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# Texas Commission on Environmental Quality



## Summary of the 2010-2011 Legislative Appropriations Request

**August 6, 2008**

## Table of Contents

<b><u>Title of Schedule</u></b>	<b><u>Page</u></b>
10% Reduction	1
Summary of Base Request by Method of Finance	2
Summary of Capital Budget Request	3
Summary of Exceptional Item Request	4
Exceptional Item Request Descriptions	5
Summary of Rider Revisions	9
Article VI Rider Revisions	13

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**10% Reduction (Supplemental Schedule)**

Calculation	GR/GRD Totals
<b>General Revenue/GR Dedicated</b>	970,624,226
Biennial 10% Reduction	(97,062,423)
<b>Subtotal</b>	<b>873,561,803</b>
2% Salary Increase for 2008/2009 continues for 2010/2011	10,797,106
<b>2010/2011 GR Related Limit - Total</b>	<b>884,358,909</b>

<b>2010/2011</b>	
General Revenue/GR Dedicated	970,624,226
Federal Funding	85,520,487
Other (Appn Fund/IAC)	14,833,580
2% Salary Increases	10,797,106
<b>2010/2011 Projected Baseline</b>	<b>1,081,775,399</b>

<b>Recommendation</b>	
Texas Emission Reduction Plan	52,362,423
Petroleum Storage Tank Program	20,000,000
Texas Air Quality Study	700,000
Dry Cleaners	4,000,000
Low Income Repair Assistance Program	20,000,000
<b>Total</b>	<b>97,062,423</b>

Note: As provided in the Legislative Budget Board's Policy Letter, the reduction only includes General Revenue and General Revenue Dedicated Appropriated Funds. The reduction does not include Federal Funds or Other Funds such as Appropriated Receipts and Interagency Contracts.

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Summary of Base Request by Method of Finance**

MOF Code	Method of Financing	Expended 2007	Estimated 2008	Budget 2009	Total 2008/2009	Request 2010	Request 2011	Total 2010/2011
	General Revenue Fund							
0001	General Revenue Fund	\$ 5,065,547	\$ 10,298,387	\$ 10,707,382	\$ 21,005,769	\$ 10,544,828	\$ 10,544,829	\$ 21,089,657
0888	Earned Federal Funds	2,052,361	0	0	\$ -	0	0	0
	<b>Subtotal, General Revenue Fund (GR)</b>	<b>\$ 7,117,908</b>	<b>\$ 10,298,387</b>	<b>\$ 10,707,382</b>	<b>\$ 21,005,769</b>	<b>\$ 10,544,828</b>	<b>\$ 10,544,829</b>	<b>\$ 21,089,657</b>
	General Revenue Fund - Dedicated							
0088	Low Level Waste Account No. 088	\$ 1,082,094	\$ 1,806,173	\$ 1,071,723	\$ 2,877,896	\$ 1,821,723	\$ 1,071,723	\$ 2,893,446
0146	Used Oil Recycling Account No. 146	920,877	943,013	945,807	1,888,820	957,839	945,807	1,903,646
0151	Clean Air Account No. 151	53,213,225	100,240,722	100,197,760	200,438,482	104,122,152	99,571,654	203,693,806
0153	Water Resource Management Account No. 153	46,841,458	45,832,903	46,435,305	92,268,208	53,785,508	52,910,283	106,695,791
0158	Watermaster Administration No. 158	963,643	1,214,227	1,303,250	2,517,477	1,444,975	1,344,975	2,789,950
0468	Occupational Licensing Account No. 468	1,555,539	1,728,207	1,645,776	3,373,983	1,780,776	1,670,776	3,451,552
0549	Waste Management Account No. 549	42,838,921	42,352,709	43,311,091	85,663,800	34,585,936	33,567,527	68,153,463
0550	Hazardous & Solid Waste Remediation Fee Account No. 550	31,851,396	28,274,841	28,723,618	56,998,459	29,042,319	28,527,981	57,570,300
0655	Petroleum Storage Tank Remediation Account No. 655	45,826,586	47,588,973	29,993,757	77,582,730	39,867,350	32,420,320	72,287,670
5000	Solid Waste Disposal Account No. 5000	15,378,208	12,480,826	10,986,324	23,467,150	10,986,324	10,986,324	21,972,648
5065	Environmental Testing Laboratory Accreditation Acct No. 5065	93,925	450,150	456,842	906,992	456,842	456,842	913,684
5071	Texas Emissions Reduction Plan Account No. 5071	221,821,654	59,146,064	278,780,659	337,926,723	168,982,851	168,982,851	337,965,702
5093	Dry Cleaning Release Account No. 5093	3,728,046	5,618,626	8,824,222	14,442,848	7,228,932	7,224,222	14,453,154
5094	Operating Permit Fees Account No. 5094	28,165,769	29,122,250	30,098,805	59,221,055	30,520,888	30,512,372	61,033,260
	<b>Subtotal, General Revenue Fund - Dedicated (GRD)</b>	<b>\$ 494,281,341</b>	<b>\$ 376,799,684</b>	<b>\$ 582,774,939</b>	<b>\$ 959,574,623</b>	<b>\$ 485,584,415</b>	<b>\$ 470,193,657</b>	<b>\$ 955,778,072</b>
	Federal Funds							
0555	Federal Funds	41,574,080	49,575,788	42,170,134	91,745,922	40,128,274	40,013,274	80,141,548
	<b>Subtotal, Federal Funds</b>	<b>\$ 41,574,080</b>	<b>\$ 49,575,788</b>	<b>\$ 42,170,134</b>	<b>\$ 91,745,922</b>	<b>\$ 40,128,274</b>	<b>\$ 40,013,274</b>	<b>\$ 80,141,548</b>
	Other Funds							
0666	Appropriated Receipts	\$ 12,924,473	\$ 2,337,179	\$ 1,145,348	\$ 3,482,527	\$ 1,145,348	\$ 1,145,348	\$ 2,290,696
0777	Interagency Contracts	6,026,166	7,893,841	7,706,958	15,600,799	7,706,958	7,496,958	15,203,916
	<b>Subtotal, Other Funds</b>	<b>\$ 18,950,639</b>	<b>\$ 10,231,020</b>	<b>\$ 8,852,306</b>	<b>\$ 19,083,326</b>	<b>\$ 8,852,306</b>	<b>\$ 8,642,306</b>	<b>\$ 17,494,612</b>
	<b>Grand Total, Method of Finance</b>	<b>\$ 561,923,968</b>	<b>\$ 446,904,879</b>	<b>\$ 644,504,761</b>	<b>\$ 1,091,409,640</b>	<b>\$ 545,109,823</b>	<b>\$ 529,394,066</b>	<b>\$ 1,074,503,889</b>
	<b>Total, FTEs</b>	<b>2,862.9</b>	<b>2,942.3</b>	<b>2,935.3</b>		<b>2,935.3</b>	<b>2,935.3</b>	

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Summary of Capital Budget Request**

Item	Appropriated 2008	Appropriated 2009	Total 2008/2009	Request 2010	Request 2011	Total 2010/2011
Data Center Consolidation	7,399,229	7,211,175	14,610,404	7,399,229	7,211,175	14,610,404
Personal Computer and Printer Replacement	748,453	899,493	1,647,946	1,057,000	1,056,000	2,113,000
Software	672,409	0	672,409	167,473	167,473	334,946
Integrated Billing and Accounts Receivable System	363,000	187,800	550,800	165,000	165,000	330,000
State of Texas Air Reporting System Web-Based Electronic Submission	255,000	0	255,000	0	0	0
TCEQ Automated Budget System Monitoring and LAR System	777,600	380,239	1,157,839	0	0	0
Texas Air Monitoring Information System (TAMIS) New Development	200,000	126,400	326,400	0	0	0
Purchasing and Contracts Enterprise	204,000	173,400	377,400	0	0	0
Occupational Licensing Program Enhancements	85,000	0	85,000	0	0	0
Human Resource Retooling	275,400	0	275,400	0	0	0
Data Repository, Enhancement for the Water Utilities Database	297,500	0	297,500	0	0	0
Data Network and Security	707,479	734,598	1,442,077	790,000	786,000	1,576,000
Texas Emissions Reduction Program Database	0	0	0	500,000	500,000	1,000,000
Permitting and Registration Information System (PARIS)	0	0	0	1,700,001	1,699,999	3,400,000
Photochemical Modeling Computing System	0	0	0	320,000	0	320,000
<b>Total Acquisition of Information Resource Technology</b>	<b>11,985,070</b>	<b>9,713,105</b>	<b>21,698,175</b>	<b>12,098,703</b>	<b>11,585,647</b>	<b>23,684,350</b>

**Transportation Items**

Replacement Boats	78,585	50,700	129,285	97,285	32,000	129,285
Replacement Vehicles for Agency Fleet	1,574,249	441,679	2,015,928	1,574,249	441,679	2,015,928
<b>Total Transportation Items</b>	<b>1,652,834</b>	<b>492,379</b>	<b>2,145,213</b>	<b>1,671,534</b>	<b>473,679</b>	<b>2,145,213</b>

**Acquisition of Capital Equipment and Items**

Air Monitoring Equipment	1,196,010	1,195,269	2,391,279	1,196,010	1,195,269	2,391,279
Water Monitoring and Analysis Equipment	637,500	637,500	1,275,000	637,500	637,500	1,275,000
Regional Capital Equipment and Items	0	0	0	934,191	122,237	1,056,428
Homeland Security Capital Equipment and Items	0	0	0	57,000	0	57,000
<b>Total Acquisition of Capital Equipment and Items</b>	<b>1,833,510</b>	<b>1,832,769</b>	<b>3,666,279</b>	<b>2,824,701</b>	<b>1,955,006</b>	<b>4,779,707</b>
<b>Total Capital Budget</b>	<b>15,471,414</b>	<b>12,038,253</b>	<b>27,509,667</b>	<b>16,594,938</b>	<b>14,014,332</b>	<b>30,609,270</b>

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Summary of Exceptional Item Request**

<b>Project Name</b>	<b>2010</b>	<b>FTEs</b>	<b>2011</b>	<b>FTEs</b>	<b>Biennium</b>	<b>FTEs</b>	<b>MOF</b>
1 Eight Hour Ozone Regulations	3,481,724	22.00	3,771,851	30.00	7,253,575	30.00	0151
2 Dam Safety Program	1,034,388	12.00	1,482,858	24.00	2,517,246	24.00	0001
3 Low Level Radioactive Waste Disposal Inspectors	202,600	2.00	158,600	2.00	361,200	2.00	0088
4 PM 2.5 and Tx/Mexico Border Activities	693,243	0.00	693,243	0.00	1,386,486	0.00	0151
5 Data Center Consolidation	3,615,771	0.00	2,043,825	0.00	5,659,596	0.00	Various
6 eRecords Project	900,000	0.00	900,000	0.00	1,800,000	0.00	Various
7 Lead Monitoring Network Initiative	315,000	0.00	443,500	0.00	758,500	0.00	0151
<b>Grand Total</b>	<b>10,242,726</b>	<b>36.00</b>	<b>9,493,877</b>	<b>56.00</b>	<b>19,736,603</b>	<b>56.00</b>	

<b>Method of Finance</b>	<b>2010</b>	<b>FTEs</b>	<b>2011</b>	<b>FTEs</b>	<b>Biennium</b>	<b>FTEs</b>
0001 General Revenue	1,034,388	12.00	1,482,858	24.00	2,517,246	24.00
0088 Low Level Radioactive	202,600	2.00	158,600	2.00	361,200	2.00
0151 Clean Air Account	5,819,722	22.00	5,813,878	30.00	11,633,600	30.00
0153 Water Resource Management	709,158	0.00	467,008	0.00	1,176,166	0.00
0549 Waste Management	1,021,448	0.00	756,189	0.00	1,777,637	0.00
0550 Hazardous and Solid Waste Remediation	1,091,314	0.00	660,203	0.00	1,751,517	0.00
5094 Operating Permit Fees	364,096	0.00	155,141	0.00	519,237	0.00
<b>Total</b>	<b>10,242,726</b>	<b>36.00</b>	<b>9,493,877</b>	<b>56.00</b>	<b>19,736,603</b>	<b>56.00</b>

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Exceptional Item Request Descriptions**

Priority	Item	Description	FY2010		FY2011		Biennium Request	Comments
			Request	FTEs	Request	FTEs		
1	Eight Hour Ozone Regulations	<p>The revision of the eight-hour standard will increase the number of areas in Texas required to meet additional regulatory standards. Texas currently has three major metropolitan areas above the current standard, Houston-Galveston-Brazoria, Dallas-Ft. Worth, and Beaumont-Port Arthur. With the revised standard, El Paso, Tyler-Longview, San Antonio and Austin will be added. Staff is needed to conduct investigations, establish and maintain eight to ten additional ambient monitoring stations. Staff is also needed to perform photochemical modeling, data analysis, and develop state implementation plans (SIP).</p> <p>Of the amount requested, this project requires LAR Capital of \$573,500 in 2010. This project also requests \$86,000 each year for vehicles and computers.</p>	3,481,724	22.00	3,771,851	30.00	7,253,575	
2	Dam Safety Program	<p>This request will expand the Dam Safety Program as requested based on agency analysis, revised dam safety rules, and audit findings from the State Auditor's Office. The additional staff will allow the program to meet existing and emerging infrastructure inspection needs. This funding will also be used for data support.</p> <p>Of the amount requested, this project requires LAR Capital of \$250,000 in 2010 for Consolidated Compliance and Enforcement Database System (CCEDS). This project also requests \$62,000 each year for vehicles and computers.</p>	1,034,388	12.00	1,482,858	24.00	2,517,246	

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Exceptional Item Request Descriptions**

Priority	Item	Description	FY2010		FY2011		Biennium Request	Comments
			Request	FTEs	Request	FTEs		
3	Low Level Radioactive Waste Disposal Inspectors	<p>On-site resident inspectors will ensure the site is operated within all applicable state and federal laws and regulations. The inspectors will provide additional assurance that the waste will not pose a hazard in the future due to improper disposal and subsequent migration off-site to air and water. The TCEQ has requested the applicant include operating cost of two resident TCEQ inspectors.</p> <p>Of the amount requested, this project requires LAR Capital of \$40,000 in 2010 for vehicles.</p>	202,600	2.00	158,600	2.00	361,200	
4	PM 2.5 and Tx/Mexico Border Activities	<p>The Environmental Protection Agency (EPA) has indicated the current 100% federally-funded PM 2.5 grant will be funded through the Performance Partnership Grant (PPG). Adding the PM 2.5 grant to the PPG will change the funding to 60% federal and 40% state. If we do not maintain the current level of federally-required PM2.5 monitoring, the EPA has stated they would expect to further reduce grant funding for this network, or perhaps contract out the operation of the network, in which case TCEQ staff would likely not have any input into the number or location of monitors which are used to determine compliance with the PM2.5 National Ambient Air Quality Standard and track trends in PM2.5 particulate levels in Texas. While not required by federal rules or regulations, the Texas/Mexico Border monitoring network provides information regarding the levels of numerous air contaminants along the Texas/Mexico Border to TCEQ staff and which are of concern to the general public, State legislators, and other federal, state, and local officials.</p>	693,243	0.00	693,243	0.00	1,386,486	

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Exceptional Item Request Descriptions**

Priority	Item	Description	FY2010		FY2011		Biennium Request	Comments
			Request	FTEs	Request	FTEs		
5	Data Center Consolidation	<p>The Data Center Consolidation (DCC) project consists of the information technology infrastructure assets and functions in the scope of the Data Center Services contract entered into by the Department of Information Resources (DIR). This contract fulfilled the requirements of HB1516, 79th Legislature, Regular Session. This item would fund the DCC contract for current inventory of servers and storage. The additional funds will add growth of 10% in data storage and in servers. These funds will cover existing projects only.</p> <p>This is a LAR Capital project.</p>	3,615,771	0.00	2,043,825	0.00	5,659,596	
6	eRecords Project	<p>The intent of the eRecords project is to digitize and provide real-time access to the agency's most active record series. The result of the project will be a modular, multi-solution based Electronic Records Management (ERM) capability that can be tailored to meet the individual requirements of any program area and record series within the agency. The ERM will accommodate both paper and electronic based information and allow for document capture, storage, retrieval, publishing, and disposition of documents in all types of information medium. The eRecords solution will leverage existing technology through open interfaces and complement or modify the current business environment. The modular design will allow the agency to schedule small, program specific deployment plans that meet diverse requirements.</p> <p>This is a LAR Capital project.</p>	900,000	0.00	900,000	0.00	1,800,000	

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Exceptional Item Request Descriptions**

Priority	Item	Description	FY2010		FY2011		Biennium Request	Comments
			Request	FTEs	Request	FTEs		
7	Lead Monitoring Network Initiative	<p>The TCEQ currently monitors for lead at nine sites in Texas. Three are part of a SIP Maintenance Monitoring Agreement, and six are part of the EPA required United States/Mexico Border monitoring network. The EPA is in the process of promulgating new rules which will lower the National Ambient Air Quality Standard for lead and require additional monitoring sites in Metropolitan Statistical Areas (MSAs) with populations exceeding one million and in other areas where known sources of lead would exceed certain emission thresholds. These rule changes could result in the TCEQ having to deploy an estimated additional 30 lead sampling sites, 20 of which are estimated to be in areas without existing TCEQ monitoring sites. Therefore, an estimated 20 new sampling sites are needed for deployment.</p> <p>Of the amount requested, the project requires LAR Capital of \$315,000 in 2010.</p>	315,000	0.00	443,500	0.00	758,500	
			10,242,726	36.00	9,493,877	56.00	19,736,603	

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Summary of Rider Revisions**

<b>Rider #</b>	<b>Item</b>	<b>Change Explanation</b>
1	Performance Measure Targets	Changed to reflect revisions in performance measure targets for 2010-2011.
2	Capital Budget	Changed for 2010-2011 to reflect the Capital Budget request.
3	Contingency Cash Flow	No change.
4	Authorization: Aircraft Chartering	No change.
5	Local Air Pollution Grants Allocation	No change.
6	Fee Revenue: Pollution Control Equipment Exemptions	Updated year. Increased funding from \$133,600 to \$221,000 due to increased awareness of this program.
7	Authorization: Operating Fund	No change.
8	Appropriation: Air Quality Planning	Deleted language that included pollutants other than ozone. Added language that includes area that may be designated nonattainment for the new ozone standards. Added Waco, El Paso and Beaumont to the list of cities. Added language specifying that the funds will be allocated on a competitive basis.
9	Appropriations Limited to Revenue Collections: Occupational Licensing	Updated years.
10	Contract with the State Office of Administrative Hearings	Updated years.
11	Petroleum Storage Tank Administration	Changed the \$7.7M to "not to exceed \$12M" and added "regulatory" to the use of the funds. Deleted sentence prohibiting the transfer of the Petroleum Storage Tank Remediation Account 655 to any other strategy since the funds will also be used in strategy C.1.1. Added the Water Code citation and deleted the reference to Strategy D.1.1. in the second paragraph which exempts temporary and contract workers from the FTE calculation.

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Summary of Rider Revisions**

<b>Rider #</b>	<b>Item</b>	<b>Change Explanation</b>
12	Texas Parks and Wildlife Environmental Special Investigations Unit	Updated years.
13	Federal Funds and Capital Budget Expenditures	No change.
14	Appropriation: Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act	Updated years. Added language to allow TCEQ to use up to \$320K of these funds for LAR Capital Budget purchases.
15	Reallocation of Revenue and Balances for Certain Accounts	Added the Petroleum Storage Tank Remediation Account No. 655.
16	Appropriation: Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP)	Updated years. Increased the limit on administrative costs from \$210K to \$323K each year.
17	Waste Tires	Updated years.
18	Statewide Implementation Plan Credit	Rider deleted. The rider duplicates Texas Department of Transportation's Rider #20(f).
19	Appropriations Limited to Revenue Collections: Automobile Emission Inspections	Updated years. Deleted the first paragraph since the funds are in baseline. Added language specifying the use of revenue from additional counties entering the program.
20	Bosque River Water Quality Monitoring	No change.
21	Appropriation: Administration Costs for the Texas River Compact Commission	Rider deleted. The funds are in the agency's baseline.
22	Appropriation: Perpetual Care Account	Updated years. Added "source material recovery" to the list of incidents and changed the name of strategy A.3.1. from Low-Level Radioactive Waste Management to Radioactive Materials Management.

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Summary of Rider Revisions**

<b>Rider #</b>	<b>Item</b>	<b>Change Explanation</b>
23	Environmental Health Institute	Updated years.
24	Unexpended Balance Authority within the Biennium	Updated years.
25	Nuisance Surveys for the Economically Distressed Areas Program	Updated year.
26	Appropriation in Excess of the Biennial Revenue Estimate: Radioactive Materials Management	Updated years. Changed language to address the new phase of the process, added two FTEs and deleted the last paragraph concerning fees that do not reach \$750K.
27	On-Site Wastewater Treatment Research Council Fee	No change.
28	Texas Emissions Reduction Plan (TERP): Grants for Clean School Bus Initiative.	Removed language specifying the allocations for incentive payments for Diesel Emissions Reduction Programs, New Technology Research Development Program, and administrative costs. Added language to reflect that 4% shall be used to implement the School Bus initiative. Changed name of rider from Texas Emissions Reduction Plan (TERP): Grants and Administration to Texas Emissions Reduction Plan: Grants for Clean School Bus Initiative.
29	Reimbursement of Advisory Committees	No change.
30	Appropriation: Contracting for Debt Collection	Updated years.
31	Authorization: Water and Air Program Fee Rates	Updated year.
32	Appropriation: North Bosque and Leon Watersheds Compost Project	Rider deleted. This project will be completed at the end of the FY 08-09 biennium.
33	Contingency Appropriation: Revenue from Increased Fee Rates at Watermaster Offices	Removed "Contingency Appropriation:" from the title. Reworded to remove revenue dependency on fee increase. Deleted the last sentence relating to increased fee rates.

**Legislative Appropriations Request  
Fiscal Years 2010-2011**

**Summary of Rider Revisions**

<b>Rider #</b>	<b>Item</b>	<b>Change Explanation</b>
34	Contingency Appropriation: Edwards Aquifer Development Fee	Rider deleted. The funds are in the agency's baseline.
35	Brush Control Program Study	Rider deleted. This project will be completed at the end of the FY 08-09 biennium.
701	Fund Transfer Authority	Allows TCEQ to transfer appropriated funds between appropriations to temporarily cover cash flow shortages. Any transfer must be reversed before the end of the biennium in which the transfer was made.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
1	<b>Performance Measure Targets.</b> This will be completed by Budget & Planning.	<b>Performance Measure Targets.</b> This will be completed by Budget & Planning.	Changed to reflect revisions in performance measure targets for 2010-2011.
2	<b>Capital Budget.</b> This will be completed by Budget & Planning.	<b>Capital Budget.</b> This will be completed by Budget & Planning.	Changed for 2010-2011 to reflect the Capital Budget request.
3	<b>Contingency Cash Flow.</b> If the Legislative Budget Board and Governor determine after review of relevant information that cash flow difficulties will occur as a result of the appropriations made above, the board and Governor may authorize the Texas Commission on Environmental Quality (TCEQ) to temporarily expend general revenue funds for the purpose of meeting the temporary cash flow needs of the TCEQ, limited to the amounts appropriated above. The transfer of funds shall be repaid to the General Revenue Fund by the end of the fiscal year in which the funds were transferred under procedures and standards established by the Comptroller of Public Accounts.	<b>Contingency Cash Flow.</b> If the Legislative Budget Board and Governor determine after review of relevant information that cash flow difficulties will occur as a result of the appropriations made above, the board and Governor may authorize the Texas Commission on Environmental Quality (TCEQ) to temporarily expend general revenue funds for the purpose of meeting the temporary cash flow needs of the TCEQ, limited to the amounts appropriated above. The transfer of funds shall be repaid to the General Revenue Fund by the end of the fiscal year in which the funds were transferred under procedures and standards established by the Comptroller of Public Accounts.	No change.
4	<b>Authorization: Aircraft Chartering.</b> Notwithstanding any other provision of this Act, the Texas Commission on Environmental Quality is authorized to spend appropriated funds for the chartering of aircraft for the purposes of monitoring environmental quality, and the enforcement of environmental and water rights laws of the State.	<b>Authorization: Aircraft Chartering.</b> Notwithstanding any other provision of this Act, the Texas Commission on Environmental Quality is authorized to spend appropriated funds for the chartering of aircraft for the purposes of monitoring environmental quality, and the enforcement of environmental and water rights laws of the State.	No change.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
5	<p><b>Local Air Pollution Grants Allocation.</b> Out of the amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, an amount not less than \$2,800,000 in each year of the biennium shall be utilized to fund grants or cooperative agreements with eligible local air pollution programs under Health and Safety Code, § 382.0622. It is provided, however, that the combined federal and state share of the funding for any such local air pollution programs shall not exceed 67 percent of the total allocation to the programs, with the local share being based on the local dollars allocated pursuant to maintenance-of-effort requirements for federal air pollution grants.</p>	<p><b>Local Air Pollution Grants Allocation.</b> Out of the amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, an amount not less than \$2,800,000 in each year of the biennium shall be utilized to fund grants or cooperative agreements with eligible local air pollution programs under Health and Safety Code, § 382.0622. It is provided, however, that the combined federal and state share of the funding for any such local air pollution programs shall not exceed 67 percent of the total allocation to the programs, with the local share being based on the local dollars allocated pursuant to maintenance-of-effort requirements for federal air pollution grants.</p>	No change.
6	<p><b>Fee Revenue: Pollution Control Equipment Exemptions.</b> Pursuant to Tax Code, § 11.31, included in amounts appropriated above out of the General Revenue Fund in Strategy C.1.3, Pollution Prevention, Recycling, and Innovative Programs, is \$133,600 each fiscal year from fee revenue collected beginning with the effective date of this Act for the purpose of determining whether pollution control equipment is exempt from taxation.</p> <p>In addition to amounts appropriated above, any amounts collected by the Texas Commission on Environmental Quality pursuant to Tax Code, § 11.31 on or after September 1, 2007, in excess of \$133,600 in each fiscal year of the biennium are hereby appropriated to the agency.</p>	<p><b>Fee Revenue: Pollution Control Equipment Exemptions.</b> Pursuant to Tax Code, § 11.31, included in amounts appropriated above out of the General Revenue Fund in Strategy C.1.3, Pollution Prevention, Recycling, and Innovative Programs, is <del>\$133,600</del><u>221,000</u> each fiscal year from fee revenue collected beginning with the effective date of this Act for the purpose of determining whether pollution control equipment is exempt from taxation.</p> <p>In addition to amounts appropriated above, any amounts collected by the Texas Commission on Environmental Quality pursuant to Tax Code, § 11.31 on or after September 1, <del>2007</del><u>2009</u>, in excess of <del>\$133,600</del><u>221,000</u> in each fiscal year of the biennium are hereby appropriated to the agency.</p>	<p>HB 3732 of the 80th Legislative Session increased awareness of the program.</p> <p>The change is reflective of increasing revenue as a result of increased program participation. The increase in revenue will address the need for more funding to support the application reviews.</p>

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
7	<p><b>Authorization: Operating Fund.</b> The Texas Commission on Environmental Quality (TCEQ) is hereby authorized to make transfers from any appropriation made to TCEQ into a single account in the General Revenue Fund known as the "Texas Commission on Environmental Quality Operating Fund" for the purpose of making expenditures for which appropriations were made in this Act. After the expenditures have been made from the fund and as soon as the proper strategies have been identified, TCEQ shall process adjustments to the Comptroller in summary accounts to facilitate accurate cost allocations; provided, however, that each special account and fund shall be used for the purposes as now described by law and nothing shall be done to jeopardize or divert the special accounts and funds or any portion thereof including federal aid.</p>	<p><b>Authorization: Operating Fund.</b> The Texas Commission on Environmental Quality (TCEQ) is hereby authorized to make transfers from any appropriation made to TCEQ into a single account in the General Revenue Fund known as the "Texas Commission on Environmental Quality Operating Fund" for the purpose of making expenditures for which appropriations were made in this Act. After the expenditures have been made from the fund and as soon as the proper strategies have been identified, TCEQ shall process adjustments to the Comptroller in summary accounts to facilitate accurate cost allocations; provided, however, that each special account and fund shall be used for the purposes as now described by law and nothing shall be done to jeopardize or divert the special accounts and funds or any portion thereof including federal aid.</p>	No change.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
8	<p><b>Appropriation: Air Quality Planning.</b> Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$5,075,000 for the biennium for air quality planning activities to reduce ozone and other federally designated criteria pollutants as approved by the Texas Commission on Environmental Quality (TCEQ) in areas including Austin, Corpus Christi, Longview-Tyler-Marshall, San Antonio, and Victoria. These activities may include identifying, inventorying, and monitoring of current pollution levels; modeling future pollution levels; and the identification, quantification, and implementation of potential pollution reduction through appropriate controls. The areas receiving funds shall coordinate with the TCEQ to ensure that these activities are consistent with agency monitoring, inventory and modeling approaches and infrastructure.</p>	<p><b>Appropriation: Air Quality Planning.</b> Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$5,075,000 for the biennium for air quality planning activities to reduce ozone <del>and other federally designated criteria pollutants as approved by the Texas Commission on Environmental Quality (TCEQ)</del> in areas <u>designated attainment or nonattainment deferred for the 1997 8-hour ozone National Ambient Air Quality Standard (NAAQS) as of May 1, 2008, and determined by the TCEQ to be potentially designated nonattainment for the revised 8-hour ozone NAAQS that became effective on May 27, 2008.</u> <u>including These areas may include Waco, El Paso, Beaumont, Austin, Corpus Christi, Longview-Tyler-Marshall, San Antonio, and Victoria.</u> These activities may include identifying, inventorying, and monitoring of <del>current</del> pollution levels; modeling <del>future</del> pollution levels; and the identification, quantification, and implementation of <del>potential</del> <u>appropriate</u> pollution reduction <del>through appropriate controls.</del> <u>The TCEQ shall allocate these funds on a competitive basis.</u> <u>Areas receiving funds must spend no less than eighty percent on technical projects that support development of the Texas State Implementation Plan. The areas receiving funds shall submit work plans for TCEQ approval describing the work they will complete with those funds.</u> <del>The areas receiving funds shall coordinate with the TCEQ to ensure that these activities are consistent with agency monitoring, inventory and modeling approaches and infrastructure.</del></p>	<p>The monitored levels of ozone in many of the currently listed areas exceed the new, more stringent standard for ozone. In addition the El Paso, Waco and Beaumont areas may also exceed the new standard.</p> <p>This change would allow the agency to create a competitive grant program for the funding, channeling the money to those projects most useful for the State Implementation Plan (SIP) needed under the new standard. The change also focuses the resources on technical work directly related to the SIP and limits spending on administration and outreach.</p>

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
9	<p><b>Appropriations Limited to Revenue Collections: Occupational Licensing.</b> It is the intent of the Legislature that fees, fines and other miscellaneous revenues deposited to the TCEQ Occupational Licensing Account No. 468 as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above for strategy item A.2.4, Occupational Licensing, as well as the "Other direct and indirect costs" associated with this strategy, appropriated elsewhere in this Act. "Other direct and indirect costs" for strategy A.2.4, Occupational Licensing, are estimated to be \$335,538 for fiscal year 2008 and \$337,118 for fiscal year 2009. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.</p>	<p><b>Appropriations Limited to Revenue Collections: Occupational Licensing.</b> It is the intent of the Legislature that fees, fines and other miscellaneous revenues deposited to the Occupational Licensing Account No. 468 as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above for strategy item A.2.4, Occupational Licensing, as well as the "Other direct and indirect costs" associated with this strategy, appropriated elsewhere in this Act. "Other direct and indirect costs" for strategy A.2.4, Occupational Licensing, are estimated to be \$335,538 for fiscal year <del>2008</del><u>2010</u> and \$337,118 for fiscal year <del>2009</del><u>2011</u>. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.</p>	Updated years.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
10	<p><b>Contract with the State Office of Administrative Hearings.</b> Included in the amounts appropriated above is \$938,860 in fiscal year 2008 and \$938,860 in fiscal year 2009 to cover the cost of contracting with the State Office of Administrative Hearings for funding the Natural Resources Division for the purpose of conducting administrative hearings and for related expenses. The Texas Commission on Environmental Quality (TCEQ) and the State Office of Administrative Hearings may not enter into a contract for an amount less than the amounts specified herein. If the State Office of Administrative Hearings determines, at the end of each fiscal year, that the amount paid under the contract exceeds the necessary funding, it shall refund the difference to TCEQ. If the State Office of Administrative Hearings determines that the amounts are insufficient to fund the Natural Resources Division, the State Office of Administrative Hearings may enter into negotiations with TCEQ in order to renegotiate the interagency contract to provide additional funds for administrative hearings. The State Office of Administrative Hearings is not appropriated any state funds from such renegotiated contracts until it gives written notice to the Legislative Budget Board and the Governor, together with written permission of the agency.</p>	<p><b>Contract with the State Office of Administrative Hearings.</b> Included in the amounts appropriated above is \$938,860 in fiscal year <del>2008</del><u>2010</u> and \$938,860 in fiscal year <del>2009</del><u>2011</u> to cover the cost of contracting with the State Office of Administrative Hearings for funding the Natural Resources Division for the purpose of conducting administrative hearings and for related expenses. The Texas Commission on Environmental Quality (TCEQ) and the State Office of Administrative Hearings may not enter into a contract for an amount less than the amounts specified herein. If the State Office of Administrative Hearings determines, at the end of each fiscal year, that the amount paid under the contract exceeds the necessary funding, it shall refund the difference to TCEQ. If the State Office of Administrative Hearings determines that the amounts are insufficient to fund the Natural Resources Division, the State Office of Administrative Hearings may enter into negotiations with TCEQ in order to renegotiate the interagency contract to provide additional funds for administrative hearings. The State Office of Administrative Hearings is not appropriated any state funds from such renegotiated contracts until it gives written notice to the Legislative Budget Board and the Governor, together with written permission of the agency.</p>	Updated years.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
11	<p><b>Petroleum Storage Tank Administration.</b> Out of funds appropriated above in Strategy D.1.1, Storage Tank Administration and Cleanup, not more than \$7,700,000 in gross receipts to the Petroleum Storage Tank Remediation (PSTR) Account No. 655 each fiscal year may be transferred to the Waste Management Account No. 549 for necessary expenses associated with the PSTR Account No. 655 and the groundwater protection cleanup program, in accordance with Water Code, § 26.3573 (d)-(e). Furthermore, the Texas Commission on Environmental Quality (TCEQ) shall not transfer funds, from the PSTR Account No. 655 from Strategy D.1.1, Storage Tank Administration and Cleanup, to any other strategy.</p> <p>For the purposes of implementing activities supported in Strategy D.1.1, Storage Tank Administration and Cleanup, the TCEQ is exempt from provisions of Article IX relating to the inclusion of temporary or contract workers in the calculation of the number of Full-Time Equivalent (FTE) positions by a state agency.</p>	<p><b>Petroleum Storage Tank Administration.</b> Out of funds appropriated above in <del>Strategy D.1.1, Storage Tank Administration and Cleanup, not more than \$7,700,000 in gross receipts to the Petroleum Storage Tank Remediation (PSTR) Account No. 655 each fiscal year may be transferred to the Waste Management Account No. 549 for</del> <u>an amount not to exceed \$12 million each fiscal year for administration and regulatory of the PST program and</u> the necessary expenses associated with the PSTR Account No. 655 and the groundwater protection cleanup program, in accordance with Water Code, § 26.3573 (d)-(e). <del>Furthermore, the Texas Commission on Environmental Quality (TCEQ) shall not transfer funds, from the PSTR Account No. 655 from Strategy D.1.1, Storage Tank Administration and Cleanup, to any other strategy.</del></p> <p>For the purposes of implementing activities <u>identified in the Water Code, § 26.3573 (d)-(e)</u> supported in Strategy D.1.1, Storage Tank Administration and Cleanup, the TCEQ is exempt from provisions of Article IX relating to the inclusion of temporary or contract workers in the calculation of the number of Full-Time Equivalent (FTE) positions by a state agency.</p>	<p>The rider changes reflect the movement of compliance investigations and related enforcement functions funded with Fund 655 from strategy D.1.1. to C.1.1. and C.1.2..</p> <p>The change in the last paragraph will allow contracted compliance investigators to be excluded from the FTE cap regardless of the strategy they are funded from.</p>

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
12	<p><b>Texas Parks and Wildlife Environmental Special Investigations Unit.</b> Included in amounts appropriated above in Strategy C.1.2, Enforcement and Compliance Support, is \$250,000 out of Waste Management Account No. 549 for each fiscal year of the biennium for the purpose of supporting the Texas Parks and Wildlife Department's Environmental Special Investigations Unit to enforce state and federal laws on illegal dumping. This appropriation is contingent on a memorandum of understanding and an interagency transfer of the funds between the Texas Parks and Wildlife Department and the Texas Commission on Environmental Quality to jointly administer the program. Any unexpended balance of this appropriation from fiscal year 2008 is appropriated for the same purpose for fiscal year 2009.</p>	<p><b>Texas Parks and Wildlife Environmental Special Investigations Unit.</b> Included in amounts appropriated above in Strategy C.1.2, Enforcement and Compliance Support, is \$250,000 out of Waste Management Account No. 549 for each fiscal year of the biennium for the purpose of supporting the Texas Parks and Wildlife Department's Environmental Special Investigations Unit to enforce state and federal laws on illegal dumping. This appropriation is contingent on a memorandum of understanding and an interagency transfer of the funds between the Texas Parks and Wildlife Department and the Texas Commission on Environmental Quality to jointly administer the program. Any unexpended balance of this appropriation from fiscal year <del>2008</del><u>2010</u> is appropriated for the same purpose for fiscal year <del>2009</del><u>2011</u>.</p>	Updated years.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
13	<p><b>Federal Funds and Capital Budget Expenditures.</b> To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Texas Commission on Environmental Quality (TCEQ) is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of this Act, "Limitations on Expenditures - Capital Budget", when federal funds are received in excess of amounts identified in the agency's Capital Budget Rider and such funds are federally designated solely for the purchase of specific capital items. In addition, TCEQ also is hereby exempted from the Capital Budget Rider provisions within Article IX of this Act when funds are received in the form of gifts to the agency in excess of amounts identified in the agency's Capital Budget Rider and such funds are designated solely for the purchase of specific capital items. The TCEQ shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds or gift proceeds, of the amount received and items to be purchased.</p>	<p><b>Federal Funds and Capital Budget Expenditures.</b> To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Texas Commission on Environmental Quality (TCEQ) is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of this Act, "Limitations on Expenditures - Capital Budget", when federal funds are received in excess of amounts identified in the agency's Capital Budget Rider and such funds are federally designated solely for the purchase of specific capital items. In addition, TCEQ also is hereby exempted from the Capital Budget Rider provisions within Article IX of this Act when funds are received in the form of gifts to the agency in excess of amounts identified in the agency's Capital Budget Rider and such funds are designated solely for the purchase of specific capital items. The TCEQ shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds or gift proceeds, of the amount received and items to be purchased.</p>	No change.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
14	<p><b>Appropriation: Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act.</b> Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$1,500,000 in fiscal year 2008 for research to obtain the data and information to refine and enhance any model used to demonstrate attainment with the National Ambient Air Quality Standard (NAAQS) for ozone and other pollutants under the Federal Clean Air Act during the biennium beginning on September 1, 2007. These funds may also be used to collect data and for modeling to demonstrate attainment with the National Ambient Air Quality Standard for Ozone and other pollutants. The Commission on Environmental Quality may contract as necessary to carry out these activities.</p>	<p><b>Appropriation: Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act.</b> Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$1,500,000 in fiscal year <del>2008</del>2010 for research to obtain the data and information to refine and enhance any model used to demonstrate attainment with the National Ambient Air Quality Standard (NAAQS) for ozone and other pollutants under the Federal Clean Air Act during the biennium beginning September 1, <del>2007</del>2009. These funds may also be used to collect data and for modeling to demonstrate attainment with the National Ambient Air Quality Standard for Ozone and other pollutants. The Commission on Environmental Quality may contract as necessary to carry out these activities. <u>Up to \$320,000 of these funds may be used for LAR capital budget and authority to update and upgrade the computers and software used for modeling.</u></p>	<p>The mandatory statewide data center consolidation has eliminated the capital line items previously used to retain, update and upgrade these computers (life cycle replacement, growth and expansion). This change to the rider allows the agency to use some of these funds for such capital expenses. There is no change in the total appropriation amount from the FY 08-09 biennium.</p>

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
15	<p><b>Reallocation of Revenue and Balances for Certain Accounts.</b> Pursuant to Water Code, §5.707, and notwithstanding provisions relating to Appropriation Transfers within the General Appropriations Act, the Texas Commission on Environmental Quality is hereby authorized to reallocate not more than 7 percent of the All Funds amount identified in the Method of Finance above from the following accounts (consisting of revenues and balances) to be used for purposes identified in the above strategies.</p> <p>Used Oil Recycling Account No. 146            Clean Air Account No. 151            Water Resource Management Account No. 153            Watermasters Administration Account No. 158            Occupational Licensing Account No. 468            Waste Management Account No. 549            Hazardous and Solid Waste Remediation Fee Account No. 550            Solid Waste Disposal Account No. 5000            Dry Cleaning Facility Release Account No. 5093            Operating Permit Fee Account No. 5094</p> <p>The Commission shall notify the Governor and the Legislative Budget Board of any decision to reallocate funds between accounts prior to any such reallocations.</p>	<p><b>Reallocation of Revenue and Balances for Certain Accounts.</b> Pursuant to Water Code, §5.707, and notwithstanding provisions relating to Appropriation Transfers within the General Appropriations Act, the Texas Commission on Environmental Quality is hereby authorized to reallocate not more than 7 percent of the All Funds amount identified in the Method of Finance above from the following accounts (consisting of revenues and balances) to be used for purposes identified in the above strategies.</p> <p>Used Oil Recycling Account No. 146            Clean Air Account No. 151            Water Resource Management Account No. 153            Watermasters Administration Account No. 158            Occupational Licensing Account No. 468            Waste Management Account No. 549            Hazardous and Solid Waste Remediation Fee Account No. 550  <u>Petroleum Storage Tank Remediation Account No. 655</u>            Solid Waste Disposal Account No. 5000            Dry Cleaning Facility Release Account No. 5093            Operating Permit Fee Account No. 5094</p> <p>The Commission shall notify the Governor and the Legislative Budget Board of any decision to reallocate funds between accounts prior to any such reallocations.</p>	<p>In the past, the Petroleum Storage Tank Remediation Account No. 655 was not included in this rider because it was for petroleum storage tank (PST) remediation only. The statute was expanded to include other costs associated with the PST program.</p>
16	<p><b>Appropriation: Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP).</b> Included in the amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$45,000,000 in each fiscal year of the 2008-09 biennium in estimated fee revenues from vehicle inspection and maintenance fees generated pursuant to Health and Safety Code, §§ 382.202 and 382.302, to fund the Low-income Vehicle</p>	<p><b>Appropriation: Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP).</b> Included in the amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$45,000,000 in each fiscal year of the <del>2008-09</del> <u>2010-11</u> biennium in estimated fee revenues from vehicle inspection and maintenance fees generated pursuant to Health and Safety Code, §§ 382.202 and 382.302, to fund the Low-</p>	<p>The agency identified the need for additional employees to effectively administer this expanded program. The increased funding for administration will ensure that all of these salaries are funded appropriately.</p>

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
	<p>Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). Of the amounts, not more than \$210,000 in each fiscal year shall be used by the Texas Commission on Environmental Quality (TCEQ) for costs associated with administering the LIRAP as authorized in Health and Safety Code, § 382.202, and all remaining funds shall be used as LIRAP grants to local governments.</p> <p>Also included in the amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, is \$5,000,000 in each fiscal year of the 2008-2009 biennium in unexpended balances in the Clean Air Account No. 151 to be used only for purposes authorized in Chapter 382 of the Health and Safety Code for county-implemented local initiatives projects to reduce air emissions, including but not limited to the following: the expansion of AirCheck Texas Repair and Replacement Assistance Program; development and implementation of remote emissions-sensing systems, The Texas Commission on Environmental Quality's (TCEQ's) Smoking Vehicle program, and the enhancement of transportation system improvements; and coordination with local law enforcement to reduce counterfeit inspection stickers.</p> <p>In addition to the amounts appropriated above, there is hereby appropriated to the TCEQ for the biennium beginning on September 1, 2007 any additional revenues from vehicle inspection and maintenance fees generated from additional counties participating in the LIRAP beginning on or after September 1, 2007. Such fees shall be used to provide grants to local governments and to cover administrative costs of the TCEQ in administering the LIRAP.</p>	<p>income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). Of the amounts, not more than <del>\$210,000</del> <u>\$323,000</u> in each fiscal year shall be used by the Texas Commission on Environmental Quality (TCEQ) for costs associated with administering the LIRAP as authorized in Health and Safety Code, § 382.202, and all remaining funds shall be used as LIRAP grants to local governments.</p> <p>Also included in the amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, is \$5,000,000 in each fiscal year of the <del>2008-2009</del><u>2010-2011</u> biennium in unexpended balances in the Clean Air Account No. 151 to be used only for purposes authorized in Chapter 382 of the Health and Safety Code for county-implemented local initiatives projects to reduce air emissions, including but not limited to the following: the expansion of AirCheck Texas Repair and Replacement Assistance Program; development and implementation of remote emissions-sensing systems, The Texas Commission on Environmental Quality's (TCEQ's) Smoking Vehicle program, and the enhancement of transportation system improvements; and coordination with local law enforcement to reduce counterfeit inspection stickers.</p> <p>In addition to the amounts appropriated above, there is hereby appropriated to the TCEQ for the biennium beginning on September 1, <del>2007</del><u>2009</u> any additional revenues from vehicle inspection and maintenance fees generated from additional counties participating in the LIRAP beginning on or after September 1, <del>2007</del><u>2009</u>. Such fees shall be used to provide grants to local governments and to cover administrative costs of the TCEQ in administering the LIRAP.</p>	

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
17	<p><b>Waste Tires.</b> Out of amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall enforce statutory requirements relating to waste, scrap, or used tires. It is the intent of the Legislature that all reasonable steps be taken to minimize the illegal storage, transport, or disposal of waste or scrap tires. The TCEQ shall audit or otherwise monitor businesses that sell, transport, or store such tires and identify illegal or improper activities as well as study methods for achieving a greater level of compliance for tire disposal within the State of Texas. The TCEQ also shall seek opportunities for coordination with other agencies, such as the Comptroller of Public Accounts, through interagency agreements or contracts. Cooperating agencies shall use routine contracts with taxpayers during audits or other activity to obtain copies of tire manifests or other information relating to tire transport or storage in accordance with Health and Safety Code, § 361.112. Such agreements shall provide that the cooperating agency transmit such records to the Commission for review and analysis and should be designed to have minimal costs for the cooperating agency. The TCEQ shall submit a report not later than December 1, 2008, to the Legislative Budget Board and the Governor detailing their efforts and findings in accordance with this provision.</p>	<p><b>Waste Tires.</b> Out of amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall enforce statutory requirements relating to waste, scrap, or used tires. It is the intent of the Legislature that all reasonable steps be taken to minimize the illegal storage, transport, or disposal of waste or scrap tires. The TCEQ shall audit or otherwise monitor businesses that sell, transport, or store such tires and identify illegal or improper activities as well as study methods for achieving a greater level of compliance for tire disposal within the State of Texas. The TCEQ also shall seek opportunities for coordination with other agencies, such as the Comptroller of Public Accounts, through interagency agreements or contracts. Cooperating agencies shall use routine contracts with taxpayers during audits or other activity to obtain copies of tire manifests or other information relating to tire transport or storage in accordance with Health and Safety Code, § 361.112. Such agreements shall provide that the cooperating agency transmit such records to the commission for review and analysis and should be designed to have minimal costs for the cooperating agency. The TCEQ shall submit a report not later than December 1, <del>2008</del>2010, to the Legislative Budget Board and the Governor detailing their efforts and findings in accordance with this provision.</p>	Updated year.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
18	<p><b>Statewide Implementation Plan Credit.</b> The Texas Commission on Environmental Quality (TCEQ) shall evaluate all Congestion Mitigation Air Quality (CMAQ) expenditures by the Texas Department of Transportation that result in quantifiable improvements to air quality in areas considered to be nonattainment for federal air quality standards to determine whether such expenditures could result in nitrogen oxide (NOx) and volatile organic compound (VOC) emissions reductions that may be used as credit in the Statewide Implementation Plan (SIP) submitted to the Environmental Protection Agency (EPA).</p> <p>At least annually, the TCEQ shall notify the Texas Emissions Reductions Plan (TERP) Advisory Board of its findings regarding potential additional SIP credit. In addition, the TCEQ may include such items in any amendments to the SIP submitted to the EPA.</p>	<p><del><b>Statewide Implementation Plan Credit.</b> The Texas Commission on Environmental Quality (TCEQ) shall evaluate all Congestion Mitigation Air Quality (CMAQ) expenditures by the Texas Department of Transportation that result in quantifiable improvements to air quality in areas considered to be nonattainment for federal air quality standards to determine whether such expenditures could result in nitrogen oxide (NOx) and volatile organic compound (VOC) emissions reductions that may be used as credit in the Statewide Implementation Plan (SIP) submitted to the Environmental Protection Agency (EPA).</del></p> <p><del>At least annually, the TCEQ shall notify the Texas Emissions Reductions Plan (TERP) Advisory Board of its findings regarding potential additional SIP credit. In addition, the TCEQ may include such items in any amendments to the SIP submitted to the EPA.</del></p>	<p>Delete. The report required by this rider duplicates the report required of TxDOT by Rider 20(f).</p> <p>In addition, this process has not proven effective in identifying sufficient air pollution reductions to justify the staff resources required to carry out the analysis. Congestion mitigation projects have significant benefits to the quality of life in the areas where they are conducted, but the resulting emission reductions are relatively small.</p>
19	<p><b>Appropriations Limited to Revenue Collections: Automobile Emission Inspections.</b> Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$166,198 in fiscal year 2008 and \$167,645 in fiscal year 2009 for the operation of the vehicle emissions inspection and maintenance program pursuant to § 382.202, Health and Safety Code. These funds are for the purpose of developing, administering, evaluating, and maintaining the vehicle emissions inspection and maintenance program, including federally required reporting measures to demonstrate compliance with applicable federal and state laws.</p> <p>In addition, if additional counties enter the vehicle emissions inspection and maintenance</p>	<p><del><b>Appropriations Limited to Revenue Collections: Automobile Emission Inspections.</b> Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$2,062,582 in fiscal year 2008 and \$2,082,459 in fiscal year 2009 for the operation of the vehicle emissions inspection and maintenance program pursuant to § 382.202, Health and Safety Code. These funds are for the purpose of developing, administering, evaluating, and maintaining the vehicle emissions inspection and maintenance program, including federally required reporting measures to demonstrate compliance with applicable federal and state laws.</del></p> <p><del>In addition, If additional counties enter the vehicle emissions inspection and maintenance</del></p>	<p>The funds in this rider are in the agency's baseline appropriations.</p> <p>The last two paragraphs have been retained to allow for additional counties to be added to the program and to reflect the Legislature's intent that appropriations be limited to collections.</p>

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
	<p>program during fiscal years 2008-09, 20 percent of revenues generated from the vehicle emissions and inspections fee in the additional counties in each fiscal year are hereby appropriated to the agency for the same purposes.</p> <p>It is the intent of the Legislature that 20 percent of the fees authorized and generated by the operation of the vehicle emissions inspection and maintenance program cover, at a minimum, the costs of the appropriations made above, as well as the "Other direct and indirect costs" associated with the program, appropriated elsewhere in this Act. "Other direct and indirect costs" for the vehicle emissions inspection and maintenance program are estimated to be \$166,198 for fiscal year 2008 and \$167,645 for fiscal year 2009. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.</p>	<p>program during fiscal years <del>2008-09</del>2010-11, 20 percent of revenues generated from the vehicle emissions and inspections fee in the additional counties in each fiscal year are hereby appropriated to the agency for <u>the purpose of developing, administering, evaluating, and maintaining the vehicle emissions inspection and maintenance program, including federally required reporting measures to demonstrate compliance with applicable federal and state laws.</u><del>the same purposes.</del></p> <p>It is the intent of the Legislature that 20 percent of the fees authorized and generated by the operation of the vehicle emissions inspection and maintenance program cover, at a minimum, the costs of the appropriations made above, as well as the "Other direct and indirect costs" associated with the program, appropriated elsewhere in this Act. "Other direct and indirect costs" for the vehicle emissions inspection and maintenance program are estimated to be \$166,198 for fiscal year <del>2008</del>2010 and \$167,645 for fiscal year <del>2009</del>2011. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.</p>	
20	<p><b>Bosque River Water Quality Monitoring.</b> Out of funds appropriated above in Strategy A.1.2, Water Assessment and Planning, the Texas Commission on Environmental Quality shall conduct water quality monitoring of the Bosque River.</p>	<p><b>Bosque River Water Quality Monitoring.</b> Out of funds appropriated above in Strategy A.1.2, Water Assessment and Planning, the Texas Commission on Environmental Quality shall conduct water quality monitoring of the Bosque River.</p>	No change.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
21	<p><b>Appropriation: Administration Costs for the Texas River Compact Commission.</b> Out of the amounts appropriated above, and in addition to amounts appropriated above in Goal E, River Compact Commissions, the Texas Commission on Environmental Quality (TCEQ) shall allocate at least \$43,750 for fiscal year 2008 and \$49,750 for fiscal year 2009 to provide for operating costs for the Texas River Compact Commissions. In addition, out of amounts appropriated above, \$10,700 each fiscal year shall be used for support and administrative services for the commissions.</p>	<p><del><b>Appropriation: Administration Costs for the Texas River Compact Commission.</b> Out of the amounts appropriated above, and in addition to amounts appropriated above in Goal E, River Compact Commissions, the Texas Commission on Environmental Quality (TCEQ) shall allocate at least \$43,750 for fiscal year 2008 and \$49,750 for fiscal year 2009 to provide for operating costs for the Texas River Compact Commissions. In addition, out of amounts appropriated above, \$10,700 each fiscal year shall be used for support and administrative services for the commissions.</del></p>	<p>Delete. The funds in this rider are in the agency's baseline appropriations.</p>
22	<p><b>Appropriation: Perpetual Care Account.</b> In the event of an incident involving the release of radioactive material at a disposal, processing, or storage facility licensed by the Texas Commission on Environmental Quality (TCEQ), the TCEQ is hereby appropriated any revenues from the TCEQ licensee, including the proceeds of securities and interest earned, deposited to the credit of the Perpetual Care Account pursuant to Health and Safety Code, § 401.305 (b) and § 401.301(d) during the biennium beginning September 1, 2007 (estimated to be \$0). The funds shall be used in Strategy A.3.1, Low-Level Radioactive Waste Management, to mitigate radioactive pollution resulting from activities of a TCEQ licensee as provided in Health and Safety Code, § 401.305 (c)-(d), and pursuant to a memorandum of understanding with the Department of State Health Services relating to the regulations for the control of radiation.</p>	<p><b>Appropriation: Perpetual Care Account.</b> In the event of an incident involving the release of radioactive material at a disposal, <u>source material recovery</u>, processing, or storage facility licensed by the Texas Commission on Environmental Quality (TCEQ), the TCEQ is hereby appropriated any revenues from the TCEQ licensee, including the proceeds of securities and interest earned, deposited to the credit of the Perpetual Care Account pursuant to Health and Safety Code, § 401.305(b) and § 401.301(d) during the biennium beginning September 1, <del>2007</del><u>2009</u> (estimated to be \$0). The funds shall be used in Strategy A.3.1, <del>Low-Level Radioactive Waste</del> <u>Materials</u> Management, to mitigate radioactive pollution resulting from activities of a TCEQ licensee as provided in Health and Safety Code, § 401.305 (c)-(d), and pursuant to a memorandum of understanding with the Department of State Health Services relating to the regulations for the control of radiation, <u>as applicable</u>.</p>	<p>This rider revision incorporates the additional licensees and the associated sites involved with source material recovery (uranium mining) that were transferred to the TCEQ from the DSHS by the 80<sup>th</sup> Texas Legislature. Additionally, this rider revision reflects the new name of Strategy A.3.1 from Low-Level Radioactive Waste Management to Radioactive Materials Management.</p>

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
23	<p><b>Environmental Health Institute.</b> Out of amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall use up to \$500,000 out of the Hazardous and Solid Waste Remediation Fee Account No. 550 during the biennium beginning on September 1, 2007 for the support of the Texas Environmental Health Institute (TEHI) established in conjunction with the Texas Department of State Health Services in Health and Safety Code, Chapter 427.</p> <p>Any penalty amounts generated during the biennium beginning on September 1, 2007 from the TCEQ's administrative or civil enforcement actions that are invested in a Supplemental Environmental Project conducted by the TEHI or by any other organization in association with the TEHI, shall be considered an expenditure of the TCEQ for the purpose of supporting the TEHI.</p>	<p><b>Environmental Health Institute.</b> Out of amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall use up to \$500,000 out of the Hazardous and Solid Waste Remediation Fee Account No. 550 during the biennium beginning on September 1, <del>2007</del><u>2009</u> for the support of the Texas Environmental Health Institute (TEHI) established in conjunction with the Texas Department of State Health Services in Health and Safety Code, Chapter 427.</p> <p>Any penalty amounts generated during the biennium beginning on September 1, <del>2007</del><u>2009</u> from the TCEQ's administrative or civil enforcement actions that are invested in a Supplemental Environmental Project conducted by the TEHI or by any other organization in association with the TEHI, shall be considered an expenditure of the TCEQ for the purpose of supporting the TEHI.</p>	Updated years.
24	<p><b>Unexpended Balance Authority within the Biennium.</b> Any unexpended balances on August 31, 2008 in the appropriations made above to the Commission on Environmental Quality are hereby appropriated for the same purposes for the fiscal year beginning on September 1, 2008.</p>	<p><b>Unexpended Balance Authority within the Biennium.</b> Any unexpended balances on August 31, <del>2008</del><u>2010</u> in the appropriations made above to the Commission on Environmental Quality are hereby appropriated for the same purposes for the fiscal year beginning on September 1, <del>2008</del><u>2010</u>.</p>	Updated years.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
25	<p><b>Nuisance Surveys for the Economically Distressed Areas Program.</b> Out of amounts appropriated above out of the General Revenue Fund in Strategy A.1.2, Water Resource Assessment and Planning, the Texas Commission on Environmental Quality shall reimburse the Texas Department of State Health Services for costs incurred by the Department in conducting nuisance surveys for applicants for financial assistance through the Economically Distressed Areas program administered by the Water Development Board. The Commission shall reimburse such costs through Interagency Contracts with the Texas Department of State Health Services in an amount not to exceed a total of \$250,000 for the biennium beginning on September 1, 2007.</p>	<p><b>Nuisance Surveys for the Economically Distressed Areas Program.</b> Out of amounts appropriated above out of the General Revenue Fund in Strategy A.1.2, Water Resource Assessment and Planning, the Texas Commission on Environmental Quality shall reimburse the Texas Department of State Health Services for costs incurred by the Department in conducting nuisance surveys for applicants for financial assistance through the Economically Distressed Areas program administered by the Water Development Board. The Commission shall reimburse such costs through Interagency Contracts with the Texas Department of State Health Services in an amount not to exceed a total of \$250,000 for the biennium beginning on September 1, <del>2007</del><u>2009</u>.</p>	Updated year.
26	<p><b>Appropriation in Excess of the Biennial Revenue Estimate: Low-Level Radioactive Waste Disposal.</b> Included in amounts appropriated above in strategy A.3.1, Low-Level Radioactive Waste Management is \$1,036,319 in each fiscal year of the 2008-09 biennium out of the Low Level Waste Account No. 88 for costs incurred in the review and evaluation of applications received for a license to operate a low-level radioactive waste disposal site.</p> <p>Also included in amounts appropriated above in Strategy A.1.3., Low-Level Radioactive Waste Management, in fiscal year 2008 is an amount not to exceed \$750,000 in new fee revenues to the Low-Level Waste Management Account No. 88. This appropriation shall be contingent upon and limited to fee revenues deposited to the credit of object code 3589 in the Low Level Waste Account No. 88 in excess of the Comptroller's Biennial Revenue Estimate for 2008-09. The funds shall be used to recover costs in reviewing and evaluating low-level</p>	<p><b>Appropriation in Excess of the Biennial Revenue Estimate: <del>Low-Level Radioactive Waste Disposal</del> <u>Materials Management</u>.</b> Included in amounts appropriated above in strategy A.3.1, <del>Low-Level Radioactive Waste</del> <u>Materials Management</u> is <del>\$1,036,319</del><u>\$1,071,723</u> in each fiscal year of the <del>2008-09</del><u>2010-11</u> biennium out of the Low Level Waste Account No. 88 for costs incurred <del>in the review and evaluation of applications received for a license to operate a</del> <u>the licensing process, pre-construction oversight, construction oversight, disposal fee-setting responsibility, and the regulation of the commencement of operations of a</u> low-level radioactive waste disposal site.</p> <p>Also included in amounts appropriated above in Strategy A.1.3., <del>Low-Level Radioactive Waste</del><u>Materials Management</u>, in fiscal year <del>2008</del><u>2010</u> is an amount not to exceed \$750,000 in new fee revenues to the Low-Level Waste Management Account No. 88. <u>In addition, two new FTEs are provided in fiscal year 2010 and</u></p>	This rider revision reflects the changes impacting the TCEQ responsibilities for FY 2010-2011 related to the regulation of a low-level radioactive waste disposal site. The changes are based on the necessary transitioning of the TCEQ roles from the licensing phase, to the preconstruction phase of verification and monitoring, to the construction phase, and finally to the opening of new disposal facilities. These revisions are based on the estimated schedule of moving through the phases of the low-level radioactive waste disposal project in the next biennium. Additionally, the two new FTEs are necessary to fulfill the duties of resident inspectors at the low-level radioactive waste disposal facility owned by the State of Texas.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
	<p>radioactive waste disposal applications pursuant to Health and Safety Code, Chapter 401, during the 2008-09 biennium.</p> <p>In the event that the fees deposited to the credit of Revenue Object Code 3589 in the Low-Level Waste Account No. 88 are less than \$750,000 during the 2008-2009 biennium, the Comptroller shall reduce the appropriation authority provided to be within the amount of revenue expected to be available. The Texas Commission on Environmental Quality, upon completion of necessary actions to assess additional fees, shall furnish copies of minutes and other information supporting the estimated revenues to be generated for the 2008-09 biennium from the new fees to the Comptroller of Public Accounts.</p>	<p><u>2011 for on-site resident inspectors pursuant to Health and Safety Code, § 401.206.</u> This appropriation shall be contingent upon and limited to fee revenues deposited to the credit of object code 3589 in the Low Level Waste Account No. 88 in excess of the Comptroller's Biennial Revenue Estimate for <del>2008-09</del><u>2010-11</u>. The funds shall be used to recover costs <del>in reviewing and evaluating related to the regulation and oversight of a low-level radioactive waste disposal applications site</del> pursuant to Health and Safety Code, Chapter 401, during the 2010-11 biennium.</p> <p><del>In the event that the fees deposited to the credit of Revenue Object Code 3589 in the Low-Level Waste Account No. 88 are less than \$750,000 during the 2008-2009 biennium, the Comptroller shall reduce the appropriation authority provided to be within the amount of revenue expected to be available. The Texas Commission on Environmental Quality, upon completion of necessary actions to assess additional fees, shall furnish copies of minutes and other information supporting the estimated revenues to be generated for the 2008-09 biennium from the new fees to the Comptroller of Public Accounts.</del></p>	
27	<p><b>On-Site Wastewater Treatment Research Council Fee.</b> Included in amounts appropriated above in Strategy A.1.2, Water Assessment and Planning, is an amount not to exceed \$330,000 in each fiscal year of the biennium from fees collected and deposited to the General Revenue Fund pursuant to Health and Safety Code, Chapter 367, for costs relating to the On-Site Wastewater Treatment Research Council.</p>	<p><b>On-Site Wastewater Treatment Research Council Fee.</b> Included in amounts appropriated above in Strategy A.1.2, Water Assessment and Planning, is an amount not to exceed \$330,000 in each fiscal year of the biennium from fees collected and deposited to the General Revenue Fund pursuant to Health and Safety Code, Chapter 367, for costs relating to the On-Site Wastewater Treatment Research Council.</p>	No change.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
28	<p><b>Texas Emissions Reduction Plan (TERP): Grants and Administration.</b> Included in amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, is \$166,921,594 in fiscal year 2008 and \$170,921,594 in fiscal year 2009 out of the Texas Emissions Reduction Plan Account No. 5071. The funds shall be used as follows: \$146,806,644 in fiscal year 2008 and \$150,337,599 in fiscal year 2009 shall be used as incentive payments for the Diesel Emissions Reduction Programs established in Health and Safety Code, Chapter 386, Subchapter C, of which \$3,750,000 in each fiscal year of the 2008-09 biennium shall be used to implement the Clean School Bus initiative established in Health and Safety Code Chapter 390, pursuant to Health and Safety Code § 386.252 (c); \$17,880,033 in fiscal year 2008 and \$18,310,078 in fiscal year 2009 shall be used for grant funding for the New Technology Research Development Program established in Health and Safety Code, Chapter 387 according to provisions in Health and Safety Code § 386.252; and not more than \$2,234,917 in fiscal year 2008 and \$2,273,917 in fiscal year 2009 shall be used to administer the Diesel Emissions Reduction Program and not more than \$250,000 each fiscal year shall be used to administer the New Technology Research Development Program.</p>	<p><b>Texas Emissions Reduction Plan (TERP): Grants and Administration for Clean School Bus Initiative.</b> Included in amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, is <del>\$166,921,594 in fiscal year 2008 and \$170,921,594 in fiscal year 2009</del> out of the Texas Emissions Reduction Plan Account No. 5071. <del>The funds shall be used as follows: \$146,806,644 in fiscal year 2008 and \$150,337,599 in fiscal year 2009 shall be used as incentive payments for the Diesel Emissions Reduction Programs established in Health and Safety Code, Chapter 386, Subchapter C, of which \$3,750,000</del> 4% in each fiscal year of the <del>2008-09</del> 2010-11 biennium shall be used to implement the Clean School Bus initiative established in Health and Safety Code Chapter 390, pursuant to Health and Safety Code § 386.252 <del>(a)(1) (c)</del>. <del>\$17,880,033 in fiscal year 2010 and \$18,310,078 in fiscal year 2011 shall be used for grant funding for the New Technology Research Development Program established in Health and Safety Code, Chapter 387 according to provisions in Health and Safety Code § 386.252; and not more than \$2,234,917 in fiscal year 2008 and \$2,273,917 in fiscal year 2009 shall be used to administer the Diesel Emissions Reduction Program and not more than \$250,000 each fiscal year shall be used to administer the New Technology Research Development Program.</del></p>	<p>The funds in this rider are in the agency's baseline appropriations.</p> <p>Retained the Clean School Bus initiative language and added "no more than 4%".</p>

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
29	<p><b>Reimbursement of Advisory Committees.</b> Pursuant to Government Code, § 2110.004, reimbursement of expenses for advisory committee members out of funds appropriated above is limited to the following advisory committees:</p> <p>Irrigators Advisory Council                      Small Business Compliance Advisory Panel                      Municipal Solid Waste Management and Resource Recovery Advisory Council                      Pollution Prevention Advisory Committee                      Dry Cleaners Advisory Committee</p>	<p><b>Reimbursement of Advisory Committees.</b> Pursuant to Government Code, § 2110.004, reimbursement of expenses for advisory committee members out of funds appropriated above is limited to the following advisory committees:</p> <p>Irrigators Advisory Council                      Small Business Compliance Advisory Panel                      Municipal Solid Waste Management and Resource Recovery Advisory Council                      Pollution Prevention Advisory Committee                      Dry Cleaners Advisory Committee</p>	No change.
30	<p><b>Appropriation: Contracting for Debt Collection.</b> Included in amounts appropriated above, there is hereby appropriated to the Texas Commission on Environmental Quality (TCEQ) for the biennium beginning on September 1, 2007, all proceeds from overdue and delinquent penalties and fees collected by a contractor working on behalf of the TCEQ to collect such funds. This appropriation shall be limited to the amount necessary to pay the contractor collecting such fees for its services and shall not exceed 18 percent of fine and fee proceeds collected by the contractor (estimated to be \$293,388 for the 2008-09 biennium). All other amounts collected shall be deposited to the General Revenue Fund or to a General Revenue-Dedicated Account, based on the applicable statutory provisions.</p>	<p><b>Appropriation: Contracting for Debt Collection.</b> Included in amounts appropriated above, there is hereby appropriated to the Texas Commission on Environmental Quality (TCEQ) for the biennium beginning on September 1, <del>2007</del><u>2009</u>, all proceeds from overdue and delinquent penalties and fees collected by a contractor working on behalf of the TCEQ to collect such funds. This appropriation shall be limited to the amount necessary to pay the contractor collecting such fees for its services and shall not exceed 18 percent of fine and fee proceeds collected by the contractor (estimated to be \$293,388 for the <del>2008-09</del><u>2010-11</u> biennium). All other amounts collected shall be deposited to the General Revenue Fund or to a General Revenue-Dedicated Account, based on the applicable statutory provisions.</p>	Updated years.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
31	<p><b>Authorization: Water and Air Program Fee Rates.</b> To provide for the recovery of costs of processing certain water and air applications, the following fee rates are established pursuant to Government Code, Chapter 316, Subchapter E, to be effective during the biennium beginning on September 1, 2007.</p> <p>The maximum rate for the fees authorized in Water Code, §§ 5.701 (b-c), shall be \$2,000.</p> <p>The maximum rate for fees authorized in Health and Safety Code, § 382.062, shall be \$80,000.</p>	<p><b>Authorization: Water and Air Program Fee Rates.</b> To provide for the recovery of costs of processing certain water and air applications, the following fee rates are established pursuant to Government Code, Chapter 316, Subchapter E, to be effective during the biennium beginning on September 1, <del>2007</del><u>2009</u>.</p> <p>The maximum rate for the fees authorized in Water Code, §§ 5.701 (b-c), shall be \$2,000.</p> <p>The maximum rate for fees authorized in Health and Safety Code, § 382.062, shall be \$80,000.</p>	Updated year.
32	<p><b>Appropriation: North Bosque and Leon Watersheds Compost Project.</b> Included in amounts appropriated above in Strategy A.1.2, Water Assessment and Planning, is \$98,853 in General Revenue in fiscal year 2008 to be used during the 2008-09 biennium for the development and implementation of a manure compost project in the North Bosque and Leon River watersheds.</p>	<p><del><b>Appropriation: North Bosque and Leon Watersheds Compost Project.</b> Included in amounts appropriated above in Strategy A.1.2, Water Assessment and Planning, is \$98,853 in General Revenue in fiscal year 2008 to be used during the 2008-09 biennium for the development and implementation of a manure compost project in the North Bosque and Leon River watersheds.</del></p>	Delete. This project will be completed the end of the 08/09 biennium.

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
33	<p><b>Contingency Appropriation: Revenue from Increased Fee Rates at Watermaster Offices.</b> In addition to amounts appropriated above in Strategy A.2.2, Water Resource Permitting, there is hereby appropriated to the Texas Commission on Environmental Quality (TCEQ) fee revenues collected and deposited to the credit of the Watermaster Administration Account No. 158 from additional fees generated pursuant to Water Code, § 11.329 due to the implementation of increased fee rates at the watermaster offices and in excess of the Comptroller's Biennial Revenue Estimate (estimated to be \$0). These funds shall be used for operating costs of the watermaster offices.</p> <p>This appropriation is contingent upon the TCEQ and the watermaster offices assessing fees sufficient to generate, during the 2008-09 biennium, revenue to cover the appropriations out of the Watermaster Administration Account No. 158. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available. The TCEQ and the watermaster offices, upon completion of necessary actions to assess or increase additional fees, shall furnish copies of minutes and other information supporting the estimated revenues to be generated for the 2008-09 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues in excess of those estimated in the Biennial Revenue Estimate for 2008-09, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.</p>	<p><del><b>Contingency Appropriation: Revenue from Increased Fee Rates at Watermaster Offices.</b></del> In addition to amounts appropriated above in Strategy A.2.2, Water Resource Permitting, there is hereby appropriated to the Texas Commission on Environmental Quality (TCEQ) fee revenues collected and deposited to the credit of the Watermaster Administration Account No. 158 from <del>additional</del> fees generated pursuant to Water Code, § 11.329 <del>due to the implementation of increased fee rates at the watermaster offices and in excess of the Comptroller's Biennial Revenue Estimate</del> (estimated to be \$0). These funds shall be used for operating costs of the watermaster offices.</p> <p>This appropriation is contingent upon the TCEQ and the watermaster offices assessing fees sufficient to generate, during the <del>2008-09</del><u>2010-11</u> biennium, revenue to cover the appropriations out of the Watermaster Administration Account No. 158. <del>In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available. The TCEQ and the watermaster offices, upon completion of necessary actions to assess or increase additional fees, shall furnish copies of minutes and other information supporting the estimated revenues to be generated for the 2008-09 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues in excess of those estimated in the Biennial Revenue Estimate for 2008-09, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.</del></p>	<p>This change will remove the restriction for additional revenues only as a result of increased fee rates. The Watermaster Offices would have access to all revenues received from assessments regardless of whether increased fee rates are applied to the water right holders.</p>

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
34	<p><b>Contingency Appropriation: Edwards Aquifer Development Fee.</b> Included in amounts appropriated above in Strategy A.2.2, Water Resource Permitting, and contingent on passage of House Bill 3098, or similar legislation be the Eightieth Legislature, Regular Session, increasing the Edwards Aquifer Development Fee deposited to the credit of the Water Resource Management Account No. 153, is \$280,232 in fiscal year 2008 and \$248,232 in fiscal year 2009 in new fee revenues to the Water Resource Management Account No. 153 resulting from the fee increase for compliance investigations to ensure that best management practices are being constructed to design specifications. These appropriations are contingent upon the Commission on Environmental Quality assessing fees sufficient to generate, during the 2008-09 biennium, revenue to cover, at a minimum, these appropriations as well as "Other direct and indirect costs" for the program, appropriated elsewhere in this Act. "Other direct and indirect costs" are estimated to be \$55,605 in fiscal year 2008 and \$55,815 in fiscal year 2009. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.</p>	<p><del><b>Contingency Appropriation: Edwards Aquifer Development Fee.</b> Included in amounts appropriated above in Strategy A.2.2, Water Resource Permitting, and contingent on passage of House Bill 3098, or similar legislation be the Eightieth Legislature, Regular Session, increasing the Edwards Aquifer Development Fee deposited to the credit of the Water Resource Management Account No. 153, is \$280,232 in fiscal year 2008 and \$248,232 in fiscal year 2009 in new fee revenues to the Water Resource Management Account No. 153 resulting from the fee increase for compliance investigations to ensure that best management practices are being constructed to design specifications. These appropriations are contingent upon the Commission on Environmental Quality assessing fees sufficient to generate, during the 2008-09 biennium, revenue to cover, at a minimum, these appropriations as well as "Other direct and indirect costs" for the program, appropriated elsewhere in this Act. "Other direct and indirect costs" are estimated to be \$55,605 in fiscal year 2008 and \$55,815 in fiscal year 2009. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.</del></p>	<p>Delete. The funds in this rider are in the agency's baseline appropriations.</p>

**81<sup>st</sup> Legislative Appropriations Request – Article VI Rider Revisions**

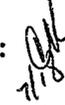
A. #	B. 80 <sup>th</sup> Legislative Riders	C. 81 <sup>st</sup> Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
35	<p><b>Brush Control Program Study.</b> Out of funds appropriated above, the Commission on Environmental Quality shall submit a report to the Legislative Budget Board and the Governor no later than September 1, 2008 providing the following information on brush control activities being conducted by the Soil and Water Conservation Board: evaluation of the current monitoring programs at the treated sites; identification of proper monitoring approaches where upgrades are needed; and estimation of water enhancement in areas of the state that are characterized by salt cedar, juniper, and mesquite.</p>	<p><del><b>Brush Control Program Study.</b> Out of funds appropriated above, the Commission on Environmental Quality shall submit a report to the Legislative Budget Board and the Governor no later than September 1, 2008 providing the following information on brush control activities being conducted by the Soil and Water Conservation Board: evaluation of the current monitoring programs at the treated sites; identification of proper monitoring approaches where upgrades are needed; and estimation of water enhancement in areas of the state that are characterized by salt cedar, juniper, and mesquite.</del></p>	<p>Delete. This project will be completed at the end of the FY 08-09 biennium.</p>
701		<p><b>Fund Transfer Authority:</b> The Texas Commission on Environmental Quality is hereby <u>authorized to transfer funds between any funds/accounts in order to alleviate cash flow problems during the biennium. All funds transferred must be returned to the original fund/account before the end of the biennium.</u></p>	<p>This rider would allow TCEQ to transfer appropriated funds between appropriations to temporarily cover cash flow shortages. Any transfer must be reversed before the end of the biennium in which the transfer was made.</p>

# Texas Commission on Environmental Quality

INTEROFFICE MEMORANDUM

**To:** Commissioners' Agenda

**Date:** August 6, 2008

**Thru:**  Carlos Rubinstein  
Deputy Executive Director

 Zak Covar  
Assistant Deputy Executive Director

**From:** Linda Flores *CHA for LMC*  
Chief Financial Officer

Becky O'Brien   
Director, Budget and Planning Division

**Subject** 2010/2011 Legislative Appropriations Request (LAR)

## Issue:

Discussion and Consideration for Approval of the Executive Director's recommended TCEQ 2010/2011 Legislative Appropriations Request (LAR)

## Background and Current Practice

The LAR represents the financial needs of the Agency as portrayed in the Strategic Plan. For the 2010/2011 biennium, guidance and instructions were provided by the Governor's Office of Budget and Planning and Policy (GOBPP) and the Legislative Budget Board (LBB).

This summary incorporates guidance provided by the LBB to include a ten percent (10%) schedule utilizing the Agency's General Revenue and General Revenue Dedicated baseline request for the 2010/2011 biennium.