitoring and Inspections (including 9.5 full-time equivalents per fiscal year), Pipeline and LP Gas Safety, and LP Gas Usage.

Sec. 14.33. **Umbilical Cord Blood Bank.** Out of funds appropriated above to the Health and Human Services Commission for fiscal year 2006, $1,000,000 in General Revenue is allocated for an unrelated donor umbilical cord blood bank, subject to the following limitations:

(a) The entity awarded a grant or contract by the Health and Human Services Commission shall provide local matching funds in an amount equal to funding provided by the Commission. The Comptroller shall certify that an appropriate amount of local matching funds have been made available prior to releasing state funding; and

(b) Any unexpended balances of these funds remaining as of August 31, 2006, are appropriated to the Health and Human Services Commission for the fiscal year beginning September 1, 2006 for the same purpose.

Sec. 14.34. **Reagan Building Project. I**ncluded in amounts appropriated to the Texas Building and Procurement Commission in Strategy C.2.1, Facilities Operation, out of General Obligation Bond proceeds, $3.0 million shall be used for completion of renovations to the John H. Reagan Building and other projects authorized under law.

Sec. 14.35. **Contingency Appropriation for General Revenue-Dedicated Coastal Protection Account No. 027.** Contingent upon: a) the passage of legislation modifying the limitation on the use of the funds in the General Revenue-Dedicated Coastal Protection Account No. 027 by the Seventy-ninth Legislature, Regular Session, and b) the Comptroller of Public Accounts certifying revenue to the General Revenue-Dedicated Coastal Protection Account No. 027 of at least $40,784,477 for the 2006-07

biennium, $8,911,030 in General Revenue–Dedicated Coastal Protection Account No. 027 in fiscal year 2006 and $5,692,057 in General Revenue–Dedicated Coastal Protection Account No. 027 in fiscal year 2007 is appropriated for coastal erosion control projects and activities in Strategy A.1.1, Coastal Erosion Grants.

In addition, contingent on the passage of this legislation, the number of full-time-equivalent (FTE) positions authorized for the General Land Office and Veterans' Land Board is increased by 38 FTEs (26.0 FTEs per fiscal year in Strategy B.1.1, Coastal Management, and 12.0 FTEs per fiscal year in Strategy B.1.2, Coastal Erosion) for the purpose of implementing projects and activities funded by the appropriations made in this section.

In addition, contingent on the passage of legislation, the General Land Office is hereby authorized to transfer, in addition to appropriation transfers authorized elsewhere in this Act for the Coastal Protection Account No. 027, an additional 10 percent of appropriations made out of Coastal Protection Account No. 027 from the Trusteed Programs Within the General Land Office to Strategy B.1.1, Coastal Management, and Strategy B.1.2, Coastal Erosion, of the General Land Office and Veterans' Land Board.

Sec. 14.36. **School Readiness Models.** Out of federal funds appropriated to the Texas Workforce Commission in Strategies A.3.1, TANF Choices Child Care; A.3.2, Transitional Child Care; and A.3.3, At-risk Child Care, up to $50 million for the biennium shall be made available to child care providers participating in integrated school readiness models developed by the State Center for Early Childhood Development at the University of Texas Health Science Center. This initiative shall be implemented in a way to avoid any decline in the number of children receiving child care during the 2006–07 biennium.

Sec. 14.37. **Contingency Appropriation for Senate Bill 165.** Contingent upon the enactment of Senate Bill 165, or similar legislation relating to the regulation of private process servers, by the Seventy-ninth Legislature, Regular Session, the Department of Licensing and Regulation shall be appropriated in Strategy A.1.1, License, Register, and Certify, the amount of $210,079 in fiscal year 2006 and $198,079 in fiscal year 2007, and Strategy B.1.3, Resolve Complaints, the amounts of $112,325 in fiscal year 2006 and $105,125 in fiscal year 2007 out of General Revenue for the purpose of implementing that Act. Such appropriations are also contingent on the Department of Licensing and Regulation assessing fees sufficient to generate, during the 2006–07 biennium, $692,048 in excess of: (1) $14,592,000 (Object Codes 3146, 3147 and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2006 and 2007, and (2) the $1,954,401 required to be raised in rider 11, Contingent Revenue, above in the Department of Licensing and Regulation's bill pattern. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 3.5 FTEs in each fiscal year contingent upon the Department of Licensing and Regulation meeting the above revenue target. The Department of Licensing and Regulation, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.

Sec. 14.38. **Contingency Appropriation for a Judicial Salary Increase.**

(a) Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges, and the Comptroller of Public Accounts issuing a finding of fact certifying additional revenue collections from fees, fines, and court costs during the 2006–07 biennium that exceed the Comptroller of Public Accounts Biennial Revenue Estimate for these items by at least $22,596,639 in fiscal year 2006 and $23,665,289 in fiscal year 2007, the Comptroller of Public Accounts is hereby appropriated an amount estimated to be to $39,542,928 out of the Judicial Fund No. 573 and $6,719,000 out of the General Revenue Fund to fund a salary increase described in Subsection (b) of this section and related benefits costs for state judges and other court personnel linked to the salary of state judges in the Government Code, and to fund the creation of new district courts as described in Subsection (k) of this section.

(b) As used in this section, "salary increase" shall mean an increase in annual salary for state judges to begin on September 1, 2005 and September 1, 2006, or on another date, contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges.

(c) Any increase in employee benefits costs associated with the salary increase as described above shall be paid only out of the appropriations made above in Subsection (a), including $6,679,000 out of the General Revenue Fund for the purposes of funding the increased costs to the Judicial Retirement System – Plan I.

(d) Provisions requiring salaries and benefits to be proportional to the source of funds shall apply to all sums allocated under this section, except as otherwise provided. Each court or agency shall pay the increase in compensation from funds held in the state treasury and from local funds in the same proportion as the employee's regular compensation.

(e) The Comptroller of Public Accounts shall promulgate rules and regulations as necessary to administer this section. Funds appropriated in this section shall be allocated to each court or agency, and to the appropriate employee benefit appropriation items, in accordance with such rules and regulations and may be used only for the purpose of providing a salary increase and paying associated employee benefit costs.

(f) This section does not authorize an increase of exempt salary rates above the rates provided in Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges.

(g) Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges, the Comptroller shall increase appropriations out of the Judicial Fund No. 573 and decrease appropriations out of the General Revenue Fund by $3,054,000 in fiscal year 2006 and by $3,665,000 for Strategy D.1.1, District Judges, out of funds appropriated elsewhere in this Act to the Judiciary Section, Comptroller's Department.

(h) Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges that redirects payments for salary supplements for local administrative judges from Government Code § 659.0125 to Government Code § 659.012(d), the description for Strategy A.1.4, Local Administrative Judge Supplement in the bill pattern for the Judiciary Section, Comptroller's Department is replaced with the following description: Per Government Code § 659.012(d).

(i) Included in amounts appropriated above in Subsection (a) is $20,000 out of the General Revenue Fund for each fiscal year for the purposes of funding $5,000 salary supplements to additional judges eligible for such supplements under Government Code § 659.012(d).

(j) Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges that increases the state salary supplement paid to certain constitutional county judges under Government Code, 26.006(a) the name and description for Strategy C.1.1, Constitutional County Judge General Revenue Supplement in the bill pattern for the Judiciary Section, Comptroller's Department is replaced with the following name and description: Constitutional County Judge General Revenue and Judicial Fund No. 573 Supplement: Salary supplement per Gov. Code 26.006. Estimated.

(k) Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges and contingent on passage of Senate Bill 1189 or similar legislation by the Seventy-ninth Legislature, Regular Session, included in amounts appropriated above in Section (a) is an amount estimated to be $475,125 in fiscal year 2006 and estimated to be $932,775 in fiscal year 2007 out of the Judicial Fund No. 573 to the Judiciary Section, Comptroller's Department for additional district courts created effective on or after September 1, 2005. Also contingent on passage of Senate Bill 1189 or similar legislation the "Number of Full-Time-Equivalent Positions (FTE)" for the Judiciary Section, Comptroller's Department is hereby increased by 5.0 FTEs in fiscal year 2006 and 12.0 FTEs in fiscal year 2007 for the new district courts (estimated to be 12.0 FTEs).

Sec. 14.39. **Contingency Appropriation for Senate Bill 410.**

(a) Contingent upon the enactment of Senate Bill 410, or similar legislation relating to the continuation and functions of the Texas State Board of Pharmacy, by the Seventy-ninth Legislature, Regular Session, the Board of Pharmacy shall be appropriated in Strategy A.1.1, Licensing, the amount of $29,754 in fiscal year 2006 and $6,100 in fiscal year 2007, and Strategy B.1.1, Enforcement, the amounts of $175,775 in fiscal year 2006 and $150,782 in fiscal year

2007 out of General Revenue for the purpose of implementing that Act. Such appropriations are also contingent on the Board of Pharmacy assessing fees sufficient to generate, during the 2006–07 biennium, $431,539 in excess of: (1) $8,272,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2006 and 2007, and (2) the $242,037 required to be raised in rider 2, Contingent Revenue, above in the Board of Pharmacy's bill pattern. Also, the "Number of Full-time Equivalent Positions (FTE)" indicated in the Board of Pharmacy's bill pattern shall be increased by 3.0 FTEs in each fiscal year contingent upon the Board of Pharmacy meeting the above revenue target. The Board of Pharmacy, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.

(b) Also, contingent upon the enactment of Senate Bill 410 or similar legislation by the Seventy-ninth Legislature, Regular Session, abolishing the General Revenue–Dedicated – Pharmacy Board Operating Account No. 523 and directly or indirectly providing for the deposit of revenue collected by the Board of Pharmacy to the undedicated portion of the General Revenue Fund, money appropriated to the Board of Pharmacy during the state fiscal biennium beginning September 1, 2007[2005], is appropriated out of the General Revenue Fund.

Sec. 14.40. **Contingent on Senate Bill 411.** Contingent upon the enactment of Senate Bill 411, or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to the regulation of barbers and cosmetologists by the Texas Department of Licensing and Regulation and the abolition of the State Board of Barber Examiners and the Texas Cosmetology Commission, in the Texas Department of Licensing and Regulation's bill pattern by decreasing $239,099 in fiscal year 2006 and $238,458 in fiscal year 2007 from General Revenue from Strategy D.2.1, Cosmetology Enforcement and decrease $85,901 in fiscal year 2006 and $86,542 in fiscal year 2007 from General Revenue from Strategy F.1.1, Barbers Investigations.

Sec. 14.41. **Contingency Appropriation for Senate Bill 419.** Contingent upon the enactment of Senate Bill 419, or similar legislation relating to the continuation and functions of the Texas State Board of Medical Examiners, by the Seventy-ninth Legislature, Regular Session, the Board of Medical Examiners shall be appropriated in Strategy B.1.1, Enforcement, the amounts of $213,992 in fiscal year 2006 and $212,072 in fiscal year 2007 out of General Revenue in the Board of Medical Examiners bill pattern for the purpose of implementing that Act. Such appropriations are also contingent on the Board of Medical Examiners assessing fees sufficient to generate, during the 2006–07 biennium, $426,064 in excess of $28,642,000, (Object Codes 3560, 3562 and 3572), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2006 and 2007. The Board of Medical Examiners, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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.

Sec. 14.42. **Contingency Appropriation for Senate Bill 696.** Contingent on the enactment of Senate Bill 696 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the testing and examination fee requirements for certain provisional license holders, the Department of Public Safety is appropriated an amount not to exceed $131,836 in fiscal year 2006 and $125,722 in fiscal year 2007 in Strategy B.1.1, Driver License and Records, from the General Revenue Fund. In no event shall the amount appropriated by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 696.

Sec. 14.43. **Contingency for Senate Bill 727.** Contingent upon enactment of Senate Bill 727 or similar legislation authorizing the transfer of administration of the Public Information Act from the Texas Building and Procurement Commission to the Office of the Attorney General:

(a) the appropriations to the Texas Building and Procurement Commission are hereby reduced by $46,000 in General Revenue and 0.75 full-time equivalents (FTEs) in Strategy E.1.3, Other Support Services, in each fiscal year of the biennium; and

(b) appropriations to the Office of the Attorney General are hereby increased by $46,000 in General Revenue and 0.75 full-time equivalents (FTEs) in Strategy A.1.1, Legal Services, in each fiscal year of the biennium.

Sec. 14.44. **Contingency Appropriation for Senate Bill 785:** Regulation of Quarries. In addition to amounts appropriated elsewhere in this Act and contingent upon passage of Senate Bill 785, or similar legislation requiring quarries to obtain permits from the Texas Commission on Environmental Quality (TCEQ), there is hereby appropriated to the TCEQ out of the Clean Air Account No. 151 an amount not to exceed $250,000 in fiscal year 2006 and $220,471 in fiscal year 2007 in fee revenues from quarry permit fees. These funds shall be used to administer the quarry permitting program established through the legislation.

Sec. 14.45. **Contingency Appropriation for Senate Bill 1112.** Contingent upon the enactment of Senate Bill 1112, or similar legislation relating to debt management services: providing a penalty, by the Seventy-ninth Legislature, Regular Session, the Office of Consumer Credit Commissioner shall be appropriated in Strategy B.1.1, Examination and Enforcement, the amounts of $66,400 in fiscal year 2006 and $61,900 in fiscal year 2007 and in Strategy B.2.1, Licensing Investigation, the amounts of $14,000 in fiscal year 2006 and $14,000 in fiscal year 2007 out of General Revenue in the Office of Consumer Credit Commissioner's bill pattern for the purpose of regulating Consumer Debt Management Service providers. Such appropriations are also contingent on the Office of Consumer Credit Commissioner assessing fees sufficient to generate, during the 2006–07 biennium, $187,538 in excess of: (1) $6,792,000 (Object Codes 3172,3174, and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, and (2) the $454,462 required to be raised in Rider 5, Contingent Revenue, above in the Office of Consumer Credit Commissioner's bill pattern. The Office of Consumer Credit Commissioner, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 1112.

Sec. 14.46. **Contingency Appropriation for Senate Bill 1143.** Contingent upon the enactment of Senate Bill 1143, or similar legislation relating to a loan secured by personal property with limited recourse against the borrower, by the Seventy-ninth Legislature, Regular Session, the Office of Consumer Credit Commissioner shall be appropriated in Strategy B.1.1, Examination and Enforcement, the amounts of $180,500 in fiscal year 2006 and $170,500 in fiscal year 2007 and in Strategy B.2.1, Licensing Investigation, the amounts of $27,000 in fiscal year 2006 and $27,000 in fiscal year 2007 out of General Revenue in the Office of Consumer Credit Commissioner's bill pattern for the purpose of regulating limited recourse secured loan lenders. Such appropriations are also contingent on the Office of Consumer Credit Commissioner assessing fees sufficient to generate, during the 2006–07 biennium, $483,812 in excess of: (1) $6,792,000 (Object Codes 3172,3174, and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, and (2) the $454,462 required to be raised in Rider 5, Contingent Revenue, above in the Office of Consumer Credit Commissioner's bill pattern. The Office of Consumer Credit Commissioner, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. 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. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 1143.

Sec. 14.47. **Contingency for Senate Bill 1239.** Contingent on the passage of Senate Bill 1239 or similar legislation relating to a risk assessment program for Type 2 diabetes and the creation of the Type 2 Diabetes Risk Assessment Program Advisory Committee, by the Seventy-ninth Legislature, Regular Session, the appropriation made above for the University of Texas at Pan American in Strategy C.2.6, Texas/Mexico Border Health, is transferred to the Department of State Health Services in Strategy A.3.1, Cardiovascular Disease, Diabetes and Injury Prevention, in the amount of $290,938 in General Revenue in each fiscal year of the 2006–07 biennium for the purpose of implementing the provisions of the legislation.

Sec. 14.48. **Contingency Appropriation for Senate Bill 1311.** Contingent on passage of Senate Bill 1311, or similar legislation relating to the establishment of an off-highway vehicle trail and recreational

area program, by the Seventy-ninth Legislature, Regular Session, the Texas Parks and Wildlife Department is appropriated $200,000 in fiscal year 2006 and $160,000 in fiscal year 2007 out of the Off-Highway Vehicle Trail and Recreational Area Account in Strategy B.2.2, Boating Access and Other Grants, for the purpose of providing a state match to federal funds available for off-highway recreational program development.

Sec. 14.49. **Contingency Appropriation for Senate Bill 1370.** Contingent upon the passage of Senate Bill 1370 or similar legislation by the Seventy-ninth Legislature, Regular Session:

(a) The Texas Cooperative Extension is appropriated out of the General Revenue Fund $50,000 each fiscal year to be used in Strategy C.1.1, Economic Competitiveness for extension viticulture operations;

(b) The Texas Agricultural Experiment Station is appropriated out of the General Revenue Fund $50,000 each fiscal year to be used in Strategy A.1.1, Agricultural/Life Sciences Research for viticulture research;

(c) Texas Tech University is appropriated out of the General Revenue Fund $65,000 each fiscal year to be used in Strategy C.2.3, Emerging Technologies Research for the Texas Wine Marketing Research Institute;

(d) The Texas Department of Agriculture is appropriated out of the General Revenue Fund $280,000 each fiscal year to be used in Strategy A.1.1, Generate Marketing Opportunities for distribution to institutions of higher education for enology research and an additional $3,100,000 to be deposited in the general revenue fund to the credit of the wine industry development fund to support the development of the wine industry and increase the economic impact of the wine industry on the state;

(e) Public Community/Junior Colleges is appropriated $50,000 out of the General Revenue Fund each fiscal year to be used in Strategy S.1.2, Vocational/Technical Education to fund the T.V. Munson Viticulture and Enology Center at Grayson Community College; and

These appropriations are contingent upon a finding of fact by the Comptroller that the revenue generated by wine excise tax and sales tax from winery permit holders and holders of out-of-state winery shippers' permits exceeds the Comptroller's Biennial Revenue Estimate by $4,000,000 for the biennium. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

Sec. 14.50. **Contingency Appropriation for Senate Bill 1581.** Contingent upon enactment of Senate Bill 1581, or similar legislation relating to the creation of a state pharmacy assistance program by the Seventy-ninth Legislature, Regular Session, and contingent upon receiving the necessary designation for a state pharmacy assistance program for individuals receiving community mental health services, the Department of State Health Services' appropriation is reduced by $15,971,248 for the biennium in General Revenue. Contingent upon enactment of Senate Bill 1581 and contingent upon receiving the necessary designation for a state pharmacy assistance program for individuals receiving Primary Health Care services, the Department of State Health Services' appropriation is reduced by $192,356 for the biennium in General Revenue. Contingent upon enactment of Senate Bill 1581 and the designation of a state pharmacy assistance program, the Health and Human Services Commission is appropriated $4,300,000 for the biennium in General Revenue to implement the provisions of the legislation. The Comptroller of Public of Accounts shall not implement the reductions or increases to appropriations authorized under this provision until the Health and Human Services Commission certifies to the Legislative Budget Board, Governor, and the Comptroller of Public Accounts that such designation is secured.

Sec. 14.51. **Contingency Appropriation for Senate Bill 1667:** Transfer of Radioactive Waste Regulation. Contingent upon passage of Senate Bill 1667, or similar legislation relating to the transfer of radioactive waste regulation from the Department of State Health Services to the Texas Commission on Environmental Quality (TCEQ), or similar legislation by the Seventy-ninth Legislature, Regular Session, all powers, duties, obligations, rights, contracts, records, property, equipment, personnel, and funds appropriated to the Department of State Health Services (DSHS) for the regulation of the commercial storage and processing and the disposal of radioactive waste, except those related to the regulation of oil and gas naturally occurring radioactive material (NORM) waste, are hereby transferred to the TCEQ,

including $447,608 out of the General Revenue Fund in each fiscal year of the biennium and 8 Full-Time Equivalents (FTE). The TCEQ shall use this appropriation to regulate radioactive waste pursuant to Health and Safety Code, Chapter 401.

In addition, there is hereby appropriated to the TCEQ fee revenues deposited to the credit of the General Revenue Account No. 0001, Object Code 3589, pursuant to the passage of legislation, $1,181,156 in fiscal year 2006 and $1,064,656 in fiscal year 2007. The "Number of Full-Time Equivalents (FTE)" figure for the TCEQ indicated herein is hereby increased by 8 for each fiscal year of the biennium beginning September 1, 2005.

The Legislative Budget Board is hereby authorized to resolve any disputes concerning the transfer of appropriations and FTEs from the DSHS to the TCEQ.

Sec. 14.52. **Contingency Appropriation for Senate Bill 1670.** Contingent upon the enactment of Senate Bill 1670 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to a motor vehicle financial responsibility verification program, the Department of Transportation shall be appropriated $5,955,987 in fiscal year 2006 and $1,946,781 in fiscal year 2007 out of State Highway Fund No. 006 for the implementation of a motor vehicle financial responsibility verification program.

Sec. 14.53. **Contingency Appropriation for Senate Bill 1704.** Contingent on passage of Senate Bill 1704, or similar legislation relating to juror pay by the Seventy-ninth Legislature, Regular Session, the Comptroller of Public Accounts is appropriated an amount estimated to be $7,423,000 in fiscal year 2006 and an amount estimated to be $12,981,000 in fiscal year 2007 out of the Judicial Fund No. 573 for the purposes of implementing the provisions of the legislation. Any amounts deposited to the credit of Judicial Fund No. 573 in excess of estimated amounts for juror pay are hereby appropriated to the Comptroller for the same purpose. Any unexpended balances of these funds remaining as of August 31, 2006 are hereby appropriated to the Comptroller for the fiscal year beginning September 1, 2006 for the same purpose.

Sec. 14.54. **Contingency Appropriation for Senate Bill 1685.** Contingent upon the enactment of Senate Bill 1685 or similar legislation relating to the licensing and regulation of wholesale drug distributors by the Seventy-ninth Legislature, Regular Session, the Department of State Health Services is appropriated revenue not to exceed $92,640 in fiscal year 2006 and $101,726 in fiscal year 2007 from the collection of fees deposited to General Revenue–Dedicated Account 5024 above amounts identified in the Comptroller of Public Accounts' Biennial Revenue Estimate. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 1685.

Sec. 14.55. **Health Care Facilities.** In addition to funds appropriated elsewhere in this Act for the use of the Department of State Health Services, for fiscal year 2006, Strategy D.1.5., Health Care Facilities, the Department is hereby appropriated $13.5 million from the General Revenue Fund, to be allocated by use of an interagency agreement to health care related facilities in Midland to be operated by the Texas Tech University Health Sciences Center for an OB-GYN Medical Residency Program and a Physician's Assistant Program. The appropriated funds shall be expended in accordance with contractual agreements between the Department and the Texas Tech University Health Sciences Center.

Sec. 14.56. **Debt Collections.** Contingent upon the enactment of House Bill 2233, or similar legislation by the Seventy-ninth Legislature, Regular Session, and to the extent that an agency contracts with one or more persons to collect delinquent or past due obligations in accordance with Section 2107.003, Government Code, as amended, all sums necessary to pay any contract costs to the person or persons under contract and any court costs collected to the court entitled to the court costs are hereby appropriated to the agency from the collection proceeds. The balance of the 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 and are not appropriated for use by the agency.

Sec. 14.57. **Appropriation from General Revenue–Dedicated Account and Funds Consolidation.** If funds appropriated under this Act from a General Revenue–Dedicated Account should be unavailable because of the funds consolidation process, then the appropriation made under this Act shall be considered to have been made from the General Revenue Fund.

Sec. 14.58. **Contingency Appropriation for House Bill 2223.** Contingent on the enactment of House Bill 2223 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the making of a notation on a forged check by a financial institution, the Savings and Loan Department shall be appropriated any revenue from fees collected as a result of the implementation of that Act that are in

~~excess of the amounts included in the Comptroller's Biennial Revenue Estimate for the 2006–07 biennium that may be used for the purposes of the legislation. In no event shall the amount appropriated by this provision exceed the amount of additional revenue generated pursuant to House Bill 2223.~~

~~Sec. 14.59. **Contingency Appropriation for Senate Bill 1850.** Contingent on the enactment of Senate Bill 1850 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the regulation of certain businesses that sell beer or wine in certain counties, the Alcoholic Beverage Commission is appropriated an amount not to exceed $173,194 in fiscal year 2006 and $129,994 in fiscal year 2007 from the General Revenue Fund. In no event shall the amount appropriated by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 1850.~~

~~Sec. 14.60. **Legislative Intent on Public School Funding.** Contingent on the passage of House Bill 2, it is the intent of the Legislature that appropriations made in this Act and in House Bill 10 will be sufficient to increase funding to public schools by $3 billion over and above the cost of enrollment growth.~~

~~Sec. 14.61. **Contingency for House Bill 2329.** Contingent upon enactment of House Bill 2329 or similar legislation relating to authorization for issuance of tuition revenue bonds, there is hereby appropriated $108,000,000 in general revenue for the 2006–07 biennium for the purpose of paying debt service on the bonds authorized in the legislation. The debt service appropriations shall be transferred to affected institutions of higher education based on a plan developed by the Higher Education Coordinating Board and approved by the Legislative Budget Board.~~

Low-Income Discount Program. In addition to the amounts appropriated elsewhere in this Act to the Public Utility Commission, $80,000,000 in fiscal year 2008 and $90,000,000 in fiscal year 2009 from the General Revenue–Dedicated - System Benefit Account No. 5100 is hereby appropriated for the purposes of funding the Low-Income Discount Program in a new strategy entitled, "Energy Assistance," under Goal C, Electric Utility Restructuring.

ARTICLE X

THE LEGISLATURE

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 legislative agencies.

SENATE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 30,517,630	$ 35,354,874
Total, Method of Financing	$ 30,517,630	$ 35,354,874
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: SENATE		
A.1.1. Strategy: SENATE	$ 30,517,630	$ 35,354,874
Grand Total, SENATE	$ 30,517,630	$ 35,354,874
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,867,055	$ 1,895,061
Group Insurance	4,474,231	4,549,739
Social Security	2,295,588	2,330,022
Benefits Replacement	159,186	151,227
Subtotal, Employee Benefits	$ 8,796,060	$ 8,926,049
Debt Service		
Lease Payments	$ 1,530,981	$ 1,489,113
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 10,327,041	$ 10,415,162

1. **Purposes for Which Appropriations May Be Expended.** Funds appropriated to the Senate may be expended for constitutionally authorized annual salaries for Members of the Senate and the Lieutenant Governor, per diem, other salaries and wages, consumable supplies and materials, current and recurring operating expenses, films, membership dues in any national or regional organization of legislative leaders, capital outlay, building repair and remodeling and other expenses of the Senate including interim expenses of the ~~Seventy-ninth and~~ Eightieth and Eighty-first Legislatures as may be authorized by law or by resolution.

2. **Appropriation of Fees: Rental Space in Capitol Building.** The Texas Senate shall charge a reasonable fee for rental of space within the State Capitol Building under its control and authority. Any fees so collected are hereby appropriated for use by the Texas Senate during the biennium covered by this Act.

3. **Unexpended Balances.** Any unexpended balances as of August 31, 200~~5~~7, in the appropriations made by the Legislature to the Senate are hereby appropriated to the Senate for the same purposes for the biennium beginning September 1, 200~~5~~7.

   Any unexpended balances as of August 31, 2008 in the appropriations made to the Senate are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2008.

HOUSE OF REPRESENTATIVES

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 32,842,805	$ 41,909,583
Total, Method of Financing	$ 32,842,805	$ 41,909,583
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: HOUSE OF REPRESENTATIVES		
A.1.1. Strategy: HOUSE OF REPRESENTATIVES	$ 32,842,805	$ 41,909,583
Grand Total, HOUSE OF REPRESENTATIVES	$ 32,842,805	$ 41,909,583
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,802,444	$ 1,829,480
Group Insurance	6,804,456	6,939,994
Social Security	2,238,224	2,271,798
Benefits Replacement	137,480	130,606
Subtotal, Employee Benefits	$ 10,982,604	$ 11,171,878
Debt Service		
Lease Payments	$ 2,795,381	$ 2,751,669
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 13,777,985	$ 13,923,547

1. **Purposes For Which Appropriations May Be Expended.** Funds appropriated to the House of Representatives may be expended for Constitutionally authorized annual salaries for Members of the House of Representatives, per diem, other salaries and wages, consumable supplies and materials, current and recurring operating expenses, films, membership dues in the National Conference of State Legislatures and in any national or regional organization of legislative leaders, capital outlay, building repair and remodeling, and other expenses for the House of Representatives, including interim expenses of the ~~Seventy-ninth and~~ Eightieth and Eighty-first Legislatures as may be authorized by law or resolution.

2. **Appropriation of Fees: Rental Space in Capitol Building.** The House of Representatives shall charge a reasonable fee for rental of space within the State Capitol Building under its control and authority. Any fees so collected are hereby appropriated for use by the House during the biennium covered by this Act.

3. **Unexpended Balances.** Any unexpended balances as of August 31, 200~~5~~7, in the appropriations made by the Legislature to the House of Representatives are hereby appropriated to the House of Representatives for the same purposes for the biennium beginning September 1, 200~~5~~7.

   Any unexpended balances as of August 31, 2008 in the appropriations made to the House of Representatives are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2008.

~~4.~~ ~~**Transfer Authority.** Transfers in an amount determined by the Speaker of the House may be made from these balances for the purpose of funding Senate Bill No. 54, Acts of the Sixty-fifth Legislature, Regular Session.~~

~~6~~**4.** **Transfer and Appropriation to Legislative Budget Board Account.** Out of the appropriations made in this Article for the Senate or the House of Representatives, there may be transferred, upon the written approval of the Lieutenant Governor or the Speaker of the House, to an appropriations account for the Legislative Budget Board, such sums as may be deemed necessary but not to exceed an aggregate of $~~4,211,256~~4,592,682 for the fiscal year beginning September 1, 200~~5~~7 and $~~4,211,704~~4,592,682 for the fiscal year beginning September 1, 200~~6~~8, for maintaining the operations of said Legislative Budget Board. In addition to amounts identified elsewhere in this provision, there is hereby appropriated to the Legislative Budget Board out of the General Revenue Fund a total of $~~18,619,789~~14,245,686 for the ~~2006-07~~2008-09 biennium. ~~in lieu of prior and other interagency transfers, including:~~

~~a. $249,375 each fiscal year from the Texas Education Agency for school finance modeling;~~

~~b. $207,813 each fiscal year from the Texas Education Agency for the Educational Economic Policy Center;~~

~~c. $282,625 each fiscal year from the Health and Human Services Commission for the Federal Funds Analysis Unit;~~

~~d. $339,732 each fiscal year from the Texas Legislative Council for computer support;~~

~~e. $1,172,013 each fiscal year for other necessary expenses in carrying out the provisions of Chapter 322, Government Code;~~

~~f. $270,077 in fiscal year 2006 and $552,578 in fiscal year 2007 from unexpended balances;~~

~~g. $697,419 each fiscal year from the Department of Information Resources to evaluate and review information planning and information systems and strategic and biennial operating plans;~~

~~h. $3,541,328 each fiscal year from the Comptroller of Public Accounts to review the effectiveness and efficiency of the operations of school districts, public junior colleges and general academic teaching institutions; and~~

~~i. $2,408,262 each fiscal year from the Comptroller of Public Accounts to review the effectiveness and efficiency of the policies, management, fiscal affairs and operations of state agencies, and review the effectiveness and efficiency of the policies and management of a governmental committee or state agency involved in certain records management.~~

Such sums as may be transferred to an account for the Legislative Budget Board shall be budgeted by said Board pursuant to Chapter 322, Government Code, and any amendments thereto including the payment of travel expenses and registration fees incurred by Budget Board members or members of its staff in attending meetings on problems of federal-state relations, interstate problems, problems affecting state or local governments, and meetings sponsored by the Council of State Governments or any of its affiliated organizations, and contributions incident to membership in national or regional organizations of state governments.

~~5.~~ ~~**Unexpended Balances: Senate and House of Representatives.** Any unexpended balances as of August 31, 2006 in the appropriations made hereinabove to the Senate and the House of Representatives are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.~~

~~7~~**5.** **Unexpended Balances: Legislative Budget Board.**

a. Any unexpended balances as of August 31, 200~~5~~7, in the appropriations made to the Legislative Budget Board for fiscal year 200~~5~~7, are hereby appropriated to the Legislative Budget Board for the biennium beginning September 1, 200~~5~~7.

b. Any unexpended balances as of August 31, 200~~6~~8, in the appropriations made ~~hereinabove~~ to the Legislative Budget Board are hereby appropriated for the same purposes for the fiscal year beginning September 1, 200~~6~~8.

~~8~~6. Texas School Performance Reviews. In view of the cost savings and efficiency measures accruing to school districts from School Performance Reviews, the Legislative Budget Board may enter into interlocal cost sharing agreements with school districts where districts requesting review will be responsible for up to 25 percent of the cost of such performance reviews. The Legislative Budget Board shall be solely responsible for the terms and conditions of the contracts and administration of the program. However, any such cost sharing contracts shall include the school as a third party. The financial responsibility of such schools shall be a direct obligation of the school to pay the vendor upon approval of the work product by the Legislative Budget Board.

~~9~~7. Transfer to Sunset Advisory Commission Account and Unexpended Balances.

a. Out of the appropriations made in this Article for the Senate or the House of Representatives, there may be transferred upon the written approval of the Lieutenant Governor or the Speaker of the House, to an appropriations account for the Sunset Advisory Commission such sums as may be deemed necessary but not to exceed an aggregate of ~~$1,659,628~~1,712,706 for the fiscal year beginning September 1, 200~~5~~7, and ~~$1,725,941~~1,712,706 for the fiscal year beginning September 1, 200~~6~~8, for maintaining the operations of the Commission.

b. Any unexpended balances as of August 31, 200~~6~~7, in the appropriations made ~~hereinabove~~ to the Sunset Advisory Commission are hereby appropriated for the same purposes for the ~~fiscal year~~biennium beginning September 1, 200~~6~~7.

~~b.~~ Any unexpended balances as of August 31, 200~~5~~8, in the appropriations made to the Sunset Advisory Commission ~~for fiscal year 2005~~, are hereby appropriated to the Sunset Advisory Commission for the ~~biennium~~ fiscal year beginning September 1, 200~~5~~8.

LEGISLATIVE COUNCIL

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 31,908,517	$ 34,856,198
Total, Method of Financing	$ 31,908,517	$ 34,856,198
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: LEGISLATIVE COUNCIL		
A.1.1. Strategy: LEGISLATIVE COUNCIL	$ 31,908,517	$ 34,856,198
Grand Total, LEGISLATIVE COUNCIL	$ 31,908,517	$ 34,856,198
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,413,226	$ 1,434,424
Group Insurance	2,472,497	2,493,085
Social Security	1,645,752	1,670,438
Benefits Replacement	149,070	141,616
Subtotal, Employee Benefits	$ 5,680,545	$ 5,739,563

Debt Service		
Lease Payments	$ 2,288,606	$ 2,349,702
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,969,151	$ 8,089,265

1. **Purposes for Which Appropriations May Be Expended.** Funds appropriated to the Legislative Council may be expended for payment of salaries and other necessary expenses to carry out the council's statutory powers and duties (including those powers and duties provided by Chapters 301, 323, and 326, Government Code; §§ 531.203, 762.011, and 2053.004, Government Code; and § 276.008, Election Code) and to carry out responsibilities assigned pursuant to legislative resolution. Out of the funds appropriated above $1,000,000 each shall be transferred annually to the Senate and the House of Representatives for printing costs and $50,000 each shall be transferred annually for moving expenses.

2. **Unexpended Balances.** Any unexpended balances as of August 31, 200~~5~~7 previously appropriated to the Legislative Council are hereby appropriated to the Council for the biennium beginning September 1, 200~~5~~7 for the purposes stated in Rider provision 1 of the preceding appropriation to the Council.

   Any unexpended balances in the appropriations ~~account of~~ made to the Legislative Council as of August 31, 200~~6~~8 are hereby appropriated to the Legislative Council for the fiscal year beginning September 1, 200~~6~~8.

3. **Appropriation of Fees: Charges for Information Services.** In addition to other amounts appropriated, there is appropriated to the Legislative Council for the fiscal years beginning September 1, 200~~5~~7 and September 1, 200~~6~~8 any amounts received as charges under § 323.014(c), Government Code.

4. **Transfers to Legislative Agencies.** The Legislative Council may transfer amounts, as appropriate, to the Commission on Uniform State Laws and to ~~other~~ legislative agencies as determined by the Lieutenant Governor and the Speaker of the House.

COMMISSION ON UNIFORM STATE LAWS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 170,160	$ 209,467
Total, Method of Financing	$ 170,160	$ 209,467
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: COMMISSION ON UNIFORM STATE LAWS		
A.1.1. Strategy: COMMISSION ON UNIFORM STATE LAWS	$ 170,160	$ 209,467
Grand Total, COMMISSION ON UNIFORM STATE LAWS	$ 170,160	$ 209,467

1. **Purposes for Which Appropriations May Be Expended.** Funds appropriated to the Commission on Uniform State Laws may be expended for payment of the contribution by the State of Texas to the National Conference of Commissioners on Uniform State Laws and for payment of other necessary expenses of the commission in carrying out provisions of Chapter 762, Government Code~~415, Acts, Fifty-second Legislature, Regular Session, 1951, as amended by Chapter 735, Acts, Sixty-fifth Legislature, Regular Session, 1977~~, including the printing of the commission's report and travel expenses of members of the commission to attend the annual meeting of the National Conference of Commissioner's on Uniform State Laws and travel to the state capitol on commission business.

2. **Unexpended Balances.** Any unexpended balances as of August 31, 200~~5~~7 in the ~~general~~ appropriations made ~~for~~ to the Commission on Uniform State Laws are hereby appropriated to the Commission on Uniform State Laws for the same purposes for the biennium beginning September 1, 200~~5~~7.

Any unexpended balances in the appropriations of the Commission on Uniform State Laws as of August 31, 200~~6~~8 are hereby appropriated to the Commission on Uniform State Laws for the fiscal year beginning September 1, 200~~6~~8.

STATE AUDITOR'S OFFICE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 13,256,071	$ 13,256,071
Appropriated Receipts	200,000	200,000
Interagency Contracts	3,156,503	3,156,503
Total, Method of Financing	$ 16,612,574	$ 16,612,574
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: STATE AUDITOR		
A.1.1. Strategy: STATE AUDITOR	$ 16,612,574	$ 16,612,574
Grand Total, STATE AUDITOR'S OFFICE	$ 16,612,574	$ 16,612,574
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 769,234	$ 780,773
Group Insurance	1,346,301	1,363,073
Social Security	949,709	963,954
Benefits Replacement	69,406	65,936
Subtotal, Employee Benefits	$ 3,134,650	$ 3,173,736
Debt Service		
Lease Payments	$ 937,538	$ 980,579
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,072,188	$ 4,154,315

1. **Legislative Audit Committee Direction.** The sums appropriated for the State Auditor's Office are to be expended under the direction and subject to the control of the Legislative Audit Committee.

2. **Appropriation of Interagency Contracts.** All funds transferred to the State Auditor's Office (SAO) pursuant to interagency contracts for services provided by the SAO are hereby appropriated to the SAO during the fiscal year in which they are received and shall be used as provided by Government Code, Chapter 321.

3. **Appropriation of Appropriated Receipts.** All funds reimbursed to the State Auditor's Office (SAO) by governmental entities for the provision of services are hereby appropriated to the SAO during the fiscal year in which they are received and shall be used as provided by Government Code, Chapter 321.

4. **Unexpended Balances.** Any unexpended balance as of August 31, 200~~5~~7, in amounts previously appropriated to the State Auditor from the General Revenue Fund is hereby appropriated to the State Auditor for the same purposes for the biennium beginning September 1, 200~~5~~7.

Any unexpended balance remaining in the appropriations of the State Auditor as of August 31, 200~~6~~8, is hereby appropriated to the State Auditor for the same purposes for the fiscal year beginning September 1, 200~~6~~8.

5. **Notification of State Auditor Reports.** The State Auditor shall provide copies of audit reports to the respective affected agencies and to the Legislative Audit Committee prior to public release of any audit or audit report ~~information~~.

LEGISLATIVE REFERENCE LIBRARY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 1,402,638	$ 1,487,206
Appropriated Receipts	10,000	10,000
Total, Method of Financing	$ 1,412,638	$ 1,497,206
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: LEGISLATIVE REFERENCE LIBRARY		
A.1.1. Strategy: LEGISLATIVE REFERENCE LIBRARY	$ 1,412,638	$ 1,497,206
Grand Total, LEGISLATIVE REFERENCE LIBRARY	$ 1,412,638	$ 1,497,206
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 78,273	$ 79,447
Group Insurance	154,774	156,376
Social Security	92,839	94,232
Benefits Replacement	5,560	5,282
Subtotal, Employee Benefits	$ 331,446	$ 335,337
Debt Service		
Lease Payments	$ 135,117	$ 141,317
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 466,563	$ 476,654

1. **Purposes for Which Appropriations May Be Expended.** Funds appropriated to the Legislative Reference Library may be expended for library administration and services, for salaries and wages, travel, consumable supplies and materials, current and recurring operating expenses, capital outlay, books and periodicals, and other necessary expenses to be expended under the direction of the Legislative Library Board.

2. Unexpended Balances. Any unexpended balances as of August 31, 200~~5~~7, in the ~~general~~ appropriations made to the Legislative Reference Library are hereby appropriated for the biennium beginning September 1, 200~~5~~7.

Any unexpended balances as of August 31, 200~~6~~8, in the appropriations made ~~hereinabove~~ to the Legislative Reference Library are hereby appropriated for the same purposes for the fiscal year beginning September 1, 200~~6~~8.

SPECIAL PROVISIONS RELATING TO THE LEGISLATURE

Sec. 2. (a) A provision of the General Provisions of this Act that restricts or limits the use or transfer of appropriated funds, or that imposes a duty or places a limitation or condition precedent on a state agency, applies to entities and appropriations under this Article only to the extent that the provision by its terms specifically and expressly applies to those entities or appropriations. A general reference to "funds appropriated by this Act" or similar words is not specific and express application for purposes of this section.

(b) Amounts appropriated under this Article may be transferred among entities covered by this Article in accordance with Chapter 326, Government Code.

Sec. 3. Authorization to Spend Unexpended Balances. Notwithstanding any other provision contained herein, a legislative agency may only spend prior year balances with the approval of its respective governing board.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 21,182,492	$ 21,521,452
Total, Method of Financing	$ 21,182,492	$ 21,521,452
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 5,930,232	$ 6,019,185
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 15,252,260	$ 15,502,267
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 21,182,492	$ 21,521,452
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 21,182,492	$ 21,521,452

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	$ 7,742,815	$ 7,825,111
Total, Method of Financing	$ 7,742,815	$ 7,825,111
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH -- EMPLOYER	$ 7,222,112	$ 7,330,444
State Match — Employer. Estimated.		
A.1.2. Strategy: BENEFIT REPLACEMENT PAY	$ 520,703	$ 494,667
Benefit Replacement Pay. Estimated.		
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 7,742,815	$ 7,825,111
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 7,742,815	$ 7,825,111

LEASE PAYMENTS

	For the Years Ending August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	$ 7,687,622	$ 7,712,380
Total, Method of Financing	$ 7,687,622	$ 7,712,380
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 7,687,622	$ 7,712,380 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 7,687,622	$ 7,712,380

RECAPITULATION - ARTICLE X
THE LEGISLATURE
(General Revenue)

	For the Years Ending August 31, 2008	August 31, 2009
Senate	$ 30,517,630	$ 35,354,874
House of Representatives	32,842,805	41,909,583
Legislative Budget Board	7,122,843	7,122,843
Legislative Council	31,908,517	34,856,198
Commission on Uniform State Laws	170,160	209,467
State Auditor's Office	13,256,071	13,256,071
Legislative Reference Library	1,402,638	1,487,206
Subtotal, Legislature	$ 117,220,664	$ 134,196,242
Retirement and Group Insurance	21,182,492	21,521,452
Social Security and Benefit Replacement Pay	7,742,815	7,825,111
Subtotal, Employee Benefits	$ 28,925,307	$ 29,346,563
Lease Payments	7,687,622	7,712,380
Subtotal, Debt Service	$ 7,687,622	$ 7,712,380
TOTAL, ARTICLE X - THE LEGISLATURE	$ 153,833,593	$ 171,255,185

RECAPITULATION - ARTICLE X
THE LEGISLATURE
(Other Funds)

	For the Years Ending August 31, 2008	August 31, 2009
State Auditor's Office	$ 3,356,503	$ 3,356,503
Legislative Reference Library	10,000	10,000
Subtotal, Legislature	$ 3,366,503	$ 3,366,503
Less Interagency Contracts	$ 3,156,503	$ 3,156,503
TOTAL, ARTICLE X - THE LEGISLATURE	$ 210,000	$ 210,000

RECAPITULATION - ARTICLE X
THE LEGISLATURE
(All Funds)

	For the Years Ending August 31, 2008	August 31, 2009
Senate	$ 30,517,630	$ 35,354,874
House of Representatives	32,842,805	41,909,583
Legislative Budget Board	7,122,843	7,122,843
Legislative Council	31,908,517	34,856,198
Commission on Uniform State Laws	170,160	209,467
State Auditor's Office	16,612,574	16,612,574
Legislative Reference Library	1,412,638	1,497,206
Subtotal, Legislature	$ 120,587,167	$ 137,562,745
Retirement and Group Insurance	21,182,492	21,521,452
Social Security and Benefit Replacement Pay	7,742,815	7,825,111
Subtotal, Employee Benefits	$ 28,925,307	$ 29,346,563
Lease Payments	7,687,622	7,712,380
Subtotal, Debt Service	$ 7,687,622	$ 7,712,380
Less Interagency Contracts	$ 3,156,503	$ 3,156,503
TOTAL, ARTICLE X - THE LEGISLATURE	$ 154,043,593	$ 171,465,185

ARTICLE XI. SAVINGS CLAUSE

If any section, sentence, clause or part of this Act shall for any reason be held to be invalid, such decision shall not affect the remaining portions of this Act; and it is hereby declared to be the intention of the Legislature to have passed each sentence, section, clause, or part thereof irrespective of the fact that any other sentence, section, clause or part thereof may be declared invalid.

ARTICLE XII. EMERGENCY CLAUSE

The importance of the legislation to the people of the State of Texas and the crowded condition of the calendars in both Houses of the Legislature create an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three separate days in each House be suspended, and said Rule is hereby suspended; and this Act shall take effect and be in force from and after its passage, and it is so enacted.