



Capitol Update 3-12-13

Greetings from your Texas Capitol!

I wanted to send a note out to my constituents about the recent passage of a supplemental appropriations bill. Though this version of the Update will be shorter than others, I think it's important that I report back to the district on major muscle-movements like this bill.

The **Committee Substitute to House Bill 10** (CSHB 10)—the Senate version of the supplemental appropriations bill—was passed out of the Senate unanimously on Wednesday, and is on the way to Governor Perry's desk for signature. CSHB 10 appropriates a total of \$6.6 billion in general revenue for programs including Medicaid, the Children's Health Insurance Program (CHIP) and the Foundation School Program, among others.

Each legislative session, state agencies project the cost of fulfilling their specific functions for the following two-year budget period. This information along with the comptroller's biennial revenue estimate are submitted to the governor and the legislature before the convening of each regular session. These are the two key components used in the construction of the General Appropriations Act—our state budget.

This supplemental appropriations bill (CSHB 10) is necessary to fill gaps that have arisen between the crafting of our biennial budget last session and the actual expenditure of the dollars during the second year of the budget. Due to the comptroller's revenue estimate in 2011 and the weak state of the national economy, programs like Medicaid were funded as judiciously as possible. The Texas economy has been more robust than expected this biennium, and this supplemental bill ensures that we're adequately funding state services while ensuring we maintain a conservative, balanced budget.

The bill makes \$6.6 billion in general revenue appropriations adjustments* to certain state agencies as follows:

Health Care Program Funding: \$4.5 billion

- To the Health and Human Services Commission for the purpose of providing acute care services under the Medicaid program
- To the Health and Human Services Commission for the purpose of providing services under the Children's Health Insurance Program
- To the Department of Aging and Disability Services for providing long-term care services under the Medicaid program

Funding for Enrollment Growth via the Foundation Schools Program (FSP): \$600 million

- The FSP is the primary source of state funding for Texas school districts and is administered by the Texas Education Agency. The FSP is structured to ensure that all school districts, regardless of property wealth, receive "substantially equal access to similar revenue per student at similar tax effort."

General Funding to Texas Public Schools (as added by Senate): \$1.75 billion

- The Senate voted to repeal the FY 2013 deferment of \$1.75 billion to the Foundation School Program, ensuring our public schools will receive necessary support before the end of this biennium. Originally, these funds were to be held until September of 2013, the first month of the next biennial budget cycle.

**All figures are approximate*

A second supplemental appropriations bill will be forthcoming. Among other items, I anticipate the inclusion of approximately \$150 million to the Texas A&M Forest Service to recoup costs associated with fighting the Bastrop wildfires of late 2011. Though I expect the Senate Finance Committee and House Appropriations Committee will review ongoing school finance issues and increased Department of Criminal Justice costs, there is still much to be considered before approximate dollar-amounts can be discussed.

As always, I encourage you to check out live video coverage of the [House](#) and [Senate](#) and to track legislative activity on the [Texas Legislature Online \(TLO\)](#) website.

God Bless,



Brian Birdwell
State Senator, District 22

Austin: (512) 463-0122 // Waco: (254) 776-6225 // Granbury: (817) 573-9622

Brian.Birdwell@senate.state.tx.us // www.senate.state.tx.us