

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 19, 2011

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB4 by Pitts (Relating to making supplemental appropriations and giving direction and adjustment authority regarding appropriations.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4, As Engrossed: a positive impact of \$683,847,775 through the biennium ending August 31, 2013.

Additionally, appropriation reductions to General Revenue Dedicated Accounts totaling \$172,048,105 would result in an increase in General Revenue Dedicated Account balances used to certify the budget.

Appropriations:

Fiscal Year	Appropriation out of General Revenue Fund 1	Appropriation out of General Revenue Dedicated Accounts	Appropriation out of State Textbook Fund 3	Appropriation out of Foundation School Fund 193
2011	(\$1,223,090,075)	(\$172,048,105)	(\$10,000,000)	\$549,242,300
2012	\$0	\$0	\$0	\$0

Fiscal Year	Appropriation out of Judicial Fund 573	Appropriation out of Federal Funds 555
2011	\$6,579,371	(\$4,319,216)
2012	\$0	\$0

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2011	\$683,847,775
2012	\$0
2013	\$0
2014	\$0
2015	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/ (Cost) from General Revenue Fund 1	Probable Savings/ (Cost) from General Revenue Dedicated Accounts	Probable Savings/ (Cost) from State Textbook Fund 3	Probable Savings/ (Cost) from Foundation School Fund 193
2011	\$1,223,090,075	\$172,048,105	\$10,000,000	(\$549,242,300)
2012	\$0	\$0	\$0	\$0
2013	\$0	\$0	\$0	\$0

2014	\$0	\$0	\$0	\$0
2015	\$0	\$0	\$0	\$0

Fiscal Year	Probable Savings/ (Cost) from <i>Judicial Fund</i> 573	Probable Savings/ (Cost) from <i>Federal Funds</i> 555
2011	(\$6,579,371)	\$4,319,216
2012	\$0	\$0
2013	\$0	\$0
2014	\$0	\$0
2015	\$0	\$0

Fiscal Analysis

The bill would reduce fiscal year 2011 appropriations from General Revenue Fund No. 1 by \$1,223,090,075. The bill would appropriate \$40 million from General Revenue to the Texas Department of Criminal Justice to pay for correctional managed care. The bill would also appropriate \$1,500,000 from General Revenue to the Facilities Commission to pay for increased utility costs. The bill would appropriate \$350,376 from General Revenue to the Real Estate Commission for moving costs and file imaging.

The bill would reduce the Texas Education Agency fiscal 2011 appropriation from State Textbook Fund No. 3 by \$10,000,000. It would also reduce the agency’s fiscal 2011 appropriation from Foundation School Fund No. 193 by \$50,757,700. The bill, however, appropriates \$600,000,000 from Foundation School Fund No. 193 to the agency for a two-year period beginning from the effective date of the bill; the net Foundation School Fund appropriation would be \$549,242,300.

The bill would appropriate \$6,507,836 from Judicial Fund No. 573 to Judiciary Section, Comptroller’s Department for fiscal 2011. The bill also appropriates \$71,535 from Judicial Fund No. 573 to the Supreme Court to pay for personnel costs, security expenses, unemployment reimbursements, and travel expenses.

The bill would reduce the Department of Assistive and Rehabilitative Services fiscal 2011 appropriations for Federal Funds for Temporary Assistance to Needy Families by \$4,319,216.

The bill would authorize the Texas Education Agency to use \$85 million remaining in the fiscal year 2011 appropriation out of the State Textbook Fund No. 3 to purchase continuing contracts materials.

The bill would decrease the Soil and Water Conservation Board's fiscal year 2011 appropriations by \$1,100,000 and provide authority for the agency to spend those funds for a 2-year period beginning in fiscal year 2011.

The bill would create a hiring freeze for any position that is vacant on or after the effective date of this act. However, no savings will be certified by the Comptroller for this provision.

The bill would suspend the Governor's authority to obligate any unobligated funds from the Texas Emerging Technology Fund as of the effective date of this act for the remainder of fiscal year 2011.

Methodology

The amounts represented above are in addition to previously appropriated amounts for the state fiscal biennium ending August 31, 2011. The supplemental appropriations would be effective for the two-year period beginning with the effective date of the bill.

Local Government Impact

Appropriations reductions would result in negative fiscal implications to units of local government to the extent the reductions affect agency grants to those units of government. Appropriations increases

to the Foundation School Program would ensure full funding of formula entitlements to school districts in fiscal year 2011.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KK, ER, MS, JT, SD