

## **BILL ANALYSIS**

H.B. 161  
By: Capriglione  
Appropriations  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The federal American Rescue Plan Act of 2021 provided fiscal relief to states aimed at mitigating the continuing effects of the COVID-19 pandemic. In part, the legislation established the Coronavirus State Fiscal Recovery Fund, from which Texas was allocated billions of dollars. H.B. 161 makes appropriations relating to health and human services from federal COVID-19 relief money received by the state from this fund.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 161 makes supplemental appropriations relating to health and human services from money received by the state and deposited to the credit of the state's coronavirus relief fund from the Coronavirus State Fiscal Recovery Fund established under the federal American Rescue Plan Act of 2021. The bill also gives direction regarding certain of those appropriations.

#### **Appropriation of Federal COVID-19 Relief Funds**

##### Department of State Health Services

###### *COVID-19 Services*

H.B. 161 appropriates \$2,005,581,271 to the Department of State Health Services (DSHS) for the following purposes related to the COVID-19 pandemic during the period beginning on March 3, 2021, and ending December 31, 2021:

- providing funding for state and local hospital surge staffing;
- purchasing therapeutic drugs, including drugs for monoclonal antibody treatments; and
- providing funding for the operation of regional infusion centers.

The bill establishes that it is the legislature's intent that any reimbursement received by DSHS from FEMA related to expenditures paid from this appropriated money be deposited to the general revenue fund and not expended until appropriated by the 88th Legislature. Any of the appropriated money that remains unobligated on January 1, 2022, lapses to the credit of the state's coronavirus relief fund and may not be expended until appropriated by the legislature.

### *Federally Qualified Health Center Incubator Program*

H.B. 161 appropriates \$20,000,000 to DSHS for use during the two-year period beginning on the bill's effective date for the federally qualified health center incubator program.

### *Emergency Medical Services*

H.B. 161 appropriates \$21,700,000 to DSHS for the purpose of providing funding for emergency medical response service staffing, including the following:

- funding for programs to incentivize and increase the number of emergency medical technicians (EMTs) and paramedics that provide care on an ambulance; and
- funding for emergency medical services (EMS) education programs, including distance learning programs, to increase the number of EMTs and paramedics graduating from EMS education programs.

The bill establishes that it is the legislature's intent that DSHS prioritize funding for rural and underserved areas.

### Health and Human Services Commission

#### *Dallas State Hospital Construction*

H.B. 161 appropriates \$237,800,000 to the Health and Human Services Commission (HHSC) for the purpose of completing construction of a state hospital in Dallas during the two-year period beginning on the bill's effective date. Accordingly, the bill increases HHSC's capital budget authority in Chapter 1053 (S.B. 1), Acts of the 87th Legislature, Regular Session, 2021 (the General Appropriations Act), by the same amount for that appropriation.

#### *Health Care Staffing Needs*

H.B. 161 appropriates \$300,000,000 to HHSC for the purpose of providing funding during the two-year period beginning on the bill's effective date for HHSC to administer one-time grants related to providing critical staffing needs resulting from frontline health care workers affected by COVID-19, including providing recruitment and retention bonuses for the following persons:

- staff of nursing facilities, assisted living facilities, home health agencies, and facilities that serve persons with intellectual or developmental disabilities in intermediate care facility for individuals with intellectual disabilities or related conditions (ICF/IID);
- staff who provide community attendant services; and
- staff who provide home and community-based services and services through the Texas home living (HSC and TxHML) waiver programs.

Of the amount appropriated, half is restricted for grants for nursing facilities and the other half is restricted for all other grants.

H.B. 161 establishes that it is the legislature's intent that HHSC prioritize grants to grantees that comply with the reporting requirements prescribed by Rider 143 in the General Appropriations Act, the reporting requirements established by Chapter 588 (S.B. 809), Acts of the 87th Legislature, 2021, or equivalent reporting requirements established by HHSC. Additionally, the bill requires HHSC to report annually to the Legislative Budget Board the grants awarded and to include in the report, for the year covered by the report, the amount of grants awarded, the award recipients, and the total amount of each grant used by the recipient. The report must be submitted not later than December 1 of the year in which the report is due.

#### *Rural Hospitals*

H.B. 161 appropriates \$75,000,000 to HHSC for the purpose of providing funding for grants to support rural hospitals that have been affected by the COVID-19 pandemic during the two-year period beginning on the bill's effective date.

## Other Provisions

H.B. 161 establishes the following:

- it is the legislature's intent that:
  - DSHS and HHSC distribute the money appropriated by the bill only to entities in compliance with the hospital price transparency public disclosure requirements required by 45 C.F.R. Sections 180.10 - 180.60 and by Chapter 1044 (S.B. 1137), Acts of the 87th Legislature, Regular Session, 2021;
  - the appropriations made by the bill are one-time appropriations made for the purpose of addressing the state's needs for the two-year period beginning on the bill's effective date;
  - the appropriations made by the bill be used only for purposes authorized by state and federal law, including guidance issued by the U.S. Department of the Treasury as part of the interim final rules published in 86 Fed. Reg. 26786 (May 17, 2021);
  - the appropriations made by the bill be used before all other methods of finance if more than one method of finance has been appropriated by this and a prior act of the legislature for use during a state fiscal year; and
  - if the purpose of an appropriation, for any reason, is determined by a qualified state or federal authority to have been made for an improper use, the appropriated money not be spent and instead be retained in the treasury and available for later legislative appropriation;
- certain of the appropriations made by the bill, as specified therein, are made in accordance with 42 U.S.C. Section 802(c)(1)(C), which allows money from the federal Coronavirus State Fiscal Recovery Fund to be used to provide government services to the extent of a reduction in the revenue of a state government caused by the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the state government that ended before that emergency; and
- the transfer provisions of Part 14, Article IX, in the General Appropriations Act and the transfer provisions of Section 65, Chapter 995 (H.B. 2), Acts of the 87th Legislature, Regular Session, 2021 (the Supplemental Appropriations Act), apply to the appropriations made by this bill to allow appropriate transfer of appropriations made by this bill as if the appropriations made by the General Appropriations Act, the Supplemental Appropriations Act, and this bill were all a part of the same bill, to the extent permitted by federal law.

### **EFFECTIVE DATE**

On passage.