

2020 Real Texas Budget: The State of Texas's Spending

December 2020



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Executive Summary

The *Real Texas Budget* (see [Appendix](#)) shows how difficult it can be for taxpayers to understand how their money is spent and what it is spent on. Using different ways to evaluate the growth of the budget, it highlights that there has been excess growth compared with population growth plus inflation. These challenges can be overcome by strengthening the state's fiscal institutions. This can be done by improving the state's fiscal rule of an appropriations limit and improving the budget process by moving to a program-based budget format, implementing zero-based budgeting, and providing near-real-time online access to the budget throughout the legislative process. Following these recommendations would help rein in the excessive growth of the state's spending, prioritize every taxpayer dollar better, and thereby reduce elevated tax burdens to support more opportunities for Texans to prosper.

Introduction

Texas is known for having an inclusive institutional framework based on limited government, economic freedom, and a flourishing civil society that tends to support prosperity more than many other places ([Ginn, 2018](#)). However, the long-term trend of state government spending in Texas has been putting pressure on taxpayers through a higher tax burden and a crowding-out effect by redistributing private sector resources through taxing authorities, which distorts economic activity ([Alesina & Ardagna, 2010](#); [Mulligan, 2011](#); [Taylor, 2019](#)).

As noted in this fourth iteration of the *Real Texas Budget*, over the last 16 years, total state government spending has grown faster than population growth plus inflation, which we use as a metric for Texans' ability to pay for government spending. The large fiscal burden on taxpayers indicates the need for the Texas Legislature to rein in excessive government spending. The Foundation created the Conservative Texas Budget (CTB) before the 2015 legislative session to set a maximum threshold—based on the change in population growth plus inflation—for the Legislature to use as a guide for how much to appropriate each session ([Heflin & Ginn, 2015](#)). These appropriations differ from spending as they are an amount that the Texas Legislature passes in the General Appropriations Act during a session for the upcoming biennium for expected expenditures, whereas spending represents actual expenditures during a budget period.

The two measures of population growth and inflation influence the state's economy. Specifically, if the budget growth is held to these measures, then the growth stays within the average taxpayer's ability to pay for it as more Texans pay taxes, and wages are historically correlated to inflation. Capping the total budget provides more flexibility for legislators to appropriately fund different spending categories instead of limiting spending of each category to that population served and costs of representative goods and services, which are primarily government-driven and difficult to calculate. Moreover, research finds that a limit on appropriations similar to the one outlined in the CTB could lead to tax relief and

Key Points

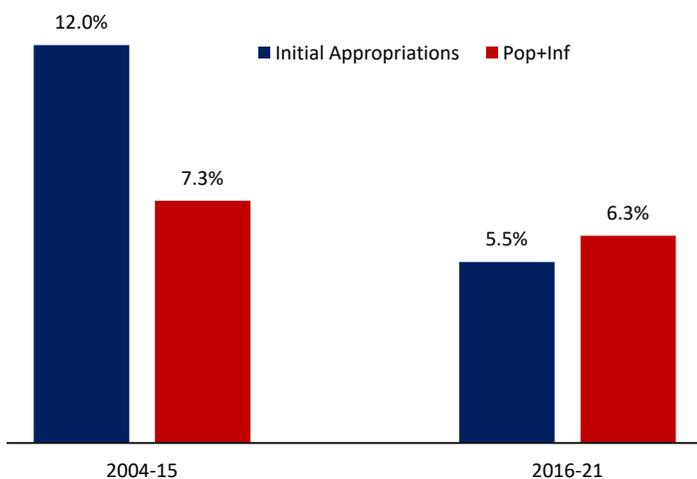
- Over the last 16 years, Texas state spending has increased faster than the pace of population growth plus inflation, at the excessive cost of \$33.1 billion to taxpayers, or almost \$2,300 for a family of four annually, on average.
- The Real Texas Budget demonstrates the need for government spending restraint and an improved budget process.
- Legislators should pass a Conservative Texas Budget in 2021, holding any growth in initial appropriations of all funds to less than population growth plus inflation of 5% to \$246.8 billion, excluding explicitly related COVID-19 funds.

accelerated economic growth ([Merrifield & Poulson, 2014](#)). It is also important to note that adding population growth and inflation helps account for economies of scale whereby the average cost of providing many government provisions may decline over time.

Additionally, the state's current limit of personal income growth can be represented as the functional form of population growth plus inflation plus productivity growth. If the private sector's productivity growth is used in the calculation from the taxpayers' perspective, then a more productive private sector would suggest an increase in government spending. However, this indicates that the marginal return per dollar would be greater in the private sector, so more dollars should remain there instead of being taxed away to pay for higher government spending. Conversely, a less productive private sector would signal that the growth of spending should decline. Both scenarios would suggest that productivity growth then is either zero or negative, so removing this variable leaves population growth plus inflation. On the other hand, if the productivity growth of government is considered in this calculation, then that metric would be difficult to measure and likely zero over time with the understanding that each dollar spent by government is from the private sector. Therefore, population growth plus inflation is a reasonable metric to use as a maximum for the growth of government to remain within taxpayers' ability to fund it ([Ginn, 2019](#)).

Figure 1 highlights how, under improved budget management by state leaders, the state's growth of biennial initial appropriations has been, on average, below population growth plus inflation during the last three budgets and less

Figure 1
Texas's Initial Appropriations Growth Has Improved Over Last Three Budgets



Note. Data from *Fiscal Size-Up*, Legislative Budget Board (<https://www.lbb.state.tx.us/FSU.aspx>) and authors' calculations of average biennial figures.

than half of the growth rate of the prior five budgets ([Ginn et al., 2020](#)).

While this has helped to improve the budget picture from an appropriations standpoint, there is a question of whether spending has also been kept within taxpayers' ability to pay for it. Spending can exceed appropriations when unexpected spending items are added throughout the fiscal biennium. In order to account for the differences in appropriations and spending and to highlight recommendations on what should be done to rein in excessive government spending, we have published this *Real Texas Budget* that compares the Texas budget using different ways to evaluate its growth from 2004-05 to 2020-21.

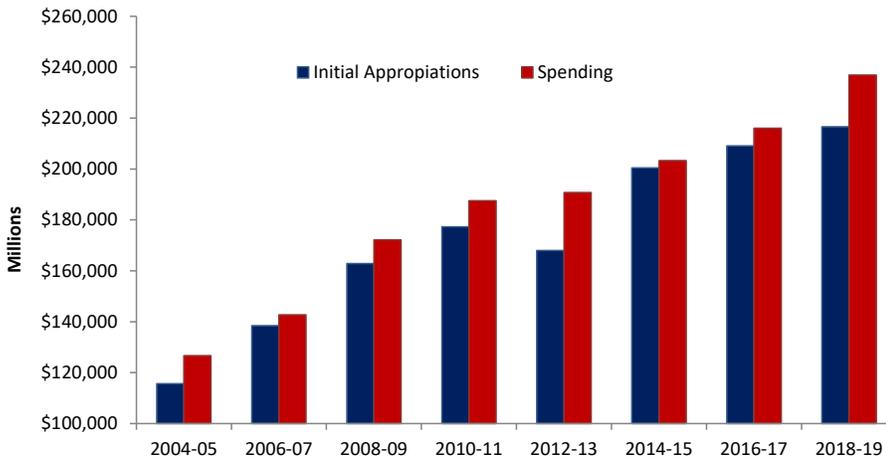
The Texas Budget

Texas's budget growth is a constant topic of debate in the Lone Star State. To overcome some of the challenges that Texans face when trying to understand how the Texas Legislature uses their tax dollars, the *Real Texas Budget* looks over the state's budget for the past 16 years. To compile the *Real Texas Budget*, we used the Legislative Budget Board's (LBB) *Fiscal Size-Up* publications, which summarize state budget and economic data over time.

The LBB's ([2020](#)) latest *Fiscal Size Up 2020-21 Biennium* shows that initial appropriation of all funds was at a reported \$248.3 billion for the 2020-21 period, a 3.6% increase from expenditures in the previous budget. However, as noted by Ginn et al. ([2020](#)), this amount includes \$5 billion for property tax relief and \$8.3 billion for Hurricane Harvey recovery efforts, amounts that we have excluded because they are one-time measures that should not go into the ongoing baseline appropriations of \$235.0 billion. Not only does that different appropriations figure change the growth rate, but the LBB's growth rate is not an apples-to-apples comparison, as it compares spending in one period to appropriations in the next. **Figure 2** shows how spending reported by the LBB and initial appropriations of biennial all-funds amounts are not the same for each period in question. As a result, comparing spending in the prior period with initial appropriations in the current period will often give a lower growth rate than reality.

Between the 2004-05 and 2018-19 budgets, total initial appropriations of all funds amounted to \$1.62 trillion, which is \$63.3 billion less than total spending (\$1.69 trillion). Initial appropriations are the amount appropriated based on expected expenditures during a budget period, whereas total appropriations by legislative session refers to all appropriations made during a legislative session, regardless of whether the appropriation was "backfilling" into the current biennium or going forward into the upcoming biennium. These total appropriations as described and

Figure 2
Spending Reported by LBB Tends to Grow Faster Than Initial Appropriations by Biennium



Note. Data from *Fiscal Size-Up*, Legislative Budget Board (<https://www.lbb.state.tx.us/FSU.aspx>) and authors' calculations.

spending are not always equal either as spending is just for the current biennium.

The discrepancy between initial appropriations and spending can happen for many reasons, but one third of the difference comes from the usually necessary passage of supplemental appropriations that backfill spending of state funds. These funds include general revenue funds, general revenue-dedicated funds, and other funds. This often happens with Medicaid, a federally created program that provides health coverage to many low-income and disabled Americans and is funded jointly by the federal and state governments while administered by states. The funding shortfall for Medicaid can happen because it is difficult to precisely project caseload growth and cost growth for the 2-plus years following the appropriations (LBB, 2019). The other two thirds of the differences come from federal funds because of lower appropriated amounts over time (\$546.1 billion) than actual expenditures (\$587.6 billion), which includes unexpected federal funds for things like the American Recovery and Reinvestment Act of 2009 and for Hurricane Harvey recovery efforts.

Accounting for these issues to provide an apples-to-apples comparison, the 2020-21 initial appropriations of \$235.0 billion represent an 8.5% increase above the 2018-19 initial

appropriations of \$216.6 billion. We will not be able to accurately compare the spending between these periods until after the 2020-21 spending figures are published.

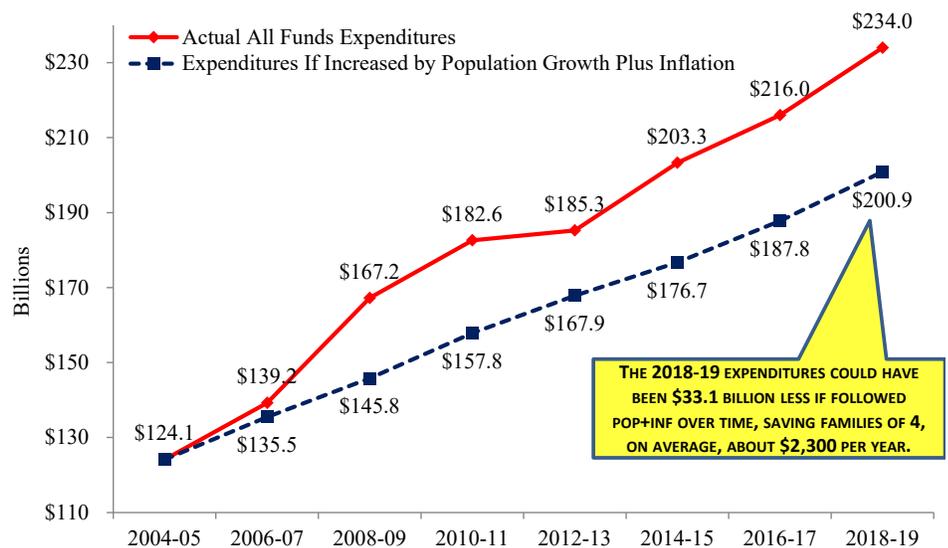
Historical Spending

The *Real Texas Budget* shows that the state's all funds expenditures have grown by 88.5% between the 2004-05 budget and the latest completed 2018-19 budget. While the benefits to Texans of this growth are debatable, it is important to compare it with the key benchmark of population growth plus inflation. Given the state's balanced budget amendment that requires appropriations to be within expected tax receipts, this benchmark helps account for more people and higher wages, which, combined, provide resources for taxpayers' ability to pay

taxes to fund government expenditures (Ginn, 2019). Using this growth metric as a benchmark, Figure 3 shows that real (inflation-adjusted) state spending per capita grew 16.5% more from the 2004-05 budget to the 2018-19 budget than it otherwise would have.

This translates into Texans paying \$33.1 billion more in taxes this biennium, or more than \$2,300 in higher taxes, on average, for a family of four this year because of excessive government spending over time.

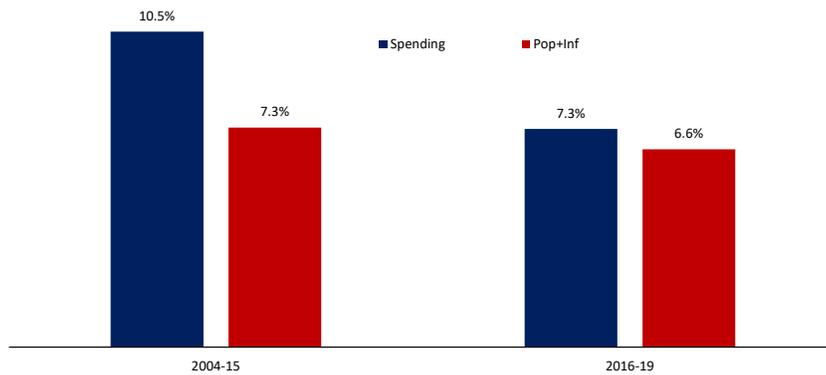
Figure 3
Texas's State Spending Exceeds Population Growth Plus Inflation Since 2004-05



THE 2018-19 EXPENDITURES COULD HAVE BEEN \$33.1 BILLION LESS IF FOLLOWED POP+INF OVER TIME, SAVING FAMILIES OF 4, ON AVERAGE, ABOUT \$2,300 PER YEAR.

Note. Data from *Fiscal Size-Up*, Legislative Budget Board (<https://www.lbb.state.tx.us/FSU.aspx>) and authors' calculations. *Indicates estimate

Figure 4
Texas's Spending Growth Has Improved Over the Last Two Budgets but Remains Above Population Growth Plus Inflation



Note. Data from *Fiscal Size-Up*, Legislative Budget Board (<https://www.lbb.state.tx.us/FSU.aspx>) and authors' calculations of average biennial figures.

Figure 4 highlights average biennial growth rates of state spending and population growth plus inflation from 2004 to 2015 and 2016 to 2019.

The good news is that these growth rates show state spending has slowed from a growth rate of 10.5% over the five budgets in the earlier period to a 7.3% growth rate over the two budgets in the more recent period. This means that spending growth in the former period exceeded the latter by 43.8%. To put this in perspective with the taxpayers' ability to pay, compared with the benchmark of population growth plus inflation, the 2004-15 period also far exceeded this benchmark of 7.3%. This spending excess compounds over time to put a higher tax burden to fund government than otherwise. It is important to point out that if spending growth in the first period had matched the 7.3% growth of the 2016-19 period, it would have been in line with taxpayers' ability to pay. Given that population growth plus inflation was lower in the latter period at 6.6%, spending growth was excessive by 10.6%, thereby continuing to put pressure on taxpayers and the overall strength of the state's economy.

Including the 2020-21 appropriated amounts in the *Real Texas Budget*, we can examine how the budget picture looks over time. The total Texas spending, initial appropriations, and total appropriations exclude the \$13.3 billion in one-time appropriations as noted above. We do not exclude it from the LBB's total Texas spending amounts to keep it consistent with their reporting. However, it will be important not to include these in the baseline budget moving forward as that would otherwise unnecessarily inflate the budget over time. Likewise, the amounts appropriated and spent to directly deal with the COVID-19 pandemic, particularly the receipt of federal funds, should not be added to the base budget as these will not be ongoing resources. It is also important to note that our figures differ from the

LBB's before the 2014-15 budget because the Legislature in 2013 decided to remove patient income from the books as a means of finance for health-related institutions, so the Foundation removed these amounts in prior budgets for accurate accounting and consistent comparisons over time (Heflin et al., 2015).

The *Real Texas Budget* shows that regardless of whether total Texas spending, LBB's total Texas spending, or initial appropriations is considered, the state's budget far exceeds the benchmark of population growth plus inflation. Since the 2004-05 period, the excesses for each of these ways to evaluate the budget occur for general revenue funds, state funds, federal funds, and all funds. In the 2020-21 period, these excesses could end up being higher if past trends hold

and expenditures are higher than appropriations. Total Texas spending exceeds the benchmark by 10.81%, LBB's total Texas spending by 14.76%, and initial appropriations by 18.89%.

The state's budget since the 2004-05 period continues to far exceed the benchmark of population growth plus inflation.

Recommendations: Limit Government Spending and Improve the Budget Process

We created the *Real Texas Budget* to give Texans a more accurate picture of the state's budget so they know how their tax dollars are being spent and whether those expenditures are within taxpayers' ability to pay for them as measured by population growth plus inflation. As it highlights, much work is needed to rein in government spending and improve the budget process. As shown in **Figure 1**, the growth in appropriations has slowed in more recent years since the production of the Conservative Texas Budget as a threshold for limiting the growth in the budget.

Limit Government Spending

The excessive growth in the state's budget over time indicates a need for strengthening the state's constitutional appropriations limit. The current limit covers less than half of the state's budget as it includes only state revenue not dedicated by the Texas Constitution. It also allows growth based on unreliable, nearly-three-year forecasts of personal income and permits the Legislature to exceed the limit with

only a majority vote in each chamber. The state's limit on appropriations can be improved by limiting the growth of the entire budget, basing the growth rate on population growth plus inflation (and possibly the lowest of population growth plus inflation, gross state product growth, or personal income growth), calculating the growth rate using data from the last 2 fiscal years before a regular session when the budget is adopted, and requiring a two-thirds vote in each chamber to exceed it ([Ginn, 2019](#)). The American Legislative Exchange Council ([ALEC, 2017](#)) adopted a similar version of this as model legislation for states to consider and it was outlined in SB 943 ([2017](#)) during the 2017 Texas Legislature.

Improve the Budget Process

An improved budget process can be accomplished by advancing a program-based budget format, zero-based budgeting, and real-time budgeting.

Program-Based Budget Format

The current strategy-based budget format of the Texas budget makes it challenging for legislators, taxpayers, and the public to track funds, especially at a program level, in the General Appropriations Act ([HB 1, 2019](#)). This format was introduced in the 1994-95 General Appropriations Act ([SB 5, 1993](#)) to provide legislators a longer term view of budget goals beyond the 2-year appropriation cycle. The lack of budget transparency to the reader through this approach reduces the incentive to eliminate or reduce the size and scope of programs—and thus the budget—as there are multiple programs under each strategy. This also makes it difficult for legislators not directly in the budget process to influence state spending, which prevents many Texans across the state from being appropriately represented in those key budget discussions. These shortcomings should be overcome by moving to a program-based budget format. Fortunately, the LBB ([n.d.](#)) started posting the “State Budget by Program” on its website several years ago. Ginn ([2016](#)) notes that this format should include each agency's income and expense listed by program, as is done in the agency's internal budget, along with the source of funds for each line item. This would simplify and clarify the state budget, leading to more transparency and efficiency in the budget process along with more insights on which programs should be expanded or eliminated as priorities are set for every taxpayer dollar ([Texas Public Policy Foundation, 2020a](#)).

Zero-Based Budgeting

The state budget too often works on a system of budget inertia whereby the prior budget is used as the baseline and then increased from there without a sufficient strategic review of each program. This is especially problematic given the issues in the prior section about the strategic-based budget format. The process is inefficient and can lead to a

continuation of wasteful and unnecessary programs and expenditures that puts a higher tax burden on Texans. A helpful tool to improve this part of the budget process is zero-based budgeting. This form of budgeting starts the budget process with a zero for each program and then determines the necessity of each program to build the budget from the ground up. A review of each program should include priority-based budgeting that considers all aspects of an agency or program, including its purpose, goals, and determined metrics to gauge success. If done appropriately and frequently, such as rotating one third of the budget through this process every third session for a review every 6 years, zero-based budgeting can help restrain the growth of government while improving the effectiveness of government over time so that taxpayers get a better return on their money. “These changes will help simplify the budget process so programs can be efficiently reviewed to determine whether they should be eliminated, reduced, or expanded and more easily identify and deal with any waste, fraud, and abuse” ([Ginn et al., 2018](#)).

Zero-based budgeting was used in 2003 when Texas faced a projected \$10 billion shortfall and ended up filling the budget gap without raising taxes ([Texas Public Policy Foundation, 2020b](#)). Facing what could be a 2020-21 budget shortfall of about \$4.6 billion according to the Texas Comptroller's ([2020](#)) latest forecast, Texas Senate Committee on Finance Chair Jane Nelson asked agencies to use zero-based budgeting to find savings ([Greater Arlington Chamber of Commerce, 2020](#)). Moreover, Texas state leaders issued a press release stating that some state agencies would need to provide 5% in savings from their budget ([Office of the Texas Governor, 2020](#)). As with any budget shortfall, finding savings from ineffective programs should be a top priority so these efforts are essential. But it is also essential that this approach be taken not only during challenging budget times.

During the 86th Legislature in 2019, SB 68 ([2019](#)) was sponsored by Senator Jane Nelson and Representative Matt Schaefer and was signed into law by Governor Abbott. The bill requires that when an agency is up for review by the Sunset Advisory Commission it goes through a strategic fiscal review by the LBB, similar to zero-based budgeting. The goal of the review is to help improve the performance of state agency operations while assuring taxpayer dollars are funding effective government programs. This review will be transcribed in a report that will be delivered to the governor, lieutenant governor, House speaker, and Senate Committee on Finance and House Committee on Appropriations chairs.

Real-Time Budgeting

For Texans to have the best opportunity to do their due diligence and be part of the budget process, they should be able to access near-real-time budget data online. Unfortunately, that is currently not the case as the current LBB disclosure process delays information being publicly available for days, weeks, or longer. There are a number of ways that this could be done online, but the spreadsheet format currently provided in the “State Budget by Program” on the LBB’s website would likely work well. “The data could be originally posted when state agencies submit their funding requests, and then updated once appropriation bills are drafted and filed. Updates should be made online throughout the legislative process as changes are made during hearings and after final adoption of the appropriation bill. Information about how much spending is being proposed in relation to the constitutional spending limits should also be included” (Ginn et al., 2018, p. 5).

Conclusion

The *Real Texas Budget* provides a historical overview of the Texas state budget from 2004-05 to 2020-21. These data show that the Texas Legislature has been spending more over time than taxpayers’ ability to fund government, as measured by population growth plus inflation. This must be curtailed quickly before this excess and the resulting compounding effect drives up taxes higher and further destroys economic prosperity. Legislators can correct past budget excesses by following the recommendations to improve the budget process by strengthening the state’s limit on appropriations, moving to a program-based budget format, practicing zero-based budgeting to prioritize taxpayer dollars, and moving the budget online throughout the legislative process. Fortunately, things have improved during the past three budgets, but there is more to do to correct past excesses, with an essential step being to pass a 2022-23 budget that is less than the Conservative Texas Budget (Ginn et al., 2020). ★

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Appendix

The Real Texas Budget: Appropriations and Spending Comparisons 2004-05 to 2020-21 (Millions of \$)

Total Texas Spending (State & Federal Funds) by Biennium*

Type	2004-05	2006-07	2008-09	2010-11	2012-13	2014-15	2016-17	2018-19	2020-21	Change	Change adjusted for Pop+Inflation	Total Spending
GR Total	\$57,086.9	\$67,208.0	\$81,639.0	\$81,930.9	\$86,016.4	\$96,072.6	\$108,007.3	\$107,986.3	\$113,333.5	\$56,246.6	\$15,790.8	\$799,280.9
GR-D	5,889.9	5,807.8	6,457.1	6,306.0	6,555.5	7,386.0	8,002.8	6,607.5	6,165.8	275.9	(3,898.1)	59,178.4
Other	16,781.1	18,549.1	24,053.1	21,806.2	27,860.6	31,114.3	28,196.4	35,592.2	36,744.8	19,963.7	8,071.3	240,697.8
State Total	\$79,757.9	\$91,564.9	\$112,149.2	\$110,043.1	\$120,432.5	\$134,572.9	\$144,206.5	\$150,186.0	\$156,244.1	\$76,486.2	\$19,964.1	\$1,099,157.1
Federal	44,376.1	47,680.1	55,082.4	72,573.4	64,822.2	68,727.7	71,785.1	83,791.7	78,798.1	34,422.0	2,973.9	587,636.8
All Funds Total	\$124,134.0	\$139,245.0	\$167,231.6	\$182,616.5	\$185,254.7	\$203,300.5	\$215,991.6	\$233,977.7	\$235,042.2	\$110,908.2	\$22,938.0	\$1,686,793.9
GR Change	-4.73%	17.73%	21.47%	0.36%	4.99%	11.69%	12.42%	-0.02%	4.95%	98.53%	16.19%	
State Change	4.89%	14.80%	22.48%	-1.88%	9.44%	11.74%	7.16%	4.15%	4.03%	95.90%	14.65%	
Fed Change	19.96%	7.45%	15.52%	31.75%	-10.68%	6.02%	4.45%	16.73%	-5.96%	77.57%	3.92%	
All Change	8.87%	12.17%	20.10%	9.20%	1.44%	9.74%	6.24%	8.33%	0.45%	89.35%	10.81%	

*Spending prior to 2014-15 are adjusted to restate historical spending to reflect the Legislature's decision to remove expenditures from patient income from the 2014-15 appropriations figures, 2018-19 figures exclude funding for Hurricane Harvey recovery efforts, and 2020-21 figures are initial appropriations which exclude funding for property tax relief and Hurricane Harvey recovery efforts.

Total Texas Spending (State and Federal Funds) by Biennium – Legislative Budget Board Figures

Type	2004-05	2006-07	2008-09	2010-11	2012-13	2014-15*	2016-17	2018-19	2020-21	Change	Change adjusted for Pop+Inflation	Total Spending
GR Total	\$58,956.0	\$67,208.0	\$81,639.0	\$81,930.9	\$86,016.4	\$96,072.6	\$108,007.3	\$107,986.3	\$118,313.5	\$59,357.5	\$17,577.1	\$806,130.0
GR-D	5,889.9	5,807.8	6,457.1	6,306.0	6,555.5	7,386.0	8,002.8	6,607.5	6,165.8	275.9	(3,898.1)	59,178.4
Other	17,412.0	22,049.1	28,953.1	26,706.2	33,360.6	31,114.3	28,196.4	38,502.1	37,380.8	19,968.8	7,629.1	263,674.6
State Total	\$82,257.9	\$95,064.9	\$117,049.2	\$114,943.1	\$125,932.5	\$134,572.9	\$144,206.5	\$153,095.9	\$161,860.1	\$79,602.2	\$21,308.4	\$1,128,983.0
Federal	44,376.1	47,680.1	55,082.4	72,573.4	64,822.2	68,727.7	71,785.1	83,791.7	86,453.8	42,077.7	10,629.6	595,292.5
All Funds Total	\$126,634.0	\$142,745.0	\$172,131.5	\$187,516.5	\$190,754.8	\$203,300.5	\$215,991.6	\$236,887.6	\$248,313.9	\$121,679.9	\$31,938.0	\$1,724,275.5
GR Change	-1.61%	14.00%	21.47%	0.36%	4.99%	11.69%	12.42%	-0.02%	9.56%	100.68%	17.45%	
State Change	5.54%	15.57%	23.13%	-1.80%	9.56%	6.86%	7.16%	6.16%	5.72%	96.77%	15.16%	
Fed Change	16.86%	7.45%	15.52%	31.75%	-10.68%	6.02%	4.45%	16.73%	3.18%	94.82%	14.02%	
All Change	9.25%	12.72%	20.59%	8.94%	1.73%	6.58%	6.24%	9.67%	4.82%	96.09%	14.76%	

* Legislative Budget Board figures prior to 2014-15 include expenditures from patient income.

Initial Appropriations by Biennium*

Type	2004-05	2006-07	2008-09	2010-11	2012-13	2014-15	2016-17	2018-19	2020-21	Change	Change adjusted for Pop+Inflation	Total Initial Appropriations
GR Total	\$58,894.7	\$67,952.5	\$79,951.5	\$80,614.2	\$81,290.4	\$94,977.0	\$106,007.5	\$106,663.2	\$113,333.5	\$54,438.8	\$12,701.8	\$789,684.5
GR-D	5,618.3	5,623.6	6,308.4	6,389.4	6,380.0	7,314.6	7,808.4	\$6,295.4	\$6,165.8	547.5	(3,434.0)	\$57,903.9
Other	11,958.0	15,737.1	25,664.3	24,750.8	25,653.0	29,413.1	\$27,285.6	\$31,795.0	\$36,744.8	24,786.8	16,312.5	\$229,873.7
State Total	\$76,471.0	\$90,185.2	\$111,924.2	\$111,754.4	\$113,323.4	\$131,704.7	\$141,101.5	\$144,753.6	\$156,244.1	\$79,773.1	\$25,580.3	\$1,077,462.1
Federal	39,229.4	48,303.7	50,963.0	65,533.6	54,660.8	68,716.5	\$68,001.5	\$71,854.7	\$78,798.1	39,568.7	11,767.9	\$546,061.3
All Funds Total	\$115,700.4	\$138,488.9	\$162,887.2	\$177,288.0	\$167,984.2	\$200,421.2	\$209,103.0	\$216,608.3	\$235,042.2	\$119,341.8	\$37,348.2	\$1,623,523.4
GR Change	-4.22%	15.38%	17.66%	0.83%	0.84%	16.84%	11.61%	0.62%	6.25%	92.43%	12.62%	
State Change	-3.58%	17.93%	24.10%	-0.15%	1.40%	16.22%	7.13%	2.59%	7.94%	104.32%	19.58%	
Fed Change	12.70%	23.13%	5.51%	28.59%	-16.59%	25.71%	-1.04%	5.67%	9.66%	100.86%	17.56%	
All Change	1.39%	19.70%	17.62%	8.84%	-5.25%	19.31%	4.33%	3.59%	8.51%	103.15%	18.89%	

*Initial appropriations prior to 2014-15 are adjusted to restate historical spending to reflect the Legislature's decision to remove expenditures from patient income from the 2014-15 appropriations figures, 2018-19 figures exclude funding for Hurricane Harvey recovery efforts, and 2020-21 figures are initial appropriations which exclude funding for property tax relief and Hurricane Harvey recovery efforts.

Total Appropriations by Legislative Session**

Type	2003	2005	2007	2009	2011	2013	2015	2017	2019	Total Appropriations
GR Total	\$57,759.3	\$68,484.1	\$79,653.1	\$80,475.9	\$80,671.3	\$100,124.6	\$106,307.0	\$107,664.0	\$115,068.0	\$796,207.2
GR-D	5,299.1	5,689.0	6,347.2	6,451.3	6,380.0	7,472.7	7,808.4	6,263.2	6,165.8	57,876.6
Other	12,426.3	17,736.3	25,663.9	24,771.1	28,851.7	31,626.1	27,285.6	31,795.0	33,834.9	233,990.8
State Total	\$75,484.7	\$91,909.4	\$111,664.1	\$111,698.2	\$115,902.9	\$139,223.4	\$141,401.0	\$145,722.2	\$155,068.7	\$1,088,074.6
Federal	39,229.4	49,256.3	51,136.8	67,930.7	54,660.8	75,376.4	68,266.3	73,454.5	80,944.6	560,255.7
All Funds Total	\$114,714.1	\$141,165.7	\$162,801.0	\$179,628.9	\$170,563.7	\$214,599.7	\$209,667.3	\$219,176.7	\$236,013.3	\$1,648,330.3
GR Change	-6.62%	18.57%	16.31%	1.03%	0.24%	24.11%	6.17%	1.28%	6.88%	
State Change	-2.95%	21.76%	21.49%	0.03%	3.76%	20.12%	1.56%	3.06%	6.41%	
Fed Change	12.70%	25.56%	3.82%	32.84%	-19.53%	37.90%	-9.43%	7.60%	10.20%	
All Change	0.20%	23.06%	15.33%	10.34%	-5.05%	25.82%	-2.30%	4.54%	7.68%	

**Total Appropriations by Legislative Session ("Session Appropriations") refers to all appropriations made during a legislative session, regardless of whether the appropriation was 'backfilling' into the current biennium or going forward into the upcoming biennium.

*Initial appropriations prior to 2014-15 are adjusted to restate historical spending to reflect the Legislature's decision to remove expenditures from patient income from the 2014-15 appropriations figures, 2018-19 figures exclude funding for Hurricane Harvey recovery efforts, and 2020-21 figures are initial appropriations which exclude funding for property tax relief and Hurricane Harvey recovery efforts.

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The Honorable Talmadge Heflin

The Honorable Talmadge Heflin is a distinguished senior fellow for the Conservative Texas Budget at Texas Public Policy Foundation. Prior to joining the Foundation, Heflin served the people of Harris County as a state representative for 11 terms. Well regarded as a legislative leader on budget and tax issues by Democratic and Republican speakers alike, he for several terms was the only House member to serve on both the Ways and Means and Appropriations committees.

In the 78th Legislature, Heflin served as chairman of the House Committee on Appropriations. He navigated a \$10 billion state budget shortfall through targeted spending cuts that allowed Texans to avoid a tax increase.

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About Texas Public Policy Foundation

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