



**2024–2025
GOVERNOR'S BUDGET**

GREG ABBOTT



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2024-2025



TEXAS GOVERNOR GREG ABBOTT
PRESENTED TO THE 88TH LEGISLATURE
FEBRUARY 2023



GOVERNOR GREG ABBOTT

February 16, 2023

The Honorable Dan Patrick, Lieutenant Governor
The Honorable Dade Phelan, Speaker
Members of the 88th Legislature

Freedom and opportunity are deeply rooted in the history of our great state. As a result, the Texas of today is America's undisputed economic engine.

Our more than \$2 trillion economy is the ninth largest in the world. We lead the nation in energy production, in exports, and in high-tech exports. We are the top state for Fortune 500 headquarters and home to 3.1 million small businesses, one in five of the nation's Hispanic business owners, and one in ten of the nation's Black business owners.

We lead the nation in population growth, again gaining more people last year than any other state and surpassing 30 million in total population. Since 2015, more than 40% of that growth is newly born Texans. And as the "stickiest" state in the nation, more than eight in ten of those born here, stay here.

We are home to 11 Tier One research universities, plus top-ranked universities for business, engineering, affordability, and more. Our high school graduation rate is among the highest in the nation. And thanks to some of the best teachers in America, we have more Blue-Ribbon schools than any other state.

Most importantly, we lead the nation in job creation, adding more than 650,000 jobs last year and breaking record after record for total jobs. In fact, more Texans have a job today than ever before. That puts more Texans on the path to prosperity, through higher wages and unparalleled opportunity.

Our mighty Texas economy has produced another record - we now have the largest budget surplus in the history of our state. But make no mistake, that money does not belong to the government. It belongs to the taxpayers.

We will use that budget surplus to provide the largest property tax cut in Texas history. We will invest in our students, in our teachers, and in our schools and empower parents to ensure our education system works for every child. We will invest in workforce development, reward our community colleges for performance, and enhance research excellence in our universities. We will help build stronger families and care for our vulnerable. We will fund infrastructure improvements and continue attracting new business investments and economic opportunities. We will do that and more while preserving liberty and ensuring the safety and security of the people of Texas.

We will achieve these goals because we live in a state of infinite possibilities. A state that encourages Texans to reach for the heavens and beyond. A Texas where children can access the knowledge and tools they need to be the future entrepreneurs, scientists, and artists that will help shape Texas for generations to come. A Texas where we value freedom, security, and the rule of law so that everyone can feel safe in their home, workplace, and school.

Today, we gather at the threshold of a legislative session that will transform the lives of Texans for decades to come. We will build on the legacy of freedom and opportunity entrusted to us and create a Texas where all Texans can chart their own destiny. Together, we will build the Texas of tomorrow.

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Property Taxes

Lowering property taxes has been a high priority not only for Texans generally, but for the Legislature specifically, for the last twenty years. The significant reforms made in 2019 finally shifted the growth curve of the growing property tax burden. Legislation lowered the "voter approval tax rate" for cities, counties, and special districts from 8% to 3.5%, and limited growth of the local share of school district Tier 1 Maintenance & Operations (M&O) to 2.5%, setting tax rates on track to compress as property values grow. As a result, the maximum independent school district Tier 1 M&O tax rate has decreased from \$1.00 per \$100 of valuation in 2019 to \$0.88 in 2022 and would be further compressed in 2023-2024 based only on projected property value growth. These historic and transformational tax policies put Texas on the right path, and that progress must continue. Furthermore, homeowners were provided additional relief in 2021 when the homestead exemption was increased from \$25,000 to \$40,000, and senior citizen homeowners whose school district taxes are capped were provided even greater savings from school district tax rate compression.

Today, due to a multitude of factors from unprecedented inflation to high housing demand, we are experiencing skyrocketing property value growth, more than 50% increases in some instances, and steadily rising property tax collections year over year. As a result, we must – and we will - do more to provide meaningful tax relief to homeowners and businesses across the state. Thankfully, a robustly growing economy and the extraordinary revenue surplus in the state's budget has afforded us the opportunity to do so.

I recommend the 88th Legislature utilize \$15 billion to build on the promises made in 2019 by strengthening the statutory compression mechanism and further compressing tax rates in a sustainable manner.

I also recommend senior citizens should be automatically enrolled in the additional \$10,000 homestead exemption on school property taxes, and their county property taxes should be frozen.

Furthermore, I recommend small businesses be provided targeted relief with an increased exemption for business personal property.

Public Education

"Public Schools play an essential role in our state. They educate our future entrepreneurs, scientists, and leaders. We must ensure that our education system works for every child."

- Governor Abbott, State of the State Speech, February 2023

Education Freedom

Education Savings Accounts (ESA) provide parents with the option to use funding that would otherwise be allocated to their child's public school on a variety of educational expenses such as private school tuition, online learning programs, instructional materials, and educational therapies. ESA programs have been successful in other states, and, on a limited basis, in Texas with the Supplemental Special Education Services (SSES) program. Parents deserve the opportunity to choose the educational setting that is best for their child whether it is a traditional public school, public charter school, private school, or home-schooling.

I recommend the 88th Legislature further empower parents by establishing an Education Savings Account program that allows funding to follow the student to the educational provider and/or services of the parent's choosing.

TEA Curriculum Reform

Student outcomes have begun rebounding and showing improvement, but more must be done so every student can catch-up from any COVID-related learning loss. Evidence shows only about 17% of classroom lessons are on grade level. Meanwhile, teachers spend significant time trying to find lesson material with nearly half reporting they spend more than 6 hours each week gathering content. Additionally, parents are increasingly concerned about ideology, indoctrination, and inappropriate content in classrooms, with limited options for recourse.

State law gives local school districts full decision-making over instructional materials with minor support from the Texas Education Agency and State Board of Education. With an improved evaluation and approval process at the state level, implementation supports at the school level, and increased transparency, these curriculum improvements will result in far more students meeting grade-level expectations, less teacher burnout, and parents empowered to make informed decisions about their students' education.

I recommend the 88th Legislature address curriculum challenges with outcomes that enhance student performance, minimize inappropriate and ideological content, improve quality of classroom instructional materials, help ease teachers' workloads, and ensure curriculum transparency for parents.

School Safety & TCHAT

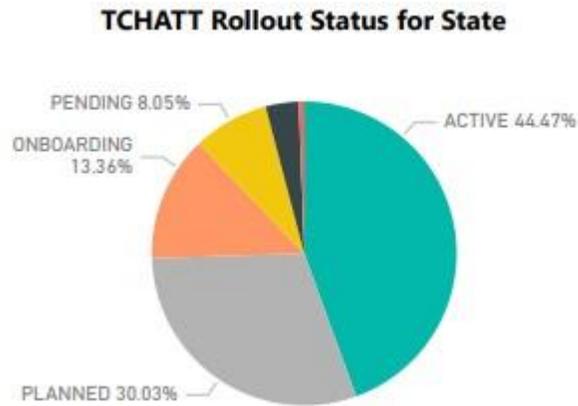
"We cannot let another school year go by without making our schools safer."

- Governor Abbott, *State of the State Speech, February 2023*

The safety of students and teachers across Texas continues to be a top priority. In 2018, Governor Abbott released his School and Firearm Safety Action Plan and made school safety an emergency item for the 2019 Legislative Session. This resulted in the passage of several bills which enhanced school safety and expanded access to mental health resources. Additionally, \$100 million of School Safety Grants and a school safety allotment were provided for campus security improvements, such

as the installation of metal detectors, security systems, door locking systems, and perimeter security fencing.

In addition to enhancing physical safety on campuses, the 2019 Legislature established the Texas Child Mental Health Care Consortium aimed at bringing together psychiatric professionals from Texas medical schools and other health care providers to connect children with mental health services. One of the Consortium's initiatives is the Texas Child Health Access Through Telemedicine (TCHAT) which provides telemedicine or telehealth programs to school districts to help identify and assess the behavioral health needs of children and adolescents and provide access to mental health services with parental approval. To date, TCHAT is active on 4,142 campuses, serving half of public-school students, with an additional 1,244 campuses onboarding and 3,547 more campuses in planning stages.



Despite these efforts, the State of Texas suffered a great loss in the tragedy at Robb Elementary School in Uvalde on May 24, 2022, when 19 students and two teachers were killed.

In response, more was done to provide school districts with the resources needed to ensure they can safely secure their campuses with flexibility.

On June 28, 2022, Governor Abbott and the Legislative Budget Board approved a Joint Budget Execution transfer of \$100.5 million to bolster school safety efforts including funding for bullet-resistant shields, TCHAT and other mental health program expansion, Advanced Law Enforcement Rapid Response Training (ALERRT) Center, the Texas School Safety Center, silent panic alert systems, and the Texas Department of Public Safety Fusion Center.

Furthermore, a new Chief of School Safety and Security was appointed in 2022. The Chief is tasked with ensuring Texas schools are implementing the school safety policies passed by the legislature and taking every action possible to ensure schools are using best practices to safeguard against school shootings and other dangers. There are additional opportunities for the Legislature to enhance requirements and provide greater accountability tools.

In October 2022, an additional \$400 million was transferred by Joint Budget Execution to provide grants to schools to make additional physical safety improvements on campuses.

I recommend the 88th Legislature continue enhancing the security of our schools by:

- *Providing no less than \$600 million to make necessary school safety improvements including technology upgrades, hardening equipment, and expanded mental health resources, as well as other school safety needs*
- *Providing \$6.6 million for officer ALERRT training; and*
- *Providing \$142 million to sustain the statewide implementation of TCHAT.*

Special Education Funding

As part of the historic school finance reform passed in 2019, the special education mainstream student weight was increased from 1.1 to 1.15, which led to an approximate \$100 million increase in state special education funding biennial funding. However, the settings-based funding model established in the 1990s was largely left unchanged. Further study by the Special Education Allotment Advisory Committee, the Texas Commission on Special Education Funding, and the Continuing Advisory Committee for Special Education have recommended changing to a service intensity-based system so state funds are tied to the needs of the student rather than the placement in which they receive services.

I recommend the 88th Legislature align special education funding with the student-first school finance system established in House Bill 3 by implementing the recommendations of the Texas Commission on Special Education Funding, which include transitioning to a service intensity-based formula system, investments in the special education educator workforce, and increased funding for evaluations.

Teacher Workforce

From urban and suburban school systems with large student populations to districts serving rural communities, school systems across Texas are faced with growing staffing challenges that have been exacerbated by both population growth and the wide-ranging disruptions of a two-year-long pandemic. Earlier this year, Governor Abbott directed the Texas Education Agency to bring together educators for “a thoughtful, creative conversation to develop strategies to attract, train, and retain the teachers our students need.” This resulted in the creation of the Teacher Vacancy Task Force (Task Force) to tackle these challenges with a variety of perspectives and experiences from current classroom teachers and school administrators.

The Task Force is set to release policy recommendations with innovative ways to support teachers as they educate young Texans. These recommendations include improvements to pay and benefits, training and support for current and future teachers, and strategies to improve working conditions.

I recommend the 88th Legislature invest in our teaching professionals by (1) increasing pay and supports for current teachers, including through the Teacher Incentive Allotment, (2) expanding access to high-quality educator preparation programs such as teacher residencies and apprenticeships, and (3) improving teacher supports in the classrooms.

Benefit Enhancement for Retired Teachers

The Legislature should continue honoring its commitment to retired Texas teachers. In 2019, the Legislature statutorily increased contribution rates to set the pension fund on course toward solvency and provided retired teachers a one-time supplemental payment of up to \$2,000. Last session, a 13th check was made an emergency item in the first called special session, which resulted in more than 400,000 TRS retirees receiving a one-time supplemental payment of up to \$2,400.

Those structural changes now mean the TRS fund is actuarially sound and can support another benefit enhancement for retired teachers. The inflation pressures felt by retirees make this issue especially timely.

I recommend that the 88th Legislature authorize a benefit enhancement for retired teachers in the Teacher Retirement System. to honor our commitment to those who have educated our Texas children.

Higher Education

Community College Performance Funding Structure

“Our goal is to ensure that every Texan is prepared to succeed in high-demand industries like technology, healthcare, and energy.”

- Governor Abbott, *State of the State Speech, February 2023*

To meet the needs of a growing economy, Texas must have an adequately skilled workforce. Community Colleges play an integral role by providing credentialing and certification options. The Texas Commission on Community College Finance (TCCCF) developed recommendations that are aligned with workforce needs through performance-based funding, access to financial aid, and start-up grants to for high-demand programs to quickly meet the needs of communities and the state.

Texas can lead the nation in moving to a performance-based funding system for Community Colleges. The need for skilled labor has never been greater, which makes this change so relevant and necessary for students, communities, and the economy.

I recommend the 88th Legislature provide the resources necessary to fully implement the TXCCCF recommendations.

My Texas Future

The most effective tool to reduce the cost of higher education is strong academic and career counseling to help students embark on the most efficient path to the training, credential, or degree needed for the career of their choosing. Effective counseling helps students take full advantage of college credit opportunities in high school, earn transferable credits at community colleges, and avoid paying for unnecessary credit hours that turn into expensive semesters of foregone income.

In a world where students have more potential career path options than ever before, academic and career counseling is even more critical. Seeded with Governor’s Emergency Education Relief funding, the Texas Higher Education Coordinating Board (THECB) created MyTexasFuture.com which will transform the way Texas students plan for college and their future career. Students will be able to identify career opportunities and personalize the planning process and connect their goals with information such as the cost of education, transferable credits, real-world earnings, and regional job demand.

I recommend the 88th Legislature provide \$20M to the THECB to further expand My Texas Future tool and other advising services to reach all Texas students.

Healthcare Workforce

The need to cultivate the healthcare workforce in Texas is not new. But the population growth of Texas, combined with the unparalleled stress of the pandemic on an already stretched workforce, necessitates a redoubling of investment to bolster this workforce. Research shows that healthcare providers are more likely to enter their profession in the same locations where they train. It's critical for to continued state support of public health institutions and programs, additional Graduate Medical Education (GME) slots, continued nursing shortage reduction funds, and loan repayment programs targeted to physicians and mental health workers.

I recommend the 88th Legislature increase our investment in new and existing programs like GME funding, nursing shortage reduction incentives, and physician and behavioral health loan repayment programs to bolster the healthcare workforce.

University Endowment to Enhance Research Excellence

Texas universities are among the best in the nation for teaching, affordability, and research. As the fertile ground for studying everything from cancer to agriculture, from cyber security to energy production and beyond, the discoveries made not only improve the lives of Texans, they create enormous economic benefits. Texas has recently achieved the rank of #1 in the number of Carnegie Tier One research institutions. The establishment of an endowment fund for Emerging Research universities that do not have access to the Permanent University Fund will further propel these universities in the rankings. Providing Emerging Research Universities with a lasting source of research funds will generate more consequential research and create even more opportunities for Texas students to change the world.

I recommend the 88th Legislature create permanent endowments for the emerging research universities that do not currently have access to the Permanent University Fund, including \$1 billion each for the University of Houston and Texas Tech University, as well as new resources for Texas State University and the University of North Texas.

Building Stronger Families

Family Resources

Texas is a pro-life state. Part of living up to the pledge of protecting the lives of babies in their mother's wombs is also ensuring moms and families have access to necessary resources throughout the child's life. Texas offers an array of services across numerous agencies but navigating the system can be overwhelming.

Alternatives to Abortion is one program that comes alongside families to provide them with education, mentors, counseling, and material assistance like diapers, car seats, and clothes. Alternatives to Abortion providers can also help the family navigate other state services.

A new effort to help families navigate the information and services available through state agencies is the launch of a one-stop Family Resources website (FamilyResources.texas.gov). This online tool provides necessary support for expectant and new mothers, parents, families and their children, by helping them connect with programs to ensure healthy futures for all Texas families. This website serves a reliable source of information on the Alternatives to Abortion program, pregnancy care, adoption services, health insurance, parenting classes, food benefits, child support, childcare, and financial assistance. With additional funding, the Texas Health and Human Services Commission (HHSC) should develop the site into an even more robust, intuitive, and helpful resource for families in all stages of life.

I recommend the 88th Legislature continue the expansion of Alternatives to Abortion program and provide necessary funding to continue the ongoing development of the Family Resources website.

Women's Health

Texas is invested in improving women's health and improving maternal morbidity and mortality outcomes. The Healthy Texas Women program has been expanded in recent years to include specific postpartum benefits. Last session, Texas authorized the extension of pregnant women's Medicaid to 6 months postpartum, though the Federal government has not approved the waiver amendment needed to provide this coverage. This session, the Legislature should extend that authorization from 6 months to 12 months of postpartum coverage to improve maternal health outcomes. HHSC and the Department of State Health Services should also continue to work with doctors and hospitals on other targeted maternal safety initiatives.

I recommend the 88th Legislature appropriate sufficient funds to extend postpartum coverage up to 12 months and to continue the Healthy Texas Women program.

State Employee Paid Family Leave

To continue our leadership as a pro-family state, Texas must also be a pro-family employer. The State of Texas employs more than 215,000 full time people across all agencies. The creation of a state employee paid family leave program would help strengthen Texas families and promote recruitment and retention of state employees. This change will promote maternal mental and physical health, and reduce healthcare costs for the state, while promoting healthy child development. To the degree some agencies need to hire temporary employees or pay overtime to cover employees on leave, there may be a slight increase in personnel costs for those agencies.

I recommend the 88th Legislature appropriate sufficient funds to cover any expansion in personnel costs related to implementing a paid parental leave program for state employees.

Caring for the Vulnerable

Foster Care

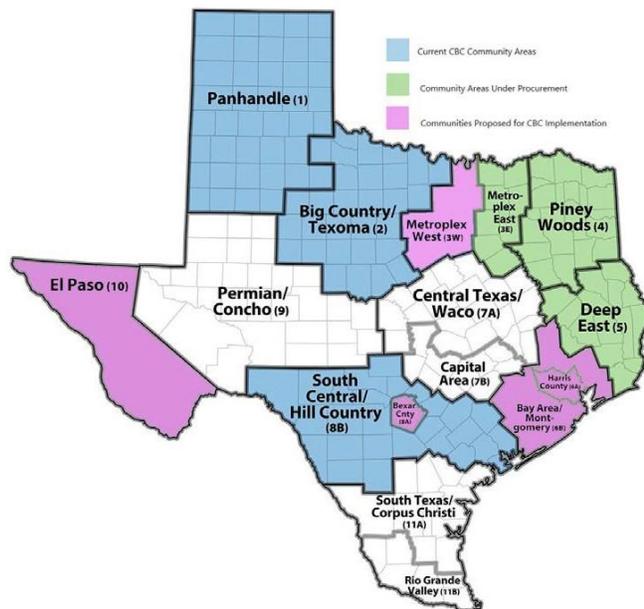
Every day, foster families in Texas answer the call to care for children who are displaced from their family homes. While fostering is an enormous personal commitment, there are also financial realities that exist. Families who step up to provide loving support for our foster children should be supported with the resources necessary to provide that care.

The current rate methodology was instituted in 1988 – nearly 34 years ago. Some rates have been increased over the years; however, the process does not capture all types of care, nor does it recognize the acuity of foster youth, and it depends on providers’ ability to fundraise. Costs have also been impacted by federal court decision requirements and the negative effects of COVID-19.

I recommend the 88th Legislature provide funds to enable both the Department of Family and Protective Services and providers to transition to an updated rate methodology and provide bridge rate increases until the new rate methodology can be implemented.

Community Based Care Services

In 2017, the Texas Department of Family and Protective Services (DFPS) began the transition from the legacy foster care system to a locally driven model that is both innovative and flexible for children and families, known as Community Based Care (CBC). Due to the Legislature’s commitment and dedication to the transformation of Texas’ foster care system, CBC is currently in Stage II in four regions of the state meaning placement, reunification, kinship services, case management, and court duties are all being managed on the local levels. By the end of the year, DFPS estimates approximately half of the state geographically will be under CBC (Stage I and II). Although great



progress has been achieved in transforming our foster care system, there is still much work to be done to partner with communities and reform agency functions to implement CBC statewide.

I recommend the 88th Legislature provide the funding, including planning grants, to more expeditiously transition from the legacy foster care system to true, functional community based care.

Child and Adult Protective Services

Child Protective Services (CPS) serves Texas families every day by providing families with in-home services, foster care placement, adoption support, and assisting youth to successfully enter adulthood. DFPS has done great work in utilizing kinship placements for children in conservatorship, but the agency and the Legislature should explore opportunities to keep even more children with relatives when parents cannot be the primary caretaker.

Even as the agency is moving toward CBC for the placement and case management of children, the other functions of the agency are evolving, as well. Much focus has been on finding safe placements and providing appropriate behavioral health interventions to children with the greatest needs.

Additionally, Texas Adult Protective Services (APS) has been continually heralded as the top program of its kind in the nation and serves nearly six million adult Texans who are either 65 and older or 18 and older with a disability. APS works diligently to safeguard the physical, mental, and financial safety of vulnerable adults by investigating reports of abuse, neglect, and exploitation, as well as educating the general public on the signs and prevention of elder abuse.

According to recent reports, one in ten seniors will become a victim of financial abuse. To combat this troubling statistic APS established a financial exploitation pilot program in 2018 that continues to successfully operate in the DFW area. In March of 2022, APS stood up two more similar units, one in Houston and one in South Texas. These units are equipped with specialized caseworkers who partner with law enforcement and the judiciary to detect and intercept potential acts of financial exploitation against Texas seniors before devastation occurs.

I recommend the 88th Legislature appropriate adequate funding to support DFPS reform, improve CPS investigative response, maximize the use of kinship care, and support the continuation of APS elder financial exploitation units across the state of Texas.

Community Attendants

People with intellectual or physical disabilities may rely on community attendants to assist with daily tasks in order to retain more independence and experience an improved quality of life in community settings. The work required of these attendants is demanding, and the State should adjust the current rates in order to attract and retain quality attendants, so that our fellow Texans have the care that they need to remain healthy and independent.

I recommend the 88th Legislature provide the funds necessary to increase the rates paid to maintain safe and comfortable homes for some of our most vulnerable Texans.

Nursing Homes

Nursing homes are facing many challenges- increasing medical costs, low wages for attendants, and an inability to attract and retain qualified staff. Throughout the COVID public health emergency, Texas paid an enhanced rate to assist facilities to comply with the enhanced health protocols. But

even as the public health emergency ends – and with it, the enhanced rate – the overall health care workforce remains strained, leaving nursing homes to face continued increased costs. It is incumbent upon the State to pay rates that provide for safe and comfortable care for our senior citizens who cannot live at home.

I recommend the 88th Legislature provide \$450 million to increase nursing home rates to allow facilities to hire and retain the staff needed and provide the safe facilities our senior citizens deserve.

Behavioral Health Treatment Capacity

State hospitals provide essential mental health services across the state. Texas has recognized the need to modernize and expand the capacity of the state mental health hospital system and has already completed a new state mental hospital in Houston, with planning and construction underway in Austin, San Antonio, Dallas, and East Texas.

Capacity issues persist in both outpatient and inpatient settings, due in part to the workforce needs that have been exacerbated by COVID-19. Meeting the behavioral health needs of Texans will require additional staffing support for state hospitals and community based programs, as well as increasing the number of licensed behavioral health practitioners.

Youth and their families need additional access to both crisis and preventative services available in their community and in schools through programs like the Community Mental Health Grant Program, the Texas Child Health Access Through Telemedicine (TCHATT) program, Multisystemic Therapy (MST), and Coordinated Specialty Care (CSC).

As part of the restoration process for the Uvalde community, a study identified the need for several systematic changes to benefit the entire Uvalde region, including a new Regional Behavioral Health Campus. As the Legislature considers how to better provide behavioral health services throughout the state, the Uvalde facility must be prioritized.

I recommend the 88th Legislature continue the modernization and expansion of the state and community behavioral health system, prioritizing a Regional Behavioral Health Campus in Uvalde, and supporting behavioral health workforce initiatives.

Veterans Mental Health

Texas is home to more than 1.5 million service veterans, the second-highest veteran population in the country. As such, Texas should lead the nation in its approach to supporting those who have served our country. One way to serve these Texans is by investing in initiatives like the Texas Veterans + Family Alliance Grant Program (TV+FA) which awards grant funding to organizations that provide critical mental health programs and non-clinical services to Texas veterans and their families. Texas has a long, proud history of serving those who have served us – which we will continue by expanding programs like the TV+FA to increase the availability, access, and delivery of support services for veterans and their family members.

I recommend the 88th Legislature increase funding for programs like the Texas Veterans + Family Alliance Grant Program to fully leverage available matching dollars and expand mental health services for our veteran community.

Investments in Infrastructure

“Our booming economy and growing population means we must bolster our infrastructure.”

- Governor Abbott, State of the State Speech, February 2023

Over the last decade, Texas has made significant investments in road, water, and energy infrastructure. But as more than one thousand people move to Texas every single day, a strategy to expand and improve the state’s infrastructure is crucial. As Texas is blessed with a historic surplus, there is no better time to consider capital investments benefit the growing economy and ensure Texans can efficiently get to-and-from work and school, have clean drinking water, connect to broadband internet, and access affordable and reliable energy. There are a few ways we can achieve these goals, including:

Texas’ Highway & Roadway Capacity

This is a historic moment for transportation in Texas. The decisions made in 2014 and 2015 to dedicate a portion of oil & gas severance taxes and sales taxes to the State Highway Fund have resulted in \$11.4 billion in construction contracts last year and over \$33 billion of road projects under construction across the state. This record pace will continue as the Texas Department of Transportation’s (TxDOT) upcoming 10-year plan will call for an unprecedented \$100 billion in new construction projects and \$140 billion total investment to meet rural and urban transportation needs.

Expanding mobility capacity improves safety and efficiency for every parent dropping their child off at school, working professionals commuting to the office, and truck drivers delivering goods and services to every corner of the state. According to TxDOT, more than 1.2 billion tons of freight valued at over \$1.6 trillion moves on Texas’ roadways annually. It is imperative to continue TxDOT’s funding levels to ensure 200,000+ lane miles and 55,000 bridges are expanded and maintained to deliver increased mobility and safety, enable economic opportunity, and enhance the quality of life for all Texans.

I recommend the 88th Legislature build on the \$26.5 billion dedicated for highway funding under Proposition 1 (2014) and Proposition 7 (2015) so that TxDOT can continue to adequately address Texas’ roadway needs.

Ship Channel Improvement Revolving Fund

International trade is critically important to the state economy. Texas has been ranked as the nation’s top exporting state for 21 years in a row. In 2020, Texas ranked first nationwide for total waterborne tonnage, which amounted to over \$308 billion in overall trade. As a result of the COVID-19 pandemic, the last three years revealed supply chain challenges. To better respond to such challenges

in the future and to ensure Texas' ports remain the best in the nation, the State should provide the necessary support for deepening and widening projects. Such investments will allow Texas' ports to accept larger vessels, move them more efficiently, and get goods to market more expeditiously. Texas currently has eight federally authorized deepening and widening projects with a current total project cost of \$3.66 billion, \$1.47 billion of which is designated as the non-federal local share.

I recommend the 88th Legislature fund the Ship Channel Improvement Revolving Fund, which will provide low-cost loans to non-federal sponsors of Texas' waterways to deliver these critical channel deepening and widening projects.

Flood & Water Infrastructure

In the wake of Hurricane Harvey, there has been a renewed focus on improving the resiliency of coastal infrastructure and protecting the 4th largest city in the U.S., and the ports through which 80% of the nation's crude oil exports are transported. In 2020, work began on the Sabine to Galveston project. A \$500 million appropriation is required to continue the work, in partnership with the U.S. Army Corps of Engineers, on the Sabine Pass to Galveston Bay project to improve the existing levee system in Jefferson County, build a new levee system in Orange County, and to initiate implementation of the Coastal Texas Program. The non-federal sponsor's responsibility is 35% of the cost, and the state has already invested \$400 million.

Additionally, the Legislature should consider additional investments to help local communities address and plan for flooding prevention and remediation, as well as for water and wastewater needs by utilizing the Flood Infrastructure Fund (FIF) and State Participation Program.

I recommend the 88th Legislature appropriate \$500 million to protect millions of residents, businesses, and critical ports and refineries along the Gulf Coast from catastrophic damage from storms. Additionally, the Legislature should prioritize funding for water, wastewater, and flood prevention projects.

Broadband Development Office

The 87th Legislature established the Broadband Development Office (BDO) within the Comptroller's Office, as the lead state entity tasked with establishing a long term, statewide plan aimed at universal broadband connectivity in Texas, including the mapping of "unserved" areas. In this role, the BDO serves as the administrator of federal and state funds. While the federal funds for broadband expansion will be beneficial, there will be a non-federal match requirement, and there are some definitions and requirements that may limit the utilization of federal dollars in all areas of the State.

As the Legislature recognized last session, broadband is critical for advancing the education, health, and economies of all Texas communities. Therefore, it is imperative the BDO is fully funded to ensure it is prepared to take advantage of federal funding to help broadband reach all parts of the State.

I recommend the 88th Legislature fully fund the Broadband Development Office to ensure Texas is prepared and ready to leverage federal funds to continue expansion broadband across the state.

Economic Development

“From our large metros to rural Texas and everywhere in between, businesses large and small have made Texas the #1 state for business.”

- Governor Abbott, *State of the State Speech, February 2023*

Governor’s Economic Development & Tourism Office

There are several programs within the Governor’s Economic Development & Tourism Office (EDT) which focus on attracting new jobs, capital investment, and visitors to Texas. Together with local and regional economic development partners, these initiatives have helped make Texas the national leader for economic vitality and job creation.

Texas Enterprise Fund

The Texas Enterprise Fund (TEF) was established in 2004 as a performance-based incentive to attract new jobs and capital investment to Texas. When created, TEF was the largest “deal-closing” fund of its kind in the nation. Today, TEF no longer holds that title, and other states have created their own deal-closing funds to compete with Texas. TEF is a critical financial incentive used to facilitate the relocation, expansion, and retention of domestic and international companies, thereby attracting new jobs and capital investment to diverse communities across Texas. Since its inception, TEF has contracted with 192 companies for over \$675 million in grant awards, resulting in over 110,000 jobs and \$53.3 billion in capital investment.

Texas Moving Image Industry Incentive Program

Texas is home to some of the most sought-after filming locations in the world, as evidenced by the ability to attract large productions like *1883*, *Walker*, and *The Chosen* – as well as smaller, independent productions. The number of filming locations throughout Texas is only exceeded by the variety of Texas stories to be told. The Texas Film Commission (TFC) acts as a liaison between local communities and production companies and is the first stop for resources that serve the film, television, commercial, animation, and video game industries. TFC also oversees the Texas Moving Image Industry Incentive Program (TMIIP), which helps to attract productions to the state, thereby creating jobs and bringing significant economic impact. Since 2007, the economic impact of TMIIP awards to urban metros and rural communities is over 500% and has led to the creation of over 183,000 jobs and almost \$2 billion of in-state spending. Historically, TMIIP eligible projects have utilized all appropriated funding in each biennium. In 2022-2023, with an appropriation of \$45 million, the TFC received grant applications for twice the appropriated amount. Media production jobs are high-skill, high-paying jobs and are versatile enough to cross over into other sectors. Continued funding for the TMIIP will ensure Texas’s ability to compete with other states and international jurisdictions in supporting media production.

Travel Texas

Promoting Texas as a premiere travel destination to out of state visitors is the function of the Travel Texas division in EDT and is particularly crucial as the industry continues to recover from the devastating effects of the global pandemic. While travel demand has improved, this sector is still recovering, and there is even greater competition among destinations for travelers. Increased global competition, along with a media market that has become more expensive due to inflation, makes it critical that tourism promotion, advertising, and marketing is adequately funded. Statute dedicates 0.5% of the State Hotel Occupancy Tax to the Travel Texas division, which uses these funds to promote tourism to Texas across the nation and the world. Access to all available revenues in Account 5003 allows the State to maintain its position as a top travel destination.

Funding these important programs will keep Texas' economic development and tourism efforts competitive with other states, serve the growing interest and demand for major media productions, and promote and preserve Texas' rich heritage.

I recommend the 88th Legislature replenish the Texas Enterprise Fund, provide adequate funding to the Texas Moving Image Industry Incentive Program, and appropriate all hotel and motel occupancy taxes dedicated for Texas' tourism promotion programs.

CHIPS Act

In 2022, the Federal CHIPS and Science Act ("CHIPS Act") was signed into law providing federal incentives for American semiconductor research, manufacturing, and workforce development. The CHIPS Act is meant to encourage the construction of manufacturing facilities in the United States, and to reduce reliance on overseas chip supply chains while boosting the nation's science and technology base.

The law contains over \$50 billion in federal incentives to accelerate and drive domestic production, attract new semiconductor facilities; conduct R&D and workforce development further and domesticate the semiconductor supply chain.

While the federal government works to implement the CHIPS Act, The National Semiconductors (Centers) Texas Task Force was organized in October 2021 within the EDT Office to bring together state government, the semiconductor industry, higher-education institutions, and workforce stakeholders to ensure that Texas will remain the national leader in semiconductor chip manufacturing, development, and exports. In 2020, the industry contributed \$15.3 billion to Texas gross domestic product (GDP), accounting for 15% of the industry's total U.S. GDP.

The CHIPS Act presents further opportunities for Texas in Research and Development, in the form of research centers such as the NSTC, NAPMP, as well as other research and workforce development programs; and manufacturing, in the form of federal incentives to attract semiconductor manufacturing facilities and their suppliers back to the United States. As the U.S. Department of Commerce continues its work to implement the CHIPS Act, we must ensure the state of Texas is equipped to continue to lead the nation in terms of cutting-edge technology and critical semiconductor manufacturing.

For Texas to be best positioned to successfully leverage the unique funding opportunities provided through the CHIPS Act, there are several policy and funding decisions for the Legislature to consider. State support for workforce training programs, higher education research proposals, infrastructure improvements, tax incentive programs, and deal closing funds will be crucial in competing these federal dollars.

Texas, the birthplace of the integrated circuit, has the innovation, the infrastructure, and the talent to continue to lead the nation in development of existing and future technologies here to the Lone Star State to protect our nation's security.

I recommend the 88th Legislature consider a cross-government approach to ensure Texas is competitive for CHIPS Act related opportunities, as well as ensure state funding is available to fully leverage the federal funding provided through the CHIPS Act.

Economic Incentive Tools

Recent events renewed the conversation about the risk of over-reliance on international trade for critical food, medicine, technology, materials, and energy. While the Texas economy is significantly diversified to include these necessities, it is imperative that the state continue to develop the infrastructure, resources, and technology to be self-sufficient. Appropriate economic development tools will be a necessary part of building that self-sufficiency.

Texas must be competitive among the states and across the globe by continuing to lead with major capital investments in manufacturing and energy production, specifically from companies like Samsung, Texas Instruments, and Tesla. The "Texas Miracle" has persisted thanks to a talented workforce, robust infrastructure, innovative technology development, abundant natural resources, competitive electricity markets, and a business-friendly regulatory environment. In order for Texas to remain the economic engine of the United States, we must continue to work collaboratively with local economic development organizations and business communities and maintain access to all appropriate economic incentive tools needed to attract significant manufacturing and energy industry stalwarts to the state.

I recommend the 88th Legislature develop necessary economic incentives to continue attracting major capital investment and manufacturing to Texas while also incentivizing the creation of new energy production.

Space

Texas has been the leader of the United States' space missions since the start of the space program in 1961, and has maintained that position through our skilled workforce, robust economy, and geographic advantages. The aerospace industry has provided billions of dollars in economic benefit to the state during that span. The 2022 Aerospace Manufacturing Attractiveness Report from Price Waterhouse Coopers ranks Texas the #1 state in the nation for aerospace attractiveness. With companies seeking to expand space travel in coming years, continued development of the space industry in the state will ensure Texas remains at the forefront not only in the United States, but the entire world. Further investment will cement Texas as the preeminent location for innovation and development in this rapidly growing industry. Due to increased competition from other states and internationally, further planning and coordination is needed to keep Texas at the cutting edge. The

creation of the Texas Space Commission will help grow the future of the aerospace industry by working to formulate and implement a strategic plan for the development of civil, military, and commercial space initiatives while also coordinating the continued research needs to benefit the prospect of future space travel from Texas.

I recommend the 88th Legislature provide \$350 million for the creation of The Texas Space Commission to support the development of a coordinated strategic plan that will position Texas as a global leader in space travel, research, and technology.

Business Courts

Despite its business-friendly reputation, Texas is among a dwindling number of States without specialized business courts. To continue growing the ninth-largest economy in the world, Texas needs to provide businesses with a forum where their complex commercial disputes can be resolved by judges with experience and expertise in business law.

I recommend the 88th Legislature approve and fund the creation of business courts in which complex commercial litigation will be heard by judges chosen for their specialized expertise.

Public Safety

Operation Lonestar

Since the Biden Administration took office in January 2021, the federal government has abdicated its constitutional responsibility to protect our Nation's borders causing an unrelenting crisis at the Texas Border. Because of this inaction by the federal government, Operation Lonestar (OLS) was launched in March 2021 to protect citizens from the dangers of an open border.

Working with the Legislature, more than \$4.3 billion has been provided to protect Texans from border crimes. These funds enabled the Department of Public Safety (DPS) and the Texas Military Department (TMD) to provide the boots on the ground needed to combat the transnational criminal activity taking place at the border. DPS has seized over 360 million lethal doses of Fentanyl statewide, and made over 24,000 criminal arrests, and apprehended over 350,000 illegal immigrants in OLS areas of interest along the border. The Texas Division of Emergency Management (TDEM) has facilitated the busing of thousands of migrants to Washington D.C., New York City, Chicago, and Philadelphia to aid overrun border communities. TMD has built over 70 miles of temporary fencing and installed over 59 miles of C-wire along the border. The Texas Facilities Commission (TFC) and Texas Department of Transportation have already built over 3.5 miles of barrier wall. Furthermore, TFC has begun 5 separate projects that will result in 40 more miles of permanent wall.

While much has been accomplished by the brave men and women at the border, there is still a great amount of work to be done to protect Texans, as the federal government shows no willingness to quell this humanitarian crisis. Since 2016, Texas has incurred more than \$6.7 billion in costs securing

the border. These are all costs that should be borne by the federal government. Texas will continue to petition the federal government for full reimbursement.

I recommend the 88th Legislature maintain funding for Border Security and provide all the resources necessary to secure our southern border.

Texas National Guard Benefits

To respond to the crisis at our Southern Boarder, Texas has been forced to deploy law enforcement and service members. Thousands of Texas National Guard soldiers have and continue to serve in high threat areas to deny Mexican Cartels and other smugglers the ability to move drugs and people into Texas. These air, ground, and marine units have served with great pride and dedication.

Given the current reliance on the National Guard, it is imperative the State provide enhanced benefits to both recruit new soldiers and help retain those already serving. Funds to allow the Texas Military Department to offer higher education benefits to soldiers looking to advance in their ranks benefits both the individual soldier and the Department as a whole. Furthermore, Texas National Guard members, who are deployed on active duty in their home state, should be afforded the same death benefit coverage as their law enforcement counterparts. These service members have earned a dignified death benefit and deserve Texas' full support.

I recommend the 88th Legislature provide additional education and enhanced death benefits for Texas National Guard service members who are deployed on state active duty.

Public Safety Grants

The Office of the Governor's Public Safety Office (PSO) currently administers \$100 million in local grants for law enforcement personnel and equipment and to assist other political subdivisions with carrying out Operation Lonestar's (OLS) mission of securing the border.

However, there are other expenses communities and individuals are bearing that remain unmet, including protections against fentanyl exposure for law enforcement and increased indigent healthcare costs.

As law enforcement apprehend and arrest dangerous criminals and seize drugs coming across our Southern Border, they can be exposed to lethal doses of fentanyl. The use of Naloxone, known as Narcan, can reduce or reverse the effects of opioids. The State should assist in providing law enforcement officers access to this life-saving medication.

Migrants who cross our border illegally, and subsequently seek health services, have increased the burden of indigent care costs on local communities. Though these expenses are created by federal border policy, these extraordinary costs are not recognized or covered by any federal source. While communities across the state experience related expenses, the impact along border health systems is most acute.

I recommend the 88th Legislature provide additional funding to supply law enforcement agencies with Narcan and consider how to address the effects of increased indigent healthcare costs.

Texas Anti-Gang (TAG) Grant Program

Simple street gangs are now internationally tied to criminal enterprises engaged in violence, illegal drugs, firearms, and human trafficking. The Texas Anti-Gang (TAG) Grant Program combats these threats through an inter-connected network of TAG Centers that support regional, multidisciplinary approaches to gang violence through the coordination of prevention, intervention, and suppression activities.

Texas' Public Safety Office has historically funded nine regional TAG Centers which bring together local, state, and federal law enforcement and prosecutor offices through strategic partnerships and targeted investigative efforts. The following regions are served by an active TAG Center: Houston, Dallas-Fort Worth, San Antonio, El Paso, Lubbock, Waco, McAllen, Laredo, and Tyler. The I-20 corridor travelling through the Midland-Odessa region to the Dallas-Fort Worth region has culminated into a known drug and human smuggling throughfare that has overwhelmed local law enforcement resources and impacts the entire state through illicit cartel activity, and so an additional TAG in the Midland-Odessa region would further strengthen the State's ability to combat this crime.

I recommend the 88th Legislature increase the TAG Grant Program Rider by \$1 million per fiscal year for the establishment of a new TAG Center in the Midland-Odessa region.

Bail Data Systems Reform

The passage of the Damon Allen Act in 2021 incorporated strategies to keep Texans safe from dangerous criminals, who otherwise might be released back on the street, through the development of a distinctive public safety reporting system that allows all magistrates access to vital statewide information on every defendant. However, even with the advancements achieved last session, there are additional safeguards that must be adopted. The Constitution should be amended to allow judges to deny bail for the most violent and dangerous offenders. Technology integration upgrades are also needed to improve the statewide system and close existing reporting gaps – particularly between counties and the Office of Court of Administration. These technology upgrades will improve information-sharing and prevent reporting delays which will allow judges and magistrates to see critical data, on individuals in custody, in real-time. Ultimately, access to faster and more reliable data will provide for more judicious decision-making and ensure dangerous criminals aren't allowed back on the street in one county if they are awaiting prosecution in another part of the state.

I recommend the 88th Legislature provide the Office of Court Administration with the resources necessary to make information technology upgrades for bail-related data systems including \$6 million to replace judicial branch legacy systems.

Victims of Crime

The federal Crime Victims Fund has historically been a significant source of funding for victim assistance providers across the nation. Between fiscal years 2021 and 2022, the Governor's Public Safety Office distributed more than \$322 million to Texas providers working to restore crime victims

to full physical, mental, and emotional health. These programs provide vital recovery and advocacy services to survivors of violent crime including crisis intervention, emergency shelter, therapy, support groups, and forensic medical exams. Crime Victims Fund programs have also served as an immediate resource for communities experiencing mass violence incidents.

Unfortunately, due to minimal fund collections at the federal level, Texas' annual federal award has decreased by more than 20% since 2018. The 87th Legislature provided \$160 million to sustain vital funding to Texas grantees. While Congress did pass the VOCA Fix Act to replenish the fund, those measures have not resulted in collection increases so far and additional reductions are imminent. Until the federal revenues fully recover, it is important to supplement the program to ensure vital services are available to Texans in their hour of need.

I recommend the 88th Legislature provide \$120 million to sustain vital victim assistance services in Texas.

Guardianship

With the growing Texas population, including adults who are 65 or older, reports of abuse, neglect, and financial exploitation are on the rise again and now exceed pre-pandemic levels. According to the Texas Department of Family and Protective Services, the number of intake reports by Adult Protective Services (APS) has been steadily increasing since 2019. Reported intakes at the end of FY 2022 were just under 120,000. Cases validated by APS are turned over to local district attorneys for prosecution who are often understaffed or lack specialized knowledge of elder abuse.

To that end, the Office of the Governor Public Safety Office proposes to create a grant program to provide financial resources to local jurisdictions to prevent and combat abuse, neglect, and exploitation of elderly persons. This includes programs that investigate and prosecute criminal offenses targeting or disproportionately impacting seniors, promote greater coordination between local and state partners to combat crimes against the elderly, provide training and resources to law enforcement and prosecutors to identify and respond to crimes against the elderly, and prevent elder financial exploitation by increasing community awareness of frauds and scams.

I recommend the 88th Legislature provide \$5 million to establish the Elder Abuse Grant Program.

Rural Law Enforcement Grants

Texans rely on their local law enforcement agencies to keep them safe in their communities. Public safety is a universal need and priority for everyone in Texas, regardless of where they live. However, resources for rural law enforcement agencies are strained. As a result, these departments have not been able to keep pace with officer salaries comparatively to their urban counterparts. Lower pay has affected officer recruitment and retention, and it has ultimately impacted these agencies' ability to keep their communities safe. The state should provide funds to rural communities to help them retain well trained officers and more appropriately compensate those who serve and protect the public.

I recommend the 88th Legislature provide \$350 million for rural law enforcement grants.

High-Risk Absconder Task Force

The Texas Department of Criminal Justice-Office of the Inspector General (OIG) has proposed the creation of a rapid response team comprised of state police officers that will have the capability to respond anywhere in the state when a high-risk parolee removes their ankle monitor. This team will be capable of initiating an investigation within 24 hours of a monitor being removed and accelerating the apprehension of each offender. Secondly, this team will prioritize the service of parole warrants for high-risk individuals to ensure those who aren't complying with their conditions are apprehended and returned to custody.

I recommend the 88th Legislature appropriate \$3 million to support the creation of a statewide OIG Absconder Task Force.

General Budget

Compact for Seniors

Most Texas seniors spend their life working and providing for their family, contributing to their communities, and building a home for themselves. They have earned their retirement, but for many, that retirement can mean living modestly on a fixed income. Senior Texans' financial security should be protected from overly burdensome government fees and taxes. Even more importantly, a home they've lived in for years, possibly their whole lives, should never become unaffordable due to property taxes. To provide additional relief to Texas senior citizens, the Legislature should consider automatic enrollment for the additional \$10,000 homestead exemption available to them on their school property taxes. And while school district property taxes are "frozen" for seniors, the state can provide additional relief to them by also requiring a freeze on county property taxes. Reductions of, or exemptions from, certain state fees like hunting and fishing licenses, vehicle registration, driver's licenses, and others would continue the state's commitment to these important Texans. Easing costly hindrances on seniors will increase their ability to maintain financial security and stability.

I recommend the 88th Legislature provide Texas senior citizens with automatic enrollment in the additional \$10,000 homestead exemption, implement a freeze on county property taxes for homesteads, reduce state fees, and increase access to information on state and local services.

State Park Investments

Last year, more than 10 million people visited one of Texas' 89 state parks, a 37% increase in visitation from the previous year. The popularity of park visitation has risen with the growth of our state population – a number that is expected to increase by 10 million people by 2036. Recent data not only shows that state parks are popular, but they are also dependable rural economic engines. Every \$1 invested in a park results in \$4 to \$12 in economic return. In 2019, the Legislature dedicated all state sales taxes derived from the sale of sporting goods to Texas parks, which increased funding by \$150 million each year. This was a momentous decision for state parks, and to ensure Texans can continue to enjoy the beautiful outdoor features across the state as the population grows, the park system must continue to be developed.

I recommend the 88th legislature make additional investments to meet growing demands and to further develop our state park system.

Cyber Security Enhancements and IT Modernization

The current reliance on technology to run every aspect of the State, combined with the current international climate, requires significant attention be paid to cyber security measures. In 2021 the Legislature created a five-year technology modernization plan and oversight committee. \$200 million was appropriated for state agency technology modernization. Cyber security upgrades and IT modernization continue to be an ongoing need for every state agency and institution of education. System upgrades are essential to protecting sensitive state data and the critical infrastructure supported by various technology platforms. Texas must continue to be deliberate and forward-thinking about how to address technology modernization, cyber security enhancement, and the costs associated with protecting all state information resource systems.

I recommend the 88th Legislature continue to address long-term investment needs and solutions for cyber security enhancements and technology modernization.

Election Integrity

Maintaining public confidence in the integrity of Texas elections is foundational to the health of democracy. Last year the Secretary of State's office undertook an unprecedented comprehensive audit of the 2020 election in four counties. State law now requires regular audits of Texas elections and the Secretary of State's office cannot continue this important work without additional funding and personnel.

I recommend the 88th Legislature ensure the continued integrity of Texas elections by fully funding the Secretary of State's Forensic Audit and Election Division.

Pension Stabilization

In 2021, the Legislature made long-term reforms to the Employee Retirement System (ERS) benefit structure to both attract today's workforce to state employment and to better protect the State from excessive pension liability. This session, the Legislature should further pay down pension debt and ensure the Law Enforcement and Custodial Officer Supplemental Retirement Fund (LECOSRF) and the Judicial Retirement System of Texas, Plan-2 (JRS-2) are actuarially sound. In addition to the Legacy Payment required to pay off the ERS plan's unfunded liability by 2054, a one-time additional payment would be a prudent use of surplus that will save an estimated \$5.5 billion in interest over the life of the Legacy Payment schedule.

I recommend the 88th Legislature ensure ERS, LECOSRF, and JRS-2 retirement funds remain fully solvent and actuarially sound and use the one-time surplus to further reduce the ERS Legacy Fund liability, saving taxpayers money in future years.

Federal Funds

Congress passed the Infrastructure Investment and Jobs Act (IIJA), the CHIPS and Science Act (CHIPS Act), and the Inflation Reduction Act (IRA). These federal laws include a multitude of programs, that provide more than \$2 trillion in federal spending over the next decade. Many of these programs offer opportunities for states to drawdown federal dollars, often with required non-federal matching funds to support infrastructure projects. The Legislature should work with state agencies to review these programs and to evaluate funding opportunities, scrutinize federal requirements, and determine which programs are worthwhile to pursue.

I recommend the 88th Legislature review programs created by the IIJA, CHIPS Act, and the Inflation Reduction Act to determine which, if any, programs may be beneficial for Texas to pursue and provide any necessary non-federal matching dollars in the General Appropriations Act.

Closing Remarks

Texas is the Lone Star State for a reason: We stand apart as a model for the nation. Perhaps the greatest testament to the strength of the Texas model can be summed up in four simple words: More Texans are working.

Texas leads the nation in job creation, creating more than 1.9 million jobs since 2015. In fact, more Texans are working today than 46 other states have residents.

Because of the unmatched productivity of our young, skilled, diverse, and growing workforce, we now stand as the ninth-largest economy in the world. Texas has earned the Best State for Business title for a record 18 years in a row due to our strong and growing workforce, easy access to global markets, robust infrastructure, and predictable regulations. As a result of our pro-growth economic policies—with no corporate income tax and no personal income tax—Texas has become the “headquarters of business headquarters.”

We are #1 for National Blue Ribbon Schools, with one of the best high school graduation rates in the country. We are also #1 for Tier One research universities. Texas provides the opportunity for everyone to chart their own destiny. Our goal is to ensure that every Texan is prepared to succeed in high-demand industries like technology, healthcare, and energy.

But we cannot be complacent. We must spur even greater economic expansion to broaden the path to prosperity for more Texas families. To build the Texas of tomorrow, we must continue the State’s unrelenting efforts to build infrastructure, grow the energy sector, improve job training and public education, and ensure healthcare access – all while keeping Texans safe and preserving the freedoms we enjoy today for future generations.

I look forward to our work together to ensure we address our shared priorities and serve the needs of every taxpayer and resident of Texas. Therefore, in accordance with the Texas Government Code and the Texas Constitution, I respectfully submit to the 88th Legislature my budget priorities for fiscal years 2024-2025.

Sincerely,



Greg Abbott

Governor of Texas



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