C.S.H.B. 1 Highlights
Senate
86th Session

April 9, 2019
Senate Finance Committee
Article Workgroups

Workgroup Art. 1, 4, 5 – Senator Huffman (Chair), Senator Flores, Senator Hancock, Senator Whitmire

Workgroup Art. 2 – Senator Kolkhorst (Chair), Senator Campbell, Senator Flores, Senator Watson

Workgroup Art. 3 Public Education – Senator Taylor (Chair), Senator Bettencourt, Senator Perry, Senator West

Workgroup Art. 3 Higher Education – Senator Bettencourt (Chair), Senator Campbell, Senator Hancock, Senator Watson

Workgroup Art. 6, 7, 8 – Senator Nichols (Chair), Senator Birdwell, Senator Hinojosa, Senator Perry
# C.S.H.B. 1

*In Millions*

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Estimated/Budgeted FY 18/19</th>
<th>CSHB 1 FY 20/21</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue</td>
<td>$108,539.7</td>
<td>$116,829.5</td>
<td>7.6%</td>
</tr>
<tr>
<td>General Revenue – Dedicated</td>
<td>$6,605.5</td>
<td>$6,133.4</td>
<td>(7.1%)</td>
</tr>
<tr>
<td>Other Funds</td>
<td>$36,549.4</td>
<td>$37,945.2</td>
<td>3.8%</td>
</tr>
<tr>
<td>Total State Funds</td>
<td>$151,694.6</td>
<td>$160,908.1</td>
<td>6.1%</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>$84,075.6</td>
<td>$86,790.2</td>
<td>3.2%</td>
</tr>
<tr>
<td>All Funds</td>
<td>$235,770.2</td>
<td>$247,698.4</td>
<td>5.1%</td>
</tr>
</tbody>
</table>
Spending Limits

★ Within ALL Constitutional Limits

✓ Within the Constitutional Spending Limit
  • $7.9 billion under the spending limit, set at 9.89%, pursuant to the Texas Constitution, Article VIII, Section 22.

✓ Within the Pay-As-You-Go Limit
  • $1.3 billion under the Texas Constitution, Article III, Section 49a pay-as-you-go limit.

✓ Within Population x Inflation
  • CSHB 1 grows 7.6% over FY 18-19 in General Revenue and 5.1% in All Funds.
  • Population x Inflation is currently 7.9% per the Biennial Revenue Estimate.
Public Education

- Provides $4 billion to give a $5,000 across-the-board pay raise to all classroom teachers and librarians.

- Adds $2.7 billion to address property taxes and reduce reliance on recapture.

- Sets aside $2.3 billion in additional state aid to support our school districts.

- Fully funds enrollment growth.
  - $2.4 billion to account for an additional 65,000 students per year.

- Increases the Teacher Retirement System budget by $230 million to maintain current health care benefits and premiums for retired teachers.
Higher Education

- Invests in higher education ($530 million increase).
  - $190 million for enrollment growth;
  - 4% increase to General Academic Institutions;
  - 2.9% increase to Health Related Institutions, and a pilot program for performance-based research funding;
  - $38 million for Texas State Technical Colleges returned value formula;
  - 19% increase to community college success points.

- Bolsters Texas’ health care workforce.
  - $157 million for graduate medical education to maintain a 1.1 to 1 ratio for residency slots.

- Supports financial aid.
  - $80 million for TEXAS Grant program ensures that 70% of eligible students receive a $5,000 award.

- Establishes the Texas Mental Health Consortium.
  - $100 million to leverage the expertise of our medical schools to address gaps in mental health for Texas youth.
Health and Human Services

- Funds Medicaid caseload growth.
  - Ensures critical services continue for the 4 million-plus vulnerable Texans who rely on Texas Medicaid.

- Increases commitment to mental health services.
  - $7.6 billion in behavioral health funding across 21 state agencies.
  - Increase of $59 million to expand outpatient community mental health capacity.

- Brings women’s health funding to new all-time high.
  - Includes $315 million for women’s health programs, an increase of $35.6 million.

- Ensures efficiency by directing $350 million GR in cost containment.

- Increases community services for individuals with intellectual, developmental, and physical disabilities.

- Continues investment in Child Protective Services, with an additional $272 million.
  - Provides additional resources to lower CPS caseloads.
  - Expands Community Based Care for foster children.
Public Safety

- Reduces wait times at our driver license offices with $193 million in additional funding.
- Funds every agency request to combat human trafficking, totaling $90 million, an increase of $72 million.
- Increases state crime lab capacity with a priority on sexual assault kits with an additional $50 million.
- Maintains border security levels at $800 million.
- Supports rape crisis centers with an additional $7.5 million.
- Expands shelter and services for victims of family violence with an additional $5 million.
- Creates 9 new child protection courts with $3.7 million.
Other Highlights

- Improves mobility with $31 billion for transportation – an increase of $263 million -- including the $5 billion transfer to the State Highway Fund under Proposition 7 and almost $4 billion under Proposition 1.

- Strengthens cyber defenses with more than $1 billion to address cyber security, replace legacy systems and upgrade information technology.

- Invests $342 million to Texas parks and historical sites by fully appropriating sporting goods sales tax revenue.

- Enhances election security with a federal grant and matching funds totaling $24.5 million.

- Adds $28 million to improve technology and hire 22 additional oil & gas and pipeline safety inspectors at the Railroad Commission.

- Supports our Cultural Arts Districts with $5 million in new grant funding.
SB 500: Harvey & Infrastructure

- SB 500, the supplemental, includes more than $3 billion in ESF funds to help the Gulf Coast recover and rebuild from Hurricane Harvey, and prepare for future disasters.

- Assists devastated communities with the non-federal share of Harvey expenses, including recovery, hazard mitigation, debris removal and bridge and road projects at a cost to the state of $610 million, drawing down roughly $6.3 billion in federal relief.

- Provides $900 million to help Harvey-impacted school districts.

- Initiates the development of a statewide flood plan and the construction of flood control infrastructure and critical dam repairs with a $990 million investment.

- Funds large-scale coastal protections along the Gulf Coast with $200 million in state funds, triggering approximately $5 billion in federal resources.

- Continues improvements and modernization of our state hospital system with an additional $300 million.

- Allocates $100 million for school hardening.