



Legislative Budget Board  
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Governors Office of  
Budget, Planning and Policy  
1100 San Jacinto, 4th Floor  
Austin, TX 78701  
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## MEMORANDUM

June 2, 2006

TO: State Agency Board/Commission Chairs  
State Agency Heads/Executive Directors  
Appellate Court Justices and Judges  
Chancellors and Presidents of Institutions of Higher Education  
Presidents and Directors of Health-related Institutions

Detailed instructions for the submission of legislative appropriations requests for the 2008-09 biennium have been posted on the Legislative Budget Board and Governor's Office websites. A schedule of due dates is included as an appendix to the instructions.

As a starting point for budget deliberations, an agency's baseline request for general revenue-related funds will be limited to 90 percent of the sum of amounts expended in fiscal year 2006 and budgeted in fiscal year 2007 plus an amount equal to the GR-related allocation for the 3 percent / \$50 employee pay raise in 2007. Exceptions to the 90 percent limitation include amounts necessary to maintain public education funding based on legislative action, satisfy debt service requirements for existing bond authorizations, maintain caseloads for federal entitlement services, and maintain adult prison populations.

Funding requests for other purposes which exceed the baseline spending level may not be included in the baseline request but may be submitted as exceptional items. The Administrator's Statement accompanying the budget request should identify which exceptional items are tied to reaching 100 percent of the 2006-07 spending level.

We appreciate the opportunity to work with you and your staff during this new budget cycle.

Sincerely,

Handwritten signature of John D'Brien in black ink.

John D'Brien, Deputy Director  
Legislative Budget Board

Handwritten signature of Mike Morrissey in black ink.

Mike Morrissey, Director  
Governor's Office of Budget, Planning  
and Policy

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