



TEXAS
Health and Human
Services

**Texas Department of State
Health Services**

Department of State Health Services Fiscal Years 2028-2029 Legislative Appropriations Request

Presentation to the Office of the Governor and the
Legislative Budget Board

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September 2026

DSHS Functions



Preventing, detecting, and responding to infectious diseases.



Leading public health and medical response during disasters and emergencies.



Improving health outcomes through prevention, education, and interventions.



Reducing health risks and threats by establishing minimum standards for consumer protection.



Providing data collection and analysis to support evidence-based public health interventions.

DSHS Accomplishments: FY 2026-2027

Legislative Implementation

- Youth camp safety requirements
- Statewide mobile food vendor licensing and inspection program
- Spay and neuter grant
- Whole Blood Initiative pilot

Laboratory

- Texas newborn screening panel additions - GAMT, Pompe, Krabbe, MPS I and II
- Initiation of the new laboratory construction project

Public Health Data

- Publishing and updating data for public use – congenital syphilis, respiratory viruses, and maternal health
- Continued improvements in sharing data with local health department partners
- National recognition for the quality of data collected by the Texas Cancer Registry

Response

- Medical response – flooding, wildfires, hurricanes and other weather events
- World Cup preparedness and monitoring
- Infectious disease events – hantavirus, measles, Ebola, Cyclospora, and New World screwworm

Exceptional Item Goals

Ensure efficient and effective operations

Fulfill ongoing legislative mandates

Address workforce challenges and maintain agency infrastructure

Ensure the timeliness and quality of DSHS data sets

Strengthen the broader public health system

Provide stable funding to facilitate disaster response

Support the capacity of local and public health to address emerging situations

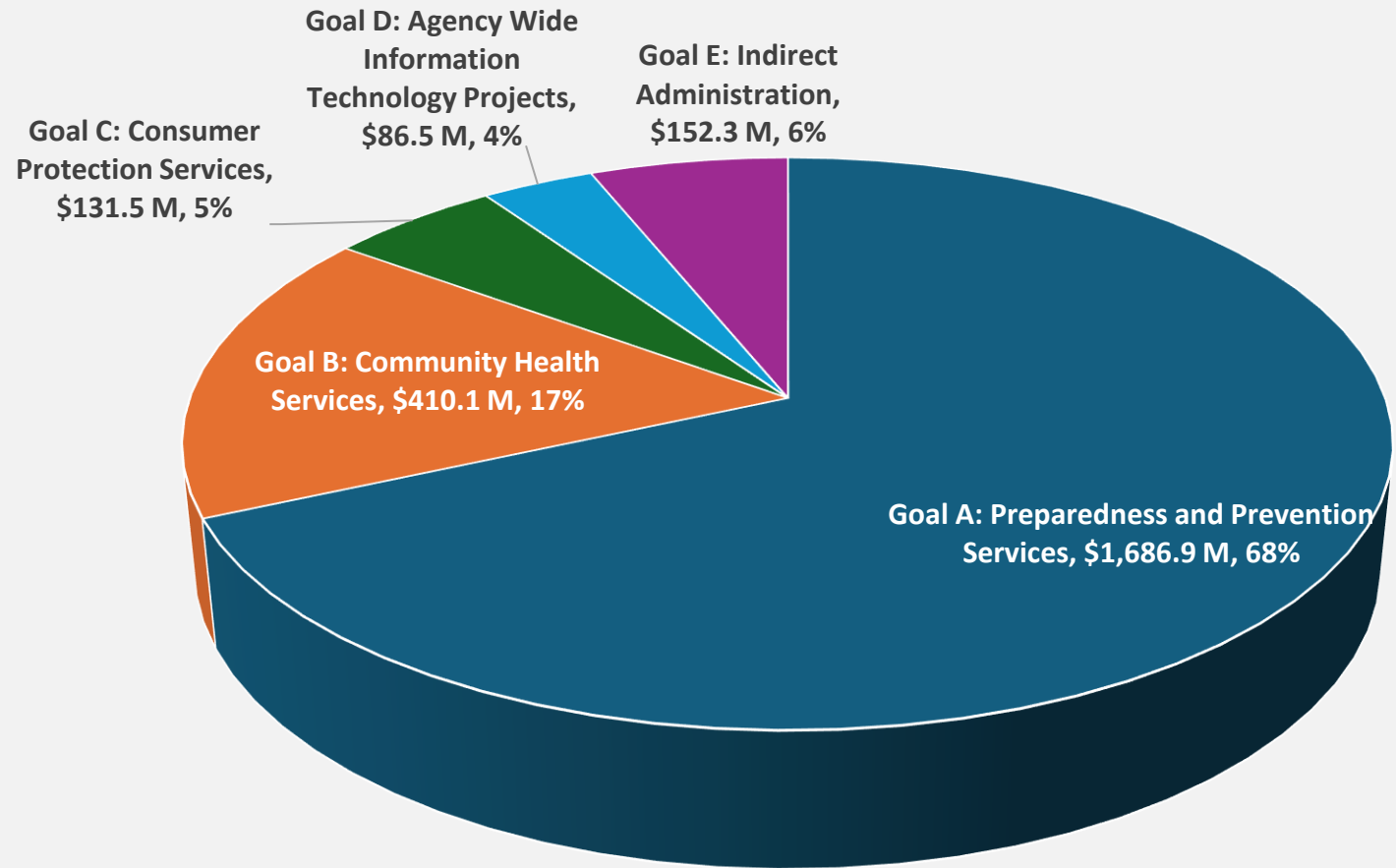
Protect Texans from persistent health challenges

Preserve access to HIV medications for eligible Texans

Provide timely inspections for Texas businesses serving Texas consumers

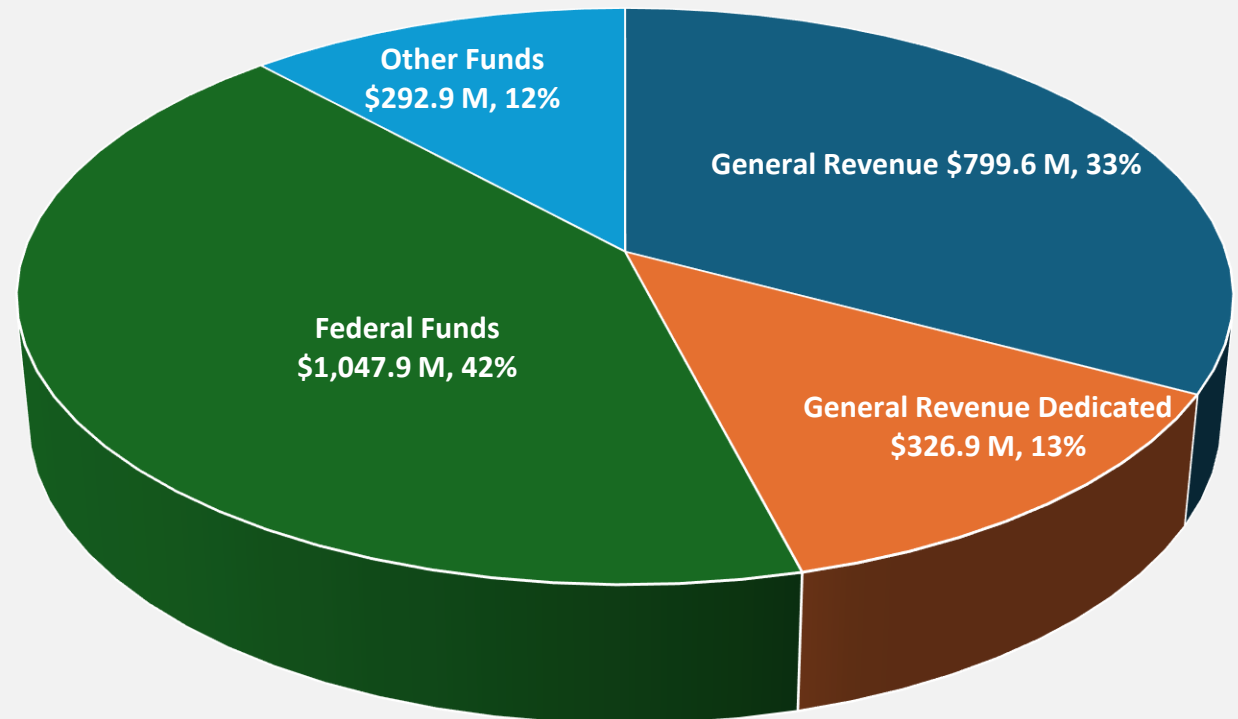
FY 2028-2029 Base Budget: All Funds

Goal	General Revenue
Goal A: Preparedness and Prevention Services	\$1,686.9 M
Goal B: Community Health Services	\$410.1 M
Goal C: Consumer Protection Services	\$131.5 M
Goal D: Agency Wide Information Technology Projects	\$86.5 M
Goal E: Indirect Administration	\$152.3 M
Agency All Funds Total	\$2,467.3 M



FY 2028-2029 Base Budget: By Method of Finance

Fund	Amount
General Revenue	\$799.6 M
General Revenue Dedicated	\$326.9 M
Federal Funds	\$1,047.9 M
Other Funds	\$292.9 M
All Funds	\$2,467.3 M



FY 2026-2027 Current Budget: Top Federal Funding Sources

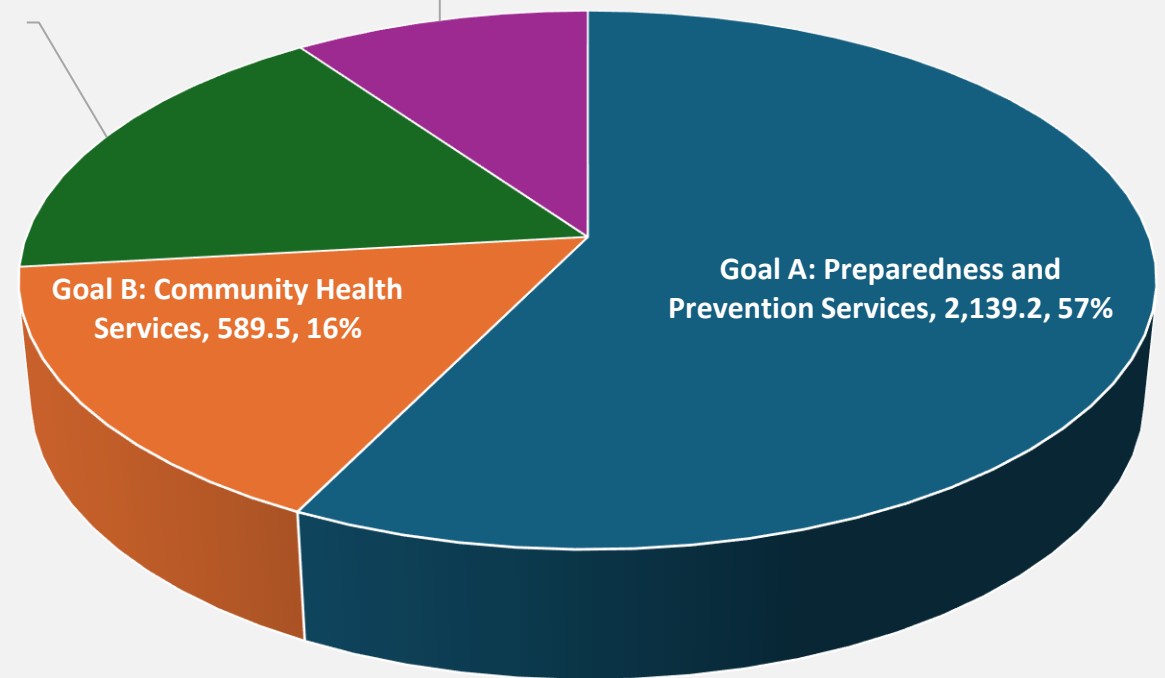
Federal Funding Source	DSHS Budget Strategy	FY 2026-2027 Biennial Amount
HIV Care Formula Grants	A.2.2: HIV/STD Prevention	\$ 269.8 M
Public Health Infrastructure (COVID)	A.1.1: Public Health Preparedness and Coord Services	\$ 149.8 M
COVID Public Assistance Cat B (EPM)	A.1.6: Disaster Response	\$ 92.0 M
Public Health Emergency Preparedness	A.1.1: Public Health Preparedness and Coord Services	\$ 91.4 M
Maternal and Child Health	B.1.1: Maternal & Child Health	\$ 63.2 M
HIV Prevention Activities	A.2.2: HIV/STD Prevention	\$ 63.2 M
COVID Epi & Lab Capacity (ELC)	A.2.3: Infectious Disease Prevention, Epi. & Surveillance	\$ 61.6 M
Immunization Grants	A.2.1: Immunize Children and Adults in Texas	\$ 45.6 M
Bioterrorism Hospital Preparedness	A.1.1: Public Health Preparedness and Coord Services	\$ 41.3 M
Public Health Infrastructure (Base)	A.1.1: Public Health Preparedness and Coord Services	\$ 30.1 M

FY 2028-2029 Base Budget: Full Time Equivalents (FTEs)

Goal	FTEs
Goal A: Preparedness and Prevention Services	2,139.2
Goal B: Community Health Services	589.5
Goal C: Consumer Protection Services	628.1
Goal D: Agency Wide Information Technology Projects	0.0
Goal E: Indirect Administration	363.4
Agency FTE Total	3,720.2

Goal C: Consumer
Protection Services,
628.1, 17%

Goal E: Indirect
Administration, 363.4, 10%



Exceptional Items Overview

Exceptional Item		Biennial GR/GRD	Biennial All Funds	FY 2028 FTEs	FY 2029 FTEs
DSHS FY 2028-2029 Base Request		\$1,126.5 M	\$2,467.3 M	3,761.0	3,720.2
1	Fulfill Newly Mandated Consumer Protection Responsibilities	\$64.6 M	\$64.6 M	80.0	80.0
2	Meet Increased Costs for Current Agency Operations	\$28.1 M	\$28.1 M	0.0	0.0
3	Protecting State Investments in Critical Public Health Data Systems	\$25.3 M	\$25.3 M	10.0	6.0
4	Ensuring State and Local Readiness and Response for Disasters and Outbreaks	\$32.6 M	\$32.6 M	0.0	0.0
5	Address the Projected Texas HIV Medication Program Shortfall	\$69.0 M	\$69.0 M	0.0	0.0
6	Increasing DSHS Capacity to Support Industry Growth	\$10.5 M	\$10.5 M	22.0	22.0
DSHS Total Exceptional Item Request		\$230.1 M	\$230.1 M	112.0	108.0
DSHS Total 2028-2029 Legislative Appropriations Request		\$1,356.6 M	\$2,697.4 M	3,873.0	3,828.2

Exceptional Items



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El 1: Fulfill Newly Mandated Consumer Protection Responsibilities

- **Mobile Food Vendors, \$34.5 M:** Access existing fee revenue and receive authority for 57 FTEs to continue operating the statewide licensing and inspection program, including funding for existing collaborative agreements with local health departments.
- **Consumable Hemp, \$30.1 M:** Access existing fee revenue and receive authority for 23 FTEs to support greater inspection frequency, including inspections for age gating.

Method of Finance	FY 2028	FY 2029	Biennium
GR	\$32.1 M	\$32.5 M	\$64.6 M
All Funds	\$32.1 M	\$32.5 M	\$64.6 M

FTEs	
FY 2028	80
FY 2029	80

Program Data	
Expected Mobile Food Vendor Licenses	~20,000
Consumable Hemp Licensed and Registered Locations	15,643
Increase in Registered Consumable Hemp Retailers – FY 25 to FY 26	82%

El 2: Meet Increased Costs for Current Agency Operations

- ***Texas Health Care Information Collection (THCIC), \$1.1 M:*** Cover increased contractor costs for data collection required by statute.
- ***Texas Center for Infectious Disease, \$8.2 M:*** Cover cost increases for medications, other medical resources, food, and utilities, and make health and safety repairs and renovations to the facility.
- ***Data Center Services, \$16.3 M:*** Cover increased costs for ensuring compliance with DIR standards and agreements.
- ***Seat Management, \$2.5 M:*** Maintain devices needing for DSHS staff, including warranty, lease, and software costs for desktops, laptops, and tablets.

Method of Finance	FY 2028	FY 2029	Biennium
GR	\$15.4 M	\$12.7 M	\$28.1 M
All Funds	\$15.4 M	\$12.7 M	\$28.1 M

FTEs	
FY 2028	0
FY 2029	0

Program Data	
THCIC Records Processed Annually	32 Million
TCID Bed Capacity	75
TCID Patients, FY 25	109

El 3: Protecting State Investments in Critical Public Health Data Systems

- **NEDSS, \$14.7 M:** Update technology critical to data security of the primary disease surveillance tool for identifying confirmed lab reports of infectious diseases and reportable conditions.
- **SHARP, \$8.2 M:** Update and maintain system used by DSHS and local health departments to send and receive data to ensure required data security and support enhanced tools for analysis.
- **Syndromic Surveillance, \$2.4 M:** Migrate system to a new platform that aligns with required security standards to provide understanding of emerging symptoms in participating emergency departments and urgent care centers.

Method of Finance	FY 2028	FY 2029	Biennium
GR	\$24.7 M	\$0.6 M	\$25.3 M
All Funds	\$24.7 M	\$0.6 M	\$25.3 M

FTEs		Program Data	
FY 2028	10	Conditions Reportable in NEDSS	140
FY 2029	6	Authorized SHARP User Entities	60+
		Syndromic Surveillance Records Ingested Annually	6.9 Million

El 4: Ensuring State and Local Readiness and Response for Disasters and Outbreaks

- **Disaster Response Costs, \$12.6 M:** Enable DSHS to provide agile public health and medical support during all disasters regardless of whether a state or federal reimbursement is ultimately made available. This amount is based on the average DSHS annual expenditures on disaster response.
- **Local Health Department Funding, \$20.0 M:** Support local health departments with grant funding to ensure capacity and preparedness for emergency response and outbreaks.

Method of Finance	FY 2028	FY 2029	Biennium
GR	\$16.3 M	\$16.3 M	\$32.6 M
All Funds	\$16.3 M	\$16.3 M	\$32.6 M

FTEs		Program Data	
FY 2028	0	Number of Responses During Fiscal Year 2026	13 deployments (including 20 wildfire events)
FY 2029	0		
		Local Health Departments Contracted by DSHS for Preparedness Functions	53

El 5: Address the Projected Texas HIV Medication Program Shortfall

- **THMP Shortfall, \$69.0 M:** Provide life-saving medications to qualified, low-income Texans living with HIV through the Texas HIV Medication Program.
 - ▶ This item assumes no changes to current eligibility criteria.

Method of Finance	FY 2028	FY 2029	Biennium
GR	\$34.5 M	\$34.5 M	\$69.0 M
All Funds	\$34.5 M	\$34.5 M	\$69.0 M

FTEs	
FY 2028	0
FY 2029	0

Program Data	
THMP Enrollees	24,100+
Cost per Client Growth Since 2019	15.6%
THMP Enrollee Growth Since 2019	17.6%

El 6: Increasing DSHS Capacity to Support Industry Growth

- ***Inspection Frequencies for Retail and Manufactured Foods, \$4.7 M:*** Improve inspection frequencies for retail and manufactured food programs in alignment with federal risk-based inspection frequencies to reduce the threat of foodborne illness outbreaks.
- ***Radiation Control Program, \$5.8 M:*** Increase program capacity and improve retention to better align with federal inspection frequencies in alignment with federal requirements. Increased capacity will support Texas industries (oil and gas, etc.) reliant on radiation devices and will protect the public in the event of a radiation emergency response event.

Method of Finance	FY 2028	FY 2029	Biennium
GR	\$2.9 M	\$2.9 M	\$5.8 M
GRD	\$2.4 M	\$2.3 M	\$4.7 M
All Funds	\$5.3M	\$5.2 M	\$10.5 M

FTEs	
FY 2028	22
FY 2029	22

Program Data as of July 2026	Number of Licenses	Current Inspection Frequency
Retail and Manufactured Foods	35,035	5-10 years
Radiation Program	34,328	4-7 years