



Texas Budget

Status and
Landscape

Texans Care for Children:

Recap of Key Children's Policy Issues of
the 2023 Session

June 2023



Where We
Started

Where We Are

- **Biennial Revenue Estimate was \$188 billion**
\$32.7 billion balance plus \$155.5 estimated new revenue
THIS HAS NOT YET CHANGED

HB 1/SB 1 Introduced =
\$43.6 billion under the PayGo Limit
\$4.0 billion under the Constitutional Spending/Tax Limit

HB 1 CCR =
\$10.7 billion under PayGo
\$11.7 billion under adjusted for bill that did not pass

\$1.6 billion under the Constitutional Spending/Tax Limit

Assumes HB 1 CCR, SB30, non-appropriation GR transfers, and adoption of Constitutional amendments

Biennial State Appropriations

	2022-23 Appropriated	2022-23 Base	Base Adjustment & SB 30	2024-25 HB 1 CCR	Biennial Increase	% Change
All State Funds	\$166.3	\$186.0	\$19.7	\$218.0	\$32.0	17.2%
All Funds	\$264.8	\$303.3	\$38.5	\$320.3	\$17.0	5.6%

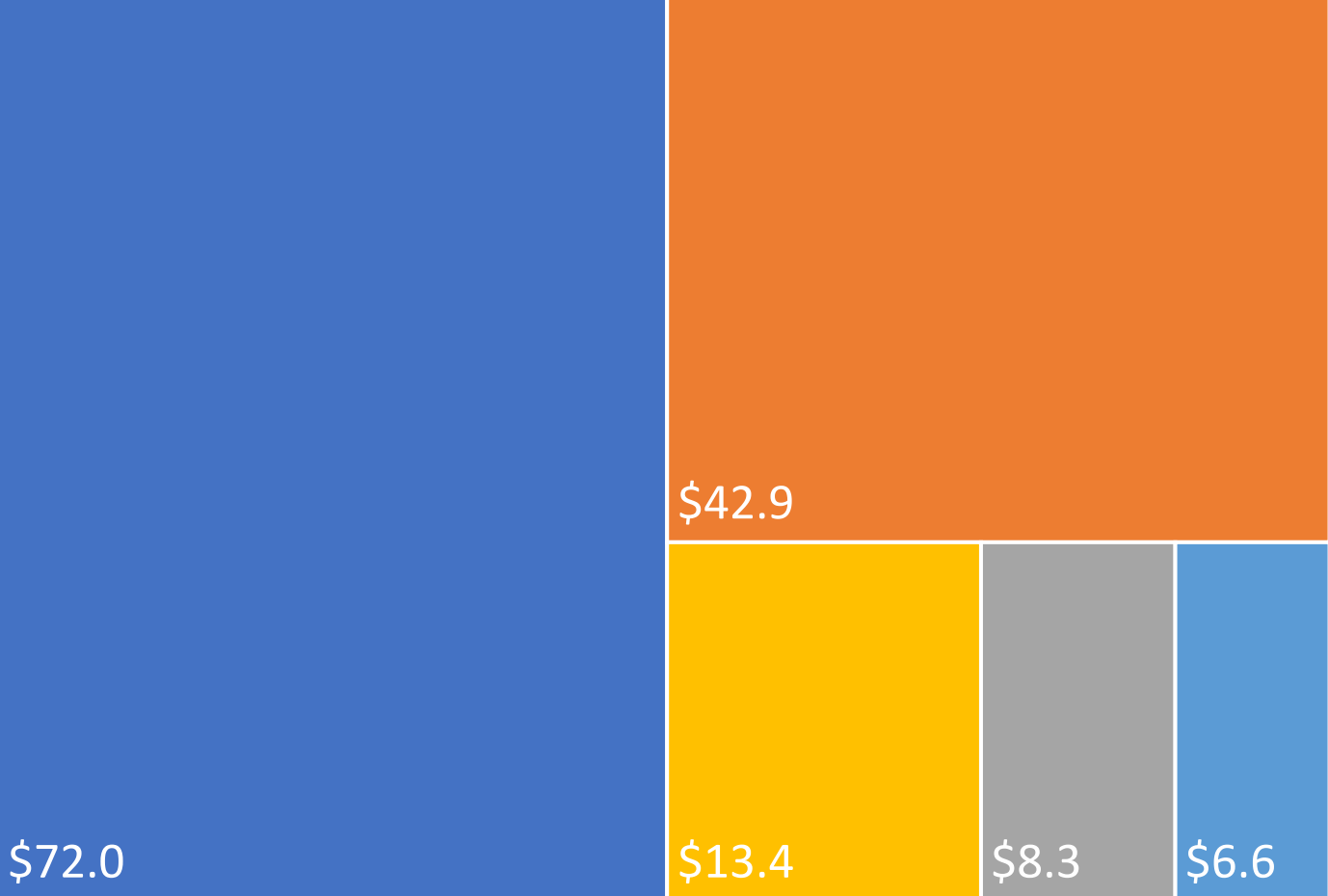
Why Does It Matter?
It's where the money is!

The budget is the statement of legislative priorities.

No other piece of legislation comes close.

General Revenue Appropriations

- Education
- Health and Human
- General Government
- Public Safety/Criminal Justice
- All Else



General Revenue Appropriations

2022-23 amounts include the supplemental appropriations made in Senate Bill 30. 2024-25 appropriations made in Article IX are reflected in the functional articles above. Not included above are certain 2024-25 GR transfers to the Property Tax Relief Fund totaling \$12.3 billion and other GR transfers. Adjusted for veto of Article IX sec 18.76, a contingency appropriation for a bill which did not pass.

Article	2022-23	2024-25	\$ Change	% Change
General Government	\$10,845.8	\$8,284.1	(\$2,561.7)	(23.6%)
Health & Human Services	\$3,915.2	\$42,862.1	\$3,846.9	9.86%
Education	\$62,752.0	\$72,006.6	\$9,254.6	14.75%
Public	\$41,454.6	\$50,402.9	\$8,948.3	21.59%
Higher	\$21,297.4	\$21,603.7	\$306.3	1.44%
Judiciary	\$597.7	\$860.3	\$262.6	43.94%
Public Safety & Criminal Justice	\$12,645.8	\$13,364.7	\$718.9	5.68%
Natural Resources	\$3,294.4	\$3,486.4	\$192.0	5.83%
Business & Econ Development	\$508.1	\$1,292.5	\$784.4	154.38%
Regulatory	\$311.2	434.1	\$122.9	39.49%
Legislature	\$433.4	\$489.6	\$56.2	12.97%
Total, All Articles	\$130,403.6	\$143,080.4	\$12,676.8	9.72%

Property Tax Reduction: \$12.3 Billion

Article IX, Section 18.79 appropriates \$12.3 billion for property tax relief contingent on “legislation relating to providing property tax relief through the public school finance system and proposing a constitutional amendment to except certain appropriations to pay for ad valorem tax relief from the constitutional limitation on the rate of growth of appropriation...”

On September 1, 2023, the Comptroller of Public Accounts shall transfer from the General Revenue Fund into the Property Tax Relief Fund \$6,147,400,000. On September 1, 2024, the Comptroller of Public Accounts shall transfer from the General Revenue Fund into the Property Tax Relief Fund \$6,147,400,000.

While legislation triggering this contingency did not pass in the regular session, it is of course the subject of the current special session. The contingent appropriation remains alive and the transfer is phrased to happen notwithstanding any legislation.

School Finance and Public Education

Article IX, Section 18.78

(a) The following is an informational listing of appropriations made in this rider and elsewhere in this Act to provide additional funding for education in prekindergarten through grade 12:

(in millions)	
Amounts appropriated in this rider:	
Curriculum	\$500.0
School Safety	\$300.0
FSP Formula Funding Increases and Teacher Compensation (incl. TRS)	\$3,996.7
School Choice	\$500
Virtual Education	49.4
Amounts appropriated elsewhere in this Act:	
TRS Active Care	\$588.5
Increase in Golden Penny Yield	\$2,366.7
Increase in New Instructional Facilities Allotment	\$60.0
Instructional Materials	307.0
GR Totals	\$8,668.3

School Finance and Public Education

\$800 million is to meet new requirements in legislation

\$4.5 billion is for legislation that has not yet passed

\$367 million addresses previously reduced appropriations

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Health & Human Services

Department of Family and Protective Services funding continues **Community Based Services** rollout with \$97.1 million and funds \$219.7 million in **Foster Care rate modernization**.

Mental Health Services appropriations total \$11.6 billion in All Funds across HB 1 and SB 30. Increases include \$2.2 billion in SB 30 for mental health state hospital construction, renovations and IT, and targeted increases in HB 1 for hospital operations and community mental health grants

Women's Health Program appropriations total \$447.2 million in All Funds, a \$160.1 million increase

House Bill 12 provides expanded postpartum Medicaid coverage

Community Attendant Wage base increase to \$10.60 an hour supported by \$2.0 billion in appropriations

Targeted Rate Increases (\$206.8 million) for pediatric services, women's health related surgeries, private duty nursing, and ground ambulances

Rural Hospital funding increase of \$178.2 million

Infrastructure & Investment

Selected items...

\$5.6 billion - Teacher Retirement System

\$4.0 billion - New higher education permanent fund

\$2.4 billion - Water-related and erosion control projects

\$1.0 billion - Centennial Parks Conservation Fund

\$1.5 billion - Expand broadband

\$1.8 billion - Employee Retirement System

\$5.0 billion - Dispatchable energy generation loans

\$5.0 billion - Highway construction

Texans Care for Children

Priority Budget Items

Mental Health

Increased state investment was broad, and generally not targeted to children

Child Care

The Workforce Commission did not request funding, and available ARPA funds were not directed to childcare; policy discussions were robust

Early Childhood Intervention

Total ECI funding is \$396.6 million at HHSC and \$33 million at TEA; a \$56.6 million increase

Medicaid Rates and Outreach

The Governor signed HB 12, providing expanded postpartum Medicaid coverage and significantly increased rates in certain areas

Legislative Communication

Dance, Dialogue, Debate

Start	Start Early! Now!
Justify	Have your analytics and specifics. “Trust us” is not a strategy
Build	Build a Diverse Coalition Develop a broad network of members and staff. Work with the relevant agency - will they make the ask?
Ask	Ask for What You Need Always. But make sure you have also done your justification work! Be consistent.
Don't	Don't rely on dense reports, media, “but it's the right thing” or heroes Summarize, justify, tighten. Expand your network.

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