U.S. House Subcommittee Considers Mandatory Collective Bargaining Legislation for Police, Firefighters



By Laura Garcia, TAC Legislative Staff

arlier this March, a U.S. House subcommittee heard testimony on a bill that

would allow police, firefighters and EMS workers to form unions.

H.R. 413, the Public Safety Employer-Employee Cooperation Act of 2009, sponsored by Rep. Dale Kildee (D-Michigan), would establish minimum collective bargaining standards for state and local police, firefighters and emergency medical services personnel in every state. It would require state and local governments to allow eligible public safety employees to form and join unions, bargain collectively over hours, wages, and working conditions, and sign labor contracts, and would direct the Federal Labor Relations Authority to determine whether state law meets the standards established by the legislation. The bill, in its current version, would also allow states to exempt political subdivisions with populations of less than 5,000 or that employ fewer than 25 full-time employees, and would prohibit

strikes and lockouts. The legislation does not provide any funding for implementation.

During the Health, Employment,
Labor, and Pensions Subcommittee of
the Education and Labor Committee
hearing, various witnesses testified in
support of the legislation, including
representatives of the Fraternal Order of
Police and the International Association
of Fire Fighters. Additionally, a
representative of the North Carolina
League of Municipalities, speaking on
behalf of several national organizations,
including the National Association of

Counties (NACo) and the National League of Cities, testified in opposition.

Identical legislation passed the U.S. House of Representatives in 2007 but failed to pass the Senate. The bill presently has 200 co-sponsors and is pending in committee. The Senate version of the legislation, S. 1611 by Sen. Judd Gregg (R-New Hampshire), was referred to the Committee on Health, Education, Labor, and Pensions and has not yet received consideration. For additional information, please contact TAC Legislative staffer Laura Garcia at (800) 456-5974 or laurag@county.org. **



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5 Percent Reduction

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Flood Damage

2009 Events Top \$47 Million **See page 8**.

KEY COUNTY DATES

April 2010

By April 1 or as soon thereafter as practicable, the chief appraiser is to mail written notice to certain single-family residence property owners of appraised value or property. TEX. TAX CODE, §25.19(a).

Last month commissioners court may determine whether the county election precincts to comply with law and make boundary changes (some exceptions apply). TEX. ELEC. CODE, §42.031(a).

April 5: First day of early voting by personal appearance for the primary runoff election. TEX. ELEC. CODE, §85.001.

April 5, 5 p.m.: Deadline to certain candidates in the primary runoff election to file pre-election report of political contributions and expenditures. TEX. ELEC. CODE, \$254.064. Actual receipt by the deadline required.

April 6: Law Enforcement Regional Workshops. Frank Phillips College, CAI Building, Borger.

April 9: Last day of early voting by personal appearance for runoff primary election. TEX. ELEC. CODE, §85.001.

April 13: Primary runoff election day. TEX. ELEC. CODE, \$41.007(b).

April 21-23, 2010: County Management Institute, Doubletree North Austin Hotel, Austin.

No later than April 24: If drought conditions exist (determined by the Texas Forest Service), commissioners court in counties located not more than 100 miles from Texas-Mexico border may adopt an order regulating the use of certain fireworks for the Cinco de Mayo fireworks season. TEX. LOC. GOV'T CODE, §352.051.

April 30: Deadline for commissioners court to order county election precinct boundary changes to comply with its March or April determination. TEX. ELEC. CODE, \$42.031(a).

April 30, 5 p.m.: Judge of a statutory county court or statutory probate court is required to file a verified financial statement with county clerk or State Ethics Commission. TEX. LOC. GOV'T CODE, \$159.052.

April 30, 5 p.m.: Counties with 100,000 or greater population. The county judge, county commissioners and county attorney are required to file a verified financial statement with county clerk in the county in which the person resides. TEX. LOC. GOV'T CODE, \$159.001, \$159.003 and \$159.004(a). Failure to file is a Class B misdemeanor. TEX. LOC. GOV'T CODE, \$159.008(b). A \$1,000 civil penalty may also be assessed. TEX. LOC.

GOV'T CODE, §159.010(c). If delivered by mail or carrier, cancellation or receipt mark before the deadline is proof of timeliness of filing.

Counties with 125,000 or more population. The justices of peace are required to file a verified financial statement with county clerk in the county in which the person resides. TEX. LOC. GOV'T CODE, \$159.001, \$159.003 and \$159.004(a). Failure to file is a Class B misdemeanor. TEX. LOC. GOV'T CODE, §159.008(b). A \$1,000 civil penalty may also be assessed. TEX. LOC. GOV'T CODE, \$159.010(c). If delivered by mail or carrier, cancellation of receipt mark before the deadline is proof of timeliness of filing.

May 2010

May 1: By this date or as soon thereafter as possible: Chief appraiser to mail written notice of appraised values to property owners of property for which a notice was not required to be provided in April. TEX. TAX CODE, §25.19(a).

May 8: Uniform election date. TEX. ELEC. CODE, §41.001.

Before May 15: Voter registrar to submit to comptroller of public accounts a statement of registration information for previous voting year. TEX. ELEC. CODE, §19.001.

Students Serve as Election Clerks



By Nanette Forbes *TAC Legislative Staff*

hanks to a new section added to the Election Code, high school students are

getting a chance to learn about democracy first-hand.

During the 81st Session, the
Legislature enacted SB 1134, which
allows certain high school students to
serve as election clerks. The new law
gave elections administrators and
county clerks who conduct elections
the opportunity to recruit students and
use their services at the polls during
the primary election earlier this month.
Other political subdivisions have the
same authority for their elections.

Janice Evans, Brazoria County elections director, took advantage of the new law and hired 16 high school students to work during the primary election. She provided election worker training classes for the students at night and on Saturdays to accommodate their schedules.

Judges reported being extremely impressed with how the students approached their tasks with eagerness and decorum at the polls, how quickly they learned the process and their knowledge of computers.

"Allowing the young people to work in the election process is the best thing since sliced bread," one election judge said.

Due to the students' success during the Brazoria County primary, eight of the students have been rehired to work the run-off election to be held April 13. Recruitment of students as election clerks will also be expanded.

While one county relayed some concerns about the students' conduct during election training — playing on cell phones and typical teenage activities — several election judges reported the students turned out to be a tremendous asset.

There are approximately 39 states and the District of Columbia that have turned to high schools to recruit students as election clerks. Now that Texas has implemented the new law, election officials are interested in expanding the use of high school students in future elections.

"One election judge hired two student workers and felt that it was a positive experience for the students as well as the other election workers. I would like to use students in the future and hope to visit the high schools for this fall," said Glenda Denton, Rockwall County election administrator. "I think this is a great opportunity to teach our young people about the importance of voting and how the process works." **



Credit: istockphoto.com

Resources, Naturally

The State of Transportation



By Paul J. Sugg, TAC Legislative Staff

A t a recent legislative hearing, the chair of the Texas Transportation Commission submitted testimony regarding the

current status of the state's transportation funding. Texas faces funding challenges due in part to uncertain federal funding; increases in the cost of highway construction materials; increased vehicle fuel efficiency reducing the revenue earned from the gas tax; and "pressures to spend transportation dollars on other state priorities" — the time-honored legislative practice of diverting parts of the highway fund for other purposes.

Although the Legislature has provided the Texas Department of Transportation (TxDOT) with other tools to build roads — including bonds, politically volatile comprehensive development agreements or CDAs, the Texas Mobility Fund and pass-through financing — the main tool available to TxDOT remains the gas tax, a tool becoming increasingly inadequate to meet the needs of the state road system.

This inadequacy is driven to a

significant degree by the continued growth of the state's population, with its urban and suburban challenges of congestion and air quality, the continued needs of rural Texas and the needs of intrastate, interstate and international commerce, propelling the demand for new roads and the necessity of maintaining current ones. During the last 25 years, according to TxDOT, our state's population has increased 53 percent, while road use has increased 103 percent and while road capacity has increased by only 10.6 percent. These population and road use trends promise to continue upward. And here's the dilemma: build more roads or maintain the ones we have? This either or question can't produce a reasonable solution. The answer must be "both," yet with declining resources, new construction means current road maintenance suffers.

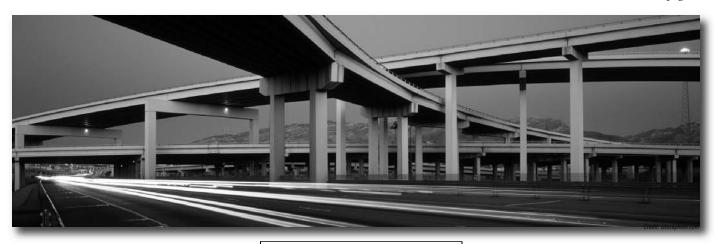
The erosion of the federal and state fuel tax buying power contributes to the problem as well. The federal tax has not increased since 1993, and the state motor fuels tax has not been raised since 1991. If all things were constant, this might not be too damaging to our transportation infrastructure, but the stagnant tax, combined with recent rapid

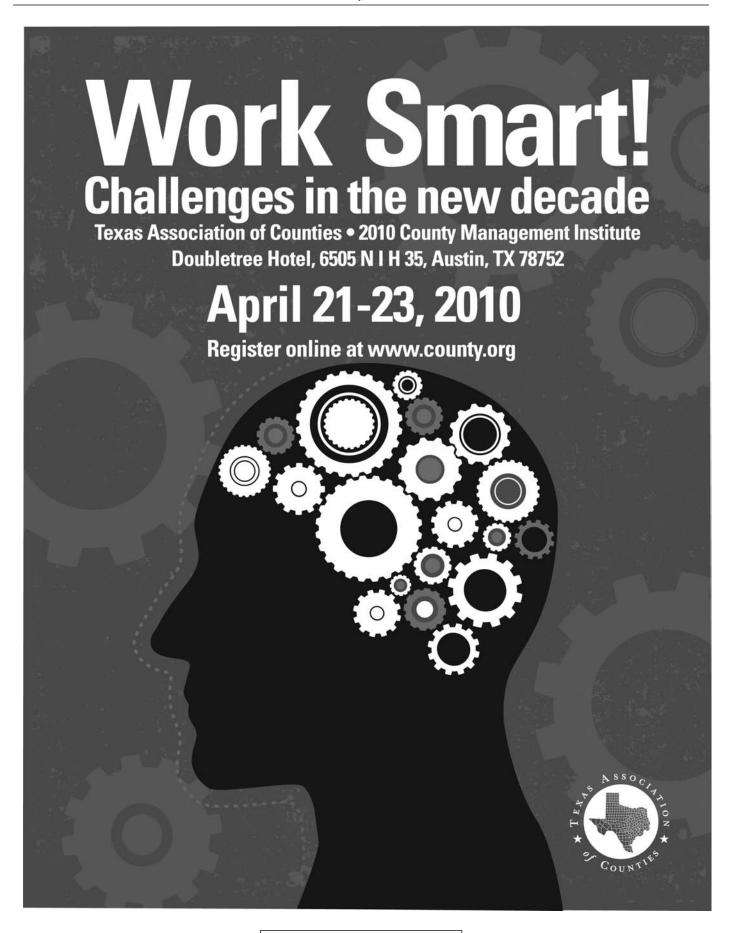
inflationary pressures on highway construction and maintenance costs, stretches those dollars dangerously far. TxDOT reports that in Texas, construction inflation increased 65 percent between 2002 and 2008. Although the economic downturn tempered this increase by 12 percent, the agency believes the upward trend in prices will resume as the economy improves.

Another thorny problem is the matter of diversion. This is a word used to describe the Legislature's practice of diverting money from the State Highway Fund, often referred to as Fund 6, to other, non-transportation related purposes. While it has become very popular to call for an end to diversion, including those opposed to any increase in taxes to pay for transportation infrastructure, the oldest habits are always the most difficult to break. Back in 1923, the 38th Legislature passed the first gasoline tax, giving 75 percent to the State Highway Fund and dedicating the remainder to the state's Available School Fund. Ending diversions (other than the original diversion to public education) would free up money for transportation projects and maintenance but would

Transportation

continued on page 8





HHSC Identifies Critical Funding Needs and Budget Reductions



By Rick Thompson

TAC Legislative Staff

uring a recent hearing, Health and Human Services

Commissioner Thomas Suehs testified to the Texas House Committee on Appropriations about the commission's critical funding needs and drivers for the upcoming biennium. Suehs also presented options to reduce commission

spending by 5
percent in
response to a Feb.
15 letter from state
leadership
directing state
agencies to
propose "prudent,
efficient reductions
that minimize the
impact on services."

During his testimony, Suehs provided an overview of the commission program growth in the areas of Medicaid clients, Medicaid Long-Term Services and Supports, Children's Health Insurance Program (CHIP) and Foster Care and Temporary Assistance for Needy Families (TANF). The acute care Medicaid caseload has already grown by just more than 8 percent in only the first six months of

For More Information

For more information about Human Services Executive Commissioner Thomas Suehs's presentation to the committee, visit www.hhsc.state.tx.us/news/presentations/2010/Snapshot_0310.pdf.

fiscal year 2010, with currently monthly trends averaging around 10-11 percent, Suehs said. The Medicaid Long-Term Services and Support caseload is projected to grow by almost 195,800 in fiscal year 2010, an increase of 2.4 percent. The CHIP caseload is averaging just less than 500,000 clients for FY 2009, and foster

prevention programs that help reduce the state's costs in the long run, such as crisis mental health services.

To achieve these goals, the Health and Human Services Commission, effective Sept. 1, 2010, will apply a 1 percent rate reduction for all programs except Medicaid community care, foster care, adoption subsidies totaling

nearly \$50 million.

The commission
will also implement
an additional 1
percent rate
reduction for
Medicaid longterm care
residential and

term care
residential and
acute care adults,
as well as reductions in additional
managed care rates, creating a total
general revenue reduction of almost

\$100 million.

As these and other proposed cuts are identified, the TAC Legislative Department will report on state agency recommendations that could affect county budgets. For more information article, contact Rick Thompson at (800) 456-5974 or rickt@county.org. **



care is expect to reach 17,860 children, up from 15,646 during the previous fiscal year. The TANF program is growing at a rate of 9 percent in just the first four months of FY 2010.

Suehs then explained to the committee that the commission will reduce its budget by 5 percent while maintaining a high level of services and minimizing the direct effect on clients. The commission is also committed to preserving effective

County Expenditure Survey 2010 Mails Out



By Paul Emerson,

TAC State Financial Analyst

Within the next few days, the Texas Association of Counties will mail out the County

Expenditures Survey 2010 to all counties. The information collected will help identify particular cost drivers that have a significant fiscal impact on counties.

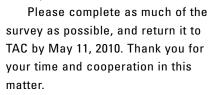
The information collected will be extremely valuable during the 82nd Legislative Session. In the past, TAC has provided the results of the surveys to legislative committees and individual members, upon their

request. In addition, the survey data will form the basis for responses to legislative requests from the Legislative Budget Board (LLB) and the Texas Comptroller of Public Accounts (CPA). These responses estimate the fiscal impact of proposed legislation affecting county government.

A hard copy of this survey will be provided to each county auditor's or treasurer's office. A copy of the survey will also be available on TAC's Web site at www.county.org/resources/countydata/index.asp. As a courtesy notice, the information contained in this article will be sent by e-mail to each county judge.

Counties that participated in the

County
Expenditures
Survey during
2008 or 2009,
please note that
the information
collected from
these surveys will
be included on your
County Expenditures
Survey for 2010.



TEXAS

For more information, contact Paul Emerson, TAC State Financial Analyst, at (800) 456-5974 or paule@county.org. ★

Proposed Changes to Jail Standards Update

The following rulemaking action regarding changes to Jail Standards will be published in the April 2, 2010 edition of the Texas Register. Public comments may be submitted to the Texas Commission on Jail Standards prior to May 2, 2010; contact information is provided below. The Texas Register may be viewed online at www.info.sos. state.tx.us.

37 TAC section 299.3, Texas Register Docket number - 201001389

An application for variance shall include: (1) - (5) (No change.)

- (6) the length of time for which the variance is being requested; [and]
- (7) any additional information or attachments demonstrating justification for the variance; and[.]
- (8) utilization of alternatives to incarceration, including diversion initiatives and reentry efforts to reduce recidivism.

37 TAC section 251.6, Texas Register Docket number - 201001388

(a)General. A complaint received by the commission concerning facilities under the commission's purview or the commission and/or its procedures or functions shall be investigated and resolved according to commission internal policies and procedures. All inspection reports, plan reviews and bills for services issued by the commission shall provide instructions for directing complaints to the commission regarding commission functions and procedures. (b)Filing a Complaint. An individual who has a complaint about a facility under the commission's purview or the commission may file a complaint in any written format or use the commission's prescribed complaint form. The complaint form is available on the agency website and may be submitted electronically or may be obtained by contacting the commission through the agency website, telephone, fax, email, or written request. (c)Public Disclosure. A complaint against

a facility under the commission's purview or the commission will only be made available for public disclosure in accordance with Government Code Chapter 552.

[All inspection reports, plan reviews and bills for services issued by the commission shall provide instructions for directing complaints to the commission regarding commission functions and procedures.]

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on March 18, 2010.

Brandon S. Wood

Assistant Director Texas Commission on Jail Standards Earliest possible date of adoption: May 2, 2010.

For further information, please call (512) 463-8236.

2009 Flood Damage Tops \$47 Million



By Bruce Barr,

TAC Geographic Information

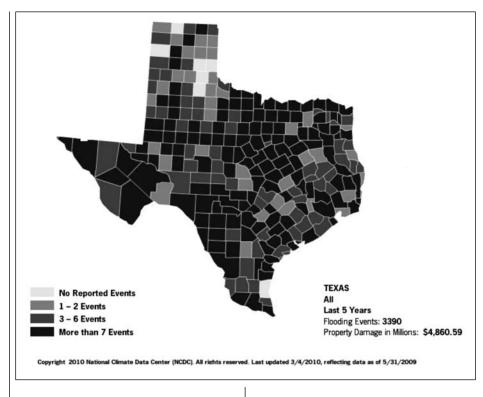
Systems Analyst

The National Flood Safety Awareness Week for 2010 was March 15-19, but local

elected leadership in Texas doesn't have to be reminded about the costs associated with flood losses. Known for severe thunderstorms and flashfloods, almost every region in the state experiences some sort of flood activity. Either by storm, hurricane or lowland inundation, few counties are exempted from the possibility of flooding.

According to the National Climatic Data Center, from Jan. 1 to Dec. 31, 2009, Texas experienced 535 flood events and experienced more than \$45.5 million in property damage and more than \$1.25 million in crop losses. No hurricanes struck Texas in 2009. During the last five years, 3,390 flooding events have caused property losses at a cost of nearly \$5 billion.

County properties are at the same or greater risk as private property. Because of the lower costs of property in historically flooded areas, local governments have often made the decision to purchase land based on the price tag rather than the associated flood risk. Also, county leaders can be unaware



of whether county buildings are covered under the National Flood Insurance Program (NFIP).

According to Dale Hoff, FEMA
Region VI Mitigation Officer, FEMA's
NFIP makes flood insurance available
to renters, homeowners, business
owners and government entities in
more than 20,800 participating
communities nationwide.

"Flood coverage can be purchased for properties both in and outside of the

highest risk areas," Hoff said. "Most property insurance policies do not cover flood damage."

To learn more about seasonal flood risks and what to do to prepare, visit www.floodSmart.gov, or call (800) 427-2419. To find out if your county is covered under the National Flood Insurance Program, contact Bruce Barr, Certified Floodplain Manager and TAC Geographic Information Systems Analyst, at (512) 478-8753 or bruceb@county.org. ★

Transportation continued from page 4

force the Legislature to fill that hole, to the tune of about \$1.5 billion per biennium — no small matter given the towering shortfall the Legislature will likely face when it returns to Austin in 2011.

What does all this mean? It is unlikely the Legislature will increase the motor fuels tax, but there will be sober, thoughtful leaders in the

Legislature who recognize the need to do so and who will work toward that end. In light of the Legislature's unlikely willingness to raise the state's motor fuels tax, there may be another attempt to give local officials the authority to ask local voters to approve new, local taxes to pay for local transportation needs. There will be efforts to end at least some diversions

from Fund 6. This will likely mean no new money added to the small amount counties get from TXDOT. An even greater need will exist for local governments to partner with TxDOT to build necessary local projects on state highways. All the while, more cars will enter Texas highways, more potholes will appear on those roads and fewer of those potholes will get filled. **



Recent economic changes present
Texas counties with unique challenges.
The 2010 Texas Association of Counties
Annual Conference offers attendees
an opportunity to share problems
and solutions with peers who face
similar issues. The Annual Conference
provides an environment for county
officials to collaborate and use peer
resources to develop ideas and create
tools to get though these tough times.

The 2010 TAG Annual Conference emphasizes peer networking, drawing upon the knowledge and experience of fellow county officials and staff. Breakout sessions feature roundtable discussions on county issues where attendees discuss their challenges and share ideas. The conference also prepares attendees for the next legislative session by highlighting proposed laws and interim charges that affect counties.

Registration and Accommodations

TAC now accepts credit cards for your registration fee! Visit www.county.org today to register online.

Early registration is now open with a special fee of \$230. After Aug. 16, the registration fee increases to \$255. Spouse registration is \$30 and provides admittance to all conference programs, including the opening evening reception and a special spouse event on Thursday afternoon.

The host hotel is the Renaissance Austin Hotel, 9721 Arboretum Blvd., Austin, 78759. When you register for the conference you will be able to make your hotel reservations.

If you register for the Annual Conference online, a link for reserving a room at the Renaissance Hotel will be provided with your registration confirmation. If you fax your conference registration and provide an email address on the registration form, hotel reservation information will be sent to you via email.

Hotel Rates

Single Rate \$126/night Double Rate \$126/night Plus applicable taxes (15 percent) and parking fees

Parking Rates

Self-Parking: free Overnight Valet: \$11 Day Only Valet: \$14

Continuing Education

This conference is an opportunity for most elected officials to acquire continuing education hours. We are applying for credit for the following offices - county and district attorneys, auditors, county and district clerks, commissioners, justices of the peace, PHR and SPHR, purchasing agents, tax-assessor collectors, TCLEOSE and treasurers. Visit the Education Center at www.county.org for updates on continuing education credits as they are approved.

Expo

The Conference Expo showcases vendors offering services you can use. More than 100 companies will be on hand with a variety of goods and services designed specifically for counties.

COUNT



Supervisory Skills for Managing County Risk

TAC 2010 Risk Management Regional Workshops

The Texas Association of Counties is offering a new workshop for county managers, supervisors, department heads and elected officials. This workshop is provided by the Texas Association of Counties Risk Management Pool. Participants learn about interaction and communicating with others by applying these skills in interactive exercises focusing on common county government risk management issues. Registration is limited to the first 70 registrants, so register today at www.county.org.

LEARNING OUTCOMES:

Upon completion of this class, participants will be able to:

- Use personal communication skills to address risk, including employment and compliance issues;
- Recognize personal and professional work styles with the DISC™ Personal Insights Profile;
- Identify strengths and weaknesses of behavior styles in the workplace;
- · Use effective methods in supervisory communications;
- Recognize the characteristics, behaviors and common practices of effective leaders;

- Identify solutions for personnel-related risks in your county; and
- Communicate with employees regarding their actions that may place the county at risk.

CONTINUING EDUCATION:

We are applying for continuing education credits for most county officials and staff. Visit the Education Center at www.county.org for updates on continuing education credits approval.

AGENDA:

7:30 a.m. Registration 4:30 p.m. Adjourn

This one-day workshop is free to county employees and is presented by the Texas Association of Counties.

If you have any questions, please contact the TAC Education Department at (800) 456-5974.

REGISTRATION FORM

TEXAS ASSOCIATION of COUNTIES

Supervisory Skills for Managing County Risk

2010 Risk Management Regional Workshops

Please fill out the information below and fax to (512) 477-1324. Registration will open at 7:30 a.m. at each location.

Name:		
Title:		
County:		
Business Address:		
City/State/Zip:		
Business Email:		
Business Phone:	Business Fax:	



www.county.org

(check your preferred location)

- ☐ May 18: Borger Frank Phillips College
- ☐ May 18: Waco Holiday Inn Waco
- ☐ May 20: Lubbock Holiday Inn and Towers
- ☐ May 20: Tyler Holiday Inn Select
- ☐ May 25: Odessa Holiday Inn Hotel
- ☐ May 25: Corpus Christi Omni Bayfront Tower
- ☐ May 27: Abilene Hilton Garden Inn
- ☐ May 27: Conroe La Torretta Lake Resort
- ☐ June 2: Granbury Hilton Garden Inn
- ☐ June 2: Kerrville Inn of the Hills

AG Opinions Issued

GA-0761: Mr. Victor T. Vandergriff, Chair, Texas Department of Motor Vehicles, authority of a magistrate to award ownership or title of a motor vehicle under chapter 47, Code of Criminal Procedure, or other law. Summary: Because of the differing statements intermediate appellate courts have made regarding a court's jurisdiction under article 47.01a(a), we cannot predict with any certainty whether a court would conclude Code of Criminal Procedure articles 47.01a(a) and 47.02(b) authorize a justice of the peace or a municipal judge to award title or ownership of a motor vehicle. However, depending upon the

foreclosure proceeding at issue, we conclude that a justice court could award title or ownership of a motor vehicle in enforcing a lien under Government Code section 27.031.

The Texas Department of Motor Vehicles may, under section 501.074(a)(4) of the Transportation Code, accept a court order from a justice or municipal court in carrying out its duty to issue a new certificate of title for a motor vehicle, the ownership of which has been transferred by operation of law.

GA-0762: Honorable Patrick M. Rose, Chair, Committee on Human Services Texas House of Representatives, whether a Type A

general-law municipality may impose and enforce a nonpoint source pollution ordinance in its extraterritorial jurisdiction pursuant to section 26.177 of the Water Code. Summary: Pursuant to Water Code subsection 26.177(b)(5), if a Type A general-law municipality determines that implementing a water pollution control program in its extraterritorial jurisdiction is necessary to achieve pollution control objectives in its territorial jurisdiction, the Legislature has authorized the municipality to regulate, in its extraterritorial jurisdiction, pollution resulting from generalized discharges of waste which are not traceable to a specific source.

AG Opinions Requested

RQ-0859-GA: Honorable Frank J. Corte Jr., Chair, Defense and Veteran's Affairs, Texas House of Representatives, whether a facility must have a license to perform abortions; and whether drugs to induce an abortion must be ingested in the presence of a physician.

RQ-0860-GA: Honorable Tommy Williams, Chair, Administration, Texas State Senate, whether, under chapter 395, Local Government Code, a municipality may grant a credit on sewer impact fees for a water line project.

RQ-0861-GA: Honorable R. Kelton Conner, Hood County Attorney, compensation of judges serving on a juvenile board.

RQ-0862-GA: Steven C.

McCraw, Director, Texas Department of Public Safety, whether the exemption for a person engaged exclusively in the business of repossessing property, as provided in section 1702.324(b)(3) of the Occupations Code, applies only to investigative services or is applicable to all services regulated under the Private Security Act.

RQ-0863-GA: Honorable Ronald D. Hankins, Somervell County Attorney, whether a vehicle, used to transport birds, rats, mice, hamsters and similar animals for sale to pet shops, may be registered as a farm vehicle under section 502.163 of the Transportation Code.

RQ-0864-GA: Mr. Robert Scott, Commissioner, Texas Education

Agency, whether section 11.059 of the Education Code prohibits an independent school district from changing the length of terms of its board of trustees after it changes the election date pursuant to section 41.0052(a-1) of the Election Code.

RQ-0865-GA: Honorable Jo Anne Bernal, El Paso County Attorney, whether chapter 161 of the Local Government Code is applicable to the 34th Judicial District Attorney and its staff.

RQ-0867-GA: Honorable Scott Brumley, Potter County Attorney, whether the revenue from phone cards sold in the jail commissary should be credited to the jail commissary fund or to the general fund of a county. ■



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From the Legislative Desk

By Carey "Buck" Boethel, Director of Governmental Relations

Counties Must Stay Vigilant Against Fiscal Adjustments

The States and their budget gaps
— no surprises please! Last year
California dealt with a \$20 billion
budget deficit by delays in tax refunds
and issuance of IOUs to vendors. Last
week the Associated Press quoted
from a recent report of the National
Governors Association: "State fiscal
conditions have continued to worsen,
and state revenues can be expected
to lag from one to three years behind
a national recovery from recession."

As states make budget cuts, a good many are reducing benefits and provider reimbursements in their Medicaid programs. An \$87 billion federal stimulus package, ending this December, has helped them avoid severe cuts. There are too many vague and undetermined variables that have arisen through the new federal healthcare reform act, which not only prohibits states from reducing their Medicaid rolls, but also substantially increases the number of eligible participants.

Unfortunately, we are a long way from knowing what the impact and

effect of the federal health reform act will have on counties and their obligations to provide health care for the indigent. Presumably there should be a substantial reduction in county participation due to the increase in Medicaid enrollment and other factors. The federal law does not repeal the existing health laws in Texas and it must be reauthorized by the year 2020 or expire.

Estimates of a budget deficit in **Texas** are for a biennium, or two-year budget gap. Nine billion dollars comes up a lot, although it's not uncommon to hear estimates twice that high.

The Constitution requires the
Texas Comptroller to prepare and
submit to the Governor and to the
Legislature upon convening, an
itemized estimate of all the
anticipated revenue that will be
received by the state during the
succeeding biennium. The Comptroller
is also required to submit revisions of
the estimates at any other times when
necessary to show probable changes.
Although the state of Texas may end a

fiscal biennium with an unanticipated deficit, it may not deliberately begin a biennium with one.

There's little, if anything, to be gained by scouring the state budget for savings since so much of it is actually federal money and most of the remainder constitutes funds dedicated for specific uses thereby requiring a change in the law before that money could be spent for a different purpose. For **counties**, fiscal "adjustments" made by the state to eliminate anticipated deficits are the most critical part of the process.

In 2003 the state's actions to eliminate an estimated \$10 billion deficit required counties to maintain an extraordinary level of attentiveness in responding to legislative inquiries and individual legislators who were searching for creative ways to save the state money — occasionally at the expense of counties. The same or perhaps a more intense level of participation, responsiveness and caution by counties will be required in 2011. **