

1-1 By: Zerwas (Senate Sponsor - Nelson) H.B. No. 2  
 1-2 (In the Senate - Received from the House April 10, 2017;  
 1-3 April 19, 2017, read first time and referred to Committee on  
 1-4 Finance; May 19, 2017, reported adversely, with favorable  
 1-5 Committee Substitute by the following vote: Yeas 15, Nays 0;  
 1-6 May 19, 2017, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			
1-22	X			
1-23	X			

1-24 COMMITTEE SUBSTITUTE FOR H.B. No. 2 By: Nelson

1-25 A BILL TO BE ENTITLED  
 1-26 AN ACT

1-27 relating to making supplemental appropriations and giving  
 1-28 direction and adjustment authority regarding appropriations.

1-29 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-30 SECTION 1. APPROPRIATION REDUCTIONS: PUBLIC FINANCE  
 1-31 AUTHORITY. (a) The unencumbered appropriations from the general  
 1-32 revenue fund to the Public Finance Authority made by Chapter 1281  
 1-33 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the  
 1-34 General Appropriations Act), for use during the state fiscal  
 1-35 biennium ending August 31, 2017, for bond debt service payments,  
 1-36 including appropriations subject to Rider 2, page I-47, Chapter  
 1-37 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015  
 1-38 (the General Appropriations Act), to the bill pattern of the  
 1-39 appropriations to the authority, are reduced by a total aggregate  
 1-40 of \$51,566,581.

1-41 (b) In addition to the reductions made by Subsection (a) of  
 1-42 this section, the unencumbered appropriations from the general  
 1-43 revenue fund to the Public Finance Authority made by Chapter 1281  
 1-44 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the  
 1-45 General Appropriations Act), for use during the state fiscal  
 1-46 biennium ending August 31, 2017, are reduced by \$217,487.

1-47 (c) The Public Finance Authority shall identify the  
 1-48 strategies and objectives to which the reductions made by  
 1-49 Subsections (a) and (b) of this section are to be allocated and the  
 1-50 amount of the reduction for each of those strategies and  
 1-51 objectives.

1-52 SECTION 2. APPROPRIATION REDUCTIONS: FACILITIES  
 1-53 COMMISSION. (a) The unencumbered appropriations from the general  
 1-54 revenue fund to the Facilities Commission made by Chapter 1281  
 1-55 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the  
 1-56 General Appropriations Act), for use during the state fiscal  
 1-57 biennium ending August 31, 2017, for lease payments are reduced by  
 1-58 \$13,780,014.

1-59 (b) In addition to the reductions made by Subsection (a) of  
 1-60 this section, the unencumbered appropriations from the general

2-1 revenue fund to the Facilities Commission made by Chapter 1281  
 2-2 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the  
 2-3 General Appropriations Act), for use during the state fiscal  
 2-4 biennium ending August 31, 2017, are reduced by \$220,000.

2-5 (c) The Facilities Commission shall identify the strategies  
 2-6 and objectives to which the reductions made by Subsections (a) and  
 2-7 (b) of this section are to be allocated and the amount of the  
 2-8 reduction for each of those strategies and objectives.

2-9 SECTION 3. APPROPRIATION REDUCTION: DEPARTMENT OF  
 2-10 TRANSPORTATION. The unencumbered appropriations from the general  
 2-11 revenue fund made by Chapter 1281 (H.B. 1), Acts of the 84th  
 2-12 Legislature, Regular Session, 2015 (the General Appropriations  
 2-13 Act), to the Department of Transportation for Strategy G.1.1.,  
 2-14 General Obligation Bonds, as listed in that Act, for general  
 2-15 obligation bond debt service payments for the state fiscal biennium  
 2-16 ending August 31, 2017, are reduced by \$14,191,000.

2-17 SECTION 4. APPROPRIATION REDUCTION: COMMISSION ON  
 2-18 ENVIRONMENTAL QUALITY. The unencumbered appropriations from the  
 2-19 Texas Emissions Reduction Plan Account No. 5071 made by Chapter  
 2-20 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015  
 2-21 (the General Appropriations Act), to the Commission on  
 2-22 Environmental Quality for use during the state fiscal biennium  
 2-23 ending August 31, 2017, are reduced by \$31,000,000. The commission  
 2-24 shall identify the strategies and objectives to which the reduction  
 2-25 is to be allocated and the amount of the reduction for each of those  
 2-26 strategies and objectives.

2-27 SECTION 5. APPROPRIATION REDUCTION: PUBLIC UTILITY  
 2-28 COMMISSION OF TEXAS. The unencumbered appropriations from the  
 2-29 System Benefit Account No. 5100 made by Chapter 1281 (H.B. 1), Acts  
 2-30 of the 84th Legislature, Regular Session, 2015 (the General  
 2-31 Appropriations Act), to the Public Utility Commission of Texas for  
 2-32 use during the state fiscal biennium ending August 31, 2017, are  
 2-33 reduced by \$1,209,355. The commission shall identify the strategies  
 2-34 and objectives to which the reduction is to be allocated and the  
 2-35 amount of the reduction for each of those strategies and  
 2-36 objectives.

2-37 SECTION 6. APPROPRIATION REDUCTION: TEXAS EDUCATION  
 2-38 AGENCY. The unencumbered appropriations from the general revenue  
 2-39 fund made by Chapter 1281 (H.B. 1), Acts of the 84th Legislature,  
 2-40 Regular Session, 2015 (the General Appropriations Act), to the  
 2-41 Texas Education Agency for use during the state fiscal biennium  
 2-42 ending August 31, 2017, are reduced by \$492,589. The agency shall  
 2-43 identify the strategies and objectives to which the reduction is to  
 2-44 be allocated and the amount of the reduction for each of those  
 2-45 strategies and objectives.

2-46 SECTION 7. HEALTH AND HUMAN SERVICES COMMISSION: MEDICAID  
 2-47 SHORTFALL. (a) In addition to amounts previously appropriated for  
 2-48 the state fiscal biennium ending August 31, 2017, \$793,586,397 is  
 2-49 appropriated from the general revenue fund, and \$1,599,849,506 is  
 2-50 appropriated from federal funds, to the Health and Human Services  
 2-51 Commission for the state fiscal year ending August 31, 2017, for  
 2-52 Medicaid services under Goal B, Medicaid, as listed in Chapter 1281  
 2-53 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the  
 2-54 General Appropriations Act).

2-55 (b) The expenditure or emergency transfer of money  
 2-56 appropriated under Subsection (a) of this section is subject to the  
 2-57 prior written approval of the Legislative Budget Board in  
 2-58 accordance with Section 69, Article XVI, Texas Constitution. A  
 2-59 request by the Health and Human Services Commission to expend or  
 2-60 transfer an amount of that money is considered approved unless the  
 2-61 Legislative Budget Board issues a written disapproval not later  
 2-62 than the 10th business day after the date on which the staff of the  
 2-63 Legislative Budget Board concludes its review of the request and  
 2-64 forwards its review to the chair of the House Appropriations  
 2-65 Committee, the chair of the Senate Finance Committee, the speaker  
 2-66 of the house of representatives, and the lieutenant governor.

2-67 SECTION 8. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:  
 2-68 ADDITIONAL APPROPRIATIONS. In addition to amounts previously  
 2-69 appropriated for the state fiscal biennium ending August 31, 2017,

3-1 the following amounts are appropriated from the general revenue  
 3-2 fund to the Department of Family and Protective Services for the  
 3-3 state fiscal year ending August 31, 2017, for the following  
 3-4 purposes as listed in Chapter 1281 (H.B. 1), Acts of the 84th  
 3-5 Legislature, Regular Session, 2015 (the General Appropriations  
 3-6 Act):

- 3-7 (1) \$16,279,099 for Strategy B.1.3., TWC Contracted  
 3-8 Day Care;  
 3-9 (2) \$39,665,526 for Strategy B.1.9., Foster Care  
 3-10 Payments; and  
 3-11 (3) \$694,681 for Strategy B.1.10., Adoption/PCA  
 3-12 Payments.

3-13 SECTION 9. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:  
 3-14 CERTAIN TRANSFERS. The Department of Family and Protective  
 3-15 Services shall transfer \$4,355,118 from Strategy G.1.1.,  
 3-16 Agency-Wide Automated Systems, to Strategy B.1.9., Foster Care  
 3-17 Payments, as listed in Chapter 1281 (H.B. 1), Acts of the 84th  
 3-18 Legislature, Regular Session, 2015 (the General Appropriations  
 3-19 Act).

3-20 SECTION 10. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:  
 3-21 ADDITIONAL APPROPRIATIONS FOR AGENCY CRITICAL NEEDS. In addition  
 3-22 to amounts previously appropriated for the state fiscal biennium  
 3-23 ending August 31, 2017, the Department of Family and Protective  
 3-24 Services is appropriated for the state fiscal year ending August  
 3-25 31, 2017, the following amounts from the general revenue fund for  
 3-26 the following strategies as listed in Chapter 1281 (H.B. 1), Acts of  
 3-27 the 84th Legislature, Regular Session, 2015 (the General  
 3-28 Appropriations Act), to address critical needs of the agency with  
 3-29 respect to those strategies:

- 3-30 (1) \$75,521,204 for Strategy B.1.1., CPS Direct  
 3-31 Delivery Staff;  
 3-32 (2) \$613,174 for Strategy B.1.2., CPS Program Support;  
 3-33 (3) \$21,000,000 for Strategy B.1.9., Foster Care  
 3-34 Payments;  
 3-35 (4) \$138,854 for Strategy D.1.1., APS Direct Delivery  
 3-36 Staff;  
 3-37 (5) \$6,703 for Strategy D.1.2., APS Program Support;  
 3-38 (6) \$376,259 for Strategy F.1.1., Central  
 3-39 Administration;  
 3-40 (7) \$33,546 for Strategy F.1.2., Other Support  
 3-41 Services;  
 3-42 (8) \$3,067,626 for Strategy F.1.4., IT Program  
 3-43 Support; and  
 3-44 (9) \$940,108 for Strategy G.1.1., Agency-Wide  
 3-45 Automated Systems.

3-46 SECTION 11. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:  
 3-47 CERTAIN TRANSFERS. (a) Notwithstanding any transfer limitation  
 3-48 specified in Chapter 1281 (H.B. 1), Acts of the 84th Legislature,  
 3-49 Regular Session, 2015 (the General Appropriations Act), the  
 3-50 Department of Family and Protective Services shall transfer to the  
 3-51 Health and Human Services Commission the following amounts:

- 3-52 (1) \$29,247,213 of general revenue funds; and  
 3-53 (2) \$72,450,261 of Temporary Assistance for Needy  
 3-54 Families (TANF) program federal funds.

3-55 (b) The Health and Human Services Commission may spend  
 3-56 Temporary Assistance for Needy Families (TANF) program federal  
 3-57 funds transferred under Subsection (a)(2) of this section during  
 3-58 the state fiscal year ending August 31, 2017, only with the prior  
 3-59 written approval of the Legislative Budget Board in accordance with  
 3-60 Section 69, Article XVI, Texas Constitution.

3-61 SECTION 12. TEXAS A&M FOREST SERVICE: APPROPRIATION FOR  
 3-62 GENERAL COSTS CAUSED BY VARIOUS EMERGENCY WEATHER-RELATED  
 3-63 RESPONSES. In addition to amounts previously appropriated for the  
 3-64 state fiscal biennium ending August 31, 2017, \$7,450,427 is  
 3-65 appropriated from the general revenue fund to the Texas A&M Forest  
 3-66 Service for the state fiscal year ending August 31, 2017, for the  
 3-67 purpose of paying for, or reimbursing payments made for, costs  
 3-68 incurred by the forest service associated with responding to  
 3-69 various weather-related emergencies.

4-1 SECTION 13. DEPARTMENT OF CRIMINAL JUSTICE: CORRECTIONAL  
 4-2 MANAGED HEALTH CARE SHORTFALL. In addition to amounts previously  
 4-3 appropriated for the state fiscal biennium ending August 31, 2017,  
 4-4 \$80,000,000 is appropriated from the general revenue fund to the  
 4-5 Department of Criminal Justice for the state fiscal year ending  
 4-6 August 31, 2017, for correctional managed health care under  
 4-7 Strategy C.1.9., Hospital and Clinical Care, as listed in Chapter  
 4-8 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015  
 4-9 (the General Appropriations Act).

4-10 SECTION 14. JUVENILE JUSTICE DEPARTMENT: OPERATIONAL  
 4-11 SHORTFALL. In addition to amounts previously appropriated for the  
 4-12 state fiscal biennium ending August 31, 2017, \$4,469,257 is  
 4-13 appropriated from the general revenue fund to the Juvenile Justice  
 4-14 Department for the state fiscal year ending August 31, 2017, for an  
 4-15 operational shortfall.

4-16 SECTION 15. ANIMAL HEALTH COMMISSION: CATTLE FEVER TICKS.  
 4-17 In addition to amounts previously appropriated for the state fiscal  
 4-18 biennium ending August 31, 2017, \$649,987 is appropriated from the  
 4-19 general revenue fund to the Animal Health Commission for the state  
 4-20 fiscal year ending August 31, 2017, for preparedness for, response  
 4-21 to, and mitigation of cattle fever ticks under Strategy A.1.1.,  
 4-22 Field Operations, as listed in Chapter 1281 (H.B. 1), Acts of the  
 4-23 84th Legislature, Regular Session, 2015 (the General  
 4-24 Appropriations Act).

4-25 SECTION 16. TEXAS ALCOHOLIC BEVERAGE COMMISSION. (a) The  
 4-26 Texas Alcoholic Beverage Commission may not spend money  
 4-27 appropriated to the agency by Chapter 1281 (H.B. 1), Acts of the  
 4-28 84th Legislature, Regular Session, 2015 (the General  
 4-29 Appropriations Act), for use during the state fiscal biennium  
 4-30 ending August 31, 2017:

4-31 (1) for travel outside the state, other than for bona  
 4-32 fide and documented law enforcement or investigative activities; or  
 4-33 (2) to attend or participate in an event, training,  
 4-34 conference, class, or similar activity outside the state.

4-35 (b) The Texas Alcoholic Beverage Commission and employees  
 4-36 of the commission may not accept payments from or spending  
 4-37 authority on behalf of any trade, professional, or industry  
 4-38 organization for any purpose or in any form, including a travel  
 4-39 subsidy, payment of travel or other expenses for conference  
 4-40 presenters, prepaid meals, or lodging.

4-41 SECTION 17. DEPARTMENT OF STATE HEALTH SERVICES: STATE  
 4-42 HOSPITALS. In addition to amounts previously appropriated for the  
 4-43 state fiscal biennium ending August 31, 2017, \$15,100,000 is  
 4-44 appropriated from the general revenue fund to the Department of  
 4-45 State Health Services for the state fiscal year ending August 31,  
 4-46 2017, for staffing costs, maintenance, and repair at state  
 4-47 hospitals.

4-48 SECTION 18. HEALTH AND HUMAN SERVICES COMMISSION: EARLY  
 4-49 CHILDHOOD INTERVENTION PROGRAM. In addition to amounts previously  
 4-50 appropriated for the state fiscal biennium ending August 31, 2017,  
 4-51 \$4,500,000 is appropriated from the general revenue fund to the  
 4-52 Health and Human Services Commission for the state fiscal year  
 4-53 ending August 31, 2017, to provide funding for early childhood  
 4-54 intervention program providers.

4-55 SECTION 19. HEALTH AND HUMAN SERVICES COMMISSION:  
 4-56 COMPREHENSIVE REHABILITATION SERVICES. In addition to amounts  
 4-57 previously appropriated for the state fiscal biennium ending August  
 4-58 31, 2017, \$2,400,000 is appropriated from the general revenue fund  
 4-59 to the Health and Human Services Commission for the state fiscal  
 4-60 year ending August 31, 2017, to provide comprehensive  
 4-61 rehabilitation services.

4-62 SECTION 20. DEPARTMENT OF AGING AND DISABILITY SERVICES:  
 4-63 STATE SUPPORTED LIVING CENTERS. In addition to amounts previously  
 4-64 appropriated for the state fiscal biennium ending August 31, 2017,  
 4-65 \$11,300,000 is appropriated from the general revenue fund to the  
 4-66 Department of Aging and Disability Services for the state fiscal  
 4-67 year ending August 31, 2017, to provide additional funding for  
 4-68 state supported living centers.

4-69 SECTION 21. DEPARTMENT OF AGING AND DISABILITY SERVICES:

5-1 MEXIA STATE SUPPORTED LIVING CENTER TORNADO REPAIR. In addition to  
 5-2 amounts previously appropriated for the state fiscal biennium  
 5-3 ending August 31, 2017, \$2,400,000 is appropriated from the general  
 5-4 revenue fund to the Department of Aging and Disability Services for  
 5-5 the state fiscal year ending August 31, 2017, to repair tornado  
 5-6 damage at the Mexia State Supported Living Center.

5-7 SECTION 22. KILGORE COLLEGE: HIGHER EDUCATION GROUP  
 5-8 INSURANCE CONTRIBUTIONS. In addition to amounts previously  
 5-9 appropriated for the state fiscal biennium ending August 31, 2017,  
 5-10 \$1,073,998 is appropriated from the general revenue fund to Kilgore  
 5-11 College for the state fiscal year ending August 31, 2017, to provide  
 5-12 for state contributions for health benefits.

5-13 SECTION 23. DEPARTMENT OF TRANSPORTATION: ADJUSTMENT TO  
 5-14 CAPITAL BUDGET ITEM EXPENDITURES. Notwithstanding Item d, Rider 2,  
 5-15 page VII-19, Chapter 1281 (H.B. 1), Acts of the 84th Legislature,  
 5-16 Regular Session, 2015 (the General Appropriations Act), to the bill  
 5-17 pattern appropriations to the Department of Transportation, the  
 5-18 department's maximum capital expenditure for fiscal year 2017 for  
 5-19 transportation items is increased by \$3,500,000, for a total amount  
 5-20 of \$8,500,000 for that fiscal year. Notwithstanding Item e of that  
 5-21 rider, the department's maximum capital expenditure for fiscal year  
 5-22 2017 for acquisition of capital equipment and items is  
 5-23 correspondingly decreased by \$3,500,000, for a total amount of  
 5-24 \$44,400,000 for that fiscal year.

5-25 SECTION 24. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:  
 5-26 IMPACT PROJECT. Chapter 1281 (H.B. 1), Acts of the 84th  
 5-27 Legislature, Regular Session, 2015 (the General Appropriations  
 5-28 Act), is amended by adding the following rider at the end of the  
 5-29 riders to the appropriations made to the Department of Family and  
 5-30 Protective Services in that Act (page II-46):

5-31 43. IMPACT Project. (a) The Department of Family and  
 5-32 Protective Services shall report to the Legislative Budget Board  
 5-33 any anticipated cost overruns and project delays for the IMPACT  
 5-34 project that, before June 1, 2017, have not been identified and  
 5-35 reported.

5-36 (b) Notwithstanding any other provision of this Act, all  
 5-37 cost overruns must be paid from amounts appropriated above out of  
 5-38 Appropriated Receipts. The Department of Family and Protective  
 5-39 Services may not expend on IMPACT project cost overruns any other  
 5-40 appropriations made from another method of financing without prior  
 5-41 written approval from the Legislative Budget Board. The department  
 5-42 shall request the approval and shall provide any additional  
 5-43 information the Legislative Budget Board requests related to the  
 5-44 request for approval in a timely manner and in a format specified by  
 5-45 the Legislative Budget Board. The request for approval is  
 5-46 considered approved unless the Legislative Budget Board issues a  
 5-47 written disapproval not later than the 30th business day after the  
 5-48 date on which the staff of the Legislative Budget Board concludes  
 5-49 its review of the request and forwards its review to the chair of  
 5-50 the House Appropriations Committee, the chair of the Senate Finance  
 5-51 Committee, the speaker of the house of representatives, and the  
 5-52 lieutenant governor.

5-53 SECTION 25. DEPARTMENT OF PUBLIC SAFETY: DRIVER LICENSE  
 5-54 IMPROVEMENT PLAN. In making expenditures of amounts appropriated to  
 5-55 the Department of Public Safety for Strategy E.2.1., Driver License  
 5-56 Services, and for Strategy E.2.2., Driving and Motor Vehicle  
 5-57 Safety, as listed in Chapter 1281 (H.B. 1), Acts of the 84th  
 5-58 Legislature, Regular Session, 2015 (the General Appropriations  
 5-59 Act), for use during the state fiscal biennium ending August 31,  
 5-60 2017, the department shall endeavor to use those amounts in a manner  
 5-61 that ensures completion of all outstanding driver license  
 5-62 improvement plan projects, including the installation of driver  
 5-63 license kiosks, not later than August 31, 2017.

5-64 SECTION 26. GOVERNOR'S HIRING FREEZE. (a) This section  
 5-65 applies only to a state agency, institution of higher education, or  
 5-66 other state entity in the executive branch of state government that  
 5-67 is under the direction of the governor. This section does not apply  
 5-68 to an agency that is under the direction of a statewide elected  
 5-69 official other than the governor.

6-1 (b) Notwithstanding the appropriations made by Chapter 1281  
6-2 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the  
6-3 General Appropriations Act), for use during the state fiscal  
6-4 biennium ending August 31, 2017, each agency, institution, or other  
6-5 entity to which this section applies is directed to adhere to the  
6-6 memorandum issued to heads of state agencies by Steven Albright,  
6-7 Budget Director for Governor Greg Abbott, on January 31, 2017,  
6-8 regarding the governor's directive that the agencies,  
6-9 institutions, and entities impose an immediate hiring freeze and  
6-10 maintain that hiring freeze through the end of the state fiscal year  
6-11 ending August 31, 2017. At the end of the state fiscal biennium  
6-12 ending on that date, all amounts appropriated to those agencies,  
6-13 institutions, and entities that are unexpended, because of the  
6-14 hiring freeze, lapse, and the comptroller of public accounts shall  
6-15 credit those amounts to the funds and accounts from which the  
6-16 appropriations were made.

6-17 SECTION 27. EFFECTIVE DATE. This Act takes effect  
6-18 immediately.

6-19

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