

1-1 By: Pitts, Denny (Senate Sponsor - Ogden) H.B. No. 10  
1-2 (In the Senate - Received from the House April 11, 2005;  
1-3 April 12, 2005, read first time and referred to Committee on  
1-4 Finance; May 21, 2005, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 10, Nays 1;  
1-6 May 21, 2005, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 10 By: Ogden

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to making supplemental appropriations and reductions in  
1-11 appropriations.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. HEALTH AND HUMAN SERVICES COMMISSION: HIGHER  
1-14 THAN EXPECTED MEDICAID COSTS. (a) In addition to amounts  
1-15 previously appropriated for the state fiscal biennium ending August  
1-16 31, 2005, the following amounts are appropriated to the Health and  
1-17 Human Services Commission for the two-year period beginning on the  
1-18 effective date of this Act for the purpose of providing services  
1-19 under the state Medicaid program, including making supplemental  
1-20 hospital payments and restoring eligibility for Medicaid benefits  
1-21 to pregnant women with incomes of up to 185 percent of the federal  
1-22 poverty level:

1-23 (1) \$471,800,000 is appropriated out of the general  
1-24 revenue fund;

1-25 (2) \$92,400,000 is appropriated out of the Economic  
1-26 Stabilization Fund;

1-27 (3) \$40,000,000 in balances and available revenues is  
1-28 appropriated out of General Revenue Dedicated Account No. 5080 (the  
1-29 Quality Assurance Fund);

1-30 (4) \$69,100,000 in appropriated receipts match for  
1-31 Medicaid is appropriated; and

1-32 (5) \$1,010,000,000 in matching federal funds is  
1-33 appropriated.

1-34 (b) The amounts appropriated by Subsection (a) of this  
1-35 section may be expended only if the Health and Human Services  
1-36 Commission has used all revenue available to the Medicaid program,  
1-37 including but not limited to premium credits and vendor drug  
1-38 rebates.

1-39 SECTION 2. HEALTH AND HUMAN SERVICES COMMISSION:  
1-40 CHILDREN'S HEALTH INSURANCE PROGRAM. In addition to amounts  
1-41 previously appropriated for the state fiscal biennium ending August  
1-42 31, 2005, the following amounts are appropriated to the Health and  
1-43 Human Services Commission for the two-year period beginning on the  
1-44 effective date of this Act for the purpose of providing services  
1-45 related to the Children's Health Insurance Program:

1-46 (1) \$65,700,000 is appropriated out of the general  
1-47 revenue fund; and

1-48 (2) \$168,900,000 in matching federal funds is  
1-49 appropriated.

1-50 SECTION 3. HEALTH AND HUMAN SERVICES COMMISSION: VARIOUS  
1-51 PROGRAMS. In addition to amounts previously appropriated for the  
1-52 state fiscal biennium ending August 31, 2005, the amount of  
1-53 \$85,600,000 is appropriated out of the general revenue fund to the  
1-54 Health and Human Services Commission for the two-year period  
1-55 beginning on the effective date of this Act for any necessary  
1-56 purposes for which:

1-57 (1) the commission received an appropriation out of  
1-58 the general revenue fund for all or part of the state fiscal  
1-59 biennium ending August 31, 2005; or

1-60 (2) a health and human services agency received an  
1-61 appropriation out of the general revenue fund for all or part of the  
1-62 state fiscal biennium ending August 31, 2005, if the commission is  
1-63 now authorized or required by law to spend money for those purposes.

2-1 SECTION 4. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:  
 2-2 CHILD PROTECTIVE SERVICES PROGRAM REFORM. In addition to amounts  
 2-3 previously appropriated for the state fiscal biennium ending August  
 2-4 31, 2005, the amount of \$7,300,000 is appropriated out of the  
 2-5 general revenue fund and the amount of \$2,900,000 in matching  
 2-6 federal funds is appropriated to the Department of Family and  
 2-7 Protective Services for the two-year period beginning on the  
 2-8 effective date of this Act for the purpose of funding the reforms of  
 2-9 the Child Protective Services Program.

2-10 SECTION 5. DEPARTMENT OF AGING AND DISABILITY SERVICES:  
 2-11 COMMUNITY CARE CASELOAD AND COSTS. In addition to amounts  
 2-12 previously appropriated for the state fiscal biennium ending August  
 2-13 31, 2005, the amount of \$22,300,000 is appropriated out of the  
 2-14 general revenue fund and the amount of \$33,500,000 in matching  
 2-15 federal funds is appropriated to the Department of Aging and  
 2-16 Disability Services for the two-year period beginning on the  
 2-17 effective date of this Act for the purpose of funding the Community  
 2-18 Care Caseload and Costs.

2-19 SECTION 6. TEXAS DEPARTMENT OF CRIMINAL JUSTICE:  
 2-20 OPERATIONS. In addition to amounts previously appropriated for the  
 2-21 state fiscal biennium ending August 31, 2005, the amount of  
 2-22 \$15,900,000 is appropriated out of the general revenue fund to the  
 2-23 Texas Department of Criminal Justice for the two-year period  
 2-24 beginning on the effective date of this Act for the purpose of  
 2-25 providing for contracted temporary capacity, salaries and wages,  
 2-26 utilities, and fuel.

2-27 SECTION 7. TEXAS DEPARTMENT OF CRIMINAL JUSTICE:  
 2-28 CORRECTIONAL MANAGED HEALTH CARE. In addition to amounts  
 2-29 previously appropriated for the state fiscal biennium ending August  
 2-30 31, 2005, the amount of \$31,300,000 is appropriated out of the  
 2-31 general revenue fund to the Texas Department of Criminal Justice  
 2-32 for the two-year period beginning on the effective date of this Act  
 2-33 for the purpose of providing for correctional managed health care.

2-34 SECTION 8. TEACHER RETIREMENT SYSTEM: ADDITIONAL  
 2-35 APPROPRIATION FOR RETIREMENT CONTRIBUTIONS. In addition to the  
 2-36 estimated amounts appropriated for the following purpose by any  
 2-37 other Act of the 79th Legislature, Regular Session, 2005, that  
 2-38 becomes law, the additional sum certain amount of \$100,000,000 is  
 2-39 appropriated out of the general revenue fund to the Teacher  
 2-40 Retirement System for the state fiscal biennium beginning September  
 2-41 1, 2005, for the purpose of making retirement contributions for  
 2-42 public education employees.

2-43 SECTION 9. TEACHER RETIREMENT SYSTEM OF TEXAS: EMPLOYEE  
 2-44 PASS-THROUGH. In addition to amounts previously appropriated for  
 2-45 the state fiscal biennium ending August 31, 2005, the amount of  
 2-46 \$30,700,000 is appropriated out of the Economic Stabilization Fund  
 2-47 to the Teacher Retirement System of Texas for the two-year period  
 2-48 beginning on the effective date of this Act for the purpose of  
 2-49 funding the employee pass-through program.

2-50 SECTION 10. TEXAS EDUCATION AGENCY: JUVENILE JUSTICE  
 2-51 ALTERNATIVE EDUCATION PROGRAM. In addition to amounts previously  
 2-52 appropriated for the state fiscal biennium ending August 31, 2005,  
 2-53 the amount of \$2,112,000 is appropriated out of General Revenue  
 2-54 Account No. 193 (the Foundation School Fund) to the Texas Education  
 2-55 Agency for the two-year period beginning on the effective date of  
 2-56 this Act for the purpose of funding the juvenile justice  
 2-57 alternative education program through an interagency agreement  
 2-58 with the Texas Juvenile Probation Commission.

2-59 SECTION 11. TEXAS EDUCATION AGENCY: FOUNDATION SCHOOL  
 2-60 PROGRAM. In addition to amounts previously appropriated for the  
 2-61 state fiscal biennium ending August 31, 2005, the amount of  
 2-62 \$560,000,000 is appropriated out of the Economic Stabilization Fund  
 2-63 to the Texas Education Agency for the two-year period beginning on  
 2-64 the effective date of this Act for the purpose of funding the  
 2-65 Foundation School Program.

2-66 SECTION 12. TEXAS EDUCATION AGENCY: TEXTBOOKS. In  
 2-67 addition to amounts previously appropriated for the state fiscal  
 2-68 biennium ending August 31, 2005, the amount of \$30,000,000 is  
 2-69 appropriated out of the Economic Stabilization Fund and the amount

3-1 of \$145,000,000 is appropriated out of the general revenue fund to  
3-2 the Texas Education Agency for the two-year period beginning on the  
3-3 effective date of this Act for the purpose of funding the purchase  
3-4 of textbooks.

3-5 SECTION 13. STATE BOARD FOR EDUCATOR CERTIFICATION:  
3-6 CERTIFICATION EXAMINATION. In addition to amounts previously  
3-7 appropriated for the state fiscal biennium ending August 31, 2005,  
3-8 the amount of \$1,900,000 is appropriated out of the general revenue  
3-9 fund to the State Board for Educator Certification for the two-year  
3-10 period beginning on the effective date of this Act for the purpose  
3-11 of funding administration of the board's certification  
3-12 examination.

3-13 SECTION 14. SECRETARY OF STATE: HELP AMERICA VOTE ACT. In  
3-14 addition to amounts previously appropriated for the state fiscal  
3-15 biennium ending August 31, 2005, the amount of \$1,500,000 is  
3-16 appropriated out of the general revenue fund to the secretary of  
3-17 state for the two-year period beginning on the effective date of  
3-18 this Act to be transferred to General Revenue Dedicated Account No.  
3-19 5095 (the Election Improvement Fund) and used for the purpose of  
3-20 funding the state matching contribution for the Help America Vote  
3-21 Act.

3-22 SECTION 15. PARKS AND WILDLIFE DEPARTMENT: SAN JACINTO  
3-23 MONUMENT. In addition to amounts previously appropriated for the  
3-24 state fiscal biennium ending August 31, 2005, the amount of  
3-25 \$2,140,000 is appropriated out of the general revenue fund to the  
3-26 Parks and Wildlife Department for the two-year period beginning on  
3-27 the effective date of this Act for the purpose of funding repairs to  
3-28 the San Jacinto Monument.

3-29 SECTION 16. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY:  
3-30 PETROLEUM STORAGE TANK SHORTFALL. In addition to amounts  
3-31 previously appropriated for the state fiscal biennium ending August  
3-32 31, 2005, the amount of \$25,000,000 is appropriated out of General  
3-33 Revenue Dedicated Account No. 655 (the Petroleum Storage Tank  
3-34 Remediation Account) to the Texas Commission on Environment Quality  
3-35 for the two-year period beginning on the effective date of this Act  
3-36 for the purpose of funding cleanup of remediation sites  
3-37 contaminated by petroleum storage tanks.

3-38 SECTION 17. APPROPRIATION FOR HIGHER EDUCATION FUND. (a) In  
3-39 addition to amounts otherwise appropriated for deposit into the  
3-40 Higher Education Fund during the state fiscal biennium beginning  
3-41 September 1, 2005, the amounts described by Subsection (b) of this  
3-42 section are appropriated out of the Economic Stabilization Fund  
3-43 during the state fiscal biennium beginning September 1, 2005, for  
3-44 deposit into the Higher Education Fund for use in accordance with  
3-45 Section 17(i), Article VII, Texas Constitution.

3-46 (b) The amount appropriated under Subsection (a) of this  
3-47 section is the amount, not to exceed \$100 million, by which the  
3-48 actual amounts transferred to the Economic Stabilization Fund  
3-49 during the state fiscal biennium beginning September 1, 2005,  
3-50 exceed the amounts that the comptroller estimated would be  
3-51 transferred to that fund during that biennium. The estimate  
3-52 described by this subsection is the estimate made by the  
3-53 comptroller under Subsection (h), Section 49-g, Article III, Texas  
3-54 Constitution.

3-55 SECTION 18. PARTIAL RESTORATION OF APPROPRIATION REDUCTION  
3-56 FOR PROPERTY SALES. (a) The purpose of this section is to restore a  
3-57 portion of the reduction in appropriations made by Section  
3-58 12.04(d), Article IX, Chapter 1330, Acts of the 78th Legislature,  
3-59 Regular Session, 2003 (the General Appropriations Act), to agencies  
3-60 and institutions that on August 31, 2003, owned real property  
3-61 purchased with general revenue or general revenue dedicated funds  
3-62 and that had appropriations reduced under Section 12.04(d) by an  
3-63 aggregate total of \$97,000,000 for the state fiscal biennium ending  
3-64 August 31, 2005.

3-65 (b) The amount of \$78,928,959 is appropriated out of the  
3-66 general revenue fund to the agencies and institutions described by  
3-67 Subsection (a) of this section for the two-year period beginning on  
3-68 the effective date of this Act for the purpose described by  
3-69 Subsection (a) of this section. An agency or institution that

4-1 receives a portion of the amount appropriated by this section under  
 4-2 Subsection (c) of this section may spend the amount received for the  
 4-3 purposes for which the agency or institution was authorized to  
 4-4 spend the appropriation that was reduced.

4-5 (c) The governor and the Legislative Budget Board, taking  
 4-6 into account the reductions and distributions made under Section  
 4-7 12.04(d), Article IX, Chapter 1330, Acts of the 78th Legislature,  
 4-8 Regular Session, 2003 (the General Appropriations Act), shall  
 4-9 allocate the amount appropriated by this section among the agencies  
 4-10 and institutions described by Subsection (a) of this section.

4-11 SECTION 19. CONTINGENCY APPROPRIATION: HOUSE BILL 2.  
 4-12 Contingent on the enactment of House Bill 2 or similar legislation  
 4-13 relating to the public school finance system by the 79th  
 4-14 Legislature, Regular Session, 2005, that becomes law, the amount of  
 4-15 general revenue funds appropriated by the 79th Legislature, Regular  
 4-16 Session, 2005, for the state fiscal biennium beginning September 1,  
 4-17 2005, for the operation of local school districts is increased by  
 4-18 \$2,400,000,000 to implement the provisions of the legislation that  
 4-19 contemplate an increase in the amount of total state revenue  
 4-20 provided for the operation of local school districts.

4-21 SECTION 20. APPROPRIATIONS REDUCTION: CERTAIN UNEXPENDED  
 4-22 BALANCES. The unencumbered amounts appropriated under Section  
 4-23 11.28, Article IX, Chapter 1330, Acts of the 78th Legislature,  
 4-24 Regular Session, 2003 (the General Appropriations Act), as amended  
 4-25 by Article 5, Chapter 10, Acts of the 78th Legislature, 3rd Called  
 4-26 Session, 2003, are reduced as follows:

4-27 (1) the amount of federal funds appropriated by  
 4-28 Section 11.28, as amended, for state fiscal relief and held in the  
 4-29 general revenue fund is reduced by \$180,472,802;

4-30 (2) the amount appropriated by Section 11.28, as  
 4-31 amended, that resulted from items of appropriation made by the 78th  
 4-32 Legislature that were vetoed under Section 14, Article IV, Texas  
 4-33 Constitution, and that is held in the undedicated portion of the  
 4-34 general revenue fund is reduced by \$24,425,786; and

4-35 (3) the amount appropriated by Section 11.28, as  
 4-36 amended, that resulted from items of appropriation made by the 78th  
 4-37 Legislature that were vetoed under Section 14, Article IV, Texas  
 4-38 Constitution, and that is held in the general revenue fund as  
 4-39 general revenue dedicated money is reduced by \$2,150,657.

4-40 SECTION 21. SALARIES: NINTH COURT OF APPEALS, BEAUMONT;  
 4-41 APPROPRIATIONS REDUCTION: TENTH COURT OF APPEALS, WACO. (a) In  
 4-42 addition to amounts previously appropriated for the state fiscal  
 4-43 biennium ending August 31, 2005, the amount of \$36,000 is  
 4-44 appropriated out of the general revenue fund to the Ninth Court of  
 4-45 Appeals, Beaumont, for the two-year period beginning on the  
 4-46 effective date of this Act for the purpose of funding salaries.

4-47 (b) The unencumbered amounts previously appropriated for  
 4-48 the state fiscal biennium ending August 31, 2005, from the general  
 4-49 revenue fund to the Tenth Court of Appeals, Waco, are reduced by  
 4-50 \$36,000.

4-51 SECTION 22. APPROPRIATIONS REDUCTION: TEXAS PUBLIC FINANCE  
 4-52 AUTHORITY. The unencumbered amount of general revenue funds  
 4-53 appropriated to the Texas Public Finance Authority to be used for  
 4-54 general obligation bond debt service during the state fiscal  
 4-55 biennium ending August 31, 2005, is reduced by \$17,500,000.

4-56 SECTION 23. APPROPRIATIONS REDUCTION: DEPARTMENT OF AGING  
 4-57 AND DISABILITY SERVICES. The unencumbered amount of general  
 4-58 revenue dedicated funds appropriated to the Department of Aging and  
 4-59 Disability Services from General Revenue Dedicated Account No. 543  
 4-60 (the Texas Capital Trust Fund) for use during the state fiscal  
 4-61 biennium ending August 31, 2005, is reduced by \$1,943,939. The  
 4-62 department shall identify the strategies and objectives out of  
 4-63 which the reductions in unencumbered amounts are to be made.

4-64 SECTION 24. APPROPRIATIONS REDUCTION: TEXAS LOTTERY  
 4-65 COMMISSION. The unencumbered amount of general revenue dedicated  
 4-66 funds appropriated to the Texas Lottery Commission from General  
 4-67 Revenue Dedicated Account No. 5025 (the State Lottery Account) for  
 4-68 use during the state fiscal biennium ending August 31, 2005, is  
 4-69 reduced by \$1,690,606. The commission shall identify the

5-1 strategies and objectives out of which the reductions in  
5-2 unencumbered amounts are to be made.

5-3 SECTION 25. APPROPRIATIONS REDUCTION: PUBLIC UTILITY  
5-4 COMMISSION OF TEXAS. The unencumbered amount of general revenue  
5-5 dedicated funds appropriated to the Public Utility Commission from  
5-6 General Revenue Dedicated Account No. 5100 (the System Benefit  
5-7 Fund, previously known as the System Benefit Trust Fund) for use  
5-8 during the state fiscal biennium ending August 31, 2005, is reduced  
5-9 by \$57,200,000. The commission shall identify the strategies and  
5-10 objectives out of which the reductions in unencumbered amounts are  
5-11 to be made.

5-12 SECTION 26. APPROPRIATIONS REDUCTION: TEXAS WORKERS'  
5-13 COMPENSATION COMMISSION. The unencumbered amount of general  
5-14 revenue dedicated funds appropriated to the Texas Workers'  
5-15 Compensation Commission from General Revenue Dedicated Account No.  
5-16 5101 (the Subsequent Injury Fund) for use during the state fiscal  
5-17 biennium ending August 31, 2005, is reduced by \$6,000,000. The  
5-18 commission shall identify the strategies and objectives out of  
5-19 which the reductions in unencumbered amounts are to be made.

5-20 SECTION 27. APPROPRIATIONS REDUCTION: EMANCIPATION  
5-21 JUNETEENTH CULTURAL AND HISTORICAL COMMISSION. The amount of  
5-22 general revenue funds appropriated to the Texas Historical  
5-23 Commission for the use of the Emancipation Juneteenth Cultural and  
5-24 Historical Commission during the state fiscal biennium ending  
5-25 August 31, 2005, is reduced by \$415,000.

5-26 SECTION 28. GENERAL CONTINGENCY APPROPRIATION REDUCTION.  
5-27 (a) This section applies only in relation to appropriations made by  
5-28 this Act specifically for the state fiscal biennium beginning  
5-29 September 1, 2005, specifically for the state fiscal year beginning  
5-30 September 1, 2005, and specifically for the state fiscal year  
5-31 beginning September 1, 2006.

5-32 (b) If, without considering the contingency reductions made  
5-33 under this section, the sum total amount of the appropriations  
5-34 described by Subsection (a) of this section and made by this Act out  
5-35 of the general revenue fund and general revenue dedicated accounts  
5-36 exceeds the amount estimated by the Comptroller, pursuant to  
5-37 Section 49a, Article III, Texas Constitution, to be available in  
5-38 the affected fund and accounts during the state fiscal biennium  
5-39 beginning September 1, 2005, then all appropriations made by this  
5-40 Act out of the general revenue fund and general revenue dedicated  
5-41 accounts for the applicable periods described by Subsection (a) of  
5-42 this section are hereby automatically reduced on a pro-rata basis  
5-43 by the amount necessary, if any, to bring the total amount  
5-44 appropriated by this Act for those periods out of the general  
5-45 revenue fund and general revenue dedicated accounts to within the  
5-46 revenue estimated by the Comptroller, pursuant to Section 49a,  
5-47 Article III, Texas Constitution, to be available in the affected  
5-48 fund and accounts during the state fiscal biennium beginning  
5-49 September 1, 2005.

5-50 SECTION 29. REPORTING TO LEGISLATIVE BUDGET BOARD. On  
5-51 August 1, 2005, and on such other dates as the Legislative Budget  
5-52 Board considers to be necessary, each entity appropriated money by  
5-53 this Act and each agency for which an amount of appropriations is  
5-54 reduced by this Act shall report to the board, in a format specified  
5-55 by the board, the information requested by the board regarding use  
5-56 of the money appropriated by this Act or the measures taken to  
5-57 reduce appropriations as required by this Act.

5-58 SECTION 30. ECONOMIC STABILIZATION FUND APPROPRIATIONS.  
5-59 The provisions of this Act that make appropriations out of the  
5-60 Economic Stabilization Fund or that make appropriations of matching  
5-61 federal funds the receipt of which is dependent on an appropriation  
5-62 out of the Economic Stabilization Fund take effect only if this Act  
5-63 receives the vote required by Section 49-g, Article III, Texas  
5-64 Constitution.

5-65 SECTION 31. EFFECTIVE DATE. This Act takes effect  
5-66 immediately.

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