

Texas Commission on Environmental Quality

INTEROFFICE MEMORANDUM

To: Commissioners' Work Session **Date:** August 17, 2012

Thru:  Dorca Zaragoza-Stone
Deputy, Office of Administrative Services

From: Liz Day 
Chief Financial Officer

Elizabeth Sifuentez 
Director, Budget and Planning Division

Subject: Agency's FY 2013 Operating Budget and
FY 2014/2015 Legislative Appropriations Request

Issue:

Consideration and Approval of the Agency's FY 2013 Operating Budget and FY 2014/2015 Legislative Appropriations Request

Background and Current Practice

The agency was appropriated funds during the 82th Legislative Session in the 2012/2013 General Appropriations Act. We would like to present the recommended operating budget for FY 2013 for consideration and approval by the Commission.

The information is arranged in the agency's organizational structure and includes budget comparisons between FY 2012 and FY 2013. Each year the agency develops a financial plan which determines how those appropriations will be distributed across the agency.

The LAR represents the financial needs of the Agency as portrayed in the Strategic Plan. For the 2014/2015 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 2014/2015 biennium.

Texas Commission on Environmental Quality



Summary of the FY 2013 Recommended Operating Budget

August 17, 2012

**Texas Commission on Environmental Quality
FY 2013 Operating Budget**

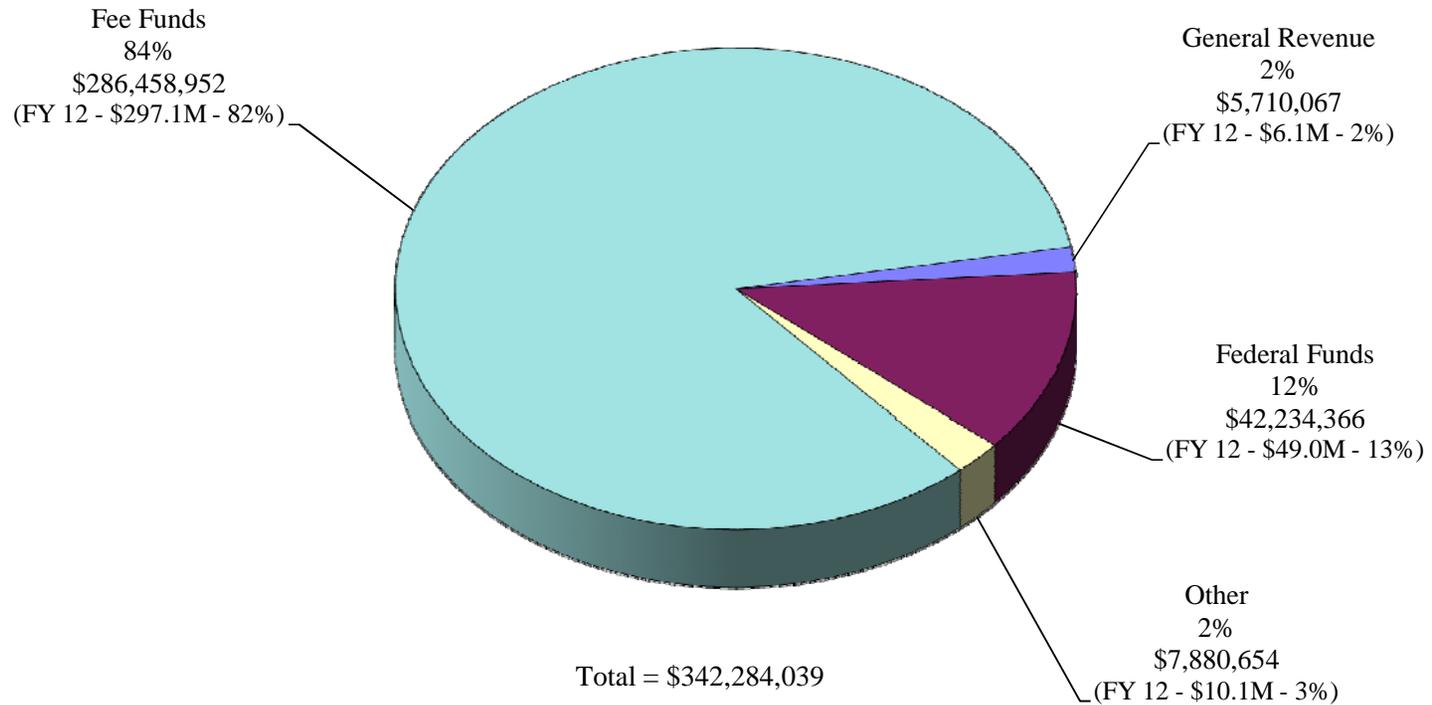
Appropriation Summary

	FY 2012		FY 2013	
	Budget	FTE	Budget	FTE
Baseline Appropriations				
Article VI - Baseline	\$ 342,679,892	2,766.2	\$ 331,762,023	2,766.2
Rider Appropriations				
Article VI, Rider 21 Texas Emission Reduction Plan (TERP) - Contingent on excess revenue	8,000,000	0.0	8,000,000	0.0
Article VI, Rider 26 Low Level Radioactive Waste Disposal Compact Commission	(583,289)	0.0	(100,000)	0.0
Article VI, Rider 29 Operating Permit Fees - Contingent on excess revenue	2,424,344	0.0	2,414,256	0.0
Article VI, Rider 34 Laboratory Accreditation - Contingent on excess revenue	250,000	0.0	250,000	0.0
	10,091,055	0.0	10,564,256	0.0
Other Appropriations and Reductions				
Article IX, Section 8.02 Federal Funds and Interagency Contracts	8,208,026	0.0	1,647,121	0.0
Article IX, Section 8.03 Reimbursements and Payments	2,633,730	0.0	0	0.0
Article IX, Section 17.01 Data Center Services Reduction	(1,053,407)	0.0	(1,281,730)	0.0
Article IX, Section 18.40 HB 571 Aggregate Production	308,349	4.0	227,109	4.0
Article IX, Section 18.56 HB 2694 Surface Casing to the Railroad Commission	(784,740)	(9.0)	(784,740)	(9.0)
Article IX, Section 18.66, SB 329 Sale, Recovery, and Recycling of Television Equipment	150,000	0.0	150,000	0.0
	9,461,958	(5.0)	(42,240)	(5.0)
Total Appropriations	362,232,905	2,761.2	342,284,039	2,761.2

The majority of the difference between FY 12 and FY 13 is associated with PST (\$7M), Federal Funds (\$6.6M), Air Quality Planning (\$3.8M), and Cost Recovery (\$2.6M).

**Texas Commission on Environmental Quality
FY 2013 Operating Budget**

Method of Finance



**Texas Commission on Environmental Quality
FY 2013 Operating Budget**

Table I - FTE Comparison Summary

Office	FY 2012	FY 2013	Difference
Commissioners	72.00	72.00	0.00
Executive	118.60	118.60	0.00
Office of Administrative Services	361.00	361.00	0.00
Office of Compliance & Enforcement	994.00	994.00	0.00
Office of Legal Services	143.80	143.80	0.00
Office of Waste	323.00	323.00	0.00
Office of Water	386.60	386.60	0.00
Office of Air	362.20	362.20	0.00
Agency Wide	0.00	0.00	0.00
Agency Total	<u><u>2,761.20</u></u>	<u><u>2,761.20</u></u>	<u><u>0.00</u></u>

**Texas Commission on Environmental Quality
FY 2013 Operating Budget**

Table II - Budget Comparison Summary

Office	FY 2012	FY 2013	Difference	% Change
Commissioners	\$ 5,936,360	\$ 5,949,814	\$ 13,454	0.23%
Executive	13,436,000	9,898,459	(3,537,541)	(26.33%)
Office of Administrative Services	50,610,331	49,787,944	(822,387)	(1.62%)
Office of Compliance & Enforcement	73,223,538	70,239,852	(2,983,686)	(4.07%)
Office of Legal Services	9,417,416	9,757,660	340,244	3.61%
Office of Waste	58,809,144	50,704,412	(8,104,732)	(13.78%)
Office of Water	45,631,273	44,236,875	(1,394,398)	(3.06%)
Office of Air	88,601,434	87,996,579	(604,855)	(0.68%)
Agency Wide	16,567,409	13,712,444	(2,854,965)	(17.23%)
Agency Total	<u>\$ 362,232,905</u>	<u>\$ 342,284,039</u>	<u>\$ (19,948,866)</u>	<u>(5.51%)</u>

The majority of the difference is associated with PST (\$7M), Federal Funds (\$6.6M), Air Quality Planning (\$3.8M), and Cost Recovery (\$2.6M).

**Texas Commission on Environmental Quality
FY 2013 Operating Budget**

Table III - Budget Category Comparison

Budget Category	FY 2012	FY 2013	Difference	% Change
Salaries				
Salaries	\$ 152,060,193	\$ 155,280,240	\$ 3,220,047	2.12%
Salary Enhancements	2,967,029	2,803,566	(163,463)	(5.51%)
Payroll Contribution for Group Health Insurance (estimated)	<u>1,264,401</u>	<u>1,264,401</u>	<u>0</u>	<u>0.00%</u>
Subtotal	156,291,623	159,348,207	3,056,584	1.96%
Other Operating Costs				
Professional/Temporary	35,438,441	32,997,859	(2,440,582)	(6.89%)
Travel In-State	1,920,699	1,852,515	(68,184)	(3.55%)
Travel Out-of-State	289,246	275,499	(13,747)	(4.75%)
Training	1,440,823	1,439,647	(1,176)	(0.08%)
Rent-Building	6,188,641	5,391,073	(797,568)	(12.89%)
Postage	759,166	842,222	83,056	10.94%
Telephone & Utilities	2,474,630	2,285,480	(189,150)	(7.64%)
Supplies	905,285	927,193	21,908	2.42%
Capital (not limited to LAR Capital)	1,216,966	857,377	(359,589)	(29.55%)
Other Operating Costs	10,643,872	7,545,612	(3,098,260)	(29.11%)
Fuels & Lubricants	696,211	737,485	41,274	5.93%
Rent-Machine and Other	1,087,483	909,632	(177,851)	(16.35%)
Facilities, Furnishings & Equipment	<u>5,176,287</u>	<u>4,696,876</u>	<u>(479,411)</u>	<u>(9.26%)</u>
Subtotal	68,237,750	60,758,470	(7,479,280)	(10.96%)
Remediation, Reimbursements & Grant Contracts				
Other Remediation, Reimbursements & Grants	74,552,079	59,977,020	(14,575,059)	(19.55%)
Texas Emissions Reduction Plan	<u>63,151,453</u>	<u>62,200,342</u>	<u>(951,111)</u>	<u>(1.51%)</u>
Subtotal	137,703,532	122,177,362	(15,526,170)	(11.28%)
Agency Total	<u>\$ 362,232,905</u>	<u>\$ 342,284,039</u>	<u>\$ (19,948,866)</u>	<u>(5.51%)</u>

**Texas Commission on Environmental Quality
FY 2013 Operating Budget**

Table IV - Remediation, Reimbursement and Grant (RRG) Contracts

Remediation, Reimbursement and Grant Contracts

Water Quality Clean Rivers	\$ 4,219,287
Solid Waste Management Grants	5,493,162
Local Air Grants - State	1,772,738
Local Air Grants - Federal	862,500
Petroleum Storage Tank Program	12,719,820
Near Non-Attainment	1,268,750
Superfund	9,834,482
Estuary Programs	982,897
Low Income Repair Assistance Program	6,209,625
Water Quality Grants	9,694,204
Dry Cleaning Facilities	3,115,512
Air Modeling	750,000
Small RRG Contracts	2,364,043
Eight Hour Ozone	690,000
Subtotal	59,977,020
Texas Emissions Reduction Plan	
Diesel Emissions Reduction Incentive Grants	62,200,342
Subtotal	62,200,342
Agency Total	\$ 122,177,362

**Texas Commission on Environmental Quality
FY 2013 Operating Budget**

Table V - Capital Budget Comparison

	FY 2012	FY 2013	Difference
Information Technology			
Data Center Consolidation	\$ 8,746,593	\$ 8,518,270	\$ (228,323)
Permitting and Registration Information System (PARIS)	1,700,001	1,699,999	(2)
Documentation for Fees 185	<u>164,310</u>	<u>130,210</u>	<u>(34,100)</u>
Total Acquisition of Information Resource Technology	10,610,904	10,348,479	(262,425)
Acquisition of Capital Equipment and Items			
Air Monitoring Equipment	884,755	597,635	(287,120)
Water Monitoring and Analysis Equipment	<u>318,750</u>	<u>318,750</u>	<u>0</u>
Total Acquisition of Capital Equipment and Items	1,203,505	916,385	(287,120)
Agency Total	<u>\$ 11,814,409</u>	<u>\$ 11,264,864</u>	<u>\$ (549,545)</u>

**Texas Commission on Environmental Quality
FY 2013 Operating Budget**

Table VI - Information Technology Project Descriptions

Project Name	Project Description	FY 2013
Data Center Consolidation	The project consists of existing information technology infrastructure assets and functions. Services include provision and management of application and utility servers, storage, system software, backup and recovery, and most utility and application software except for mission-specific applications. Service functions include system administration, physical database administration, procurement, and technical support.	\$8,518,270
Permitting and Registration Information System	The project is used for the analysis, design, and partial replacement of the existing Texas Regulatory Activities and Compliance System (TRACS) for electronic data management of registrations and permits. The system will be integrated for the long-term storage, management, and assessment of registration and facility activity data with existing and planned data flow between it, Central Registry, Accounts Receivable and other regulatory applications.	1,699,999
Documentation for Fees 185	The project will create a module for the State of Texas Air Reporting Database to assist in the calculation of a fee required by the Federal Clean Air Act, Section 185. A maintained database collecting the necessary data will allow staff to make fee determinations in a timely and correct manner.	130,210
Total Information Technology Projects		<u>\$10,348,479</u>

Texas Commission on Environmental Quality



Summary of the Recommended
2014-2015
Legislative Appropriations Request

August 17, 2012

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**Legislative Appropriations Request
Fiscal Years 2014-2015**

10% Reduction

Calculation	GR/GRD Totals
General Revenue	11,494,145
General Revenue Dedicated	583,454,511
Total	594,948,656
Biennial 10% Reduction - Supplemental Schedule	(59,494,866)
Tier 1 - 5% Reduction	(29,747,433)
Tier 2 - 5% Reduction	(29,747,433)

Reimbursements, Remediation, and Grant Funds	Biennial Budget	Reduction	Revised Budget	% Reduction
Texas Emission Reduction Plan	123,098,096	35,494,866	87,603,230	28.83%
Superfund Cleanup	17,854,000	6,000,000	11,854,000	33.61%
Petroleum Storage Tank Cleanup	24,263,587	8,000,000	16,263,587	32.97%
Municipal Solid Waste Grants	10,986,324	6,000,000	4,986,324	54.61%
Dry Cleaning Remediation Cleanup	6,284,255	4,000,000	2,284,255	63.65%
Total	182,486,262	59,494,866	122,991,396	

**Legislative Appropriations Request
Fiscal Years 2014-2015**

Summary of Base Request by Method of Finance

MOF	Method of Finance	Expended 2011	Estimated 2012	Budget 2013	Total 2012/2013	Request 2014	Request 2015	Total 2014/2015
0001	General Revenue	15,684,691	5,840,215	5,653,930	11,494,145	5,747,073	5,747,072	11,494,145
	Subtotal, General Revenue Fund (GR)	\$ 15,684,691	\$ 5,840,215	\$ 5,653,930	\$ 11,494,145	\$ 5,747,073	\$ 5,747,072	\$ 11,494,145
0088	Low Level Waste	1,905,999	1,446,591	1,446,591	2,893,182	1,446,591	1,446,591	2,893,182
0146	Used Oil Recycling	900,506	847,591	835,558	1,683,149	841,575	841,574	1,683,149
0151	Clean Air	101,203,498	45,029,855	56,248,045	101,277,900	53,492,712	47,785,188	101,277,900
0153	Water Resource Management	52,246,701	55,127,042	56,002,818	111,129,860	55,633,798	55,496,062	111,129,860
0158	Watermaster Administration	1,551,394	1,308,126	1,308,838	2,616,964	1,350,495	1,266,469	2,616,964
0468	Occupational Licensing	1,647,721	1,683,132	1,683,132	3,366,264	1,683,132	1,683,132	3,366,264
0549	Waste Management	33,592,441	27,915,164	28,364,723	56,279,887	28,173,883	28,106,004	56,279,887
0550	Hazardous & Solid Waste Remediation	30,661,323	23,958,713	24,046,044	48,004,757	24,002,378	24,002,379	48,004,757
0655	Petroleum Storage Tank Remediation	22,348,686	25,481,198	18,479,197	43,960,395	22,029,230	21,931,165	43,960,395
5000	Solid Waste Disposal	11,058,166	5,493,162	5,493,162	10,986,324	5,493,162	5,493,162	10,986,324
5065	Environmental Testing Laboratory Accreditation	453,758	706,842	706,842	1,413,684	706,842	706,842	1,413,684
5071	Texas Emissions Reduction Plan	132,175,394	23,100,971	107,226,781	130,327,752	65,163,876	65,163,876	130,327,752
5093	Dry Cleaning Release	7,499,186	3,718,165	3,718,167	7,436,332	3,718,166	3,718,166	7,436,332
5094	Operating Permit Fees	30,536,180	31,053,701	31,024,360	62,078,061	31,078,223	30,999,838	62,078,061
	Subtotal, General Revenue Fund - Dedicated	\$ 427,780,953	\$ 246,870,253	\$ 336,584,258	\$ 583,454,511	\$ 294,814,063	\$ 288,640,448	\$ 583,454,511
0555	Federal Funds	39,601,684	48,991,001	42,234,366	91,225,367	39,162,828	38,849,371	78,012,199
0369	American Recovery and Reinvestment Act	3,895,094	13,573	0	13,573	0	0	0
	Subtotal, Federal Funds	\$ 43,496,778	\$ 49,004,574	\$ 42,234,366	\$ 91,238,940	\$ 39,162,828	\$ 38,849,371	\$ 78,012,199
0666	Appropriated Receipts	2,527,946	5,211,248	5,017,848	10,229,096	1,145,348	1,145,348	2,290,696
0777	Interagency Contracts	9,147,157	6,293,217	6,735,306	13,028,523	4,919,758	4,919,758	9,839,516
	Subtotal, Other Funds	\$ 11,675,103	\$ 11,504,465	\$ 11,753,154	\$ 23,257,619	\$ 6,065,106	\$ 6,065,106	\$ 12,130,212
	Total Method of Finance	\$ 498,637,525	\$ 313,219,507	\$ 396,225,708	\$ 709,445,215	\$ 345,789,070	\$ 339,301,997	\$ 685,091,067
	Total FTEs	2,834.7	2,761.2	2,761.2	2,761.2	2,761.2	2,761.2	2,761.2

**Legislative Appropriations Request
Fiscal Years 2014-2015**

Capital Budget Request

Project	FY 2012/2013	FY 2014/2015	Biennial Difference
Data Center Services	17,264,863	17,264,863	0
Permitting and Registration Information System	3,400,000	0	3,400,000
Documentation for Fees 185	294,520	0	294,520
Technology Operations & Security	0	1,209,974	(1,209,974)
PC/Printer Replacement	0	1,000,868	(1,000,868)
Records Management	0	800,000	(800,000)
SIP Life Cycle Refresh *	0	250,000	(250,000)
Total Information Technology Projects	20,959,383	20,525,705	433,678
Replacement Vehicles	0	1,008,000	(1,008,000)
Total Transportation Projects	0	1,008,000	(1,008,000)
Air Monitoring Network	1,482,390	1,158,068	324,322
Water Monitoring Network	637,500	637,500	0
Total Capital Equipment Projects	2,119,890	1,795,568	324,322
Total Capital Budget Request	23,079,273	23,329,273	(250,000)

* The SIP Life Cycle Refresh project is supported by funds from Rider 13 Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act.

**Legislative Appropriations Request
Fiscal Years 2014-2015**

Summary of Exceptional Item Requests

Office	Item	FY 2014	FY 2015	Biennium	MOF
Office of Administrative Services					
	Data Center Services - Growth and Expansion	2,154,266	2,154,265	4,308,531	0001
		2,154,266	2,154,265	4,308,531	
Office of Water					
	Rio Grande Compact	2,500,000	2,500,000	5,000,000	0001
		2,500,000	2,500,000	5,000,000	
Total					
		4,654,266	4,654,265	9,308,531	

**Legislative Appropriations Request
Fiscal Years 2014-2015**

Exceptional Item Request Descriptions

Priority	Item	Description	FY 2014		FY 2015		Biennium Request
			Request	FTEs	Request	FTEs	
	Data Center Services - Growth and Expansion	The Data Center Services funds administration, maintenance, and support of 300+ servers. The services offered for critical infrastructure includes 24X7 monitoring, immediate response, and, if necessary, replacement of hardware. Based on the new DIR contract, the cost are projected to increase by 13%. The cost support an increase rate of transition of agency applications to State Data Centers, enhance the ability to upgrade to current hardware and software levels, and expand data storage to maintain continuous demand for trend analysis and information.	2,154,266	0.00	2,154,265	0.00	4,308,531
	Rio Grande Compact	Contract with legal and technical experts to investigate Rio Grande Compact compliance issues. Experts will prepare documentation and possibly file U. S. Supreme Court litigation to protect Texas' rights under the Rio Grande Compact. Experts will prepare technical documentation regarding water supplies and economic impact; as well as a legal analysis to support Texas' claim that New Mexico's increased use of water is depriving Texas of it's equitable entitlement under the Rio Grande Compact.	2,500,000	0.00	2,500,000	0.00	5,000,000
Total Exceptional Item Requests			4,654,266	0.00	4,654,265	0.00	9,308,531

**Legislative Appropriations Request
Fiscal Years 2014-2015**

Summary of Rider Revisions Request

Rider #	Rider Name	Overview of Revisions
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	No Change
7	Authorization: Operating Fund	No Change
8	Appropriation: Air Quality Planning	Language Change EPA is expected to complete the next review of the 8-hour ozone standard.
9	Appropriations Limited to Revenue Collections: Occupational Licensing	Delete Rider Revenue collections are sufficient to support appropriations.
10	Contract with the State Office of Administrative Hearings	No Change
11	Texas Parks and Wildlife Environmental Special Investigations Unit	No Change
12	Federal Funds and Capital Budget Expenditures	No Change
13	Appropriation: Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act	Language Change The change supports the procurement of computing tools to support complex amounts of data.
14	Reallocation of Revenue and Balances for Certain Accounts	No Change
15	Appropriations Limited to Revenue Collections: Automobile Emission Inspections	No Change
16	Appropriation: Administration Costs for the Texas River Compact Commissions	No Change
17	Appropriation: Perpetual Care Account	No Change
18	Environmental Health Institute	No Change
19	Unexpended Balance Authority within the Biennium	No Change
20	Nuisance Surveys for the Economically Distressed Areas Program	No Change
21	Texas Emissions Reduction Plan (TERP): Grants and Administration	Delete Rider Appropriations are allocated to programs as indicated in statute and contingency appropriations are in the baseline.
22	Reimbursement of Advisory Committees	No Change
23	Authorization: Water and Air Program Fee Rates	No Change

**Legislative Appropriations Request
Fiscal Years 2014-2015**

Summary of Rider Revisions Request

Rider #	Rider Name	Overview of Revisions
24	Contingency Appropriation: Revenue from Increased Fee Rates at Watermaster Offices	Language Change Revenue collections are sufficient to support the appropriations.
25	Aggregate Operations along the San Jacinto River	No Change
26	Appropriation: Operating Costs of the Low-Level Radioactive Waste Disposal Compact Commission (LLRWDC) and Revenues in Excess of the Comptroller's Biennial Revenue Estimate (BRE)	Delete Rider The Compact Commission became a independent entity.
27	Sunset Contingency	Delete Rider The agency completed the sunset review and was extended.
28	Contingency Appropriation: Transfer of the Regulation of Bottled Water from the Department of State Health Services to the Texas Commission on Environmental Quality	Delete Rider The bill associated with the bottle water transfer was not adopted during the 82nd legislature.
29	Contingency Appropriation: Revenues in Excess of the Comptroller's Biennial Revenue Estimate for the Operating Permit Fees Account No. 5094	Delete Rider The contingency appropriations are in the baseline.
30	Petroleum Storage Tank Administration: Temporary and Contract Worker Exemption from the Limitation on Full-Time Equivalent (FTE) Positions	No Change
31	Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP)	No Change
32	Petroleum Storage Tank Responsible Party Remediation	Language Change The word "list" should have been "least".
33	Barnett Shale Permit By Rule Study	No Change
34	Contingent Appropriation: Revenue to the Environmental Laboratory Accreditation Account No. 5065 in Excess of the Comptroller's Biennial Revenue Estimate for 2014-15	Delete Rider The contingency appropriations are in the baseline.
701	Contingency Appropriation: New Watermaster Offices and Revenue from Increased Fee Rate	New Rider If the Commission determines that a new Watermaster program is warranted, then fees on permitted water rights would be assessed. These revenues would be appropriated to the agency to support the costs of operating any new Watermaster program.

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
1	Performance Measure Targets. This will be completed by Budget & Planning.	Performance Measure Targets. This will be completed by Budget & Planning.	No Change
2	Capital Budget. This will be completed by Budget & Planning.	Capital Budget. This will be completed by Budget & Planning.	No Change
3	Contingency Cash Flow. If the Legislative Budget Board (LBB) and Governor determine after review of relevant information that cash flow difficulties will occur as a result of the appropriations made above, the LBB 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 biennium in which the funds were transferred under procedures and standards established by the Comptroller of Public Accounts.	Contingency Cash Flow. If the Legislative Budget Board (LBB) and Governor determine after review of relevant information that cash flow difficulties will occur as a result of the appropriations made above, the LBB 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 biennium in which the funds were transferred under procedures and standards established by the Comptroller of Public Accounts.	No Change
4	Authorization: Aircraft Chartering. 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.	Authorization: Aircraft Chartering. 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
5.	Local Air Pollution Grants Allocation. 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 \$2,658,228 in each year of the biennium beginning on September 1, 2011, 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.	Local Air Pollution Grants Allocation. 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 \$2,658,228 in each year of the biennium beginning on September 1, 2011 <u>2013</u> , 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.	No Change

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
6.	<p>Fee Revenue: Pollution Control Equipment Exemptions. 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 \$221,000 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, 2011, in excess of \$221,000 in each fiscal year of the biennium are hereby appropriated to the agency.</p>	<p>Fee Revenue: Pollution Control Equipment Exemptions. 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 \$221,000 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, 2011 <u>2013</u>, in excess of \$221,000 in each fiscal year of the biennium are hereby appropriated to the agency.</p>	No Change
7.	<p>Authorization: Operating Fund. 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>Authorization: Operating Fund. 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

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
8.	<p>Appropriation: Air Quality Planning. Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$3,537,500 for the biennium beginning on September 1, 2011 for air quality planning activities to reduce ozone in areas as approved by the Texas Commission on Environmental Quality (TCEQ). These areas may include Waco, El Paso, Beaumont, Austin, Corpus Christi, Longview-Tyler-Marshall, San Antonio, and Victoria. These activities may be carried out through interlocal agreements or contracts and may include: identifying, inventorying, and monitoring of pollution levels; modeling pollution levels; and the identification, quantification, and implementation of appropriate locally enforceable pollution reduction controls. The TCEQ shall allocate these funds in such a way as to channel the funds to those projects most useful for the State Implementation Plan (SIP). The areas receiving funds shall submit work plans for TCEQ approval describing the work they will complete with those funds.</p>	<p>Appropriation: Air Quality Planning. Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$3,537,500 for the biennium beginning on September 1, 2011 <u>2013</u> for air quality planning activities to reduce ozone in areas <u>that have not been designated as nonattainment for the ozone standard and</u> as approved by the Texas Commission on Environmental Quality (TCEQ). These areas may include Waco, El Paso, Beaumont, Austin, Corpus Christi, Longview-Tyler-Marshall, San Antonio, and Victoria. These activities may be carried out through interlocal agreements or contracts and may include: identifying, inventorying, and monitoring of pollution levels; modeling pollution levels; and the identification, quantification, and implementation of appropriate locally enforceable pollution reduction controls. The TCEQ shall allocate these funds in such a way as to channel the funds to those projects most useful for the State Implementation Plan (SIP). The areas receiving funds shall submit work plans for TCEQ approval describing the work they will complete with those funds.</p>	<p>Language Change</p> <p>The EPA implemented the revised 8-hour ozone standard of 0.075 ppm. They are expected to complete the next review of the standard by 2013. This could result in additional revisions and possible nonattainment areas for Texas. This language change will ensure that the fund distribution is in keeping with the original intent of the program – near nonattainment support.</p>

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
9.	<p>Appropriations Limited to Revenue Collections: Occupational Licensing. Included in the amounts appropriated above is \$1,253,173 in each fiscal year of the 2012-13 biennium out of the Occupational Licensing Account No. 468 in Strategy A.2.4, Occupational Licensing, for the purpose of operating the Occupational Licensing program. 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 \$315,773 for fiscal year and \$328,452 for fiscal year 2013. 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>Appropriations Limited to Revenue Collections: Occupational Licensing. Included in the amounts appropriated above is \$1,253,173 in each fiscal year of the 2012-13 biennium out of the Occupational Licensing Account No. 468 in Strategy A.2.4, Occupational Licensing, for the purpose of operating the Occupational Licensing program. 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 \$315,773 for fiscal year and \$328,452 for fiscal year 2013. 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>Delete Rider</p> <p>Revenue collections are sufficient to support appropriations. The rider is no longer needed.</p>

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
10.	<p>Contract with the State Office of Administrative Hearings. Included in the amounts appropriated above is \$1,000,000 in each fiscal year of the biennium beginning on September 1, 2011 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>Contract with the State Office of Administrative Hearings. Included in the amounts appropriated above is \$1,000,000 in each fiscal year of the biennium beginning on September 1, 2011 <u>2013</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>	No Change

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
11.	<p>Texas Parks and Wildlife Environmental Special Investigations Unit. Included in amounts appropriated above in Strategy C.1.2, Enforcement and Compliance Support, is \$225,000 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 2012 is appropriated for the same purpose for fiscal year 2013.</p>	<p>Texas Parks and Wildlife Environmental Special Investigations Unit. Included in amounts appropriated above in Strategy C.1.2, Enforcement and Compliance Support, is \$225,000 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 2012 <u>2014</u> is appropriated for the same purpose for fiscal year 2013 <u>2015</u>.</p>	No Change
12.	<p>Federal Funds and Capital Budget Expenditures. 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>Federal Funds and Capital Budget Expenditures. 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

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
13.	<p>Appropriation: Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act. Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$750,000 in fiscal year 2012 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) and to assess air quality associated with other pollutants under the Federal Clean Air Act during the biennium beginning on September 1, 2011. These funds may also be used to collect and analyze 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>Appropriation: Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act. Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$750,000 in fiscal year 2012 <u>2014</u> 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) and to assess air quality associated with other pollutants under the Federal Clean Air Act during the biennium beginning on September 1, 2011 <u>2013</u>. These funds may also be used to collect and analyze data and <u>procure appropriate computing tools</u> 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>Language Change</p> <p>An important component for refining and enhancing the modeling is the ability to procure necessary computing resource to manipulate increasingly complex levels and amounts of data.</p>

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
14.	<p>Reallocation of Revenue and Balances for Certain Accounts. 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 Petroleum Storage Tank Remediation Account No. 655 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>Reallocation of Revenue and Balances for Certain Accounts. 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 Petroleum Storage Tank Remediation Account No. 655 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>	No Change

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
15.	<p>Appropriations Limited to Revenue Collections: Automobile Emission Inspections. Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$1,971,828 in each fiscal year of the 2012-13 biennium 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 program during fiscal years 2012-13, 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 Texas Commission on Environmental Quality 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 \$179,106 for fiscal year 2012 and \$186,105 for fiscal year 2013. 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>Appropriations Limited to Revenue Collections: Automobile Emission Inspections. Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$1,971,828 in each fiscal year of the 2012-13 <u>2014-15</u> biennium 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 program during fiscal years 2012-13 <u>2014-15</u>, 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 Texas Commission on Environmental Quality 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 \$179,106 for fiscal year 2012 <u>2014</u> and \$186,105 for fiscal year 2013 <u>2015</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 that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.</p>	No Change

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
16.	<p>Appropriation: Administration Costs for the Texas River Compact Commissions. 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 shall allocate at least \$43,750 for fiscal year 2012 and \$49,750 for fiscal year 2013 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>Appropriation: Administration Costs for the Texas River Compact Commissions. 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 shall allocate at least \$43,750 for fiscal year 2012 <u>2014</u> and \$49,750 for fiscal year 2013 <u>2015</u> 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>	No Change
17.	<p>Appropriation: Perpetual Care Account. In the event of an incident involving the release of radioactive material at a disposal, source material recovery, 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, 2011 (estimated to be \$0). The funds shall be used in Strategy A.3.1, Radioactive Materials 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 as applicable.</p>	<p>Appropriation: Perpetual Care Account. In the event of an incident involving the release of radioactive material at a disposal, source material recovery, 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, 2011 <u>2013</u> (estimated to be \$0). The funds shall be used in Strategy A.3.1, Radioactive Materials 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 as applicable.</p>	No Change

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
18.	<p>Environmental Health Institute. 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, 2011 for the support of the Texas Environmental Health Institute (TEHI) established in conjunction with the 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, 2011 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>Environmental Health Institute. 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, 2011 <u>2013</u> for the support of the Texas Environmental Health Institute (TEHI) established in conjunction with the 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, 2011 <u>2013</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>	No Change
19.	<p>Unexpended Balance Authority within the Biennium. Any unexpended balances on August 31, 2012 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, 2012.</p>	<p>Unexpended Balance Authority within the Biennium. Any unexpended balances on August 31, 2012 <u>2014</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, 2012 <u>2014</u>.</p>	No Change

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
20.	<p>Nuisance Surveys for the Economically Distressed Areas Program. 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 Department of State Health Services (DSHS) for costs incurred by DSHS 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 (DSHS) in an amount not to exceed a total of \$250,000 for the biennium beginning on September 1, 2011.</p>	<p>Nuisance Surveys for the Economically Distressed Areas Program. 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 Department of State Health Services (DSHS) for costs incurred by DSHS 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 (DSHS) in an amount not to exceed a total of \$250,000 for the biennium beginning on September 1, 2011 <u>2013</u>.</p>	No Change

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
21.	<p>Texas Emissions Reduction Plan (TERP): Grants and Administration.^{23, 24} Included in amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, is \$57,165,047 in each fiscal year of the 2012-13 biennium out of the Texas Emissions Reduction Plan Account No. 5071. The funds shall be used as follows: \$55,995,008 in each fiscal year of the 2012-13 biennium shall be used as incentive payments for the Diesel Emissions Reduction Programs established in Health and Safety Code, Chapter 386, Subchapter C, of which \$2,239,602 in each fiscal year of the 2012-13 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, and \$2,799,759 each fiscal year of the 2012-13 biennium shall be used to implement the Clean Fleet Program established in Health and Safety Code, Chapter 391 (c); and not more than \$1,170,039 in each fiscal year shall be used to administer the Diesel Emissions Reduction Program.</p> <p>In addition to amounts appropriated above, there is hereby appropriated to the Texas Commission on Environmental Quality for the biennium beginning on September 1, 2011 revenues received and deposited to the credit of the Texas Emissions Reduction Plan Account No. 5071 in excess of the Comptroller's Biennial Revenue Estimate for 2012-13 in an amount not to exceed \$8,000,000 in each fiscal year of the 2012-13 biennium. These additional funds shall be used as incentive payments for the Diesel Emissions Reduction Programs.</p> <p>It is the intent of the Legislature for the Commission on Environmental Quality to work with the Texas Procurement and Support Services Division of the Office of the Comptroller of Public Accounts to negotiate state contract pricing for equipment purchased under the Texas State Clean School Bus Initiative.</p>	<p>Texas Emissions Reduction Plan (TERP): Grants and Administration.^{23, 24} Included in amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, is \$57,165,047 in each fiscal year of the 2012-13 biennium out of the Texas Emissions Reduction Plan Account No. 5071. The funds shall be used as follows: \$55,995,008 in each fiscal year of the 2012-13 biennium shall be used as incentive payments for the Diesel Emissions Reduction Programs established in Health and Safety Code, Chapter 386, Subchapter C, of which \$2,239,602 in each fiscal year of the 2012-13 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, and \$2,799,759 each fiscal year of the 2012-13 biennium shall be used to implement the Clean Fleet Program established in Health and Safety Code, Chapter 391 (c); and not more than \$1,170,039 in each fiscal year shall be used to administer the Diesel Emissions Reduction Program.</p> <p>In addition to amounts appropriated above, there is hereby appropriated to the Texas Commission on Environmental Quality for the biennium beginning on September 1, 2011 revenues received and deposited to the credit of the Texas Emissions Reduction Plan Account No. 5071 in excess of the Comptroller's Biennial Revenue Estimate for 2012-13 in an amount not to exceed \$8,000,000 in each fiscal year of the 2012-13 biennium. These additional funds shall be used as incentive payments for the Diesel Emissions Reduction Programs.</p> <p>It is the intent of the Legislature for the Commission on Environmental Quality to work with the Texas Procurement and Support Services Division of the Office of the Comptroller of Public Accounts to negotiate state contract pricing for equipment purchased under the Texas State Clean School Bus Initiative.</p>	<p>Delete Rider</p> <p>Rider is not needed since the funds are appropriated in the baseline and also set in statute.</p>

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
22.	<p>Reimbursement of Advisory Committees. 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 Tax Relief for Pollution Control Property Advisory Committee</p>	<p>Reimbursement of Advisory Committees. 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 Tax Relief for Pollution Control Property Advisory Committee</p>	No Change
23.	<p>Authorization: Water and Air Program Fee Rates. 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, 2011.</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>Authorization: Water and Air Program Fee Rates. 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, 2011 <u>2013</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>	No Change

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
24.	<p>Contingency Appropriation: Revenue from Increased Fee Rates at Watermaster Offices. 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) for the biennium beginning on September 1, 2011 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 for 2012-13 (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 2012-13 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 2012-13 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 2012-13, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.</p>	<p>Contingency Appropriation: Revenue from Increased Fee Rates at Watermaster Offices. 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) for the biennium beginning on September 1, 2011 <u>2013</u> 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 for 2012-13 <u>2014-15</u> (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 2012-13 <u>2014-15</u> 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 2012-13 <u>2014-15</u> 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 2012-13 <u>2014-15</u>, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.</p>	<p>Language Change</p> <p>Revenue collections are sufficient to support appropriations. The language is not needed.</p>

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
25.	<p>Aggregate Operations along the San Jacinto River. Out of amounts appropriated above in Strategy C.1.1, Field Inspections and Complaint Response, the Commission on Environmental Quality shall conduct aerial observations at least twice per fiscal year to ensure enforcement of existing statutes and rules relating to aggregate operations along the San Jacinto River.</p>	<p>Aggregate Operations along the San Jacinto River. Out of amounts appropriated above in Strategy C.1.1, Field Inspections and Complaint Response, the Commission on Environmental Quality shall conduct aerial observations at least twice per fiscal year to ensure enforcement of existing statutes and rules relating to aggregate operations along the San Jacinto River.</p>	No Change

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
26.	<p>Appropriation: Operating Costs of the Low-Level Radioactive Waste Disposal Compact Commission (LLRWDC) and Revenues in Excess of the Comptroller's Biennial Revenue Estimate (BRE). ²⁵ Included in amounts appropriated above in Strategy A.3.1, Radioactive Materials Management, \$2,029,880 in fiscal year 2012 and \$1,546,591 in fiscal year 2013 out of the Low-Level Waste Account No. 88. Of this amount, \$583,289 in fiscal year 2012 and \$100,000 in fiscal year 2013 shall be allocated for use by the Low-Level Radioactive Waste Disposal Compact Commission (LLRWDC) for operating costs relating to regulatory activities, policy implementation, staffing, travel, and other general operating expenses. The LLRWDC shall file an annual report of the use of funds from this appropriation to the Comptroller of Public Accounts, the Texas Commission on Environmental Quality (TCEQ), and the Legislative Budget Board for the preceding fiscal year on or before December 31 of each year.</p> <p>In addition to amounts appropriated above out of the Low-Level Waste Account in Strategy A.3.1, Radioactive Materials Management, there is hereby appropriated to the TCEQ an amount not to exceed \$483,289 in fiscal year 2013 in revenues to the Low-Level Waste Account No. 88 in excess of the Comptroller's Biennial Revenue Estimate for 2012-13. These funds shall be allocated for use by the Low-Level Radioactive Waste Disposal Compact Commission (LLRWDC) for operating costs relating to regulatory activities, policy implementation, staffing, travel, and other general operating expenses. This appropriation is contingent upon revenues to the Low-Level Waste Account No. 88 in excess of the Comptroller's Biennial Revenue for 2012-13 in an amount sufficient to cover the appropriation of \$483,289 in fiscal year 2013. None of these additional funds shall be used to pay for costs related to "full-time equivalent (FTE)" positions.</p>	<p>Appropriation: Operating Costs of the Low-Level Radioactive Waste Disposal Compact Commission (LLRWDC) and Revenues in Excess of the Comptroller's Biennial Revenue Estimate (BRE). ²⁵ Included in amounts appropriated above in Strategy A.3.1, Radioactive Materials Management, \$2,029,880 in fiscal year 2012 and \$1,546,591 in fiscal year 2013 out of the Low-Level Waste Account No. 88. Of this amount, \$583,289 in fiscal year 2012 and \$100,000 in fiscal year 2013 shall be allocated for use by the Low-Level Radioactive Waste Disposal Compact Commission (LLRWDC) for operating costs relating to regulatory activities, policy implementation, staffing, travel, and other general operating expenses. The LLRWDC shall file an annual report of the use of funds from this appropriation to the Comptroller of Public Accounts, the Texas Commission on Environmental Quality (TCEQ), and the Legislative Budget Board for the preceding fiscal year on or before December 31 of each year.</p> <p>In addition to amounts appropriated above out of the Low-Level Waste Account in Strategy A.3.1, Radioactive Materials Management, there is hereby appropriated to the TCEQ an amount not to exceed \$483,289 in fiscal year 2013 in revenues to the Low-Level Waste Account No. 88 in excess of the Comptroller's Biennial Revenue Estimate for 2012-13. These funds shall be allocated for use by the Low-Level Radioactive Waste Disposal Compact Commission (LLRWDC) for operating costs relating to regulatory activities, policy implementation, staffing, travel, and other general operating expenses. This appropriation is contingent upon revenues to the Low-Level Waste Account No. 88 in excess of the Comptroller's Biennial Revenue for 2012-13 in an amount sufficient to cover the appropriation of \$483,289 in fiscal year 2013. None of these additional funds shall be used to pay for costs related to "full-time equivalent (FTE)" positions.</p>	<p>Delete Rider</p> <p>This rider was included in the TCEQ bill pattern to support the Compact Commission. However, legislation passed during the 82nd Session indicating the Compact Commission is a separate entity from the TCEQ. Therefore, this rider is no longer necessary.</p>

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
27.	<p>Sunset Contingency.²⁶ Funds appropriated above for the Texas Commission on Environmental Quality (TCEQ) for fiscal year 2013 are made contingent on the continuation of the TCEQ by the 82nd Legislature. In the event that the agency is not continued, funds appropriated for fiscal year 2012, or as much thereof as may be necessary, are to be used for the phase out of agency operations.</p>	<p>Sunset Contingency.²⁶ Funds appropriated above for the Texas Commission on Environmental Quality (TCEQ) for fiscal year 2013 are made contingent on the continuation of the TCEQ by the 82nd Legislature. In the event that the agency is not continued, funds appropriated for fiscal year 2012, or as much thereof as may be necessary, are to be used for the phase out of agency operations.</p>	<p>Delete Rider The agency was continued and has completed sunset review.</p>
28.	<p>Contingency Appropriation: Transfer of the Regulation of Bottled Water from the Department of State Health Services to the Texas Commission on Environmental Quality.²⁷ Contingent upon passage of legislation by the 82nd Legislature, 2011, transferring the regulation of bottled water from the Department of State Health Services (DSHS) to Texas Commission on Environmental Quality (TCEQ), there is hereby transferred \$30,000 in General Revenue in each fiscal year of the 2012-13 biennium from Strategy D.1.1, Food (Meat) and Drug Safety, at the DSHS to Strategy B.1.1, Safe Drinking Water, at the TCEQ for the purpose of regulating bottled water.</p>	<p>Contingency Appropriation: Transfer of the Regulation of Bottled Water from the Department of State Health Services to the Texas Commission on Environmental Quality.²⁷ Contingent upon passage of legislation by the 82nd Legislature, 2011, transferring the regulation of bottled water from the Department of State Health Services (DSHS) to Texas Commission on Environmental Quality (TCEQ), there is hereby transferred \$30,000 in General Revenue in each fiscal year of the 2012-13 biennium from Strategy D.1.1, Food (Meat) and Drug Safety, at the DSHS to Strategy B.1.1, Safe Drinking Water, at the TCEQ for the purpose of regulating bottled water.</p>	<p>Delete Rider The bill associated with the bottle water transfer was not adopted during the 82nd legislature.</p>

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
29.	<p>Contingency Appropriation: Revenues in Excess of the Comptroller's Biennial Revenue Estimate for the Operating Permit Fees Account No. 5094.²⁸ Included in amounts appropriated above out of the Operating Permit Fees Account to the Texas Commission on Environmental Quality (TCEQ) is \$28,653,574 in fiscal year 2012 and \$28,650,482 in fiscal year 2013.</p> <p>In addition to amounts appropriated above there is hereby appropriated to the TCEQ an amount not to exceed \$2,424,344 in fiscal year 2012 and an amount not to exceed \$2,414,256 in fiscal year 2013 in revenues in excess of the Comptroller's Biennial Revenue Estimate for 2012-13. The TCEQ is authorized to transfer appropriations made pursuant to this provision to the appropriate strategy items to implement the Title V air permitting program. This appropriation is contingent upon the TCEQ assessing or increasing fees deposited to the Operating Permit Fees Account No. 5094 sufficient to generate, during the 2012-13 biennium, at least \$2,424,344 in fiscal year 2012 and \$2,414,256 in fiscal year 2013 in excess of the Comptroller's Biennial Revenue for 2012-13. None of these additional funds shall be used to pay for costs related to "full-time equivalent (FTE)" positions.</p>	<p>Contingency Appropriation: Revenues in Excess of the Comptroller's Biennial Revenue Estimate for the Operating Permit Fees Account No. 5094.²⁸ Included in amounts appropriated above out of the Operating Permit Fees Account to the Texas Commission on Environmental Quality (TCEQ) is \$28,653,574 in fiscal year 2012 and \$28,650,482 in fiscal year 2013.</p> <p>In addition to amounts appropriated above there is hereby appropriated to the TCEQ an amount not to exceed \$2,424,344 in fiscal year 2012 and an amount not to exceed \$2,414,256 in fiscal year 2013 in revenues in excess of the Comptroller's Biennial Revenue Estimate for 2012-13. The TCEQ is authorized to transfer appropriations made pursuant to this provision to the appropriate strategy items to implement the Title V air permitting program. This appropriation is contingent upon the TCEQ assessing or increasing fees deposited to the Operating Permit Fees Account No. 5094 sufficient to generate, during the 2012-13 biennium, at least \$2,424,344 in fiscal year 2012 and \$2,414,256 in fiscal year 2013 in excess of the Comptroller's Biennial Revenue for 2012-13. None of these additional funds shall be used to pay for costs related to "full-time equivalent (FTE)" positions.</p>	<p>Delete Rider</p> <p>The contingency appropriations are in the baseline. This language is no longer needed.</p>
30.	<p>Petroleum Storage Tank Administration: Temporary and Contract Worker Exemption from the Limitation on Full-Time Equivalent (FTE) Positions. For the purposes of implementing Petroleum Storage Tank activities identified in Water Code, § 26.3573 (d), 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>Petroleum Storage Tank Administration: Temporary and Contract Worker Exemption from the Limitation on Full-Time Equivalent (FTE) Positions. For the purposes of implementing Petroleum Storage Tank activities identified in Water Code, § 26.3573 (d), 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>No Change</p>

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
31.	<p>Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). 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 \$5,625,000 in each fiscal year of the 2012-13 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 Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). Of the amounts, not more than \$40,375 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 \$625,000 in each fiscal year of the 2012-13 biennium out of 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) 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, 2011 any additional revenues from vehicle inspection and maintenance fees generated from additional counties participating in the LIRAP</p>	<p>Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). 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 \$5,625,000 in each fiscal year of the 2012-13 <u>2014-15</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-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). Of the amounts, not more than \$40,375 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 \$625,000 in each fiscal year of the 2012-13 <u>2014-15</u> biennium out of 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) 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, 2011 <u>2013</u> any additional revenues from vehicle inspection and maintenance fees generated from additional counties participating in the</p>	No Change

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
	beginning on or after September 1, 2011. Such funds shall be used to provide grants to local governments and to cover administrative costs of the TCEQ in administering the LIRAP.	LIRAP beginning on or after September 1, 2011 <u>2013</u> . Such funds shall be used to provide grants to local governments and to cover administrative costs of the TCEQ in administering the LIRAP.	
32.	<p>Petroleum Storage Tank Responsible Party Remediation. It is the intent of the Legislature that the Commission on Environmental Quality prioritize the use of funds appropriated above out of the Petroleum Storage Tank Remediation Account No. 655 to address the continued remediation and monitoring of sites transferred from the responsible party remediation program to the state lead program pursuant to Water Code, § 26.3573, Subsection (r-1). Notwithstanding this provision, in prioritizing sites the TCEQ shall consider the risks associated with all sites requiring remediation and monitoring, as well as the availability of funds. In selecting contractors to perform remediation services at these transferred sites, the Executive Director of the TCEQ may make direct awards to existing contractors who are otherwise eligible for award to ensure that the continued remediation of these sites progresses in the most efficient and cost-effective manner which presents the list risk of disrupting ongoing remediation and monitoring activities.</p>	<p>Petroleum Storage Tank Responsible Party Remediation. It is the intent of the Legislature that the Commission on Environmental Quality prioritize the use of funds appropriated above out of the Petroleum Storage Tank Remediation Account No. 655 to address the continued remediation and monitoring of sites transferred from the responsible party remediation program to the state lead program pursuant to Water Code, § 26.3573, Subsection (r-1). Notwithstanding this provision, in prioritizing sites the TCEQ shall consider the risks associated with all sites requiring remediation and monitoring, as well as the availability of funds. In selecting contractors to perform remediation services at these transferred sites, the Executive Director of the TCEQ may make direct awards to existing contractors who are otherwise eligible for award to ensure that the continued remediation of these sites progresses in the most efficient and cost-effective manner which presents the list <u>least</u> risk of disrupting ongoing remediation and monitoring activities.</p>	<p>Language Change</p> <p>The word “list” should be “least”.</p>

83rd Legislative Appropriations Request – Article VI Rider Revisions

A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
33.	<p>Barnett Shale Permit By Rule Study. The Texas Commission on Environmental Quality (TCEQ) is not authorized to expend any funds appropriated in this Act to implement a rule that would extend 30 Texas Administrative Code, § 106.352, Oil and Gas Handling Production Facilities, Rule Project No. 2010-018-106-PR ("Barnett Shale permit by rule") to oil and gas sources located outside the 23-county area of the Barnett Shale identified in subsection (a)(1) of the Barnett Shale permit by rule region ("Barnett Shale Region") until after August 31, 2013 and until after the agency conducts a study and files a report with the Legislature on the economic impact of extending the provisions of the Barnett Shale permit by rule to other areas of the state. Such a study may be funded through (1) grants, awards, or other gifts made to the TCEQ for that purpose; (2) funds directed to this study through supplemental environmental projects; or (3) by the use of the Texas Emissions Reduction Plan funds, as available. The study shall:</p> <p>(a) Be based on data collected during the 18-month period following initial implementation of the Barnett Shale permit by rule in the Barnett Shale Region;</p> <p>(b) Assess the technical feasibility and economic reasonableness of the implementation of the Barnett Shale permit by rule in geographic areas outside of the Barnett Shale Region, including an assessment of the economic impacts on the oil and gas industry and the Texas economy; and</p> <p>(c) Assess any other factors the TCEQ deems relevant.</p> <p>Nothing herein shall be construed to limit the TCEQ's authority to develop a permit by rule or other authorization for planned maintenance, startup, and shutdown emissions from oil and gas sources located outside the Barnett Shale Region.</p>	<p>Barnett Shale Permit By Rule Study. The Texas Commission on Environmental Quality (TCEQ) is not authorized to expend any funds appropriated in this Act to implement a rule that would extend 30 Texas Administrative Code, § 106.352, Oil and Gas Handling Production Facilities, Rule Project No. 2010-018-106-PR ("Barnett Shale permit by rule") to oil and gas sources located outside the 23-county area of the Barnett Shale identified in subsection (a)(1) of the Barnett Shale permit by rule region ("Barnett Shale Region") until after August 31, 2013 <u>2015</u> and until after the agency conducts a study and files a report with the Legislature on the economic impact of extending the provisions of the Barnett Shale permit by rule to other areas of the state. Such a study may be funded through (1) grants, awards, or other gifts made to the TCEQ for that purpose; (2) funds directed to this study through supplemental environmental projects; or (3) by the use of the Texas Emissions Reduction Plan funds, as available. The study shall:</p> <p>(a) Be based on data collected during the 18-month period following initial implementation of the Barnett Shale permit by rule in the Barnett Shale Region;</p> <p>(b) Assess the technical feasibility and economic reasonableness of the implementation of the Barnett Shale permit by rule in geographic areas outside of the Barnett Shale Region, including an assessment of the economic impacts on the oil and gas industry and the Texas economy; and</p> <p>(c) Assess any other factors the TCEQ deems relevant.</p> <p>Nothing herein shall be construed to limit the TCEQ's authority to develop a permit by rule or other authorization for planned maintenance, startup, and shutdown emissions from oil and gas sources located outside the Barnett Shale Region.</p>	No Change

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A. #	B. 82 nd Legislative Riders	C. 83 rd Proposed Riders Revisions and Additions	D. Justification for Changes/Additions
34.	<p>Contingent Appropriation: Revenue to the Environmental Laboratory Accreditation Account No. 5065 in Excess of the Comptroller's Biennial Revenue Estimate for 2012-13.²⁹ In addition to amounts appropriated above in Strategy C.1.2, Enforcement and Compliance Support, there is hereby appropriated an amount not to exceed \$250,000 in each fiscal year of the 2012-13 biennium in revenue collected and deposited to the Environmental Laboratory Accreditation Account No. 5065 in excess of the Comptroller's Biennial Revenue Estimate for 2012-13.</p>	<p>Contingent Appropriation: Revenue to the Environmental Laboratory Accreditation Account No. 5065 in Excess of the Comptroller's Biennial Revenue Estimate for 2012-13.²⁹ In addition to amounts appropriated above in Strategy C.1.2, Enforcement and Compliance Support, there is hereby appropriated an amount not to exceed \$250,000 in each fiscal year of the 2012-13 biennium in revenue collected and deposited to the Environmental Laboratory Accreditation Account No. 5065 in excess of the Comptroller's Biennial Revenue Estimate for 2012-13.</p>	<p>Delete Rider</p> <p>The contingency appropriations are in the baseline. This language is no longer needed.</p>
701		<p><u>Contingency Appropriation: New Watermaster Offices and Revenue from Increased Fee Rate.</u> <u>Contingent upon the creation of a watermaster office and in addition to the funds appropriated above, there is hereby appropriated to the TCEQ for the 2014-15 biennium fee revenues collected and deposited to the credit of the Watermaster Administration Account No. 158 due to the establishment of any new watermaster programs in accordance with Section 5.05 of House Bill (HB) 2694 of the 82nd Legislature. This appropriation is contingent upon the TCEQ assessing fees sufficient to generate, during the 2014-15 biennium, revenue to cover costs for the program areas, including Capital and "Other direct and indirect costs" for the program appropriated elsewhere in this Act.</u></p> <p><u>For the purposes of implementing the Watermaster Program identified in Texas Water Code § 11.327, the TCEQ is exempt from provisions of Article IX relating to inclusion in the calculation of the number of Full-Time Equivalent (FTE) positions by a state agency for current and or new FTEs. The TCEQ is also authorized to purchase capital equipment including vehicles and water monitoring equipment to support the new Watermaster Office.</u></p>	<p>New Rider</p> <p>The rider provides appropriation, FTE and capital authority for vehicles and water monitoring equipment when a new Watermaster Office is created. If the Commission determines that a new Watermaster program is warranted, then fees on permitted water rights would be assessed. These revenues would be appropriated to the agency to support the costs of operating any new Watermaster program.</p>