



FEDERAL FUNDS WATCH

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SPOTLIGHT: FY 2003 FEDERAL APPROPRIATIONS

On February 20, 2003, the President signed into law the Consolidated Appropriations Resolution for FY 2003, which combined the 11 non-defense appropriation bills. Most federal programs received a 0.65% across-the-board reduction in funding. Generally, Texas' allocations were similar to 2002 levels.

Education

No Child Left Behind Act (NCLB). Funding for **Title I Grants to Local Educational Agencies** increased 13%, or \$113.7 million in Texas. Federal funding to Texas increased for **Reading First State Grants** to \$87.1 million in FY 2003 (an increase of \$8.1 million from FY 2002). Although federal funding for **21st Century Community Learning Centers (CCLC)** decreased by 1% nationally, Texas' allocation will increase to \$45.6 million (an increase from the \$24.0 million distributed in FY 2002). The increase is the result of the NCLB Act converting all **21st CCLC** program funding into formula grants to states. Texas' part of the **Language Acquisition State Grant** will increase to \$65.6 million for FY 2003 (an increase of 18%, or \$10.2 million from FY 2002). Federal funds to improve teacher quality in Texas will increase by \$6.7 million in FY 2003. The **Improving Teacher Quality State Grants** allocation to Texas for FY 2003 is estimated to be \$236.8 million.

Individuals with Disabilities Education Act (IDEA). Special Education - Grants to States. Funding increased more than 18% at the national level; Texas will receive \$119.0 million more than its FY 2002 allocation of \$608.1 million. Congress appropriated a slight increase nationally to **Special Education - Infants, Toddlers and Families Grants**. Texas' allocation will be \$34.8 million in FY 2003 (an increase of \$1.3 over FY 2002).

Health and Human Services

WIC. The **Women, Infants, and Children Nutrition Program (WIC)** received a 10% increase (\$37.1 million additional federal funds).

HIV/AIDS. The state received an increase in **Ryan White AIDS Comprehensive Care** funds of \$5.0 million over FY 2002 levels for a total award of \$68.8 million. The set-

aside for the **AIDS Drugs Assistance Program (ADAP)** increased to 67.8% of the total grant.

Other

Child Support Enforcement. Federal funds available to Texas increased by 19% or \$33 million.

Criminal Justice. National funding for the **State Criminal Alien Assistance Program (SCAAP)** decreased by more than \$300 million for FY 2003. Texas' allocation for **SCAAP** would be reduced to an estimated \$15.8 million, a decrease of 53.7% from FY 2002. Texas' allocation of the **Juvenile Accountability Incentive Block Grant** decreased from \$15.7 million to an estimated \$11.9 million in FY 2003.

Homeland Security. In FY 2003, Texas will receive \$51.1 million in **Public Health Emergency Preparedness** funds, \$34.8 million for the **Hospital Preparedness Program**, and \$29.5 million in **First Responder Grants** (an increase of \$39.6 million).

Election Reform Grants. Congress partially funded the **Help America Vote Act** that imposed new election requirements on states (\$81.6 million gain for Texas). Of these funds, Texas will receive an estimated \$57.7 million to meet **voting system requirements**. (A state must provide a 5% match to draw down the "requirement payments"). Texas also will receive \$17.5 million for **administration of elections** and \$6.4 million for **punch card and lever voting machine replacement**.

Workforce. Federal funding to Texas for **Adult Training and Youth Activities** (part of the **Workforce Investment Act** program) decreased by \$15.4 million.

HOME Investment Partnership Program. Congress increased federal funding for the **Home Investment Partnership (HOME) Program**. Texas will receive \$45.5 million in HOME funds to expand affordable housing in FY 2003 (an increase of \$4.2 million over FY 2002).

Community Development Block Grant (CDBG). Formula **CDBG** funds decreased nationally; Texas will lose \$3.1 million in FY 2003. Texas received \$88.4 million in **CDBG** funds to support housing and economic development projects in FY 2002.

Estimated Federal Allocations to Texas for Selected Grant Programs				
(in Millions)				
Programs	FY 2001	FY 2002	FY 2003	Change from FY 2002
SELECTED EDUCATION				
Special Education - State Basic Grants	\$505.7	\$608.1	\$725.9	\$117.8
Title I - Grants to Local Educational Agencies	711.4	862.8	976.4	113.6
21st Century Community Learning Centers	0.0	24.0	45.6	21.6
Language Acquisition State Grants ¹	0.0	55.4	65.6	10.2
Reading First State Grants	0.0	79.0	87.1	8.1
Improving Teacher Quality State Grants	0.0	230.1	236.8	6.7
Special Education - Infants, Toddlers, and Families	31.4	33.5	34.8	1.3
Special Education - Preschool Grants	23.7	23.7	23.5	-0.2
Total Selected Education	\$1,272.1	\$1,916.5	\$2,195.7	\$279.2
SELECTED HEALTH AND HUMAN SERVICES				
WIC Nutrition Program	341.2	374.1	411.2	37.1
Child Support Enforcement Administration	159.1	173.0	206.0	33.0
Ryan White AIDS Comprehensive Care	61.4	63.8	68.8	5.0
Vocational Rehabilitation State Grants	171.9	179.3	183.2	3.9
Promoting Safe and Stable Families	26.8	32.8	35.2	2.4
Low Income Home Energy Assistance (LIHEAP) ²	31.0	37.8	39.8	2.0
Social Services Block Grant	125.4	125.3	126.6	1.3
Mental Health Block Grant	30.4	30.3	31.4	1.1
Child Care and Development Block Grant	190.2	202.5	200.9	-1.6
Substance Abuse Prevention and Treatment	127.2	132.6	130.1	-2.5
Total Selected Health and Human Services	\$1,264.6	\$1,351.5	\$1,433.2	\$81.7
WORKFORCE				
Adult Training	86.6	77.9	73.3	-4.6
Youth Activities	103.8	91.3	80.5	-10.8
Total Workforce	\$190.4	\$169.2	\$153.8	-\$15.4
OTHER				
Election Reform ³	0	0	81.5	81.5
Homeland Security Grants ⁴	4.7	75.8	115.4	39.6
HOME Investment Partnership Program	41.5	41.3	45.5	4.2
Community Development Block Grant	88.6	88.4	85.3	-3.1
State Criminal Alien Assistance Program (SCAAP)	31.8	34.1	15.8	-18.3
Total Other	\$166.6	\$239.6	\$343.5	\$103.9

Note: Texas grant amounts listed above represent preliminary estimates and include the 0.65 % across-the-board cut. Numbers may not add due to rounding.

¹ Language Acquisition State Grants are a consolidation of the Emergency Immigrant Education Grants and several Bilingual Education programs.

² LIHEAP funds do not include Emergency Funds.

³ Includes funding for administration of elections, voter machine replacement, and voting system requirement payments.

⁴ Includes Bioterrorism Emergency Preparedness, Hospital Preparedness, and First Responder grants.

Sources: Federal Funds Information for States (FFIS) and Legislative Budget Board.

The Federal Funds Analysis Team of the Legislative Budget Board (LBB) conducts research on federal legislation and federal funding issues that impact the state budget. Questions or comments may be directed to Amanda Jones at (512) 463-1200 or e-mail at Amanda.Jones@lbb.state.tx.us