

## BILL ANALYSIS

Senate Research Center

H.B. 2  
By: Bonnen (Nelson)  
Finance  
5/19/2021  
Engrossed

### 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. H.B. 2 seeks to make those adjustments and give direction regarding certain appropriations.

H.B. 2 amends current law relating to making supplemental appropriations and reductions in appropriations and giving direction and adjustment authority 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. CERTAIN REDUCTIONS IN APPROPRIATIONS FOR THE STATE FISCAL YEAR ENDING AUGUST 31, 2021. (a) Provides that the appropriations from the general revenue fund for the state fiscal year ending August 31, 2021, made by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019 (the General Appropriations Act), to certain agencies listed in this subsection are reduced respectively for each agency, in the unencumbered amounts indicated by this subsection, for a total aggregate reduction of \$505,483,200. Requires each of the certain agencies to identify the strategies and objectives out of which the indicated reductions in unencumbered amounts appropriated to the agency from the general revenue fund are made except to the extent a strategy or objective is specified by this subsection.

(b) Provides that the appropriations from dedicated accounts in the general revenue fund for the state fiscal year ending August 31, 2021, made by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, to certain agencies listed in this subsection are reduced respectively for each agency, in the unencumbered amounts indicated by this subsection from the dedicated accounts, for a total aggregate reduction of \$71,507,410. Requires each of the certain agencies to identify to the Comptroller of Public Accounts of the State of Texas (comptroller) and the Legislative Budget Board (LBB) the dedicated accounts, strategies, and objectives out of which the indicated reductions in unencumbered amounts appropriated to the agency are made.

(c) Provides that the appropriations from the general revenue fund and dedicated accounts in the general revenue fund for the state fiscal year ending August 31, 2021, made by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, to certain agencies listed in this subsection are reduced respectively for each agency, in the unencumbered amounts indicated by this subsection, for a total aggregate reduction of \$1,680,004,018. Requires the agencies listed in this subsection, in consultation with the comptroller and the LBB, to determine the allocation of benefits included in the reductions listed under this subsection. Requires each of the certain agencies to identify the strategies and objectives out of which the indicated reductions in unencumbered

amounts appropriated to the agency from the general revenue fund and dedicated accounts in the general revenue fund are made except to the extent a strategy or objective is specified by this subsection.

(d) Provides that this subsection applies only to a state agency or institution of higher education the appropriations to which are reduced under Subsection (c) of this section. Requires that a grant of federal money received from the Office of the Governor by a state agency or institution of higher education to which this section applies, notwithstanding any other provision of Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, be treated as general revenue for the purpose of calculating benefits in accordance with Section 6.08, Article IX, of that Act, and be eligible for proportional general revenue benefits as if the appropriations from general revenue were not reduced for the state agency or institution of higher education under Subsection (c) of this section.

(e) Provides that it is the intent of the legislature that federal funds appropriated in accordance with Section 13.01, Article IX, of Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, to a state agency or institution of higher education be used by the agency or institution for the purpose of avoiding reductions to the provision of important government services as a result of the reduction in the amount appropriated to the agency or institution from the general revenue fund or a dedicated account in the general revenue fund under Subsection (c) of this section.

(f) Provides that it is the intent of the legislature that lapsed appropriations associated with appropriations made by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, from the general revenue fund or from dedicated accounts in the general revenue fund to a state agency or institution of higher education for the state fiscal year ending August 31, 2020, be used to offset the total amount of reductions required by Subsections (a) and (b) of this section for the applicable agency or institution. Provides that the offset is contingent upon approval by the comptroller and the LBB.

**SECTION 2. TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR: DISASTER-RELATED APPROPRIATIONS.** Provides that any and all amounts that have not been expended or encumbered as of the effective date of this Act and that were previously appropriated from the economic stabilization fund by Section 5, Chapter 465 (S.B. 500), Acts of the 86th Legislature, Regular Session, 2019 (the Supplemental Appropriations Act), for Trusteed Programs within the Office of the Governor for the purpose of response to a disaster similar to purposes addressed by Chapter 605 (S.B. 1), Acts of the 85th Legislature, Regular Session, 2017, (with those amounts estimated to be \$0) are appropriated for the same purposes from the same funds for use during the two-year period beginning on the effective date of this Act.

**SECTION 3. FACILITIES COMMISSION: CAPITOL COMPLEX PHASE 1.** Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, the amount of \$34,920,754 is appropriated from the economic stabilization fund to the Texas Facilities Commission (TFC), for the two-year period beginning on the effective date of this Act for the purpose of providing interior finish out of new facilities included in Phase I of the Capitol Complex construction projects, costs associated with moving agencies into the new facilities, and security services for the new facilities for certain strategies as listed in Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019.

**SECTION 4. TEXAS HISTORICAL COMMISSION: NATIONAL MUSEUM OF THE PACIFIC WAR.** Provides that the amounts (estimated to be \$0) that have not been expended or encumbered by the Texas Historical Commission (THC) as of the effective date of this Act and that were previously appropriated from the economic stabilization fund by Section 7, Chapter 465 (S.B. 500), Acts of the 86th Legislature, Regular Session, 2019, are appropriated from the economic stabilization fund to THC for the two-year period beginning on the effective date of this Act for the same purposes, which are capital projects at the National Museum of the Pacific War under Strategy A.1.4., Historic Sites, as listed in Chapter 605 (S.B. 1), Acts of the 85th Legislature, Regular Session, 2017, including certain projects.

SECTION 5. TEXAS HISTORICAL COMMISSION: COURTHOUSE PRESERVATION GRANTS. Provides that the amounts (estimated to be \$0) that have not been expended or encumbered by THC as of the effective date of this Act and that were previously appropriated from the economic stabilization fund by Section 8, Chapter 465 (S.B. 500), Acts of the 86th Legislature, Regular Session, 2019, are appropriated from the economic stabilization fund to THC for the two-year period beginning on the effective date of this Act for the same purposes, which are courthouse preservation grants under Strategy A.1.3., Courthouse Preservation, as listed in Chapter 605 (S.B. 1), Acts of the 85th Legislature, Regular Session, 2017.

SECTION 6. TEXAS HISTORICAL COMMISSION: DEFERRED MAINTENANCE. Provides that the amounts (estimated to be \$0) that have not been expended or encumbered by THC as of the effective date of this Act and that were previously appropriated from the economic stabilization fund by Section 9, Chapter 465 (S.B. 500), Acts of the 86th Legislature, Regular Session, 2019, are appropriated from the economic stabilization fund to THC for the two-year period beginning on the effective date of this Act for the same purposes as provided by Chapter 605 (S.B. 1), Acts of the 85th Legislature, Regular Session, 2017, which are deferred maintenance projects under Strategy A.1.4., Historic Sites.

SECTION 7. TEXAS HISTORICAL COMMISSION: LEVI JORDAN PLANTATION. Provides that the amounts (estimated to be \$0) that have not been expended or encumbered by THC as of the effective date of this Act and that were previously appropriated from the economic stabilization fund by Section 10, Chapter 465 (S.B. 500), Acts of the 86th Legislature, Regular Session, 2019, are appropriated from the economic stabilization fund to THC for the two-year period beginning on the effective date of this Act for the same purposes, which are continuing development of the Levi Jordan Plantation, including architectural, engineering, interpretive, and site survey services and collections conservation and acquisition to develop museum exhibits, as provided by Strategy A.1.4., Historic Sites, Chapter 605 (S.B. 1), Acts of the 85th Legislature, Regular Session, 2017.

SECTION 8. TEXAS EDUCATION AGENCY: SETTLEMENT FOR SUPPORT AND MAINTENANCE OF STATE SPECIAL EDUCATION. (a) Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, and by Chapter 465 (S.B. 500), Acts of the 86th Legislature, Regular Session, 2019, the amount of \$107,928,979 is appropriated from the general revenue fund to the Texas Education Agency (TEA) for the two-year period beginning on the effective date of this Act for the purpose of using the funds as required by the negotiated legal settlement agreement between the State of Texas and the United States Department of Education to prevent the withholding of federal funds as a result of an alleged failure to maintain adequate state financial support for special education under federal law (20 U.S.C. Section 1412(a)(18)(A) and 34 C.F.R. Section 300.163(a)), during the state fiscal years ending August 31, 2012, August 31, 2017, and August 31, 2018.

(b) Provides that the unencumbered appropriations from the general revenue fund to TEA made by Sections 30(a)(1) and (2), Chapter 465 (S.B. 500), Acts of the 86th Legislature, Regular Session, 2019, are reduced by \$107,900,000.

(c) Requires that the amounts appropriated under Subsection (a) of this section be used to provide funding for public schools and be distributed for each full-time equivalent student in average daily attendance in a special education program under Subchapter A (Special Education Program), Chapter 29 (Educational Programs), Education Code, in proportion to the applicable weight for the student under the public school finance system.

SECTION 9. APPROPRIATION REDUCTION: TEXAS EDUCATION AGENCY. (a) Provides that the unencumbered appropriations from the Foundation School Fund No. 193 made by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, to TEA for use during the state fiscal biennium ending August 31, 2021, are reduced by \$5,473,203,345 from Strategy A.1.1., Foundation School Program-Equalized Operations, Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019.

(b) Provides that, notwithstanding Rider 3, page III-5, Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, to the bill pattern of the appropriations to TEA, the sum-certain appropriation to the Foundation School Program for the state fiscal year ending August 31, 2021, is \$24,418,500,000.

**SECTION 10. TEXAS A&M FOREST SERVICE: NATURAL DISASTERS.** Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, the amount of \$56,388,408 is appropriated from the economic stabilization fund to the Texas A&M Forest Service, for the two-year period beginning on the effective date of this Act for the purpose of responding to previously occurring and future natural disasters, including responding through the mobilization of ground and aviation resources for fire suppression.

**SECTION 11. UNIVERSITY OF TEXAS AT HOUSTON HEALTH SCIENCES CENTER: FACULTY RECRUITMENT.** Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, the amount of \$500,000 is appropriated out of the general revenue fund to the University of Texas at Houston Health Sciences Center, for the two-year period beginning on the effective date of this Act for the purpose of recruiting faculty for the UTHealth Behavioral Sciences Center, a campus program within the University of Texas at Houston Health Sciences Center.

**SECTION 12. SOUTH TEXAS COLLEGE: HIGHER EDUCATION GROUP INSURANCE CONTRIBUTIONS.** Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019 (the General Appropriations Act), for use during the state fiscal biennium ending August 31, 2021, \$5,660,318 is appropriated from the general revenue fund to South Texas College for the state fiscal year ending August 31, 2021, to provide for state contributions for health benefits.

**SECTION 13. LAMAR STATE COLLEGE - ORANGE: HURRICANE RECOVERY.** Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, the amount of \$1,472,000 is appropriated from the economic stabilization fund to Lamar State College - Orange, for the two-year period beginning on the effective date of this Act for the purpose of recovery from Hurricane Laura, including for repairs and the purchase of a natural gas power generator.

**SECTION 14. LAMAR UNIVERSITY: TROPICAL STORM IMELDA RECOVERY.** Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, the amount of \$5,700,000 is appropriated from the economic stabilization fund to Lamar University, for the two-year period beginning on the effective date of this Act for the purpose of building repair and flooding recovery necessitated by damage from Tropical Storm Imelda.

**SECTION 15. TEXAS DEPARTMENT OF CRIMINAL JUSTICE: CORRECTIONAL MANAGED HEALTH CARE.** Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, \$123,700,000 is appropriated from the general revenue fund to the Texas Department of Criminal Justice (TDCJ) beginning on the effective date of this Act and for the state fiscal year ending August 31, 2021, for correctional managed health care under Strategy C.1.9., Hospital and Clinical Care, as listed in Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019.

**SECTION 16. TEXAS DEPARTMENT OF CRIMINAL JUSTICE.** Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, the amount of \$86,000,000 is appropriated from the general revenue fund to TDCJ, for the period beginning on the effective date of this Act and ending August 31, 2021, for certain purposes.

SECTION 17. TEXAS DEPARTMENT OF CRIMINAL JUSTICE: CORRECTIONS INFORMATION TECHNOLOGY SYSTEM PROJECT. Provides that the amounts (estimated to be \$24,164,000) that have not been expended or encumbered by TDCJ as of the effective date of this Act and that were previously appropriated from the economic stabilization fund by Section 53, Chapter 465 (S.B. 500), Acts of the 86th Legislature, Regular Session, 2019, are appropriated from the economic stabilization fund to TDCJ for the two-year period beginning on the effective date of this Act to be used for corrections information technology system projects as provided under Strategy G.1.4., Information Resources, as listed in Chapter 605 (S.B. 1), Acts of the 85th Legislature, Regular Session, 2017.

SECTION 18. TEXAS JUVENILE JUSTICE DEPARTMENT: DATA CENTER SERVICES. Provides that, in addition to amounts previously appropriated for use during the state fiscal biennium ending August 31, 2021, \$400,000 is appropriated from the general revenue fund to the Texas Juvenile Justice Department for the period beginning on the effective date of this Act and ending August 31, 2021, for the purpose of making a payment in the amount of \$400,000 to the Texas Department of Information Resources (DIR) for data center services.

SECTION 19. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY. Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, certain amounts necessary to replace funds transferred as provided by the Texas Commission on Environmental Quality (TCEQ), Rider 11 and Rider 25, Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for the purpose of continuing water rights litigation with the State of New Mexico for equitable distribution of water pursuant to the Rio Grande Compact are appropriated to TCEQ for use by TCEQ during the two-year period beginning on the effective date of this Act from certain funds and accounts and in certain amounts.

SECTION 20. COMPTROLLER OF PUBLIC ACCOUNTS: TEXAS INFRASTRUCTURE RESILIENCY FUND. (a) Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, \$100,400,000 is appropriated from the economic stabilization fund to the comptroller for the state fiscal year ending August 31, 2021, for the purpose of immediately depositing that amount to the credit of the Texas infrastructure resiliency fund.

(b) Provides that the unencumbered appropriations made from the economic stabilization fund to the comptroller for the state fiscal year ending August 31, 2019, for the purpose of immediately depositing that amount to the credit of the Texas infrastructure resiliency fund as provided by Section 85, Chapter 465 (S.B. 500), Acts of the 86th Legislature, Regular Session, 2019, are reduced by \$172,000,000.

SECTION 21. TEXAS WORKFORCE COMMISSION. Provides that the amount of \$600,000 appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, to the Texas Workforce Commission (TWC) through appropriated receipts by way of an intra-agency contract between TEA and TWC to provide subsidies to individuals 21 years of age or older for the high school equivalency exam, for use during fiscal year 2020, is appropriated for use during fiscal year 2021 for the same purposes.

SECTION 22. DEPARTMENT OF AGRICULTURE: NUTRITION ASSISTANCE. Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, the amount of \$3,380,000 is appropriated from the general revenue fund to the Texas Department of Agriculture (TDA) beginning on the effective date of this Act and for the state fiscal biennium ending August 31, 2021, for programs under Strategy C.1.2., Nutrition Assistance (State), as listed in Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, and allocated in certain amounts.

SECTION 23. CAPITAL BUDGET AUTHORITY FOR DEPARTMENT OF STATE HEALTH SERVICES. Provides that the bill pattern of the appropriations to the Department of State Health Services (DSHS) in Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, is amended by adding a certain appropriately numbered rider, as follows:

\_\_\_ . Additional Capital Budget Authority. (a) Authorizes DSHS, notwithstanding any limitations in this Act, to increase capital budget authority for repairs and renovations at the Texas Center for Infectious Disease (TCID) using \$1,104,759 in other funds, generated from delivery system reform incentive payments. Authorizes funds to be transferred to a new capital budget item for the state fiscal year ending August 31, 2020, and then moved forward to the state fiscal year ending August 31, 2021, to be expended for repair of the TCID fire alarm system and other related repairs and renovations.

(b) Authorizes DSHS, if DSHS is not able to create a new capital budget item as authorized under Subsection (a) of this rider, to transfer other funds as necessary in the amount provided by Subsection (a) to create a new capital budget item for the purposes described by Subsection (a).

**SECTION 24. PRESERVATION BOARD.** (a) Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, the amount of \$33,605,000 is appropriated from the economic stabilization fund to the State Preservation Board (SPB) for the two-year period beginning on the effective date of this Act for the purpose of performing renovations to the Texas Capitol and the Capitol Extension, including the replacement of the Capitol's historic roof, phase 1 of an exterior waterproofing project for the Capitol and Capitol Extension, and other repairs and renovations to the Capitol, Capitol Extension, Capitol Visitors Center, Capitol grounds, and Governor's Mansion.

(b) Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, the amount of \$2,465,000 is appropriated from the economic stabilization fund to SPB for the two-year period beginning on the effective date of this Act for the purpose of performing repairs and renovations to the Texas State History Museum.

**SECTION 25. CAPITOL MOVES.** Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, certain amounts, for a total aggregate appropriation of \$5,210,512, are appropriated from the economic stabilization fund to certain agencies for the two-year period beginning on the effective date of this Act for the purpose of paying expenses related to moving agencies to new Capitol Complex offices.

**SECTION 26. BUILDING RELATED APPROPRIATIONS FOR VARIOUS AGENCIES.** (a) Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, certain amounts, for a total aggregate appropriation of \$584,967,877 are appropriated from the economic stabilization fund for the two-year period beginning on the effective date of this Act, for certain facilities-related purposes.

(b) Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, certain amounts, for a total aggregate appropriation of \$1,856,992, are appropriated from Adjutant General Federal Fund No. 449 to the Adjutant General for the two-year period beginning on the effective date of this Act, for certain facilities-related purposes.

(c) Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, certain amounts, for a total aggregate appropriation of \$24,433,264, are appropriated to the Health and Human Services Commission (HHSC) , for certain facilities-related purposes.

(d) Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal

biennium ending August 31, 2021, the amount of \$6,187,500 is appropriated from the Texas Department of Motor Vehicles (TxDMV) fund to TxDMV for the two-year period beginning on the effective date of this Act for the purpose of new construction of a building at TxDMV headquarters.

**SECTION 27. TEXAS DEPARTMENT OF PUBLIC SAFETY: BRAZORIA COUNTY LAW ENFORCEMENT CENTER.** Provides that, in addition to amounts previously appropriated by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, certain amounts, in an aggregate total of \$8,700,000, are appropriated to the Department of Public Safety of the State of Texas (DPS) for the two-year period beginning on the effective date of this Act for the purpose of building a consolidated law enforcement center with the Brazoria County's Sheriff's Office, to be named in honor of E. J. "Joe" King, from certain sources and in certain amounts.

**SECTION 28. APPROPRIATION REDUCTION: FACILITIES COMMISSION.** Provides that the unencumbered appropriations from the general revenue fund to TFC made by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, for lease payments are reduced by \$35,336,472. Requires TFC to identify the strategies and objectives to which the reduction is to be allocated and the amount of the reduction for each of those strategies and objectives.

**SECTION 29. APPROPRIATION REDUCTION: PUBLIC FINANCE AUTHORITY.** Provides that the unencumbered appropriations from the general revenue fund to the Texas Public Finance Authority (TPFA) made by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, for bond debt service payments, including appropriations subject to Rider 3, page I-50, Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, to the bill pattern of the appropriations to the authority, are reduced by a total aggregate of \$25,000,000. Requires TPFA to identify the strategies and objectives to which the reduction is to be allocated and the amount of the reduction for each of those strategies and objectives.

**SECTION 30. APPROPRIATION REDUCTION: TEXAS HEALTH AND HUMAN SERVICES COMMISSION.** Provides that the unencumbered appropriations from the general revenue fund to HHSC made by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, for use during the state fiscal biennium ending August 31, 2021, for lease payments to the master lease purchase program are reduced by an aggregate of \$13,626,309. Requires HHSC to identify the strategies and objectives to which the reduction is to be allocated and the amount of the reduction for each of those strategies and objectives.

**SECTION 31. INFORMATION TECHNOLOGY PROJECTS.** (a) Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, the amount of \$777,320 is appropriated from the economic stabilization fund to the Texas Alcoholic Beverage Commission (TABC) for the two-year period beginning on the effective date of this Act for the purpose of upgrading TABC's cybersecurity infrastructure.

(b) Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, certain amounts are appropriated to certain agencies from the specified sources for the two-year period beginning on the effective date of this Act for the purpose of modernization of various agency legacy computer systems, as follows:

(1) Office of the Attorney General (OAG): an aggregate amount of \$4,841,500 appropriated for the legal case legacy modernization project, with \$4,698,192 appropriated from the economic stabilization fund and \$143,308 appropriated from interagency contract proceeds;

- (2) OAG: an aggregate amount of \$24,080,298 appropriated for the system modernization project phase 1, with \$8,187,301 appropriated from the economic stabilization fund and \$15,892,997 appropriated from federal funds;
- (3) OAG: an aggregate amount of \$44,255,140 appropriated for the system modernization project phase 2, with \$15,046,748 appropriated from the economic stabilization fund and \$29,208,392 appropriated from federal funds;
- (4) Secretary of State: \$18,171,924 appropriated from the economic stabilization fund for the legacy system modernization project;
- (5) Department of Family and Protective Services (DFPS): an aggregate amount of \$3,557,213 appropriated for information technology projects to meet case orders, with \$3,122,001 appropriated from the economic stabilization fund and \$435,212 appropriated from federal funds;
- (6) HHSC: \$7,280,267 appropriated from the economic stabilization fund for the migration of CLASS, CLASSMate, and Public and Provide systems from the DFPS to HHSC;
- (7) HHSC: an aggregate amount of \$266,406,192 appropriated for phase 1 of the management information systems modernization and procurement and transition, with \$31,644,412 appropriated from the economic stabilization fund and \$234,761,780 appropriated from federal funds;
- (8) HHSC: an aggregate amount of \$25,213,488 appropriated for the vendor drug program pharmacy benefits services modernization, with \$2,928,372 appropriated from the economic stabilization fund and \$22,285,116 appropriated from federal funds;
- (9) HHSC: an aggregate amount of \$7,150,000 appropriated for the development of a system to identify, preserve, collect, analyze, and produce all documents and information including electronically stored information in a hybrid cloud solution, with \$4,853,581 appropriated from the economic stabilization fund and \$2,296,419 appropriated from federal funds;
- (10) HHSC: an aggregate amount of \$1,029,946 appropriated for an automation of the survey scheduling function within a workload management system, with \$933,750 appropriated from the economic stabilization fund and \$96,196 appropriated from federal funds;
- (11) School for the Blind and Visually Impaired: \$900,000 appropriated from the economic stabilization fund for redesigning and updating of the school's website;
- (12) Higher Education Coordinating Board: \$4,000,000 appropriated from the economic stabilization fund for the board's application portfolio modernization project;
- (13) TABC: \$3,675,382 appropriated from the economic stabilization fund TABC's public safety technology project;
- (14) TABC: \$4,347,730 appropriated from the economic stabilization fund for modernization of TABC's licensing and tax collection system;
- (15) Texas Commission on Law Enforcement: \$2,143,262 appropriated from the economic stabilization fund for information technology security and network operations;
- (16) TCEQ: \$4,089,282 appropriated from the economic stabilization fund for updating the occupational licensing and commissioner integrated database; and



(17) Texas Department of Transportation: \$16,480,410 appropriated from the state highway fund to update and secure inefficient hardware and software systems.

(c) Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, certain amounts are appropriated to certain agencies from the specified sources for use for the listed information technology projects for the two-year period beginning on the effective date of this Act, as follows:

(1) THC: \$240,000 appropriated from the economic stabilization fund for THC technology upgrades;

(2) State Pension Review Board (PRB): \$300,000 appropriated from the economic stabilization fund for migration of the board's data from multiple servers to the cloud and the creation of a new web-based interface for the current internal databases;

(3) PRB: \$300,000 appropriated from the economic stabilization fund for the creation of a self-service portal to allow retirement systems to access a secure reporting portal to upload reports and view compliance status in real time;

(4) DSHS: \$1,181,028 appropriated from the economic stabilization fund for a customer service efficiency project;

(5) HHSC: an aggregate amount of \$13,418,742 appropriated for the system-wide business enablement platform project, with \$8,444,183 appropriated from the economic stabilization fund and \$4,974,559 appropriated from federal funds;

(6) HHSC: an aggregate amount of \$36,737,765 appropriated to provide for replacement of the end-of-life/end-of-support network infrastructure, including routers, switches, perimeter security protection equipment, firewalls, wireless local area networks, and uninterruptible power supplies, with \$26,447,516 appropriated from the economic stabilization fund and \$10,290,249 appropriated from federal funds;

(7) HHSC: an aggregate amount of \$7,753,135 appropriated to restore reductions for certain information technology projects, with \$6,000,000 appropriated from the economic stabilization fund and \$1,753,135 appropriated from federal funds;

(8) HHSC: \$3,106,672 appropriated from the economic stabilization fund for infrastructure upgrades to fiber and cabling projects at state hospitals and state supported living centers;

(9) TDCJ: \$21,475,950 appropriated from the economic stabilization fund for a technology component for inmate health care;

(10) TxDMV: \$3,133,578 appropriated from the TxDMV fund for TxDMV Automation System - webSALVAGE Project;

(11) TxDMV: \$3,472,958 appropriated from TxDMV fund for the Accounts Receivable System Project;

(12) TxDMV: \$5,225,712 appropriated from TxDMV fund for the Complaint Management System Project;

(13) TxDOT: \$22,471,772 appropriated from the state highway fund for the Enterprise Information Management Project;

(14) TxDOT: \$49,606,226 appropriated from the state highway fund for the Information and Systems Modernization Project;

(15) Health Professions Council: \$42,630 appropriated from the economic stabilization fund for the Upgrade of Regulatory Database Project;

(16) Texas Department of Insurance (TDI): \$4,973,254 appropriated from TDI operating account for website modernization, automation, and the replacement of the Division of Workers' Compensation COMPASS System;

(17) Texas Department of Licensing and Regulation: \$2,000,000 appropriated from the economic stabilization fund for the Licensing System - Phase II Project;

(18) Texas Optometry Board: \$8,000 appropriated from the economic stabilization fund for the replacement of personal computers;

(19) Texas State Board of Plumbing Examiners: \$23,700 appropriated from the economic stabilization fund for information technology enhancements to the VERSA Regulatory Licensing and Enforcement Database Project; and

(20) Texas Racing Commission: \$48,386 appropriated from the economic stabilization fund for the Docking Desktops and Monitors Project.

(d) Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, certain amounts are appropriated to certain agencies from the specified sources for use for the listed information technology projects for the two-year period beginning on the effective date of this Act, as follows:

(1) TPFPA: an aggregate amount of \$60,000 appropriated to provide for the Data Center Consolidation Project, with \$30,000 appropriated from TPFPA master lease project fund and \$30,000 appropriated from bond revenue proceeds;

(2) DIR: an aggregate amount of \$808,541 appropriated for the Data Center Consolidation - Data Warehouse Project, with \$177,374 appropriated from DIR clearing fund account, \$408,818 appropriated from the telecommunications revolving account - appropriated receipts, \$26,782 appropriated from the telecommunications revolving account - interagency contracts, \$176,869 appropriated from the statewide technology account - interagency contracts, and \$18,689 appropriated from the statewide network applications account - appropriated receipts;

(3) DIR: an aggregate amount of \$926,012 appropriated for the Data Center Consolidation - Data Optimization Project, with \$403,677 appropriated from DIR clearing fund account, \$418,307 appropriated from the telecommunications revolving account - appropriated receipts, \$29,946 appropriated from the telecommunications revolving account - interagency contracts, \$53,113 appropriated from the statewide technology account - interagency contracts, and \$20,906 appropriated from the statewide network applications account - appropriated receipts;

(4) DFPS: an aggregate amount of \$3,433,847 appropriated to provide for data center consolidation, with \$3,146,126 appropriated from the economic stabilization fund and \$287,721 appropriated from federal funds;

(5) HHSC: an aggregate amount of \$5,406,153 appropriated to provide for data center consolidation, with \$3,146,126 appropriated from the economic stabilization fund and \$2,301,671 appropriated from federal funds; and

(6) TEA: \$1,833,750 appropriated from the economic stabilization fund for data center consolidation.

(e) Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, certain amounts are appropriated to certain agencies from the specified sources for use for the listed information technology projects for the two-year period beginning on the effective date of this Act, as follows:

(1) OAG: an aggregate amount of \$4,224,001 appropriated to provide for the CAPPS Financial Transition Phase II Project, with \$4,120,889 appropriated from the economic stabilization fund and \$103,112 appropriated from interagency contract proceeds;

(2) TFC: \$2,173,394 appropriated from the economic stabilization fund for the deployment of CAPPS Financials;

(3) TPFA: \$82,924 appropriated from the economic stabilization fund for the support of programming, development, and deployment costs for transitioning the agency's human resources payroll from the Uniform Statewide Payroll/Personnel System to CAPPS;

(4) Texas Low-Level Radioactive Waste Disposal Compact Commission: \$26,676 appropriated from the economic stabilization fund for the CAPPS Financials Deployment Project;

(5) Texas Water Development Board: \$588,063 appropriated from the economic stabilization fund for the CAPPS Financials Deployment Project;

(6) TxDOT: \$21,284,494 appropriated from the state highway fund for the CAPPS Upgrades and Improvements Project; and

(7) Texas Behavioral Health Executive Council: \$12,000 appropriated from the economic stabilization fund for the Deployment - Financials Project for CAPPS

(f) Authorizes certain agencies, in addition to the number of full-time equivalent employees an agency is authorized by other law to employ during the applicable state fiscal year, to use the money appropriated to the agencies under certain specified subsections of this section to employ the specified number of full-time equivalent employees during certain specified state fiscal years.

**SECTION 32. MOTOR VEHICLE PURCHASES.** Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, certain amounts, for a total aggregate appropriation of \$12,156,918, are appropriated from the economic stabilization fund to certain agencies for the two-year period beginning on the effective date of this Act for the purpose of purchasing motor vehicles.

**SECTION 33. PARKS AND WILDLIFE DEPARTMENT.** (a) Provides that, in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2021, by Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, \$6,544,802 is appropriated from the economic stabilization fund to the Texas Parks and Wildlife Department (TPWD) for the two-year period beginning on the effective date of this Act, for the purpose of purchasing a law enforcement helicopter, to be used in a manner consistent with the appropriations made to TPWD in Strategy C.1.1., Enforcement Programs.

(b) Amends Rider 35, page VI-44, Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019, to require that the appropriation of additional Sporting Goods Sales Tax (SGST) revenue be allocated to the accounts that receive SGST revenue transfers proportionally to the allocation contained in this Act, except that for fiscal year

2021 the first \$10,000,000 that exceeds the amounts appropriated in this Act to TPWD is allocated to Capital Construction and Repairs and the remainder is allocated proportionally.

**SECTION 34. ANTICIPATED FEDERAL COVID-19 RELIEF FUNDING NOT APPROPRIATED.** Provides that, notwithstanding any other law, including riders to the General Appropriations Act or the making of supplemental appropriations and reductions in appropriations and giving direction and adjustment authority regarding appropriations, no federal funds or monies received by the State of Texas from the federal government through the American Rescue Plan Act, the CARES Act, the Elementary and Secondary School Emergency Relief (ESSER) I, II or III Act(s) or the Coronavirus Response and Relief Supplemental Appropriations Act, or any COVID-19 relief act can be appropriated, allocated, transferred or expended without an appropriate official action of the Texas Legislature in a regular session or special session called by the Governor in order for the Texas Legislature to consider and take appropriate action regarding the expenditure of such federal funds.

**SECTION 35. USE OF FEDERAL COVID-19 FEDERAL RELIEF MONEY FOR MEDICAID HOME AND COMMUNITY-BASED SERVICES.** (a) Defines "commission."

(b) Provides that this section applies only to federal money provided to this state for the provision of Medicaid home and community-based services and administered by HHSC under certain acts.

(c) Provides that Section 1(e) of this Act does not apply to federal money to which this section applies.

(d) Authorizes HHSC, during the state fiscal biennium ending August 31, 2023, to use federal money to which this section applies only on Medicaid initiatives that meet certain criteria.

(e) Requires HHSC to ensure that:

(1) money identified under Subsection (d) of this section for provider rate increases is used to directly reimburse direct service providers or to provide direct reimbursement for direct service supplies and equipment; and

(2) Medicaid managed care organizations reimburse direct service providers or provide reimbursement for direct service supplies and equipment in an amount equal to the difference between this state's Medicaid fee-for-service rate and the federal medical assistance percentage (FMAP) rate increase for direct service providers and direct service supplies and equipment.

(f) Prohibits HHSC from using federal money to which this section applies:

(1) for a purpose that is directly or indirectly related to payroll, contract administration, or administrative services provided by a Medicaid managed care organization; or

(2) to replace other money available to this state for Medicaid.

(g) Prohibits HHSC from using money described by Subsection (e)(1) of this section for a purpose that is directly or indirectly related to payroll, bonuses, administrative services, or costs unallowable under state or federal law or under the uniform managed care contract.

(h) Authorizes HHSC to use money to which this section applies only to supplement, rather than supplant, money available to this state for Medicaid in a manner that complies with the provisions of this section.

SECTION 36. (a) Provides that subject to Subsection (b) of this section, this Act takes effect immediately.

(b) Provides that Sections 2, 3, 4, 5, 6, 7, 10, 13, 14, 17, 20, 24, 25, 26, 27, 31, 32, and 33 of this Act take effect only if this Act receives a vote of two-thirds of the members present in each house of the legislature, as provided by Section 49-g(m), Article III, Texas Constitution.