

CHAPTER FOUR

Agency Resources

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The Texas Commission on Environmental Quality has more than 2,700 full-time employees, with more than a quarter working 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 its 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. The operating budget totaled \$428.8 million in fiscal 2011 and \$354.7 million in fiscal 2012. Most of the budget is supported from revenues collected from fees.

The TCEQ posts its quarterly expenditures at <www.tceq.texas.gov/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," at the state comptroller's website. These online postings are in response to the Legislature's call for greater accountability in state government.

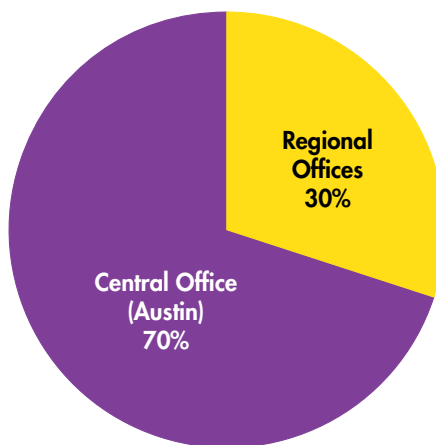
Workforce

The overall size of the TCEQ workforce remains fairly consistent. In fiscal 2011, the agency was authorized to have 3,001.3 full-time-equivalent (FTE) positions, and the average number of FTEs utilized was 2,834.2. In fiscal 2012, the authorized FTEs were 2,761.2; the TCEQ averaged 2,644.3 FTEs during that time.

The TCEQ staff is composed largely of professionals trained in science, technology,

Locations of TCEQ Employees

Fiscal 2012



engineering, computer science, and related fields. In fiscal 2012, professionals represented 65.3 percent of the workforce; technical and administrative support staff made up 23.6 percent; and officials and administrators (managers) filled 11.1 percent of positions. This reflects a minor change in the composition of job categories within the agency from fiscal 2010, with professionals up 0.7 percent, technical and administrative support staff down 1.9 percent, and officials and administrators (managers) up 1.2 percent.

It is the TCEQ's policy to afford equal employment opportunities to all employees and qualified applicants, regardless of race, color, religion, national origin, sex, sexual orientation, age, disability, genetic information, veteran status, or other status protected by law.

The agency is committed to recruiting, selecting, and retaining a multitalented, culturally diverse workforce that is representative of the state's available labor force. In accordance with the Texas

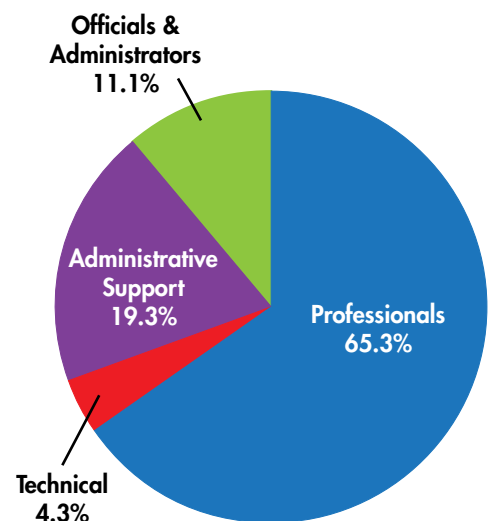
Labor Code, Chapter 21, all employees are trained on equal employment practices to make them aware of state and federal employment laws and regulations.

With regard to race and ethnicity, the agency workforce composition was 66.4 percent white, 10.7 percent black, 16.1 percent Hispanic, and 6.8 percent other (including Asian, Pacific Islander, American Indian, and Alaskan Native) in fiscal 2012. In terms of gender, women continue to be in the majority at the TCEQ: female employees represented 52 percent; males, 48 percent.

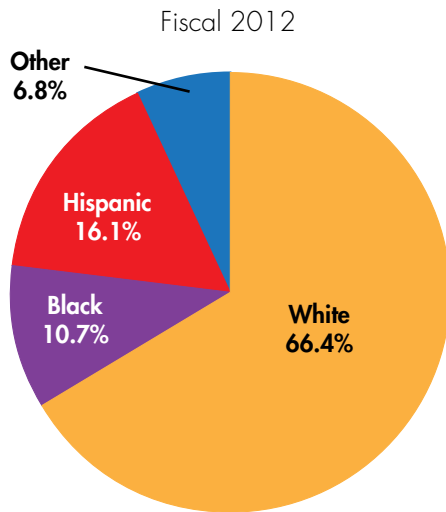
Since 1999, the Legislature has required each state agency to analyze its workforce by ethnicity and gender. The TCEQ compares its workforce to the state civilian workforce using data provided by the Civil Rights Division of the Texas Workforce Commission. The TWC's report on equal-employment-opportunity hiring practices, which is published at the start of each legislative

Job Categories of TCEQ Workforce

Fiscal 2012



Ethnicities of TCEQ Workforce



session, uses data sets based on the percentage of blacks, Hispanics, and females—by job category—within the civilian labor force in Texas.

In fiscal 2012, the TCEQ exceeded the percentage of the available black workforce in the job category of administrative support by almost 9 percent. The agency's female workforce exceeded the available state civilian female labor force in top management (officials and administrators/managers) by over 4 percent, as well as in administrative support, by 18.1 percent.

The TCEQ continues its recruitment and retention efforts by emphasizing employee recognition, professional development, and workforce and succession planning. The agency also uses hiring programs, such as Express Hire at recruitment events and Transitions Hiring for entry-level positions. In addition, the agency recruits at colleges and universities and administers the Mickey Leland Environmental Internship Program with a focus on summer internship opportunities for minorities, women, and economically disadvantaged students pursuing environmental, engineering, science-related, and public-administration careers at colleges and universities across the United States. In addition, the TCEQ partners with Texas State University to offer environmental internships. This program is open to undergraduate and graduate students enrolled in any Texas university. (See www.tceq.texas.gov/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 2012, staff turnover was 11.1 percent, an increase of 0.6 percent from fiscal 2011, continuing the trend of increased turnover. However, the agency's turnover continues to fall below the overall average for full- and part-time classified employees at state agencies. The TCEQ will continue its efforts to attract and retain a qualified and diverse workforce.

Finances

In fiscal 2011, the agency's approved operating budget was \$428.8 million. Of that, \$359.1 million was appropriated from dedicated fee revenue, \$45.0 million from federal funds, and \$13.6 million from general revenue. Other sources provided the remaining \$11.1 million.

In fiscal 2012, the approved operating budget totaled \$354.7 million. Of that, \$297.2 million was appropriated from dedicated fee revenue, \$44.7 million from federal funds, and \$5.9 million from general revenue. Other sources supplied the remaining \$6.9 million.

Pass-through funds accounted for 45 percent of the agency's operating budget in fiscal 2011 and 38 percent in fiscal 2012. 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 moneys devoted to agency day-to-day operations. Salaries accounted for 39 percent in fiscal year 2011 and 44 percent in fiscal 2012. The remaining operating funds were consumed by other expenses such as supplies, utilities, rent, travel, training, and capital.

Fees

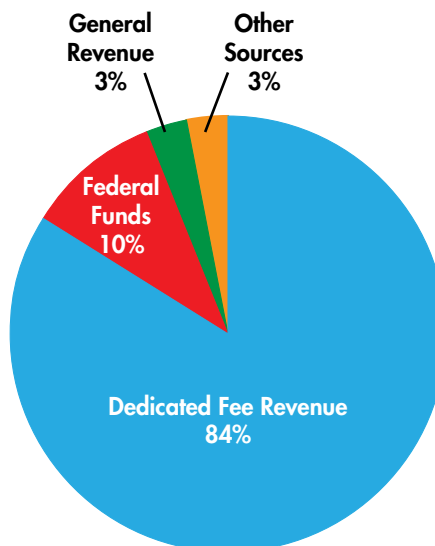
The TCEQ collects more than 100 separate fees. Each of the following fees generated revenue in excess of \$25 million a year:

Texas Emissions Reduction Plan

(\$162.1 million in fiscal 2011, \$188.7 million in fiscal 2012). Fees are assessed on the sale, registration, and inspection of vehicles. The TERP Account (5071) draws from five separate fees, surcharges, interest, and a monthly transfer from the Texas Mobility Fund. The various revenue sources for this account are collected by the Texas Department of Public Safety (DPS), the Texas Department of Motor Vehicles, and the Comptroller of Public Accounts on behalf of the TCEQ. In 2008, the TCEQ became the authorized manager of the account and

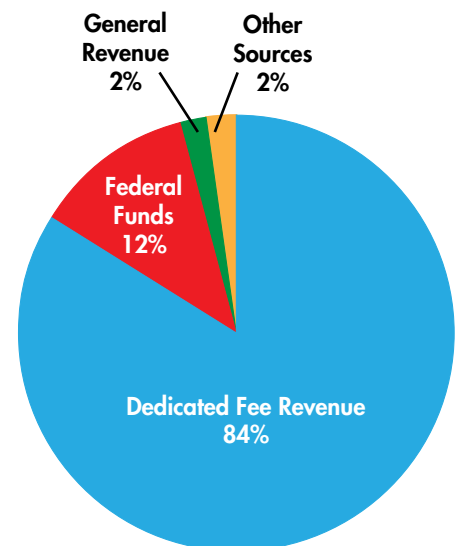
Fiscal 2011

\$428.8 Million



Fiscal 2012

\$354.7 Million



handled the management and transfer of funds from the account.

Petroleum product delivery fee (\$29.3 million in fiscal 2011, \$29.2 million in fiscal 2012). 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 (0655).

Air emissions fee (\$26.5 million in fiscal 2011, \$35.2 million in fiscal 2012). The fee is authorized to recover the costs of developing and administering the Title V Operating Permit Program. The fee revenue is deposited to the Operating Permit Fees Account (5094).

Solid waste disposal fee (\$35 million in fiscal 2011, \$34.9 million in fiscal 2012). The fee is assessed on the operators of municipal solid waste facilities for disposal of solid waste. The fee revenue is deposited 50/50 between the Waste Management Account (0549) and the Solid Waste Disposal Account (5000).

Auto emission inspection, on-board diagnostic fee (\$39.8 million in fiscal 2011, \$40.7 million in fiscal 2012). The fee provides funding for the Low-Income Repair Assistance Program (LIRAP) for counties that have opted into the program. The fee is collected by the DPS and deposited to the Clean Air Account (0151).

Motor vehicle safety inspection fee (\$36.5 million in fiscal 2011, \$37.6 million in fiscal 2012). 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 (0151).

Fee Revisions

As a result of state legislation passed in 2011, a number of changes were made to the TCEQ's fees and funding structure, including the following:

HB 2694 (the Sunset Bill) continued the Petroleum Storage Tank fee and transferred the rate structure from statute to rule. As a result of this change, the commission adopted a rate change on March 28, 2012. The new rates were a 27 percent decrease from the maximum statutory rates and became effective on July 1, 2012. The fee revenue is deposited to the Petroleum Storage Tank Remediation Account (0655). The bill also transferred the Surface Casing Program and fee to the Railroad Commission of Texas, effective Sept. 1, 2011. This resulted in a decrease of approximately \$700,000 in revenue deposited to the Water Resource Management Account.

HB 2964 transferred the Texas Onsite Wastewater Treatment Research Council fee deposit authority from General Revenue to the Water Resource Management Account (0153). The bill also increased the maximum administrative penalty from \$10,000 to \$25,000, and increased the minimum penalty from \$2,500 to \$5,000. Administrative penalties are deposited to general revenue.

HB 2964 also repealed three water and wastewater utility application fees: rate changes; CCNs; and the sale, transfer or merger of a CCN or retail public water or wastewater system.

SB 1504 allowed the site for disposal of low-level radioactive waste disposal in Andrews County to accept waste that was not generated in either Texas or Vermont. Upon

the receipt of waste, the facility is required to collect a 20 percent surcharge on the total value of the non-party waste, which will be deposited to the Low-Level Radioactive Waste Account (0088).

SB 1504 created a new 20 percent surcharge on gross receipts on the storage of radioactive waste in excess of 360 days at the Andrews County facility. The TCEQ began collecting revenue from this fee in 2012. Revenue from this fee is deposited to general revenue.

HB 571 required the TCEQ to implement a registration program for aggregate operations in Texas. Aggregate operations are first required to register in fiscal 2013, and pay an application fee upon registration. A cap of \$1,000 was set in statute for the annual application fee. The TCEQ has adopted rules relating to the new program outlined in the bill and has designed a three-tier structure for assessing the registration fee. Revenue collected from the fee will be deposited to the credit of the Water Resource Management Account (0153).

SB 329 created a program for recycling television equipment, including a website and a toll-free hotline. The bill required manufacturers of covered television equipment to register with the TCEQ and pay an annual registration fee of \$2,500, if not in a Recycling Leadership Program. In addition, manufacturers are required to submit other information about their television-equipment recycling. Fee revenues will be deposited to general revenue. The program became effective on Sept. 1, 2012, and all manufacturers will be required to register on Jan. 31, 2013.