

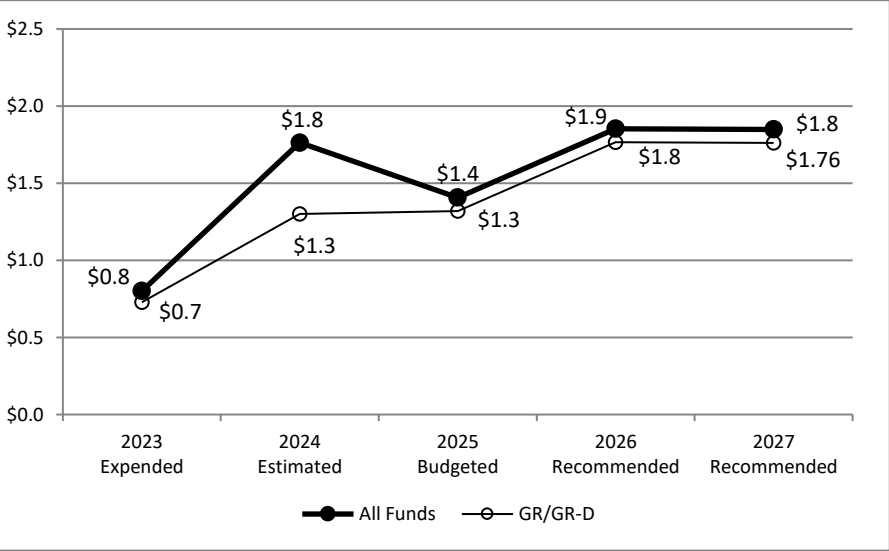
**Funeral Service Commission
Summary of Budget Recommendations - House**

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 Scott Bingaman, Executive Director
 Kelsey Sims, LBB Analyst

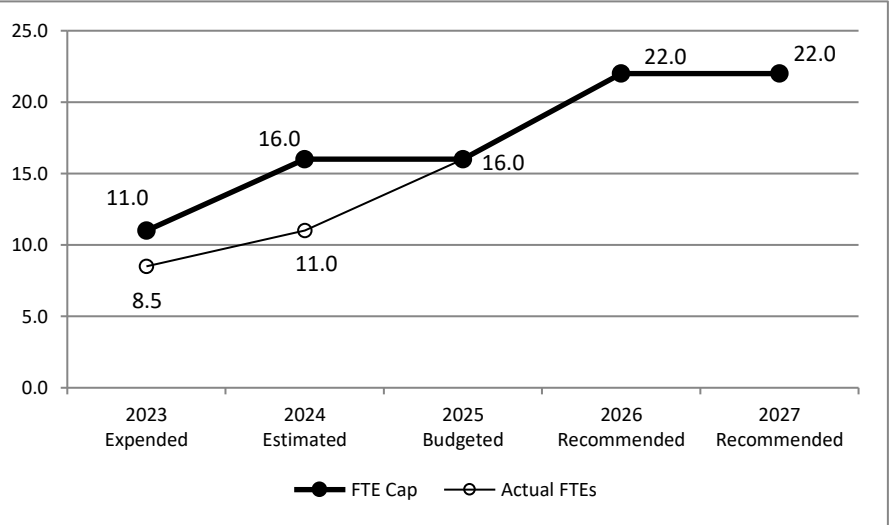
Method of Financing	2024-25 Base	2026-27 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$2,621,472	\$3,527,807	\$906,335	34.6%
GR Dedicated Funds	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$2,621,472</i>	<i>\$3,527,807</i>	<i>\$906,335</i>	<i>34.6%</i>
Federal Funds	\$0	\$0	\$0	0.0%
Other	\$549,275	\$174,200	(\$375,075)	(68.3%)
All Funds	\$3,170,747	\$3,702,007	\$531,260	16.8%

	FY 2025 Budgeted	FY 2027 Recommended	Biennial Change	Percent Change
FTEs	16.0	22.0	6.0	37.5%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2026-27 Recommended) represents an estimated 100.0% of the agency's estimated total available funds for the 2026-27 biennium.

Funeral Service Commission
Summary of Funding Changes and Recommendations - House

Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 Base Spending Level	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
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SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):

A)	Relocate \$109,567 in General Revenue funding each fiscal year from Strategy A.1.1, Licensing Requirements, to D.1.1, Indirect Administration, associated with the Executive Director position's salary.	\$0	\$0	\$0	\$0	\$0	A.1.1, D.1.1
B)	Increase in funding and 4.0 FTEs to address unanticipated workload requirements associated with agency assumption of the Whole Body Donation Program.	\$527,690	\$0	\$0	\$0	\$527,690	Several strategies

OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):

C)	Increase in funding to biennialize the statewide salary adjustments included in the 2024-25 appropriations.	\$50,587	\$0	\$0	\$0	\$50,587	Several strategies
D)	Increase for Health Professions Council vendor cost increase related to the shared regulatory database.	\$10,458	\$0	\$0	\$0	\$10,458	A.1.1
E)	Decrease for one-time funding for replacement of computers, scanners, and printers that had exceeded their useful life that is not continued.	(\$20,000)	\$0	\$0	\$0	(\$20,000)	B.1.1
F)	Decrease in Appropriated Receipts for a one-time transfer in fiscal year 2024 of the State Anatomical Board's account fund balance.	\$0	\$0	\$0	(\$375,075)	(\$375,075)	C.1.1
G)	Increase in funding and 2.0 FTEs for a new operations manager position and an additional Inspector position to alleviate the increased workload agency-wide associated with the agency's assumption of the Whole Body Donation Program.	\$337,600	\$0	\$0	\$0	\$337,600	Several strategies

TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations	\$906,335	\$0	\$0	(\$375,075)	\$531,260	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>	\$926,335	\$0	\$0	\$0	\$926,335	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>	(\$20,000)	\$0	\$0	(\$375,075)	(\$395,075)	As Listed

NOTE: Totals may not sum due to rounding.

**Funeral Service Commission
Selected Fiscal and Policy Issues - House**

1. **Whole Body Donation Program.** Recommendations provide \$1.3 million in General Revenue funds and 4.0 FTEs to support implementation of the Whole Body Donation Program that maintains program funding at the fiscal year 2025 spending level. These appropriations are made through a new Goal and two strategies for this program as approved by the LBB and Governor's Office staff. Recommendations include an increase of \$527,690 in General Revenue funding with authority for an additional 4.0 FTEs to provide resources for the agency to maintain current agency functions and manage the increased workload associated with the Whole Body Donation Program. Recommendations also include a decrease of \$375,075 in Appropriated Receipts from the 2024–25 spending level due to a one-time transfer in fiscal year 2024 of the State Anatomical Board's account fund balance.

According to the agency, assumption of the Whole Body Donation Program has led to a significant increase in the agency's workload due to the complexity and previously largely unregulated nature of this work. In addition, agency staff had little to no background or experience with non-transplant whole body donation prior to the program transfer and the range of facilities that now fall under the regulation of the Funeral Services Commission includes unique locations such as hotels or convention centers that host one-time medical or bio skills training events and mobile anatomical facilities housed in vehicles or trailers that were previously outside of the scope of the former Anatomical Board. Funding increases for the 2026–27 biennium noted above were made to address these issues.

Enactment of Senate Bill 2040, Eighty-eighth Legislature, 2023, abolished the Anatomical Board of the State of Texas and transferred its responsibilities to the Funeral Service Commission. These included the regulation of non-transplant whole body donation and use for the advancement of medical and forensic science. The agency now oversees and registers university willed body programs, non-transplant anatomical donation organizations, anatomical facilities and other entities for the receipt, use and distribution of donated bodies and body parts.

2. **Indirect Administration.** Recommendations modify the agency's budget structure to create a new Goal and Strategy for Indirect Administration as approved by the LBB and Governor's Office staff for the agency's bill pattern structure for the 2026–27 biennium. This change was made to more closely align the agency's budget structure with other agencies within Article VIII.

The agency's base request for this strategy included \$34,000 for travel and no FTEs. Recommendations include relocating \$109,567 in General Revenue funding each fiscal year, or \$219,134 for the biennium, and 1.0 FTE from Strategy A.1.1, Licensing Requirements, associated with the agency's Executive Director exempt position's salary and other personnel costs to this new strategy to better reflect the agency's indirect administration costs.

**Funeral Service Commission
Rider Highlights - House**

New Rider

2. **Exempt Whole Body Donation Program Funding from Appropriations Limited to Revenue Collections Requirements.** Recommendations include adding a rider to exempt the Whole Body Donation Program from revenue collection requirements.

**Funeral Service Commission
Items Not Included in Recommendations - House**

	2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items Not Included (in agency priority order)

1)	General Revenue funding to increase the annual authorized salary amount for the Executive Director position from \$107,948 in Group 2 to \$149,240 in Group 3 in FY 2026 and then to \$165,000 in Group IV in fiscal year 2027.	\$99,104	\$99,104	0.0	No	No	\$114,104
2)	General Revenue funding to increase compensation for agency staff.	\$175,802	\$175,802	0.0	No	No	\$213,302
3)	General Revenue funding to improve operations through automation to efficiently serve licensees and the public.	\$330,000	\$330,000	0.0	Yes	Yes	\$129,000
4)	General Revenue funding and 4.0 FTEs for additional Program Specialists II to staff the licensing department.	\$424,000	\$424,000	4.0	No	No	\$424,000
5)	General Revenue funding and 1.0 FTE for an additional investigator position to address a growing number of complaints filed with the agency.	\$149,000	\$149,000	1.0	No	No	\$153,000
6)	General Revenue funding for additional office space to meet the needs of the expanding staff.	\$750,000	\$750,000	0.0	No	Yes	\$0
7)	General Revenue funding and 1.0 FTE for an additional staff attorney position to address a backlog of enforcement cases.	\$180,600	\$180,600	1.0	No	No	\$183,600
8)	General Revenue funding and 1.0 FTE for a new administrative assistant position to perform tasks currently performed by more specialized staff thereby permitting them to focus greater attention on their particular responsibilities.	\$132,600	\$132,600	1.0	No	No	\$132,600
9)	General Revenue funding and 1.0 FTE for a new administrative assistant position to serve the Executive Director and other upper level positions.	\$119,400	\$119,400	1.0	No	No	\$122,400

TOTAL Items Not Included in Recommendations	\$2,360,506	\$2,360,506	8.0			\$1,472,006
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**Funeral Service Commission
Appendices - House**

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* Appendix is not included - no significant information to report

**Funeral Service Commission
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
LICENSING REQUIREMENTS A.1.1	\$867,509	\$790,512	(\$76,997)	(8.9%)	Recommendations in General Revenue include the following: a) an increase of \$92,920 to maintain program operations and staff salaries at the fiscal year 2025 spending level, b) an increase of \$10,458 for Health Professions Council vendor cost increases related to the shared regulatory database. c) a decrease of \$219,134 for relocation of funding for the Executive Director position to Strategy D.1.1, Indirect Administration, d) a decrease of \$41,335 for one-time costs for licensing database upgrade costs that are not continued, and e) an increase of \$80,094 for 1.0 FTE for Whole Body Donation Program workload mitigation.
TEXAS.GOV A.1.2	\$70,000	\$70,000	\$0	0.0%	
Total, Goal A, COMPETENT LICENSEES	\$937,509	\$860,512	(\$76,997)	(8.2%)	
INSPECTIONS B.1.1	\$446,914	\$776,792	\$329,878	73.8%	Recommendations in General Revenue primarily include the following: a) an increase of \$11,002 to maintain program staffing and operational funding at the fiscal year 2025 spending level, b) an increase of \$2,260 for increases in anticipated travel costs, and c) an increase of \$316,616 for 1.0 FTE for Whole Body Donation Program workload mitigation.
RULE COMPLIANCE B.2.1	\$572,536	\$762,633	\$190,097	33.2%	Recommendations in General Revenue include an increase of \$233,666 for 1.5 FTEs for Whole Body Donation Program workload mitigation.
Total, Goal B, ENFORCE STANDARDS	\$1,019,450	\$1,539,425	\$519,975	51.0%	

**Funeral Service Commission
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
INSPECTIONS AND INVESTIGATIONS C.1.1	\$974,818	\$673,679	(\$301,139)	(30.9%)	Recommendations include the following: a) a decrease of \$120,682 in General Revenue reallocated to support the other Whole Body Donation Program strategy; b) a decrease of \$375,075 in Appropriated Receipts associated with one-time former State Anatomical Board funding balances transferred to the agency in fiscal year 2024 and expended in that same year for one-time operational needs, and c) an increase of \$194,618 for 1.5 FTEs for the Whole Body Donation Program workload mitigation.
LICENSING REQUIREMENTS C.1.2	\$205,363	\$375,257	\$169,894	82.7%	Recommendations in General Revenue include the following: a) an increase for staff and operational expenses of the Whole Body Program, and b) an increase of \$40,296 for 1.0 FTE for Whole Body Donation Program workload mitigation
Total, Goal C, MANAGE WHOLE BODY DONATION PROGRAM	\$1,180,181	\$1,048,936	(\$131,245)	(11.1%)	
INDIRECT ADMIN D.1.1	\$33,607	\$253,134	\$219,527	653.2%	Recommendations include an increase in General Revenue funding associated with relocation of funding for the Executive Director position from Strategy A.1.1, Licensing Requirements, to this strategy.
Total, Goal D, INDIRECT ADMINISTRATION	\$33,607	\$253,134	\$219,527	653.2%	
Grand Total, All Strategies	\$3,170,747	\$3,702,007	\$531,260	16.8%	

**Funeral Service Commission
FTE Highlights - House**

Full-Time-Equivalent Positions	Expended 2023	Estimated 2024	Budgeted 2025	Recommended 2026	Recommended 2027
Cap	11.0	16.0	16.0	22.0	22.0
Actual/Budgeted	8.5	11.0	16.0	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 2	\$105,132	\$107,948	\$107,948	\$107,948	\$107,948

Note:

The State Auditor's Office Report, *Executive Compensation at State Agencies* (Report 25-702, October 2024), indicates a market average salary of \$112,982 for the Executive Director position at the Texas Funeral Service Commissions. The agency is requesting funding and authority to raise the exempt salary from \$107,948 in Group 2 to \$149,240 in Group 3 in FY 2026 and then to \$165,000 in Group IV in 2027.