



SAVINGS RELATED TO CSHB2

Fiscal year 2021 supplemental appropriations and savings in Committee Substitute for House Bill 2 (CSHB2) result in a net All Funds savings of \$6,217.4 million. **Appropriations from the Economic Stabilization Fund (ESF) total \$876.3 million.**

Fiscal year 2021 certification savings in CSHB2, combined with the related fiscal year 2020 lapses, result in a net 2020–21 biennial certification savings of \$5,736.1 million over estimates in the Comptroller of Public Accounts' *Biennial Revenue Estimate*.

CSHB2 SUPPLEMENTAL BILL HIGHLIGHTS

ITEM	COMMITTEE SUBSTITUTE FOR HOUSE BILL 2, FISCAL YEAR 2021		2020–21 BIENNIAL IMPACT ON GR CERTIFICATION
	ALL FUNDS	GENERAL REVENUE FUNDS	
Foundation School Program	(\$5,473.2)	(\$5,473.2)	(\$1,169.5)
5 Percent Budget Reductions	(\$577.0)	(\$505.5)	(\$793.3)
CRF Reimbursement for General Revenue Funds	(\$1,680.0)	(\$1,680.0)	(\$3,924.0)
General Government	\$71.0	\$0.0	\$0.0
Education	\$69.7	\$6.2	\$6.2
Public Safety and Criminal Justice	\$213.1	\$210.1	\$210.1
Natural Resources	(\$56.7)	\$5.2	\$8.4
Cross Article	\$1,215.6	(\$74.0)	(\$74.0)
TOTAL COST/(SAVINGS)	(\$6,217.4)	(\$7,511.2)	(\$5,736.1)

NOTE: Totals may not sum due to rounding.

(\$5,473.2 MILLION)

GENERAL REVENUE FUNDS

FOUNDATION SCHOOL PROGRAM ADJUSTMENT

The bill reduces General Revenue Funds appropriations from the Foundation School Program by \$5.5 billion resulting from updated projections since the appropriations were passed by the Eighty-sixth Legislature, 2019. The Comptroller of Public Accounts (CPA) included \$4.3 billion of the Foundation School Program savings in the *Biennial Revenue Estimate*. The remaining \$1.2 billion in savings will be credited for additional certification by the CPA. The net savings results primarily from increased District Property Value growth, lower-than-anticipated Average Daily Attendance rates, increased non-General Revenue Funds revenues, and federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding.

(\$577.0 MILLION)

GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS

5 PERCENT BUDGET REDUCTIONS

The bill provides savings of \$505.5 million in General Revenue Funds and \$71.5 million in General Revenue–Dedicated Funds during fiscal year 2021 resulting from agencies' planned 5 percent budget reductions. The fiscal year 2020 portion of the planned reductions is not included in the bill but will provide a certification gain of \$205.0 million in General Revenue Funds and \$11.3 million in General Revenue–Dedicated Funds for a total certification savings of \$793.3 million.

(\$1,680.0 MILLION)

GENERAL REVENUE FUNDS

CORONAVIRUS RELIEF FUND REIMBURSEMENTS FOR GENERAL REVENUE FUNDS SALARIES OF PUBLIC HEALTH AND PUBLIC SAFETY EMPLOYEES

The bill provides savings of \$1,680.0 million in General Revenue Funds during fiscal year 2021 from reduced appropriations for salaries of public health and public safety employees that are eligible for reimbursement from the Coronavirus Relief Fund (CRF). The fiscal year 2020 portion of the General Revenue Funds–CRF swap is not included in the bill, but it will provide a certification savings of \$2,244.0 million. In total, the General Revenue Funds–CRF swap will result in a certification savings of \$3,924.0 million during the 2020–21 biennium.

\$209.7 MILLION

GENERAL REVENUE FUNDS

TEXAS DEPARTMENT OF CRIMINAL JUSTICE CORRECTIONAL MANAGED HEALTH CARE AND AGENCY OPERATIONS

The bill provides \$123.7 million in General Revenue Funds to the Texas Department of Criminal Justice for correctional managed health care to fill a shortfall and \$86.0 million for correctional security operations, institutional goods, institutional operations and maintenance, and parole supervision.



LEGISLATIVE BUDGET BOARD Committee Substitute for House Bill 2

**\$3.4
MILLION**
**GENERAL
REVENUE FUNDS**

FOOD BANKS PROGRAM AND HOME-DELIVERED MEALS
The bill provides \$3.4 million in General Revenue Funds to the Department of Agriculture, including \$1.9 million for the Food Banks Program and \$1.4 million for Home-Delivered Meals.

\$5.7 MILLION
**GENERAL
REVENUE FUNDS**

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS
The bill provides \$5.7 million in General Revenue Funds to South Texas College to correct a calculation error in state contributions for health benefits..

(\$74.0 MILLION)
**GENERAL
REVENUE FUNDS**

DEBT SERVICE AND LEASE PAYMENTS
The bill provides savings of \$74.0 million in General Revenue Funds for debt service and lease payments including \$35.3 million to the Texas Facilities Commission, \$25.0 million to the Texas Public Finance Authority, and \$13.6 million to the Health and Human Services Commission.

**\$5.0
MILLION**
**GENERAL REVENUE
FUNDS AND GENERAL
REVENUE-DEDICATED
FUNDS**

RIO GRANDE COMPACT LITIGATION EXPENSES
The bill provides \$1.9 million in General Revenue Funds and \$3.2 million in General Revenue–Dedicated Funds to the Texas Commission on Environmental Quality to replace funds transferred 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.

**\$654.8
MILLION**
ALL FUNDS

INFORMATION TECHNOLOGY
The bill provides \$201.5 million from the Economic Stabilization Fund, \$448.3 million in Other Funds and Federal Funds, and \$5.0 million in General Revenue–Dedicated Funds to various agencies for a number of information technology projects including Legacy System Modernization (\$437.6 million), other IT Projects (\$175.5 million), CAPPs deployment (\$28.4 million), Data Center Services (\$12.5 million), and cybersecurity (\$0.8 million).

**\$585.0
MILLION**
**ECONOMIC
STABILIZATION FUND**

CAPITAL NEEDS
The bill provides \$585.0 million from the Economic Stabilization Fund, \$29.9 million in Other Funds, and \$2.6 million in Federal Funds to various agencies for statewide capital needs and health and safety projects including \$276.5 million to finish construction of replacement campuses at Austin State Hospital and at San Antonio State Hospital.

**\$40.1
MILLION**
**ECONOMIC
STABILIZATION FUND**

CAPITOL COMPLEX PHASE I
The bill provides \$40.1 million from the Economic Stabilization Fund to the Texas Facilities Commission to finish interior facilities in Phase 1 of the Capitol Complex construction project and to various agencies for costs associated with moving into the new facilities.

**\$36.1
MILLION**
**ECONOMIC
STABILIZATION FUND**

CAPITOL PROJECT RENOVATIONS
The bill provides \$36.1 million from the Economic Stabilization Fund to the State Preservation Board, including \$33.6 million for renovations at the Texas Capitol, Capitol Extension, and Capitol Visitors Center, and \$2.5 million for repairs at the Texas State History Museum.

**\$56.4
MILLION**
**ECONOMIC
STABILIZATION FUND**

RESPONDING TO NATURAL DISASTERS
The bill provides \$56.4 million from the Economic Stabilization Fund to Texas A&M Forest Service to respond to natural disasters, including through the mobilization of ground and aviation resources to assist with fire suppression.

**\$7.2
MILLION**
**ECONOMIC
STABILIZATION FUND**

TROPICAL STORM IMELDA AND HURRICANE LAURA RECOVERY
The bill provides \$5.7 million from the Economic Stabilization Fund to Lamar University for facilities repair and flooding recovery necessitated by damage from Tropical Storm Imelda and \$1.5 million to Lamar State College, Orange, for recovery from Hurricane Laura, including repairs and the purchase of a natural gas power generator.



LEGISLATIVE BUDGET BOARD Committee Substitute for House Bill 2

**(\$71.6
MILLION)**

**ECONOMIC
STABILIZATION
FUND**

TEXAS INFRASTRUCTURE RESILIENCY FUND

The bill provides \$100.4 million from the Economic Stabilization Fund to the Comptroller of Public Accounts for immediate deposit to the Texas Infrastructure Resiliency Fund (TIRF). The deposit funds TIRF appropriations in House Bill 1 and is necessary to continue implementation of the State Flood Plan in Senate Bill 8, Eighty-sixth Legislature, 2019. The bill also reduces \$172.0 million in appropriations from the ESF pursuant to Senate Bill 500, Eighty-sixth Legislature, 2019, that were not transferred to the TIRF.

**\$12.2
MILLION**

**ECONOMIC
STABILIZATION FUND**

MOTOR VEHICLE PURCHASE

The bill provides \$12.2 million from the Economic Stabilization Fund to various agencies to purchase motor vehicles.

**\$0.0
MILLION**

ALL FUNDS

OTHER ITEMS

The bill renews authority for unexpended Economic Stabilization Fund appropriations pursuant to Senate Bill 500, Eighty-sixth Legislature, 2019, to multiple agencies including Trusteed Programs within the Office of the Governor for disaster response; the Texas Historical Commission for preservation and development; and the Texas Department of Criminal Justice for corrections information technology system project. The bill also extends General Revenue Funds appropriation authority to the Texas Education Agency for special education maintenance of effort supporting a legal settlement between the State of Texas and the U.S. Department of Education. The bill provides additional capital budget authority, but does not create new appropriation authority, to the Department of State Health Services for repairs and renovations at the Texas Center for Infectious Disease.