



**TEXAS HOUSE OF REPRESENTATIVES**  
**TOM CRADDICK**  
**SPEAKER**

**August 1, 2007**

**The Honorable Jim Dunnam**  
**State Representative, District 57**  
**State Capitol, Room GN.11**  
**Austin, Texas 78701**

**Dear Jim:**

**Thank you for your recent letter related to the Governor's veto of the 2009 fiscal year funding for higher education group insurance for community colleges.**

**I supported the original appropriation made by the Legislature for this purpose and, therefore, also support the restoration of these funds. I am currently working with the Governor, Lt. Governor and members of the House to find a practical solution that will achieve that end. It is my intention to act quickly so community colleges will be able to plan accordingly and avoid any negative consequences, such as tuition increases for students or property tax rate increases for home owners and businesses.**

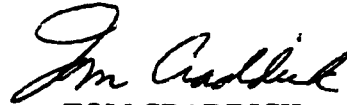
**The Governor has raised some legitimate concerns that will need to be addressed with regard to how we calculate the proportionality of salaries and benefits between local and state funding sources. However, I believe we will find an acceptable solution to his concerns.**

**You suggested that we immediately utilize the budget execution process to rectify this issue. Ultimately, that may be the method we choose. However, there are other options available to us that will accomplish the same result. The Legislative Budget Board and the Governor, through the budget execution process, do not have the authority to simply restore the funds for this purpose. We can, however, transfer funds between appropriations items, between appropriation years, or redefine the purpose of an appropriation. Thus, if we choose to go this route we will first have to work out the details with regard to where the funds will be transferred from, and then in all likelihood restore those funds via a supplemental appropriation during the next legislative session.**

In any event, I can assure you that we will be ready to announce a solution to this issue in the very near future. In the meantime, if you have any other suggestions or comments please do not hesitate to contact me again.

I hope this letter finds you and your family enjoying a wonderful summer.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Craddick". The signature is fluid and cursive, with a large initial "T" and "C".

**TOM CRADDICK**  
Speaker