

A BILL TO BE ENTITLED
AN ACT

appropriating money for the support of state government for the period beginning September 1, 2011 and ending August 31, 2013; and authorizing and prescribing conditions, limitations, rules, and procedures for allocating and expending the appropriated funds; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated agencies.

SECTION 2. Contingency for Senate Bill ____. Contingent on enactment of Senate Bill ____, or similar legislation relating to state contributions to the Law Enforcement and Custodial Officer Supplemental Retirement, in addition to amounts appropriated in House Bill 1, Acts of the 82nd Legislature, Regular Session, 2011 in Strategy A.1.2, Law Enforcement and Custodial Officer Supplemental Retirement Fund, the Employees Retirement System is hereby appropriated the following amounts in fiscal year 2013 for a state contribution of 0.5 percent to the Law Enforcement and Custodial Officer Supplemental Retirement Program in fiscal year 2013:

General Revenue	\$6,698,395
General Revenue-Dedicated	96,261
Federal Funds	29,330
Fund 006	696,386
 All Funds	 \$7,520,472

SECTION 3. Tobacco User Monthly Premium Fee. Contingent upon enactment of Senate Bill ____ or similar legislation relating to the creation of a tobacco user monthly premium fee, by the Eighty-Second Legislature, 2011 the Employees Retirement System shall apply a \$30 monthly tobacco user fee to any tobacco user covered under the state health plan. Also contingent upon the enactment of this legislation, the Comptroller of Public Accounts shall deposit revenue from the fee (estimated to be \$16,720,343 in fiscal year 2012 and \$25,080,514 in fiscal year 2013) into the Employees Life, Accident, Health Insurance and Benefits Trust Account

SECTION 4. Contingency for Senate Bill ____:Debt Service on Cancer Prevention and Research Bonds. The appropriations made in House Bill 1, Acts of the 82nd Legislature, Regular Session, 2011 to the Texas Public Finance Authority for General Obligation Bond Debt Service are subject to the following provision. Appropriations out of the Permanent Fund for Health & Tobacco Education & Enforcement Account No. 5044; Permanent Fund for Children & Public Health Account No. 5045; and Permanent Fund for EMS & Trauma Care Account No. 5046, are contingent on the enactment of Senate Bill ____, or similar legislation related to the use of certain Tobacco Settlement Funds for debt service on Cancer Prevention and Research Institute debt, by the Eighty-second Legislature, 2011. The Legislative Budget Board shall adjust the informational listing of bond debt service pursuant to this provision.

SECTION 5. Appropriations to the Foundation School Program.

(a) Texas Education Agency, Article III, House Bill 1, Acts of the 82nd Legislature, Regular Session, 2011 (the General Appropriations Act), is amended by adding the following appropriations and riders, and to the extent necessary, by giving all riders under the bill pattern of the agency full force and effect:

A.1.1., Equalized Operations	2012	2013
Available School Fund	1,099,948,815	1,726,989,252
Foundation School Fund	13,412,514,119	12,656,939,681
Property Tax Relief Fund	2,198,994,000	2,338,574,000
Appropriated Receipts	906,500,000	835,600,000
Lottery Proceeds	1,002,457,000	1,006,111,000
 A.1.2, Equalized Facilities		
Foundation School Fund	650,000,000	716,100,000

(b) Foundation School Program Funding. Out of the funds appropriated above, a total of \$19,287,500,000 in fiscal year 2012 and \$19,297,400,000 in fiscal year 2013 shall represent the sum-certain appropriation to the Foundation School Program. The total appropriation may not exceed the sum-certain amount. This appropriation includes allocations under Chapters 41, 42 and 46 of the Texas Education Code.

Formula Funding: The Commissioner shall make allocations to local school districts under Chapters 41, 42 and 46 based on the March 2011 estimates of average daily attendance and local district tax rates as determined by the Legislative Budget Board and the final tax year 2010 property values.

For purposes of distributing the Foundation School Program basic tier state aid appropriated above and in accordance with §42.101 of the Texas Education Code, the Basic Allotment is projected to be \$4,765 in fiscal year 2012 and \$4,765 in fiscal year 2013.

For purposes of distributing the Foundation School Program enrichment tier state aid appropriated above and in accordance with §41.002(a)(2) and §42.302(a-1)(1) of the Texas Education Code, the Guaranteed Yield is \$59.97 in fiscal year 2012 and \$59.97 in fiscal year 2013.

Out of amounts appropriated above and allocated by this rider to the Foundation School Program, no funds are appropriated for the New Instructional Facilities Allotment under §42.158 of the Texas Education Code.

Notwithstanding any other provision of this Act, the Texas Education Agency may make transfers as appropriate between Strategy A.1.1, FSP-Equalized Operations, and Strategy A.1.2, FSP Equalized Facilities. The TEA shall notify the Legislative Budget Board and the Governor of any such transfers at least 45 days prior to the transfer.

The Texas Education Agency shall submit reports on the prior month's expenditures on programs described by this rider no later than the 20th day of each month to the Legislative Budget Board and the Governor's Office in a format determined by the Legislative Budget Board in cooperation with the agency.

(c) Foundation School Program Adjustments. Appropriations from the Foundation School Fund No. 193 identified in subsection (a) above are hereby reduced by \$438,900,000 in fiscal year 2012 and \$361,100,000 in fiscal year 2013. These adjustments reflect a lower estimate of the state cost of the Foundation School Program in the 2012-13 biennium due to updated pupil projections and projections of district property values.

Property values, and the estimates of local tax collections on which they are based, shall be decreased by 0.97 percent for tax year 2011, then increased by 0.52 percent for tax year 2012.

The sum-certain appropriation for the Foundation School Program as identified in subsection (b) above shall be decreased commensurately to reflect these adjustments.

(d) Contingency for Senate Bill__ : Foundation School Program Deferral. Contingent on enactment of SB __ or similar legislation providing the legal basis for deferring the August 2013 Foundation School Program payment to school districts, appropriations made in subsection (a) above from the Foundation School Fund 193 to the Texas Education Agency for the Foundation School Program are hereby reduced by \$2,300,000,000 in fiscal year 2013. It is the intent of the legislature that this payment be made in September 2013 pursuant to the provisions of the bill. The sum-certain appropriation for the Foundation School Program as identified subsection (b) above shall be decreased commensurately.

(e) Contingency for HJR 109. Appropriations from the Foundation School Fund (Fund 193) made in subsection (a) above, Texas Education Agency Strategy A.1.1, FSP - Operations, for the Foundation School Program, are hereby reduced by 150,000,000 in each fiscal year of the 2012-13 biennium. The Texas Education Agency is hereby appropriated from the Available School Fund (General Revenue) to the Foundation School Program in Strategy A.1.1, FSP - Operations an amount estimated to be \$150,000,000 in each fiscal year of the 2012-13 biennium, pursuant to all of the following:

- a. passage and enactment of HJR 109, SJR 5 or similar legislation relating to proposing a constitutional amendment to clarify references to the Permanent School Fund and to allow the General Land Office or other entity to distribute revenue derived from Permanent School Fund land or other properties to the Available School Fund;
- b. voter approval of the associated constitutional amendment; and
- c. the distribution of funds from the General Land Office to the Available School Fund pursuant to the provisions of the legislation.

(f) Contingency for Senate Bill __ : Funding Contingency. The All Funds appropriations made for the Foundation School Program (FSP), Texas Education Agency Strategies A.1.1 and A.1.2, in subsection (a) above, and as adjusted by other subsections in this section, are contingent on enactment of SB __ or similar legislation by the Eighty-second Legislature, 2011, relating to certain state fiscal matters and that amends Chapter 42 of the Texas Education Code to adjust state aid payments to the level of FSP appropriations made in subsection (a) above as adjusted for other subsections in this section. Should this legislation fail to pass and be enacted, the All Funds appropriations for the FSP made herein are hereby reduced to zero for each year of the 2012-13 biennium, including the sum-certain appropriation identified in subsection (b) above.

(f) The Legislative Budget Board is directed to make all necessary adjustments to the Texas Education Agency pursuant to the provisions above, including adjustments to strategies, methods of finance, measures and riders contained in House Bill 1, 82nd Legislature, 2011.

SECTION 6. Contingency for Senate Bill__ : Legislation Relating to Certain Office of Court Administration License Fees. Contingent upon the enactment of SB__ relating to license fees and the allowable use of such fees for process servers, guardians, and court reporters by the Eighty-second Legislature, the Office of Court Administration is appropriated \$119,603 in fiscal year 2012 and \$119,714 in fiscal year 2013 to implement the provisions of the legislation. The number of "Full-Time-Equivalent Positions" indicated in the agency's bill pattern is increased by 2.0 each fiscal year. Fees, fines and other miscellaneous revenues as authorized by the Process Servers Review Board, the Guardianship Certification Board, and the Court Reporters Certification Board shall cover, at a minimum, the cost of appropriations made in this provision, as well as an amount sufficient to cover "Other Direct and Indirect Costs Appropriated Elsewhere in this Act" (estimated to be \$27,783 in fiscal year 2012 and \$29,175 in fiscal year 2013). In the event that actual and/or projected revenues are insufficient to offset the costs

identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

SECTION 7. Contingency for Senate Bill ___: Office of Court Administration Collection and Improvement Audits. Contingent on enactment of Senate Bill ___ or similar legislation relating to state fiscal matters and collection improvement audits, by the Eighty-second Legislature, the Office of Court Administration is appropriated \$550,448 in fiscal year 2012 and \$529,824 in fiscal year 2013 from General Revenue Funds to implement the provisions of the legislation. In addition, the "Number of Full-Time Equivalents (FTE)" indicated in the Office of Court Administration's bill pattern is increased by 8.0 FTEs in fiscal year 2012 and 8.0 FTEs in fiscal year 2013.

SECTION 8. Contingency for Senate Bill ___: Railroad Commission. Contingent on enactment of SB ___, or similar legislation relating to the Railroad Commission by the Eighty-second Legislature:

a. **Oil and Gas Related Fees.** In addition to amounts appropriated in House Bill 1, Acts of the 82nd Legislature, Regular Session, 2011 to the Railroad Commission, and contingent on SB ___ or similar legislation creating an account to cover costs of the agency's oil- and gas-related activities, by the Eighty-second Legislature, appropriations out of the General Revenue Fund are hereby reduced by \$16,766,209 in fiscal year 2012 and by \$16,716,472 in fiscal year 2013, and, to replace these appropriations, there is hereby appropriated \$16,766,209 in fiscal year 2012 and \$16,716,472 in fiscal year 2013 out of the Oil and Gas Regulation and Cleanup (OGRC) Fund created by the bill.

The following amounts of General Revenue funding would be replaced with funding out of the OGRC Fund in the following strategies:

	2012	2013
Strategy A.1.1, Energy Resource Development	\$ 4,099,221	\$ 4,070,349
Strategy C.1.1, Oil and Gas Monitoring and Inspections	\$10,314,041	\$10,350,753
Strategy C.2.1, Oil and Gas Remediation	\$ 496,396	\$ 461,550
Strategy C.2.2, Oil and Gas Well Plugging	\$ 935,444	\$ 919,808
Strategy D.1.2, Public Information and Services	\$ 921,107	\$ 914,012
TOTAL	\$16,766,209	\$16,716,472

In addition, appropriations out of the Oil Field Cleanup Account No. 145 are hereby reduced by \$20,581,780 in fiscal year 2012 and by \$20,581,779 in fiscal year 2013, and, to replace these appropriations, there is hereby appropriated \$20,581,780 in fiscal year 2012 and \$20,581,779 in fiscal year 2013 out of the OGRC Fund created by the bill. The following amounts out of the General Revenue-Dedicated Oil Field Cleanup Account No. 145 would be replaced with funding out of the OGRC Fund in the following strategies:

	2012	2013
Strategy A.1.1, Energy Resource Development	\$ 1,114,744	\$ 1,114,744
Strategy C.1.1, Oil and Gas Monitoring and Inspections	\$ 851,800	\$ 851,800
Strategy C.2.1, Oil and Gas Remediation	\$ 3,786,565	\$ 3,786,565
Strategy C.2.2, Oil and Gas Well	\$14,690,620	\$14,690,620

Plugging Strategy D.1.2, Public Information and Services	\$ 138,051	\$ 138,050
TOTAL	\$20,581,780	\$20,581,779

(b) Expansion of Pipeline Safety Fee Use to Include Gas Utility Regulation.

Contingent upon enactment of SB ____, or similar legislation allowing for the use of pipeline safety fees for gas utility regulatory functions, by the Eighty-second Legislature, the Railroad Commission is hereby appropriated in each fiscal year of the 2012-13 biennium an amount not to exceed \$233,000 in Strategy C.2.1, Gas Utility Compliance. This appropriation is contingent upon the Railroad Commission increasing Pipeline Safety Fees and shall be limited to revenues deposited to the credit of Revenue Object Code 3553 in excess of the Comptroller's Biennial Revenue Estimate for 2012-13.

The Railroad Commission, upon completion of necessary actions to assess or increase the Pipeline Safety Fee, shall furnish copies of the minutes and other information supporting the estimated revenues to be generated for the 2012-13 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues in excess of those estimated in the Biennial Revenue Estimate for 2012-13, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.

SECTION 9. Contingency for Senate Bill __: Department of State Health Services.

Contingent upon the enactment of SB ____ or similar legislation allowing for the increase of certain licensing and public health service fees assessed by the Department of State Health Services (DSHS), by the Eighty-second Legislature, any additional revenues generated as a result of the fee increases certified by the Comptroller to be in excess of Comptroller of Public Accounts' January 2011 Biennial Revenue Estimate are appropriated to DSHS for the 2012-13 biennium for use in Strategy A.4.1, Laboratory Services, and Goal D, Consumer Protection Services.

SECTION 10. Contingency for Senate Bill __: Voter Registration. Contingent on enactment of SB ____, or similar legislation relating to transferring voter registration payments from the Fiscal Programs - Comptroller of Public Accounts to the Secretary of State, by the Eighty-second Legislature, 2011, amounts appropriated elsewhere in this Act to the Fiscal Programs Comptroller of Public Accounts in Strategy A.1.1, Voter Registration, shall be transferred to the Secretary of State.

SECTION 11. Contingency for Senate Bill __: Back to Work. Contingent on enactment of Senate Bill ____ or similar legislation by the Eighty-second Legislature, relating to the transfer of General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 appropriations to other state agencies, the Trusteed Programs within the Office of the Governor shall transfer \$20,000,000 from the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 to the Texas Workforce Commission for the Texas Back to Work Program.

If SB ____, or similar legislation by the Eighty-second Legislature, 2011, relating to the transfer of General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 appropriations to other state agencies is not enacted, it is the intent of the Legislature that the Trusteed Programs within the Office of the Governor award a grant in the amount of \$20,000,000 in the 2012-13 biennium out of the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 to the Texas Workforce Commission for the Texas Back to Work Program.

SECTION 12. SAVINGS CLAUSE. If any section, sentence, clause or part of this Act shall for any reason be held to be invalid, such decision shall not affect the remaining portions of this Act; and it is hereby declared to be the intention of the Legislature to have passed each sentence, section, clause, or part thereof irrespective of the fact that any other sentence, section, clause or part thereof may be declared invalid.

SECTION 13. EMERGENCY CLAUSE. The importance of the legislation to the people of the State of Texas and the crowded condition of the calendars in both Houses of the Legislature create an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three separate days in each House be suspended, and said Rule is hereby suspended; and this Act shall take effect and be in force from and after its passage, and it is so enacted.