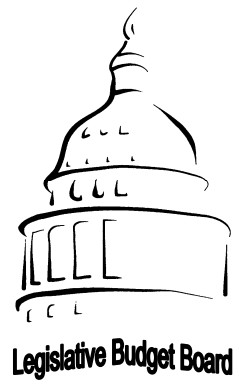


Senate Bill 1, General Appropriations Bill Summary of Differences Between Senate and House Versions

Prepared for Senate Bill 1 Conference Committee
Updated April 29, 2009

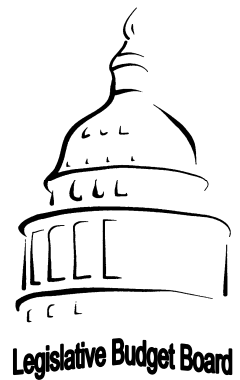
All Funds Recommendations Senate vs. House



(in millions)

	Senate	House	Difference
General Government	\$ 4,382.9	\$ 3,898.8	\$ 484.1
HHS	60,393.1	58,229.8	2,163.3
Public Education	52,126.2	51,714.2	412.0
Higher Education	22,673.4	22,839.9	(166.5)
Judiciary	672.5	664.4	8.1
Public Safety & Criminal Justice	10,843.2	10,582.6	260.6
Natural Resources	3,591.3	3,520.6	70.7
Business & Econ. Devt.	20,661.4	18,682.3	1,979.1
Regulatory	931.9	869.1	62.8
General Provisions	129.0	557.5	(428.5)
Legislature	355.9	354.9	1.0
ARRA	5,464.2	5,516.9	(52.7)
Total	\$ 182,225.0	\$ 177,431.0	\$ 4,794.0

General Revenue Recommendations Senate vs. House

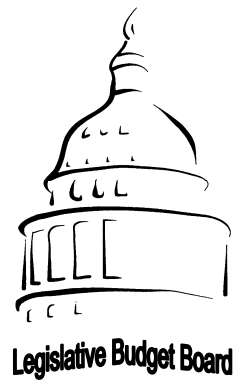


(in millions)

	Senate	House	Difference
General Government	\$ 2,134.2	\$ 2,122.0	\$ 12.2
HHS	24,699.4	23,901.3	798.1
Public Education	34,814.9	31,403.1	3,411.8
Higher Education	13,331.9	13,498.1	(166.2)
Judiciary	442.0	432.1	9.9
Public Safety & Criminal Justice	8,543.6	8,246.3	297.3
Natural Resources	916.6	849.5	67.1
Business & Econ. Devt.	495.3	499.3	(4.0)
Regulatory	395.6	382.8	12.8
General Provisions	122.8	520.9	(398.1)
Legislature	355.3	354.3	1.0
ARRA	(5,440.9)	(5,521.6)	80.7
Total	\$ 80,810.7	\$ 76,688.1	\$ 4,122.6

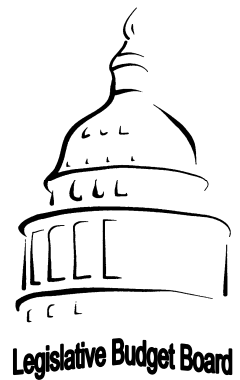
NOTE: Senate is about \$900 million above House after adjusting for \$3B GR/PTRF swap in House and technology allotment appropriations in each version of the bill.

Major GR/GR-D Differences: Health and Human Services



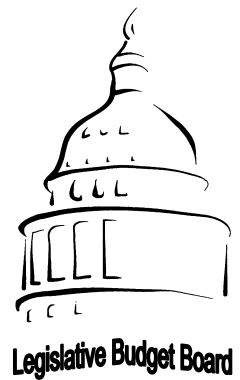
- Senate includes \$750 million for Medicaid cost growth while House provides \$34 million for long-term care cost growth.
- Senate provides \$61 million more to expand community-based services and waivers.
- House includes \$36 million more for community mental health services.

Major GR/GR-D Differences: Health and Human Services (cont'd)



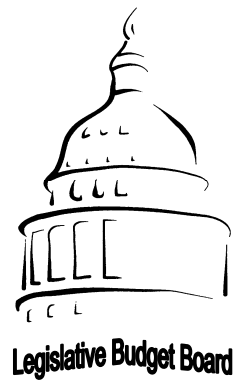
- House includes \$55 million to address cost growth for operations of the Office of Eligibility Services at the Health & Human Services Commission.
- Senate includes \$310 million to increase community attendant wages and increase provider rates.
- Senate reduces \$107 million for Medicaid cost savings.

Major GR/GR-D Differences: Education



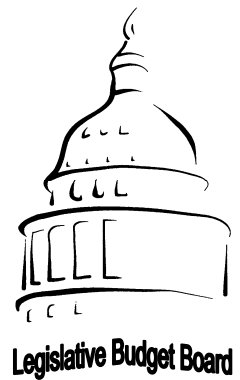
- Senate provides sufficient funding (\$491 million) to maintain 2 years of baseline funding for teacher incentive pay programs. House eliminates funding for the grant program and includes a smaller amount (\$341 million) in the Foundation School Program contingent on passage of school finance legislation that addresses teacher compensation issues.
- Both House (\$87 million) and Senate (\$75 million) provide for new Instructional Facility Allotment grants.
- House provides \$20 million more for science lab grants.

Major GR/GR-D Differences: Education (cont'd)



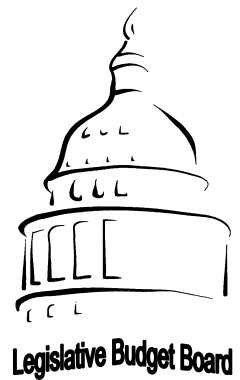
- Both Senate (\$33 million) and House (\$25 million) provide additional funds for the pre-kindergarten expansion program.
- Both House (\$20 million) and Senate (\$32 million) fund an educator professional development initiative.
- House provides \$20 million to expand adult basic education (see p. 14 for Senate).
- Both House (\$1,045 million total) and Senate (\$902 million) increase funding for student financial aid. The House is \$138 million higher for Texas Grants and \$24 million higher for Texas Educational Opportunity Grants while the Senate is \$19 million higher for the B-On-Time Program.

Major GR/GR-D Differences: Education (cont'd)



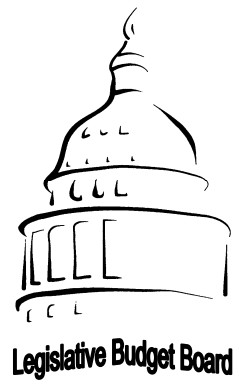
- Senate provides \$146 million more for higher education incentive funding. House eliminates the separate program for incentive funding and includes \$46 million as an incentive component in the General Academic formulas.
- House includes \$30 million more for the Professional Nursing Shortage Reduction Program (see p. 14 for Senate).
- House provides \$77 million more for General Academic formula funding while the Senate provides \$18 million more for hold harmless funding.

Major GR/GR-D Differences: Education (cont'd)



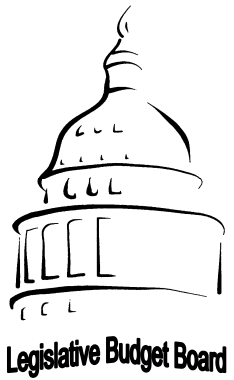
- Senate provides \$110 million in community college formula funding contingent on sustaining proportionality provisions for health insurance. House moves the same \$110 million to Higher Education Group Insurance and adds \$80 million in formula enrichment.
- House includes \$33 million more in formula funding for Health Related Institutions.

Major GR/GR-D Differences: Public Safety & Criminal Justice



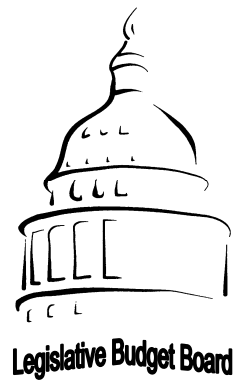
- Senate (\$246 million) and House (\$112 million) both provide salary increases for adult and juvenile correctional staff. Senate also provides \$25 million for salary increases for community supervision officers and direct care staff.
- Senate provides an increase of \$88 million for inmate healthcare costs.
- House is \$38 million higher in funding for residential services at the Texas Youth Commission.
- Senate provides \$35 million for youth diversion pilots in Travis and Dallas Counties while House provides \$23 million to offset federal funding reductions for juvenile probation departments.

Major GR/GR-D Differences: Other Items



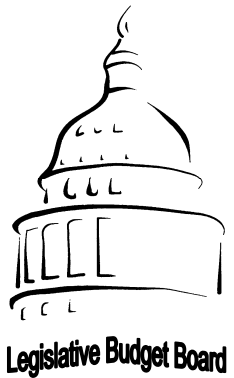
- Both House and Senate provide \$25 million for improvements and major repairs at the Texas Parks & Wildlife Department. House funds with General Revenue and Senate funds with General Obligation bonds.
- House provides an additional \$36 million for Rural Sustainability and Colonias grants and for small rural water systems to comply with EPA standards.

Major GR/GR-D Differences: Other Items (cont'd)



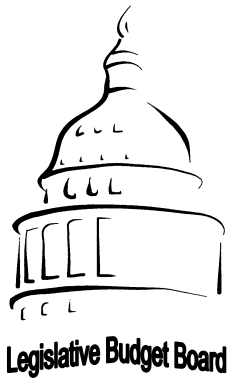
- Senate provides \$58 million more for the Low Income Discount Program.
- Senate provides \$23 million more for the Office of the Governor.
- Senate appropriates unexpended balances (estimated at \$41 million) for the Texas Enterprise Fund.
- House provides \$15 million to pay off bad debt at the Texas Agricultural Finance Authority.
- House provides \$20 million more for petroleum storage tank remediation.

Major GR/GR-D Differences: Cross-Agency Items



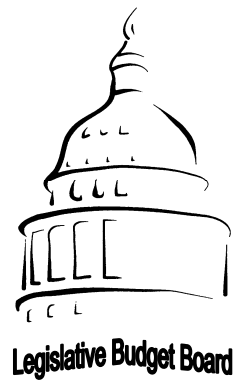
- House provides a one-time payment (not to exceed \$1,000) for retired state employees (\$115 million) and retired teachers (\$217 million).
- House provides a \$1,000 one-time bonus to certain state employees (\$65 million).
- Senate includes \$23 million for a salary increase for Schedule C (law enforcement) employees.
- Senate funds normal cost for ERS (\$16 million) and Law Enforcement Custodial Officers Supplement (\$14 million).

Major GR/GR-D Differences: Cross-Agency Items (cont'd)



- Senate is \$236 million higher in funding for debt service. The increase is primarily tied to additional bond authority for highway construction (\$2 billion), water projects (\$940 million more than House) and cancer prevention and research (\$600m in Senate; \$300m in House).
- The Senate provides a Texas Economic Stimulus package that includes \$30 million for the Skills Development Program, \$30 million to expand and improve nursing education, \$20 million to increase participation in adult basic education, and \$15 million to help move people off public benefits and into the workforce.

Other Issues



- It is possible that SB1 conferees will need net GR savings from the 2009 supplemental appropriations bill to balance the 2010-11 budget.
- Other pending legislation may have an impact on appropriations or available revenue. Major issues include business tax modifications, school finance, pre-k, healthcare improvements, state schools, CHIP, and tier 1 research universities, among others.