BILL ANALYSIS

Senate Research Center
87S20906 SRA-D

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C.S.S.B. 11
By: Nelson
Finance
8/29/2021
Committee Report (Substituted)

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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Each legislative session, state agencies project the costs of fulfilling their functions and providing important services for the following two-year budget cycle. This projection, when combined with the biennial revenue estimate, is a key component in the construction of the biennial General Appropriations Act. These estimates are not always accurate and may require certain supplemental appropriations and adjustments to previously appropriated sums to align with revised revenue estimates and supplemental needs. Since the 87th Legislature adjourned, the Comptroller of Public Accounts of the State of Texas has updated the estimate of available revenue. S.B. 11 makes supplemental appropriations and gives direction regarding certain appropriations based on updated cost and revenue estimates.

(Original Author's / Sponsor's Statement of Intent)

C.S.S.B. 11 amends current law relating to making supplemental appropriations and giving direction regarding appropriations.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. SENATE. (a) Amends Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021 (the General Appropriations Act), by adding the following rider at the end of the riders to the bill pattern of the appropriations made to the Texas Senate (senate) in that section (page X-1), as follows:

> 4. General Funding. Provides that in addition to amounts otherwise appropriated by this Act to the senate, there is appropriated to the senate from the general revenue fund the amount of $34,422,614 for the state fiscal year beginning September 1, 2021, and the amount of $37,291,165 for the state fiscal year beginning September 1, 2022, for Strategy A.1.1, Senate, to be spent in accordance with Rider 1 above.

> (b) Amends Rider 3 (page X-1), Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, to the bill pattern of the appropriations to the senate, as follows:

> 3. Unexpended Balances. Provides that any unobligated and unexpended balances remaining as of August 31, 2021, from appropriations made to the senate are appropriated to the senate for the same purposes for the biennium beginning September 1, 2021. Provides that any unobligated and unexpended balances remaining as of August 31, 2022, from appropriations made to the senate are appropriated for the same purposes for the fiscal year beginning September 1, 2022.

SECTION 2. HOUSE OF REPRESENTATIVES. (a) Amends Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, by adding the following rider at the end of the riders to the bill pattern of the appropriations made to the Texas House of Representatives (house) in that section (page X-2), as follows:

> 4. General Funding. Provides that in addition to amounts otherwise appropriated by this Act to the house, there is appropriated to the house from the general revenue fund the amount of $43,098,410 for the state fiscal year beginning September 1, 2021, and the amount of $48,600,335 for the state fiscal year beginning September 1, 2022, for Strategy A.1.1, House of Representatives, to be spent in accordance with Rider 1 above.

(b) Amends Rider 3 (page X-2), Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, to the bill pattern of the appropriations to the house, as follows:

> 3. Unexpended Balances. Provides that, any unobligated and unexpended balances remaining as of August 31, 2021, from appropriations made to the house are appropriated to the house for the same purposes for the biennium beginning September 1, 2021. Provides that any unobligated and unexpended balances remaining as of August 31, 2022, from appropriations made to the house are appropriated for the same purposes for the fiscal year beginning September 1, 2022.

SECTION 3. LEGISLATIVE BUDGET BOARD. (a) Amends Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, by adding the following rider at the end of the riders to the bill pattern of the appropriations made to the Legislative Budget Board (LBB) in that section (page X-3), as follows:

> 4. General Funding. Provides that in addition to amounts otherwise appropriated by this Act to the LBB, there is appropriated to the LBB from the general revenue fund the amount of $13,178,999 for the state fiscal year beginning September 1, 2021, and the amount of $13,178,998 for the state fiscal year beginning September 1, 2022, for Strategy A.1.1, the LBB, to be spent in accordance with Rider 1 above.

(b) Amends Rider 2 (page X-3), Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, to the bill pattern of the appropriations to the LBB, as follows:

> 2. Unexpended Balance. Provides that any unobligated and unexpended balances remaining as of August 31, 2021, from appropriations made to the LBB are appropriated to the LBB for the same purposes for the biennium beginning September 1, 2021. Provides that any unobligated and unexpended balances remaining as of August 31, 2022, from appropriations made to the LBB are appropriated to the LBB for the same purposes for the fiscal year beginning September 1, 2022.

SECTION 4. LEGISLATIVE COUNCIL. (a) Amends Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, by adding the following rider at the end of the riders to the bill pattern of the appropriations made to the Texas Legislative Council (TLC) in that section (page X-4), as follows:

> 5. General Funding. Provides that in addition to amounts otherwise appropriated by this Act to TLC, there is appropriated to TLC from the general revenue fund the amount of $40,205,883 for the state fiscal year beginning September 1, 2021, and the amount of $43,556,374 for the state fiscal year beginning September 1, 2022, for Strategy A.1.1, TLC, to be spent in accordance with Rider 1 above.

(b) Amends Rider 2 (page X-4), Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, to the bill pattern of the appropriations to TLC, as follows:

2. Unexpended Balances. Provides that any unobligated and unexpended balances remaining as of August 31, 2021, from appropriations made to TLC are appropriated to TLC for the same purposes for the biennium beginning September 1, 2021. Provides that any unobligated and unexpended balances remaining as of August 31, 2022, from appropriations made to TLC are appropriated to TLC for the same purposes for the fiscal year beginning September 1, 2022.

SECTION 5. COMMISSION ON UNIFORM STATE LAWS. (a) Amends Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, by adding the following rider at the end of the riders to the bill pattern of the appropriations made to the Commission on Uniform State Laws (CUSL) in that section (page X-5), as follows:

3. General Funding. Provides that in addition to amounts otherwise appropriated by this Act to CUSL, there is appropriated to CUSL from the general revenue fund the amount of $143,958 for each state fiscal year of the state fiscal biennium beginning September 1, 2021, for Strategy A.1.1, CUSL, to be spent in accordance with Rider 1 above.

(b) Amends Rider 2 (page X-5), Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, to the bill pattern of the appropriations to CUSL, as follows:

2. Unexpended Balances. Provides that any unobligated and unexpended balances remaining as of August 31, 2021, from appropriations made to CUSL are appropriated to CUSL for the same purposes for the biennium beginning September 1, 2021. Provides that any unobligated and unexpended balances remaining as of August 31, 2022, from appropriations made to CUSL are appropriated to CUSL for the same purposes for the fiscal year beginning September 1, 2022.

SECTION 6. SUNSET ADVISORY COMMISSION. (a) Amends Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, by adding the following rider at the end of the riders to the bill pattern of the appropriations made to the Texas Sunset Advisory Commission (Sunset) in that section (page X-6), as follows:

3. General Funding. Provides that in addition to amounts otherwise appropriated by this Act to Sunset, there is appropriated to Sunset from the general revenue fund the amount of $2,268,722 for each state fiscal year of the state fiscal biennium beginning September 1, 2021, for Strategy A.1.1, Sunset.

(b) Amends Riders 1 and 2 (pages X-5 and X-6), Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, to the bill pattern of the appropriations to Sunset, as follows:

1. Unexpended Balances. Provides that any unobligated and unexpended balances remaining as of August 31, 2021, from appropriations made to Sunset are appropriated to Sunset for the same purposes for the biennium beginning September 1, 2021. Provides that any unobligated and unexpended balances remaining as of August 31, 2022, from appropriations made to Sunset are appropriated to Sunset for the same purposes for the fiscal year beginning September 1, 2022.

2. Appropriation to Sunset Advisory Commission Account. Provides that the money that an entity is required by law to pay to Sunset to cover the costs Sunset incurs in performing a review of the entity is appropriated to Sunset for maintaining the operations of Sunset.

SECTION 7. STATE AUDITOR'S OFFICE. (a) Amends Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, by adding the following rider at the end of the riders to the bill pattern of the appropriations made to the Office of the State Auditor (SAO) in that section (page X-7), as follows:

> 8. General Funding. (a) Provides that in addition to amounts otherwise appropriated by this Act to SAO, there is appropriated to SAO from the general revenue fund the amount of $17,027,403 for the state fiscal year beginning September 1, 2021, and the amount of $17,027,402 for the state fiscal year beginning September 1, 2022, for Strategy A.1.1, State Auditor.
>
> > (b) Requires SAO to use money appropriated by Subsection (a) of this rider as necessary to perform SAO's duties under Riders 5, 6, and 7 above.

(b) Amends Riders 2 and 3 (page X-6), Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, to the bill pattern of the appropriations to SAO, as follows:

> 2. Appropriation of Appropriated Receipts. Provides that all funds reimbursed to SAO by governmental entities for the provision of services are appropriated to SAO during the fiscal year in which they are received and are required to be used as provided by Government Code, Chapter 321 (State Auditor).
>
> 3. Unexpended Balances. Provides that any unobligated and unexpended balances remaining as of August 31, 2021, from appropriations made to SAO from the General Revenue Fund are appropriated to SAO for the same purposes for the biennium beginning September 1, 2021. Provides that any unobligated and unexpended balances remaining as of August 31, 2022, from appropriations made to SAO from the General Revenue Fund are appropriated to SAO for the same purposes for the fiscal year beginning September 1, 2022.

SECTION 8. LEGISLATIVE REFERENCE LIBRARY. (a) Amends Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, by adding the following riders at the end of the riders to the bill pattern of the appropriations made to the Legislative Reference Library (LRL) in that section (page X-8):

> 3. General Funding. Provides that in addition to amounts otherwise appropriated by this Act to LRL, there is appropriated to LRL from the general revenue fund the amount of $1,733,325 for each state fiscal year of the state fiscal biennium beginning September 1, 2021, for Strategy A.1.1, LRL, to be spent in accordance with Rider 1 above.
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> 4. Appropriation of Interagency Contracts. Provides that all funds transferred to LRL pursuant to interagency contracts for services provided by LRL are appropriated to LRL during the fiscal year in which they are received and are required to be used as provided by Government Code, Chapter 324 (Legislative Reference Library).
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> 5. Appropriation of Appropriated Receipts. Provides that all funds reimbursed to LRL by governmental entities for the provision of services are appropriated to LRL during the fiscal year in which they are received and are required to be used as provided by Government Code, Chapter 324.

(b) Amends Rider 2 (page X-8), Section 1, Article X, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, to the bill pattern of the appropriations to LRL, as follows:

> 2. Unexpended Balances. Provides that any unobligated and unexpended balances remaining as of August 31, 2021, from appropriations made to LRL from the

General Revenue Fund are appropriated for the same purposes for the biennium beginning September 1, 2021. Provides that any unobligated and unexpended balances remaining as of August 31, 2022, from appropriations made to LRL from the General Revenue Fund are appropriated for the same purposes for the fiscal year beginning September 1, 2022.

SECTION 9. TEXAS EDUCATION AGENCY: SCHOOL DISTRICT AD VALOREM TAX RELIEF. Provides that, notwithstanding Rider 3, page III-5, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, and contingent on S.B. 8 or similar legislation by the 87th Legislature, 2nd Called Session, 2021, relating to the authority of a person who acquires a residence homestead to receive an ad valorem tax exemption for the homestead in the year in which the property is acquired, being enacted and becoming law, the amount of $50,000,000 is appropriated from the general revenue fund to the Texas Education Agency (TEA) for each state fiscal year of the state fiscal biennium beginning September 1, 2021, for the purpose of implementing the provisions of the legislation.

SECTION 10. TEXAS EDUCATION AGENCY: CERTAIN PUBLIC SCHOOL CURRICULUM. Provides that contingent on S.B. 3 or similar legislation by the 87th Legislature, 2nd Called Session, 2021, relating to certain curriculum in public schools, including certain instructional requirements and prohibitions, being enacted and becoming law, the amount of $14,625,000 is appropriated from the general revenue fund to TEA for the state fiscal biennium beginning September 1, 2021, for the purpose of implementing the provisions of the legislation.

SECTION 11. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES: FOSTER CARE CAPACITY IMPROVEMENT. Amends Section 1, Article II, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, by adding the following rider at the end of the riders to the bill pattern of the appropriations made to the Department of Family and Protective Services (DFPS) in that section (page II-19):

52. Foster Care Capacity Improvement. (a) Provides that, in addition to the amounts appropriated above, the amount of $35,000,000 is appropriated from the general revenue fund to DFPS for each fiscal year of the state fiscal biennium beginning September 1, 2021, for the purpose of providing supplemental payments to retain providers and increase provider capacity.

(b) Provides that, in addition to amounts appropriated above, the amount of $20,000,000 is appropriated from the general revenue fund to DFPS for the state fiscal year beginning September 1, 2021, for the purpose of providing targeted foster care capacity grants across this state to address the existing foster care capacity shortage. Provides that the grants should focus on serving children with the highest level of need, expanding certain types of placements and bringing new providers and capacity online, and promoting long-term viability of child placements.

(c) Provides that all unexpended balances of the amount appropriated by Subsection (b) of this rider for the state fiscal year beginning September 1, 2021, are appropriated for the same purposes for the state fiscal year beginning September 1, 2022.

(d) Requires that the money appropriated by Subsection (a) of this rider be spent in coordination with appropriations provided in Rider 51, Community-based Care (CBC) Capacity, and, beginning with the state fiscal year that begins September 1, 2022, requires that it be spent in compliance with rate methodology requirements outlined in Special Provisions Relating to All Health and Human Services Agencies, Section 26 of this article, Reimbursement Rates and Methodology; Reporting Requirements: Legacy Foster Care, Community Based Care Services, and Other Child Services.

(e) Requires DFPS to prepare a report on the specific efforts that DFPS has implemented with money appropriated by this rider and the effect of those efforts on improving foster care capacity across the state. Requires DFPS, not later than September 1, 2022, to submit the report to the LBB, Senate Finance Committee, House Appropriations Committee, and each standing committee of the senate and house with primary jurisdiction over health and human services.

SECTION 12. DEPARTMENT OF INFORMATION RESOURCES: CYBERSECURITY. (a) Provides that the amount of $17,443,511 is appropriated from the general revenue fund to the Texas Department of Information Resources (DIR) for the purpose of providing cybersecurity enhancements for the state during the state fiscal biennium beginning September 1, 2021, to be allocated as follows:

(1) $6,534,350 for Endpoint Detection and Response;

(2) $6,909,161 for the Security Operations Center; and

(3) $4,000,000 for Multifactor Authentication Expansion.

(b) Authorizes DIR, during the state fiscal biennium beginning September 1, 2021, in addition to the number of full-time equivalent (FTE) employees other law authorizes DIR to employ during that period, to employ out of money appropriated by Subsection (a) of this section:

(1) one FTE employee for Endpoint Detection and Response;

(2) seven FTE employees for the Security Operations Center; and

(3) one FTE employee for Multifactor Authentication Expansion.

SECTION 13. TEACHER RETIREMENT SYSTEM: ADDITIONAL PAYMENT. Provides that, contingent on S.B. 7 or similar legislation by the 87th Legislature, 2nd Called Session, 2021, relating to a one-time supplemental payment of benefits under the Teacher Retirement System of Texas (TRS), being enacted and becoming law, the amount of $701,100,535 is appropriated from the general revenue fund to TRS for the state fiscal biennium beginning September 1, 2021, for the purpose of implementing the provisions of the legislation.

SECTION 14. OFFICE OF COURT ADMINISTRATION, TEXAS JUDICIAL COUNCIL: BOND LEGISLATION. Amends Section 1, Article IV, Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021, by adding the following rider at the end of the riders to the bill pattern of the appropriations made to the Texas Office of Court Administration (OCA), Texas Judicial Council, in that section (page IV-28):

14. Contingent Appropriation for Bond Legislation. Provides that, contingent on S.B. 6 or similar legislation by the 87th Legislature, 2nd Called Session, 2021, relating to rules for setting the amount of bail, to the release of certain defendants on a monetary bond or personal bond, to related duties of certain officers taking bail bonds and of a magistrate in a criminal case, to charitable bail organizations, and to the reporting of information pertaining to bail bonds, being enacted and becoming law:

(1) in addition to amounts otherwise appropriated by this Act to OCA, Texas Judicial Council, the amount of $1,427,218 is appropriated for the state fiscal year beginning September 1, 2021, and the amount of $885,798 is appropriated for the state fiscal year beginning September 1, 2022, from the general revenue fund to OCA, Texas Judicial Council, to implement the provisions of the legislation;

(2) in addition to amounts otherwise appropriated by this Act to OCA, Texas Judicial Council, the amount of $1,500,000 is appropriated for the state fiscal year beginning September 1, 2021, and the amount of $462,500 is appropriated for the state fiscal year beginning September 1, 2022, from the General

Revenue-Dedicated Statewide Electronic Filing System Account No. 5157 to OCA, Texas Judicial Council, to implement the provisions of the legislation;

(3) during the state fiscal biennium beginning September 1, 2021, OCA, Texas Judicial Council, is authorized, using money appropriated by this rider, to employ six FTE employees to implement the provisions of the legislation; and

(4) the capital budget authority for OCA, Texas Judicial Council, is increased by $1,500,000 from the General Revenue-Dedicated Statewide Electronic Filing System Account No. 5157 for the state fiscal year beginning September 1, 2021, for capital budget items related to the implementation of the legislation.

SECTION 15. REIMBURSEMENT FOR AUDITABLE VOTING MACHINES. Provides that the amount of $4,300,000 is appropriated from the general revenue fund to the secretary of state for the state fiscal year beginning September 1, 2021, for the purpose of reimbursements for the retrofitting of certain auditable voting systems, the replacement of certain systems that cannot be upgraded, and the development of secure tracking systems for mail ballots in accordance with H.B. 3 or similar legislation of the 87th Legislature, 2nd Called Session, 2021. Provides that unexpended balances remaining for the purposes described by this section for the state fiscal year beginning September 1, 2021, are appropriated for the same purposes for the state fiscal year beginning September 1, 2022.

SECTION 16. BUDGET EXECUTION ORDER SUPERSEDED, Provides that, as authorized by Section 317.011 (Supersession of Order), Government Code, this Act supersedes any budget execution order issued under Chapter 317 (State Budget Execution), Government Code, during August 2021 and any authorization for a transfer of an appropriation or of money under such an order is void on the effective date of this Act.

SECTION 17. EFFECTIVE DATE. Effective date: upon passage.