Chapter 4

CHAPTER FOUR

Agency Resources

The Texas Commission on Environmental Quality has more than 2,900 full-time employees, about a quarter of whom work outside of the Austin headquarters. The agency has 16 regional offices, as well as three special-project offices.

These field offices give the TCEQ a statewide presence, enabling staff to communicate firsthand with municipalities, businesses and industry, and community groups in all quarters of Texas.

The TCEQ's budgetary needs are based on the demands of state and federal laws concerned with protecting human health and the environment. Its operating budget totaled $480.7 million in fiscal 2007 and $564.8 million in fiscal 2008. Most of the annual revenue is generated by fees.

In fiscal 2007, the TCEQ began posting its quarterly expenditures at **www.tceq.state.tx.us/about/expend.html.** The data is reported in broad categories, such as salaries, travel, utilities, and maintenance. The Web page also links to an expenditure database, called "Where the Money Goes," on the state Comptroller's Web site. These online postings are in response to the Legislature's call for greater accountability in state government.

Workforce

The overall size of the TCEQ workforce remains fairly consistent. In fiscal 2007, the agency was authorized to have 2,938 full-time equivalent (FTE) positions. Of these, 2,842 were filled, including 29 contractor positions, as of August 31, 2007. In fiscal 2008, the authorized FTE cap was 2,942. Of these, 2,905 were filled, including 48 contractor positions, as of August 31, 2008.

At the agency, professionals represented 64.5 percent of the workforce; technical and administrative support staff made up almost 26 percent; and officials and administrators (managers) filled 9.5 percent of positions.

It is the TCEQ's policy to provide equal employment opportunities to all employees and qualified applicants, regardless of race, color, national origin, sex, sexual orientation, age, disability, or veteran status.

The agency is committed to recruiting, selecting, and retaining a multitalented, culturally diverse workforce that is representative of the state's available labor force. TCEQ staff is composed largely of professionals trained in science, technology, engineering, computer science, and other related fields.

All employees are provided training on equal employment practices to make them aware of state and federal employment laws and regulations.

With regard to race and ethnicity, the agency workforce composition was about 67 percent white, 15 percent Hispanic, 12 percent black, and 6 percent other (including Asian, Pacific Islander, American Indian, and Alaskan Native).

In terms of gender, women for the first time were in the majority at the TCEQ: female employees represented 50.1 percent; males, 49.9 percent.

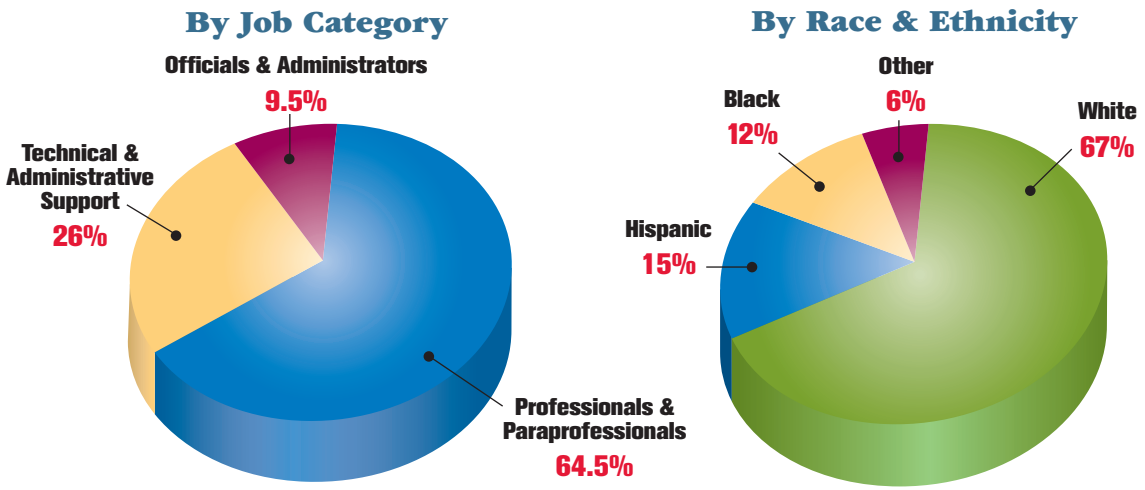
Since 1999, the Legislature has required each state agency to analyze its workforce by ethnicity and gender. The TCEQ compares its workforce to the state civilian workforce using data provided by the Civil Rights Division of the Texas Workforce Commission. The TWC's report on equal-employment opportunity hiring practices, which is published at the start of each legislative session, uses data sets based on the percentage of blacks, Hispanics, and females—by job category—within the civilian labor force in Texas.

Based on these percentages, the TCEQ minority workforce in fiscal 2008 was comparable with the available black labor force in top management (officials and administrators/managers) and exceeded the black labor percentages in the categories of professionals and administrative support. The TCEQ workforce was slightly below the available Hispanic labor force in administrative support, while the agency's female workforce exceeded the available female labor force.

While the TCEQ is making strides in mirroring the available statewide workforce, its recruitment and retention efforts continue by emphasizing employee recognition, professional development, and workforce and succession planning. The agency also uses hiring programs, such as Express Hire at recruitment events

TCEQ Workforce

FY 2008 (FTE Cap of 2,942)



and Transitions Hiring for entry-level positions. In addition, the agency recruits at colleges and universities. See **www.tceq.state.tx.us/goto/employment** for more information.

In the coming years, TCEQ officials anticipate several challenges as the agency strives to fulfill its mission and goals. In fiscal 2008, staff turnover was 12.5 percent. Historically, the agency's turnover has been below the overall average for full- and part-time classified employees at state agencies. However, upcoming retirements and intensified competition for qualified applicants could present problems in maintaining a diverse, well-qualified workforce.

Finances

In fiscal 2007, the agency's approved operating budget was $480.7 million. Of that, $409.8 million came from dedicated fee revenue; $45.7 million from federal funds; and $5 million from general revenue, including earned federal funds. Other sources provided the remaining $20.2 million.

In fiscal 2008, the approved operating budget totaled $564.8 million. Of that, $499.7 million came from dedicated fee revenue; $43.1 million from federal funds; and $10.3 million from general revenue. Other sources provided the remaining $11.7 million.

The operating budget rose in fiscal 2008, primarily due to funding increases for the Texas Emissions Reduction Plan (Account 5071) and the vehicle repair assistance and replacement program (Account 0151).

The amount of general revenue funds appropriated for the 2008-2009 biennium saw a slight increase. But that increase was offset by continued use of the fund balance for the agency's Water Resource Management Account, which supports the agency's water programs and water-related activities. The total appropriation from this account was $90.2 million for the 2008-2009 biennium.

The TCEQ collects more than 100 separate fees. Each of the following fees generated revenue in excess of $30 million a year:

Texas Emissions Reduction Plan ($201.7 million in FY 2007, $195.9 million in FY 2008). Fees are assessed on the sale, registration, and inspection of vehicles. The TERP draws from five separate fees, surcharges, and interest collected by the Texas Department of Public Safety (DPS) and the Comptroller of Public Accounts. In fiscal 2005, the TCEQ was appropriated its entire share of the revenue deposited to the fund; however, beginning in fiscal 2006, the agency's collections have been limited by appropriations.

Petroleum product delivery fee ($75.1 million in FY 2007, $33.0 million in FY 2008). The fee is assessed on the bulk delivery of petroleum products. It is collected by the state Comptroller and deposited to the Petroleum Storage Tank Remediation Account. The statutory-set fee rate was reduced beginning in fiscal 2008.

Air emissions fee ($35.5 million in FY 2007, $33.8 million in FY 2008). The fee is authorized to recover the costs of developing and administering the Title V Operating Permit Program.

Solid waste disposal fee ($42.6 million in FY 2007, $41.3 million in FY 2008). The fee is assessed on the operators of municipal solid waste facilities for disposal of solid waste.

Motor vehicle safety inspection fee ($34.5 million in FY 2007, $34.8 million in FY 2008). The fee is assessed per vehicle on the sale of state safety inspection stickers at inspection stations, auto dealers, and other service providers. The fee is collected by the DPS and deposited to the Clean Air Account.

Pass-through funds accounted for 53 percent of the agency's operating budget in fiscal 2007 and 57 percent in fiscal 2008. Pass-through funds are used primarily for grants, contracts, and reimbursements in the agency's programs for petroleum storage tanks, Superfund cleanups, and municipal solid waste. The water and air programs also pass dollars on to local and regional units of government, but the amounts are not as significant.

Funds other than pass-through are the monies devoted to agency day-to-day operations. Salaries accounted for about 32 percent of the fiscal 2007 operating budget and 28 percent in fiscal 2008. The remaining operating funds were consumed each year by other expenses such as supplies, utilities, rent, travel, training, and capital.

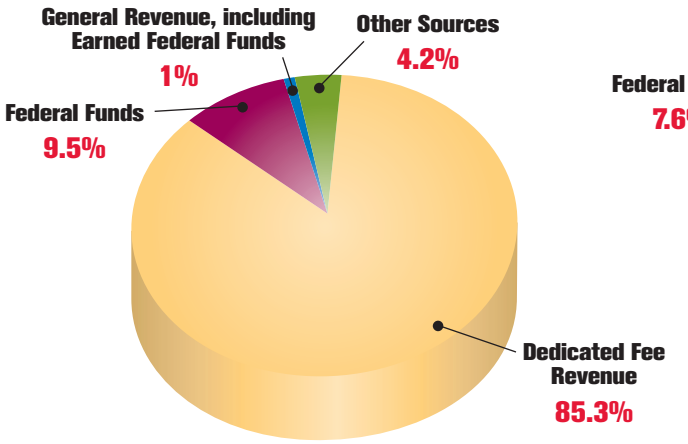
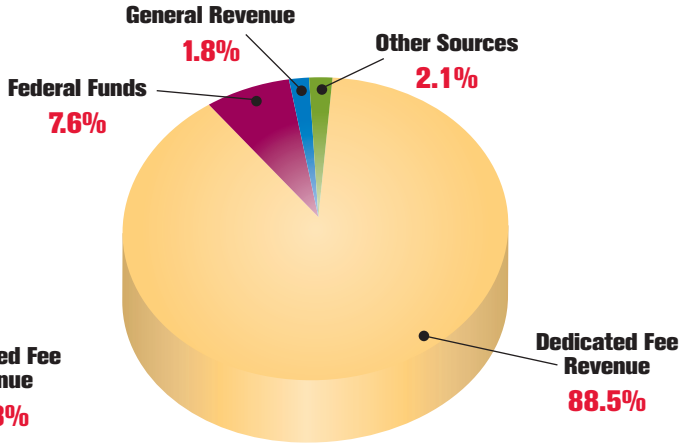
Fee Revisions

As a result of state legislation passed in 2007, a number of minor changes were made to the TCEQ's fees and funding structure.

- SB 1604 transferred the regulation and licensing of commercial processing and storage of radioactive substances to the TCEQ from the Texas Department of State Health Services.
- SB 12 revised the Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (also known as AirCheckTexas) and the Texas Emissions Reduction Plan, with increased funding for both.
- SB 2000 created a grant program to reduce nitrogen oxide emissions from stationary compressor engines.
- HBs 1956 and 3554 extended petroleum storage tank remediation to 2011 and gave the TCEQ shut-down authority for operations that lack financial assurance.
- HB 3220 revised the dry cleaner remediation program.

Annual Operating Budgets

FY 2007: $480.7 million



FY 2008: $564.8 million