

LEGISLATIVE BUDGET BOARD

Summary of House Committee Substitute for House Bill 1 2024–25 Biennium

HOUSE

SUBMITTED TO THE HOUSE COMMITTEE ON APPROPRIATIONS

PREPARED BY LEGISLATIVE BUDGET BOARD STAFF

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MARCH 2023

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INTRODUCTION

This summary of the General Appropriations Bill publication provides an overview of the appropriations included in the General Appropriations Bill, otherwise known as the state budget. The version of the General Appropriations Bill that becomes law, after being passed by the Legislature and signed by the Governor, is referred to as the General Appropriations Act (GAA). This enacted legislation is the state's budget for a two-year period (biennium). The Legislative Budget Board (LBB) staff provides a Summary of the General Appropriations Bill for each version of the bill as the budget deliberations unfold during the legislative session. The summary is not a reconciliation of each change in the General Appropriations Bill, but rather a high-level overview of major changes between the biennia and between iterations of the bill. It is a reference for legislators and other stakeholders as they work through budget deliberations.

The General Appropriations Bill is categorized into articles that cover certain areas of state government. For example, Article I is General Government. Article II covers Health and Human Services, and Article III is Public and Higher Education. Six additional articles cover the other areas of government.

The Legislature uses four methods of finance to appropriate funds to state agencies and public institutions of higher education: General Revenue Funds, General Revenue–Dedicated Funds, Federal Funds, and Other Funds. **All Funds** is the summation of the methods of finance.

- **General Revenue Funds** include the nondedicated portion of the General Revenue Fund, which is the state's primary operating fund. General Revenue Funds also include the Available School Fund, the State Instructional Materials Fund, and the Foundation School Fund.
- **General Revenue–Dedicated Funds** include approximately 200 accounts within the General Revenue Fund that are dedicated for specific purposes by statute or the funds-consolidation process. For example, Account No. 151, Clean Air, is funded primarily through a portion of motor vehicle inspection fees and a portion of air pollution control fees. These revenues are statutorily dedicated to the Texas Commission on Environmental Quality to provide funding for various air quality, monitoring, and permitting programs.
- **Federal Funds** include grants, allocations, payments, or reimbursements received from the federal government by state agencies and institutions. The largest portion of federal funding appropriations is for the Medicaid program in Article II. Other examples of Federal Funds appropriations include the U.S. Social Security Act, the U.S. Every Student Succeeds Act (Title I), Grants to Local Educational Agencies, National School Lunch Program, Transportation Grants and National Highway System Funding, Special Education Basic State Grants, and the Children's Health Insurance Program.
- **Other Funds** consist of any funds that are not included in the General Revenue Fund, whether they are dedicated or not, or Federal Funds. Examples of Other Funds appropriations include those from the State Highway Fund, the Texas Mobility Fund, the Property Tax Relief Fund, the Economic Stabilization Fund, trust funds, bond proceeds, and Interagency Contracts.

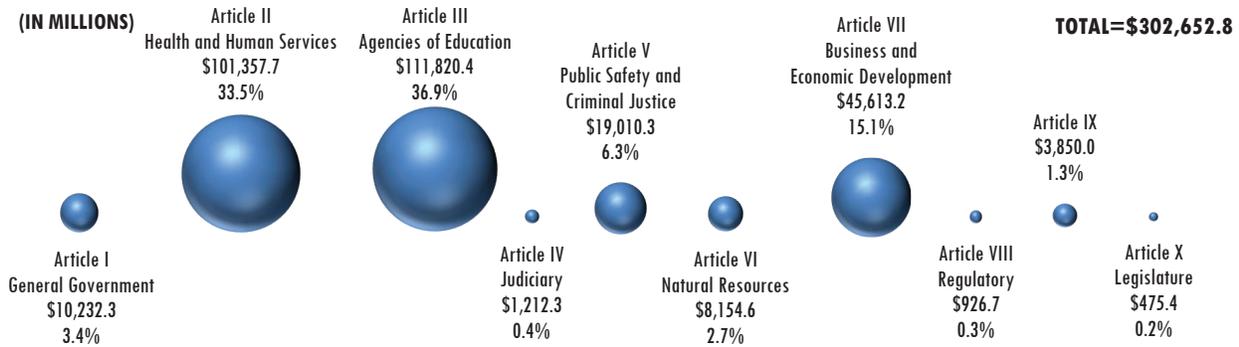
The Introduction chapter of the summary provides a high-level overview of the General Appropriations Bill. **Figures 1 to 14** show the total appropriations for the 2024–25 biennium by each method of finance for each article in the bill compared to the 2022–23 biennium expended/budgeted level of funding. This chapter includes highlights of major funding items, significant policy, or fiscal issues across the state. The Introduction chapter also provides additional context for understanding the General Appropriations Bill, including an explanation of constitutional and statutory spending limits and insights into the Economic Stabilization Fund, commonly known as the rainy day fund.

Following the introduction chapter are article-specific highlights, providing an overview of the total article appropriations by agency or institution, including estimated and budgeted expenditures for the 2022–23 biennium, appropriation levels in the 2024–25 General Appropriations Bill, full-time-equivalent positions for the article, and other significant fiscal issues.

Appendix A provides a comparison point between versions of the General Appropriations Bill as the Legislature progresses through the budget deliberations. This comparison enables readers to identify differences between chamber bills, or a specific chamber's changes.

FUNDING BY ARTICLE

FIGURE 1
FUNDING BY ARTICLE, ALL FUNDS



NOTE: Object size is proportional to the percentage of All Funds appropriation for all articles.
SOURCE: Legislative Budget Board.

FIGURE 2
FUNDING BY ARTICLE, ALL FUNDS

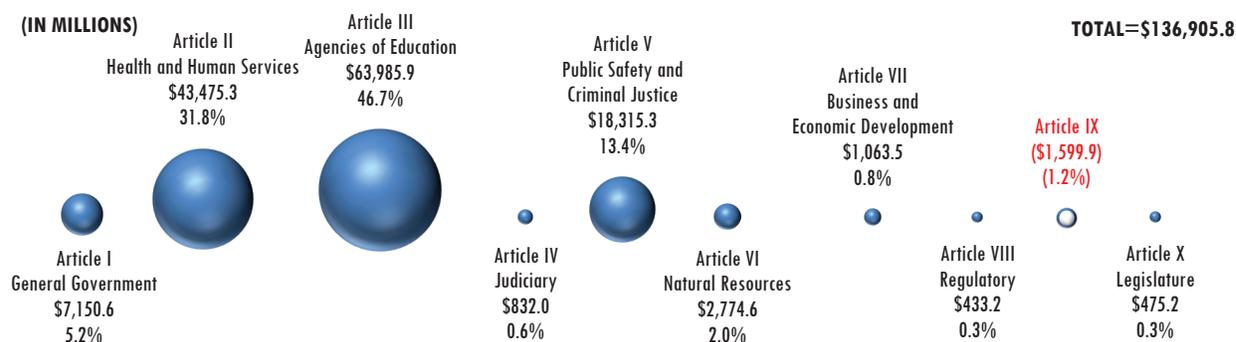
(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$13,556.2	\$10,232.3	(\$3,323.9)	(24.5%)
Article II – Health and Human Services	\$108,941.2	\$101,357.7	(\$7,583.5)	(7.0%)
Article III – Agencies of Education	\$101,731.6	\$111,820.4	\$10,088.8	9.9%
<i>Public Education</i>	\$71,019.7	\$82,891.3	\$11,871.6	16.7%
<i>Higher Education</i>	\$30,711.9	\$28,929.0	(\$1,782.8)	(5.8%)
Article IV – Judiciary	\$992.5	\$1,212.3	\$219.8	22.1%
Article V – Public Safety and Criminal Justice	\$13,636.2	\$19,010.3	\$5,374.1	39.4%
Article VI – Natural Resources	\$11,240.7	\$8,154.6	(\$3,086.2)	(27.5%)
Article VII – Business and Economic Development	\$45,824.0	\$45,613.2	(\$210.8)	(0.5%)
Article VIII – Regulatory	\$828.8	\$926.7	\$98.0	11.8%
Article IX – General Provisions	\$0.0	\$3,850.0	\$3,850.0	N/A
Article X – Legislature	\$433.5	\$475.4	\$41.9	9.7%
Total, All Articles	\$297,184.7	\$302,652.8	\$5,468.2	1.8%

NOTES:

- (1) Fiscal year 2022 and 2023 amounts do not include items adopted in House Committee Substitute for Senate Bill 30, which would reduce the biennial and percentage changes referenced above. The 2024–25 biennial amounts in CSHB1 are within the required spending limits (see pages 17 to 19).
- (2) Excludes Interagency Contracts.
- (3) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 3
FUNDING BY ARTICLE, GENERAL REVENUE FUNDS



NOTE: Object size is proportional to the percentage of General Revenue Funds appropriation for all articles.
SOURCE: Legislative Budget Board.

FIGURE 4
FUNDING BY ARTICLE, GENERAL REVENUE FUNDS

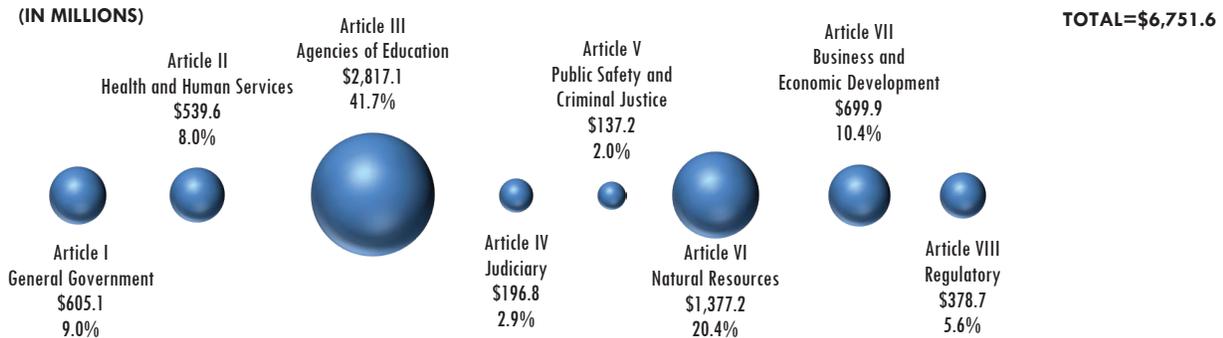
(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$7,877.6	\$7,150.6	(\$727.0)	(9.2%)
Article II – Health and Human Services	\$37,511.9	\$43,475.3	\$5,963.5	15.9%
Article III – Agencies of Education	\$57,674.7	\$63,985.9	\$6,311.3	10.9%
<i>Public Education</i>	\$40,490.0	\$44,296.4	\$3,806.4	9.4%
<i>Higher Education</i>	\$17,184.7	\$19,689.6	\$2,504.8	14.6%
Article IV – Judiciary	\$597.7	\$832.0	\$234.3	39.2%
Article V – Public Safety and Criminal Justice	\$11,887.7	\$18,315.3	\$6,427.6	54.1%
Article VI – Natural Resources	\$1,379.4	\$2,774.6	\$1,395.2	101.1%
Article VII – Business and Economic Development	\$508.1	\$1,063.5	\$555.4	109.3%
Article VIII – Regulatory	\$309.5	\$433.2	\$123.7	40.0%
Article IX – General Provisions	\$0.0	(\$1,599.9)	(\$1,599.9)	N/A
Article X – Legislature	\$433.4	\$475.2	\$41.8	9.6%
Total, All Articles	\$118,180.0	\$136,905.8	\$18,725.7	15.8%

NOTES:

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- Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

**FIGURE 5
FUNDING BY ARTICLE, GENERAL REVENUE–DEDICATED FUNDS**



NOTE: Object size is proportional to the percentage of General Revenue–Dedicated Funds appropriation for all articles.
SOURCE: Legislative Budget Board.

**FIGURE 6
FUNDING BY ARTICLE, GENERAL REVENUE–DEDICATED FUNDS**

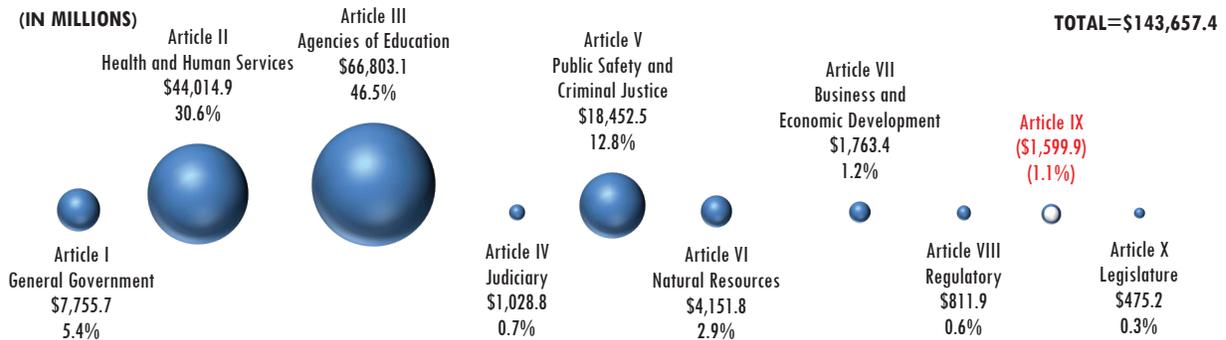
(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$866.1	\$605.1	(\$261.0)	(30.1%)
Article II – Health and Human Services	\$501.3	\$539.6	\$38.3	7.6%
Article III – Agencies of Education	\$2,859.2	\$2,817.1	(\$42.1)	(1.5%)
<i>Public Education</i>	\$0.0	\$0.0	\$0.0	N/A
<i>Higher Education</i>	\$2,859.2	\$2,817.1	(\$42.1)	(1.5%)
Article IV – Judiciary	\$197.9	\$196.8	(\$1.1)	(0.6%)
Article V – Public Safety and Criminal Justice	\$54.1	\$137.2	\$83.1	153.8%
Article VI – Natural Resources	\$1,238.0	\$1,377.2	\$139.2	11.2%
Article VII – Business and Economic Development	\$677.4	\$699.9	\$22.5	3.3%
Article VIII – Regulatory	\$355.8	\$378.7	\$22.9	6.4%
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A
Article X – Legislature	\$0.0	\$0.0	\$0.0	N/A
Total, All Articles	\$6,749.8	\$6,751.6	\$1.8	0.0%

NOTES:

- (1) Fiscal year 2022 and 2023 amounts do not include items adopted in House Committee Substitute for Senate Bill 30, which would reduce the biennial and percentage changes referenced above. The 2024–25 biennial amounts in CSHB1 are within the required spending limits (see pages 17 to 19).
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

**FIGURE 7
FUNDING BY ARTICLE, GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS**



NOTE: Object size is proportional to the percentage of General Revenue Funds and General Revenue–Dedicated Funds appropriation for all articles.
SOURCE: Legislative Budget Board.

**FIGURE 8
FUNDING BY ARTICLE, GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS**

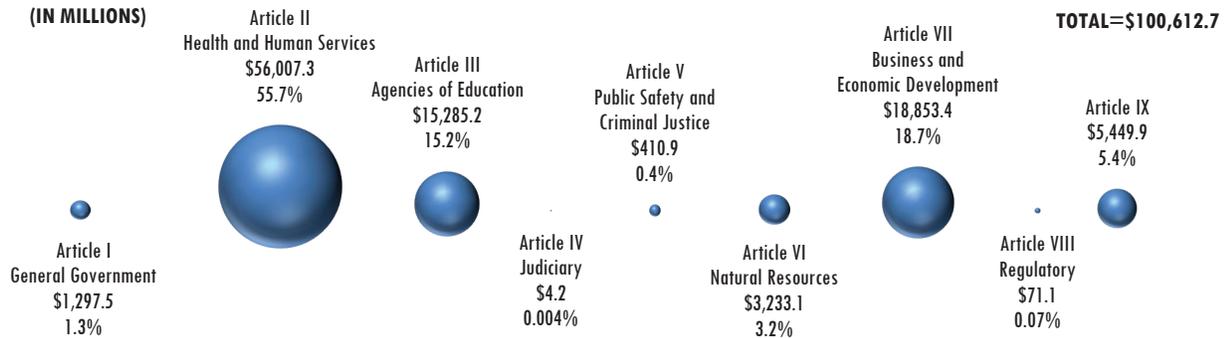
(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$8,743.7	\$7,755.7	(\$988.0)	(11.3%)
Article II – Health and Human Services	\$38,013.1	\$44,014.9	\$6,001.8	15.8%
Article III – Agencies of Education	\$60,533.9	\$66,803.1	\$6,269.1	10.4%
<i>Public Education</i>	\$40,490.0	\$44,296.4	\$3,806.4	9.4%
<i>Higher Education</i>	\$20,044.0	\$22,506.7	\$2,462.7	12.3%
Article IV – Judiciary	\$795.6	\$1,028.8	\$233.2	29.3%
Article V – Public Safety and Criminal Justice	\$11,941.8	\$18,452.5	\$6,510.7	54.5%
Article VI – Natural Resources	\$2,617.4	\$4,151.8	\$1,534.4	58.6%
Article VII – Business and Economic Development	\$1,185.5	\$1,763.4	\$577.9	48.7%
Article VIII – Regulatory	\$665.3	\$811.9	\$146.6	22.0%
Article IX – General Provisions	\$0.0	(\$1,599.9)	(\$1,599.9)	N/A
Article X – Legislature	\$433.4	\$475.2	\$41.8	9.6%
Total, All Articles	\$124,929.8	\$143,657.4	\$18,727.6	15.0%

NOTES:

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- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

**FIGURE 9
FUNDING BY ARTICLE, FEDERAL FUNDS**



NOTE: Object size is proportional to the percentage of Federal Funds appropriation for all articles.
SOURCE: Legislative Budget Board.

**FIGURE 10
FUNDING BY ARTICLE, FEDERAL FUNDS**

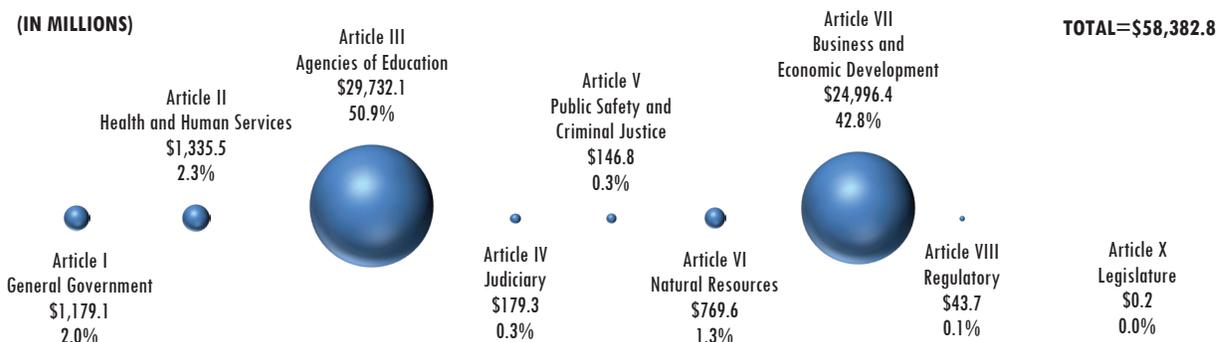
(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$2,727.0	\$1,297.5	(\$1,429.5)	(52.4%)
Article II – Health and Human Services	\$69,491.4	\$56,007.3	(\$13,484.1)	(19.4%)
Article III – Agencies of Education	\$20,808.8	\$15,285.2	(\$5,523.6)	(26.5%)
<i>Public Education</i>	\$13,461.1	\$12,517.4	(\$943.7)	(7.0%)
<i>Higher Education</i>	\$7,347.6	\$2,767.8	(\$4,579.8)	(62.3%)
Article IV – Judiciary	\$14.9	\$4.2	(\$10.6)	(71.6%)
Article V – Public Safety and Criminal Justice	\$1,474.7	\$410.9	(\$1,063.8)	(72.1%)
Article VI – Natural Resources	\$7,787.0	\$3,233.1	(\$4,553.9)	(58.5%)
Article VII – Business and Economic Development	\$22,360.1	\$18,853.4	(\$3,506.7)	(15.7%)
Article VIII – Regulatory	\$68.6	\$71.1	\$2.5	3.7%
Article IX – General Provisions	\$0.0	\$5,449.9	\$5,449.9	N/A
Article X – Legislature	\$0.0	\$0.0	\$0.0	N/A
Total, All Articles	\$124,732.4	\$100,612.7	(\$24,119.7)	(19.3%)

NOTES:

- (1) Fiscal year 2022 and 2023 amounts do not include items adopted in House Committee Substitute for Senate Bill 30, which would reduce the biennial and percentage changes referenced above. The 2024–25 biennial amounts in CSHB1 are within the required spending limits (see pages 17 to 19).
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

**FIGURE 11
FUNDING BY ARTICLE, OTHER FUNDS**



NOTE: Object size is proportional to the percentage of Other Funds appropriation for all articles.
SOURCE: Legislative Budget Board.

**FIGURE 12
FUNDING BY ARTICLE, OTHER FUNDS**

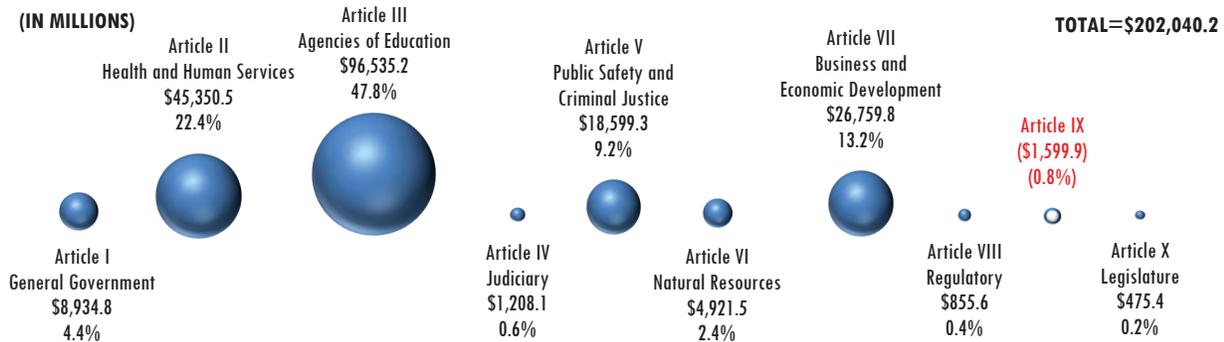
(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$2,085.6	\$1,179.1	(\$906.5)	(43.5%)
Article II – Health and Human Services	\$1,436.7	\$1,335.5	(\$101.2)	(7.0%)
Article III – Agencies of Education	\$20,388.9	\$29,732.1	\$9,343.2	45.8%
<i>Public Education</i>	\$17,068.7	\$26,077.6	\$9,008.9	52.8%
<i>Higher Education</i>	\$3,320.2	\$3,654.5	\$334.3	10.1%
Article IV – Judiciary	\$182.0	\$179.3	(\$2.8)	(1.5%)
Article V – Public Safety and Criminal Justice	\$219.7	\$146.8	(\$72.8)	(33.2%)
Article VI – Natural Resources	\$836.3	\$769.6	(\$66.6)	(8.0%)
Article VII – Business and Economic Development	\$22,278.4	\$24,996.4	\$2,718.0	12.2%
Article VIII – Regulatory	\$94.9	\$43.7	(\$51.2)	(53.9%)
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A
Article X – Legislature	\$0.1	\$0.2	\$0.2	294.9%
Total, All Articles	\$47,522.4	\$58,382.8	\$10,860.3	22.9%

NOTES:

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- (2) Excludes Interagency Contracts.
- (3) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 13
FUNDING BY ARTICLE, GENERAL REVENUE FUNDS, GENERAL REVENUE–DEDICATED FUNDS, AND OTHER FUNDS



NOTE: Object size is proportional to the percentage of General Revenue Funds, General Revenue–Dedicated Funds, and Other Funds appropriation for all articles.
 SOURCE: Legislative Budget Board.

FIGURE 14
FUNDING BY ARTICLES, GENERAL REVENUE FUNDS, GENERAL REVENUE–DEDICATED FUNDS, AND OTHER FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$10,829.2	\$8,934.8	(\$1,894.5)	(17.5%)
Article II – Health and Human Services	\$39,449.8	\$45,350.5	\$5,900.6	15.0%
Article III – Agencies of Education	\$80,922.8	\$96,535.2	\$15,612.3	19.3%
<i>Public Education</i>	\$57,558.6	\$70,373.9	\$12,815.3	22.3%
<i>Higher Education</i>	\$23,364.2	\$26,161.2	\$2,797.0	12.0%
Article IV – Judiciary	\$977.6	\$1,208.1	\$230.4	23.6%
Article V – Public Safety and Criminal Justice	\$12,161.5	\$18,599.3	\$6,437.9	52.9%
Article VI – Natural Resources	\$3,453.7	\$4,921.5	\$1,467.8	42.5%
Article VII – Business and Economic Development	\$23,463.9	\$26,759.8	\$3,295.9	14.0%
Article VIII – Regulatory	\$760.2	\$855.6	\$95.4	12.6%
Article IX – General Provisions	\$0.0	(\$1,599.9)	(\$1,599.9)	N/A
Article X – Legislature	\$433.5	\$475.4	\$41.9	9.7%
Total, All Articles	\$172,452.3	\$202,040.2	\$29,587.9	17.2%

NOTES:

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- (2) Excludes Interagency Contracts.
- (3) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

HIGHLIGHTS OF COMMITTEE SUBSTITUTE FOR HOUSE BILL 1

For the 2024–25 biennium, funding includes the following key budget items:

FOUNDATION SCHOOL PROGRAM

- Funding of \$60.3 billion in All Funds is provided for state aid to school districts and charter schools through the Foundation School Program (FSP), which represents a \$12.5 billion increase from the 2022–23 biennium. Appropriations from General Revenue Funds for the FSP total \$34.9 billion, which represents an increase of \$3.6 billion from the 2022–23 biennium.
- Funding for property tax relief includes \$17.3 billion in increased funding from the General Revenue Fund and the Property Tax Relief Fund and a decrease of \$6.8 billion in recapture payments. Estimated costs of district property tax compression required by current law during the 2024–25 biennium total \$5.3 billion in General Revenue Funds. Of this amount, \$3.1 billion in General Revenue Funds is due to property tax compression pursuant to the Texas Education Code, Sections 48.2551 and 48.2552(a) and (b), and \$2.2 billion is required to reduce the state compression percentage pursuant to the Texas Education Code, Section 48.2552(c). Additionally, funding provides \$12.0 billion from the Property Tax Relief Fund for additional property tax relief pursuant to Article III, Texas Education Agency, Rider 81.
- Funding for the FSP fully funds requirements in current law and includes \$5.0 billion in General Revenue Funds for increased public education funding, contingent on actions of the Legislature; an estimated \$2.5 billion in All Funds for student enrollment growth; \$6.4 billion in All Funds savings due to district property value growth; \$15.1 billion in All Funds for additional state aid related to property tax relief; and \$2.4 billion in All Funds related to an increase in the golden penny yield. Any decreases to recapture payments related to the \$5.0 billion currently are not represented in this funding.
- Funding from Other Funds for the FSP increases by \$8.9 billion, which is attributable to a projected decrease of \$2.8 billion in recapture payments, and projected increases of \$11.5 billion from the Property Tax Relief Fund and \$185.5 million from the Tax Reduction and Excellence in Education Fund. Of this total, \$12.0 billion is attributable to a transfer from the General Revenue Fund to the Property Tax Relief Fund intended for additional property tax relief pursuant to Rider 81.

MEDICAID

- Funding for the 2024–25 biennium includes \$79.3 billion in All Funds, including \$31.0 billion in General Revenue Funds and \$0.1 billion in General Revenue–Dedicated Funds, for the Texas Medicaid program. This amount is a decrease of \$5.5 billion in All Funds, but a \$2.5 billion increase in General Revenue Funds, compared to 2022–23 biennial levels.
- Included in these amounts is \$73.9 billion in All Funds for Medicaid client services, \$1.8 billion in All Funds for programs supported by Medicaid funding, and \$3.6 billion in All Funds for administration of the Medicaid program and other programs supported by Medicaid funding. The net decrease in Medicaid funding is due to a \$6.0 billion decrease in All Funds for Medicaid client services, offset by a \$0.3 billion increase in All Funds for administrative funding, and a \$0.1 billion increase in All Funds for other programs supported by Medicaid funding.
- Less favorable federal medical assistance percentages (FMAP), combined with the assumed loss of the 6.2 percentage-point increase to FMAP pursuant to the federal Families First Coronavirus Response Act, result in a lower proportion of the program being funded with Federal Funds. The resulting increase in General Revenue Funds demand is offset partially by a decrease in General Revenue Funds demand due to the overall projected reduction in Medicaid client services. Full funding for anticipated increases in cost due to medical inflation, higher utilization, or increased acuity is not included.
- The 2022–23 biennial amounts for Medicaid assume supplemental funding to address supplemental needs to complete fiscal year 2023 expenditures.

TRANSPORTATION

- Funding provides \$37.1 billion in All Funds for all functions at the Texas Department of Transportation (TxDOT). Estimated funding for the 2024–25 biennium includes \$22.8 billion in Other Funds from all State Highway Fund (SHF) revenue sources, which includes the following amounts: \$6.4 billion from anticipated state sales tax and motor vehicle sales and rental tax deposits to the SHF (Proposition 7, 2015); \$6.9 billion from oil and natural gas tax-related transfers to the SHF (Proposition 1, 2014); and \$9.5 billion from all other SHF tax and fee revenue sources.
- Funding provides \$32.2 billion in All Funds for highway planning and design, right-of-way acquisition, construction, and maintenance and preservation. The All Funds amount includes \$12.3 billion in Federal Funds; \$19.8 billion from all SHF revenue sources; and \$0.2 billion in Other Funds from the Texas Mobility Fund.
- Funding provides \$2.2 billion in All Funds for debt service payments and other financing costs associated with TxDOT borrowing programs, including \$1.3 billion in Other Funds from SHF revenue sources; \$0.8 billion in Other Funds from the Texas Mobility Fund; and \$117.6 million in Federal Funds from Build America Bond interest payment subsidies.

BEHAVIORAL HEALTH

- Funding includes \$6.2 billion in All Funds, including \$5.0 billion in General Revenue Funds and General Revenue–Dedicated Funds, for non-Medicaid/Children’s Health Insurance Program (CHIP) behavioral health services. Funding supports programs at 27 agencies across seven articles and includes the following areas: funding for inpatient client services at state hospitals and community hospitals; outpatient services provided through local mental health authorities and local behavioral health authorities; substance abuse prevention, intervention, and treatment services for adults and children; mental healthcare and substance abuse treatment for incarcerated offenders; mental healthcare services for veterans; and other services.
- Medicaid expenditures for behavioral health services are estimated to total \$3.4 billion in All Funds for the 2024–25 biennium. CHIP expenditures are estimated to total \$91.2 million in All Funds. Total behavioral health-related funding, including estimated Medicaid and CHIP expenditures, is estimated to be \$9.6 billion in All Funds for the biennium.

CHILD PROTECTIVE SERVICES

- Funding of \$4.2 billion in All Funds, including \$2.7 billion in General Revenue Funds, is provided for all Child Protective Services (CPS) functions at the Department of Family and Protective Services. This amount is an increase of \$392.2 million in All Funds, including \$541.1 million in General Revenue Funds, from the 2022–23 biennium.
- CPS funding includes \$2.1 billion in All Funds, including \$1.2 billion in General Revenue Funds, for client services programs, including foster care, adoption subsidies, permanency care assistance payments, relative caregiver payments, and day care. Funding includes \$100.0 million in General Revenue Funds for foster care rate increases and an additional \$77.8 million in General Revenue Funds to maintain enhanced foster care rates.
- Funding includes \$1.8 billion in All Funds, including \$1.3 billion in General Revenue Funds, for CPS direct delivery staff, including services provided through Community-based Care (CBC). This amount includes increased funding to biennialize CBC expansion that occurred during fiscal year 2022 for Stage II in Regions 1 and 8B and Stage I in Regions 3E, 9, 4, and 5. This amount also provides funding to expand CBC into Stage I in Regions 8A, 6A, 6B, and 10. In addition, funding is provided to biennialize caseworkers to maintain fiscal year 2023 appropriated caseworkers into the 2024–25 biennium to comply with court-mandated guidelines for caseload per worker.

HIGHER EDUCATION FORMULA FUNDING

- Higher education formulas are supported by \$9.1 billion in General Revenue Funds and \$1.7 billion in General Revenue–Dedicated Funds. Included in these amounts are an increase of \$517.0 million in General Revenue Funds and a decrease of \$27.5 million in General Revenue–Dedicated Funds, primarily for statutory tuition.

- Funding for the general academic institutions (GAI) Instruction and Operations (I&O) formula is provided at \$59.11 per weighted semester credit hour, an increase of \$3.45 per weighted semester credit hour from the 2022–23 biennium. Funding for the GAI Infrastructure formula also increases the 2022–23 biennial rate from \$5.47 per predicted square foot to \$5.82 per predicted square foot. Funding for the formulas for health-related institutions (HRI) I&O, Infrastructure Support, Graduate Medical Education, and HRI Research Enhancement is maintained at 2022–23 biennial rates.
- Funding for higher education provides an additional \$990.9 million in General Revenue Funds from 2022–23 biennial amounts to implement a decision regarding affordability at institutions of higher education, including additional funds for the GAI's I&O and Infrastructure formulas and for the Texas Research University Fund, the Core Research Support Fund, the Comprehensive Research Fund, Higher Education Group Insurance contributions, Support for Military and Veterans Exemptions, and to provide performance-based funding for at-risk degrees awarded by Comprehensive Regional Universities.

TEACHER RETIREMENT AND HEALTH BENEFITS

- Funding of \$5.8 billion in All Funds is provided for the state contribution to retirement benefits of the Teacher Retirement System of Texas (TRS), including \$5,703.0 million in General Revenue Funds, \$73.7 million in General Revenue–Dedicated Funds, and \$14.2 million in Other Funds from the Teacher Retirement System Trust Fund. Funding amounts represent a state contribution rate of 8.25 percent of employee payroll for fiscal years 2024 and 2025, increases from the required 7.75 and 8.0 percent of payroll in fiscal years 2022 and 2023, respectively, pursuant to Senate Bill 12, Eighty-sixth Legislature, 2019. Retiree health insurance funding totals \$960.2 million in General Revenue Funds to provide a statutorily required state contribution to TRS-Care of 1.25 percent of public education payroll. Funding levels are anticipated to be sufficient to maintain current TRS-Care premiums and benefits for the 2024–25 biennium.
- Funding for TRS assumes 3.6 percent annual payroll growth for public education retirement, 6.0 percent annual payroll growth for higher education retirement, and 3.6 percent annual payroll growth for TRS-Care.
- In addition to active employee health benefits funded by the Foundation School Program, pursuant to the Texas Insurance Code, Section 1579.251, active employee health insurance funding of \$875.4 million in General Revenue Funds is provided to maintain TRS-ActiveCare premium increases at 5.0 percent per year in the 2024–25 biennium.

ADULT CORRECTIONS AND JUVENILE JUSTICE

- Funding of \$8,746.4 million in All Funds, including \$8,179.1 million in General Revenue Funds, is included for the incarceration, probation, and parole of adult offenders in the Texas Department of Criminal Justice, which includes housing, security, classification, food and necessities, healthcare, treatment services, and agency administration. Funding for correctional managed healthcare (CMHC) totals \$1,558.4 million. Total All Funds increased by \$1,642.6 million from the 2022–23 biennium, or 23.12 percent. The bill adds funding for the installation of climate control in state correctional facilities (\$343.8 million); increasing CMHC expenses (\$164.1 million); deferred maintenance (\$85.3 million); inflation effects on food, fuel, and utilities (\$54.8 million); capital equipment replacements such as laundry, food service, agricultural, industrial, and security equipment (\$38.6 million); deferred maintenance at Hospital Galveston (\$20.0 million); information technology needs for Centralized Accounting and Payroll/Personnel System rollout and cybersecurity and legacy modernization (\$16.3 million); additional security equipment (\$8.4 million); computer replacements (\$7.8 million); video surveillance upgrades (\$6.3 million); new radios (\$4.4 million); and two new units at the Office of the Inspector General (\$4.4 million). These changes are in addition to funding increases in the introduced bill related to the incarceration and treatment of inmates in correctional institutions (\$450.4 million), the supervision of adult offenders on community supervision and probation (\$118.8 million), and functions of the parole system (\$8.0 million).
- Projected adult incarceration populations are 127,598 and 132,347 for fiscal years 2024 and 2025, respectively. Projected adult felony direct community supervision populations are 146,380 and 147,892 for fiscal years 2024 and 2025, respectively. Projected adult parole populations are 83,201 and 82,314 for fiscal years 2024 and 2025, respectively.

- Funding for the Texas Juvenile Justice Department (TJJD) for the 2024–25 biennium totals \$1,046.1 million in All Funds, including \$1,006.5 million in General Revenue Funds to support and regulate local juvenile probation departments and provide rehabilitative programming and services to juveniles committed to TJJD. Total All Funds increase by \$401.6 million, or 62.3 percent. The All Funds increase is attributable primarily to funding for the construction of new facilities (\$200.0 million), changes to the methodology for funding local juvenile probation departments (\$60.4 million), salary increases for local probation department staff (\$51.4 million), salary increases and adjustments for state and institutional staff (\$35.0 million), additional county resources (\$32.6 million), the Office of the Inspector General (\$9.4 million), staff retention initiatives (\$5.4 million), and body-worn cameras and a risk-and-needs-assessment tool (\$4.6 million).
- Projected juvenile probation supervision average daily populations are 18,812 and 18,797 for fiscal years 2024 and 2025, respectively. Projected juvenile state residential average daily populations are 861 and 838 for fiscal years 2024 and 2025, respectively. Projected juvenile parole supervision average daily populations are 228 and 261 for fiscal years 2024 and 2025, respectively.

BORDER SECURITY

- Funding includes \$4,659.3 million in All Funds for border security efforts at 13 state agencies across several articles of government. The majority of border security funding is appropriated to three agencies: \$2,265.5 million to the Texas Military Department (TMD); \$1,194.6 million to the Department of Public Safety (DPS); and \$1,043.7 million to the Office of the Governor (OOG).
- The Eighty-seventh Legislature, 2021, appropriated funding for Operation Lone Star (OLS) to 13 agencies in three bills: \$1,013.4 million in Senate Bill 1, Regular Session; \$110.3 million in House Bill 2, Regular Session; and \$1,802.6 million in House Bill 9, Second Called Session. Subsequent leadership transfers of \$479.7 million in January 2022, \$495.3 million in April 2022, and \$359.7 million through the October 2022 budget execution order directed funds primarily to TMD for OLS expenses. These items and others increased the total 2022–23 biennial budgeted amount for border security to \$4,396.0 million.
- Funding for the 2024–25 biennium provides \$2,265.5 million in General Revenue Funds for border security at TMD, including a \$613.0 million increase for OLS operations and a \$73.0 million increase to raise the State Active Duty per diem rates. The State and National Guard supports OLS by maintaining security points, conducting mobile land and river patrols, and constructing temporary fencing and barriers along the Texas–Mexico border. In the 2022–23 biennium, TMD was appropriated \$411.9 million in General Revenue Funds for border security purposes, which includes \$22.3 million in supplemental appropriations in fiscal year 2021. Through transfers and budget execution, TMD also received \$1,251.4 million in Other Funds in OOG Disaster, Deficiency, and Emergency Grants.
- At DPS, border security funding maintains support for personnel at full deployment levels. Funding includes \$1,194.6 million in General Revenue Funds for OLS and other agency border security efforts, an increase of \$226.9 million, or 23.4 percent. This base funding includes \$942.6 million appropriated to the agency during previous Legislatures and provides for: salary and wages for 650 additional troopers, a 50.0-hour work week, human trafficking prevention, anti-gang activities, cameras, and equipment; \$75.5 million for salary adjustments; \$25.1 million reallocated to capital budget projects related to OLS; and \$151.4 million to biennialize OLS 52-week surge costs.
- Funding for OOG border security activities totals \$1,043.7 million for the 2024–25 biennium, which would provide OLS support including transportation, border barriers, processing centers, and local border grants.
- Other agencies receiving significant border security funding in the 2024–25 biennium include \$53.5 million to the Office of Court Administration, \$20.0 million of which is intended for felony cases to the Texas Indigent Defense Commission; \$33.6 million to the Texas Parks and Wildlife Department; \$25.9 million to the Texas Department of Criminal Justice; and \$16.4 million to the Department of State Health Services.

- The Eighty-eighth Legislature, General Appropriations Bill, 2024–25 Biennium, Article IX, Section 7.10, Border Security, provides a complete list of border security agencies, appropriation amounts, and reporting requirements.

STATE EMPLOYEE SALARIES, RETIREMENT, HEALTH BENEFITS, SOCIAL SECURITY, AND FULL-TIME-EQUIVALENT POSITIONS

- Funding of \$1.8 billion in All Funds, including \$1.3 billion in General Revenue Funds and General Revenue–Dedicated Funds, provides for a 5.0 percent increase in state employee salaries, with a minimum of \$3,000 per year in fiscal year 2024 followed by a 5.0 percent increase with a minimum of \$3,000 per year in fiscal year 2025. The amounts include funding for salaries and benefits. Comparable increases also are provided to employees of the Texas Higher Education Coordinating Board, Texas A&M University services agencies, adult and juvenile probation employees, and certain Correctional Managed Health Care employees.
- Funding of \$1.6 billion in All Funds, including \$1.1 billion in General Revenue Funds and General Revenue–Dedicated Funds, provides for the state contribution to the Employees Retirement System of Texas (ERS) retirement program. This amount is an increase of \$227.1 million in All Funds, and an increase of \$213.0 million in General Revenue Funds and General Revenue–Dedicated Funds, for state employees' retirement benefits, due to assuming 0.77 percent annual payroll growth for fiscal years 2024 and 2025. Funding provides for a 9.5 percent state contribution rate for each fiscal year of the 2024–25 biennium. Funding also continues the additional retirement contribution from all general state agencies of 0.5 percent of the total base wages and salaries for each eligible employee for a total combined state contribution rate of 10.0 percent, the maximum pursuant to the Texas Constitution, Article XVI, Section 67(b)(3).
- Senate Bill 321, Eighty-seventh Legislature, Regular Session, 2021, requires the state to make legacy payments in the amount necessary to amortize ERS' unfunded actuarial liability no later than fiscal year 2054. Funding includes \$1,020.0 million in All Funds, including \$916.0 million in General Revenue Funds and \$104.0 million in Other Funds from the State Highway Fund, for the legacy payments.
- Funding of \$4.1 billion in All Funds, including \$2.9 billion in General Revenue Funds and General Revenue–Dedicated Funds, provides for the state contribution for group insurance benefits for general state employees, retirees, and their dependents. This funding is an increase of \$265.5 million in All Funds, including \$286.9 million in General Revenue Funds and General Revenue–Dedicated Funds, prompted by assumed active and retired member growth. Funding does not provide a per-member contribution rate increase and instead relies upon the agency spending down the contingency reserve fund, which has achieved historically high fund balances due to savings in health plan contracts.
- Funding of \$144.5 million in General Revenue Funds provides for health insurance contributions for local community supervision and correction department employees, retirees, and dependents who also participate in the state's Group Benefits Program. The funding provides an increase of \$2.3 million in General Revenue Funds.
- Funding of \$2.2 billion in All Funds, including \$1.6 billion in General Revenue Funds and General Revenue–Dedicated Funds, provides for the state contribution for Social Security payroll taxes for employees of state agencies and institutions of higher education, which is an increase of \$237.3 million in All Funds, including \$226.2 million in General Revenue Funds and General Revenue–Dedicated Funds. The funding is sufficient to provide the 6.2 percent Social Security employer contribution and the 1.45 percent Medicare employer contribution. Funding assumes 0.77 percent annual payroll growth for state agency employees and 3.2 percent annual payroll growth for higher education employees in fiscal years 2024 and 2025.
- Funding provides for 220,834.1 full-time-equivalent (FTE) positions for fiscal year 2024, and 220,864.4 positions for fiscal year 2025. The number of FTE positions for fiscal year 2025 is an increase of 1,706.8 positions from fiscal year 2023 budgeted levels.

DEBT SERVICE

- Funding for the 2024–25 biennium fully funds debt service and totals \$4.3 billion in All Funds. This amount is an increase of \$21.6 million from the 2022–23 biennium. Funding provides for debt service for General Obligation and revenue debt issued, or expected to be issued, by the Texas Public Finance Authority, the Texas Facilities Commission, the Texas Water Development Board, the Texas Department of Transportation, and the Office of the Governor. Funding also provides for reimbursement of debt service payments for Capital Construction Assistance Projects issued by various institutions.

COVID-19 PANDEMIC-RELATED STIMULUS FUNDS

Following the emergence of a novel coronavirus known as SARS-CoV-2 (COVID-19), a federal public health emergency was declared January 31, 2020. As a result, the U.S. Congress passed six major spending bills from March 6, 2020, to March 11, 2021, which, excluding direct allocations to local entities and nonstate agencies, provided an estimated \$80.4 billion as of November 30, 2022, in financial support to help respond to and mitigate the financial impact of the COVID-19 pandemic.

The appropriated funds in these federal bills were intended to help adjust certain federally funded programs in their transition in client delivery and functionality during the pandemic. The performance periods of most federal pandemic-related awards will expire by September 1, 2023. **Figure 15** shows the status of each pandemic-related funding bill, including the estimated amounts awarded and the timeline for the expiration of funding awards. **Figure 16** shows the status of expenditures by state biennium from the total estimated amounts of federal dollars awarded to Texas for pandemic-related support.

FIGURE 15
FEDERAL COVID-19 PANDEMIC-RELATED FUNDING
AS OF AUGUST 31, 2022

FEDERAL LEGISLATION	DATE SIGNED	ESTIMATED AWARD (1)	PERFORMANCE PERIOD TIMELINE (2)
Coronavirus Preparedness and Response Supplemental Appropriations Act (CPRSAA)	March 6, 2020	\$72.4 million	Funds expired
Families First Coronavirus Response Act (FFCRA)	March 18, 2020	\$213.4 million	Funds expired
Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	March 27, 2020	\$26.2 billion	Awards expired September 30, 2022
Paycheck Protection Program and Health Care Enhancement Act (PPHCEA)	April 24, 2020	\$479.6 million	Funds expired
Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)	December 27, 2020	\$13.5 billion	Awards expire September 30, 2023
American Rescue Plan Act (ARPA)	March 11, 2021	\$40.0 billion	Awards expire September 30, 2025
Total		\$80.4 billion	

NOTES:

(1) Estimated awards are as of November 30, 2022, and amounts represent only funds that proceed through the state Treasury. Amounts are subject to change.

(2) Some awards in each act have longer performance periods than the general expiration dates provided in the legislation.

SOURCE: Legislative Budget Board.

FIGURE 16
ALL BIENNIAL AWARDS AND EXPENDITURES OF FEDERAL COVID-19 PANDEMIC-RELATED AWARDS

(IN BILLIONS)

STATE FISCAL BIENNIUM	TOTAL ESTIMATED AWARDS (1)	TOTAL ESTIMATED EXPENDITURES (2)
2020–21	\$80.4	\$43.4
2022–23	\$0.0	\$28.8
2024–25	\$0.0	\$9.3
Total	\$80.4	\$81.5

NOTES:

(1) Estimated awards are as of November 30, 2022, and are self-reported by agencies. Award amounts are subject to change.

(2) Estimated expenditures include actual expenditures in the 2020–21 biennium, estimated/budgeted expenditures in the 2022–23 biennium, and Committee Substitute for House Bill 1 recommended expenditures in the 2024–25 biennium.

SOURCE: Legislative Budget Board.

The Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium, Article IX, Section 13.01, authorizes the Legislature to appropriate funding received from the federal Coronavirus State Fiscal Recovery (CSFR) Fund, pursuant to the American Rescue Plan Act. Senate Bill 8, Eighty-seventh Legislature, Third Called Session, 2021, appropriated \$13.3 billion received through the CSFR (\$12.8 billion) and the Coronavirus Capital Projects Fund (\$500.5 million) and allocated the following amounts:

- \$7.2 billion for the state’s Unemployment Compensation Fund;
- \$2.0 billion for state and local hospital surge staffing;
- \$617.8 million for various construction projects;
- \$500.5 million for broadband infrastructure;
- \$475.0 million for critical and emergency staffing and support grants;
- \$379.5 million for funding shortfalls in accounts or funds for crime victim assistance, sexual assault, crime victim compensation, and court fees;
- \$359.7 million for public safety salaries;
- \$300.0 million for acquisition and construction of a state operations center;
- \$286.3 million for claims related to the COVID-19 pandemic from health plans administered by the Teacher Retirement System of Texas (TRS-ActiveCare and TRS-Care);
- \$200.0 million for cybersecurity projects;
- \$180.0 million for tourism, travel, and hospitality; and
- \$816.1 million for various other purposes.

REMAINING CORONAVIRUS RELIEF FUND BALANCE

Due to the following factors, Texas has a remaining balance of federal funding related to the COVID-19 pandemic of \$5.4 billion:

- In November 2021, the Texas Workforce Commission (TWC) provided a revised estimate of funds necessary to replenish the Unemployment Insurance Trust Fund. From the original appropriation of \$7.3 billion, TWC expended \$7.0 billion and returned \$266.2 million of CSFR funding to the state’s Coronavirus Relief Fund. Additionally, TWC returned \$758.7 million in CSFR funds after receiving an allocation of CARES Act funding on September 30, 2022;

- Two provisions of Senate Bill 8, enacted November 8, 2021, which would have funded certain university construction projects and maintenance projects at the Bob Bullock Texas State History Museum, were deemed not eligible uses, and the funding was returned. General Revenue Funds were made available to the awarded agencies for similar uses;
- The planned supplemental appropriations bill would make available \$200.0 million initially appropriated to the Department of Information Resources for cybersecurity projects; and
- The Department of State Health Services reported December 19, 2022, that the agency would return \$800.0 million of its appropriated \$2.0 billion due to reimbursements for the same uses of funds through the Federal Emergency Management Agency Public Assistance grant.

CSFR funding must be obligated by the end of calendar year 2024 and expended by the end of calendar year 2026. Funds may be used to replace lost public sector revenue, respond to the public health and negative economic impacts caused by the pandemic, provide premium pay for essential workers, and build infrastructure for sewer, water, and broadband communications. Funds may not be used to pay debt service, replenish reserve funds, nor offset a negative tax reduction that resulted from a change of law, regulation, or administrative interpretation by the state. In addition to funds directly appropriated to the state, \$10.5 billion from the Coronavirus Local Fiscal Recovery Fund was awarded directly to all counties, major cities, and nonentitlement units.

House Committee Substitute for House Bill 1, Article IX, Section 18.02, would appropriate all unobligated CSFR amounts, estimated to be \$5.4 billion, to the Texas Department of Criminal Justice for the 2024–25 biennium for salaries and benefits. These amounts would supplant General Revenue Funds.

LIMITS ON APPROPRIATIONS

Texas has four constitutional limits on spending: the balanced budget limit, which is commonly referred to as the pay-as-you-go limit; the limit on the rate of growth of appropriations from certain state taxes, commonly referred to as the tax spending limit; the limit on welfare spending; and the limit on tax-supported debt. In addition, Texas has a statutory limit on the growth of consolidated General Revenue appropriations (CGR), commonly referred to as the CGR limit.

The pay-as-you-go, tax spending, and CGR limits all restrict appropriations, but in different ways. The pay-as-you-go limit prohibits the General Revenue Fund budget from exceeding available revenue. The tax spending limit prohibits appropriations funded with tax revenues that are not dedicated by the Texas Constitution from growing faster than the state's economy. The tax spending limit does not apply to appropriations funded with nontax revenues or appropriations funded with tax revenues if the constitution requires the tax revenue to be spent for a specific purpose. The CGR limit prohibits General Revenue Funds and General Revenue–Dedicated Funds appropriations from growing faster than the compounded growth of Texas population and monetary inflation. Appropriations to pay for tax relief or costs associated with recovery from a disaster declared by the Governor are excluded from the CGR limit. Appropriations of the remaining \$5.4 billion Coronavirus State Fiscal Relief Fund balances are not subject to any of the three limits.

The 2024–25 biennial General Revenue Funds amount totals \$136.9 billion. This amount is \$25.6 billion less than the pay-as-you-go limit, based on the 2023 Biennial Revenue Estimate (BRE) from the Comptroller of Public Accounts (CPA), as shown in **Figure 17**. General Revenue Funds are \$1.3 billion less than the General Revenue Funds capacity in accordance with the tax spending limit. The 2024–25 biennial Consolidated General Revenue Funds amount totals \$143.7 billion. After excluding exempted appropriations, this amount is \$12.5 billion less than the CGR limit. This analysis includes supplemental appropriations in fiscal year 2023 made in the House Committee Substitute for Senate Bill 30, adjusted for supplemental appropriation changes already considered in the BRE. Any change to the fiscal year 2023 appropriations, beyond what is assumed in this analysis, will change the 2024–25 biennial limits and spending authority subject to the limits. The tax spending limit is the controlling limit because General Revenue Funds spending authority is lower than for the other two limits.

FIGURE 17
REMAINING GENERAL REVENUE FUNDS SPENDING AUTHORITY, 2024–25 BIENNIUM

(IN BILLIONS)	AMOUNT
Pay-as-you-go Limit	\$25.6
Tax Spending Limit	\$1.3
Consolidated General Revenue Limit	\$12.5

SOURCE: Comptroller of Public Accounts, Legislative Budget Board.

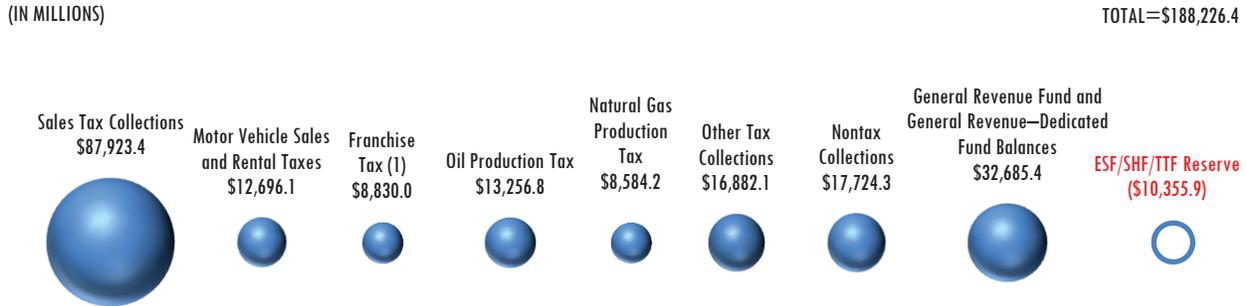
ARTICLE III, SECTION 49a, PAY-AS-YOU-GO LIMIT

The Texas Constitution, Article III, Section 49a, sets the so-called pay-as-you-go limit. The constitution requires that bills making appropriations are sent to the CPA for certification that the appropriations are within estimates of available revenue.

CPA identifies the pay-as-you-go limit for General Revenue Funds appropriations as \$188.2 billion in the BRE. This total includes estimated 2024–25 biennial General Revenue Funds revenue collections of \$165.9 billion, less the amount of \$10.4 billion in General Revenue Funds deposits reserved for transfer to the Economic Stabilization Fund, the State Highway Fund, and the Texas Tomorrow Fund. This total also includes the beginning General Revenue Fund balance and General Revenue–Dedicated Funds account balances available for certification totaling \$32.7 billion, shown in **Figure 18**. Legislative actions increasing or decreasing revenue collections will change the total amount of revenue available.

By contrast, the amount of revenue available for the Eighty-seventh Legislature, Regular Session, 2021, in accordance with the pay-as-you-go limit identified in the 2021 BRE was \$112.5 billion.

FIGURE 18
COMPONENTS OF THE PAY-AS-YOU-GO LIMIT, 2024–25 BIENNIUM



NOTE: Figure shows General Revenue Funds portion.
SOURCE: Legislative Budget Board.

The \$188.2 billion in available revenue applies to 2024–25 biennial General Revenue Funds appropriations and to fiscal year 2023 supplemental General Revenue Funds appropriations. Consequently, any increase in supplemental General Revenue Funds appropriations for fiscal year 2023 will decrease General Revenue Funds spending capacity proportionately for the 2024–25 biennium; conversely, a decrease in 2023 will increase 2024–25 General Revenue Funds spending capacity.

ARTICLE VIII, SECTION 22, LIMITATION ON THE GROWTH OF CERTAIN APPROPRIATIONS

The Texas Constitution, Article VIII, Section 22, prohibits appropriations funded with state tax revenues not dedicated by the constitution from growing faster than the estimated rate of growth of the state’s economy. Consequently, the revenue source funding appropriations determines if the appropriations are subject to the spending limit. Appropriations funded with tax revenues are subject to the spending limit unless the constitution dedicates the tax revenue for a specific purpose. The spending limit does not apply to appropriations funded with nontax revenues or appropriations funded with tax revenues if the constitution requires the tax revenue to be spent for a specific purpose.

The 2024–25 biennial spending limit equals total 2022–23 biennial appropriations funded with tax revenues not dedicated by the constitution of \$107.3 billion, grown by the adopted growth rate of 12.33 percent. The 2024–25 biennial spending limit is estimated to be \$120.5 billion after adjusting for revenue estimates in the CPA’s 2023 Biennial Revenue Estimate and updating the 2022–23 biennial base to include estimated supplemental appropriations. The 2024–25 biennial appropriations subject to the spending limit total \$119.3 billion, \$1.2 billion less than the spending limit, as shown in **Figure 19**. The 2022–23 biennial appropriations subject to the spending limit, including supplemental appropriations assumed for this analysis, total \$107.3 billion, \$89.0 million below the spending limit for that biennium, which would yield maximum additional 2022–23 biennial General Revenue Funds appropriations of \$96.4 million. Any changes to supplemental appropriations beyond the assumptions in this analysis will change the estimate of the 2024–25 biennial spending limit and available spending capacity.

FIGURE 19
SPENDING LIMIT COMPARED TO THE COMMITTEE SUBSTITUTE FOR HOUSE BILL 1
2024–25 BIENNIUM

(IN BILLIONS)	AMOUNT
Spending Limit	\$120.5
Appropriations Subject to the Spending Limit	(\$119.3)
Total Less Than the Spending Limit	\$1.2

SOURCE: Legislative Budget Board.

Because revenue deposits to the General Revenue Fund also include revenue not subject to the spending limit, the maximum 2024–25 biennial General Revenue Funds appropriations associated with the \$120.5 billion limit is \$138.2 billion, leaving \$1.3 billion in remaining General Revenue Funds spending capacity less than the spending limit, as shown in **Figure 20**.

FIGURE 20
GENERAL REVENUE FUNDS PURSUANT TO THE SPENDING LIMIT COMPARED TO THE COMMITTEE SUBSTITUTE FOR HOUSE BILL 1, 2024–25 BIENNIUM

(IN BILLIONS)	AMOUNT
Maximum General Revenue Funds Appropriations Pursuant to the Spending Limit	\$138.2
Committee Substitute for House Bill 1 General Revenue Funds Appropriations	(\$136.9)
Total Less Than the Maximum General Revenue Fund Appropriations	\$1.3

SOURCE: Legislative Budget Board.

THE TEXAS GOVERNMENT CODE, SECTION 316.001, CONSOLIDATED GENERAL REVENUE LIMIT

The Texas Government Code, Chapter 316, Subchapter A, restricts the rate of growth of consolidated General Revenue appropriations (CGR) and is referred to as the CGR limit. CGR appropriations are defined as the sum of General Revenue Funds and General Revenue–Dedicated Funds appropriations. In each biennium, the growth of CGR appropriations is limited to no more than the compounded rate of Texas population growth and monetary inflation growth, averaged over the current and upcoming biennium. However, the statute excludes from the computation of this limitation appropriations for a purpose that provides tax relief or appropriations to pay costs associated with recovery from a disaster declared by the Governor.

The 2024–25 biennial CGR limit is estimated to total \$146.2 billion. Consolidated General Revenue Funds total \$143.7 billion, of which \$9.9 billion are excluded from the limitation, as discussed previously. After combining these amounts, \$12.5 billion of CGR spending capacity remains below the 2024–25 biennial CGR limit.

ARTICLE III, SECTION 49-j, DEBT LIMIT

The Texas Constitution, Article III, Section 49-j, provides that the Legislature may not authorize additional state debt if in any fiscal year the resulting maximum annual debt service payable from the General Revenue Fund, excluding revenues constitutionally dedicated for purposes other than payment of state debt, exceeds 5.0 percent of the average annual unrestricted General Revenue for the previous three years. To monitor where the state stands in relation to the constitutional debt limit (CDL), the Bond Review Board (BRB) calculates two debt ratios. The first ratio is the debt service on outstanding or issued debt as a percentage of unrestricted General Revenue Funds. At the end of fiscal year 2022, the BRB reported that the issued debt ratio is 1.11 percent. The second debt ratio is the debt service on outstanding debt plus estimated debt service for authorized but unissued bonds. For this ratio, the BRB has reported that the state is at 2.25 percent of unrestricted General Revenue Funds at the end of fiscal year 2022. The latter calculation represents a 12.8 percent decrease from the 2.58 percent calculated for outstanding and authorized but unissued debt for fiscal year 2021. The BRB expects the CDL ratio to continue to decrease with the issuance of authorized debt. However, the CDL ratio could be affected by changes to any of the following factors: the three-year average of unrestricted General Revenue Funds, the amount of debt outstanding and unissued debt authorizations, and actual and assumed interest rates.

ARTICLE III, SECTION 51-a, WELFARE SPENDING LIMIT

The Texas Constitution, Article III, Section 51-a, requires that the amount paid out of state funds for assistance grants to or on behalf of needy dependent children and their caretakers does not exceed 1.0 percent of the state budget in any biennium.

The 2024–25 biennial budget defined in the Texas Human Resources Code, Section 31.053, is \$302.7 billion. Therefore, the welfare spending limit is \$3.0 billion. The biennial amount appropriated in the Committee Substitute for House Bill 1 for the 2024–25 biennium that is subject to the limit on state dollars paid out in Temporary Assistance for Needy Families (cash assistance) grants is \$33.0 million, which is \$3.0 billion less than the 1.0 percent limit.

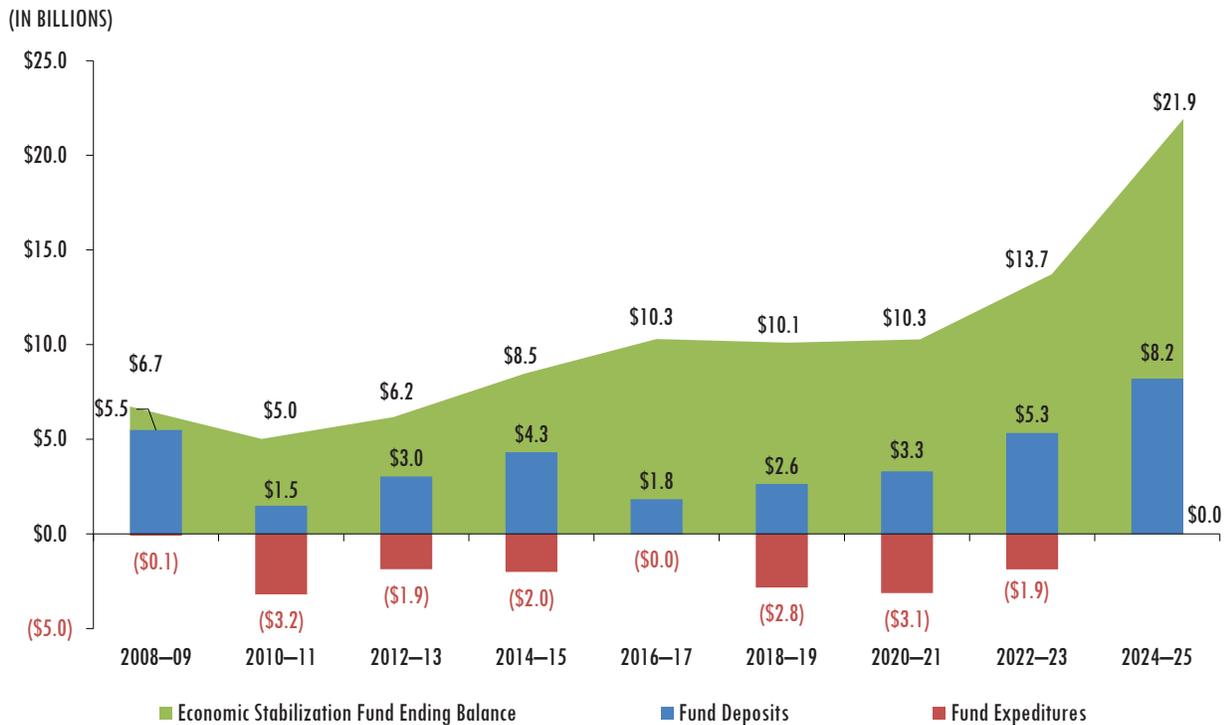
ECONOMIC STABILIZATION FUND

The Texas Constitution, Article III, Section 49-g, established the Economic Stabilization Fund (ESF). Appropriations can be made from the fund within certain fiscal conditions with a three-fifths vote of each legislative chamber. Appropriations also can be made for any purpose with a two-thirds vote of each legislative chamber. House Bill 903, Eighty-fourth Legislature, 2015, directed the Comptroller of Public Accounts (CPA) to invest a portion of the cash balance of the ESF in assets outside of the Treasury pool, with the goal of obtaining a higher rate of return. Beginning September 1, 2015, CPA established the Texas Economic Stabilization Investment Fund (TESTIF) to invest a portion of the ESF pursuant to this legislation.

CPA forecasts the 2024–25 biennial ending cash balance of the ESF plus the total asset value of the TESTIF to be \$27.1 billion, reaching its constitutional maximum balance during fiscal year 2025. The Committee Substitute for House Bill 1 contains no appropriations from the fund. However, supplemental appropriations made in the House Committee Substitute to Senate Bill 30 will eliminate the estimated transfer of the unencumbered ending balance of General Revenue Funds to the ESF. Without this transfer, the ESF no longer will be projected to reach the constitutional maximum balance during fiscal year 2025, which will result in an increased set-aside of General Revenue Funds for transfer to the fund. After accounting for these changes, the ESF balance is projected to total \$21.9 billion at the end of the 2024–25 biennium.

Figure 21 shows the history of ESF deposits, expenditures, and balances from the 2008–09 to 2024–25 biennia.

FIGURE 21
ECONOMIC STABILIZATION FUND BIENNIAL DEPOSITS, EXPENDITURES, INVESTMENTS, AND FUND BALANCE
2008–09 TO 2024–25 BIENNIA



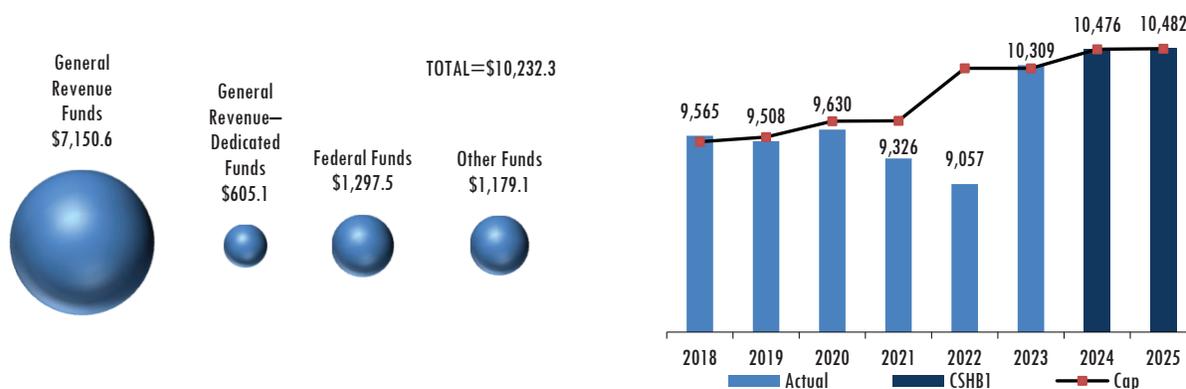
NOTE: Fiscal years 2023 to 2025 are projections based on the Comptroller of Public Accounts' 2023 Biennial Revenue Estimate and associated changes made by the House Committee Substitute for Senate Bill 30, Eighty-eighth Legislature, 2023.

SOURCES: Legislative Budget Board; Comptroller of Public Accounts.

ARTICLE I – GENERAL GOVERNMENT

FIGURE 22
ARTICLE I – GENERAL GOVERNMENT, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	\$7,877.6	\$7,150.6	(\$727.0)	(9.2%)
General Revenue–Dedicated Funds	\$866.1	\$605.1	(\$261.0)	(30.1%)
Federal Funds	\$2,727.0	\$1,297.5	(\$1,429.5)	(52.4%)
Other Funds	\$2,085.6	\$1,179.1	(\$906.5)	(43.5%)
Total, All Methods of Finance	\$13,556.2	\$10,232.3	(\$3,323.9)	(24.5%)



NOTES:

- (1) Excludes Interagency Contracts.
 - (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
- SOURCES: Legislative Budget Board; State Auditor’s Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE I

All Funds for the General Government agencies total \$10.2 billion for the 2024–25 biennium, a decrease of \$3.3 billion, or 24.5 percent, from the 2022–23 biennium. General Revenue Funds total \$7.2 billion, a decrease of \$0.7 billion, or 9.2 percent.

HIGHLIGHTS

- Funding for the **Texas Commission on the Arts** totals \$31.6 million in All Funds for the 2024–25 biennium, an increase of \$5.9 million, primarily due to the addition of funding of \$3.0 million for Arts Organization Grants and \$5.0 million for Cultural District grants, offset by a \$2.2 million decrease in onetime funding for the Flower Mound Performing Arts Center.
- Funding for the **Office of the Attorney General** totals \$1,430.0 million in All Funds for the 2024–25 biennium, an increase of \$80.8 million in All Funds, primarily due to funding provided for information technology projects including Child Support System Modernization Phase III (\$56.5 million), mainframe decommissioning (\$24.6 million), and legal case system modernization (\$7.5 million).
- Funding for the **Comptroller of Public Accounts** totals \$713.2 million in All Funds for the 2024–25 biennium. This amount represents an increase of \$48.3 million due primarily to statewide salary adjustments and a legacy modernization project to replace the Uniform Statewide Accounting System and the Texas Identification Number System.
- Funding for **Fiscal Programs within the Comptroller of Public Accounts** totals \$1,775.7 million in All Funds for the 2024–25 biennium, a decrease of \$31.4 million. The decrease is related primarily to expenditure of onetime

federal funding related to the COVID-19 pandemic for broadband expansion during the 2022–23 biennium offset by the addition of a new grant program for county law enforcement and agency estimates for certain statutorily required disbursements.

- Funding for the **Employees Retirement System of Texas**, across all articles, includes the addition of \$931.2 million in All Funds to address unfunded liabilities and cover the normal costs of the Law Enforcement and Custodial Officer Supplemental Retirement Plan and the Judicial Retirement System Plan II.
- Funding for the **Texas Facilities Commission** totals \$570.5 million in All Funds, a decrease of \$656.0 million related primarily to a decrease of onetime capital funding for facility construction.
- Funding for the **Trusted Programs within the Office of the Governor** totals \$2,122.1 million, a decrease of \$2,963.4 in All Funds from the previous biennium. Decreases in All Funds are associated primarily with the expenditure during the 2022–23 biennium of unexpended balances carried forward from the 2020–21 biennium, and decreases due to reallocation of border security funds to other state agencies directly involved in border security activities. Funding levels also represent additional funding of \$20.2 million for the Texas Music Incubator Rebate program.
- Funding for the **Texas Historical Commission** totals \$73.2 million, a decrease of \$61.2 million in All Funds primarily related to various onetime funding projects, including renovation and construction projects at historic sites, the Star of the Republic Museum, and for Courthouse Preservation Grants.
- Funding for the **Department of Information Resources** totals \$1,292.1 million in All Funds for the 2024–25 biennium, which represents a decrease of \$106.4 million from the 2022–23 biennium. The decrease is due primarily to a decrease of onetime federal funding appropriated for the 2022–23 biennium to the Technology Improvement and Modernization Fund offset by an increase of \$43.5 million for Data Center Services and \$47.2 million for operating and cybersecurity expenses.
- Funding for the **Texas State Library and Archives Commission** totals \$76.9 million in All Funds for the 2024–25 biennium, which includes the addition of \$4.4 million to provide technology support for libraries serving populations of less than 12,000.
- Funding for the **Secretary of State** totals \$118.9 million in All Funds for the 2024–25 biennium, a decrease of \$31.2 million from the 2022–23 biennium. This decrease is due primarily to removal of onetime funding provided to counties through the agency for the replacement of voting technology and for funding provided for Phase I of the replacement of the Business Entity Secured Transaction (BEST) system. Funding of \$24.1 million is provided for Phase II of the BEST system replacement.
- Funding for the **Texas Veterans Commission** totals \$131.2 million in All Funds and includes \$1.1 million for improvements to the Hazlewood Act Database for Veterans and Students and \$1.2 million to increase claims support to veterans.

Figure 23 shows the All Funds appropriation for each agency in Article I, and **Figure 24** shows the General Revenue Funds appropriation for each agency.

FIGURE 23
ARTICLE I – GENERAL GOVERNMENT BY AGENCY, ALL FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
Commission on the Arts	\$25.7	\$31.6	\$5.9	23.0%
Office of the Attorney General	\$1,349.2	\$1,430.0	\$80.8	6.0%
Bond Review Board	\$1.8	\$2.7	\$0.9	49.2%
Cancer Prevention and Research Institute of Texas	\$594.4	\$600.1	\$5.7	1.0%
Comptroller of Public Accounts	\$664.9	\$713.2	\$48.3	7.3%
Fiscal Programs within the Comptroller of Public Accounts	\$1,807.1	\$1,775.7	(\$31.4)	(1.7%)
Commission on State Emergency Communications	\$290.6	\$128.8	(\$161.9)	(55.7%)
Texas Emergency Services Retirement System	\$3.9	\$4.2	\$0.3	7.8%
Employees Retirement System	\$861.1	\$1,047.5	\$186.4	21.6%
Texas Ethics Commission	\$6.6	\$8.0	\$1.4	22.0%
Facilities Commission	\$1,226.5	\$570.5	(\$656.0)	(53.5%)
Public Finance Authority	\$3.6	\$4.0	\$0.4	12.1%
Office of the Governor	\$27.6	\$29.6	\$2.0	7.2%
Trusted Programs within the Office of the Governor	\$5,085.5	\$2,122.1	(\$2,963.4)	(58.3%)
Historical Commission	\$134.4	\$73.3	(\$61.2)	(45.5%)
Department of Information Resources	\$1,398.5	\$1,292.1	(\$106.4)	(7.6%)
Library and Archives Commission	\$81.2	\$76.9	(\$4.4)	(5.4%)
Pension Review Board	\$2.9	\$2.6	(\$0.3)	(10.3%)
Preservation Board	\$88.9	\$123.2	\$34.3	38.6%
State Office of Risk Management	\$101.3	\$104.1	\$2.7	2.7%
Secretary of State	\$150.2	\$118.9	(\$31.2)	(20.8%)
Veterans Commission	\$134.3	\$131.2	(\$3.2)	(2.4%)
Subtotal, General Government	\$14,040.0	\$10,390.0	(\$3,650.0)	(26.0%)
Employee Benefits and Debt Service	\$994.9	\$1,095.7	\$100.8	10.1%
Less Interagency Contracts	\$1,478.7	\$1,253.4	(\$225.3)	(15.2%)
Total, All Functions	\$13,556.2	\$10,232.3	(\$3,323.9)	(24.5%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

FIGURE 24
ARTICLE I – GENERAL GOVERNMENT BY AGENCY, GENERAL REVENUE FUNDS

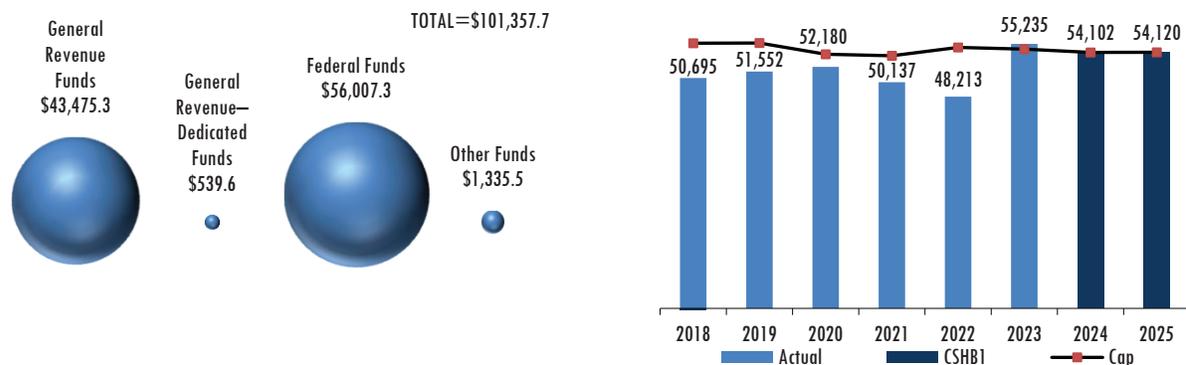
(IN MILLIONS)	ESTIMATED/BUDGETED	CSHB1	BIENNIAL	PERCENTAGE
FUNCTION	2022–23	2024–25	CHANGE	CHANGE
Commission on the Arts	\$22.5	\$28.6	\$6.1	27.2%
Office of the Attorney General	\$540.6	\$607.7	\$67.1	12.4%
Bond Review Board	\$1.8	\$2.7	\$0.9	49.2%
Cancer Prevention and Research Institute of Texas	\$0.0	\$0.0	\$0.0	N/A
Comptroller of Public Accounts	\$660.2	\$709.4	\$49.2	7.4%
Fiscal Programs within the Comptroller of Public Accounts	\$1,186.1	\$1,689.6	\$503.5	42.5%
Commission on State Emergency Communications	\$0.0	\$21.3	\$21.3	N/A
Texas Emergency Services Retirement System	\$1.4	\$1.6	\$0.2	17.7%
Employees Retirement System	\$702.7	\$943.5	\$240.7	34.3%
Texas Ethics Commission	\$6.6	\$8.0	\$1.4	22.0%
Facilities Commission	\$207.6	\$398.6	\$191.0	92.0%
Public Finance Authority	\$1.9	\$2.1	\$0.2	10.0%
Office of the Governor	\$27.6	\$29.6	\$2.0	7.2%
Trusted Programs within the Office of the Governor	\$3,335.7	\$1,296.0	(\$2,039.7)	(61.1%)
Historical Commission	\$75.1	\$66.2	(\$8.9)	(11.8%)
Department of Information Resources	\$33.2	\$63.6	\$30.5	91.8%
Library and Archives Commission	\$33.9	\$41.7	\$7.9	23.3%
Pension Review Board	\$2.9	\$2.6	(\$0.3)	(10.3%)
Preservation Board	\$27.7	\$123.1	\$95.4	344.5%
State Office of Risk Management	\$0.0	\$0.0	\$0.0	N/A
Secretary of State	\$117.2	\$104.4	(\$12.8)	(10.9%)
Veterans Commission	\$31.7	\$43.9	\$12.2	38.5%
Subtotal, General Government	\$7,016.2	\$6,184.3	(\$831.9)	(11.9%)
Subtotal, Employee Benefits and Debt Service	\$861.4	\$966.3	\$104.9	12.2%
Total, All Functions	\$7,877.6	\$7,150.6	(\$727.0)	(9.2%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
 SOURCE: Legislative Budget Board.

ARTICLE II – HEALTH AND HUMAN SERVICES

FIGURE 25
ARTICLE II – HEALTH AND HUMAN SERVICES, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	\$37,511.9	\$43,475.3	\$5,963.5	15.9%
General Revenue–Dedicated Funds	\$501.3	\$539.6	\$38.3	7.6%
Federal Funds	\$69,491.4	\$56,007.3	(\$13,484.1)	(19.4%)
Other Funds	\$1,436.7	\$1,335.5	(\$101.2)	(7.0%)
Total, All Methods of Finance	\$108,941.2	\$101,357.7	(\$7,583.5)	(7.0%)



NOTES:
 (1) May include anticipated supplemental spending adjustments.
 (2) Excludes Interagency Contracts.
 (3) Biennial change and percentage change are calculated from actual amounts before rounding. Therefore, totals may not sum due to rounding.
 SOURCES: Legislative Budget Board; State Auditor’s Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE II

All Funds for the health and human services agencies total \$101.4 billion, a decrease of \$7.6 billion from the 2022–23 biennium. General Revenue Funds and General Revenue–Dedicated Funds total \$44.0 billion, an increase of \$6.0 billion from the 2022–23 biennium.

Appropriations for health and human services encompass several programs, but the biennial All Funds decrease primarily results from the following areas:

- a decrease of \$6.0 billion in All Funds associated with Medicaid client services, which is offset partially by a \$1.0 billion increase for Children’s Health Insurance Program (CHIP) client services, primarily due to shifts in caseloads associated with the assumed end of continued eligibility, which was required for states to receive the 6.2 percentage-point increase in the federal medical assistance percentage (FMAP) and related matches pursuant to the federal Families First Coronavirus Response Act (FFCRA); and
- a decrease of \$5.5 billion in Federal Funds at the Department of State Health Services provided for response to the COVID-19 pandemic.

HIGHLIGHTS

- Funding of \$79.3 billion in All Funds, including \$31.0 billion in General Revenue Funds and \$0.1 billion in General Revenue–Dedicated Funds, is provided at the three health and human services agencies for the Texas **Medicaid** program.

This amount constitutes a decrease of \$5.5 billion in All Funds and an increase of \$2.5 billion in General Revenue Funds, including the following:

- \$73.9 billion in All Funds for Medicaid client services, \$1.8 billion in All Funds for programs supported by Medicaid funding, and \$3.6 billion in All Funds for administration of the Medicaid program and other programs supported by Medicaid funding. The net decrease in Medicaid funding is due to a \$6.0 billion decrease in All Funds in Medicaid client services offset by a \$0.3 billion increase in All Funds in administrative funding and a \$0.1 billion increase in All Funds in other programs supported by Medicaid funding;
 - included in these amounts is \$1.5 billion in All Funds, including \$0.7 billion in General Revenue Funds, to support community attendants, increase rate-enhancement programs, and increase rates for intermediate care facilities and certain waiver programs;
 - a smaller proportion of the program is funded with Federal Funds due to less favorable FMAPs combined with the assumed loss of the 6.2 percentage-point increase in FMAP pursuant to the federal FFCRA. Full funding for anticipated increases in cost due to medical inflation, higher utilization, or increased acuity is not included; and
 - the 2022–23 biennial amounts for Medicaid assume supplemental funding to complete fiscal year 2023 expenditures.
- Funding for non-Medicaid/CHIP **behavioral health services** at the three health and human services agencies totals \$4.9 billion in All Funds, including \$3.9 billion in General Revenue Funds and General Revenue–Dedicated Funds, which includes funding for community mental health services; mental health services for veterans; inpatient mental health services at state-owned and community hospitals; and substance abuse prevention, intervention, and treatment services. This amount is an increase of \$0.6 billion in All Funds, which includes an increase of \$1.3 billion in General Revenue Funds for outpatient and inpatient mental health services at the Health and Human Services Commission, including increases of \$0.5 billion for mental health state hospital operations, \$0.4 billion for mental health community hospitals, and \$0.1 billion for community mental health grant programs. The General Revenue Funds increase is offset partially by a decrease in Federal Funds and Other Funds associated with funding from the American Rescue Plan Act, Economic Stabilization Fund, and bonds appropriated for onetime construction projects and certain capital repair and renovation projects at state mental health hospitals and other state-funded inpatient mental health facilities.
 - Funding for the **Department of Family and Protective Services** includes \$100.0 million in General Revenue Funds for foster care rate increases, an additional \$77.8 million in General Revenue Funds to maintain enhanced foster care rates and \$97.1 million in All Funds, including \$91.1 million in General Revenue Funds, to expand Community-based Care in existing and new regions.
 - Funding for salary adjustments in Article II includes an increase of \$1.2 billion in All Funds, including \$0.9 billion in General Revenue Funds and General Revenue–Dedicated Funds. This amount includes \$0.5 billion in All Funds and \$0.3 billion in General Revenue Funds and General Revenue–Dedicated Funds for statewide salary adjustments across the three health and human services agencies, and \$0.7 billion in All Funds and \$0.6 billion in General Revenue Funds and General Revenue–Dedicated Funds for additional staff recruitment and retention efforts, including state-owned facilities, eligibility operations, and frontline and support staff.
 - Funding includes \$0.2 billion in All Funds, including \$0.1 billion in General Revenue Funds, for information technology application modernization and cybersecurity at the three health and human services agencies.

Figure 26 shows All Funds for each agency in Article II, and **Figure 27** shows General Revenue Funds for each agency.

FIGURE 26
ARTICLE II – HEALTH AND HUMAN SERVICES BY AGENCY, ALL FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
Department of Family and Protective Services	\$4,579.2	\$5,305.1	\$725.9	15.9%
Department of State Health Services	\$7,715.8	\$2,261.2	(\$5,454.6)	(70.7%)
Health and Human Services Commission	\$95,105.3	\$92,075.5	(\$3,029.7)	(3.2%)
Subtotal, Health and Human Services	\$107,400.2	\$99,641.8	(\$7,758.4)	(7.2%)
Employee Benefits and Debt Service	\$2,178.2	\$2,383.7	\$205.5	9.4%
Less Interagency Contracts	\$637.2	\$667.8	\$30.6	4.8%
Total, All Functions	\$108,941.2	\$101,357.7	(\$7,583.5)	(7.0%)

NOTES:

(1) May include anticipated supplemental spending adjustments.

(2) Biennial change and percentage change are calculated from actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 27
ARTICLE II – HEALTH AND HUMAN SERVICES BY AGENCY, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
Department of Family and Protective Services	\$2,609.1	\$3,457.4	\$848.3	32.5%
Department of State Health Services	\$733.6	\$691.5	(\$42.2)	(5.7%)
Health and Human Services Commission	\$32,755.1	\$37,758.0	\$5,002.8	15.3%
Subtotal, Health and Human Services	\$36,097.8	\$41,906.8	\$5,809.0	16.1%
Employee Benefits and Debt Service	\$1,414.0	\$1,568.5	\$154.5	10.9%
Total, All Functions	\$37,511.9	\$43,475.3	\$5,963.5	15.9%

NOTES:

(1) May include anticipated supplemental spending adjustments.

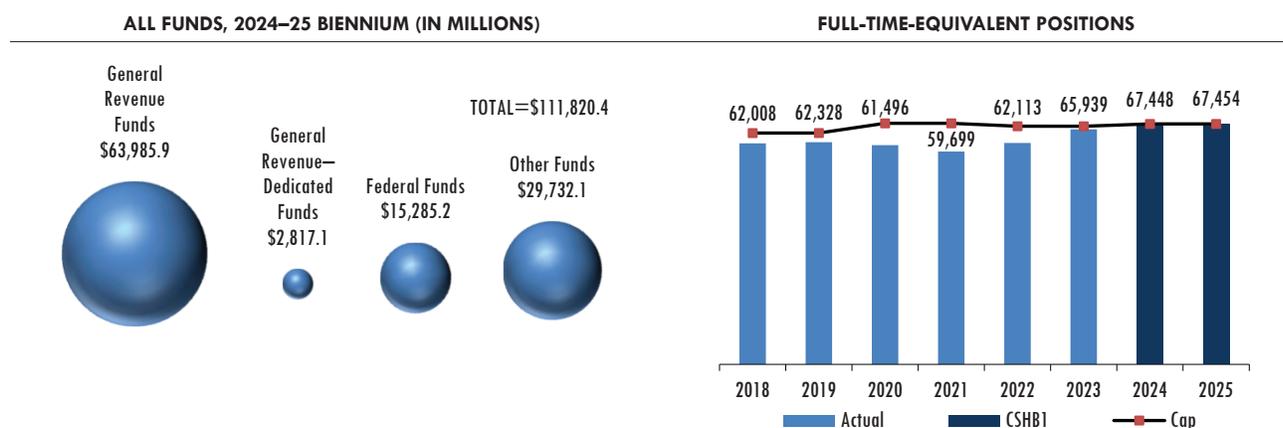
(2) Biennial change and percentage change are calculated from actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

ARTICLE III – EDUCATION

FIGURE 28
ARTICLE III – EDUCATION, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	\$57,674.7	\$63,985.9	\$6,311.3	10.9%
General Revenue–Dedicated Funds	\$2,859.2	\$2,817.1	(\$42.1)	(1.5%)
Federal Funds	\$20,808.8	\$15,285.2	(\$5,523.6)	(26.5%)
Other Funds	\$20,388.9	\$29,732.1	\$9,343.2	45.8%
Total, All Methods of Finance	\$101,731.6	\$111,820.4	\$10,088.8	9.9%



NOTES:

- (1) Excludes Interagency Contracts.
 - (2) Biennial change and percentage change are calculated from actual amounts before rounding. Therefore, totals may not sum due to rounding.
- SOURCES: Legislative Budget Board; State Auditor’s Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE III

Public education funding, excluding the Teacher Retirement System of Texas, the Optional Retirement Program, and end-of-article benefits, totals \$75.4 billion in All Funds for the 2024–25 biennium, an increase of \$11.4 billion, or 17.7 percent, from the 2022–23 biennium. General Revenue Funds total \$37.2 billion, an increase of \$2.9 billion, or 8.5 percent, from the 2022–23 biennium. Other Funds total \$25.6 billion for the 2024–25 biennium, an increase of \$8.6 billion, or 50.7 percent, primarily attributable to increases to the Property Tax Relief Fund, partially offset by decreases to Interagency Contracts and recapture payments. Federal Funds total \$12.5 billion, a \$223.1 million, or 1.8 percent, decrease from the 2022–23 biennium.

Most public education funding consists of state aid for school districts and charter schools through the Foundation School Program (FSP). FSP funding is driven by statutory formulas, amounts specified in the General Appropriations Act, and projected enrollment and district property value amounts, including the following areas:

- FSP funding for the 2024–25 biennium includes \$34.9 billion in General Revenue Funds and \$60.3 billion in All Funds. This amount represents a biennial increase of \$3.6 billion, or 11.6 percent, in General Revenue Funds, and an All Funds increase of \$12.5 billion, or 26.2 percent, from the 2022–23 biennium.
- Funding for property tax relief includes \$17.3 billion in increased funding from the General Revenue Fund and the Property Tax Relief Fund and a reduction of \$6.8 billion in recapture payments. Of this amount, \$3.1 billion in General Revenue Funds is due to property tax compression pursuant to the Texas Education Code, Sections 48.2551 and 48.2552(a) and (b), and \$2.2 billion is required to reduce the state compression percentage pursuant to the Texas

Education Code, Section 48.2552(c). Additionally, funding provides \$12.0 billion from the Property Tax Relief Fund for additional property tax relief pursuant to Article III, Texas Education Agency, Rider 81.

- Funding for the FSP fully funds requirements in current law and includes: \$5.0 billion for increased funding for public education, pursuant to Article III, Texas Education Agency, Rider 82, contingent on actions of the Legislature; an estimated \$2.5 billion in All Funds for student enrollment growth; \$6.4 billion in All Funds savings due to district property value growth; and \$2.4 billion in All Funds related to an increase in the golden penny yield. Any decreases to recapture payments related to the \$5.0 billion currently are not represented in this funding.
- Non-FSP program and administration funding for the 2024–25 biennium includes \$2.3 billion in General Revenue Funds, a \$716.5 million decrease compared to the 2022–23 biennium. The net decrease is due primarily to a \$598.6 million decrease in onetime funding for programs associated with House Bill 1525, Eighty-seventh Legislature, Regular Session, 2021, and \$107.9 million for Maintenance of Financial Support obligations pursuant to the federal Individuals with Disabilities Education Act. Non-FSP funding for the 2024–25 biennium includes \$14.8 billion in All Funds, a decrease of \$1.2 billion that is attributable primarily to the expiration of \$448.8 million in federal funding from the Coronavirus Relief Fund and the removal of \$258.0 million in Other Funds associated with a Department of State Health Services contract related to the COVID-19 pandemic.
- Funding for teacher retirement benefits includes \$5.8 billion in All Funds for the state contribution to retirement benefits of the **Teacher Retirement System of Texas** (TRS). Retiree health insurance funding totals \$960.2 million in General Revenue Funds for the statutorily required state contribution to TRS-Care of 1.25 percent of public education payroll. In addition to active employee health benefits funded by the FSP, active employee health insurance funding of \$875.4 million in General Revenue Funds is provided to maintain TRS-ActiveCare premium increases at 5.0 percent per year in the 2024–25 biennium.
- Funding for **higher education**, excluding end-of-article benefits, totals \$25.6 billion in All Funds for the 2024–25 biennium, a decrease of \$2.3 billion, or 8.3 percent, from the 2022–23 biennium. General Revenue Funds and General Revenue–Dedicated Funds total \$18.3 billion, an increase of \$2.0 billion, or 12.0 percent, from the 2022–23 biennium. Most higher education funding provided from General Revenue Funds and General Revenue–Dedicated Funds consists of formula funding for the general academic institutions, Lamar State Colleges, Texas State Technical Colleges, health-related institutions, and public community and junior colleges, including the following areas:
 - higher education formulas are supported by \$9.1 billion in General Revenue Funds and \$1.7 billion in statutory tuition in General Revenue–Dedicated Funds. Included in these amounts are an increase of \$517.0 million in General Revenue Funds and a decrease of \$27.5 million in General Revenue–Dedicated Funds. Formula funding rates from the 2022–23 biennium are maintained for health-related institutions for the 2024–25 biennium. Additional formula funding for general academic institutions, Lamar State Colleges, and Texas State Technical Colleges results in an increase in both the Instruction and Operations formula and the Infrastructure formula rates;
 - funding for nonformula support items at all institutions for the 2024–25 biennium totals \$1.1 billion in General Revenue Funds, which represents a decrease of \$10.7 million from the 2022–23 biennium;
 - funding for the 2024–25 biennium for Capital Construction Assistance Projects revenue bond debt service totals \$1.4 billion in General Revenue Funds, which is an increase of \$135.2 million from the 2022–23 biennium;
 - funding for the Texas Higher Education Coordinating Board includes an additional \$149.3 million for student financial aid. This amount includes \$101.3 million for TEXAS Grants, \$8.0 million for Tuition Equalization Grants, \$20.0 million for the Texas Transfer Grant Program, and \$20.0 million for the Texas Leadership Scholars Program;
 - funding for the Texas Higher Education Coordinating Board provides a total of \$233.1 million in All Funds for Graduate Medical Education Expansion. This amount includes \$211.1 million in General Revenue Funds, an

increase of \$34.0 million from 2022–23 biennial appropriated funding levels, and \$22.0 million in distributions from the Permanent Fund Supporting Graduate Medical Education (Other Funds); and

- funding for Higher Education Employees Group Insurance Contributions totals \$1.7 billion in General Revenue Funds and \$6.8 million in General Revenue–Dedicated Funds. Included in these amounts are increases of \$286.3 million in General Revenue Funds and \$1.3 million in General Revenue–Dedicated Funds from 2022–23 biennial funding levels.
- Included in these amounts, funding provides an additional \$990.9 million in General Revenue Funds from 2022–23 amounts to implement a decision regarding affordability at institutions of higher education that includes the following actions:
 - \$352.0 million is appropriated to the general academic institutions’ Instruction and Operations and Infrastructure formulas and the Texas Research University Fund, the Core Research Support Fund, and the Comprehensive Research Fund;
 - \$281.4 million is appropriated for Higher Education Employees Group Insurance contributions to fully fund employee benefits at institutions of higher education;
 - \$277.5 million is appropriated for Support for Military and Veterans Exemptions, which reimburses institutions for the Hazlewood Legacy Program; and
 - \$80.0 million is appropriated to provide performance-based funding for at-risk degrees awarded by Comprehensive Regional Universities.
- Additional funding of \$3.5 billion in General Revenue Funds related to establishing the Texas University Fund is included in Article IX, contingent on passage of legislation that will establish the fund.

Figure 29 shows the All Funds appropriation for each agency in Article III, and **Figure 30** shows the General Revenue Funds appropriation for each agency.

FIGURE 29
ARTICLE III – EDUCATION BY AGENCY OR GROUP, ALL FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
Public Education				
Texas Education Agency	\$63,864.5	\$75,167.9	\$11,303.4	17.7%
Texas Permanent School Fund Corporation	\$45.5	\$98.5	\$53.0	116.5%
Texas School for the Blind and Visually Impaired	\$58.4	\$58.8	\$0.4	0.7%
Texas School for the Deaf	\$70.6	\$74.8	\$4.2	5.9%
Subtotal, Public Education	\$64,039.0	\$75,400.0	\$11,361.0	17.7%
Public Higher Education				
General Academic Institutions	\$8,296.4	\$8,538.4	\$241.9	2.9%
Health-related Institutions	\$3,627.0	\$3,777.3	\$150.3	4.1%
Texas A&M System Agencies	\$7,829.9	\$3,652.4	(\$4,177.5)	(53.4%)
Texas Higher Education Coordinating Board	\$2,382.6	\$2,481.2	\$98.6	4.1%
Higher Education Funds	\$3,498.2	\$4,170.3	\$672.1	19.2%
Article III, Special Provisions	\$0.0	\$650.0	\$650.0	N/A
Two-year Institutions				
Public Community/Junior Colleges	\$1,880.5	\$1,881.2	\$0.7	0.0%
Lamar Lower-level Institutions	\$119.8	\$138.8	\$19.1	15.9%
Texas State Technical Colleges	\$228.5	\$262.3	\$33.8	14.8%
Subtotal, Two-year Institutions	\$2,228.8	\$2,282.4	\$53.6	2.4%
Subtotal, Public Higher Education	\$27,863.0	\$25,551.9	(\$2,311.0)	(8.3%)
Teacher Retirement System of Texas	\$7,756.5	\$8,092.5	\$336.0	4.3%
Optional Retirement Program	\$295.0	\$295.0	\$0.0	0.0%
Higher Education Employees Group Insurance Contributions	\$1,428.6	\$1,716.2	\$287.5	20.1%
Retirement and Group Insurance	\$122.0	\$136.9	\$15.0	12.3%
Social Security and Benefit Replacement Pay	\$704.7	\$758.1	\$53.4	7.6%
Subtotal, Employee Benefits	\$10,306.7	\$10,998.7	\$691.9	6.7%
Bond Debt Service Payments	\$13.0	\$9.4	(\$3.6)	(27.8%)
Lease Payments	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Debt Service	\$13.0	\$9.4	(\$3.6)	(27.8%)
Less Interagency Contracts	\$490.1	\$139.6	(\$350.5)	(71.5%)
Total, All Functions	\$101,731.6	\$111,820.4	\$10,088.8	9.9%

NOTE: Biennial change and percentage change are calculated from actual amounts before rounding. Therefore, totals may not sum due to rounding.
 SOURCE: Legislative Budget Board.

FIGURE 30
ARTICLE III – EDUCATION BY AGENCY OR GROUP, GENERAL REVENUE FUNDS

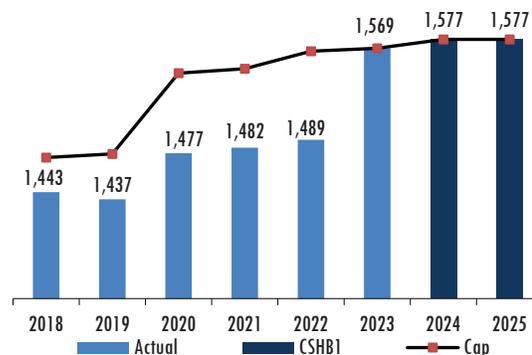
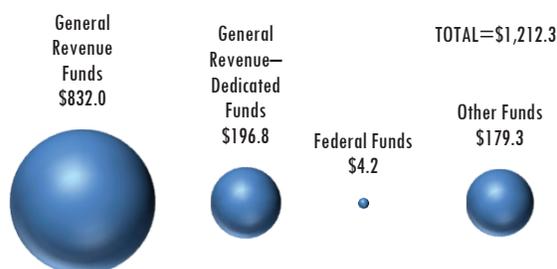
(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
Public Education				
Texas Education Agency	\$34,235.0	\$37,154.4	\$2,919.3	8.5%
Texas Permanent School Fund Corporation	\$0.0	\$0.0	\$0.0	N/A
Texas School for the Blind and Visually Impaired	\$37.9	\$43.2	\$5.3	14.0%
Texas School for the Deaf	\$41.1	\$44.7	\$3.6	8.8%
Subtotal, Public Education	\$34,314.0	\$37,242.2	\$2,928.2	8.5%
Public Higher Education				
General Academic Institutions	\$5,954.4	\$6,395.3	\$440.8	7.4%
Health-related Institutions	\$3,185.1	\$3,398.9	\$213.8	6.7%
Texas A&M System Agencies	\$465.7	\$449.2	(\$16.5)	(3.5%)
Texas Higher Education Coordinating Board	\$1,823.8	\$2,306.2	\$482.4	26.4%
Higher Education Funds	\$816.0	\$1,093.5	\$277.5	34.0%
Article III, Special Provisions	\$0.0	\$650.0	\$650.0	N/A
Two-year Institutions				
Public Community/Junior Colleges	\$1,880.5	\$1,881.2	\$0.7	0.0%
Lamar Lower-level Institutions	\$103.0	\$121.1	\$18.2	17.6%
Texas State Technical Colleges	\$216.2	\$247.9	\$31.7	14.6%
Subtotal, Two-year Institutions	\$2,199.7	\$2,250.2	\$50.5	2.3%
Subtotal, Higher Education	\$14,444.7	\$16,543.2	\$2,098.5	14.5%
Teacher Retirement System of Texas	\$6,591.5	\$7,538.6	\$947.1	14.4%
Optional Retirement Program	\$246.0	\$245.1	(\$1.0)	(0.4%)
Higher Education Employees Group Insurance Contributions	\$1,423.1	\$1,709.4	\$286.3	20.1%
Retirement and Group Insurance	\$80.2	\$93.6	\$13.4	16.8%
Social Security and Benefit Replacement Pay	\$562.2	\$604.4	\$42.2	7.5%
Subtotal, Employee Benefits	\$8,903.0	\$10,191.1	\$1,288.1	14.5%
Bond Debt Service Payments	\$13.0	\$9.4	(\$3.6)	(27.8%)
Lease Payments	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Debt Service	\$13.0	\$9.4	(\$3.6)	(27.8%)
Total, All Functions	\$57,674.7	\$63,985.9	\$6,311.3	10.9%

NOTE: Biennial change and percentage change are calculated from actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

ARTICLE IV – JUDICIARY

FIGURE 31
ARTICLE IV – JUDICIARY, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	\$597.7	\$832.0	\$234.3	39.2%
General Revenue–Dedicated Funds	\$197.9	\$196.8	(\$1.1)	(0.6%)
Federal Funds	\$14.9	\$4.2	(\$10.6)	(71.6%)
Other Funds	\$182.0	\$179.3	(\$2.8)	(1.5%)
Total, All Methods of Finance	\$992.5	\$1,212.3	\$219.8	22.1%



NOTES:

- (1) Excludes Interagency Contracts.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor’s Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE IV

All Funds for the judiciary agencies total \$1.2 billion for the 2024–25 biennium, which is an increase of \$219.8 million, or 22.1 percent, from the 2022–23 biennium. General Revenue Funds total \$832.0 million, which is an increase of \$234.3 million, or 39.2 percent, from the 2022–23 biennium. General Revenue–Dedicated Funds total \$196.8 million, which is a decrease of \$1.1 million, or \$0.6 percent, from the 2022–23 biennium.

Funding for the judiciary supports administration of the Texas court system. This support includes the operations of 16 appellate courts and 73 children’s courts, district judge salaries and county-level judge salary supplements, the judicial retirement system, prosecutor salaries and payments, judicial branch service agencies, indigent defense, basic civil legal services, juror pay, and judicial education.

HIGHLIGHTS

- Funding provides an estimated \$379.0 million in All Funds, an increase of \$35.9 million from 2022–23 biennial spending levels, for judicial and prosecutorial salaries and supplements under the tiered, tenure-based compensation structure established by the Texas Government Code, Section 659.012. The increase represents a 5.0 percent increase in the base salary of a district judge each fiscal year of the biennium, which increases the amount from \$140,000 to \$147,000 in fiscal year 2024 and \$154,350 in fiscal year 2025. This increase affects estimated appropriations for judicial and prosecutorial salaries that are based on the district judge base salary established in the Texas Government Code, Sections 659.012 and 46.003. The increase includes \$13.3 million for district judge salaries; \$3.2 million for appellate

court judge and justice salaries; \$4.5 million for county-level judge salary supplements; and \$3.7 million for district attorneys, professional prosecutors, and felony prosecutors.

- Funding provides \$164.7 million in All Funds for the **Texas Indigent Defense Commission** (TIDC) to assist counties in establishing, developing, and maintaining cost-effective indigent defense services. This amount is an increase of \$28.0 million from 2022–23 biennial spending levels. The net increase includes decreases of \$9.9 million in court-cost revenues deposited to General Revenue–Dedicated Account No. 5073, Fair Defense, related to the COVID-19 pandemic; \$1.9 million in onetime Governor’s Disaster/Emergency/Deficiency Grant funding for Operation Lone Star costs that are discontinued; and \$0.2 million in Other Funds for Interagency Contracts – Criminal Justice Grants that no longer is available to provide TIDC training to attorneys defending juvenile clients being offset by an increase of \$40.0 million in General Revenue Funds, including \$20.0 million to assist rural communities in developing public defender services in 50 counties where none currently exist and \$20.0 million to provide legal representation for indigent clients in Operation Lone Star-related felony border security cases. In addition, funding continues to provide \$1.2 million among six universities for the Innocence Project at 2022–23 biennial levels.
- Funding provides \$107.6 million in All Funds to the **14 Courts of Appeals**, which includes an increase of \$20.5 million from 2022–23 biennial spending levels primarily for judge and court staff salary adjustments. Of this increase, \$13.9 million is provided to update the 14 Courts’ Similar Funding for Same Size Courts budget model, which is intended to provide parity among all courts through targeted pay increases for staff attorneys and non-legal staff and increased funding for operating costs.
- Funding includes an estimated \$80.3 million in All Funds, a net decrease of \$2.2 million from 2022–23 biennial levels, for the **Supreme Court of Texas** to provide basic civil legal services (BCLS) to eligible recipients. The net decrease includes a \$5.9 million decrease in Other Funds from the Judicial Fund that was carried forward from fiscal year 2021 into fiscal year 2022 as a onetime expense being offset by an increase of \$3.7 million in General Revenue Funds, which includes \$2.7 million to provide services to young people in the child welfare system and those experiencing mental and physical health challenges in schools and communities and \$1.0 million to provide kiosks in communities throughout the state to assist low-income Texans with technological barriers to remote court proceedings. Funding also continues \$10.0 million to provide BCLS to victims of sexual assault and \$7.0 million to provide BCLS to veterans and their families.
- Funding includes \$52.5 million in General Revenue–Dedicated Funds from Account No. 5157, Statewide Electronic Filing System, to provide for vendor contract payments, maintenance costs for the Uniform Case Management System, and statewide judicial technology projects identified by the **Office of Court Administration** (OCA). This amount includes an increase of \$0.8 million from 2022–23 biennial spending levels due to anticipated increases in revenue from filing fees and court costs paid by people convicted of an offense.
- Funding provides \$32.6 million in General Revenue Funds through OCA for border security purposes, which includes an increase of \$1.0 million from 2022–23 biennial spending levels. This amount continues funding of \$31.6 million provided in the 2022–23 biennium through House Bill 9, Eighty-seventh Legislature, Second Called Session, 2021, for legal representation for indigent clients, foreign language interpreters for courts, increased staff functions, equipment purchases, and program administration costs. Funding includes an additional \$1.0 million and 4.1 full-time-equivalent (FTE) positions to provide additional magistration services, including weekend services; manage hearings conducted over videoconferencing platforms; and support counties with the adjudication of border security cases during the 2024–25 biennium.
- Funding includes \$32.0 million in All Funds for Child Protection Courts and Child Support Courts within the OCA. This amount includes \$13.8 million for 30 Child Protection Courts and \$18.2 million for 43 Child Support Courts. The total for both courts is a net increase of \$1.0 million from 2022–23 biennial spending levels. The increase includes \$0.3 million for lump-sum annual leave payouts for judges and court coordinators eligible to retire during the 2024–25 biennium; \$1.4 million in estimated salary increase for the associate judges of the Child Protection and Child Support Courts related to the increase in the district judge base salary; and a \$0.7 million decrease in Interagency Contracts from

the Office of the Attorney General for administrative costs related to the Child Support Courts. This total does not include an increase of \$0.5 million in OCA's Information Technology (IT) strategy for computer hardware and software licensing updates and an additional 1.0 FTE position to provide IT support to the courts.

- Funding provides \$31.4 million in All Funds, an increase of \$5.4 million from 2022–23 biennial spending levels, for the **Court of Criminal Appeals'** Judicial Education grant program to provide: legal education and technical assistance to judges, court staff, prosecuting attorneys and their staff, and criminal defense attorneys that regularly represent indigent defendants in criminal matters; and innocence training to law enforcement officers, law students, and other participants.

Figure 32 shows the All Funds appropriation for each agency in Article IV, and **Figure 33** shows the General Revenue Funds appropriation for each agency.

FIGURE 32
ARTICLE IV – JUDICIARY BY COURT OR AGENCY, ALL FUNDS

(IN MILLIONS)				
FUNCTION	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
Supreme Court of Texas	\$103.7	\$103.0	(\$0.7)	(0.7%)
Court of Criminal Appeals	\$39.9	\$47.7	\$7.9	19.7%
First Court of Appeals District, Houston	\$9.7	\$11.8	\$2.1	21.8%
Second Court of Appeals District, Fort Worth	\$7.6	\$9.4	\$1.8	24.4%
Third Court of Appeals District, Austin	\$6.4	\$8.1	\$1.7	27.4%
Fourth Court of Appeals District, San Antonio	\$7.6	\$9.4	\$1.8	23.8%
Fifth Court of Appeals District, Dallas	\$13.4	\$16.8	\$3.5	26.0%
Sixth Court of Appeals District, Texarkana	\$3.4	\$4.2	\$0.8	22.5%
Seventh Court of Appeals District, Amarillo	\$4.4	\$5.3	\$1.0	22.2%
Eighth Court of Appeals District, El Paso	\$3.4	\$4.1	\$0.7	21.4%
Ninth Court of Appeals District, Beaumont	\$4.4	\$5.3	\$0.9	20.7%
Tenth Court of Appeals District, Waco	\$3.6	\$4.3	\$0.7	19.9%
Eleventh Court of Appeals District, Eastland	\$3.5	\$4.2	\$0.8	22.0%
Twelfth Court of Appeals District, Tyler	\$3.5	\$4.3	\$0.8	21.4%
Thirteenth Court of Appeals District, Corpus Christi–Edinburg	\$6.4	\$8.2	\$1.7	27.2%
Fourteenth Court of Appeals District, Houston	\$10.1	\$12.2	\$2.1	20.9%
Office of Court Administration, Texas Judicial Council	\$251.3	\$293.8	\$42.5	16.9%
Office of Capital Writs	\$4.5	\$6.5	\$2.0	44.0%
Office of the State Prosecuting Attorney	\$0.9	\$1.1	\$0.1	11.9%
State Law Library	\$2.2	\$2.7	\$0.5	20.7%
State Commission on Judicial Conduct	\$2.4	\$2.8	\$0.4	15.8%
Judiciary Section, Comptroller's Department	\$370.9	\$404.3	\$33.4	9.0%
Subtotal, Judiciary	\$863.0	\$969.6	\$106.5	12.3%
Employee Benefits and Debt Service	\$155.2	\$264.9	\$109.8	70.7%
Less Interagency Contracts	\$25.7	\$22.2	(\$3.5)	(13.8%)
Total, All Functions	\$992.5	\$1,212.3	\$219.8	22.1%

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

FIGURE 33
ARTICLE IV – JUDICIARY BY COURT OR AGENCY, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	CSHB1	BIENNIAL	PERCENTAGE
FUNCTION	2022–23	2024–25	CHANGE	CHANGE
Supreme Court of Texas	\$42.1	\$47.8	\$5.7	13.4%
Court of Criminal Appeals	\$14.1	\$16.7	\$2.6	18.4%
First Court of Appeals District, Houston	\$9.0	\$11.1	\$2.1	23.6%
Second Court of Appeals District, Fort Worth	\$7.0	\$8.9	\$1.9	26.4%
Third Court of Appeals District, Austin	\$5.9	\$7.6	\$1.7	29.6%
Fourth Court of Appeals District, San Antonio	\$7.1	\$8.9	\$1.8	25.6%
Fifth Court of Appeals District, Dallas	\$12.4	\$15.9	\$3.5	28.1%
Sixth Court of Appeals District, Texarkana	\$3.2	\$4.0	\$0.8	23.6%
Seventh Court of Appeals District, Amarillo	\$4.1	\$5.1	\$1.0	23.6%
Eighth Court of Appeals District, El Paso	\$3.2	\$4.0	\$0.7	22.8%
Ninth Court of Appeals District, Beaumont	\$4.1	\$5.0	\$0.9	22.1%
Tenth Court of Appeals District, Waco	\$3.4	\$4.1	\$0.7	21.0%
Eleventh Court of Appeals District, Eastland	\$3.3	\$4.0	\$0.8	23.4%
Twelfth Court of Appeals District, Tyler	\$3.3	\$4.1	\$0.8	22.6%
Thirteenth Court of Appeals District Corpus Christi–Edinburg	\$6.0	\$7.7	\$1.7	29.3%
Fourteenth Court of Appeals District, Houston	\$9.1	\$11.3	\$2.2	24.0%
Office of Court Administration, Texas Judicial Council	\$74.8	\$132.0	\$57.3	76.6%
Office of Capital Writs	\$0.0	\$0.1	\$0.1	N/A
Office of the State Prosecuting Attorney	\$0.9	\$1.0	\$0.1	12.5%
State Law Library	\$2.2	\$2.6	\$0.5	21.5%
State Commission on Judicial Conduct	\$2.4	\$2.8	\$0.4	15.8%
Judiciary Section, Comptroller’s Department	\$235.1	\$274.5	\$39.4	16.8%
Subtotal, Judiciary	\$452.6	\$579.1	\$126.5	28.0%
Employee Benefits and Debt Service	\$145.1	\$252.9	\$107.8	74.2%
Total, All Functions	\$597.7	\$832.0	\$234.3	39.2%

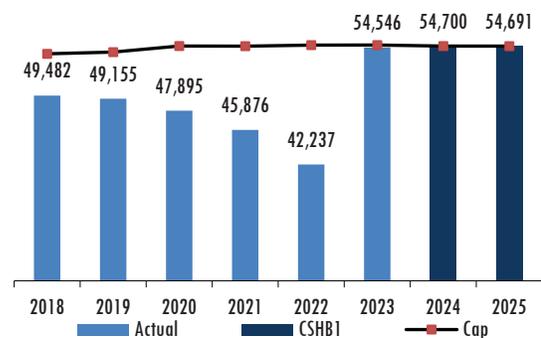
NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

ARTICLE V – PUBLIC SAFETY AND CRIMINAL JUSTICE

FIGURE 34
ARTICLE V – PUBLIC SAFETY AND CRIMINAL JUSTICE, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	\$11,887.7	\$18,315.3	\$6,427.6	54.1%
General Revenue–Dedicated Funds	\$54.1	\$137.2	\$83.1	153.8%
Federal Funds	\$1,474.7	\$410.9	(\$1,063.8)	(72.1%)
Other Funds	\$219.7	\$146.8	(\$72.8)	(33.2%)
Total, All Methods of Finance	\$13,636.2	\$19,010.3	\$5,374.1	39.4%



NOTES:

- (1) Excludes Interagency Contracts.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor’s Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE V

All Funds for public safety and criminal justice agencies for the 2024–25 biennium total \$19,010.3 million, which is an increase of \$5,374.1 million, or 39.4 percent, from the 2022–23 biennial expenditure levels. General Revenue Funds for the 2024–25 biennium total \$18,315.3 million, which is an increase of \$6,427.6 million, or 54.1 percent, from the 2022–23 biennium.

Significant increases are primarily for border security efforts at the Texas Military Department (TMD) and the Department of Public Safety (DPS), climate control equipment at Texas Department of Criminal Justice (TDCJ) units, maintaining Correctional Managed Health Care (CMHC) services, adding capacity at the local and state levels of the juvenile justice system, biennializing previous salary increases at TDCJ and the Texas Juvenile Justice Department (TJJD), and raises for local adult and juvenile probation department employees, State and National Guard, and CMHC staff. Funding also includes a statewide pay increase.

General Revenue Funds replace Federal Funds related to the COVID-19 pandemic relief provided in the previous biennium for public safety and public health salaries at TDCJ (\$761.4 million), DPS (\$138.1 million), TJJD (\$16.3 million), and the Texas Alcoholic Beverage Commission (TABC) (\$6.4 million).

TJJD, the Office of Independent Ombudsman, and the Texas Commission on Law Enforcement (TCOLE) are subject to Strategic Fiscal Review.

HIGHLIGHTS

- Funding for **TDCJ** for the 2024–25 biennium totals \$8,746.4 million in All Funds, which represents an All Funds increase of \$1,642.6 million, or 23.12 percent. The bill adds funding for the installation of climate control in state correctional facilities (\$343.8 million); increasing CMHC expenses (\$164.1 million); deferred maintenance (\$85.3 million); inflation effects on food, fuel, and utilities (\$54.8 million); capital equipment replacements such as laundry, food service, agricultural, industrial, and security equipment (\$38.6 million); deferred maintenance at Hospital Galveston (\$20.0 million); information technology needs for the Centralized Accounting and Payroll/Personnel System rollout and cybersecurity and legacy modernization (\$16.3 million); additional security equipment (\$8.4 million); computer replacements (\$7.8 million); video surveillance upgrades (\$6.3 million); new radios (\$4.4 million); and two new units at the Office of the Inspector General (\$4.4 million). These changes are in addition to funding increases in the introduced bill related to the incarceration and treatment of inmates in correctional institutions (\$450.4 million), the supervision of adult offenders on community supervision and probation (\$118.8 million), and functions of the parole system (\$8.0 million).
- Funding for **DPS** for the 2024–25 biennium totals \$3,045.6 million in All Funds, which represents an All Funds increase of \$231.7 million, or 8.2 percent, attributable primarily to: the biennialization of Operation Lone Star (OLS) 52-week surge costs (\$151.4 million); the implementation of a new License to Carry and Agency Licensing platform (\$22.5 million); 41.0 full-time-equivalent (FTE) positions and crime laboratory equipment to reduce the forensic toxicology testing backlog (\$15.6 million); communication radio infrastructure improvements and equipment leases (\$15.0 million); ballistic-resistant windshields and windows for Texas Highway Patrol vehicles (\$12.8 million); the reconfiguration and improvement of the Crime Laboratory in Austin (\$6.8 million); an additional recruit school to train 100 new trooper positions (\$5.3 million); the biennialization of funding provided through budget execution for the expansion of the agency’s Fusion Center research and capabilities (\$5.0 million); a Canine Kennel and Training Center in Williamson County (\$2.5 million); onetime recruitment payments not to exceed \$5,000 for graduates of the agency’s training academy (\$2.0 million); and an increase in the Corporal stipend from \$600 annually to \$3,000 annually (\$1.8 million). This funding is offset by the discontinuation of onetime funding.
- Funding for **TMD** for the 2024–25 biennium totals \$2,554.4 million in All Funds, which represents an All Funds increase of \$703.3 million, or 38.0 percent. The All Funds increase is due primarily to: an increase in border security funding for OLS (\$613.0 million); Camp Bowie upgrades (\$22.0 million); State of Texas Armory Revitalization (\$15.0 million); Facilities Management and Operations (\$13.0 million); an increase in Federal Funds primarily due to National Guard Operations and Maintenance funding (\$10.4 million); state tuition assistance (\$7.5 million); salary adjustments (\$6.6 million); and High Risk Mental Health Intervention and additional counselors (\$1.7 million). Increases also include \$73.0 million to raise the State Active Duty per diem rates. Funding for the 2024–25 biennium replaces Other Funds (Office of the Governor’s Disaster, Deficiency, and Emergency Grants) with General Revenue Funds and provides \$2,265.5 million in General Revenue Funds for border security. In January 2023, TMD received \$287.4 million in Other Funds for the Office of the Governor’s Disaster, Deficiency and Emergency Grants.
- Funding for **TJJD** for the 2024–25 biennium totals \$1,046.1 million in All Funds, which is an All Funds increase of \$401.6 million, or 62.3 percent. The All Funds increase is primarily attributable to: funding for the construction of new facilities (\$200.0 million); changes to the methodology for funding local juvenile probation departments (\$60.4 million); salary increases for local probation department staff (\$51.4 million); salary increases and adjustments for state and institutional staff (\$35.0 million); additional county resources (\$32.6 million); the Office of the Inspector General (\$9.4 million); staff retention initiatives (\$5.4 million); and body-worn cameras and a risk-and-needs-assessment tool (\$4.6 million).
- Funding for **TABC** for the 2024–25 biennium totals \$123.2 million in All Funds, which represents an All Funds increase of \$18.1 million, or 17.3 percent. Funding includes: \$10.0 million for Phase III of the development of the agency’s Alcohol Industry Management System (AIMS); \$4.0 million for targeted salary increases for certain licensing, audit, and border importation operations staff positions; \$2.4 million for ongoing maintenance and support costs for

AIMS; and \$0.6 million to enhance cybersecurity efforts. This funding is offset by a decrease of onetime funding and vehicle expenses transferred to the supplemental bill.

- Funding for **TCOLE** for the 2024–25 biennium totals \$21.2 million in All Funds, which represents an All Funds increase of \$5.1 million. The increase is due primarily to an additional \$1.8 million related to enhancements and maintenance of the Texas Commission on Law Enforcement Data Distribution System, a \$2.2 million increase for staff salary increases, and a \$0.7 million increase for 4.0 FTE positions to manage existing workload in the agency. The introduced bill also included increases for the School Marshal Program (\$1.3 million), Peer Network (\$1.2 million), and Data Center Services (\$0.5 million).
- Funding for the **Texas Commission on Fire Protection (TCFP)** for the 2024–25 biennium totals \$5.3 million in All Funds, which represents an increase of \$1.5 million, or 39.2 percent. This increase is the result of funding for additional FTE positions (\$0.5 million), onetime funding to facilitate TCFP’s office relocation (\$0.4 million), funding for staff salary increases (\$0.3 million), the restoration of the agency’s 5.0 percent budget reduction from fiscal year 2020 (\$0.2 million), technology upgrades, and funding for staff training and development.
- Funding for the **Texas Commission on Jail Standards** for the 2024–25 biennium totals \$4.0 million in All Funds, which represents an increase of \$0.9 million. Funding increases include \$0.2 million for technology enhancements, \$0.1 million for a complaint inspector, and \$0.1 million for a data analyst. The introduced bill included \$0.2 million to biennialize OLS.

Figure 35 shows the All Funds provided for each agency in Article V, and **Figure 36** shows the General Revenue Funds for each agency.

FIGURE 35
ARTICLE V – PUBLIC SAFETY AND CRIMINAL JUSTICE BY AGENCY, ALL FUNDS

(IN MILLIONS) FUNCTION	ESTIMATED/BUDGETED 2023–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
Alcoholic Beverage Commission	\$105.0	\$123.2	\$18.1	17.3%
Department of Criminal Justice	\$7,103.8	\$8,746.4	\$1,642.6	23.1%
Commission on Fire Protection	\$3.8	\$5.3	\$1.5	39.2%
Commission on Jail Standards	\$3.1	\$4.0	\$0.9	28.1%
Juvenile Justice Department	\$644.5	\$1,046.1	\$401.6	62.3%
Commission on Law Enforcement	\$16.1	\$21.2	\$5.1	31.8%
Texas Military Department	\$1,851.0	\$2,554.4	\$703.3	38.0%
Department of Public Safety	\$2,813.9	\$3,045.6	\$231.7	8.2%
Subtotal, Public Safety and Criminal Justice	\$12,541.2	\$15,546.2	\$3,004.9	24.0%
Employee Benefits and Debt Service	\$2,504.6	\$3,619.0	\$1,114.3	44.5%
Less Interagency Contracts	\$1,409.7	\$154.9	(\$1,254.8)	(89.0%)
Total, All Functions	\$13,636.2	\$19,010.3	\$5,374.1	39.4%

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 36
ARTICLE V – PUBLIC SAFETY AND CRIMINAL JUSTICE BY AGENCY, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
Alcoholic Beverage Commission	\$97.3	\$122.2	\$24.9	25.6%
Department of Criminal Justice	\$6,117.1	\$8,474.6	\$2,357.5	38.5%
Commission on Fire Protection	\$3.6	\$5.1	\$1.5	41.3%
Commission on Jail Standards	\$3.1	\$4.0	\$0.9	28.1%
Juvenile Justice Department	\$583.1	\$1,006.5	\$423.4	72.6%
Commission on Law Enforcement	\$8.8	\$19.9	\$11.1	126.9%
Texas Military Department	\$456.6	\$2,390.6	\$1,934.1	423.6%
Department of Public Safety	\$2,425.1	\$2,821.1	\$396.0	16.3%
Subtotal, Public Safety and Criminal Justice	\$9,694.6	\$14,844.0	\$5,149.3	53.1%
Employee Benefits and Debt Service	\$2,193.1	\$3,471.3	\$1,278.2	58.3%
Total, All Functions	\$11,887.7	\$18,315.3	\$6,427.6	54.1%

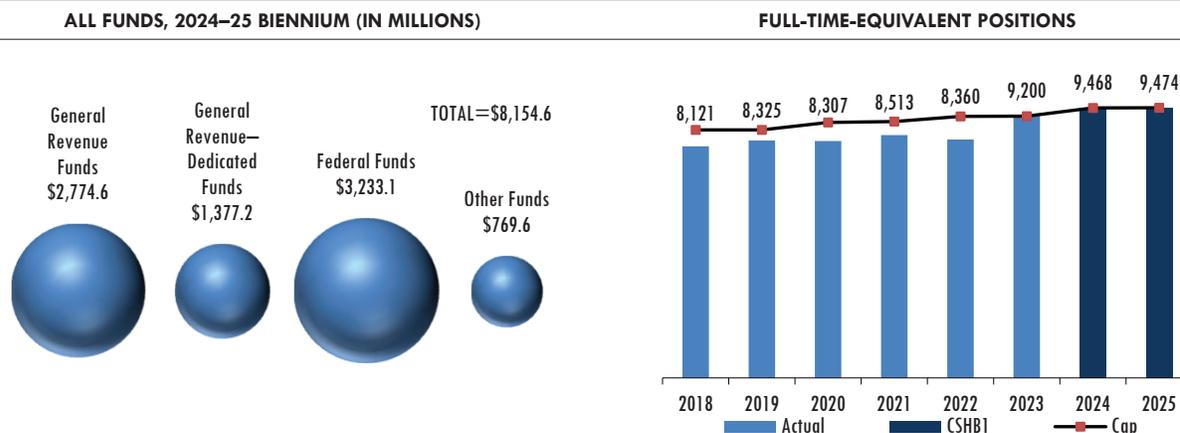
NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

ARTICLE VI – NATURAL RESOURCES

FIGURE 37
ARTICLE VI – NATURAL RESOURCES, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	\$1,379.4	\$2,774.6	\$1,395.2	101.1%
General Revenue–Dedicated Funds	\$1,238.0	\$1,377.2	\$139.2	11.2%
Federal Funds	\$7,787.0	\$3,233.1	(\$4,553.9)	(58.5%)
Other Funds	\$836.3	\$769.6	(\$66.6)	(8.0%)
Total, All Methods of Finance	\$11,240.7	\$8,154.6	(\$3,086.2)	(27.5%)



NOTES:
 (1) Excludes Interagency Contracts.
 (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
 SOURCES: Legislative Budget Board; State Auditor’s Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE VI

All Funds for the natural resources agencies total \$8.2 billion for the 2024–25 biennium, which is a decrease of \$3.1 billion, or 27.5 percent, from the 2022–23 biennium. General Revenue Funds and General Revenue–Dedicated Funds total \$4.2 billion, which is an increase of \$1.5 billion, or 58.6 percent from the 2022–23 biennium. Federal Funds and Other Funds total \$4.0 billion, which is a decrease of \$4.6 billion, or 53.6 percent from the 2022–23 biennium. The Texas Commission on Environmental Quality, Low-level Radioactive Waste Disposal Compact Commission, State Soil and Water Conservation Board, and the Texas Water Development Board are subject to Strategic Fiscal Review.

HIGHLIGHTS

Funding for the **General Land Office and Veterans Land Board** provides the following amounts:

- \$1.2 billion in Federal Funds related to hurricanes, wildfires, floods, and other natural disasters across the state, including \$294.3 for community housing projects and \$907.0 million for infrastructure and mitigation projects;
- \$703.2 million in All Funds for Coastal Management and Coastal Erosion Projects, which includes: (1) \$500.0 million in General Revenue Funds to provide grants and non-federal matching funds for activities carried out by the Gulf Coast Protection District and for studies and coastal projects conducted by the U.S. Army Corps of Engineers; and (2) \$44.9 million in new funding from General Revenue–Dedicated Account No. 5176, Coastal Erosion Response Fund, to administer the Coastal Erosion Planning and Response Act program and to expand erosion response projects and conduct studies;

- \$418.0 million in All Funds for the preservation and maintenance of the Alamo and Alamo Complex. This amount includes \$400.0 million in new General Revenue Funds appropriations to complete remaining Alamo Plan construction and restoration projects, including the Visitor Center and Museum and the Cenotaph;
- \$10.0 million in General Revenue Funds to support increased operational costs within the Texas State Veterans Homes to maintain current resident room rates during the 2024–25 biennium; and
- \$2.2 million in General Revenue Funds and 1.0 full-time-equivalent (FTE) position to support the operation of a new State Veterans Cemetery planned to be constructed in Lubbock.

Funding for the **Texas Water Development Board** provides the following amounts:

- \$350.0 million in General Revenue Funds to be deposited to the credit of the Flood Infrastructure Fund (FIF), an Other Fund, to increase funding for flood control, drainage, and mitigation projects;
- \$304.7 million in All Funds for rural project funding, which includes \$154.7 million in General Revenue Funds and \$150.0 million in Other Funds from the Rural Water Assistance Fund (RWAF) for the following purposes: (1) \$150.0 million deposited to the RWAF; (2) \$150.0 million from the RWAF to provide rural-specific water infrastructure project funding; (3) \$3.0 million in General Revenue Funds to contract with an outside entity to provide technical assistance services to rural communities for water infrastructure projects; and (4) \$1.7 million in General Revenue Funds to provide for 13.0 FTE positions and increased water infrastructure project funding administration costs;
- \$79.0 million in Other Funds from the Texas Infrastructure Resiliency Fund (TIRF) for floodplain mapping and development of the statewide flood plan;
- \$72.5 million in All Funds, an increase of \$12.6 million from 2022–23 biennial spending levels, for debt service on Economically Distressed Areas Program (EDAP) bonds. The increase includes \$8.8 million in General Revenue Funds to support the issuance of approximately \$100.0 million in new EDAP bonds for the 2024–25 biennium; and
- \$46.9 million in Other Funds from the Water Infrastructure Fund for debt service, which is expected to become self-supporting beginning in the 2024–25 biennium.
- \$18.0 million in General Revenue Funds to replace \$12.8 million in TIRF funding and \$5.2 million in FIF funding for 74.0 FTE positions currently working in agency programs providing flood funding, floodplain mapping, and developing the statewide flood plan. Funds replaced with General Revenue Funds remain in the TIRF and FIF to be used for their purposes.

Funding for the **Texas Parks and Wildlife Department** provides the following amounts:

- \$387.3 million in General Revenue Funds from Sporting Goods Sales Tax transfers for the operation and administration of state historic sites, state natural areas, and state parks, including new locations planned during the upcoming biennium;
- \$134.3 million in Federal Funds, which is a decrease of \$235.2 million, or 63.7 percent from the 2022–23 biennium. This decrease represents the agency’s expenditure of federal grant allotments during the 2022–23 biennium from previous years, COVID-19 pandemic-related funding that is not anticipated to be available in the 2024–25 biennium, and the agency’s appropriation estimation practices. The agency receives funding from various federal sources for wildlife and fisheries conservation and management, developing outdoor recreation opportunities, law enforcement, and outreach and education efforts;
- \$105.1 million in All Funds for deferred maintenance and capital construction projects, which is a decrease of approximately \$47.1 million from the 2022–23 biennium due to changes in the needs reported by the agency;
- \$15.0 million in additional General Revenue Funds to support ongoing costs associated with the maintenance and repair of the Battleship Texas by the Battleship Texas Foundation in the 2024–25 biennium;

- \$10.0 million in General Revenue–Dedicated Funds from Account No. 9, Game, Fish, and Water Safety (Account No. 9), to purchase approximately 3,000 acres of priority migratory game bird habitat to expand existing Wildlife Management Areas (WMA) or establish additional WMAs;
- \$10.0 million in General Revenue Funds for the Texas Farm and Ranchlands Conservation Program, including \$8.0 million in new appropriations to expand the program by increasing grants for the purchase of long-term conservation easements. These easements conserve working lands that have high values for water, fish, wildlife, and agricultural production and that are at risk of development by restricting development rights;
- \$4.3 million in General Revenue–Dedicated Funds from Account No. 9 to upgrade or replace the agency’s Boat Registration Information and Titling System; and
- \$2.3 million in General Revenue–Dedicated Funds from Account No. 9 for the Oyster License Buyback program, including \$1.5 million in new funding to purchase and retire additional licenses and reduce overcapitalization of oyster beds along the Gulf Coast.

Funding for the **State Soil and Water Conservation Board** includes the following amounts:

- \$61.8 million in All Funds, which includes \$41.2 million in General Revenue Funds and \$20.6 million in Federal Funds, to address the structural repair, operation, and maintenance of earthen flood-control dams;
- \$22.3 million in General Revenue Funds, an increase of \$6.6 million from 2022–23 biennial spending levels, to enable the agency to provide funding to local Soil and Water Conservation Districts to address gaps between the districts’ needs and available local revenue; and
- \$7.2 million in General Revenue Funds for carrizo cane eradication, which includes an increase of \$2.4 million from 2022–23 biennial spending levels.

Funding for the **Texas Commission on Environmental Quality** (TCEQ) includes the following amounts:

- funding provides authority for TCEQ to draw needed funds from General Revenue–Dedicated Account No. 5071, Texas Emissions Reduction Plan (Account No. 5071), for the Texas Emissions Reduction Plan (TERP) program costs, as authorized in the Texas Health and Safety Code, Section 386.252, at the beginning of the 2024–25 biennium due to the Texas Emissions Reduction Plan Trust (TERP Trust) fund being statutorily required to begin each biennium with a zero balance. TCEQ is required to reimburse Account No. 5071 using TERP Trust fund revenues in an amount that equals whatever was expended for this purpose during the biennium; and
- \$13.5 million in All Funds to implement Sunset Advisory Commission recommendations, including:
 - \$6.3 million in General Revenue–Dedicated Funds to provide an additional 9.0 FTE positions to upgrade the agency’s website and increase its usability and accessibility; and
 - \$7.2 million in General Revenue–Dedicated Funds and General Revenue Funds to digitize, review, and redact agency records and publish the documents online;
- \$10.5 million in General Revenue Funds, an increase of \$4.3 million, or 72.1 percent from 2022–23 biennial spending levels, for litigation expenses for the Rio Grande Compact Commission associated with Texas’ continuing lawsuit against New Mexico for the equitable distribution of water from the Rio Grande under a compact agreed to by both states in 1938; and
- \$1.6 million in General Revenue–Dedicated Funds from Account No. 153, Water Resource Management, to provide for an additional 10.0 FTE positions to increase the number of inspections on high and significant hazard dams.

Funding for the **Texas Department of Agriculture** includes the following amounts:

- \$1.3 billion in All Funds for the Child and Adult Nutrition programs, a decrease of \$8.5 million from 2022–23 biennial spending levels. This amount includes a decrease of \$14.7 million related to COVID-19 pandemic-related funding partially offset by various other Federal Funds;

- \$40.0 million in General Revenue Funds for the Texans Feeding Texans program, a decrease of \$90.0 million in All Funds from 2022–23 biennial spending levels, to provide \$20.1 million for the Surplus Agricultural Grant Program to support food banks by purchasing Texas agricultural products and \$18.9 million for the Home Delivered Meals Program. Funding for the Home Delivered Meals Program continues 2022–23 biennial spending levels. Funding for the Surplus Agricultural Grant Program includes:
 - a decrease of \$100.0 million in onetime Coronavirus Relief Funds that no longer is anticipated to be available. The supplemental bill provides unexpended balance authority for an anticipated \$72.6 million of these funds to be spent in the 2024–25 biennium; and
 - an increase of \$10.0 million in General Revenue Funds;
- \$4.9 million in General Revenue Funds for Rural Health including Farmer Mental Health and Suicide Prevention, rural Paramedicine, Rural Health Care Facility Data Pilot Program, and a Rural Nursing Recruitment/Stipend program;
- \$1.3 million in General Revenue Funds and 7.0 FTE positions to operate U.S. Department of Agriculture equipment to run fruit fly trap lines in the Lower Rio Grande Valley to keep fly populations low and reduce treatments for trade purposes.

Funding for the **Railroad Commission of Texas** includes the following amounts:

- \$193.5 million in General Revenue Funds, a net increase of \$25.6 million from 2022–23 biennial spending levels. This increase represents onetime decreases of \$8.3 million for costs associated with the implementation of Senate Bill 3, Eighty-seventh Legislature, Regular Session, 2021, for weatherization assessment reviews, and House Bill 1520, Eighty-seventh Legislature, Regular Session, 2021, for professional services and a catastrophic weather event study offset by increases primarily for salary adjustments, Data Center Services obligations, and the following projects and activities:
 - \$8.7 million and 50.0 FTE positions to expand the capacity of the Pipeline Safety Program to align with changes in federal rules and requirements for gathering lines and underground gas storage;
 - \$4.3 million to deploy an enhanced filing portal for the submission of annual reports, gas utility tax reports, and payments by natural gas utilities;
 - \$3.0 million to develop and implement an online portal to improve, modernize, and automate the collection of Critical Supply Chain Mapping data;
 - \$2.0 million to digitize historical well records, refinery reports, and other documents and to publish these documents in an online searchable database;
 - \$1.6 million and 3.0 FTE positions to establish an Office of Public Engagement, and
 - \$0.9 million and 5.0 FTE positions to manage increases in permitting and monitoring activities within the Oil and Gas Environmental Permits and Support Unit;
- \$148.9 million in General Revenue–Dedicated Funds from Account No. 5155, Oil and Gas Regulation and Cleanup, which is a decrease of \$1.5 million from 2022–23 biennial spending levels for onetime funding decreases, to regulate oil and gas development, monitoring, inspections, remediation, well plugging, public information and services related to those activities, and administrative costs and state benefits for certain personnel; and
- an estimated \$124.7 million in new Federal Funds in the 2024–25 biennium from the Infrastructure Investment and Jobs Act of 2021 for the plugging of orphaned oil and gas wells.

Figure 38 shows the All Funds funding for each agency in Article VI, and **Figures 39** and **40** show the funding for each agency in General Revenue Funds and General Revenue–Dedicated Funds, respectively.

FIGURE 38
ARTICLE VI – NATURAL RESOURCES BY AGENCY, ALL FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	CSHB1	BIENNIAL	PERCENTAGE
METHOD OF FINANCE	2022–23	2024–25	CHANGE	CHANGE
Department of Agriculture	\$1,689.4	\$1,623.8	(\$65.5)	(3.9%)
Animal Health Commission	\$32.5	\$34.4	\$1.9	5.9%
Commission on Environmental Quality	\$670.6	\$727.6	\$57.0	8.5%
General Land Office and Veterans Land Board	\$6,259.7	\$2,609.6	(\$3,650.1)	(58.3%)
Low-level Radioactive Waste Disposal Compact Commission	\$0.9	\$0.9	\$0.0	0.0%
Parks and Wildlife Department	\$1,186.0	\$945.8	(\$240.2)	(20.3%)
Railroad Commission	\$360.1	\$485.3	\$125.3	34.8%
Soil and Water Conservation Board	\$76.4	\$115.9	\$39.5	51.7%
Water Development Board	\$545.9	\$1,119.5	\$573.7	105.1%
Subtotal, Natural Resources	\$10,821.4	\$7,662.9	(\$3,158.5)	(29.2%)
Employee Benefits and Debt Service	\$452.9	\$512.6	\$59.7	13.2%
Less Interagency Contracts	\$33.5	\$20.9	(\$12.6)	(37.5%)
Total, All Functions	\$11,240.7	\$8,154.6	(\$3,086.2)	(27.5%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

FIGURE 39
ARTICLE VI – NATURAL RESOURCES BY AGENCY, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	CSHB1	BIENNIAL	PERCENTAGE
METHOD OF FINANCE	2022–23	2024–25	CHANGE	CHANGE
Department of Agriculture	\$104.1	\$127.3	\$23.2	22.3%
Animal Health Commission	\$28.9	\$30.9	\$1.9	6.7%
Commission on Environmental Quality	\$39.2	\$47.2	\$8.0	20.4%
General Land Office and Veterans Land Board	\$230.4	\$939.4	\$708.9	307.7%
Low-level Radioactive Waste Disposal Compact Commission	\$0.0	\$0.0	\$0.0	N/A
Parks and Wildlife Department	\$456.1	\$475.9	\$19.8	4.4%
Railroad Commission	\$167.8	\$193.5	\$25.6	15.3%
Soil and Water Conservation Board	\$43.5	\$84.7	\$41.2	94.6%
Water Development Board	\$174.8	\$729.4	\$554.6	317.2%
Subtotal, Natural Resources	\$1,244.8	\$2,628.1	\$1,383.3	111.1%
Employee Benefits and Debt Service	\$134.6	\$146.5	\$11.9	8.8%
Total, All Functions	\$1,379.4	\$2,774.6	\$1,395.2	101.1%

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

FIGURE 40
ARTICLE VI – NATURAL RESOURCES BY AGENCY, GENERAL REVENUE–DEDICATED FUNDS

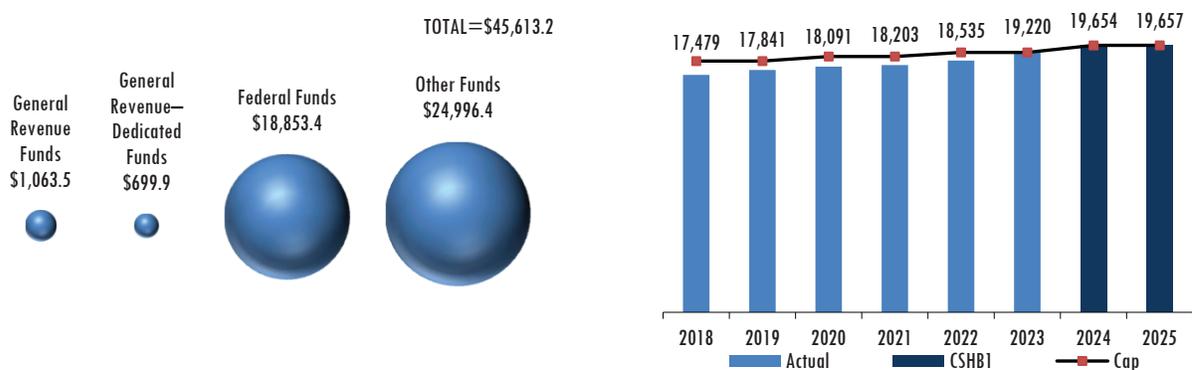
(IN MILLIONS)	ESTIMATED/BUDGETED	CSHB1	BIENNIAL	PERCENTAGE
METHOD OF FINANCE	2022–23	2024–25	CHANGE	CHANGE
Department of Agriculture	\$4.6	\$9.4	\$4.7	102.5%
Animal Health Commission	\$0.0	\$0.0	\$0.0	N/A
Commission on Environmental Quality	\$518.2	\$580.0	\$61.8	11.9%
General Land Office and Veterans Land Board	\$32.7	\$85.6	\$52.9	161.8%
Low-level Radioactive Waste Disposal Compact Commission	\$0.9	\$0.9	\$0.0	0.0%
Parks and Wildlife Department	\$311.2	\$324.6	\$13.5	4.3%
Railroad Commission	\$150.4	\$148.9	(\$1.5)	(1.0%)
Soil and Water Conservation Board	\$0.0	\$0.0	\$0.0	N/A
Water Development Board	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Natural Resources	\$1,018.0	\$1,149.4	\$131.4	12.9%
Employee Benefits and Debt Service	\$220.0	\$227.8	\$7.8	3.5%
Total, All Functions	\$1,238.0	\$1,377.2	\$139.2	11.2%

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
 SOURCE: Legislative Budget Board.

ARTICLE VII – BUSINESS AND ECONOMIC DEVELOPMENT

FIGURE 41
ARTICLE VII – BUSINESS AND ECONOMIC DEVELOPMENT, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	\$508.1	\$1,063.5	\$555.4	109.3%
General Revenue–Dedicated Funds	\$677.4	\$699.9	\$22.5	3.3%
Federal Funds	\$22,360.1	\$18,853.4	(\$3,506.7)	(15.7%)
Other Funds	\$22,278.4	\$24,996.4	\$2,718.0	12.2%
Total, All Methods of Finance	\$45,824.0	\$45,613.2	(\$210.8)	(0.5%)



NOTES:

- (1) Excludes Interagency Contracts.
 - (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
- SOURCES: Legislative Budget Board; State Auditor’s Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE VII

All Funds for the business and economic development agencies total \$45.6 billion for the 2024–25 biennium, a decrease of \$210.8 million, or 0.5 percent, from the 2022–23 biennium. General Revenue Funds total \$1.1 billion, an increase of \$555.4 million, or 109.3 percent, from the 2022–23 biennium.

HIGHLIGHTS

- Funding for the **Texas Department of Transportation** represents an increase of \$5.5 billion in All Funds from the 2022–23 biennium, including:
 - an increase of \$0.4 billion in General Revenue Funds for capitalizing the Ship Channel Improvement Revolving Fund; and
 - an increase of \$4.9 billion in All Funds for highway planning and design, right-of-way acquisition, and construction and maintenance, including increases of \$2.5 billion in Federal Funds and \$2.5 billion in Other Funds due primarily to estimated increases in State Highway Fund revenue sources.
- Funding for the **Texas Department of Motor Vehicles** includes an increase of \$55.3 million in All Funds from the 2022–23 biennium, including:
 - an increase of \$19.1 million in General Revenue Funds to align funding for the Motor Vehicle Crime Prevention Authority (MVCPA) with the estimated statutory MVCPA Fee revenue allocation for the 2024–25 biennium; and

- a net increase of \$28.4 million across all department programs, including a decrease of \$5.5 million in General Revenue Funds from onetime information technology project funding carried forward from the 2020–21 biennium, a net decrease of \$0.6 million in Federal Funds for motor carrier services and technology projects, and a net increase of \$34.4 million in Other Funds from the Texas Department of Motor Vehicles Fund due primarily to increases in vehicle registration and titling program costs, phase one of the Registration and Titling System replacement project, and agencywide information technology support.
- Funding for the **Texas Department of Housing and Community Affairs** represents a net decrease of \$1.7 billion in All Funds, which includes: a decrease of \$1.8 billion in onetime Federal Funds related to the COVID-19 pandemic consisting primarily of funding for Emergency Rental Assistance to be expended in the 2022–23 biennium; and an anticipated increase of \$60.7 million in non-pandemic-related Federal Funds for the HOME Investment Partnerships program and the Housing Trust Fund.
- Funding for the **Texas Workforce Commission** includes a net decrease in All Funds of \$4.1 billion, primarily due to the decrease of onetime Federal Funds awards related to pandemic relief to be expended in the 2022–23 biennium offset by increases that includes \$35.0 million in General Revenue Funds for the Job and Education for Texas and Industry-Recognized Apprenticeship programs, \$35.0 million in General Revenue Funds to meet increased Federal Fund match requirements for the Child Care and Development Block Grant, and \$25.0 million for skills development programs.
- Funding for the **Texas Lottery Commission** includes an increase in All Funds of \$26.9 million, which includes an increase of \$17.4 million to address an anticipated 40.0 percent increase in contractual costs to vendors for scratch ticket production, \$5.9 million to align funding for lottery operators and retailer commissions with the Comptroller of Public Accounts’ gross lottery sales estimates for the 2024–25 biennium, and \$3.6 million for a general state employee salary increase.

Figure 42 shows the All Funds appropriation for each agency in Article VII, and **Figure 43** shows the General Revenue Funds appropriation for each agency.

FIGURE 42 ARTICLE VII – BUSINESS AND ECONOMIC DEVELOPMENT BY AGENCY, ALL FUNDS				
(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
Department of Housing and Community Affairs	\$3,081.6	\$1,348.6	(\$1,733.0)	(56.2%)
Texas Lottery Commission	\$634.6	\$661.5	\$26.9	4.2%
Department of Motor Vehicles	\$345.1	\$400.4	\$55.3	16.0%
Department of Transportation	\$31,682.7	\$37,137.6	\$5,455.0	17.2%
Texas Workforce Commission	\$9,282.6	\$5,206.5	(\$4,076.1)	(43.9%)
Reimbursements to the Unemployment Compensation Benefit Account	\$47.3	\$41.9	(\$5.5)	(11.5%)
Subtotal, Business and Economic Development	\$45,073.8	\$44,796.4	(\$277.4)	(0.6%)
Retirement and Group Insurance	\$767.2	\$816.7	\$49.5	6.5%
Social Security and Benefits Replacement Pay	\$167.1	\$182.7	\$15.6	9.4%
Bond Debt Service Payments	\$20.2	\$16.2	(\$3.9)	(19.5%)
Lease Payments	\$0.0	0.0	\$0.0	N/A
Subtotal, Employee Benefits and Debt Service	\$954.5	\$1,015.7	\$61.2	6.4%
Less Interagency Contracts	\$204.2	\$198.9	(\$5.3)	(2.6%)
Total, All Functions	\$45,824.0	\$45,613.2	(\$210.8)	(0.5%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

FIGURE 43
ARTICLE VII – BUSINESS AND ECONOMIC DEVELOPMENT BY AGENCY, GENERAL REVENUE FUNDS

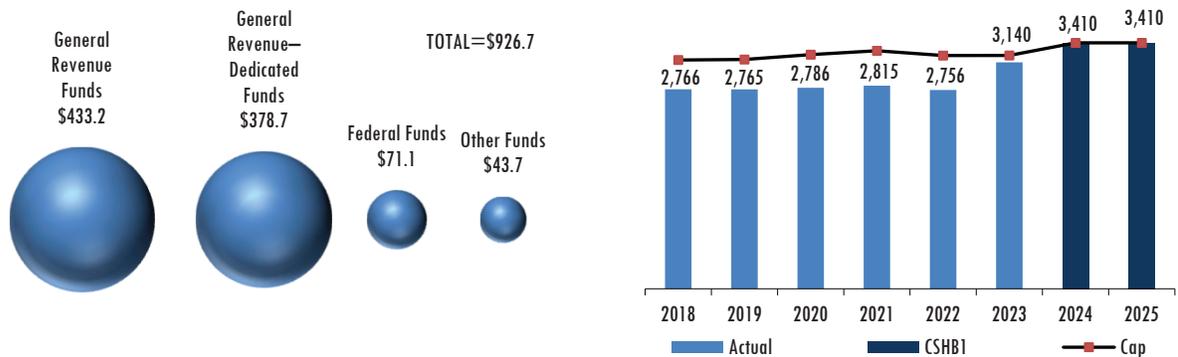
(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
Department of Housing and Community Affairs	\$26.0	\$28.0	\$2.0	7.7%
Texas Lottery Commission	\$4.8	\$5.1	\$0.3	5.5%
Department of Motor Vehicles	\$35.4	\$49.2	\$13.7	38.7%
Department of Transportation	\$15.4	\$422.1	\$406.8	2,646.8%
Texas Workforce Commission	\$378.9	\$512.6	\$133.7	35.3%
Reimbursements to the Unemployment Compensation Benefit Account	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Business and Economic Development	\$460.5	\$1,017.0	\$556.5	120.8%
Retirement and Group Insurance	\$21.4	\$23.3	\$1.9	9.1%
Social Security and Benefit Replacement Pay	\$6.1	\$7.0	\$0.9	15.0%
Bond Debt Service Payments	\$20.2	\$16.2	(\$3.9)	(19.5%)
Lease Payments	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Employee Benefits and Debt Service	\$47.6	\$46.5	(\$1.1)	(2.3%)
Total, All Functions	\$508.1	\$1,063.5	\$555.4	109.3%

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

ARTICLE VIII – REGULATORY

FIGURE 44
ARTICLE VIII – REGULATORY, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2022–23	CSHB1 2024–25	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	\$309.5	\$433.2	\$123.7	40.0%
General Revenue–Dedicated Funds	\$355.8	\$378.7	\$22.9	6.4%
Federal Funds	\$68.6	\$71.1	\$2.5	3.7%
Other Funds	\$94.9	\$43.7	(\$51.2)	(53.9%)
Total, All Methods of Finance	\$828.8	\$926.7	\$98.0	11.8%



NOTES:

- (1) Excludes Interagency Contracts.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor’s Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE VIII

All Funds for the regulatory agencies total \$926.7 million for the 2024–25 biennium, an increase of \$98.0 million, or 11.8 percent from the 2022–23 biennium. The regulatory agencies regulate various industries, including health-related occupations, non-health-related occupations, securities, and pari-mutuel racing, and the appropriations and indirect costs for the majority of these regulatory agencies are supported by fees generated from the industries and occupations they regulate. The Public Utility Commission of Texas and Office of Public Utility Counsel are subject to Strategic Fiscal Review.

HIGHLIGHTS

- Funding for the **Texas Department of Licensing and Regulation** totals \$139.5 million, a net increase of \$47.8 million from the 2022–23 biennium. This net increase includes the following General Revenue Funds changes:
 - a \$32.9 million increase for the replacement of nine independent licensing systems with one cloud-based licensing system;
 - a \$9.0 million increase for salary increases for agency staff;
 - a \$5.0 million increase for the Financial Crimes Intelligence Center;
 - a combined \$3.9 million increase for the Anti-trafficking Unit, the Motorcycle Operator Training Safety Program, and the Mold Assessors and Remediators program; and
 - a \$3.0 million decrease for onetime expenses incurred during the 2022–23 biennium for Phase II of the Texas Licensing System Program, vehicle replacement, and onetime funding for the regulation of elevators, escalators, combative sports, and to reimburse travel expenses related to boiler inspections.

- Funding for the **Texas Department of Insurance** totals \$260.6 million in All Funds, a net decrease of \$46.7 million from the 2022–23 biennium. General Revenue–Dedicated Funds from Account No. 036, Texas Department of Insurance Operating Fund, total \$244.8 million, a net increase of \$1.5 million from the 2022–23 biennium. This net increase includes the following amounts:
 - a \$14.2 million increase for general state employee salary increases;
 - a \$4.4 million increase to maintain contingency funding for state regulatory response at the 2022–23 biennial appropriated level;
 - a \$1.1 million decrease due to the expiration of the temporary Health Insurance Risk Pool established through enactment of Senate Bill 874, Eighty-seventh Legislature, Regular Session, 2021, to assist Texas residents in accessing quality healthcare contingent upon federal law, regulation, or executive action and which will expire on August 31, 2023;
 - a \$10.7 million decrease in onetime funding appropriated in the 2022–23 biennium through Rider 18, Appropriation: Agent and Adjuster Licensing Fee Collections exceeding revenue estimates; and
 - a \$5.0 million decrease of onetime funding appropriated in the 2022–23 biennium to support enactment of House Bill 2, Eighty-seventh Legislature, Regular Session, 2021, for operations infrastructure replacement and upgrades.
- Other Funds total \$10.6 million, a net decrease of \$48.2 million from the 2022–23 biennium. This decrease includes the following amounts:
 - a \$41.1 million decrease in funding provided for the Health Insurance Risk Pool as the enabling statute expires in the 2022–23 biennium; and
 - a \$7.2 million decrease for the Three-Share Premium Assistance Program due to onetime Appropriated Receipts collections exceeding appropriated amounts.
- Funding for the **Public Utility Commission** totals \$63.0 million in All Funds, an increase of \$20.5 million from the 2022–23 biennium. Notable increases include the following:
 - an increase of \$10.4 million in General Revenue Funds and General Revenue–Dedicated Funds and 23.0 full-time-equivalent (FTE) positions for existing vacancies and to meet increased demand for agency services, with additional funding for office redesign and operational costs to accommodate the additional staff positions;
 - an increase of \$5.0 million in General Revenue Funds and General Revenue–Dedicated Funds for agency staff salary increases;
 - an increase of \$1.9 million in General Revenue Funds for a new Data Analysis Team to analyze market data, identify trends and events that may affect the utility market, and assist in oversight of the Electric Reliability Council of Texas; and
 - an increase of \$0.5 million in General Revenue Funds and General Revenue–Dedicated Funds for a new Office of Public Participation to assist the agency with public outreach and education.
- Funding for the **Texas Medical Board** totals \$49.2 million in All Funds, a net increase of \$16.8 million from the 2022–23 biennium. This amount includes General Revenue Funds increases of \$10.0 million and 61.0 FTE positions to support growth in license issuance, \$3.4 million for staff salary increases, \$2.5 million and 5.0 FTE positions for participation in the National Practitioner Data Bank for licensee background checks, \$1.9 million to address the increased costs of goods and services due to inflation, and \$1.4 million for staff professional development and annual leave payouts for anticipated retirements. These increases are offset by a decrease of \$2.4 million in General Revenue Funds for onetime expenses incurred during the 2022–23 biennium for the agency’s relocation to the Capitol Complex in Austin.

- Funding for the **Pharmacy Board** totals \$33.5 million in All Funds, a net increase of \$13.2 million from the 2022–23 biennium that includes General Revenue Funds increases of \$7.4 million for upgrades to the Prescription Monitoring Program, \$3.1 million to fill vacant positions, \$1.7 million and 10.0 FTE positions to address increased agency workloads, \$1.4 million for information technology upgrades and \$1.1 million for general state employee salary increases. These increases are offset by a \$1.6 million decrease in Appropriated Receipts for anticipated decreases in the production, printing, and sale of prescription notepads.
- Funding for the **Texas Racing Commission** totals \$24.9 million in All Funds, an increase of \$11.5 million from the 2022–23 biennium, due primarily to increases of \$5.5 million in General Revenue Funds for equine drug testing and \$5.5 million in General Revenue Funds and General Revenue–Dedicated Funds and an additional 56.7 FTE positions to address increased agency workload demands.
- Funding for the **State Board of Veterinary Medical Examiners** totals \$6.0 million in All Funds, an increase of \$3.1 million from the 2022–23 biennium. This amount primarily includes General Revenue Funds increases of \$1.9 million for new investigator, staff veterinarian, and staff attorney positions and to fill vacant positions, \$0.7 million for purchase of a new software application to be used as a data system, and \$0.3 million for staff salary increases.
- Funding for the **Office of Public Insurance Counsel** totals \$3.3 million in All Funds, an increase of \$1.3 million from the 2022–23 biennium. This amount primarily includes General Revenue Funds increases of \$0.9 million and 5.0 FTE positions for additional staff to meet agency workload demands and \$0.3 million for upgrading an insurance policy comparison tool available on the agency’s website.

Figure 45 shows the All Funds appropriation for each agency in Article VIII, and **Figure 46** shows the General Revenue Funds appropriation for each agency.

FIGURE 45
ARTICLE VIII – REGULATORY BY AGENCY, ALL FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	CSHB1	BIENNIAL	PERCENTAGE
FUNCTION	2022–23	2024–25	CHANGE	CHANGE
State Office of Administrative Hearings	\$22.7	\$26.4	\$3.7	16.4%
Texas Behavioral Health Executive Council	\$10.2	\$11.1	\$0.9	8.8%
Board of Chiropractic Examiners	\$1.9	\$2.3	\$0.4	21.2%
Texas State Board of Dental Examiners	\$9.4	\$10.0	\$0.6	6.5%
Funeral Service Commission	\$1.8	\$2.0	\$0.2	12.6%
Board of Professional Geoscientists	\$1.2	\$1.4	\$0.2	15.7%
Health Professions Council	\$3.0	\$3.1	\$0.1	5.0%
Office of Injured Employee Counsel	\$17.4	\$19.6	\$2.2	12.9%
Department of Insurance	\$307.3	\$260.6	(\$46.7)	(15.2%)
Office of Public Insurance Counsel	\$2.0	\$3.3	\$1.3	66.9%
Department of Licensing and Regulation	\$91.7	\$139.5	\$47.8	52.1%
Texas Medical Board	\$32.3	\$49.2	\$16.8	52.1%
Texas Board of Nursing	\$27.2	\$30.8	\$3.6	13.2%
Optometry Board	\$1.1	\$1.1	\$0.1	4.9%
Board of Pharmacy	\$20.3	\$33.5	\$13.2	65.0%
Executive Council of Physical Therapy and Occupational Therapy Examiners	\$2.8	\$3.6	\$0.8	28.7%
Board of Plumbing Examiners	\$6.0	\$6.9	\$0.9	15.8%
Texas Racing Commission	\$13.5	\$24.9	\$11.5	85.0%
Texas State Securities Board	\$15.0	\$18.4	\$3.4	22.3%
Public Utility Commission	\$42.6	\$63.0	\$20.5	48.0%
Office of Public Utility Counsel	\$5.0	\$6.9	\$1.8	36.3%
Board of Veterinary Medical Examiners	\$2.9	\$6.0	\$3.1	107.9%
Subtotal, Regulatory	\$637.4	\$723.9	\$86.6	13.6%
Retirement and Group Insurance	\$165.2	\$174.8	\$9.6	5.8%
Social Security and Benefits Replacement Pay	\$38.5	\$41.2	\$2.7	7.1%
Lease Payments	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Employee Benefits and Debt Service	\$203.7	\$216.1	\$12.4	6.1%
Less Interagency Contracts	\$12.3	\$13.3	\$1.0	8.0%
Total, All Functions	\$828.8	\$926.7	\$98.0	11.8%

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 46
ARTICLE VIII – REGULATORY BY AGENCY, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	CSHB1	BIENNIAL	PERCENTAGE
FUNCTION	2022–23	2024–25	CHANGE	CHANGE
State Office of Administrative Hearings	\$13.8	\$16.6	\$2.8	20.2%
Texas Behavioral Health Executive Council	\$7.9	\$8.8	\$0.9	10.9%
Board of Chiropractic Examiners	\$1.8	\$2.1	\$0.4	20.4%
Texas State Board of Dental Examiners	\$8.7	\$9.5	\$0.8	9.1%
Funeral Service Commission	\$1.6	\$1.8	\$0.2	12.1%
Board of Professional Geoscientists	\$1.2	\$1.4	\$0.2	15.7%
Health Professions Council	\$0.0	\$0.2	\$0.1	298.0%
Office of Injured Employee Counsel	\$0.0	\$0.0	\$0.0	N/A
Department of Insurance (2)	\$0.6	\$0.6	\$0.0	2.4%
Office of Public Insurance Counsel	\$1.6	\$3.0	\$1.3	82.7%
Department of Licensing and Regulation	\$75.9	\$122.4	\$46.5	61.3%
Texas Medical Board	\$25.6	\$39.2	\$13.6	52.9%
Texas Board of Nursing	\$19.2	\$22.9	\$3.6	18.7%
Optometry Board	\$1.0	\$1.0	\$0.1	5.4%
Board of Pharmacy	\$18.3	\$33.1	\$14.8	81.0%
Executive Council of Physical Therapy and Occupational Therapy Examiners	\$2.6	\$3.4	\$0.8	28.4%
Board of Plumbing Examiners	\$5.9	\$6.9	\$1.0	16.4%
Texas Racing Commission	\$0.0	\$7.7	\$7.7	N/A
Texas State Securities Board	\$15.0	\$18.4	\$3.4	22.3%
Public Utility Commission	\$35.4	\$52.2	\$16.8	47.4%
Office of Public Utility Counsel	\$4.0	\$5.3	\$1.2	29.9%
Board of Veterinary Medical Examiners	\$2.9	\$6.0	\$3.1	108.3%
Subtotal, Regulatory	\$243.2	\$362.4	\$119.2	49.0%
Retirement and Group Insurance	\$51.2	\$54.4	\$3.1	6.1%
Social Security and Benefits Replacement Pay	\$15.1	\$16.5	\$1.4	9.2%
Lease Payments	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Employee Benefits and Debt Service	\$66.3	\$70.8	\$4.5	6.8%
Total, All Functions	\$309.5	\$433.2	\$123.7	40.0%

NOTES:

- (1) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
- (2) Texas Department of Insurance funding includes a method-of-finance change that decreased General Revenue Funds by \$81.7 million and increased General Revenue–Dedicated Funds by the same amount.

SOURCE: Legislative Budget Board.

APPENDIX A – GENERAL APPROPRIATIONS BILL COMPARISONS

FIGURE A-1 ALL FUNDS											
(IN MILLIONS)											
FUNCTION	ESTIMATED/ BUDGETED 2022-23 (1)	HOUSE BILL 1, AS INTRODUCED 2024-25	COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		COMMITTEE SUBSTITUTE FOR HOUSE BILL 1 2024-25	COMPARISON OF CSHB1 TO ESTIMATED/BUDGETED		COMPARISON OF CSHB1 TO HB1 AS INTRODUCED			
			\$ CHANGE	% CHANGE		\$ CHANGE	% CHANGE	\$ CHANGE	% CHANGE		
Article I – General Government	\$13,556.2	\$10,064.3	(\$3,491.9)	(25.8%)	\$10,232.3	(\$3,323.9)	(24.5%)	\$168.0	1.7%		
Article II – Health and Human Services	\$108,941.2	\$97,364.3	(\$11,576.9)	(10.6%)	\$101,357.7	(\$7,583.5)	(7.0%)	\$3,993.4	4.1%		
Article III – Agencies of Education	\$101,731.6	\$109,529.3	\$7,797.7	7.7%	\$111,820.4	\$10,088.8	9.9%	\$2,291.1	2.1%		
Public Education	\$71,019.7	\$79,303.4	\$8,283.7	11.7%	\$82,891.3	\$11,871.6	16.7%	\$3,587.9	4.5%		
Higher Education	\$30,711.9	\$30,225.9	(\$486.0)	(1.6%)	\$28,929.0	(\$1,782.8)	(5.8%)	(\$1,296.8)	(4.3%)		
Article IV – Judiciary	\$992.5	\$1,105.2	\$112.7	11.4%	\$1,212.3	\$219.8	22.1%	\$107.1	9.7%		
Article V – Public Safety and Criminal Justice	\$13,636.2	\$18,014.8	\$4,378.6	32.1%	\$19,010.3	\$5,374.1	39.4%	\$995.4	5.5%		
Article VI – Natural Resources	\$11,240.7	\$7,070.1	(\$4,170.6)	(37.1%)	\$8,154.6	(\$3,086.2)	(27.5%)	\$1,084.5	15.3%		
Article VII – Business and Economic Development	\$45,824.0	\$43,913.1	(\$1,911.0)	(4.2%)	\$45,613.2	(\$210.8)	(0.5%)	\$1,700.2	3.9%		
Article VIII – Regulatory	\$828.8	\$813.1	(\$15.6)	(1.9%)	\$926.7	\$98.0	11.8%	\$113.6	14.0%		
Article IX – General Provisions	\$0.0	\$350.0	\$350.0	N/A	\$3,850.0	\$3,850.0	N/A	\$3,500.0	1000.0%		
Article X – Legislature	\$433.5	\$470.9	\$37.4	8.6%	\$475.4	\$41.9	9.7%	\$4.5	1.0%		
Total, All Functions	\$297,184.7	\$288,695.1	(\$8,489.5)	(2.9%)	\$302,652.8	\$5,468.2	1.8%	\$13,957.7	4.8%		

NOTES:

(1) Fiscal year 2022 and 2023 amounts do not include items adopted in House Committee Substitute for Senate Bill 30, which would reduce the biennial and percentage changes referenced above. The 2024-25 biennial amounts in CSHB1 are within the required spending limits (see pages 17 to 19).

(2) Excludes interagency contracts.

SOURCE: Legislative Budget Board.

**FIGURE A-2
GENERAL REVENUE FUNDS**

FUNCTION	ESTIMATED/ BUDGETED 2022-23 (1)	HOUSE BILL 1, AS INTRODUCED 2024-25		COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		COMMITTEE SUBSTITUTE FOR HOUSE BILL 1 2024-25		COMPARISON OF CSHB1 TO ESTIMATED/BUDGETED		COMPARISON OF CSHB1 TO HB1 AS INTRODUCED	
		\$	%	\$ CHANGE	% CHANGE	\$	% CHANGE	\$ CHANGE	% CHANGE	\$ CHANGE	% CHANGE
Article I – General Government	\$7,877.6	\$7,171.9	(9.0%)	(\$705.7)	9.0%	\$7,150.6	(\$727.0)	(9.2%)	(\$21.3)	(0.3%)	
Article II – Health and Human Services	\$37,511.9	\$40,997.5	9.3%	\$3,485.6	9.3%	\$43,475.3	\$5,963.5	15.9%	\$2,477.8	6.0%	
Article III – Agencies of Education	\$57,674.7	\$59,412.5	3.0%	\$1,737.8	3.0%	\$63,985.9	\$6,311.3	10.9%	\$4,573.5	7.7%	
Public Education	\$40,490.0	\$38,420.7	(5.1%)	(\$2,069.2)	(5.1%)	\$44,296.4	\$3,806.4	9.4%	\$5,875.7	15.3%	
Higher Education	\$17,184.7	\$20,991.8	22.2%	\$3,807.0	22.2%	\$19,689.6	\$2,504.8	14.6%	(\$1,302.2)	(6.2%)	
Article IV – Judiciary	\$597.7	\$743.6	24.4%	\$145.9	24.4%	\$832.0	\$234.3	39.2%	\$88.4	11.9%	
Article V – Public Safety and Criminal Justice	\$11,887.7	\$17,432.1	46.6%	\$5,544.4	46.6%	\$18,315.3	\$6,427.6	54.1%	\$883.2	5.1%	
Article VI – Natural Resources	\$1,379.4	\$2,104.7	52.6%	\$725.3	52.6%	\$2,774.6	\$1,395.2	101.1%	\$669.9	31.8%	
Article VII – Business and Economic Development	\$508.1	\$1,113.1	119.1%	\$605.0	119.1%	\$1,063.5	\$555.4	109.3%	(\$49.6)	(4.5%)	
Article VIII – Regulatory	\$309.5	\$331.9	7.2%	\$22.3	7.2%	\$433.2	\$123.7	40.0%	\$101.4	30.5%	
Article IX – General Provisions	\$0.0	\$350.0	N/A	\$350.0	N/A	(\$1,599.9)	(\$1,599.9)	N/A	(\$1,949.9)	(557.1%)	
Article X – Legislature	\$433.4	\$470.7	8.6%	\$37.3	8.6%	\$475.2	\$41.8	9.6%	\$4.5	1.0%	
Total, All Functions	\$118,180.0	\$130,127.9	10.1%	\$11,947.9	10.1%	\$136,905.8	\$18,725.7	15.8%	\$6,777.9	5.2%	

NOTE: (1) Fiscal year 2022 and 2023 amounts do not include items adopted in House Committee Substitute for Senate Bill 30, which would reduce the biennial and percentage changes referenced above. The 2024-25 biennial amounts in CSHB1 are within the required spending limits (see pages 17 to 19).
SOURCE: Legislative Budget Board.

**FIGURE A-3
GENERAL REVENUE-DEDICATED FUNDS**

FUNCTION	ESTIMATED/ BUDGETED 2022-23 (1)	HOUSE BILL 1, AS INTRODUCED 2024-25		COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		COMMITTEE SUBSTITUTE FOR HOUSE BILL 1 2024-25		COMPARISON OF CSHB1 TO ESTIMATED/BUDGETED		COMPARISON OF CSHB1 TO HB1 AS INTRODUCED	
		\$	%	\$ CHANGE	% CHANGE	\$	%	\$ CHANGE	% CHANGE	\$ CHANGE	% CHANGE
Article I – General Government	\$866.1	\$473.2	(45.4%)	(\$392.8)	\$605.1	(30.1%)	(\$261.0)	\$131.8	27.9%		
Article II – Health and Human Services	\$501.3	\$511.2	2.0%	\$10.0	\$539.6	7.6%	\$38.3	\$28.4	5.5%		
Article III – Agencies of Education	\$2,859.2	\$2,811.8	(1.7%)	(\$47.5)	\$2,817.1	(1.5%)	(\$42.1)	\$5.4	0.2%		
<i>Public Education</i>	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A		
<i>Higher Education</i>	\$2,859.2	\$2,811.8	(1.7%)	(\$47.5)	\$2,817.1	(1.5%)	(\$42.1)	\$5.4	0.2%		
Article IV – Judiciary	\$197.9	\$178.1	(10.0%)	(\$19.8)	\$196.8	(0.6%)	(\$1.1)	\$18.7	10.5%		
Article V – Public Safety and Criminal Justice	\$54.1	\$31.6	(41.5%)	(\$22.4)	\$137.2	153.8%	\$83.1	\$105.6	333.9%		
Article VI – Natural Resources	\$1,238.0	\$1,252.7	1.2%	\$14.6	\$1,377.2	11.2%	\$139.2	\$124.6	9.9%		
Article VII – Business and Economic Development	\$677.4	\$673.6	(0.6%)	(\$3.8)	\$699.9	3.3%	\$22.5	\$26.3	3.9%		
Article VIII – Regulatory	\$355.8	\$365.2	2.6%	\$9.4	\$378.7	6.4%	\$22.9	\$13.5	3.7%		
Article IX – General Provisions	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A		
Article X – Legislature	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A		
Total, All Functions	\$6,749.8	\$6,297.4	(6.7%)	(\$452.4)	\$6,751.6	0.0%	\$1.8	\$454.2	7.2%		

NOTE: (1) Fiscal year 2022 and 2023 amounts do not include items adopted in House Committee Substitute for Senate Bill 30, which would reduce the biennial and percentage changes referenced above. The 2024-25 biennial amounts in CSHB1 are within the required spending limits (see pages 17 to 19).
SOURCE: Legislative Budget Board.

**FIGURE A-4
GENERAL REVENUE FUNDS AND GENERAL REVENUE-DEDICATED FUNDS**

FUNCTION	ESTIMATED/ BUDGETED 2022-23 (1)	HOUSE BILL 1, AS INTRODUCED		COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		COMMITTEE SUBSTITUTE FOR HOUSE BILL 1 2024-25		COMPARISON OF CSHB1 TO ESTIMATED/BUDGETED		COMPARISON OF CSHB1 TO HB1 AS INTRODUCED	
		2024-25	2024-25	\$ CHANGE	% CHANGE	2024-25	2024-25	\$ CHANGE	% CHANGE	\$ CHANGE	% CHANGE
Article I – General Government	\$8,743.7	\$7,645.2	\$1,098.5	(12.6%)	\$7,755.7	\$988.0	(11.3%)	\$110.5	1.4%		
Article II – Health and Human Services	\$38,013.1	\$41,508.7	\$3,495.6	9.2%	\$44,014.9	\$6,001.8	15.8%	\$2,506.2	6.0%		
Article III – Agencies of Education	\$60,533.9	\$62,224.3	\$1,690.3	2.8%	\$66,803.1	\$6,269.1	10.4%	\$4,578.8	7.4%		
Public Education	\$40,490.0	\$38,420.7	(\$2,069.2)	(5.1%)	\$44,296.4	\$3,806.4	9.4%	\$5,875.7	15.3%		
Higher Education	\$20,044.0	\$23,803.5	\$3,759.6	18.8%	\$22,506.7	\$2,462.7	12.3%	(\$1,296.8)	(5.4%)		
Article IV – Judiciary	\$795.6	\$921.7	\$126.1	15.8%	\$1,028.8	\$233.2	29.3%	\$107.1	11.6%		
Article V – Public Safety and Criminal Justice	\$11,941.8	\$17,463.7	\$5,521.9	46.2%	\$18,452.5	\$6,510.7	54.5%	\$988.7	5.7%		
Article VI – Natural Resources	\$2,617.4	\$3,357.3	\$739.9	28.3%	\$4,151.8	\$1,534.4	58.6%	\$794.5	23.7%		
Article VII – Business and Economic Development	\$1,185.5	\$1,786.7	\$601.2	50.7%	\$1,763.4	\$577.9	48.7%	(\$23.3)	(1.3%)		
Article VIII – Regulatory	\$665.3	\$697.1	\$31.7	4.8%	\$811.9	\$146.6	22.0%	\$114.8	16.5%		
Article IX – General Provisions	\$0.0	\$350.0	\$350.0	N/A	(\$1,599.9)	(\$1,599.9)	N/A	(\$1,949.9)	(557.1%)		
Article X – Legislature	\$433.4	\$470.7	\$37.3	8.6%	\$475.2	\$41.8	9.6%	\$4.5	1.0%		
Total, All Functions	\$124,929.8	\$136,425.3	\$11,495.5	9.2%	\$143,657.4	\$18,727.6	15.0%	\$7,232.1	5.3%		

NOTE: (1) Fiscal year 2022 and 2023 amounts do not include items adopted in House Committee Substitute for Senate Bill 30, which would reduce the biennial and percentage changes referenced above. The 2024-25 biennial amounts in CSHB1 are within the required spending limits (see pages 17 to 19).
SOURCE: Legislative Budget Board.

**FIGURE A-5
FEDERAL FUNDS**

FUNCTION	ESTIMATED/ BUDGETED 2022-23 (1)	HOUSE BILL 1, AS INTRODUCED 2024-25		COMPARISON OF HBI AS INTRODUCED TO ESTIMATED/BUDGETED		COMMITTEE SUBSTITUTE FOR HOUSE BILL 1 2024-25		COMPARISON OF CSHB1 TO ESTIMATED/BUDGETED		COMPARISON OF CSHB1 TO HBI AS INTRODUCED	
		\$	%	\$ CHANGE	% CHANGE	\$	%	\$ CHANGE	% CHANGE	\$ CHANGE	% CHANGE
Article I – General Government	\$2,727.0	\$1,248.4	(54.2%)	(\$1,478.5)	(54.2%)	\$1,297.5	(\$1,429.5)	(52.4%)	\$49.1	3.9%	
Article II – Health and Human Services	\$69,491.4	\$54,595.1	(21.4%)	(\$14,896.3)	(21.4%)	\$56,007.3	(\$13,484.1)	(19.4%)	\$1,412.2	2.6%	
Article III – Agencies of Education	\$20,808.8	\$15,285.2	(26.5%)	(\$5,523.6)	(26.5%)	\$15,285.2	(\$5,523.6)	(26.5%)	\$0.0	0.0%	
<i>Public Education</i>	\$13,461.1	\$12,517.4	(7.0%)	(\$943.7)	(7.0%)	\$12,517.4	(\$943.7)	(7.0%)	\$0.0	0.0%	
<i>Higher Education</i>	\$7,347.6	\$2,767.8	(62.3%)	(\$4,579.8)	(62.3%)	\$2,767.8	(\$4,579.8)	(62.3%)	\$0.0	0.0%	
Article IV – Judiciary	\$14.9	\$4.2	(71.6%)	(\$10.6)	(71.6%)	\$4.2	(\$10.6)	(71.6%)	\$0.0	0.0%	
Article V – Public Safety and Criminal Justice	\$1,474.7	\$404.3	(72.6%)	(\$1,070.5)	(72.6%)	\$410.9	(\$1,063.8)	(72.1%)	\$6.7	1.6%	
Article VI – Natural Resources	\$7,787.0	\$3,232.0	(58.5%)	(\$4,555.0)	(58.5%)	\$3,233.1	(\$4,553.9)	(58.5%)	\$1.1	0.0%	
Article VII – Business and Economic Development	\$22,360.1	\$18,864.9	(15.6%)	(\$3,495.2)	(15.6%)	\$18,853.4	(\$3,506.7)	(15.7%)	(\$11.5)	(0.1%)	
Article VIII – Regulatory	\$68.6	\$71.1	3.7%	\$2.5	3.7%	\$71.1	\$2.5	3.7%	\$0.0	0.0%	
Article IX – General Provisions	\$0.0	\$0.0	N/A	\$0.0	N/A	\$5,449.9	\$5,449.9	N/A	\$5,449.9	N/A	
Article X – Legislature	\$0.0	\$0.0	N/A	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A	
Total, All Functions	\$124,732.4	\$93,705.3	(24.9%)	(\$31,027.2)	(24.9%)	\$100,612.7	(\$24,119.7)	(19.3%)	\$6,907.4	7.4%	

NOTE: (1) Fiscal year 2022 and 2023 amounts do not include items adopted in House Committee Substitute for Senate Bill 30, which would reduce the biennial and percentage changes referenced above. The 2024-25 biennial amounts in CSHB1 are within the required spending limits (see pages 17 to 19).
SOURCE: Legislative Budget Board.

**FIGURE A-6
OTHER FUNDS**

FUNCTION	ESTIMATED/ BUDGETED 2022-23 (1)	HOUSE BILL 1, AS INTRODUCED 2024-25	COMPARISON OF HBI AS INTRODUCED TO ESTIMATED/BUDGETED		COMMITTEE SUBSTITUTE FOR HOUSE BILL 1 2024-25	COMPARISON OF CSHBI TO ESTIMATED/BUDGETED		COMPARISON OF CSHBI TO HBI AS INTRODUCED	
			\$ CHANGE	% CHANGE		\$ CHANGE	% CHANGE	\$ CHANGE	% CHANGE
Article I – General Government	\$2,085.6	\$1,170.7	(\$914.9)	(43.9%)	\$1,179.1	(\$906.5)	(43.5%)	\$8.4	0.7%
Article II – Health and Human Services	\$1,436.7	\$1,260.5	(\$176.2)	(12.3%)	\$1,335.5	(\$101.2)	(7.0%)	\$75.0	5.9%
Article III – Agencies of Education	\$20,388.9	\$32,019.8	\$11,631.0	57.0%	\$29,732.1	\$9,343.2	45.8%	(\$2,287.8)	(7.1%)
Public Education	\$17,068.7	\$28,365.3	\$11,296.7	66.2%	\$26,077.6	\$9,008.9	52.8%	(\$2,287.8)	(8.1%)
Higher Education	\$3,320.2	\$3,654.5	\$334.3	10.1%	\$3,654.5	\$334.3	10.1%	\$0.0	0.0%
Article IV – Judiciary	\$182.0	\$179.3	(\$2.8)	(1.5%)	\$179.3	(\$2.8)	(1.5%)	\$0.0	0.0%
Article V – Public Safety and Criminal Justice	\$219.7	\$146.8	(\$72.8)	(33.2%)	\$146.8	(\$72.8)	(33.2%)	\$0.0	0.0%
Article VI – Natural Resources	\$836.3	\$480.8	(\$355.5)	(42.5%)	\$769.6	(\$66.6)	(8.0%)	\$288.9	60.1%
Article VII – Business and Economic Development	\$22,278.4	\$23,261.5	\$983.1	4.4%	\$24,996.4	\$2,718.0	12.2%	\$1,734.9	7.5%
Article VIII – Regulatory	\$94.9	\$44.9	(\$49.9)	(52.6%)	\$43.7	(\$51.2)	(53.9%)	(\$1.2)	(2.7%)
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A
Article X – Legislature	\$0.1	\$0.2	\$0.2	294.9%	\$0.2	\$0.2	294.9%	\$0.0	0.0%
Total, All Functions	\$47,522.4	\$58,564.5	\$11,042.1	23.2%	\$58,382.8	\$10,860.3	22.9%	(\$181.8)	(0.3%)

NOTES:

- (1) Fiscal year 2022 and 2023 amounts do not include items adopted in House Committee Substitute for Senate Bill 30, which would reduce the biennial and percentage changes referenced above. The 2024-25 biennial amounts in CSHB1 are within the required spending limits (see pages 17 to 19).
- (2) Excludes interagency contracts.

SOURCE: Legislative Budget Board.

**FIGURE A-7
GENERAL REVENUE FUNDS, GENERAL REVENUE-DEDICATED FUNDS, AND OTHER FUNDS**

FUNCTION	ESTIMATED/ BUDGETED 2022-23 (1)	HOUSE BILL 1, AS INTRODUCED		COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		COMMITTEE SUBSTITUTE FOR HOUSE BILL 1 2024-25		COMPARISON OF CSHB1 TO ESTIMATED/BUDGETED		COMPARISON OF CSHB1 TO HB1 AS INTRODUCED	
		2024-25	ESTIMATED/BUDGETED	\$ CHANGE	% CHANGE	2024-25	\$ CHANGE	% CHANGE	\$ CHANGE	% CHANGE	
Article I – General Government	\$10,829.2	\$8,815.9	(\$2,013.4)	(18.6%)	\$8,934.8	(\$1,894.5)	(17.5%)	\$118.9	1.3%		
Article II – Health and Human Services	\$39,449.8	\$42,769.3	\$3,319.4	8.4%	\$45,350.5	\$5,900.6	15.0%	\$2,581.2	6.0%		
Article III – Agencies of Education	\$80,922.8	\$94,244.1	\$13,321.3	16.5%	\$96,535.2	\$15,612.3	19.3%	\$2,291.1	2.4%		
Public Education	\$57,558.6	\$66,786.0	\$9,227.4	16.0%	\$70,373.9	\$12,815.3	22.3%	\$3,587.9	5.4%		
Higher Education	\$23,364.2	\$27,458.0	\$4,093.8	17.5%	\$26,161.2	\$2,797.0	12.0%	(\$1,296.8)	(4.7%)		
Article IV – Judiciary	\$977.6	\$1,100.9	\$123.3	12.6%	\$1,208.1	\$230.4	23.6%	\$107.1	9.7%		
Article V – Public Safety and Criminal Justice	\$12,161.5	\$17,610.6	\$5,449.1	44.8%	\$18,599.3	\$6,437.9	52.9%	\$988.7	5.6%		
Article VI – Natural Resources	\$3,453.7	\$3,838.1	\$384.4	11.1%	\$4,921.5	\$1,467.8	42.5%	\$1,083.4	28.2%		
Article VII – Business and Economic Development	\$23,463.9	\$25,048.2	\$1,584.2	6.8%	\$26,759.8	\$3,295.9	14.0%	\$1,711.6	6.8%		
Article VIII – Regulatory	\$760.2	\$742.0	(\$18.2)	(2.4%)	\$855.6	\$95.4	12.6%	\$113.6	15.3%		
Article IX – General Provisions	\$0.0	\$350.0	\$350.0	N/A	(\$1,599.9)	(\$1,599.9)	N/A	(\$1,949.9)	(557.1%)		
Article X – Legislature	\$433.5	\$470.9	\$37.4	8.6%	\$475.4	\$41.9	9.7%	\$4.5	1.0%		
Total, All Functions	\$172,452.3	\$194,989.9	\$22,537.6	13.1%	\$202,040.2	\$29,587.9	17.2%	\$7,050.3	3.6%		

NOTES:

- (1) Fiscal year 2022 and 2023 amounts do not include items adopted in House Committee Substitute for Senate Bill 30, which would reduce the biennial and percentage changes referenced above. The 2024-25 biennial amounts in CSHB1 are within the required spending limits (see pages 17 to 19).
- (2) Excludes interagency contracts.

SOURCE: Legislative Budget Board.

