



LEGISLATIVE BUDGET BOARD

Strategic Fiscal Review

PREPARED BY LEGISLATIVE BUDGET BOARD STAFF

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SEPTEMBER 2022

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September 15, 2022

Governor Greg Abbott
Lt. Governor Dan Patrick
Speaker Dade Phelan
Senator Joan Huffman
Representative Greg Bonnen
Members of the House Appropriations and Senate Finance Committees

Re: Strategic Fiscal Review

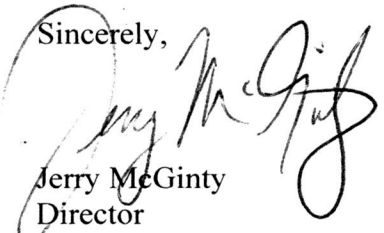
Ladies and Gentlemen:

Pursuant to the Texas Government Code, Section 322.0175, I am pleased to submit the Legislative Budget Board (LBB) staff's Strategic Fiscal Review of 12 state agencies that currently are the subject of Sunset Advisory Commission review and subject to the legislative appropriations process. Of those 12, two underwent Strategic Fiscal Review last biennium: the Texas Commission on Law Enforcement and the State Board of Veterinary Medical Examiners. For the former, we have prepared an update on the findings of the previous review; for the latter, we determined an update was not necessary.

Upon our detailed review of the operational programs within the agencies under review, Legislative Budget Board staff have identified more than 30 findings, some applicable to specific agency programs and others applicable to the agencies at large. Additionally, certain findings also include legislative options for your consideration. We appreciate the cooperation and assistance provided by the state agencies under review during the preparation of this report, as well as that of Sunset Advisory Commission staff.

The staff of the Legislative Budget Board dedicate this publication in memory of our friend and colleague, former Assistant Director Bill Parr, who retired in 2013 after serving the LBB for nearly 32 years.

Sincerely,


Jerry McGinty
Director
Legislative Budget Board

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NOTE: The State Board of Veterinary Medical Examiners was the subject of Strategic Fiscal Review in fiscal year 2020. Legislative Budget Board staff determined that an update for fiscal year 2022 was not necessary.

STRATEGIC FISCAL REVIEW

INTRODUCTION

Strategic Fiscal Review (SFR) began in 2014 as a tool for comprehensive budgetary analysis of selected state agencies and programs to support members of the Legislature as they make decisions on the most appropriate and efficient means of funding the operations of the state. Senate Bill 68, Eighty-sixth Legislature, 2019, formalized and expanded the SFR process and applied it to the agencies currently subject to Sunset Advisory Commission (SAC) review, with an exception for agencies that are not subject to the legislative appropriations process.

The SFR process for each applicable agency began with the Sunset Self-evaluation Report that the agency submitted to SAC, and Legislative Budget Board (LBB) staff also evaluated these reports. Each agency also submitted programmatic and financial data directly to the LBB. LBB staff considered the program structure identified by agencies in their Sunset Self-evaluation reports against the program structure identified in the submitted SFR data. These two sources may show programmatic and financial differences compared to the LBB's State Budget by Program depending on how agencies chose to report program information.

In the SFR data submissions to the LBB, each agency ranked programs to represent the agency's prioritization of each relative to its overall goals and purpose and provided details on the population and needs met by various programs, demand for services, and opportunities to improve operations.

The financial data for each agency program include revenue totals and funding amounts by method of finance and by object of expense since fiscal year 2016. Agencies also submitted data for funds outside the state Treasury that are not subject to appropriation by the Legislature.

In addition to the programmatic and financial data, LBB staff reviewed performance measure information submitted by agencies, audit reports previously submitted by agencies to the LBB, and contract information maintained by the LBB's Contracts Oversight Team.

As required by Senate Bill 68, agencies identified the adverse effects of discontinuing a program and provided an account of expenditures required to maintain the program at the minimum level of service and the expenditures for the current level of service.

Due to the timing of SFR data collection, reviews do not consistently consider actual operating expenses for the current biennium or unexpected changes in appropriations and revenue due to external factors. However, these developments are monitored and reviewed as a part of the overall legislative appropriations process.

Each review includes information about the agency, its programs, and LBB staff findings. These findings appear following the agency-level information and before the program-level information, unless the agency consists of only one program, in which case the agency-level information and program-level information are the same.

Programs for each agency appear in General Appropriations Act budgeting strategy order; for example, programs associated with Strategy A.1.1. appear before those associated with Strategy A.1.2. If a program is associated with multiple strategies, LBB staff organized it according to the strategy with which it is associated most prominently.

In addition to the reviews, this report includes two appendices. The first appendix is a legislative primer on state funding for water programs that includes information concerning three agencies undergoing SFR this biennium: the Texas Commission on Environmental Quality, the Texas State Soil and Water Conservation Board, and the Texas Water Development Board. The second appendix consists of contract reporting and compliance information compiled by the Contracts Oversight Team for the agencies undergoing SFR this biennium that have significant contracting activity.

COORDINATION WITH SUNSET ADVISORY COMMISSION

In accordance with Senate Bill 68, agencies that are undergoing Sunset review also are subject to Strategic Fiscal Review; thus, LBB staff collaborated with SAC staff to avoid the duplication of agency information and data requests. However, SAC analyzes the continuing public need for a state agency and its functions; the SFR process analyzes the justification, accountability, and

sufficiency of agency funding. These approaches may result in different findings that should not be read as being in conflict, but rather as informing the overall legislative process.

Statute requires the LBB to submit this report of SFR findings by September of the even-numbered year of the biennium during which the review is conducted. This deadline precedes the time by which SAC is scheduled to complete its initial review of certain agencies discussed in this report, but SAC findings for agencies whose initial reviews are complete were considered as part of the SFR process.

The following agencies were evaluated during the 2022–23 biennial SFR process, alongside the Sunset review cycle:

- Office of State–Federal Relations in the Office of the Governor;
- Texas Economic Development and Tourism Office in the Office of the Governor;
- Texas Juvenile Justice Department;
- Office of Independent Ombudsman for the Texas Juvenile Justice Department;
- Texas Commission on Law Enforcement;
- Texas Commission on Environmental Quality;
- Texas Low-level Radioactive Waste Disposal Compact Commission;
- Texas State Soil and Water Conservation Board;
- Texas Water Development Board;
- Public Utility Commission of Texas;
- Office of Public Utility Counsel; and
- State Board of Veterinary Medical Examiners.

The Texas Commission on Law Enforcement and the State Board of Veterinary Medical Examiners were the subjects of Strategic Fiscal Review last biennium. For the former agency, LBB staff prepared an update on the findings of the previous review; for the latter agency, staff determined that an update was not necessary.

TEXAS ECONOMIC DEVELOPMENT AND TOURISM OFFICE

The Texas Government Code, Chapter 481

AGENCY DESCRIPTION

The Texas Economic Development and Tourism Office (EDT), a Trusteed Program within the Office of the Governor, is the lead state economic development organization that coordinates economic development and tourism efforts for the state by working with the Legislature, other state agencies, local government, and related organizations. Through various programs and services, EDT fulfills its statutory obligation to market and promote the state as a premier business location and travel destination.

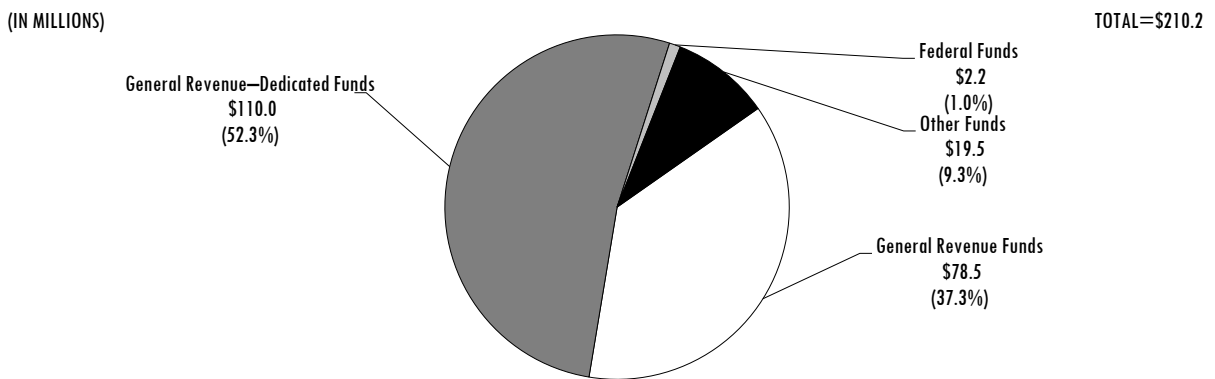
The Seventy-eighth Legislature, Regular Session, 2003, established EDT as a successor entity after it abolished the Texas Department of Economic Development at the conclusion of the Sunset review process. In addition to the EDT, the Legislature established the Texas Economic Development Bank to administer various financial tools that previously were offered by the Texas Department of Economic Development. The Seventy-eighth Legislature also established a new grant program, the Texas Enterprise Fund, to be administered by the bank. Finally, the Legislature abolished the Texas Aerospace Commission and transferred its responsibilities to the newly established Aerospace and Aviation Office and the Spaceport Trust Fund within EDT.

EDT accomplishes its missions, objectives, and key functions through three primary divisions: (1) Business and Community Development, (2) Economic Development Bank, and (3) Travel Texas. The Business and Community Development division administers the Business Development and Business Assistance programs, which focus on facilitating the state’s economic growth through the location, expansion, and retention of domestic and international business investment in Texas, increased international trade, and small business and entrepreneurial development. The Economic Development Bank division administers and promotes business and community economic development programs intended to address a range of funding needs by facilitating incentives for companies through loans, grants, and tax refunds. The Travel Texas division markets Texas to consumers and travel businesses domestically and internationally as the premier destination for leisure and business travel through advertising, public relations, and marketing.

AGENCY FUNDING SOURCES

Figure 1 shows agency funding sources by method of finance.

FIGURE 1
TEXAS ECONOMIC DEVELOPMENT AND TOURISM OFFICE FUNDING SOURCES, 2022–23 BIENNIUM



NOTE: Totals may not sum due to rounding.
SOURCE: Texas Economic Development and Tourism Office.

Figure 2 shows a program funding overview in the agency’s program ranking order along with associated General Appropriations Act budgeting strategies, expended amounts for the 2020–21 biennium, and appropriated amounts and full-time-equivalent (FTE) positions for the 2022–23 biennium.

FIGURE 2
TEXAS ECONOMIC DEVELOPMENT AND TOURISM OFFICE PROGRAM FUNDING OVERVIEW
2020–21 TO 2022–23 BIENNIA

RANKING	PROGRAM	STRATEGY (1)	(IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS 2022–23 (2)
			EXPENDED 2020–21	APPROPRIATED 2022–23	
1	Texas Enterprise Fund	C.1.1. Create Jobs and Promote Texas	\$160.9	\$100.0	0.0
2	Market Texas Business Development	C.1.1. Create Jobs and Promote Texas	\$5.4	\$7.4	45.0
3	Texas Economic Development Bank	C.1.1. Create Jobs and Promote Texas	\$5.0	\$18.5	8.0
4	Business Assistance	C.1.1. Create Jobs and Promote Texas	\$2.4	\$3.4	9.0
5	Travel Texas	C.1.1. Create Jobs and Promote Texas	\$41.2	\$70.9	12.0
6	Spaceport Trust Fund	C.1.1. Create Jobs and Promote Texas	\$15.4	\$10.0	0.0

NOTES:

(1) Strategy C.1.1 is shown in the Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium, Article I, bill pattern for the Trusteed Programs within the Office of the Governor.

(2) The amount shown for full-time-equivalent positions is the number of positions allocated by the agency for each fiscal year of the biennium.

SOURCE: Texas Economic Development and Tourism Office.

AGENCY REVENUE SOURCES

Figure 3 shows agency revenue by revenue object. EDT collected revenue through 12 recorded object codes in the 2020–21 biennium. Most of these revenue objects are relatively small amounts collected on fees, forfeitures, and repayments. A large share of the revenue collected by EDT comes from interest accrued by accounts administered by the agency. Revenues collected relating to the Texas Enterprise Fund, the Economic Development Bank, and the Spaceport Trust Fund are appropriated to the agency.

FIGURE 3
TEXAS ECONOMIC DEVELOPMENT AND TOURISM OFFICE REVENUE SOURCES, FISCAL YEARS 2020 TO 2023

OBJECT CODE	REVENUE OBJECT	ACTUAL 2020	ACTUAL 2021	ESTIMATED 2022	ESTIMATED 2023
3014	Motor Vehicle Registration Fees	\$61,249	\$61,463	\$75,000	\$75,000
3722	Conference, Seminars, and Training Registration	\$86,731	\$12,000	\$50,000	\$85,000
3727	Fees for Administrative Services	\$164,250	\$235,267	\$175,000	\$175,000
3752	Sale of Publications/Advertising – Travel	\$4,800	\$6,550	\$20,000	\$35,000
3765	Interagency Sale of Supplies/Equipment/Services	\$157,212	\$159,304	\$160,000	\$160,000
3769	Forfeitures	\$1,132,798	\$2,456,913	\$2,000,000	\$2,000,000
3782	Repayments from Political Subdivisions/Other Loans/Advances	\$2,748,690	\$17,036,852	\$3,000,000	\$3,000,000
3795	Other Miscellaneous Governmental Revenue	\$581,106	\$0.0	\$250,000	\$250,000
3851	Interest on State Deposits and Treasury Investments – General, Nonprogram	\$5,474,410	\$1,585,098	\$3,750,000	\$3,700,000
3852	Interest on Local Deposits – State Agencies	\$1,037	\$114	\$1,500	\$1,500
3875	Interest Other, General, Nonprogram	\$694,749	\$442,108	\$450,000	\$450,000
3971	Federal Pass-through Revenue/Expenditure (Interagency, Nonoperating)	\$686,243	\$320,993	\$1,100,000	\$1,100,000

SOURCE: Texas Economic Development and Tourism Office.

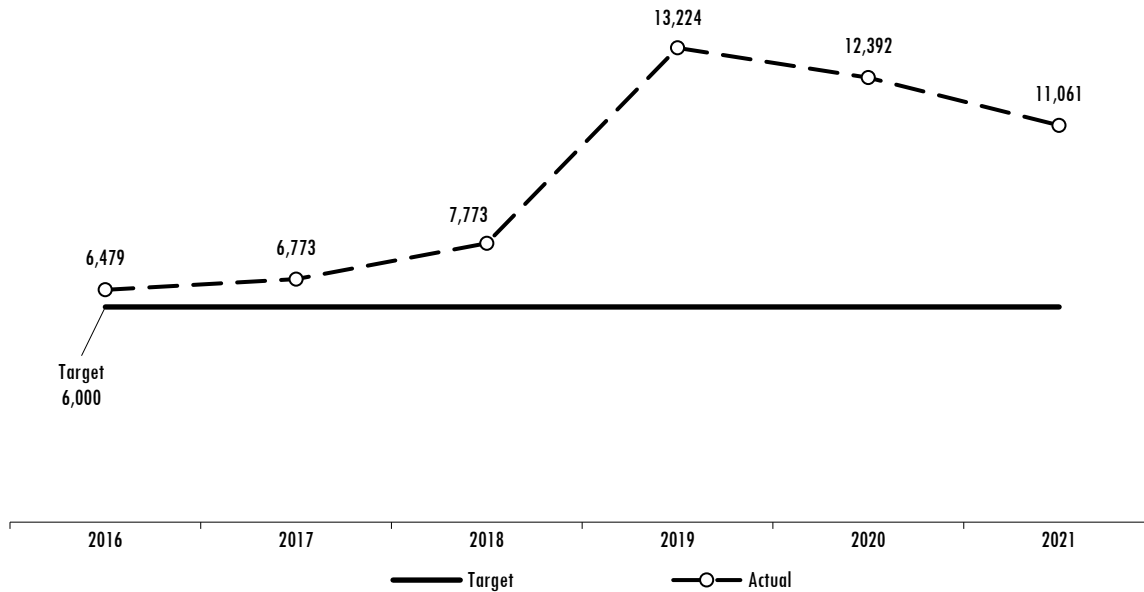
FINDINGS

FINDING 1: PERFORMANCE MEASURE TARGETS FOR THE BUSINESS DEVELOPMENT PROGRAM

Two performance measure targets for the Market Texas Business Development Program recently have achieved amounts significantly greater than those of specified targets. The measure Number of New Jobs Announced had a target of 6,000 for fiscal years 2020 and 2021, but the agency recorded actual amounts of 12,392 and 11,061, respectively. The measure Capital Investment by Projects Receiving Assistance had a target of \$5.0 billion for fiscal years 2020 and 2021, but the agency recorded actual amounts of \$10.2 billion and \$13.3 billion, respectively.

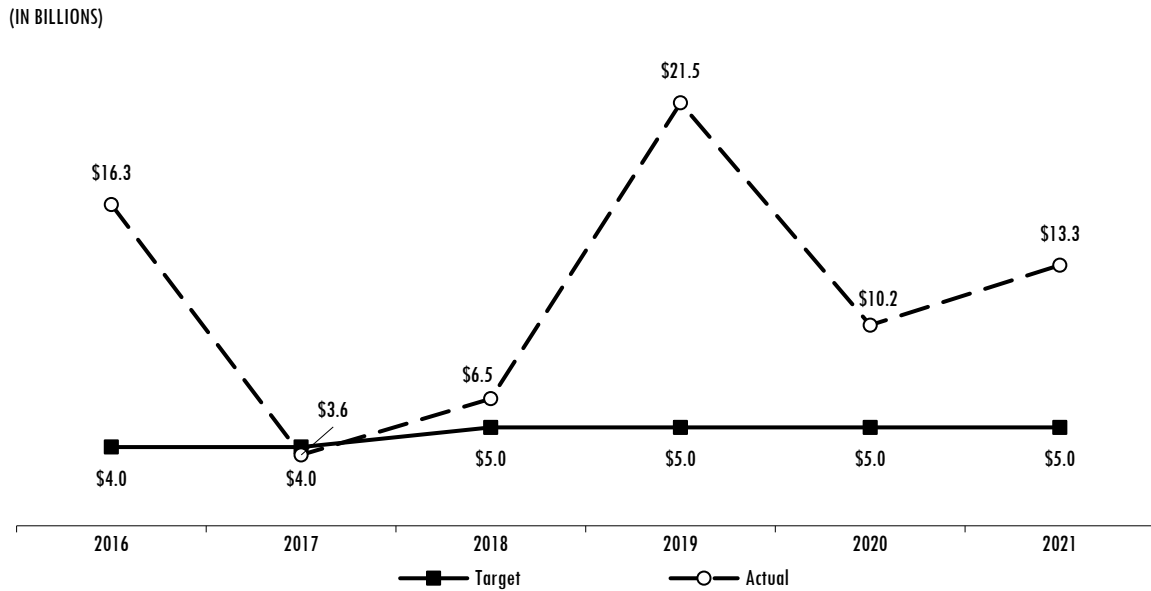
Figures 4 and 5 show targets and actual performance for these measures from fiscal years 2016 to 2021. Increasing the target amounts for these measures would provide more accurate estimates of the future performance of the Business Development Program and more context for assessing actual performance.

FIGURE 4
TEXAS ECONOMIC DEVELOPMENT AND TOURISM OFFICE'S PERFORMANCE FOR THE MEASURE NEW JOBS ANNOUNCED BY BUSINESS RECEIVING ASSISTANCE, FISCAL YEARS 2016 TO 2021



SOURCE: Texas Economic Development and Tourism Office.

FIGURE 5
TEXAS ECONOMIC DEVELOPMENT AND TOURISM OFFICE'S PERFORMANCE FOR THE MEASURE CAPITAL INVESTMENT BY PROJECTS RECEIVING ASSISTANCE, FISCAL YEARS 2016 TO 2021



SOURCE: Texas Economic Development and Tourism Office.

FINDING 2: AGENCY TOLL-FREE LINE

The Texas Government Code, Section 481.167(a), requires EDT to administer the Texas Business and Community Economic Development Clearinghouse to provide information and assistance to business communities in the state through use of a statewide toll-free telephone service. In practice, the toll-free service is used minimally, and the agency reported 1,081 calls from February 2021 to January 2022 at an average cost of \$13.32 per month. EDT attributes the low usage of the phone line to users finding clearinghouse information more readily through the agency’s website.

If the Texas Government Code, Section 481.167(a), were amended to repeal the requirement that EDT maintain a toll-free phone line, the agency instead could direct callers to use alternative means of accessing information and receiving assistance, such as the agency’s main phone line or website.

FINDING 3: CAPITAL ACCESS PROGRAM

The Texas Economic Development Bank administers the Capital Access Program (CAP) to assist participating nonprofit financial institutions in making loans to small and medium-sized businesses and nonprofit organizations that face barriers to access capital. These loans are underwritten by the participating nonprofit lenders and supported by the state’s contributions to a loan-loss reserve account. If a borrower defaults on a loan, the lender may submit a claim to the bank. If the lender has made a sufficient effort to recover the loan, the lender may withdraw from the loan-loss reserve account nonrecoverable losses only, not to exceed 50.0 percent of the enrolled amount, plus reasonable customary expenses.

Currently, the authority of the bank regarding CAP loans is limited to determining the eligibility of financial institutions to participate in the program and determining whether capital is eligible to be financed through a loan. The Texas Government Code, Section 481.407, states, “the bank may not determine the recipient, amount, or interest rate of a capital access loan ... or the fees or other requirements related to the loan.” The language in this section limits the bank’s input and due diligence in vetting borrowers and places state funds at risk if loans default. Additionally, lenders have not accepted sufficient collateral to secure the loans. Since CAP restarted in fiscal year 2016 following a period of inactivity due to a lack of funding, the program has enrolled 156 loans, of which 25 loans, 16.0 percent, have resulted in default. These claims, when processed, will cost the state approximately \$300,000.

FINDING 3, OPTION 1: AUTHORIZE THE TEXAS ECONOMIC DEVELOPMENT BANK TO REJECT LOAN APPLICANTS

The Legislature could consider amending the Texas Government Code, Section 481.407, to authorize the bank to reject an applicant from participating in the program. This authorization would provide the bank discretion to deny CAP loans being issued to entities that might not have sufficient collateral to secure the loans or have questionable credit histories. This amended process would require the participating lender to route loan applications through the bank for initial approval before loan terms are established. This practice could help prevent the issuance of risky loans that place undue burden on state funds.

If statute were amended, EDT estimates that the bank would require at least 3.0 additional full-time-equivalent (FTE) positions with previous loan underwriting experience to address the additional workload of reviewing loan applicants. The annual salary and benefits costs of these new positions are estimated at \$318,048, and other indeterminate factors also might affect total costs.

FINDING 3, OPTION 2: EXPAND TEXAS ECONOMIC DEVELOPMENT BANK AUTHORITY IN ACCORDANCE WITH THE CAPITAL ACCESS PROGRAM TO DETERMINE INTEREST RATES FOR LOANS

The Legislature could consider amending the Texas Government Code, Section 481.407, to authorize the bank to determine loan interest rates. Currently, the bank has no input regarding interest rates. Participatory lenders are responsible for negotiating CAP loan interest rates with borrowers. EDT has expressed concern that lenders are servicing CAP loans at interest rates that are significantly greater than market interest rates. According to EDT, market interest rates averaged about 10.6 percent from fiscal years 2016 to 2018, while an estimated 83.0 percent of CAP loans issued during that period had an average loan rate of 16.0 percent. Amending statute to provide EDT input regarding loan interest rates could result in rate setting at levels more conducive to the program's goal of providing capital loans to business entities that otherwise face barriers to attain them.

As with Option 1, EDT estimates the need for at least 3.0 additional FTE positions if statute were amended, with annual salary and benefits costs estimated at \$318,048.

FINDING 4: DEFENSE ECONOMIC READJUSTMENT ZONE

The Defense Economic Readjustment Zone (DERZ) Program assists Texas communities, businesses, and workers affected by or vulnerable to the closure or realignment of military installations and the reduction of federal defense contracting expenditures. To qualify for the program, a community must submit a written application to the Texas Economic Development Bank that nominates an area as a readjustment zone. The bank negotiates a designation agreement when it determines that a nominated area satisfies the criteria, after which projects can be nominated as DERZ projects and may be eligible for a sales-and-use tax rebate of certain expenses. The program has been inactive since the last readjustment zone designation expired in September 2015.

The nomination procedure for the DERZ program is almost identical to the former procedure used for the Enterprise Zone Program, which was amended by the Seventy-eighth Legislature, Regular Session, 2003, to repeal the process to establish a zone. In accordance with the updated procedure, enterprise zones are established statutorily, requiring only the submission of an application for a project designation to receive the appropriate sales-and-use tax rebate. Instead of requiring two applications, one to nominate an area as an enterprise zone and one for a designated project, the updated procedure requires the community to apply only for the project designation. Enterprise zones are designated automatically by qualification instead of through the previous application process.

The Legislature could consider amending the Texas Government Code, Chapter 2310, Subchapter C, which governs the designation of a DERZ, to parallel the provisions of the Texas Enterprise Zone Program, as specified in the Texas Government Code, Chapter 2303. This amendment effectively would eliminate the zone nomination process and enable communities to qualify automatically for the DERZ program if they meet the statutory criteria. This modification would remove a step from the process that may deter eligible communities from seeking assistance through the DERZ program.

FINDING 5: TEXAS LEVERAGE FUND

The Texas Leverage Fund (TLF) enables economic development corporations to leverage their economic development sales-and-use taxes to support local economic development projects. TLF no longer is accepting applications due to the need to update the program's Master Resolution, which is set to expire August 31, 2022, and which may require statutory changes.

The Texas Economic Development Bank is monitoring eight outstanding TLF loans to seven communities. The total principal outstanding for these loans was approximately \$2.8 million as of the end of fiscal year 2021.

Senate Bill 1465, Eighty-seventh Legislature, Regular Session, 2021, established the Texas Small and Rural Community Success Fund (TSRCSF), which is intended as a successor to TLF. Although several communities have expressed interest in the program, the Legislature provided no appropriations to the fund for the 2022–23 biennium, and no loans are expected to be issued from the TSRCSF during biennium.

FINDING 5, OPTION 1: CONTINUE THE TEXAS LEVERAGE FUND

The Legislature could consider amending statute to continue the TLF by authorizing the Texas Economic Development Bank to continue operation of the program and to issue debt related to TLF. Senate Bill 132, Eighty-sixth Legislature, 2019, provides an example of the language the Legislature might consider for this purpose. Exercising this option may result in the elimination of TSRCSF, which would be redundant.

Reenabling the issuance of loans through TLF would continue an economic development tool that has been used frequently by small and medium-sized communities. Since fiscal year 2000, TLF has issued 24 loans totaling approximately \$25.5 million to communities with fewer than 10,000 residents, on average. EDT estimates the cost of administering TLF at approximately \$1.4 million since fiscal year 2016, or about \$230,000 per fiscal year. Subsequent costs to the program would depend on legislative appropriations to issue loans and demand by TLF applicants.

FINDING 5, OPTION 2: APPROPRIATE FUNDING FOR THE TEXAS SMALL AND RURAL COMMUNITY SUCCESS FUND

The Legislature could appropriate funding into the TSRCSF to operate the loan program. Pursuant to the Texas Government Code, Chapter 489, Subchapter E, which authorizes the fund, the appropriations would be deposited into a TSRCSF account located outside of the state Treasury. TLF could be eliminated with the implementation of TSRCSF to mitigate redundancy.

The program likely would be used by the same or similar communities that receive financing through TLF. Program costs for TSRCSF would be comparable to those of TLF.

FINDING 6: TEXAS ENTERPRISE FUND

The Texas Enterprise Fund (TEF) is a performance-based cash grant used as a financial incentive tool for projects that offer significant projected job creation and capital investment when a single Texas community is competing with another viable out-of-state option. Award amounts are determined using an analytical model applied uniformly to each TEF applicant.

According to EDT, since the inception of the program in 2004, a total of \$677.6 million has been awarded to 181 projects, which have committed 104,331 total jobs. The estimated return on investment (ROI) for these projects is \$6,495 in TEF investment per new job committed and \$50.34 in capital investment per TEF dollar awarded.

Currently, EDT reports one budget performance measure that tracks the number of jobs announced by companies receiving TEF grants. Adding a performance measure for the TEF grant program could provide more context to assess the program's outcomes.

As part of the strategic planning process for the 2024–25 biennium or as a separate reporting requirement, EDT could add the reporting of a performance metric that tracks the ratio between the average wage of jobs created by a TEF-funded project and the average wage of the county where the project is located. The reporting requirement would include a calculated wage ratio for each TEF project in which jobs were created during the timeframe covered by the report. EDT requires that, for a project to be eligible for TEF funding, the total average wage for committed jobs must meet or exceed the average wage in the county hosting the project during the full term of the grant agreement. The added performance measure would provide insight regarding the wage value of jobs established with state fund assistance.

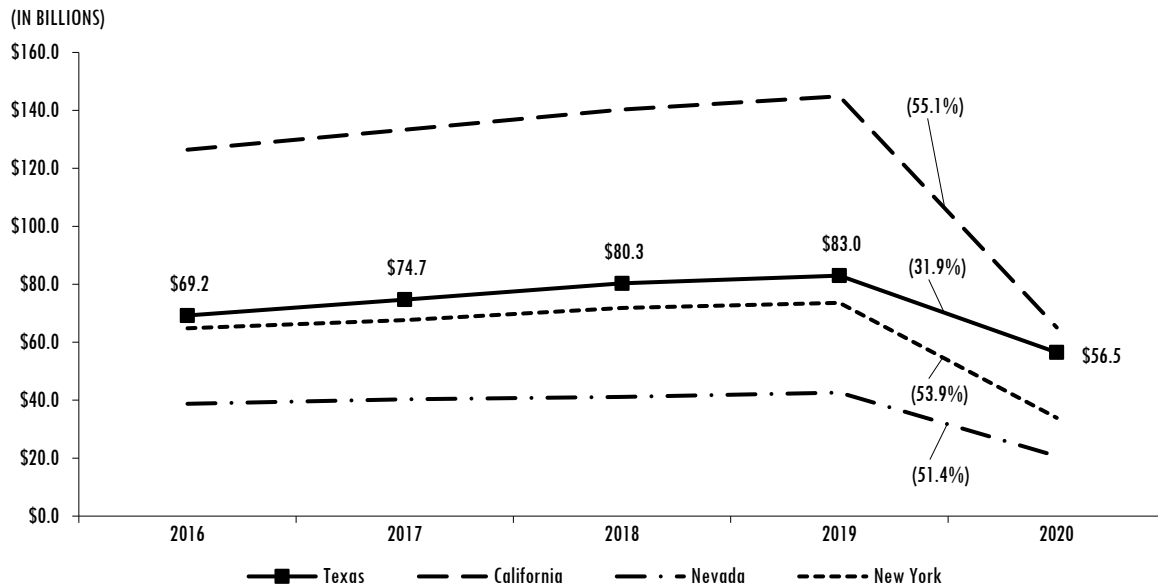
FINDING 7: DECREASE IN STATE TAX REVENUES RELATED TO TRAVEL DUE TO THE COVID-19 PANDEMIC

EDT contracts with research firms to collect data and analyze the financial impact of travel and tourism on the state's economy. The research facilitated through EDT provides insight regarding the effect of the COVID-19 pandemic on direct travel spending and direct tax receipts. Data collected by research contractors also provide an estimated ROI for the Travel Texas

Program. As a framework for comparison, the following discussion provides tourism data related to several other states with large tourism industries.

Direct travel spending includes purchases by travelers during their trips, including lodging taxes and other applicable local and state taxes paid by the traveler at the point of sale. As shown in **Figure 6**, direct travel spending in Texas decreased from \$83.0 billion in fiscal year 2019 to \$56.5 billion in fiscal year 2020. This decrease of 31.9 percent is substantial, but less than in comparable tourism market states, including California, Nevada, and New York, which all recorded travel spending decreases of more than 50.0 percent from their state fiscal years 2019 to 2020.

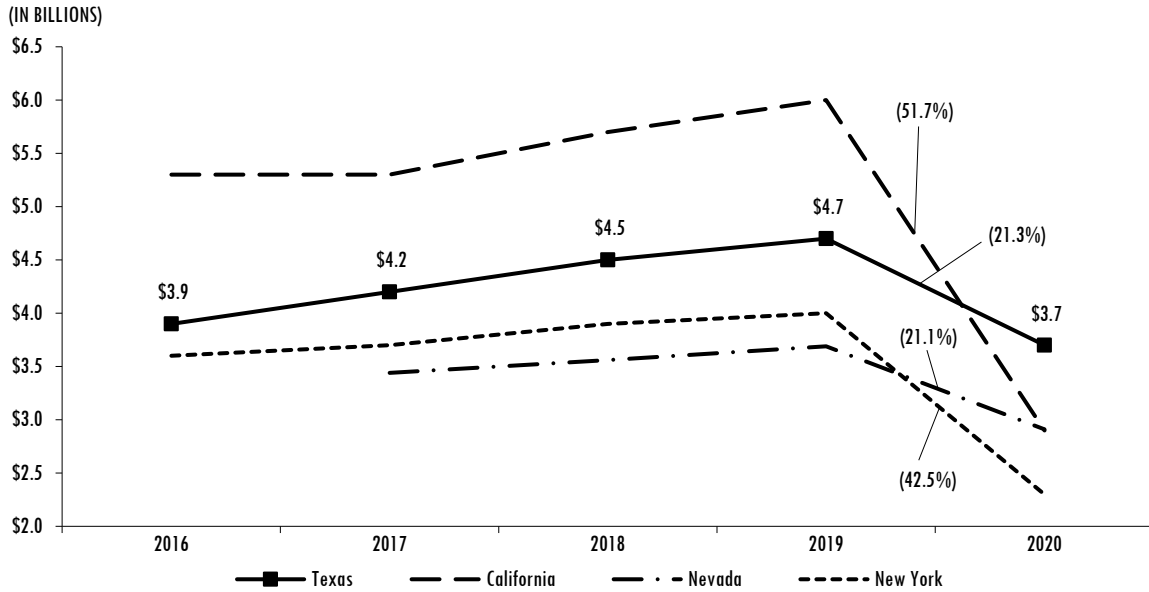
FIGURE 6
DIRECT TRAVEL SPENDING IN TEXAS AND COMPARABLE STATES, STATE FISCAL YEARS 2016 TO 2020



SOURCES: Texas Economic Development and Tourism Office; Tourism Economics; Dean Runyan Associates.

Direct tax receipts collected by the state include taxes levied on applicable travel-related purchases, including lodging, food and beverage service, retail goods and motor fuel. As shown in **Figure 7**, estimated direct state tax receipts for Texas are approximately \$3.7 billion for calendar year 2020, a 21.3 percent decrease from \$4.7 billion in receipts for 2019. Additionally, the tax receipts amount for calendar year 2020 is less than the tax receipt average of \$4.2 billion from calendar years 2016 to 2020. The decrease is significant, but less than the decreases recorded during the same period for California (51.7 percent) and New York (42.5 percent). Revenues decreased slightly less in Nevada, which recorded a 21.1 percent decrease from calendar years 2017 to 2020.

FIGURE 7
DIRECT STATE TAX RECEIPTS IN TEXAS AND COMPARABLE STATES, CALENDAR YEARS 2016 TO 2020



NOTE: Nevada data for calendar year 2016 is not included.
 SOURCES: Texas Economic Development and Tourism Office; Tourism Economics; Dean Runyan Associates.

The Texas tourism industry decreased significantly during the COVID-19 pandemic. However, Texas recorded lower economic losses than other states with significant tourism industries, such as California, Nevada, and New York. This effect could be attributable to various factors, such as differences in COVID-19 mitigation policies or tourism industry composition.

To help mitigate economic losses experienced by the travel, tourism, and hospitality industry in Texas, Senate Bill 8, Eighty-seventh Legislature, Third Called Session, 2021, appropriated \$180.0 million in pandemic-related stimulus funding from the American Rescue Plan Act of 2021 to establish the Texas Travel Industry Recovery Grant Program.

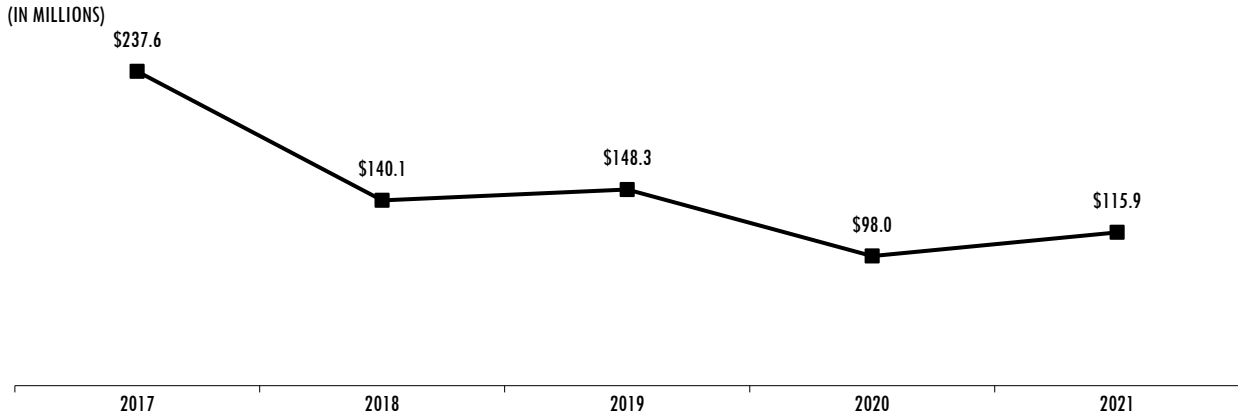
FINDING 8: RETURN ON INVESTMENT OF TRAVEL AND TOURISM PROGRAM

As part of the Travel Texas Program, EDT reports a performance measure that tracks the amount of state taxes generated by domestic, out-of-state leisure travelers to Texas influenced by Travel Texas advertising. The methodology for this ROI measure is provided by an independent travel research contractor using an industry-standard approach to collect and report the information based on a monthly survey representative of traveling U.S. households. During the Strategic Planning process for the 2020–21 biennium, the agency added a related performance measure that tracks state taxes generated from state funding allocated for tourism advertising. The methodology for this additional measure is identical to that of the ROI measure.

ROI from state funding, expressed as a ratio of dollars generated from each dollar the state invests for tourism advertising, ranged from 7.0 to 8.5 per state dollar until the end of fiscal year 2017. Tourism advertising ROI increased significantly during the 2018–19 biennium, from 8.2 in fiscal year 2017 to 11.0 in fiscal year 2018 and 11.3 in fiscal year 2019. This increase was attributed primarily to decreased funding available for tourism promotion during the 2018–19 biennium. Tourism advertising ROI decreased significantly during the 2020–21 biennium to 5.4 in fiscal year 2020 and 5.8 in fiscal year 2021, due mainly to the COVID-19 pandemic.

State taxes generated from state funding for tourism advertising decreased to less than the target of \$278.0 million per year anticipated in both years of the 2020–21 biennium, which corresponds to the ROI decrease. Actual totals were \$98.0 million for fiscal year 2020 and \$116.0 million for fiscal year 2021, as shown in **Figure 8**. For perspective, the \$98.0 million in generated state tax receipts contributes about 2.7 percent of the \$3.7 billion in total state tax receipts collected on travel-related purchases for fiscal year 2020.

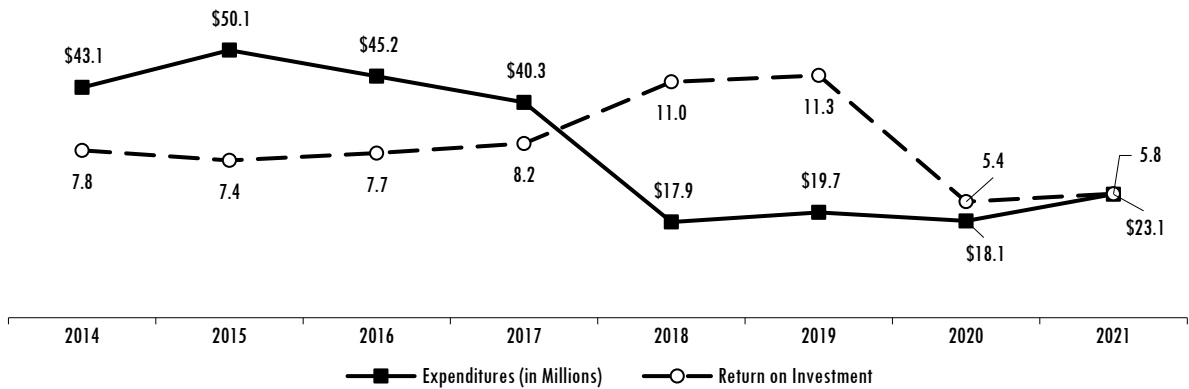
FIGURE 8
TEXAS STATE TAXES GENERATED FROM STATE FUNDING FOR TOURISM, FISCAL YEARS 2017 TO 2021



SOURCE: Texas Economic Development and Tourism Office.

The ROI for tourism advertising is less clear when considering changes in overall travel-related tax revenues, as shown in **Figure 9**. An exception occurs during fiscal years 2020 and 2021, during which the COVID-19 pandemic depressed the Texas tourism industry.

FIGURE 9
EXPENDITURES AND RETURN ON INVESTMENT RATIO OF TRAVEL TEXAS PROGRAM, FISCAL YEARS 2014 TO 2021



SOURCE: Texas Economic Development and Tourism Office.

PROGRAMS

BUSINESS ASSISTANCE

The Texas Government Code, Chapter 481

PROGRAM DESCRIPTION

The Business Assistance Program assists existing Texas businesses to help them remain and expand within the state and assists international businesses interested in conducting business in Texas. The program is responsible for strengthening the competitiveness of Texas’ industries through international business and trade, small business advocacy, entrepreneurial support, industry engagement, and assisting with permitting, licensing, and regulatory compliance. The program also includes the Office of Aerospace and Aviation, which promotes and supports the aerospace and aviation industry, and the State of Texas Mexico Office, which represents Texas in Mexico and facilitates the international business activities of companies in Texas and Mexico.

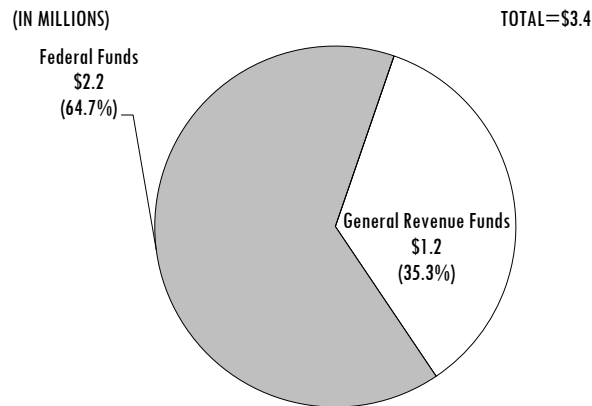
PROGRAM REVENUE

The Business Assistance Program received \$2.2 million in Federal Funds for the 2022–23 biennium through an interagency cooperation agreement with the Texas Workforce Commission to provide various services. These services include providing training and information for Texans interested in starting or expanding a small business; providing information for entrepreneurs and small businesses regarding available governmental services, workforce training programs, contracting opportunities, best practices and methodologies, and exporting of products and services; and supporting other areas relevant to small business inception and growth.

PROGRAM FUNDING

Figure 10 shows the program’s funding sources by method of finance.

FIGURE 10
BUSINESS ASSISTANCE PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



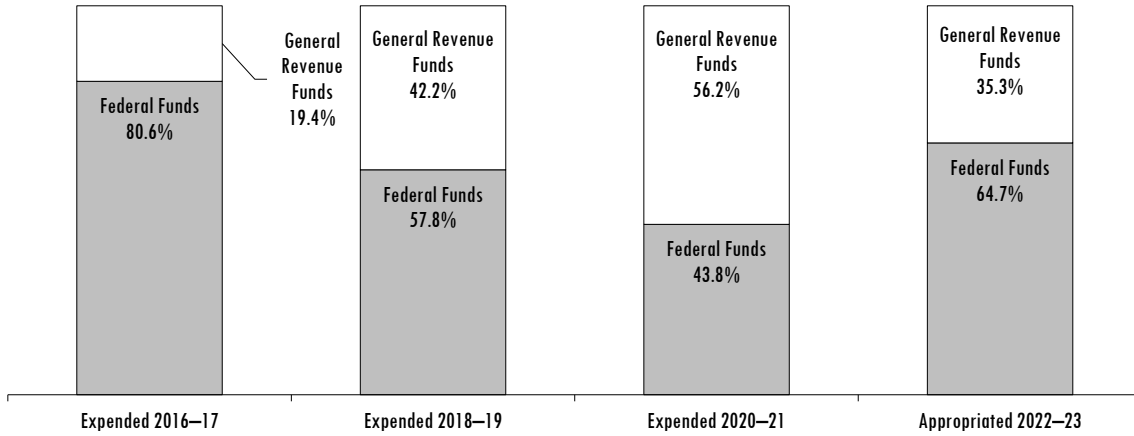
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Economic Development and Tourism Office.

HISTORICAL FUNDING

Figure 11 shows historical funding for the program by method of finance.

FIGURE 11
BUSINESS ASSISTANCE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.3	\$1.2	\$1.3	\$1.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$1.4	\$1.6	\$1.0	\$2.2
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.7	\$2.8	\$2.4	\$3.4

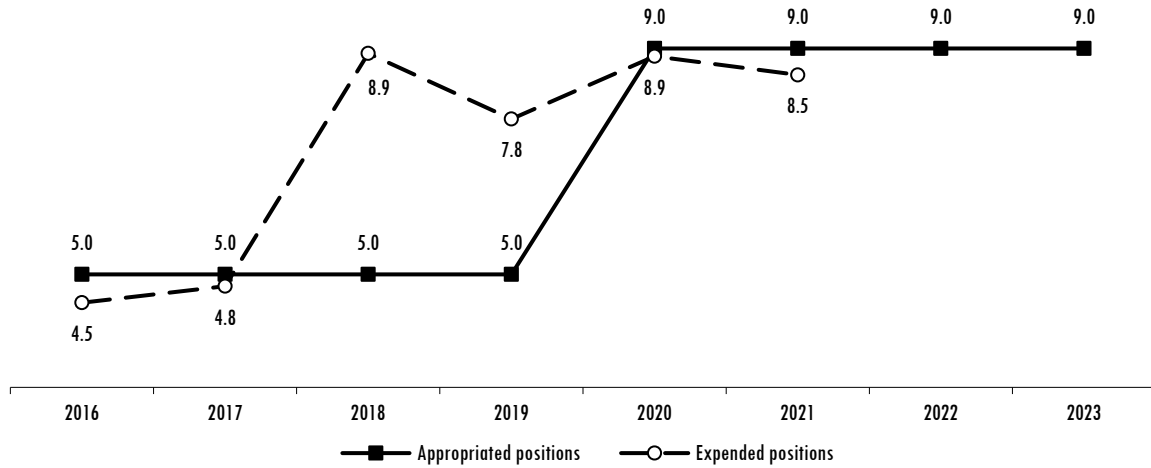
NOTE: Totals may not sum due to rounding.

SOURCE: Texas Economic Development and Tourism Office.

FULL-TIME-EQUIVALENT POSITIONS

Figure 12 shows FTE positions for the program. Expended amounts exceed appropriated amounts in some fiscal years due to reallocation of positions among programs.

FIGURE 12
BUSINESS ASSISTANCE PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Economic Development and Tourism Office.

PERFORMANCE MEASURES

The agency did not report any performance measures for this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the Business Assistance Program would reduce or eliminate services that benefit important sectors of the state’s economy, which could lead to decreased employment opportunities and capital investment. It could diminish access and promotion of Texas business and industry in international markets, impede entrepreneurial activities, and harm perceptions of Texas as a leading location for business.

MARKET TEXAS BUSINESS DEVELOPMENT

The Texas Government Code, Chapter 481

PROGRAM DESCRIPTION

The Market Texas Business Development Program markets Texas as a premier business location for domestic and international business recruitment and corporate expansion. The program disseminates information to targeted audiences through the agency’s website, online channels, industry websites, email, print collateral, publications and reports, and various social media platforms. The program also assists companies that are considering relocating or expanding their presence in Texas in identifying potential locations in Texas and connects them with applicable resources.

PROGRAM REVENUE

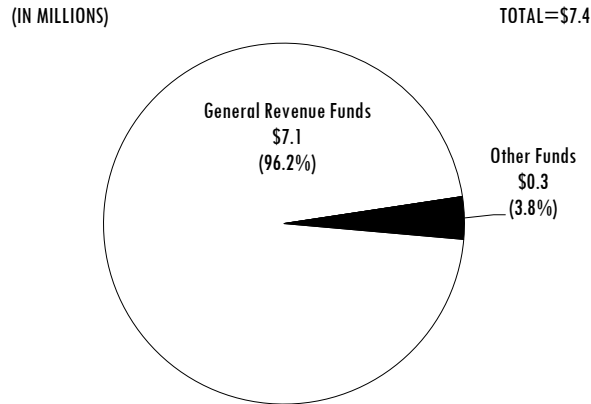
The Market Texas Business Development Program receives revenue through two sources. The first source is through an Interagency Contract (IAC) with the Texas Workforce Commission. The IAC provides payments for executive director salary and benefits and equipment use reimbursements related to the Texas Workforce Investment Council, which is attached administratively to the Office of the Governor. The council serves as a state human resource investment council and as a state workforce investment board. This revenue source contributes \$130,000 per fiscal year in program funding in IACs. The second source of revenue comes from fees paid on specialty license plates for the former Texas Aerospace Commission and the space

shuttle Columbia. The specialty plate revenue contributes \$10,000 per fiscal year in Other Funds in the form of Appropriated Receipts for EDT.

PROGRAM FUNDING

Figure 13 shows the program’s funding sources by method of finance.

FIGURE 13
MARKET TEXAS BUSINESS DEVELOPMENT PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



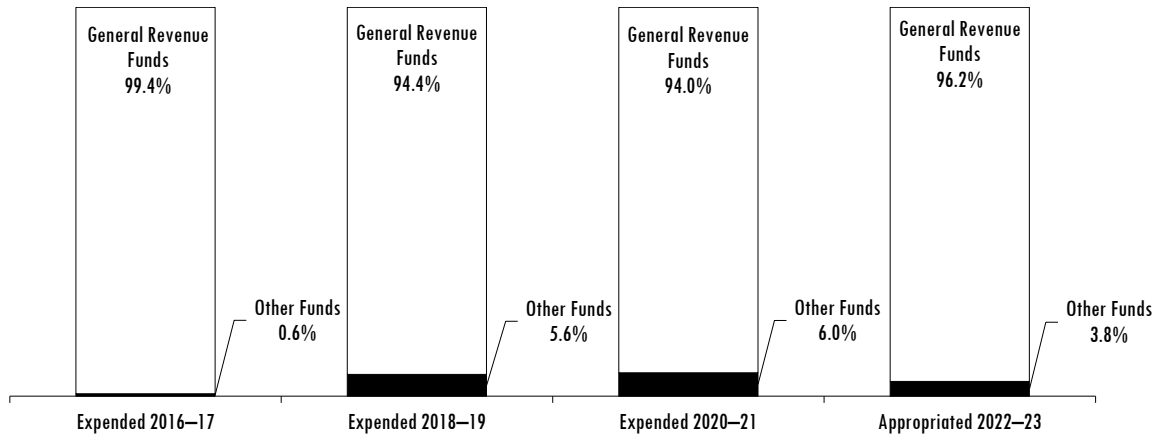
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Economic Development and Tourism Office.

HISTORICAL FUNDING

Figure 14 shows historical funding for the program by method of finance.

FIGURE 14
MARKET TEXAS BUSINESS DEVELOPMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$6.3	\$4.6	\$5.1	\$7.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0

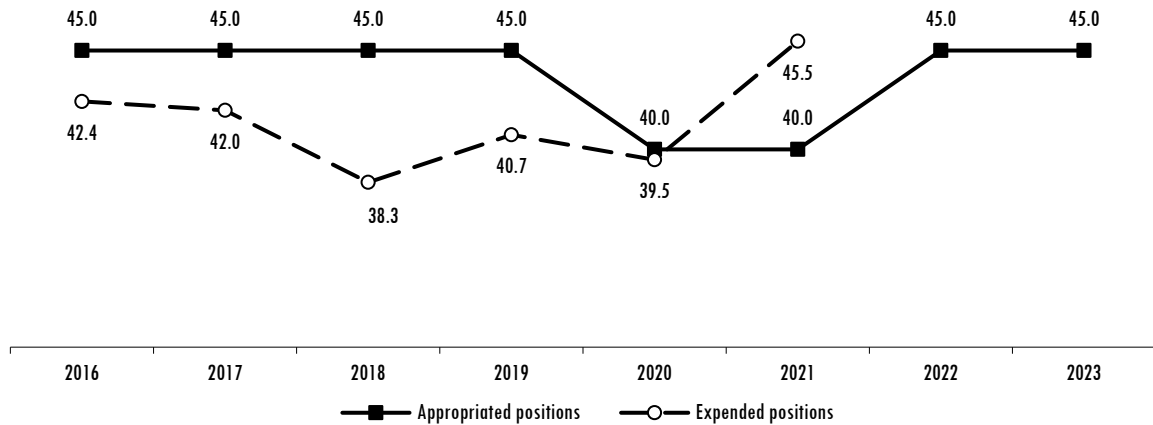
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.3	\$0.3	\$0.3
Total, All Methods of Finance	\$6.3	\$4.8	\$5.4	\$7.4

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Economic Development and Tourism Office.

FULL-TIME-EQUIVALENT POSITIONS

Figure 15 shows FTE positions for the program. Expended amounts exceed appropriated amounts in fiscal year 2021 due to reallocation of positions among programs.

FIGURE 15
MARKET TEXAS BUSINESS DEVELOPMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Economic Development and Tourism Office.

PERFORMANCE MEASURES

Figure 16 shows the program’s performance measures.

FIGURE 16
MARKET TEXAS BUSINESS DEVELOPMENT PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of New Jobs Announced by Businesses Receiving Assistance (unduplicated) (1)	Yes	6,000	11,061	6,000
Capital Investment by Projects Receiving Assistance (In Billions)	Yes	\$5.0	\$13.3	\$5.0
Number of Businesses Developed as Recruitment Prospects	No	140	293	140

NOTE: (1) Unduplicated refers to positions filled by one individual.
 SOURCE: Texas Economic Development and Tourism Office.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, the Market Texas Business Development team serves as the primary point of contact for business recruitment for domestic and international investment leads by working with prospective companies considering locating or expanding into Texas. In the business recruitment process, prospective companies and consultants prefer to work through a single point of contact at the state level to help with the facilitation of information, packaging of incentive programs, and coordination of offers from state and local entities. Without the program, the agency reports that these companies might bypass the state altogether or focus on specific Texas communities at the expense of other qualified communities in the state.

SPACEPORT TRUST FUND

The Texas Government Code, Section 481.0069

PROGRAM DESCRIPTION

The Spaceport Trust Fund is a financial tool to support the development of infrastructure necessary or useful for establishing a spaceport in Texas. The fund’s objective is to support any spaceport development corporation, as defined in the Texas Local Government Code, Chapter 507, that intends to locate its facilities in the state. The purpose is to promote spaceport activity, industry development, and job creation in Texas.

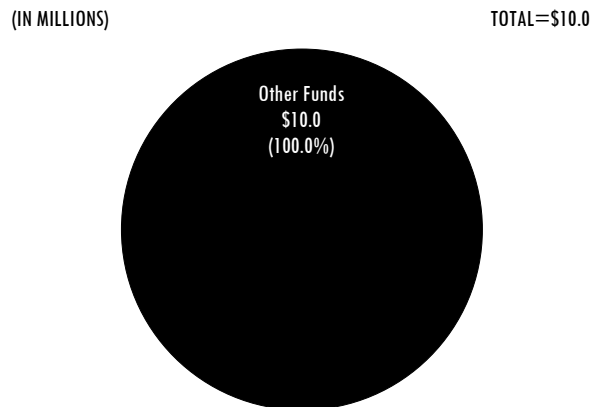
PROGRAM REVENUE

Revenue is collected from periodic payment of interest from Treasury investments and balances maintained in the Spaceport Trust Fund account. This interest revenue is not restricted to program use and is not a funding source for the program.

PROGRAM FUNDING

Figure 17 shows the program’s funding source by method of finance.

FIGURE 17
SPACEPORT TRUST FUND PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



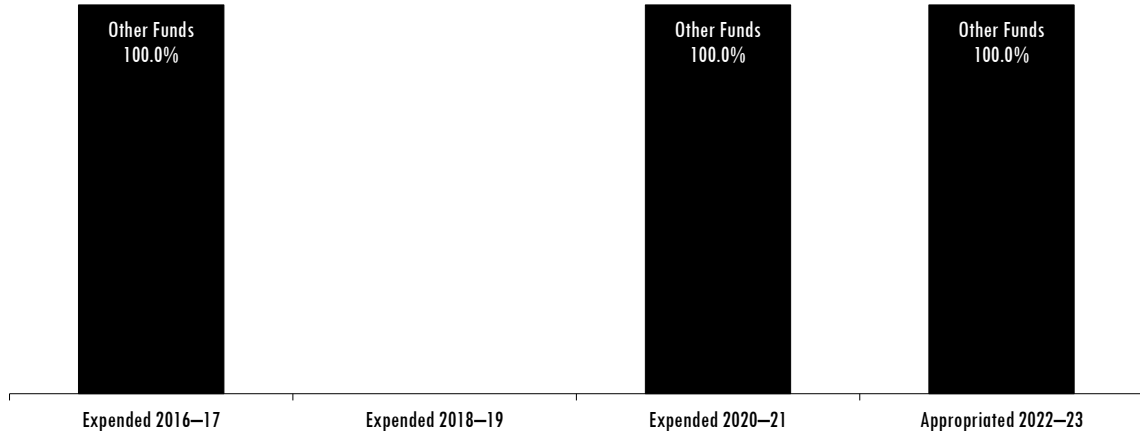
SOURCE: Texas Economic Development and Tourism Office.

HISTORICAL FUNDING

Figure 18 shows historical funding for the program by method of finance. No grants awards were disbursed during the 2018–19 biennium.

FIGURE 18
SPACEPORT TRUST FUND PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$4.6	\$0.0	\$15.4	\$10.0
Total, All Methods of Finance	\$4.6	\$0.0	\$15.4	\$10.0

NOTE: Totals may not sum due to rounding. Other Funds consist of the Spaceport Trust Fund, which is held outside the state Treasury.
 SOURCE: Texas Economic Development and Tourism Office.

FULL-TIME-EQUIVALENT POSITIONS

The agency did not report any FTE positions for this program.

PERFORMANCE MEASURES

The agency did not report any performance measures for this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, the space industry is growing rapidly, and Texas has an established reputation as a hub for space technology. Discontinuing the Spaceport Trust Fund would decrease support for a rapidly developing industrial sector and the development of the necessary infrastructure for spaceports across the state. It also would diminish perceptions of the state as a location for the new space economy and associated economic development opportunities, which could result in negative indirect economic impacts such as decreased employment opportunities and capital investment.

TEXAS ECONOMIC DEVELOPMENT BANK

The Texas Government Code, Chapter 481

PROGRAM DESCRIPTION

The Texas Economic Development Bank provides competitive, cost-effective financial tools to support Texas communities, Texas businesses expanding their in-state operations, and out-of-state businesses relocating or expanding into Texas. The bank offers financial tools that promote economic development, job creation, and capital investment, including grants, loans, financing, and tax refund programs.

Loan and financing programs include the Capital Access Program (CAP), the Texas Leverage Fund (TLF), and the Product Development and Small Business Incubator Fund (PDSBI). CAP collaborates with nonprofit lenders to increase access to financing for small and medium-sized businesses that face barriers to access capital. The bank deposits funds into a participating institution's reserve account, which the institution may receive as reimbursement for losses attributable to CAP loans. TLF enables economic development corporations (EDC) to leverage their sales and use taxes to support local projects. The bank provides program loans to EDCs to fund the cost of eligible projects. Loans and financing provided through CAP and TLF are funded through the General Revenue–Dedicated Account No. 5106, Economic Development Bank (Account No. 5106).

PDSBI offers long-term, asset-backed loans to product development companies and small businesses located in Texas. The Product Development Fund provides loans to aid in the development and production of new or improved products in Texas. The Small Business Incubator Fund provides loans to foster and stimulate the development of new or existing small businesses in Texas.

Other programs include the Defense Economic Readjustment Zone (DERZ) program and the Texas Enterprise Zone Program (EZP). The DERZ program is a partnership between local government entities and the state to encourage capital investment, increase employment opportunities, and reuse vacated property in communities that have been harmed economically by decreased defense expenditures and decreased defense worker employment. EZP is an economic development tool for local communities to partner with the state to encourage job creation and capital investment in economically distressed areas. Both zone programs provide several benefits to recipients, including state tax refunds, exemption from certain state regulations, and award preference for state-administered grants, loans, and credit enhancements. Administrative costs for these programs are funded through General Revenue Funds and General Revenue–Dedicated Account No. 5106. Programs offered by the bank also include the Events Trust Fund and the Major Events Reimbursement Program Fund.

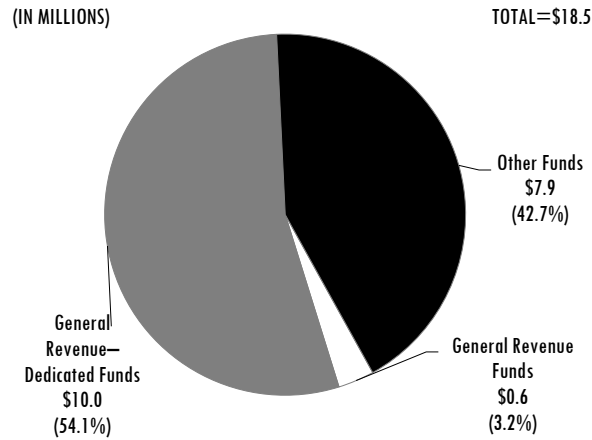
PROGRAM REVENUE

Revenue sources for the bank include: (1) fees related to the administration of bank programs; (2) interest accrued on amounts in accounts for bank programs; and (3) repayment by borrowers on outstanding loans issued by the bank. Revenues collected from administration fees are deposited into Account No. 5106 and the Small Business Incubator Fund. Revenues collected from interest and loan repayments relate to balances and loans outstanding in Account No. 5106, the Product Development Fund, and the Small Business Incubator Fund.

PROGRAM FUNDING

Figure 19 shows the program's funding sources by method of finance.

FIGURE 19
TEXAS ECONOMIC DEVELOPMENT BANK PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



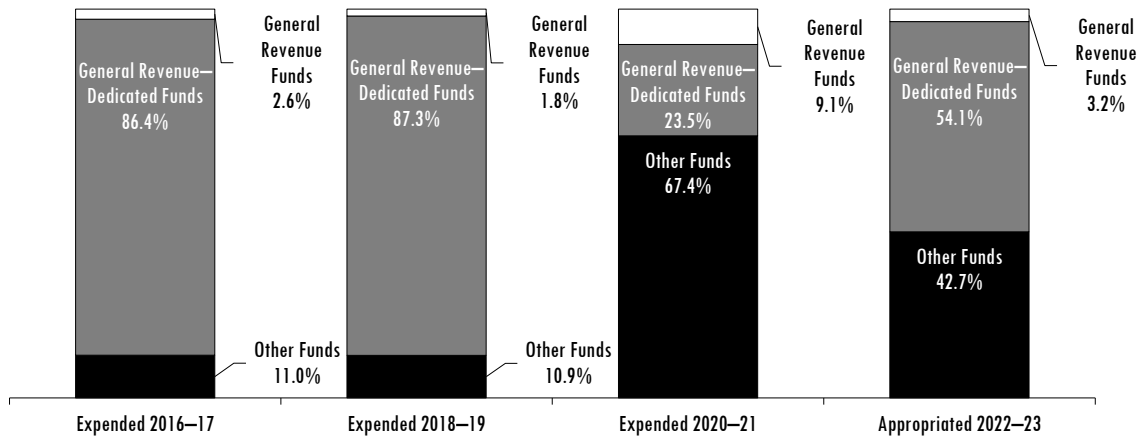
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Economic Development and Tourism Office.

HISTORICAL FUNDING

Figure 20 shows historical funding for the program by method of finance.

FIGURE 20
TEXAS ECONOMIC DEVELOPMENT BANK PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.4	\$0.3	\$0.5	\$0.6
General Revenue–Dedicated Funds	\$12.2	\$16.6	\$1.2	\$10.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$1.6	\$2.1	\$3.4	\$7.9

model uniformly to each TEF applicant. The amounts of grants vary based on the number of jobs to be offered, the expected timeframe for hiring, and the average wage to be paid.

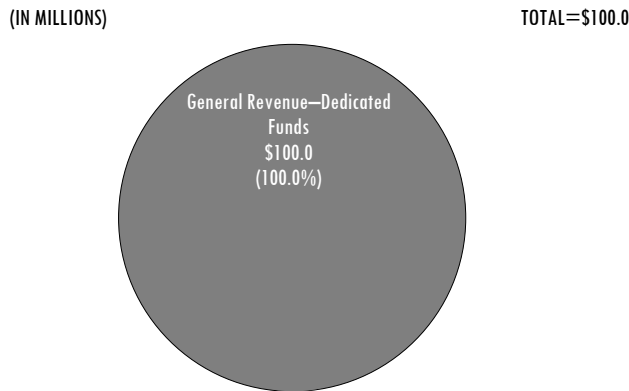
PROGRAM REVENUE

Revenue sources for TEF include repayment by grantees for contract termination or a failure of specific performance in complying with the terms of the contract, and interest accrued on amounts in the General Revenue–Dedicated Account No. 5107, Texas Enterprise Fund. Although these repayment and interest revenue sources assist in funding program grants, most of the funding comes from General Revenue Funds that the Legislature directs to be deposited into the TEF account.

PROGRAM FUNDING

Figure 22 shows the program’s funding source by method of finance.

FIGURE 22
TEXAS ENTERPRISE FUND PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



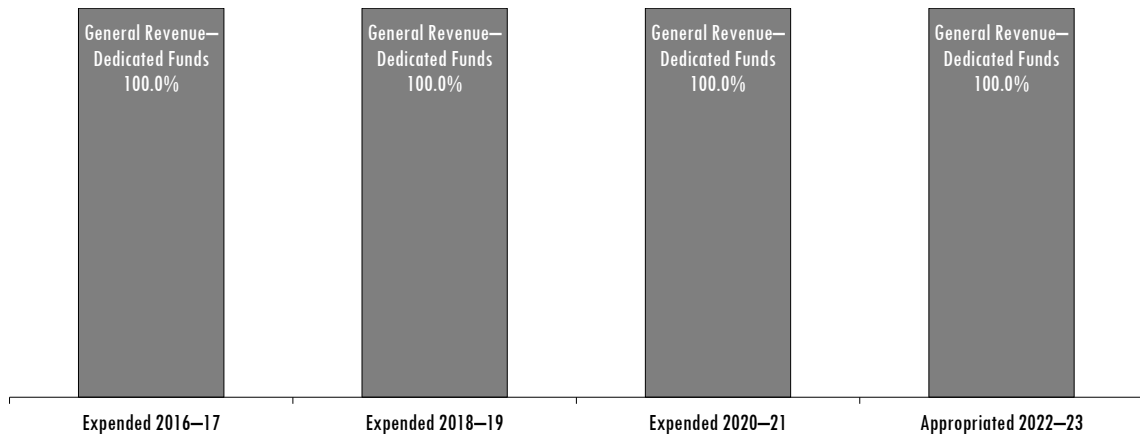
SOURCE: Texas Economic Development and Tourism Office.

HISTORICAL FUNDING

Figure 23 shows historical funding for the program by method of finance.

FIGURE 23
TEXAS ENTERPRISE FUND PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$36.8	\$27.3	\$160.9	\$100.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$36.8	\$27.3	\$160.9	\$100.0

SOURCE: Texas Economic Development and Tourism Office.

FULL-TIME-EQUIVALENT POSITIONS

The agency did not report any FTE positions for this program.

PERFORMANCE MEASURES

Figure 24 shows the program’s performance measure.

**FIGURE 24
TEXAS ENTERPRISE FUND PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021**

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Jobs Announced by Companies Receiving Texas Enterprise Fund Grants	Yes	4,000	1,125	4,000

SOURCE: Texas Economic Development and Tourism Office.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, TEF is the primary recruitment incentive tool available to the state to assist Texas communities in attracting companies that are interested in developing employment and investments in Texas. EDT states that discontinuing the TEF program would diminish the state’s reputation and attractiveness to new businesses. The agency reports that the TEF is the largest deal-closing fund of its kind in the U.S. and is an instrumental program in the state’s economic development efforts.

TRAVEL TEXAS (TEXAS TOURISM)

The Texas Government Code, Chapter 481

PROGRAM DESCRIPTION

The Travel Texas program promotes the state domestically and internationally as a premier tourist destination through advertising, public relations, and travel research. The program’s major activities include a domestic advertising campaign targeting out-of-state visitors, advertising in primary international markets, and public relations and marketing promotions targeting consumers, media, and the travel trade in domestic and primary international markets. EDT conducts travel research to inform the program’s tourism activities and encourage development.

Other state agencies have programs that encourage tourism, which affects the state’s residents and travel and tourism industry, but their target audiences are within the state, rather than the Travel Texas Program’s national and international audience. To

coordinate tourism functions and reduce duplication of services, EDT maintains a memorandum of understanding with each of the following agencies: the Texas Commission on the Arts, Texas Historical Commission, Texas Parks and Wildlife Department, and Texas Department of Transportation

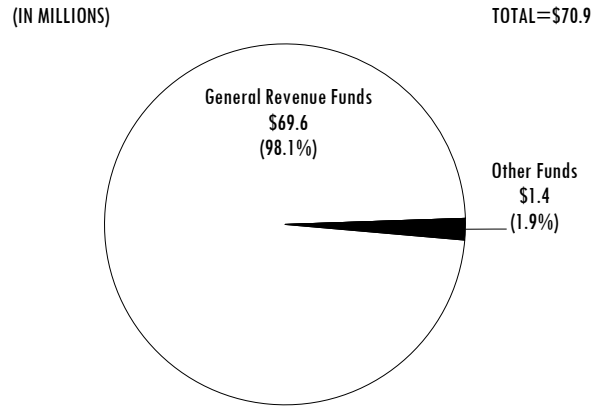
PROGRAM REVENUE

Revenue for Travel Texas includes the following sources: (1) tourism advertising receipts from cooperative industry partners; (2) tourism public relations receipts from co-op partners; and (3) fees for specialty license plates. Revenues collected from tourism advertising and public relations co-op receipts are deposited into General Revenue Funds. Revenues collected from specialty license plates are deposited into the License Plate Trust Fund (Other Funds). The specialty plate revenue contributes \$100,000 per fiscal year in appropriations from the License Plate Trust Fund. Tourism advertising and public relations receipts contribute \$580,000 per fiscal year in Appropriated Receipts (Other Funds).

PROGRAM FUNDING

Figure 25 shows the program’s funding sources by method of finance.

FIGURE 25
TRAVEL TEXAS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



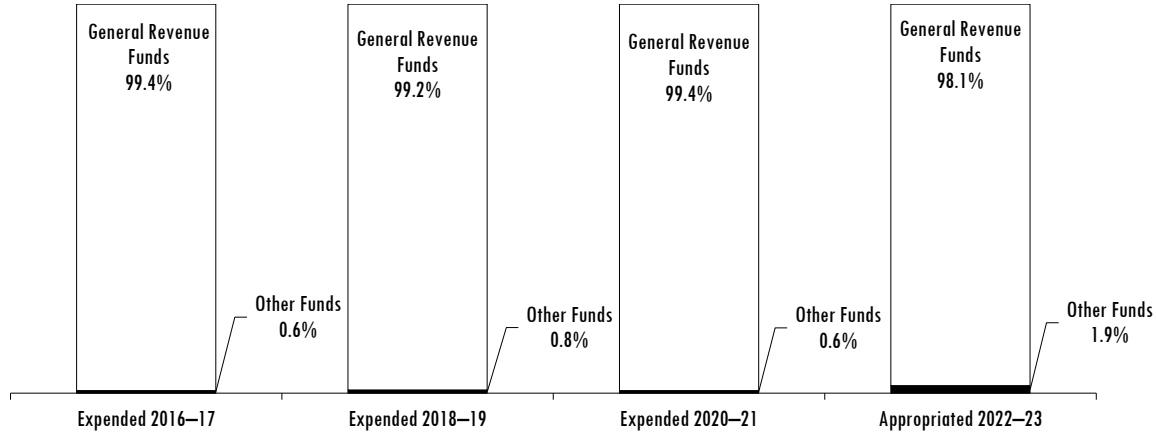
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Economic Development and Tourism Office.

HISTORICAL FUNDING

Figure 26 shows historical funding for the program by method of finance.

FIGURE 26
TRAVEL TEXAS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

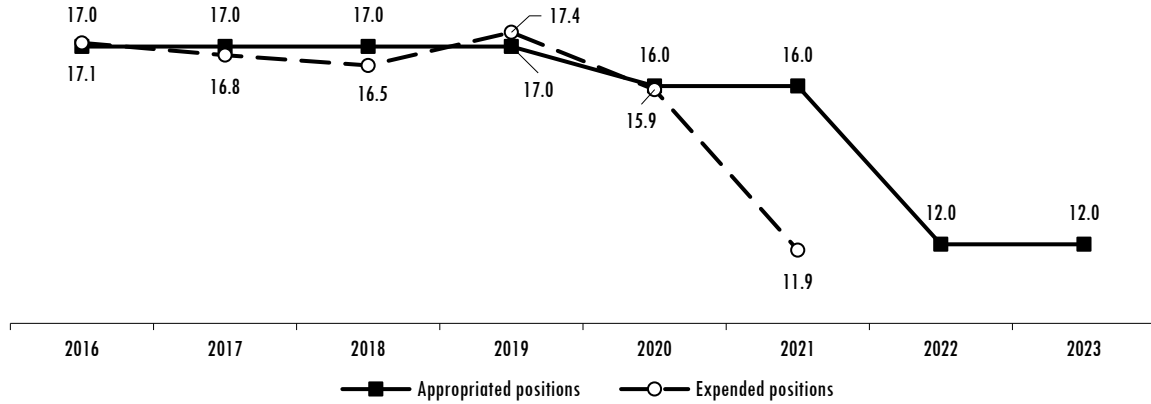
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$85.0	\$38.5	\$40.9	\$69.6
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.5	\$0.3	\$0.3	\$1.4
Total, All Methods of Finance	\$85.5	\$38.8	\$41.2	\$70.9

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Economic Development and Tourism Office.

FULL-TIME-EQUIVALENT POSITIONS

Figure 27 shows FTE positions for the program.

FIGURE 27
TRAVEL TEXAS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Economic Development and Tourism Office.

PERFORMANCE MEASURES

Figure 28 shows program performance measures.

FIGURE 28
TRAVEL TEXAS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Return on Investment from State Funding for Tourism Advertising	No	7.75%	5.8%	7.75%
State Taxes Generated from State Funding from Tourism Advertising (in Millions)	No	\$278.0	\$116.0	\$278.0

SOURCE: Texas Economic Development and Tourism Office.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would have significant economic repercussions, placing Texas at a disadvantage compared to other states, regions, and countries that would continue to attract travelers with advertising-influenced travel spending. Tourism promotion is a proven strategy in enhancing perceptions of Texas as a place to reside, attend college, start a career, or relocate a business. In addition, travel spending generates revenue in many tax categories of the state’s budget and those of local communities. Without Travel Texas promotion, the state and many of its communities could collect less revenue from out-of-state visitors, which could reduce the ability of these jurisdictions to provide certain public services for residents. The travel industry also is a major private-sector employer and discontinuing the program could lead to decreased employment in that industry.

OFFICE OF STATE–FEDERAL RELATIONS

The Texas Government Code, Chapter 751

AGENCY DESCRIPTION

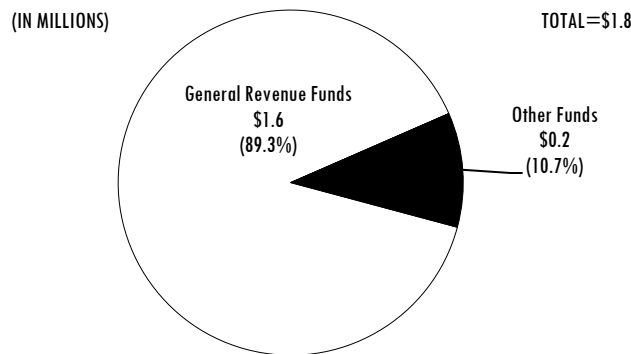
The Office of State–Federal Relations (OSFR) is the state’s advocate in Washington, D.C., representing state government to the federal executive administration, the U.S. Congress, and federal agencies. OSFR advocates for Texas’ interests, especially as they relate to the missions and functions of state government. State government includes the Legislature, state agencies, and state officials.

OSFR was established in 1965 as a division of the Office of the Governor and became a separate agency in 1971. The executive director of the agency is appointed by the Governor and approved by the Senate. The Governor, Lieutenant Governor, and the Speaker of the House of Representatives serve as OSFR’s Advisory Policy Board, which prescribes OSFR’s legislative agenda at the federal level.

AGENCY FUNDING SOURCES

Figure 29 shows agency funding sources by method of finance.

FIGURE 29
OFFICE OF STATE–FEDERAL RELATIONS FUNDING SOURCES, 2022–23 BIENNIUM



NOTE: Totals may not sum due to rounding.
SOURCE: Office of State–Federal Relations.

Figure 30 shows the agency’s program funding overview, associated General Appropriations Act budgeting strategy, expended amounts for the 2020–21 biennium, and appropriated amounts and full-time-equivalent (FTE) positions for the 2022–23 biennium. The agency has one program.

FIGURE 30
OFFICE OF STATE–FEDERAL RELATIONS PROGRAM FUNDING OVERVIEW, 2020–21 TO 2022–23 BIENNIA

RANKING	PROGRAM	STRATEGY (1)	(IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS 2022–23 (2)
			EXPENDED 2020–21	APPROPRIATED 2022–23	
1	Office of State–Federal Relations	A.2.3. State–Federal Relations	\$1.0	\$1.8	4.5

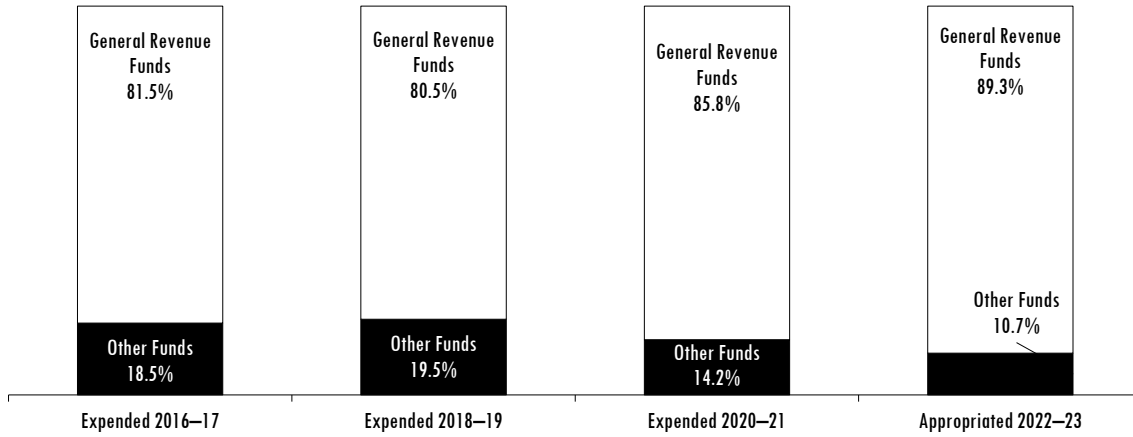
NOTES:
 (1) Strategy A.2.3. is in the Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium. Article I, bill pattern for the Trusteed Programs within the Office of the Governor.
 (2) The amount shown for full-time-equivalent positions is the budgeted level for each fiscal year of the biennium.
 SOURCE: Office of State–Federal Relations.

HISTORICAL FUNDING

Figure 31 shows the historical funding for the agency by method of finance.

**FIGURE 31
OFFICE OF STATE–FEDERAL RELATIONS HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



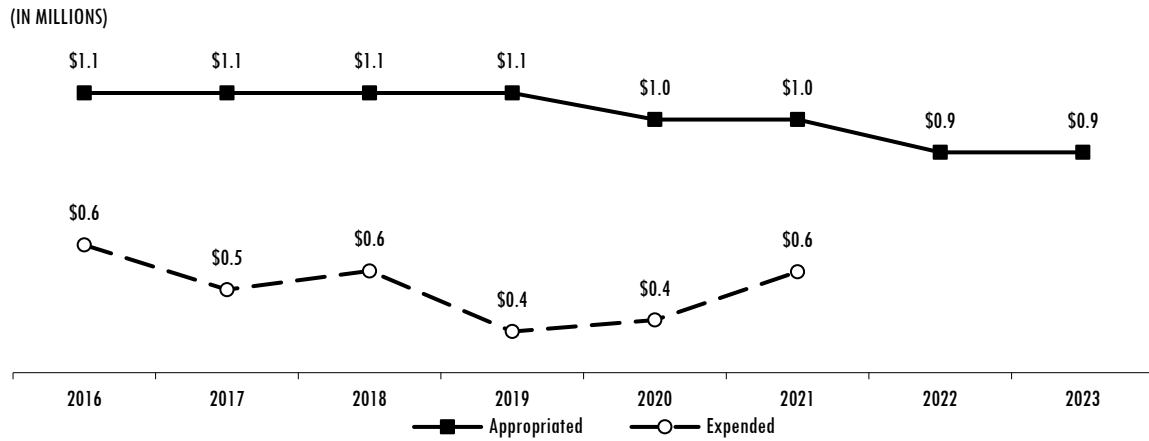
(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.0	\$0.8	\$0.9	\$1.6
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.2	\$0.2	\$0.1	\$0.2
Total, All Methods of Finance	\$1.2	\$1.0	\$1.0	\$1.8

NOTE: Totals may not sum due to rounding.
SOURCE: Office of State–Federal Relations.

Appropriations to OSFR have decreased steadily by 15.2 percent, from approximately \$2.1 million during the 2016–17 biennium to \$1.8 million for the 2022–23 biennium. As shown in Figure 32, the agency consistently has expended less than appropriated amounts since the 2016–17 biennium and expended 51.5 percent of its budget in the 2020–21 biennium.

FIGURE 32
OFFICE OF STATE–FEDERAL RELATIONS EXPENDED AND APPROPRIATED AMOUNTS, FISCAL YEARS 2016 TO 2023



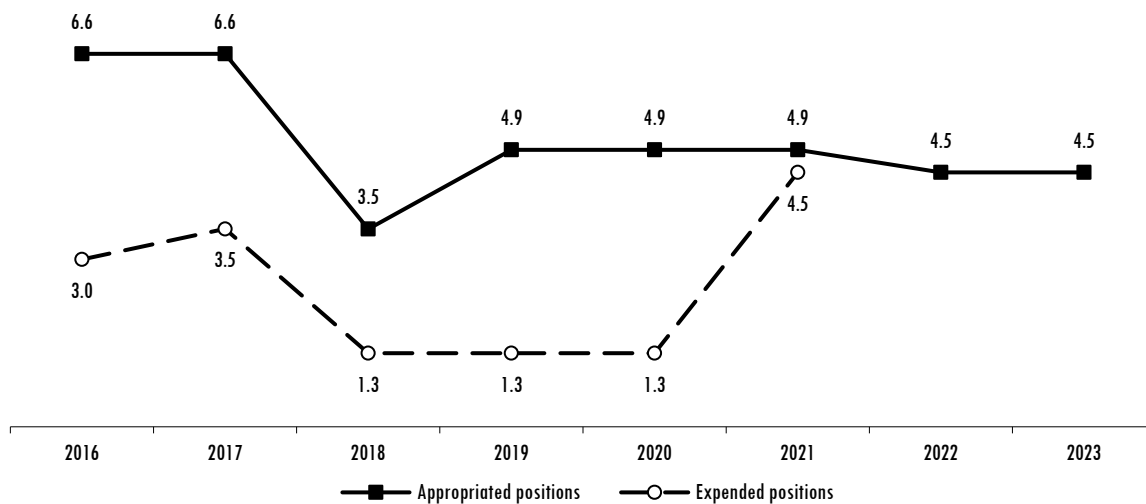
SOURCE: Office of State–Federal Relations.

The agency reported that the COVID-19 pandemic exacerbated the agency’s difficulty in hiring qualified staff in the Washington, D.C., area. Additionally, the agency did not use funds to support travel during the pandemic. OSFR has lapsed appropriations during previous biennia due to staffing challenges and an unpredictable federal political environment that have resulted in a highly variable workload.

FULL-TIME-EQUIVALENT POSITIONS

Figure 33 shows FTE positions for the agency.

FIGURE 33
OFFICE OF STATE–FEDERAL RELATIONS FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Office of State–Federal Relations.

AGENCY REVENUE SOURCES

OSFR has one revenue source, shown in **Figure 34**. State agencies make payments to OSFR to provide liaison services between Texas state government and the federal government. This revenue is collected at a rate of \$2,000 per month, per legislative liaison.

FIGURE 34
OFFICE OF STATE–FEDERAL RELATIONS REVENUE, FISCAL YEARS 2020 TO 2023

OBJECT CODE	REVENUE OBJECT	ACTUAL 2020	ACTUAL 2021	ESTIMATED 2022	ESTIMATED 2023
3765	Interagency Sale of Supplies/Equipment/Services	\$84,000.0	\$60,000.0	N/A	N/A

NOTE: The agency did not provide estimates for fiscal years 2022 and 2023.

SOURCE: Office of State–Federal Relations.

PERFORMANCE MEASURES

Figure 35 shows the agency’s performance measure data.

FIGURE 35
OFFICE OF STATE–FEDERAL RELATIONS PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2022/2023 TARGET
Percentage of Customers Satisfied with Office of State–Federal Relations Services	Yes	98%	98%	98%

SOURCE: Office of State–Federal Relations.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

Considering the amount of federal funding the state receives each year, the agency reports that reducing or eliminating OSFR’s direct engagement with Congress and federal agencies would hinder the state’s financial position.

TEXAS JUVENILE JUSTICE DEPARTMENT

The Texas Human Resources Code, Title 12

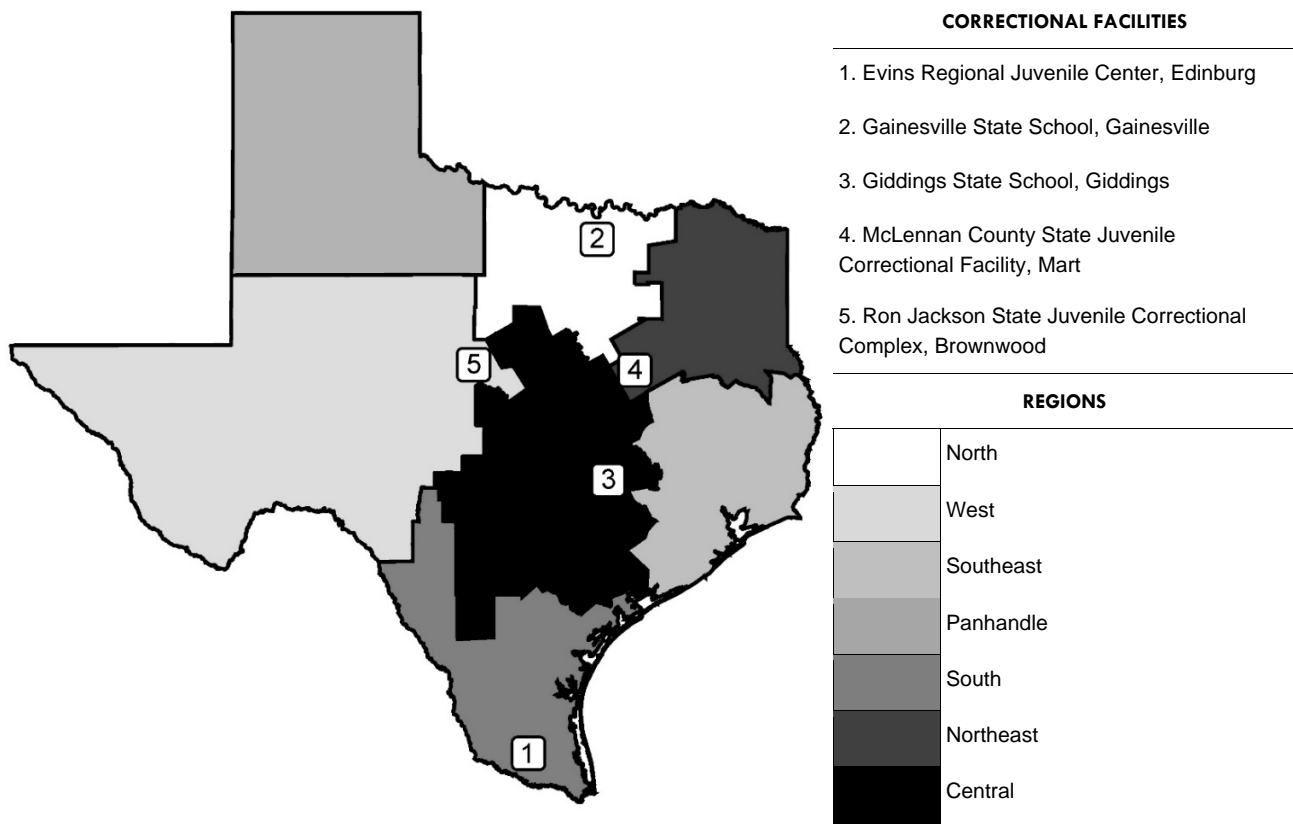
AGENCY DESCRIPTION

The Texas Juvenile Justice Department (TJJD) provides financial and professional assistance to local juvenile probation departments, provides regulatory oversight of local probation departments, and strives to protect public safety and deliver effective programming and rehabilitative services to juveniles committed to TJJD state services and facilities. Senate Bill 653, Eighty-second Legislature, 2011, abolished the Texas Youth Commission and Texas Juvenile Probation Commission and transferred the powers and duties of those agencies to the newly established TJJD. This legislation and subsequent reforms, including Senate Bill 1630, Eighty-fourth Legislature, 2015, have led to the implementation of a system that prioritizes keeping youths in the least restrictive environment within the juvenile justice system. The state achieves this priority through local control processes; promoting programs and services that follow current trauma-informed, research-based approaches; and providing safety and security for youths and the public by operating secure facilities to rehabilitate youth. The agency's key functions include the following areas:

- public safety and youth rehabilitation – promoting public safety by addressing juvenile delinquent conduct at the appropriate level of the juvenile justice system for an appropriate length of time and providing adequate services to meet youths' needs so that they can contribute productively to their communities upon reentry;
- juvenile probation – supporting 165 juvenile probation departments as they provide prevention, diversion, detention, community supervision, community-based intervention, and post-adjudication services to all counties in the state;
- secure correctional facilities – operating five secure correctional facilities for youths when interventions at the local level have been unsuccessful or the seriousness of the offense warrants treatment through state facilities. **Figure 36** shows the locations of TJJD's secure facilities;
- nonsecure halfway houses – operating five residential, nonsecure halfway houses that provide structured community reintegration for youths and additional treatment;
- youth services contract program facilities – developing contract care options to meet the changing needs of youths served in the juvenile justice system and provide treatment for youths in smaller settings;
- youth education and workforce development – operating a school district within the secure state facilities where youths can participate in courses aligned with the state-adopted educational curriculum and offering vocational programs at secure facilities where youths can earn certificates in preparation for careers; and
- treatment services – providing comprehensive evaluations to youths upon entering the state system to determine the need for medical, educational, case management, and mental health services and providing specialized treatment programs for chemical dependency, sexual behavior problems, violent offenders, and behavioral health. TJJD's support services include the following functions:
 - the Probation Services division provides guidance, technical assistance, and support to juvenile probation departments;
 - the Office of General Counsel oversees standards regulating probation departments;
 - the Monitoring and Inspections division monitors probation departments' adherence to standards and provides technical assistance;
 - the Office of Inspector General investigates incidents to promote the safety and security of juveniles served by probation departments;

- the Information and Technology division supports technology applications that facilitate probation system activities, including the Juvenile Case Management System;
- the Juvenile Justice Training Academy provides initial certification and recertification courses and professional development training for certified officers and probation department employees; and
- the Legislative Report and Statistics Department collects data from juvenile probation departments and monitors its quality, produces legislatively mandated reports, and offers technical assistance with data and program evaluation activities.

FIGURE 36
TEXAS JUVENILE JUSTICE DEPARTMENT CORRECTIONAL FACILITIES, FISCAL YEAR 2022



SOURCE: Texas Juvenile Justice Department.

Figure 37 shows the total physical capacity of the agency’s secure correctional facilities and the current online capacity of each facility. Online capacity refers to the number of beds that would be available to house youths if the facility were staffed at budgeted levels. Total physical capacity does not equal online capacity due to the repurposing of space within facilities, maintenance, or other reasons.

FIGURE 37
TEXAS JUVENILE JUSTICE DEPARTMENT SECURE CORRECTIONAL FACILITY CAPACITY, MAY 2022

FACILITY	PHYSICAL CAPACITY	ONLINE CAPACITY
Evins Regional Juvenile Center	211	196
Gainesville State School	375	142
Giddings State School	339	155

McLennan County State Juvenile Correctional Facility	555	314
Ron Jackson State Juvenile Correctional Complex	314	212
Total	1,794	1,019

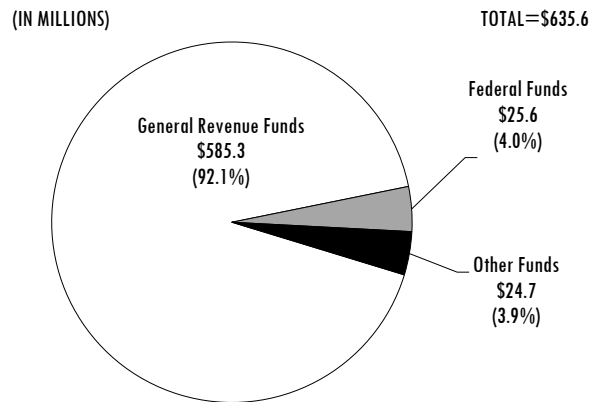
NOTE: Physical capacity includes all online and offline beds. Online capacity refers to the number of beds that would be available to house youths if the facility were staffed at budgeted levels.
 SOURCE: Texas Juvenile Justice Department.

TJJJD is governed by the Texas Juvenile Justice Board, which consists of 13 governor-appointed members and is responsible for the agency’s operations. State law requires the board to develop and implement policies that clearly separate the policymaking responsibilities of the board from the management responsibilities of the executive director and agency staff; to establish the agency’s mission with the goal of implementing a cost-effective continuum of youth services that emphasizes serving youths in their home communities while balancing rehabilitative needs with public safety; and to establish funding priorities for services that support this mission and that do not provide incentives to incarcerate youth.

AGENCY FUNDING SOURCES

Figure 38 shows agency funding sources by method of finance. TJJJD receives federal funding through several grants, including Title IV-E Foster Care Reimbursement, National School Lunch and School Breakfast programs, and Title I Educational Grants for educational entities serving primarily low-income students and families. The agency also received federal pandemic-related stimulus funding. Other Funds include Appropriated Receipts, which are all receipts received for an authorized service, such as fees, reimbursements, and other revenue.

FIGURE 38
TEXAS JUVENILE JUSTICE DEPARTMENT FUNDING SOURCES, 2022–23 BIENNIUM



SOURCE: Legislative Budget Board.

Figure 39 shows a program funding overview in the agency’s program ranking order, along with associated General Appropriations Act budgeting strategies, expended amounts for the 2020–21 biennium, and appropriated amounts and full-time-equivalent (FTE) positions for the 2022–23 biennium.

**FIGURE 39
TEXAS JUVENILE JUSTICE DEPARTMENT PROGRAM FUNDING OVERVIEW, 2020–21 TO 2022–23 BIENNIA**

RANKING	PROGRAM	STRATEGY	(IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS 2022–23 (1)
			EXPENDED 2020–21	APPROPRIATED 2022–23	
1	State Aid and Targeted Grants	A.1.1. Prevention and Intervention; A.1.2. Basic Probation Supervision; A.1.3. Community Programs; A.1.4. Pre and Post Adjudication Facilities; A.1.5. Commitment Diversion Initiatives; A.1.6. Juvenile Justice Alternative Education Programs; and A.1.7. Mental Health Services Grants	\$270.4	\$274.4	0.0
2	Youth Rights	B.1.2. Facility Operations and Overhead	\$1.1	\$1.2	7.0
3	Prison Rape Elimination Act	B.1.2. Facility Operations and Overhead; B.1.10. Residential System Support; and E.1.2. Monitoring and Inspections	\$0.5	\$0.3	2.0
4	Due Process Hearings and Appeals	B.1.3. Facility Supervision and Food Service and F.1.1. Central Administration	\$1.0	\$1.0	12.0
5	Intake, Orientation, and Assessment	B.1.1. Assessment, Orientation, and Placement	\$3.8	\$3.8	36.0
6	Basic Youth Supervision	B.1.2. Facility Operations and Overhead and B.1.3. Facility Supervision and Food Service	\$83.5	\$77.3	909.1 / 933.3
7	Intervention Services	B.1.8. Integrated Rehabilitation Treatment	\$12.8	\$12.3	118.5
8	Regionalization and Diversion	A.1.8. Regional Diversion Alternatives	\$26.2	\$21.6	0.0
9	Nutrition and Food Services	B.1.3. Facility Supervision and Food Service; B.1.5. Halfway House Operations; and B.1.10. Residential System Support	\$10.1	\$11.6	35.0
10	Medical Services	B.1.2. Facility Operations and Overhead; B.1.6. Health Care; and B.1.7. Psychiatric Care	\$19.0	\$20.8	0.0
11	Mental Health Treatment	B.1.8. Integrated Rehabilitation Treatment	\$2.8	\$8.1	71.0
12	Probation System Support	A.1.9. Probation System Support	\$3.8	\$3.4	16.0
13	State Residential Administration and Support	B.1.2. Facility Operations and Overhead; B.1.10. Residential System Support; and B.2.2. Health Care Oversight (2)	\$17.1	\$14.5	160.0
14	Texas Model of Intervention	B.1.8. Integrated Rehabilitation Treatment and B.3.1. Construct and	\$1.4	\$1.0	1.5

			Renovate Facilities (2)		
15	Sexual Behavior Treatment	B.1.8. Integrated Rehabilitation Treatment	\$1.2	\$1.4	12.0
16	Violent Offender Treatment	B.1.8. Integrated Rehabilitation Treatment	\$0.7	\$0.8	9.0
17	Alcohol or Other Drug Treatment	B.1.8. Integrated Rehabilitation Treatment	\$2.4	\$3.6	33.0
18	Facility Safety and Security	B.1.3. Facility Supervision and Food Service and B.1.10. Residential System Support	\$2.5	\$2.5	21.0
19	Juvenile Justice Alternative Education Programs	A.1.6. Juvenile Justice Alternative Education Programs	\$11.9	\$11.9	0.0
20	Violence Intervention Continuum	B.1.2. Facility Operations and Overhead and B.1.3. Facility Supervision and Food Service	\$17.1	\$18.1	192.0 / 189.5
21	Release Review Panel	B.1.10. Residential System Support	\$0.9	\$0.9	7.0
22	Juvenile Justice Training Academy – Probation	E.1.1. Training and Certification	\$0.2	\$0.2	2.0
23	Juvenile Justice Training Academy – State	E.1.1. Training and Certification	\$2.3	\$3.0	22.0
24	Education and Workforce Development	B.1.4. Education	\$27.4	\$26.4	194.0
25	Community Mental Health Program	A.1.3. Community Programs and A.1.7. Mental Health Services Grants	\$3.8	\$3.8	1.0
26	Reentry Program	C.1.1, C.1.2, and B.1.5. Halfway House Operations; and B.1.9. Contract Residential Placements	\$30.2	\$33.6	214.0 / 206.0
27	Agency Executive Leadership and Support Operations	A.1.9. Probation System Support; B.1.2. Facility Operations and Overhead; B.1.3. Facility Supervision and Food Service; B.1.4. Education; B.1.5. Halfway House Operations; B.1.10. Residential System Support; C.1.2. Parole Programs and Services; E.1.2. Monitoring and Inspections; F.1.1. Central Administration; F.1.2. Information Resources; and G.1.1. Office of the Inspector General	\$56.9	\$52.1	223.0
28	Department of Sentenced Offenders	F.1.1. Central Administration	\$0.5	\$0.5	3.0
29	Monitoring and Inspections	E.1.2. Monitoring and Inspections	\$3.0	\$3.3	25.0
30	Internal Audit	F.1.1. Central Administration	\$1.0	\$1.2	7.0
31	Office of the Inspector General	G.1.1. Office of the Inspector General	\$11.2	\$11.2	114.4
32	Federal Programs for Probation	A.1.3. Community Programs; A.1.9. Probation System Support; and	\$2.8	\$6.1	2.0

B.1.10. Residential System Support					
33	Discipline of Certified Officers	F.1.1. Central Administration	\$0.4	\$0.4	2.0
34	State Residential Support – Volunteer and Community Relations	B.1.2. Facility Operations and Overhead; B.1.8. Integrated Rehabilitation Treatment; and B.1.10. Residential System Support	\$2.0	\$2.1	16.0
35	Interstate Compact for Juveniles	E.1.3. Interstate Agreement	\$0.4	\$0.5	3.0
36	Legal Education, Technical Assistance, and Records	F.1.1. Central Administration	\$1.8	\$2.0	11.0
37	Standards Development, Interpretation, and Technical Assistance	F.1.1. Central Administration	\$0.2	\$0.2	1.0
38	Tattoo Removal Program	B.1.10. Residential System Support	\$0.1	\$0.1	1.0
39	Policy Development and Interpretation	F.1.1. Central Administration	\$0.4	\$0.4	4.0

NOTES:

- (1) The amounts shown for full-time-equivalent positions shown are the budgeted levels for each fiscal year of the biennium. If the levels differ by fiscal year, both are shown.
- (2) Strategies B.2.2, Health Care Oversight, and B.3.1, Construct and Renovate Facilities, were removed for the 2022–23 biennium.

SOURCE: Texas Juvenile Justice Department.

Figure 40 shows TJJD programs according to whether they support state residential operations, local community operations, or both.

FIGURE 40
TEXAS JUVENILE JUSTICE DEPARTMENT PROGRAMS BY POPULATION SERVED

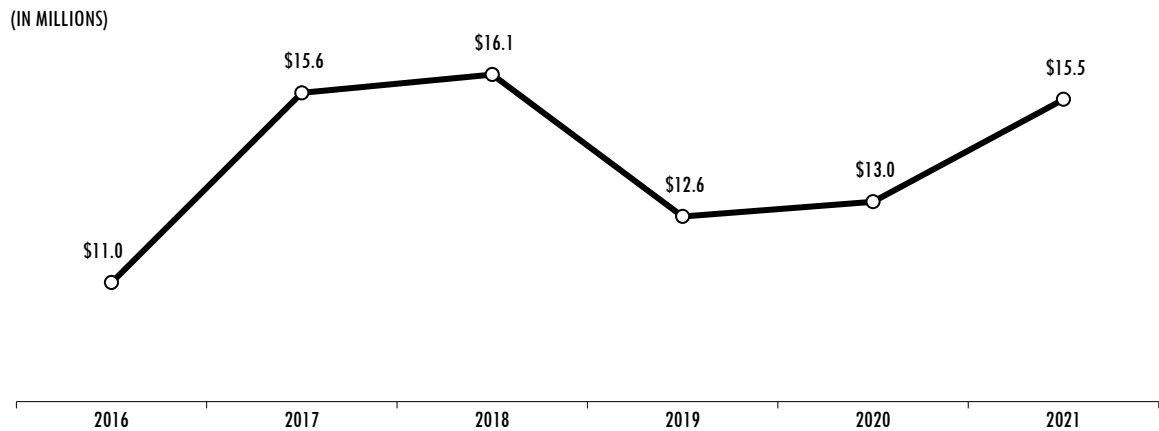
STATE RESIDENTIAL CARE	LOCAL COMMUNITY CARE	BOTH
Alcohol or Other Drug Treatment	Community Mental Health Program	Agency Executive Leadership and Support Operations
Basic Youth Supervision	Juvenile Justice Alternative Education Programs	Discipline of Certified Officers
Department of Sentenced Offenders	Juvenile Justice Training Academy – Probation	Federal Programs for Probation
Due Process Hearings and Appeals	Regionalization and Diversion	Internal Audit
Education and Workforce Development	State Aid and Targeted Grants	Interstate Compact for Juveniles
Facility Safety and Security		Legal Education, Technical Assistance and Records
Intake, Orientation and Assessment		Monitoring and Inspections
Intervention Services		Office of the Inspector General
Juvenile Justice Academy - State		Policy Development and Interpretation
Medical Services		Probation System Support
Mental Health Treatment		Reentry Program
Nutrition and Food Services		Standards Development, Interpretation

- Prison Rape Elimination Act
 - Release Review Panel
 - Sexual Behavior Treatment
 - State Residential Administration and Support
 - State Residential Support – Volunteer and Community Relations
 - Tattoo Removal Program
 - Violence Intervention Continuum
 - Violent Offender Treatment
 - Youth Rights
 - and Technical Assistance
 - Texas Model of Intervention
- SOURCE: Legislative Budget Board.

AGENCY REVENUE SOURCES

Figure 41 shows total agency revenue and totals by revenue category. Most of the agency’s revenue is pass-through revenue for state grants.

**FIGURE 41
TEXAS JUVENILE JUSTICE DEPARTMENT TOTAL REVENUE AND REVENUE TOTALS BY REVENUE CATEGORY
FISCAL YEARS 2016 TO 2021**



(IN MILLIONS)

CATEGORY	2016	2017	2018	2019	2020	2021
Licenses, Fees, Fines, and Penalties	\$0.2	\$0.3	\$0.1	\$0.1	\$0.0	\$0.0
Other Receipts	\$10.7	\$15.4	\$16.0	\$12.5	\$12.9	\$15.4
Total Revenue	\$11.0	\$15.6	\$16.1	\$12.6	\$13.0	\$15.5

NOTE: Revenue categories consisting of totals that round to \$0.0 are excluded. Totals may not sum due to rounding.
SOURCE: Comptroller of Public Accounts.

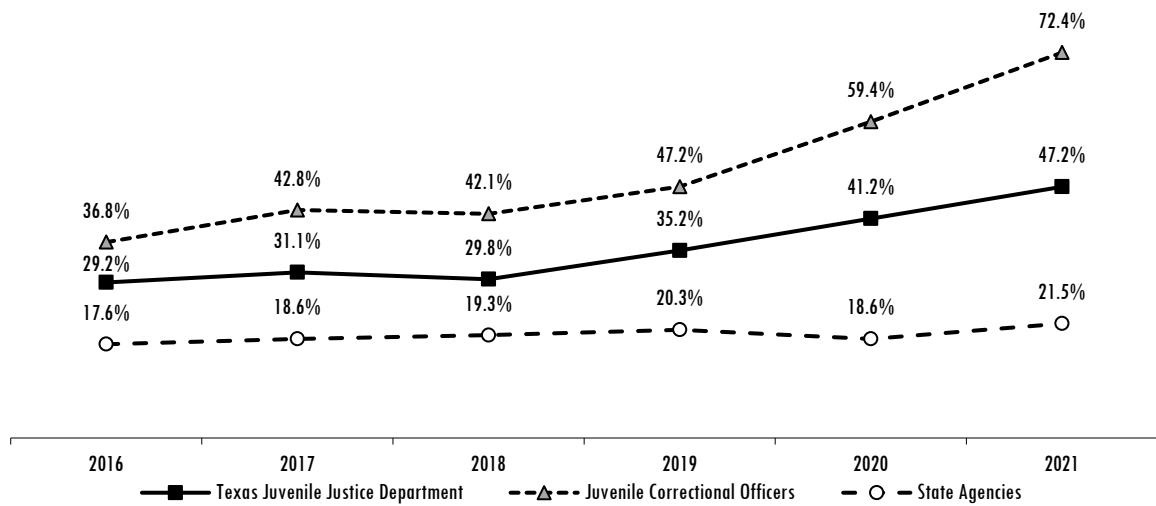
FINDINGS

FINDING 1: STAFFING AND RETENTION CHALLENGES

According to the Texas Juvenile Justice Department (TJJD), the agency’s most significant issue is achieving balance between the necessary number of supervisory staff and the juvenile population, a task made difficult by persistently high and increasing staff turnover.

During fiscal year 2021, the total turnover rate for TJJD was 47.2 percent, more than double the turnover rate of 21.5 percent for state agencies overall. Of the 923 employees that separated from the agency that year, 71.4 percent left due to voluntary separation, 22.9 percent due to involuntary separation, and 5.7 percent due to retirement. Turnover for fiscal year 2021 included the separation of 678 out of 937 juvenile correctional officers (JCO), which constitutes a rate of 72.4 percent, the highest among all job classification series with 100 or more employees across all state agencies. **Figure 42** shows turnover rates for state agencies, TJJD, and the agency’s JCO positions from fiscal years 2016 to 2021.

FIGURE 42
TURNOVER RATES FOR ALL STATE AGENCIES, TEXAS JUVENILE JUSTICE DEPARTMENT, AND JUVENILE CORRECTIONAL OFFICERS, FISCAL YEARS 2016 TO 2021



NOTE: Percentages shown are total turnover rates including voluntary separation, involuntary separation, and retirements.
 SOURCE: State Auditor’s Office Annual Report on Classified Employee Turnover, fiscal years 2016 to 2021.

The federal Prison Rape Elimination Act (PREA) requires a minimum ratio at TJJD of one adult staff to eight youths (1:8 ratio). Facilities use a population control log to determine headcounts of staff and youths during work shifts. The staff-to-youth ratio can change throughout the day depending on the number of staff working each of three main shifts: morning, evening, and overnight. Among the five state-operated secure facilities, Giddings State School and McLennan County State Juvenile Correctional Facility had the least success maintaining the PREA-required ratio. Neither facility maintained a 1:8 ratio during all overnight shifts recorded from September 2021 to April 2022. **Figure 43** shows the average number of youths to adult staff member per work shift for each state facility from September 2021 to April 2022. The bolded averages indicate where the staff-to-youth ratio exceeds the federally required ratio of 1:8. Although this data offer some insight into the long-term staff-to-youth ratios, the ratios can change daily and even hourly depending on available staff. Furthermore, because youths are housed in dormitories at state-operated secure facilities, PREA audits are conducted at a dorm level rather than the facility level. Facilities that are short-staffed request that available staff cover two 12.0-hour shifts rather than their typical assignments of three 8.0-hour shifts, as evident in the Evins Regional Juvenile Center data for 2022.

FIGURE 43
STAFF-TO-YOUTH RATIO AVERAGES AT TEXAS JUVENILE JUSTICE DEPARTMENT SECURE STATE FACILITIES
SEPTEMBER 2021 TO APRIL 2022

FACILITY	MORNING	EVENING	OVERNIGHT
Evins Regional Juvenile Center			
September 2021 to December 2021	6.2	4.8	7.7
January 2022 to April 2022 (utilizing 12-hour shifts)	6.3		6.3
Gainesville State School			
September 2021 to December 2021	6.7	8.0	7.2
January 2022 to April 2022	5.5	4.8	3.9
Giddings State School			
September 2021 to December 2021	8.4	5.3	10.8
January 2022 to April 2022	10.6	8.5	11.4
McLennan County State Juvenile Correctional Facility			
September 2021 to December 2021	6.8	6.6	11.1
January 2022 to April 2022	6.2	6.2	10.4
Ron Jackson State Juvenile Correctional Complex			
September 2021 to December 2021	6.1	7.0	5.7
January 2022 to April 2022	5.6	5.8	3.3

NOTE: Staff-to-youth averages shown in bolded text exceed the federally required ratio of 1:8.
SOURCE: Texas Juvenile Justice Department.

Agency leadership reports moving youths and staff to different areas within a facility and occasionally to different facilities to cover staffing shortages and maintain required staff-to-youth ratios. This inconsistency can result in the escalation of inappropriate and challenging behavior among TJJD youths and add to the stress experienced by staff, further driving turnover. Some secure facilities require staff to work overtime or cover additional work shifts to maintain the federally required ratio. For example, some direct-care staff work 12.0-hour shifts instead of a regular 8.0-hour shift, increasing the potential for burnout and turnover.

High employee turnover rates also contribute to poor working conditions for direct-care staff, which includes all staff that work directly with youths, such as JCOs, case managers, team leaders, youth safety managers, managers of operations, cooks, and food service managers. Of the 660 new JCOs hired during fiscal year 2020, 185 remained after one year, following 377 voluntary separations and 89 involuntary separations from employment. From June 2021 to April 2022, the agency hired approximately 37 new employees per month, with a total cost of \$6,515 to place each new employee into service. The total includes training classes and certifications (e.g., CPR certification) costs of approximately \$2,300 per hire, human resources staff costs of \$300 per hire for interviewing and documenting in the state's Centralized Accounting and Payroll/Personnel System (CAPPs), and salary costs of \$3,726 for staff in the new hire academy. The training period for each new hire totals approximately 38 days.

Various factors contribute to turnover. Of the 60 TJJD staff exit surveys submitted to the State Auditor's Office (SAO) in fiscal year 2021, nearly half identified poor working conditions and a poor working environment as reasons for leaving employment. TJJD reports similar factors in explaining its high turnover rates, including low salaries for staff working directly with youths in a highly challenging work environment. JCOs, for example, are required to engage with youths throughout the day by

leading activities, helping youths work through stressful situations, and managing daily transitions. The Eightieth Legislature, 2007, passed legislation to prevent youth misdemeanants from being committed to state facilities, so the only youths committed to state care are those who committed felony offenses. According to TJJD, the youths in custody are high-risk, have higher energy, behave less predictably, are less in control of their responses to triggers and emotions, are less mature, and are more in need of being engaged and redirected routinely when behaviors are unacceptable.

TJJD also reports that uncompetitive salaries contribute to turnover. **Figure 44** shows recent salary information for all direct-care staff, including JCOs, case managers, dormitory supervisors, and cooks. Overall, the compensation for juvenile correctional officers is slightly less competitive than the average market rate identified by SAO, which includes compensation data on similar jobs in the private and public sectors that correspond to state positions. In Texas, criminal justice and social service employees earn salaries ranging from approximately 8.0 percent to 10.0 percent less than the market average.

FIGURE 44
TEXAS JUVENILE JUSTICE DEPARTMENT DIRECT-CARE STAFF SALARY INFORMATION AND HEADCOUNT, 2020–21 BIENNIUM

JOB CLASSIFICATION	AVERAGE HEADCOUNT	AVERAGE SALARY	AVERAGE MARKET SALARY
Juvenile Correctional Officer	988.0	\$40,389	\$44,609
Case Manager	104.0	\$42,614	\$45,597
Cook	53.0	\$29,328	\$31,763
Dormitory Supervisor	38.6	\$62,318	N/A
Manager	13.1	\$62,061	N/A

NOTE: Average market salary data was available only for juvenile correctional officers, case managers, and cooks. The State Auditor’s Office used wage data from several surveys conducted from fiscal years 2018 to 2020.
SOURCE: State Auditor’s Office.

Although recent salary adjustments have made TJJD staff pay commensurate with Texas Department of Criminal Justice (TDCJ) staff pay, TJJD contends that the agency’s direct-care positions perform duties that align more closely with the work of Child Protective Services specialists than those of TDCJ officers. **Figure 45** shows the average salary for JCOs, adult correctional officers, and Child Protective Services specialists for the 2020–21 biennium.

FIGURE 45
AVERAGE SALARIES FOR JUVENILE CORRECTIONAL OFFICERS, ADULT CORRECTIONAL OFFICERS, AND CHILD PROTECTIVE SERVICES SPECIALISTS, 2020–21 BIENNIUM

JOB CLASSIFICATION	AVERAGE SALARY
Juvenile Correctional Officer	\$40,389
Adult Correctional Officer	\$40,311
Child Protective Services Specialist	\$53,533

NOTE: The average salaries are for all titles within the job classification series.
SOURCE: State Auditor’s Office.

The Legislature authorized targeted pay raises for certain agencies during the 2016–17 biennium that affected JCOs and parole officers at TJJD. As **Figure 42** shows, the targeted pay raises slightly decreased turnover during fiscal year 2018 but did not result in the long-term retention of JCOs. The Eighty-sixth Legislature, 2019, appropriated \$4.1 million for salary increases in fiscal years 2020 and 2021 for JCOs and case managers, but turnover has continued its upward trend since then. The agency implemented the following initiatives to curb turnover and increase employee retention:

- providing a temporary critical service bonus to certain JCOs and case managers;

- providing attendance bonuses to facility staff who consistently work their assigned shifts;
- securing third-party staffing assistance from the Texas Army National Guard and private entities to fill vacancies temporarily;
- expanding housing options for committed youths by:
 - contracting for additional beds with a private provider; and
 - developing plans to increase security at a state halfway house for the transfer of lower-risk youths who otherwise would remain within one of TJJD’s secure facilities;
- developing new positions to enable county-level staff and former TJJD staff to work in secure facilities part-time or as needed;
- developing plans for the deployment of mobile teams to facilities in need;
- attending community events, such as job fairs, to attract new employees; and
- placing newly hired staff in teams during their first six months of service to foster their feelings of connection, safety, and accountability.

TJJD also has reported difficulty in hiring workers to staff facilities fully from the small pool of potential applicants in rural areas in which certain TJJD facilities are located. Economic and social conditions have changed substantially in small Texas towns since 1913, when the Gainesville State School opened in 1913, and since the early 1970s, when the Ron Jackson State Juvenile Correctional Complex and Giddings State School began operations.

On July 1, 2022, TJJD increased salaries for direct-care staff by 15.0 percent, for a total cost of \$7.1 million for the 2022–23 biennium. JCO starting salaries increased from \$36,238 to \$41,675. JCOs working at the Ron Jackson State Juvenile Correctional Complex received an additional 10.0 percent pay differential effective August 1, 2022, to October 31, 2023.

The Legislature could consider including a rider in the 2024–25 General Appropriations Bill (GAB), Article V, TJJD bill pattern requiring the agency, to submit from funds appropriated a human resources plan for hiring and retention to the Office of the Governor, Legislature, and State Auditor’s Office. The rider could require the agency’s report to provide updates on current initiatives, evaluate all available tools for recruitment and retention, and include information regarding the feasibility of non-monetary incentives and employee well-being initiatives in response to exit-survey data indicating workplace dissatisfaction among separated staff.

FINDING 2: OVERVIEW OF THE STATE AND LOCAL JUVENILE JUSTICE SYSTEM

The Texas juvenile justice system has two main components: the state system administered by TJJD, and the local system administered by counties. A youth that is accused or convicted of an offense proceeds through several steps in the intake and hearing processes at the local level before a disposition is made.

THE JUVENILE JUSTICE PROCESS

The Juvenile Justice Code (the Texas Family Code, Title 3) defines a child as an individual who is: (1) at least age 10 and younger than age 17; or (2) at least age 17 and younger than age 18 who is alleged or found to have engaged in delinquent conduct or conduct indicating a need for supervision (CINS) due to acts committed before reaching age 17. Delinquent conduct is conduct that would be punishable by imprisonment or confinement in jail if the offender were an adult. CINS is conduct that, if committed by an adult, would involve fine-only punishment or does not violate the law, such as running away, inhalant abuse, or expulsion from school. A youth typically enters the juvenile justice system through a referral for allegedly committing an offense. Parents, school personnel, community officials, or local law enforcement or peace officers can make this referral. Not every referral results in a formal disposition, which in this context refers to sentencing. Depending on the severity of the alleged offense, youths can be diverted from the justice system with a warning or citation or placement in a specialized program.

If a prosecutor petitions the court system to charge the youth formally with an offense, the court may hold an adjudication hearing (trial) to determine whether a disposition hearing is necessary. For any disposition other than one resulting from a felony, local juvenile probation departments are responsible for providing services for youths in the community or in a locally run detention facility. The court may commit youths to TJJD only if they are found guilty of committing felony offenses.

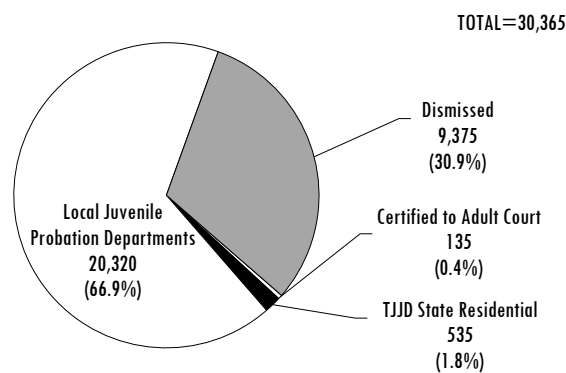
JUVENILE BOARDS AND PROBATION DEPARTMENTS

Each county in Texas has a juvenile board that is responsible for administering juvenile probation services at the local level. Each board manages the conditions and terms of detention and detention supervision within its jurisdiction. Local juvenile probation departments carry out the policies of the juvenile boards and are responsible for providing services to juveniles who are referred to the juvenile court. The local juvenile probation departments also are responsible for supervising youths before and after the youths are placed on probation or other disposition as determined by the local court system. Some of Texas’ 165 local juvenile probation departments serve more than one county, depending on counties’ resources and geographic proximity to one another.

The Eighty-fourth Legislature, 2015, established a juvenile justice regionalization program that required TJJD to develop a plan to support regional cooperation among probation departments and develop a reimbursement grant program to divert youth from TJJD commitment. The primary goal of the program is to house youths close to their home communities. The program enhances the ability of juvenile probation departments to serve youths locally and decrease commitments to TJJD secure facilities. To comply with the requirements, TJJD implemented the Regionalization and Diversion program, also referred to as the Regional Diversion Alternative (RDA) program, to reimburse departments that divert youths from state commitment.

The RDA program seeks to reduce the number of youths committed to the state with an indeterminant sentence, which is a sentence for an unspecified amount of time not to exceed the youth’s nineteenth birthday. **Figures 46** and **47** show dispositions of juvenile cases throughout the state for fiscal year 2021. Dispositions to state supervision are identified as TJJD State Residential, and all other dispositions are managed by local juvenile probation departments. Dismissed dispositions include dismissals, findings of not guilty, and findings of no probable cause. A supervisory caution is a nonjudicial disposition that may involve actions such as referring the youth to a social service agency, such as the Department of Family and Protective Services family programs. Of the 30,365 dispositions including dismissals in fiscal year 2021, 535, or 1.8 percent, of youths were committed to state residential care. As shown in **Figure 46**, most juvenile dispositions result in placements within local juvenile probation departments.

FIGURE 46
TEXAS JUVENILE JUSTICE DEPARTMENT (TJJD) DISPOSITIONS, FISCAL YEAR 2021



NOTE: Local Juvenile Probation Departments includes adjudicated probation, deferred prosecution, and supervisory caution. TJJD State Residential are dispositions to state supervision.
SOURCE: Texas Juvenile Justice Department.

FIGURE 47
TEXAS JUVENILE JUSTICE DEPARTMENT JUVENILE (TJJD) DISPOSITIONS BY TYPE, FISCAL YEAR 2021 (1)

QUARTER/MONTH	CERTIFIED TO ADULT COURT	TJJD RESIDENTIAL	ADJUDICATED PROBATION (2)	DEFERRED PROSECUTION	SUPERVISORY CAUTION	DISMISSED	TOTAL DISPOSITIONS
Quarter 1 September 2020 to November 2020	35	120	1,853	1,745	1,204	2,362	7,319
Quarter 2 December 2020 to February 2021	30	107	1,487	1,669	1,111	2,018	6,422
Quarter 3 March 2021 to May 2021	30	150	2,120	2,302	1,442	2,637	8,681
Quarter 4 June 2021 to August 2021	40	158	1,980	2,006	1,401	2,358	7,943
Fiscal Year 2021 Total	135	535	7,440	7,722	5,158	9,375	30,365

NOTES:

(1) Dispositions shown represent the number of cases, not the number of juveniles. A juvenile may have more than one case during a quarter.

(2) Adjudicated probation includes all adjudicated dispositions of probation and modifications of probation at the local level.

SOURCE: Texas Juvenile Justice Department.

FUNDING THE JUVENILE JUSTICE SYSTEM

To provide basic probation services and to continue diverting youths from state commitment, local juvenile probation departments receive state funding allocated by TJJD in accordance with the Texas Human Resources Code, Section 223.001. The Legislature appropriated TJJD \$656.9 million in All Funds for the 2020–21 biennium, including \$325.8 million (49.6 percent) for community juvenile justice services. TJJD distributes funds to local juvenile probation departments in the following three ways:

- formula funding based on each county’s juvenile population, the size of its juvenile probation department, and the number of youths formally referred to each department;
- discretionary state aid awarded based on eligibility criteria; and
- directed aid for specific programs or projects set by budgetary riders.

Figure 48 shows TJJD grant programs that disbursed funds to local juvenile probation departments in fiscal year 2021 and the amount of each disbursement.

FIGURE 48
TEXAS JUVENILE JUSTICE DEPARTMENT GRANT PROGRAMS FOR LOCAL JUVENILE PROBATION DEPARTMENTS
FISCAL YEAR 2021

PROGRAM	DESCRIPTION	DISBURSED AMOUNT
Formula Funds		
Basic Probation Supervision	Provides funding to juvenile probation departments for crisis intervention or diversion services and for basic supervision including juveniles on conditional release, deferred prosecution, or adjudicated probation.	\$36,840,471

Community Programs	Provides funding to juvenile probation departments for programs and services to juveniles, including federal Title IV-E placements and services. Prioritizes evidence-based programs and services.	\$37,804,542
Pre-adjudication and Post-adjudication Facilities	Provides funding for pre-adjudication and post-adjudication facilities for youths within a local jurisdiction (pretrial and post-trial facilities).	\$22,259,995
Commitment Diversion	Provides funding to juvenile probation departments to divert juveniles from commitment to state facilities.	\$17,954,177
Mental Health Services	Provides funding for mental health services.	\$14,387,282
Total, Formula-funded Grants		\$129,246,467

Discretionary State Aid

Grant B – Border Children’s Justice Project	Facilitates collaborative efforts by U.S. and foreign authorities involving juvenile courts, U.S. Immigration and Customs Enforcement, law enforcement, U.S. and other consulates, child protective agencies, and correctional officials for youth offenders who are not U.S. citizens.	\$100,000
Grant M – Special Needs Diversionary Program	Seeks to increase the availability of effective services to juveniles with mental health needs. The Texas Juvenile Justice Department (TJJD) works with the Texas Correctional Office on Offenders with Medical and Mental Impairments and in cooperation with designated mental health providers to implement programs that provide services to juveniles under the supervision of the local juvenile probation departments.	\$1,857,249
Grant R – Regional Diversion Alternatives	Provides resources to juvenile probation departments to obtain rehabilitative services for juveniles, including community-based residential, reentry, and aftercare services. This program is intended to divert certain juveniles from commitment to TJJD.	\$4,034,842
Discretionary State Aid (1)	Supports juvenile probation department and regional programs and services with a defined population that use research-driven practices and have well-defined recidivism reduction goals.	\$298,558
Risk and Needs Assessment	Offsets the cost of the Risk and Needs Assessment tool used by juvenile probation departments.	\$1,015,474
Discretionary State Aid – Residential Project	Provides funding to a juvenile probation program or service that is provided in an out-of-home placement, evidence-based, and intended to improve a region’s ability to serve youths locally, improve outcomes, and decrease the likelihood of commitment to TJJD.	\$1,896,648
Discretionary State Aid – Community Project	Provides funding to a juvenile probation program or regional programs and services provided in a nonresidential setting that are evidence-based and intended to improve a juvenile probation department’s ability to serve youths locally, improve outcomes, and decrease the likelihood of out-of-home placement or commitment to TJJD.	\$652,991
Total, Discretionary State Aid		\$9,855,761

Rider-directed Funds

Grant P – Juvenile Justice Alternative Education Program (JJAEP) Reimbursement	Provides reimbursement to a juvenile board among the participating counties that operate mandatory or discretionary JJAEPs, pursuant to the Texas Education Code Chapter 37, and subject to TJJD’s approval. This program is intended to provide an educational setting for students that have been expelled from public school districts. Required by the Eighty-sixth Legislature, General Appropriations Act (GAA), 2020–21, Article V, TJJD,	\$3,920,456
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	Rider 13.	
Grant W – JJAEP	Assists certain counties in the basic operation of a discretionary JJAEP subject to TJJD’s approval. Required by the 2020–21 GAA, Article V, TJJD, Rider 14.	\$451,679
Nonprofit Pilot Programs	Establishes pilot programs in Harris, Hidalgo, and Cameron counties administered by nonprofit organizations that provide trauma-informed counseling and life skills and hands-on vocational training for youths who previously were committed to TJJD. Required by the 2020–21 GAA, Article V, TJJD, Rider 36.	\$171,171
Grant D – Harris County Leadership Academy	Provides an intensive, cognitive behavior-based program to address youths’ needs, reduce their negative behaviors, and promote positive behavior skill sets. Required by the 2020–21 GAA, Article V, TJJD, Rider 32.	\$1,000,000
Total, Rider-directed Funds		\$5,543,306
Total, All Grants		\$144,645,534

NOTE: (1) Discretionary State Aid for Prevention and Intervention totaling \$3.0 million for fiscal year 2021 was removed as part of reductions directed by state leadership but has been restored for the 2022–23 biennium.
 SOURCES: Legislative Budget Board; Texas Juvenile Justice Department.

As shown in **Figure 48**, most of the state funding provided to local juvenile probation departments is allocated by formula. The formula inputs, such as referrals and total juvenile population, directly affect the funding disbursed to the local departments. Funds also are disbursed for special needs or projects or for specific items detailed in budgetary riders.

According to TJJD, local governments contribute most funding for local juvenile probation departments. In fiscal year 2021, local county funding contributed 77.0 percent of total juvenile probation funding, and state funding contributed 23.0 percent. Counties receive different amounts from TJJD because most of that funding is determined by formulas. For example, Tarrant County reports total expenditures for fiscal year 2021 of \$32.2 million; state funding contributes 20.0 percent of that amount, federal funding contributes 1.8 percent, and local funding contributes the remainder. Caldwell County reports total expenditures for fiscal year 2022 of \$1.0 million; state funding contributes 37.0 percent of that amount. Taylor County reports total expenditures for fiscal year 2021 of \$5.3 million, and state funding contributes 16.2 percent of that amount.

Local departments may submit grant adjustment requests to TJJD to change how they may use formula funds if agency-determined disbursements do not meet the department’s needs. Local departments must refund any unexpended and unencumbered balances of state funds in a fiscal year to TJJD. The money returned must be appropriated to counties in the subsequent fiscal year. TJJD reported that local departments returned approximately \$4.6 million for fiscal year 2021 and \$3.3 million for fiscal year 2022.

FINDING 3: REVISE RIDER 19 LANGUAGE TO REPRESENT ACTUAL PRACTICES

The Eighty-seventh Legislature, General Appropriations Act (GAA), 2022–23 Biennium, Article V, TJJD, Rider 19, requires that local juvenile probation departments refund to the agency all unexpended and unencumbered funds that departments have not spent by the end of a fiscal year. According to the rider, refunds from probation departments are to be reappropriated as Appropriated Receipts for the next fiscal year to Commitment Diversion Initiatives. TJJD has received refunds ranging from \$0.6 million to \$4.6 million per fiscal year since 2017. The 2022–23 GAA appropriates \$1.2 million in Appropriated Receipts for fiscal years 2022 and 2023 to Community Programs.

The Legislature could consider revising the Rider 19 language in the 2024–25 GAB to specify that refunded amounts are appropriated for specific programs and align appropriations with actual practices. Additional rider language could explain the process and purpose for collecting refunds and include an estimate of the refunded amounts. This rider would enable the agency and LBB to represent more accurately the amounts as Appropriated Receipts in the designated program, strategy, or goal.

FINDING 4: STATE-ADMINISTERED CASE MANAGEMENT SYSTEMS

TJJD and local probation departments depend on case management systems to track and monitor youths who enter the juvenile justice system. Case management systems typically document data such as biographical information, personal and family histories, medical information, court decisions and documents, and specific behavioral programs and interventions.

The agency administers two main systems that track, monitor, and store information about all youths who enter the juvenile justice system. The Juvenile Case Management System (JCMS) is web-based technology used for the common data collection, reporting, and case management needs of local juvenile probation departments. The Correctional Care System (CCS) is a larger mainframe database that stores all state-collected information on youths committed to TJJD. CCS was developed in the mid-1980s and is being replaced by the new Connect web-based application. Transitioning from CCS to Connect will result in using an application that is easier to maintain, facilitates subsequent enhancements, and exceeds the state's cybersecurity requirements.

In fiscal year 2010, the agency contracted with the Conference for Urban Counties (CUC) to develop and host JCMS. The system migrated from CUC servers to TJJD servers in fiscal year 2019. Because the original application is more than 10 years old, it includes outdated code that is unsupported and difficult to maintain and enhance. According to the agency, the current application is unstable, produces frequent system outages, features limited criminal justice information systems security controls, has no direct connection to the state CCS, and requires several internal and external resources to maintain current operations. In addition, although nearly all local juvenile probation departments use JCMS for data collection, reporting, and case management, the eight largest departments (Bexar, Collin, Dallas, Denton, El Paso, Harris, Tarrant, and Travis counties) use different systems that better meet their needs but are incompatible with JCMS. This inability to share youth data easily has resulted in a lack of coordination and communication between departments and facilities that can result in delayed service and potential mismanagement of youth records. In fiscal year 2020, the eight departments that do not use JCMS accounted for 28.0 percent of new admissions to the juvenile justice system overall. Essentially, when youths transfer between probation departments that use different case management systems, there is a risk that the youth data obtained by the receiving department will be incomplete.

The agency requested \$7.5 million in its 2022–23 Legislative Appropriations Request (LAR) to update and modernize JCMS, continue development of the Connect application, and enhance cybersecurity. The amount requested was based on estimates provided by a contractor who reviewed JCMS and Connect. Of the total, the agency requested \$5.0 million to replace JCMS, with the intention of requesting another \$3.5 million for the 2024–25 biennium to complete this replacement process. The agency reports that total replacement is necessary because design flaws and outdated code make enhancing JCMS impossible. One of the primary goals of fully replacing JCMS is to foster data-sharing and compatibility with non-JCMS users and Connect. This LAR amount was not appropriated in the 2022–23 GAA.

If the Legislature chooses to appropriate to the agency \$8.5 million in General Revenue Funds to replace JCMS, it could consider adding a new rider in TJJD's bill pattern in the 2024–25 GAB requiring the agency to produce quarterly reports containing an overall system replacement project plan, including a timeline and subsequent progress reports.

PROGRAMS

STATE AID AND TARGETED GRANTS

The Texas Human Resources Code, Sections 221.051, 221.052, 203.008, 221.008, 223.004; the Texas Government Code, Section 783.008

PROGRAM DESCRIPTION

TJJJD staff in the State Aid and Targeted Grants Program develop, administer, and monitor the state funding to all juvenile probation departments for general and discretionary state aid to the probation system, regionalization services, prevention and intervention programs, juvenile justice alternative education programs, and the federal Title IV-E program. Program functions include helping to determine grant goals and allocations; administering grant application, review, and awarding functions; administering the grant contract; developing grant programs; managing grant budgets, disbursements, and expenditures; monitoring grant compliance; and reporting grant performance.

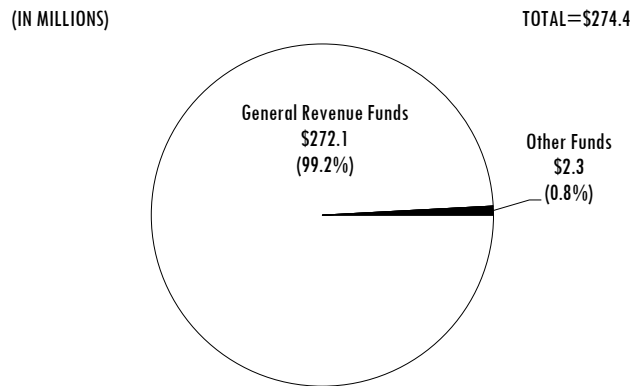
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 49 shows program funding sources by method of finance.

FIGURE 49
STATE AID AND TARGETED GRANTS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



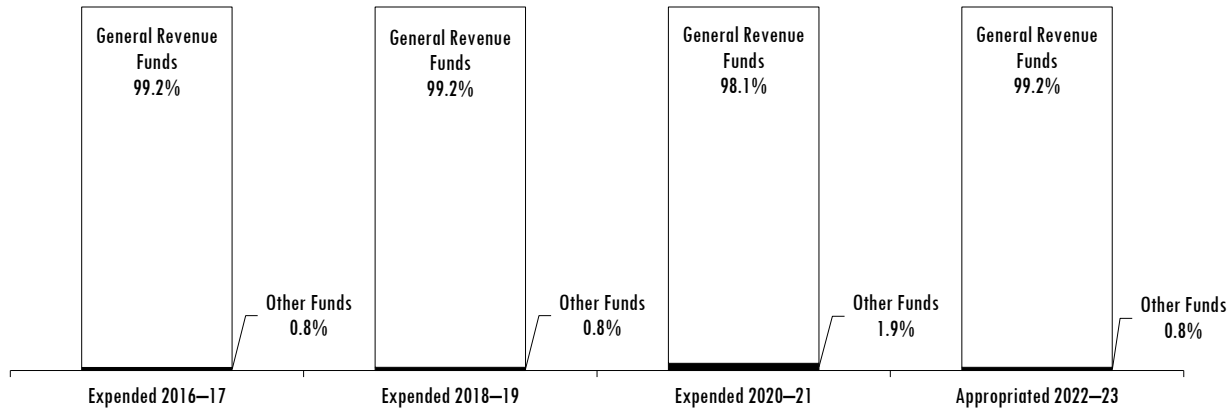
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 50 shows historical funding for the program by method of finance.

**FIGURE 50
STATE AID AND TARGETED GRANTS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$278.5	\$269.2	\$265.2	\$272.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$2.3	\$2.3	\$5.3	\$2.3
Total, All Methods of Finance	\$280.8	\$271.5	\$270.4	\$274.4

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

The full-time-equivalent (FTE) positions supporting the program are included in the position totals for the Probation System Support program.

PERFORMANCE MEASURES

Figure 51 shows the program’s performance measures. The agency reports zero juveniles being served by prevention and intervention during fiscal year 2021 because related funds were eliminated as part of its 5.0 percent budget reduction.

**FIGURE 51
STATE AID AND TARGETED GRANTS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021**

PERFORMANCE MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Cost per Day per Youth for Residential Placement	Yes	\$34.10	\$84.93	\$57.93
Average Daily Population (ADP) of Residential Placements	Yes	1,991	751.6	1,172
Cost per Day – Commitment Diversion	Yes	\$45.45	\$103.08	\$61.50
ADP – Commitment Diversion Initiatives	Yes	1,175	559.3	838
Referral Rate/Juveniles Served by Prevention and Intervention Programs	No	N/A	2.1%	N/A

Completion of Prevention and Intervention Programs	No	N/A	92.3%	N/A
Juveniles Served by Prevention/Intervention	No	N/A	0	N/A
Cost per Day – Community Nonresidential Program	No	N/A	\$21.57	N/A
Juveniles Served – Community Nonresidential Programs	No	N/A	14,520	N/A

NOTE: The agency is not required to report targets for non-key performance measures.
SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program likely would cause some local juvenile probation departments to cease operations. This discontinuation would result in gaps in the juvenile justice system that serves each county in Texas and could require the state to provide probation services in those areas. Maintaining operations without this state funding likely would require local departments to reduce services provided and rely more heavily on commitment to TJJD-operated secure facilities. Such reliance would reverse the state's efforts to promote evidence-based practices that work in partnership with local governments to keep youths in the least restrictive setting possible. The state likely would have to provide some probation services in smaller communities that no longer were served by locally operated juvenile probation departments. TJJD-secure facilities likely would increase in population, resulting in additional staffing and operational funding requirements.

COMMUNITY MENTAL HEALTH PROGRAM

The Texas Health and Safety Code, Chapter 533, and Section 614.018; the Texas Government Code, Section 531.055; the Texas Human Resources Code, Chapter 203, and Section 223.001

PROGRAM DESCRIPTION

The Community Mental Health Program seeks to ensure that youths involved in the juvenile justice system receive the most responsive and appropriate services possible to meet their unique mental health needs. The program builds relationships with other agencies that serve youths and supports local probation departments and other members of the agency and division.

PROGRAM REVENUE

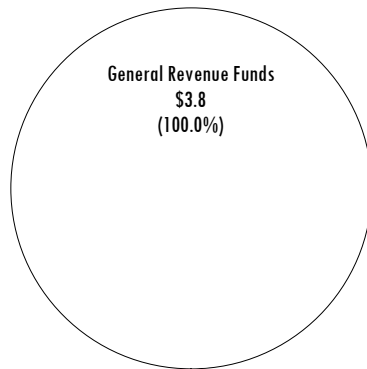
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 52 shows the program's funding source by method of finance.

FIGURE 52
COMMUNITY MENTAL HEALTH PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$3.8



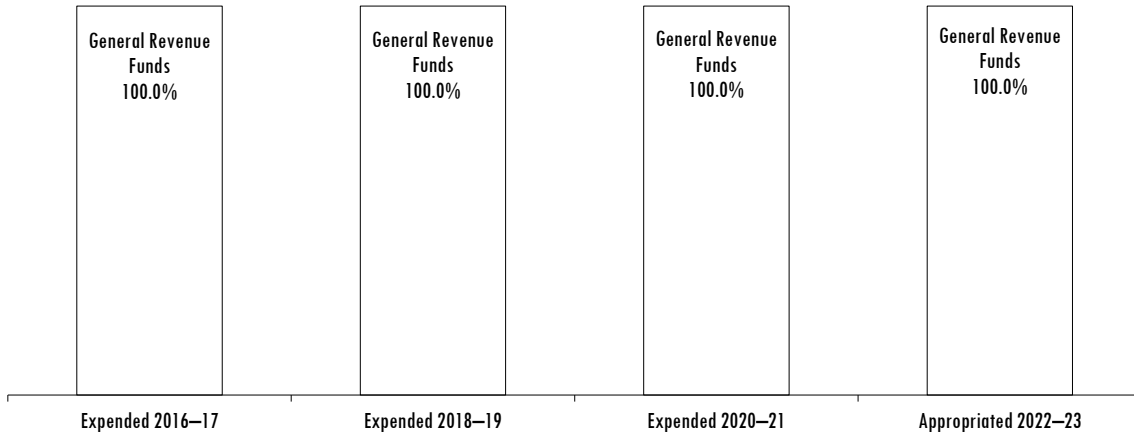
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 53 shows historical funding for the program by method of finance.

FIGURE 53
COMMUNITY MENTAL HEALTH PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

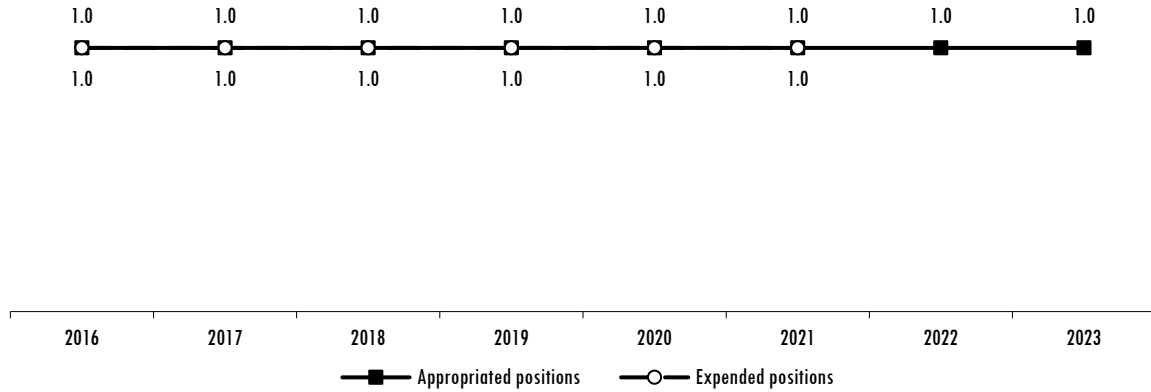
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$4.0	\$3.9	\$3.8	\$3.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$4.0	\$3.9	\$3.8	\$3.8

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 54 shows FTE positions for the program. The program has maintained 1.0 FTE position each fiscal year.

**FIGURE 54
COMMUNITY MENTAL HEALTH PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023**



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, each local mental health authority (LMHA) operates independently, which results in a lack of cohesive juvenile mental health services across the state. Without the Community Mental Health Program to monitor needs and coordinate communication about services, the state would lack a cohesive approach to community-based mental health services in juvenile justice, and more youths would be committed to TJJD for mental health services. The result would be significant duplication of services and inefficiency in the use of public funds.

FEDERAL PROGRAMS FOR PROBATION

The Texas Government Code, Section 531.02418; the Texas Human Resources Code, Section 203.006; the U.S. Code, Title 42, Sections 622 and 670; General Appropriations Act (2022–23 Biennium), Article V, Juvenile Justice Department, Rider 7

PROGRAM DESCRIPTION

Through the Federal Programs for Probation, TJJD staff in the Probation Services division coordinate and administer two of the federally funded programs that youths in the juvenile justice system use most frequently—the Title IV-E Foster Care Program and the Medicaid Benefits Program. Agency staff act as a liaison for local probation departments and other state agencies that administer those programs or services, including the Department of Family and Protective Services for Title IV-E and the Health and Human Services Commission for Medicaid.

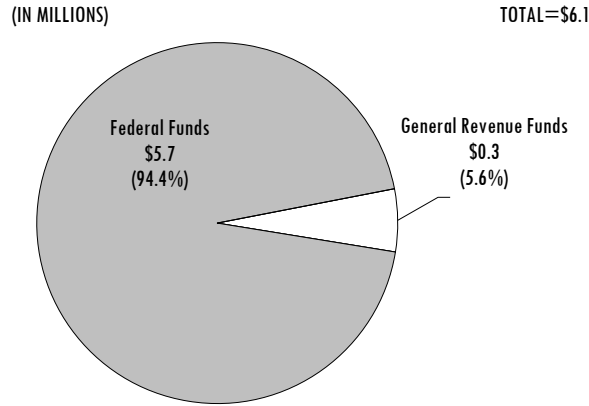
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 55 shows program funding sources by method of finance.

**FIGURE 55
FEDERAL PROGRAMS FOR PROBATION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM**



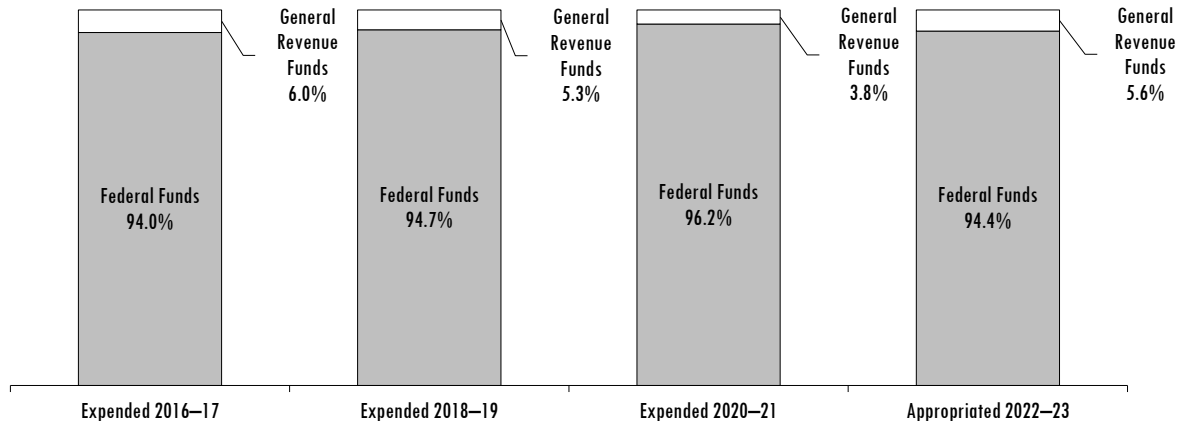
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 56 shows historical funding for the program by method of finance.

**FIGURE 56
FEDERAL PROGRAMS FOR PROBATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.4	\$0.3	\$0.1	\$0.3
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$5.8	\$4.7	\$2.7	\$5.7
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0

these youths helps to prevent duplication of services, and the use of public funds across systems enables probation departments to recover federal funding that supplements state and county funding. Without the program, local probation departments and TJJD would lose reimbursement funds from federal sources and would require state funds to supplement the difference to continue the same level of services.

JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM

The Texas Education Code, Chapter 37; the Texas Human Resources Code, Section 221.002(a)(5)

PROGRAM DESCRIPTION

The Juvenile Justice Alternative Education Program (JJAEP) provides oversight for TJJD-approved juvenile justice alternative education programs and facilitates the provision of education services for expelled and court-ordered youths. Major JJAEP activities include standards and policy development; program monitoring; reimbursement funding; data collection, analysis, and reporting; liaison assistance; and training and technical assistance.

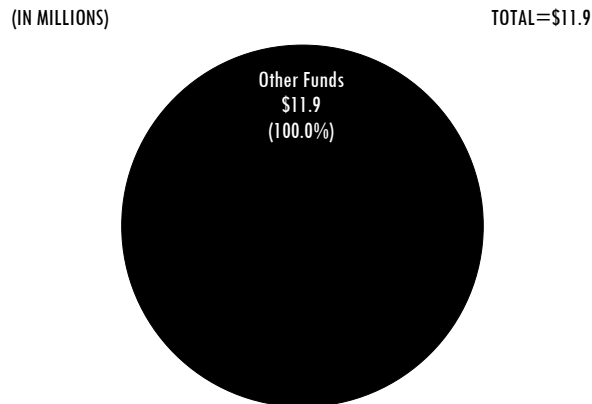
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 59 shows the program’s funding source by method of finance.

FIGURE 59
JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



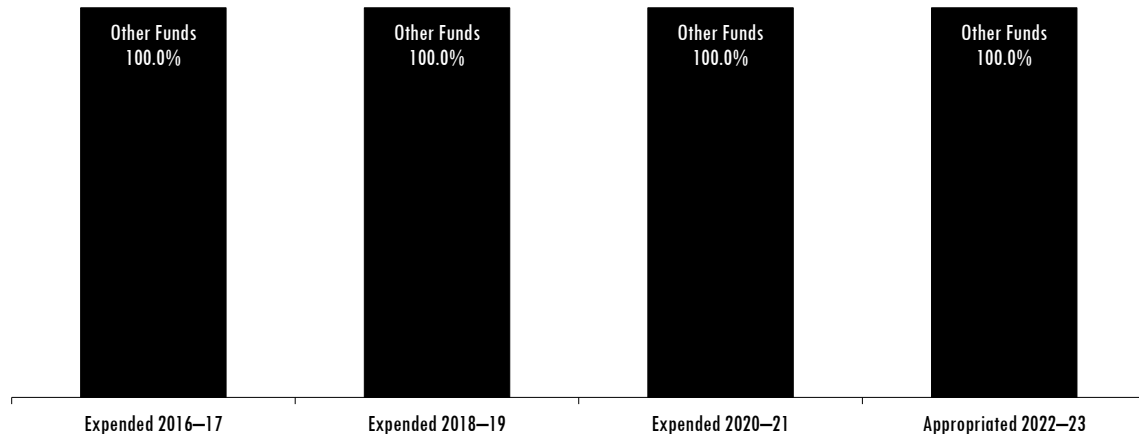
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 60 shows historical funding for the program by method of finance.

FIGURE 60
JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$12.5	\$12.5	\$11.9	\$11.9
Total, All Methods of Finance	\$12.5	\$12.5	\$11.9	\$11.9

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

The FTE positions supporting the program are included in the position totals for the Probation System Support program.

PERFORMANCE MEASURES

Figure 61 shows the program’s performance measures.

FIGURE 61
JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM (JJAEP) PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Mandatory Students Entering JJAEPs	Yes	1,500	790	2,050
Mandatory Student Attendance Days in JJAEP During the Regular School Year	Yes	64,000	37,875	96,350

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium. The program is funded at a minimum reimbursement rate of \$86 per attendance day, and the minimal cost of the program depends on the number of attendance days.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, youths that are expelled from school without the behavior modification, academic supports, and credit recovery initiatives provided by JJAEP would be more likely to drop out of school, resulting in long-term unemployment and an increased risk for involvement in the adult justice system.

REGIONALIZATION AND DIVERSION

The Texas Human Resources Code, Sections 203.017 and 223.001(d)-(f)

PROGRAM DESCRIPTION

The Regionalization and Diversion Program, established pursuant to Senate Bill 1630, Eighty-fourth Legislature, 2015, seeks to divert youths from TJJD and develop programs and services that best meet the needs of local juvenile probation departments. Program staff approve applications and related protocols to administer a regional service model; provide training on best practices for local probation departments; assist in research-based program development; monitor grant contract and program measures; analyze department data to provide clear guidance to local probation departments on outcome measures; report on performance of specific programs and placements to assist in implementing best practices and maximize the impact of state funds; aid probation departments regarding case staffing, complex mental health needs, trauma responsive practices, and risk, needs-based and responsivity-based interventions; collaborate with other state agencies, including the Health and Human Services Commission and the Department of Family and Protective Services, to strengthen case coordination and communication; and enhance communication between the local juvenile justice programs and the state.

PROGRAM REVENUE

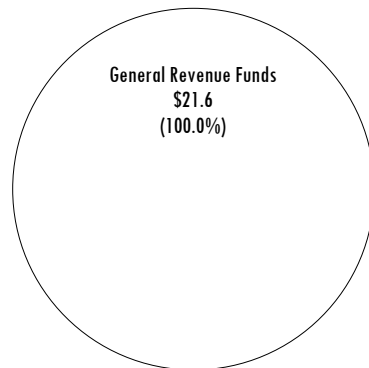
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 62 shows the program’s funding source by method of finance.

**FIGURE 62
REGIONALIZATION AND DIVERSION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**

(IN MILLIONS) TOTAL=\$21.6



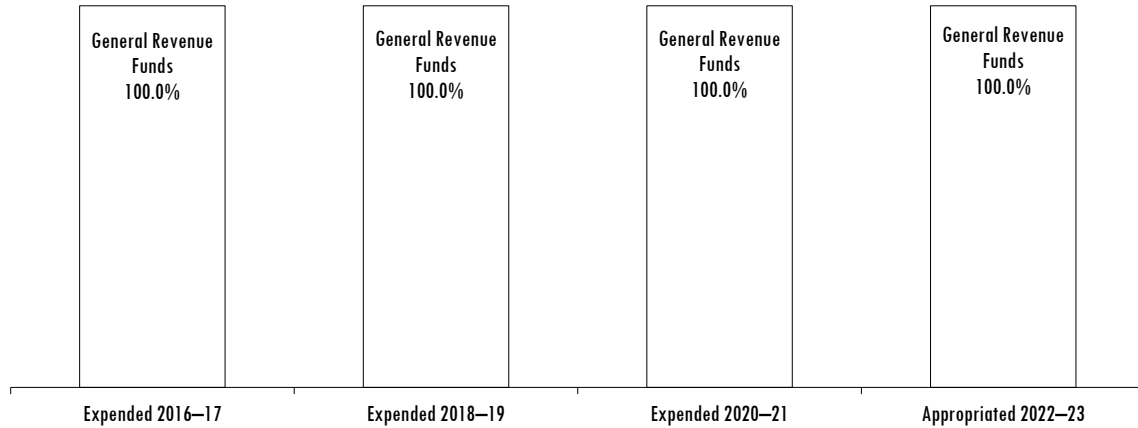
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 63 shows historical funding for the program by method of finance.

**FIGURE 63
REGIONALIZATION AND DIVERSION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$8.2	\$25.2	\$26.2	\$21.6
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$8.2	\$25.2	\$26.2	\$21.6

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

The FTE positions supporting the program are included in the position totals for the Probation System Support program.

PERFORMANCE MEASURES

Figure 64 shows the program’s performance measures.

**FIGURE 64
REGIONALIZATION AND DIVERSION PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021**

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Regional Diversions	Yes	245	185	245
Average Daily Population: Regional Diversion Placement	Yes	N/A	115	151

NOTE: N/A indicates no target measure existed because the performance measure was added for the 2022–23 biennium.

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing this program would decrease coordination at the regional level, resulting in increased duplication of services, less effective interventions, and fewer services provided to youths. The diversions from TJJD commitment currently provided by the regional diversion grant funds also would stop, resulting in more juveniles entering state care and increasing costs to the state.

PROBATION SYSTEM SUPPORT

The Texas Human Resources Code, Chapters 203, 221, 222, and 223

PROGRAM DESCRIPTION

Through the Probation System Support Program, agency staff in the Probation Services division coordinate with the state’s 165 juvenile probation departments to accomplish the following key agency functions:

- establish strategic goals for the state’s juvenile justice system;
- determine legislative priorities for local probation departments and incorporate them into TJJD’s legislative requests and reports;
- support the probation system’s daily operations through training, technical assistance, and the administration of various grants and programs;
- organize the legislatively required probation advisory committee to TJJD; and
- represent TJJD at various probation system organizations and functions.

Probation System Support Program funding also provides the Juvenile Case Management System, which is the case management database for all but eight local juvenile probation departments.

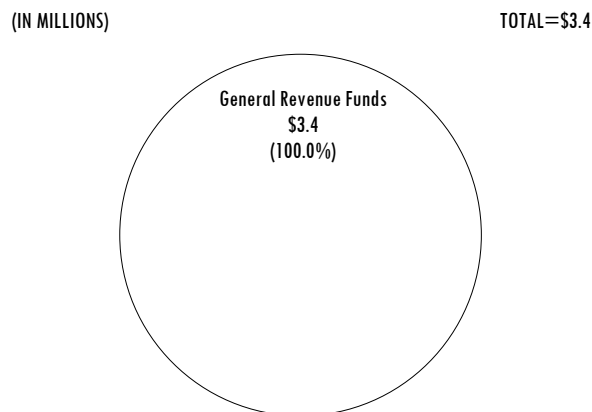
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 65 shows the program’s funding source by method of finance.

FIGURE 65
PROBATION SYSTEM SUPPORT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



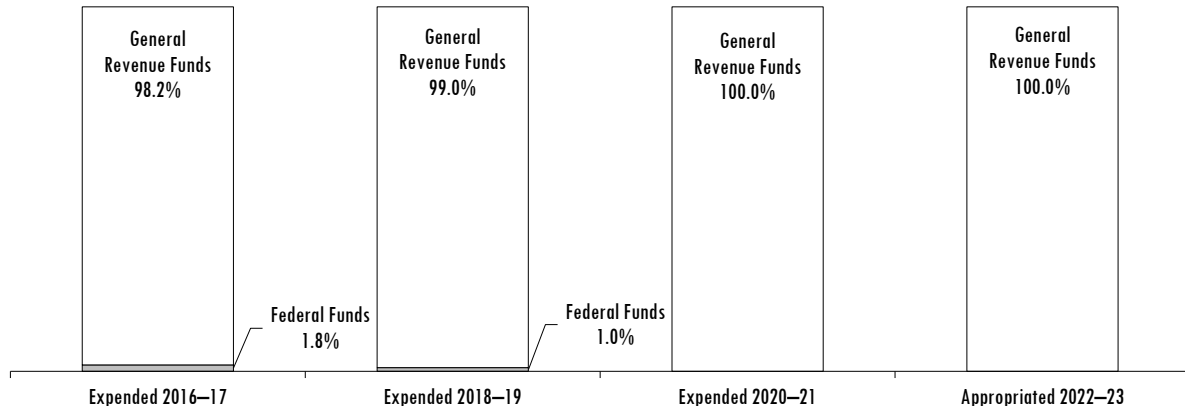
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 66 shows historical funding for the program by method of finance.

FIGURE 66
PROBATION SYSTEM SUPPORT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

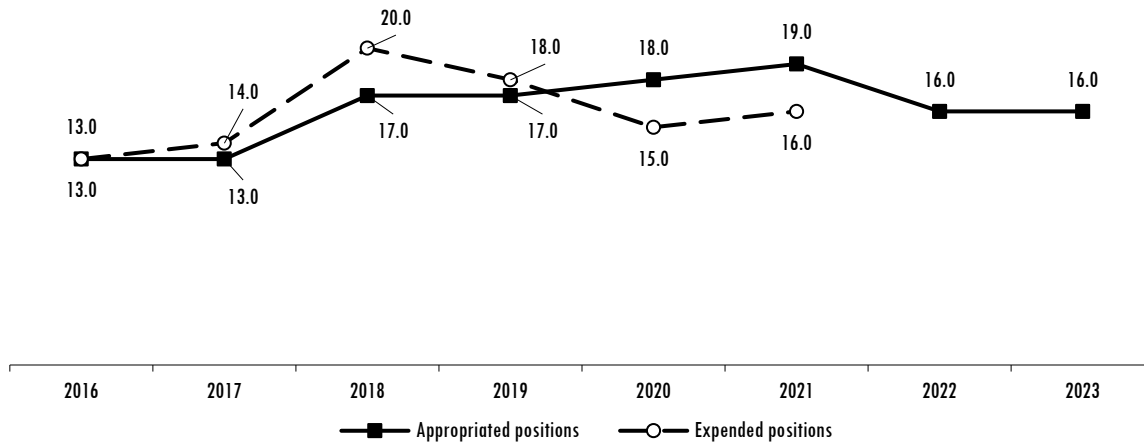
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$4.6	\$5.3	\$3.8	\$3.4
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.1	\$0.1	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$4.7	\$5.4	\$3.8	\$3.4

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 67 shows FTE positions for the program.

FIGURE 67
PROBATION SYSTEM SUPPORT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would undermine coordination of the juvenile justice system and important financial and infrastructure support, which could result in some smaller departments ceasing operations, thus increasing TJJD youth commitments or requiring the state to provide local probation services.

INTAKE, ORIENTATION, AND ASSESSMENT

The Texas Human Resources Code, Chapter 242, and Sections 242.002, 242.051, and 244.001; the Texas Family Code, Section 59.009

PROGRAM DESCRIPTION

As part of the Intake, Orientation, and Assessment Program, agency staff at the Ron Jackson State Juvenile Correctional Complex orient the youth from the committing county and provide complete and timely information regarding TJJD and its facility treatment programs, services, and expectations, along with information about the youth’s basic rights. The process also provides a comprehensive diagnostic evaluation for each youth admitted to TJJD’s care and includes medical, psychological, and educational assessments to determine strengths, needs, protective factors, and treatment needs to help individualize a youth’s treatment plan before the youth is transferred to a secure TJJD facility.

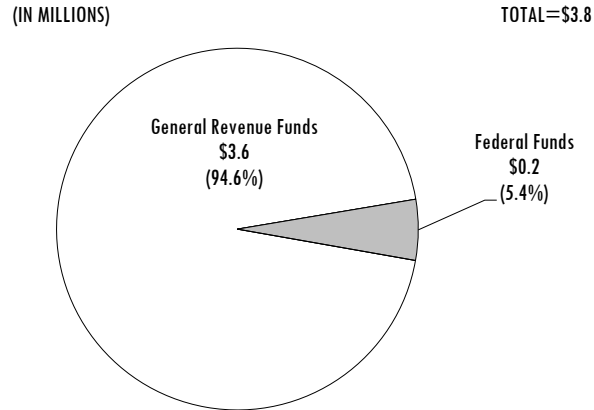
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 68 shows program funding sources by method of finance.

FIGURE 68
INTAKE, ORIENTATION, AND ASSESSMENT PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



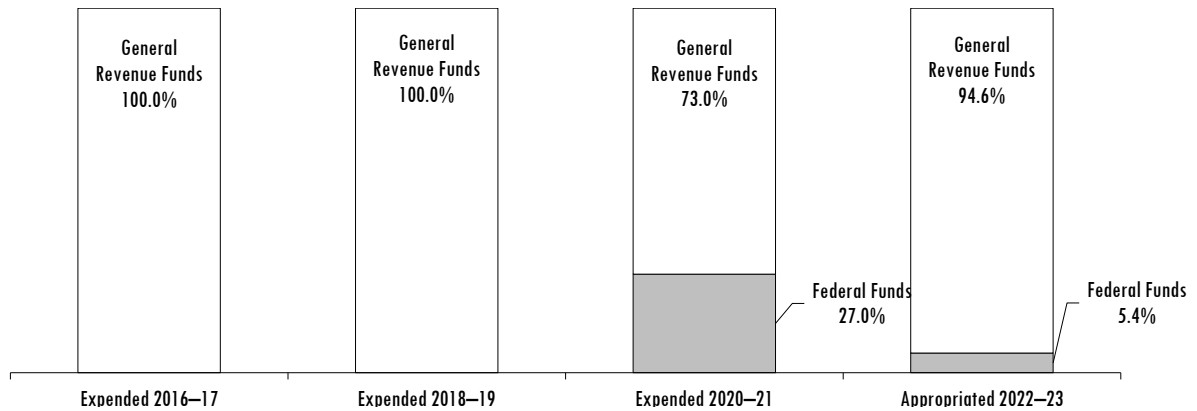
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 69 shows historical funding for the program by method of finance. The program received pass-through federal funding from the Office of the Governor related to the COVID-19 pandemic for the 2020–21 and 2022–23 biennia.

FIGURE 69
INTAKE, ORIENTATION, AND ASSESSMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

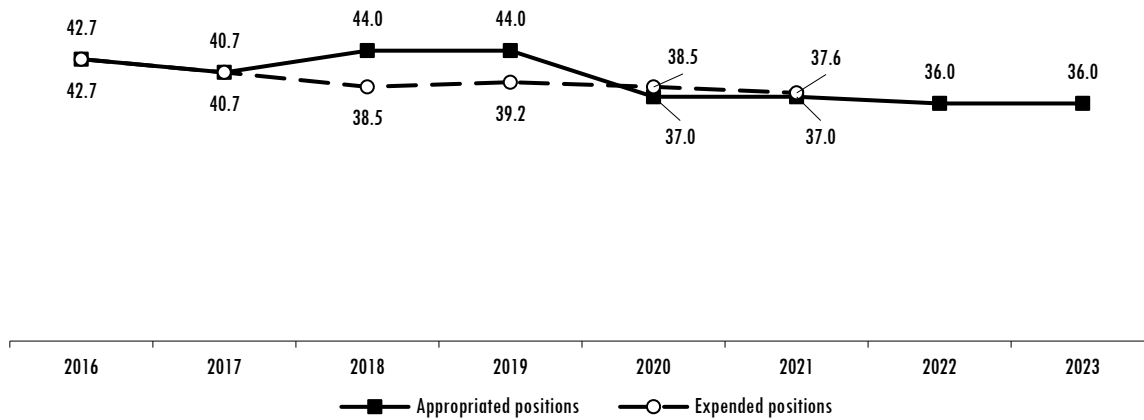
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$4.2	\$3.5	\$2.8	\$3.6
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$1.0	\$0.2
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$4.2	\$3.5	\$3.8	\$3.8

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 70 shows FTE positions for the program.

FIGURE 70
INTAKE, ORIENTATION, AND ASSESSMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 71 shows the program’s performance measures.

FIGURE 71
INTAKE, ORIENTATION, AND ASSESSMENT PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Total Number of New Admissions to the Texas Juvenile Justice Department	Yes	785	569	616
Assessment and Orientation Cost per Juvenile per Day	No	N/A	\$73.61	N/A
Total Residential Intakes	No	N/A	630	N/A
Average Daily Population – Assessment and Orientation	Yes	80	68	64

NOTE: The agency is not required to report targets for non-key performance measures.
 SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would place the community and the youths in TJJD care at risk. Youths that have significant mental health, educational, or medical needs might not receive appropriate treatment if they are not screened upon arrival. Inappropriate treatment interventions could be ineffective or result in higher risk for recidivism. Prior

to committing youths, counties likely would incur costs to perform activities formerly conducted through the state-funded program.

AGENCY EXECUTIVE LEADERSHIP AND SUPPORT OPERATIONS

The Texas Human Resources Code, Chapter 203

PROGRAM DESCRIPTION

The Agency Executive Leadership and Support Operations Program consists of Executive Leadership, TJJD’s Governing Board, Research and Data Analysis, Budget and Financial Services, Business Operations, Construction and Maintenance, Human Resources, and Information Technology.

PROGRAM REVENUE

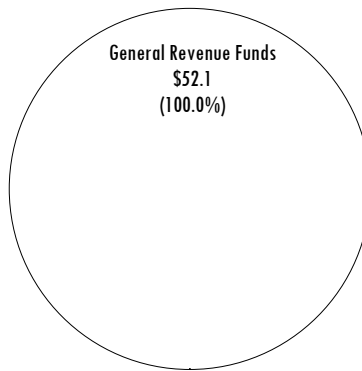
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 72 shows the program’s funding source by method of finance.

FIGURE 72
AGENCY EXECUTIVE LEADERSHIP AND SUPPORT OPERATIONS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$52.1



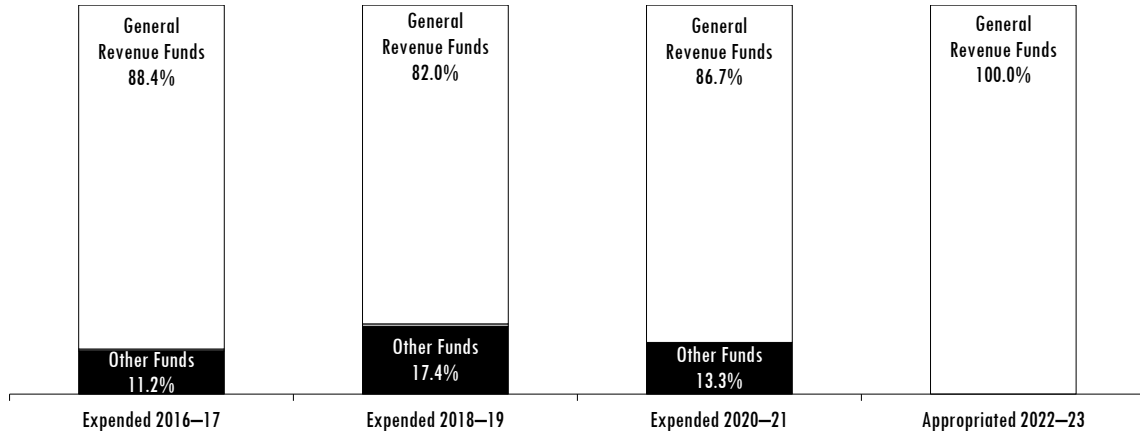
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 73 shows historical funding for the program by method of finance.

FIGURE 73
AGENCY EXECUTIVE LEADERSHIP AND SUPPORT OPERATIONS PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

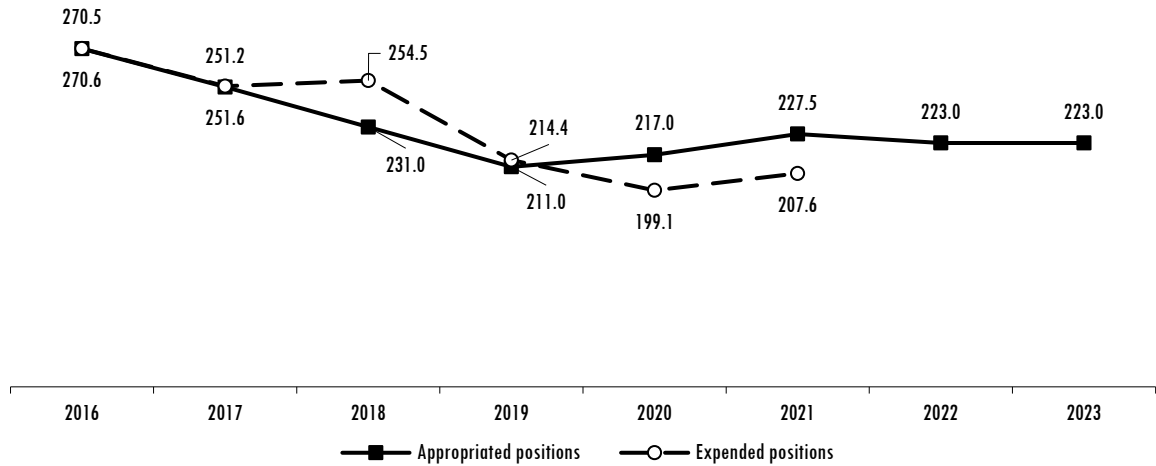
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$48.8	\$61.9	\$49.3	\$52.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.3	\$0.5	\$0.0	\$0.0
Other Funds	\$6.2	\$13.1	\$7.6	\$0.0
Total, All Methods of Finance	\$55.2	\$75.5	\$56.9	\$52.1

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 74 shows FTE positions for the program.

FIGURE 74
AGENCY EXECUTIVE LEADERSHIP AND SUPPORT OPERATIONS PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuation of the program would terminate all agency programs and the operation of TJJD facilities, which would require other state and local agencies to augment the services previously provided by TJJD.

STATE RESIDENTIAL ADMINISTRATION AND SUPPORT

The Texas Human Resources Code, Chapter 242

PROGRAM DESCRIPTION

The State Residential Administration and Support Program provides for the administration and support of state residential programs, including secure facilities and halfway houses and facility leadership.

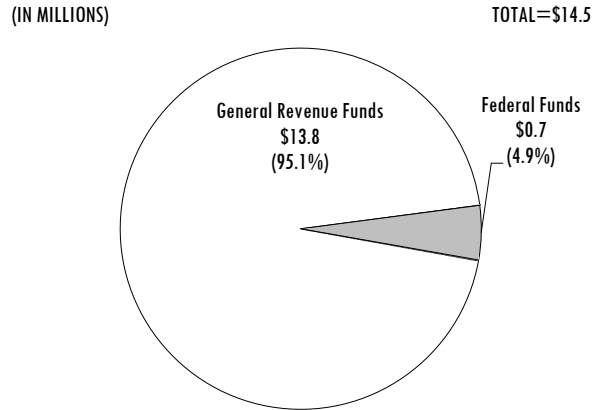
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 75 shows program funding sources by method of finance.

FIGURE 75
STATE RESIDENTIAL ADMINISTRATION AND SUPPORT PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



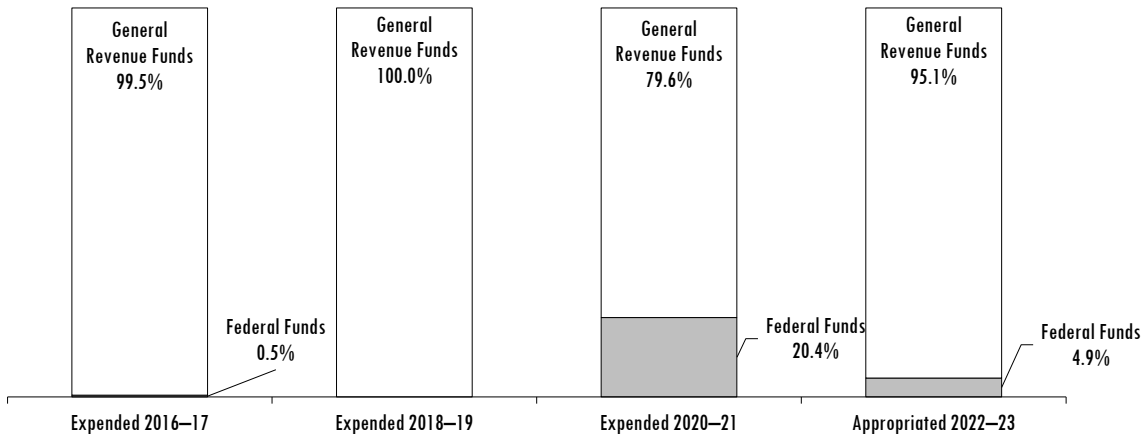
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 76 shows historical funding for the program by method of finance. The program received pass-through federal funding from the Office of the Governor related to the COVID-19 pandemic for the 2020–21 and 2022–23 biennia.

FIGURE 76
STATE RESIDENTIAL ADMINISTRATION AND SUPPORT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

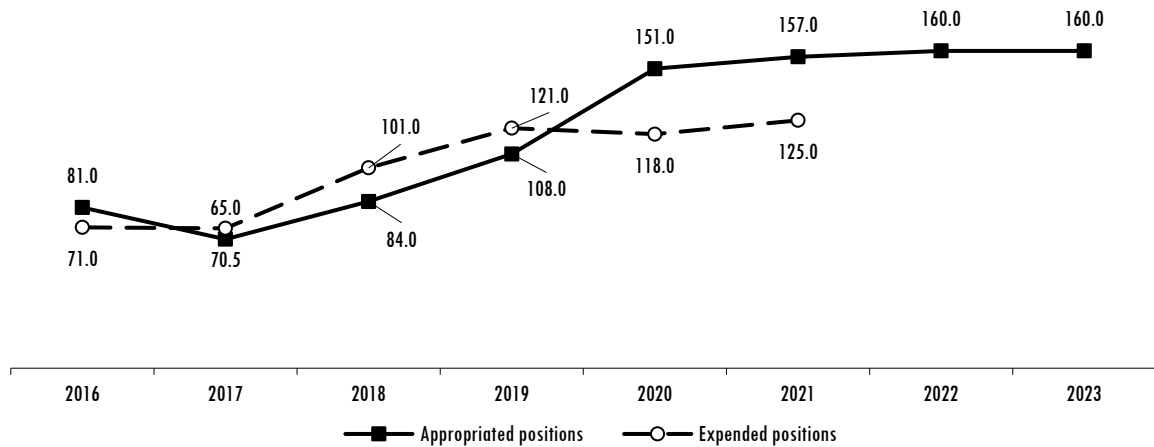
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$8.5	\$12.8	\$13.6	\$13.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$3.5	\$0.7
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$8.5	\$12.8	\$17.1	\$14.5

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 77 shows FTE positions for the program.

FIGURE 77
STATE RESIDENTIAL ADMINISTRATION AND SUPPORT PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would remove the administrative structure that currently enables the delivery of vital basic supervision and services and promotes the safety of agency staff and youths committed to TJJD. The removal of internal oversight and accountability would undermine safety controls for state residential programs. The administration of TJJD facilities would cease, which would require other state or local agencies to augment these services.

STATE RESIDENTIAL SUPPORT – VOLUNTEER AND COMMUNITY RELATIONS

The Texas Human Resources Code, Chapter 242

PROGRAM DESCRIPTION

The State Residential Support – Volunteer and Community Relations Program oversees, evaluates, and promotes the volunteer services program at the agency’s high-security correctional facilities, halfway houses, and parole offices. Program staff serve as liaisons to local faith-based leadership and other charitable, nonprofit organizations supporting agency facilities and youth and collaborate with various social service agencies to assist youths’ families with accessing various resources.

PROGRAM REVENUE

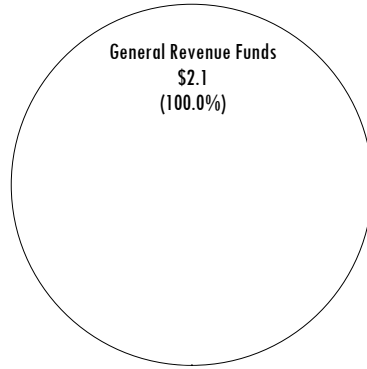
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 78 shows the program’s funding sources by method of finance.

FIGURE 78
STATE RESIDENTIAL ADMINISTRATION SUPPORT – VOLUNTEER AND COMMUNITY RELATIONS PROGRAM FUNDING SOURCE
2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$2.1



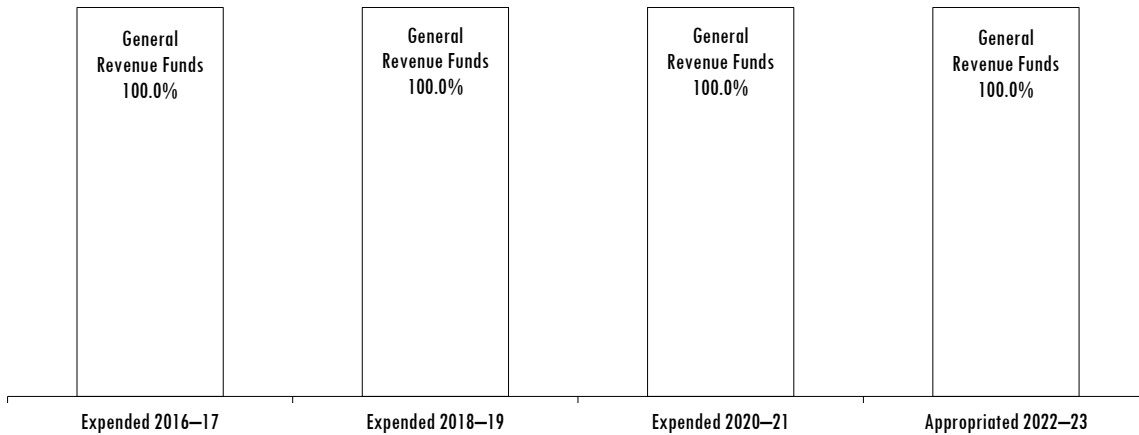
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 79 shows historical funding for the program by method of finance.

FIGURE 79
STATE RESIDENTIAL ADMINISTRATION AND SUPPORT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.1	\$2.7	\$2.0	\$2.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0

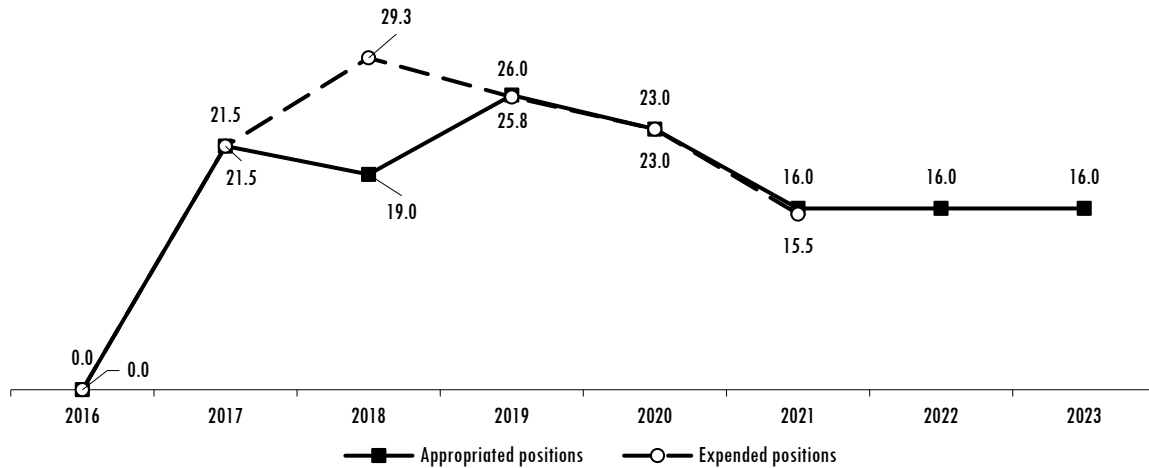
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.1	\$2.7	\$2.0	\$2.1

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 80 shows FTE positions for the program.

FIGURE 80
STATE RESIDENTIAL ADMINISTRATION SUPPORT – VOLUNTEER AND COMMUNITY RELATIONS PROGRAM
FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would deprive youths confined in correctional facilities of an important means of contact with the outside world, which is a basic youth right.

YOUTH RIGHTS

The Texas Human Resources Code, Sections 203.010, 203.014, and 242.101; the Texas Family Code, Sections 61.103, 261.401, and 261.409; the Texas Civil Practice and Remedies Code, Chapter 110; U.S. Code of Federal Regulations, Title 28, Part 115; U.S. Code of Federal Regulations, Title 42, Part 2000cc

PROGRAM DESCRIPTION

Through the Youth Rights Program, agency staff oversee the process that enables youths’ guardians and youth advocates to file grievances concerning the care, treatment, services, or conditions provided for youths within TJJD’s jurisdiction. TJJD reports that it seeks to resolve grievances in a prompt, fair, and thorough manner; however, grievances alleging criminal violations or abuse, neglect, and exploitation are referred to law enforcement for investigation and disposition.

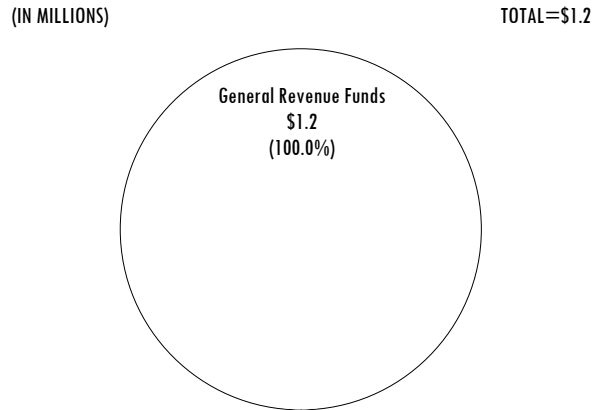
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 81 shows the program’s funding source by method of finance.

**FIGURE 81
YOUTH RIGHTS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**



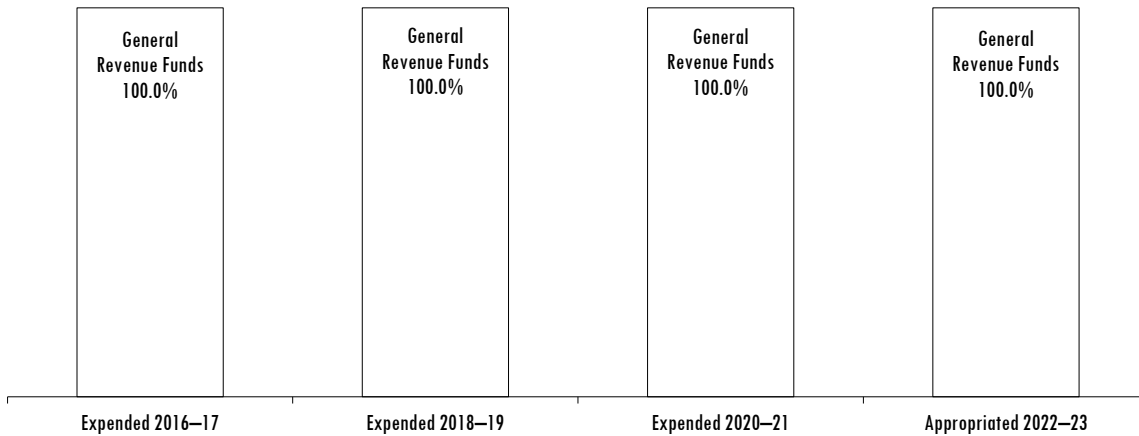
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 82 shows historical funding for the program by method of finance.

**FIGURE 82
YOUTH RIGHTS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.2	\$1.1	\$1.1	\$1.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0

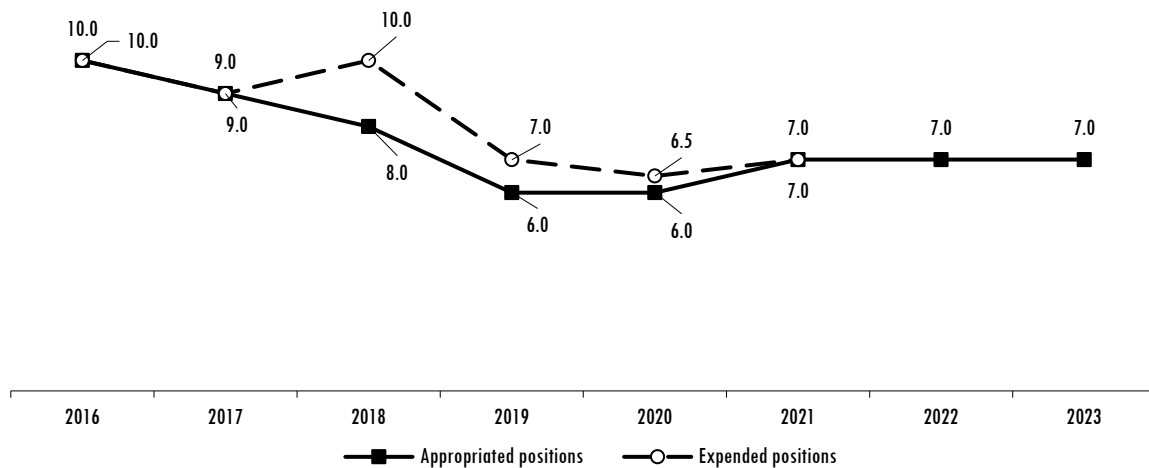
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.2	\$1.1	\$1.1	\$1.2

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 83 shows FTE positions for the program.

FIGURE 83
YOUTH RIGHTS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would expose the agency to allegations of violating youths' constitutionally protected due process rights.

BASIC YOUTH SUPERVISION

The Texas Human Resources Code, Chapter 242

PROGRAM DESCRIPTION

Through the Basic Youth Supervision Program, agency staff perform TJJJD’s core mission of supervising, treating, and rehabilitating youths committed to TJJJD custody after the youths are adjudicated for delinquent conduct in violation of a felony level offense. Youths are housed in one of five secure state facilities and monitored by juvenile correctional officers (JCO). At each secure facility, youths are placed in dormitories overseen by a dorm team leader, senior JCO, and additional JCOs who provide direct-care supervision and engage with the youths.

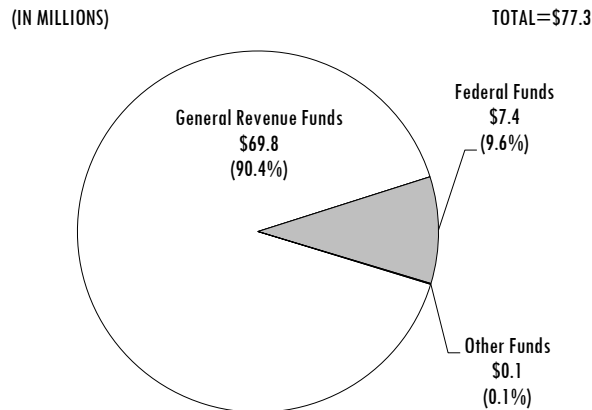
PROGRAM REVENUE

The program has one revenue object derived from rents paid by state employees for state-owned housing. The Eighty-seventh Legislature, General Appropriations Act (GAA), 2022–23 Biennium, Article V, TJJD, Rider 17, authorizes the chief superintendent, the assistant superintendent, and other TJJD staff to live in state-owned housing at a rate determined by the agency. According to TJJD, the fees for employee housing are calculated to cover the agency’s cost of maintenance and utilities. The current rates vary and are based on house size. Funds are collected through payroll deduction and deposited into General Revenue Funds.

PROGRAM FUNDING

Figure 84 shows program funding sources by method of finance.

FIGURE 84
BASIC YOUTH SUPERVISION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



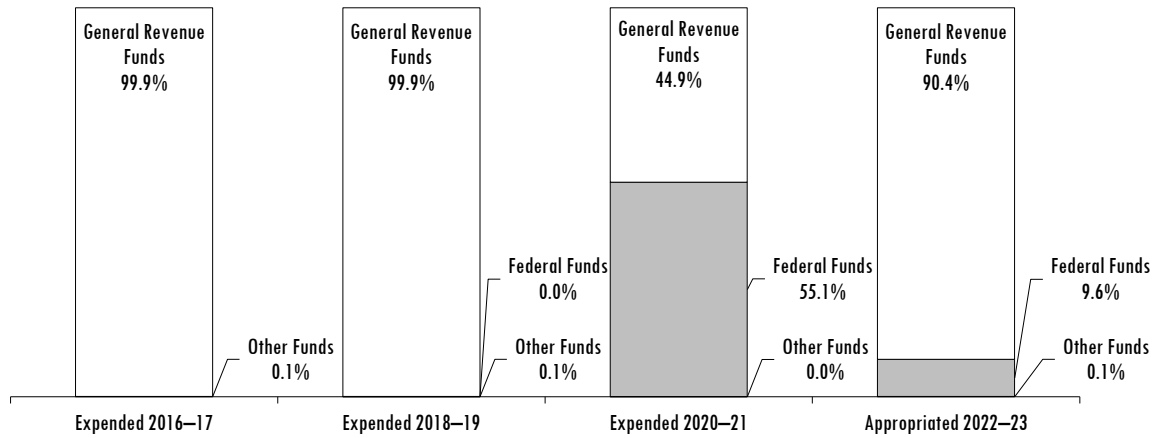
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 85 shows historical funding for the program by method of finance. The program received pass-through federal funding from the Office of the Governor related to the COVID-19 pandemic and to the federal Prison Rape Elimination Act for the 2020–21 and 2022–23 biennia.

FIGURE 85
BASIC YOUTH SUPERVISION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

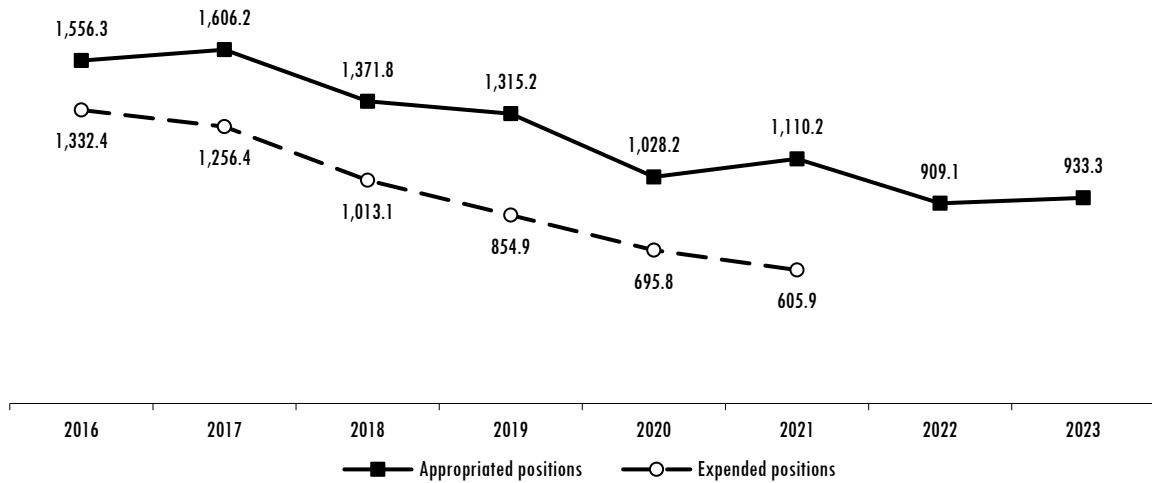
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$116.7	\$97.6	\$37.5	\$69.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$46.0	\$7.4
Other Funds	\$0.1	\$0.1	\$0.0	\$0.1
Total, All Methods of Finance	\$116.8	\$97.7	\$83.6	\$77.3

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 86 shows FTE positions for the program.

FIGURE 86
BASIC YOUTH SUPERVISION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 87 shows the program’s performance measures.

FIGURE 87
BASIC YOUTH SUPERVISION PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Turnover Rate of Juvenile Correctional Officers (JCO)	Yes	33.0%	71.6%	40.0%
Cost per Day – State-operated Secure Correctional Facilities	Yes	\$169.50	\$211.67	\$183.79
Juveniles per Direct Supervision JCO Staff per Shift	Yes	7.3	6.6	8.0
Average Daily Population – State-operated Secure Correctional Facilities	Yes	987	637	741

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that actual expenses to provide basic supervision and basic youth care items amount to \$113.81 per day per youth. This amount includes maintaining staff to meet the federally required minimum supervision ratio of 1:8 during daytime hours and 1:16 during nighttime hours. This amount also includes providing minimum youth care items such as mattresses, sheets, clothes, and hygiene products. However, this amount excludes additional security and safety measures such as body-worn cameras. The current reported expenditures per youth per day were \$198.08 during fiscal year 2020 and \$211.67 during fiscal year 2021.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, basic supervision is critically necessary for TJJD’s core purpose and function. All operations of the agency’s secure facilities, halfway houses, and youth movement, progression, and reentry depend on this program. Its discontinuation would reduce or eliminate the state’s ability to safely house, supervise, and rehabilitate committed youths, thus

requiring the state or county governments to incur costs to continue these services. Indirect budgetary impacts could include increased costs for county probation.

DUE PROCESS HEARINGS AND APPEALS

The Texas Human Resources Code, Sections 243.051, 244.005, and 245.051; the Texas Family Code, Section 54.01

PROGRAM DESCRIPTION

Within the Due Process Hearings and Appeals Program, agency staff in the Office of General Counsel manage due process administrative hearings for youths committed to TJJD. Hearings are held for various reasons, most commonly to impose discipline on a youth to address misbehavior. Youths have the right to appeal the outcome of all hearings, which are conducted by agency attorneys.

PROGRAM REVENUE

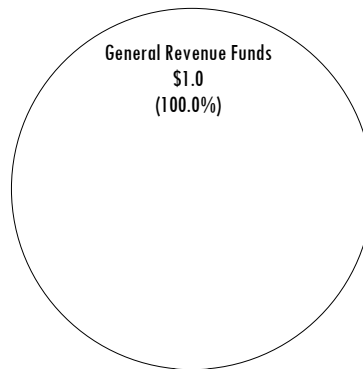
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 88 shows the program’s funding source by method of finance.

FIGURE 88
DUE PROCESS HEARINGS AND APPEALS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$1.0



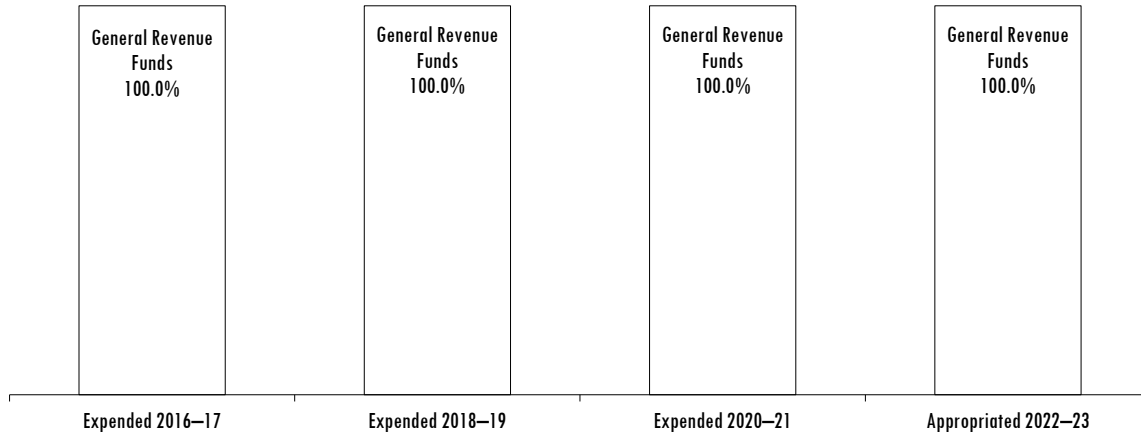
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 89 shows historical funding for the program by method of finance.

**FIGURE 89
DUE PROCESS HEARINGS AND APPEALS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

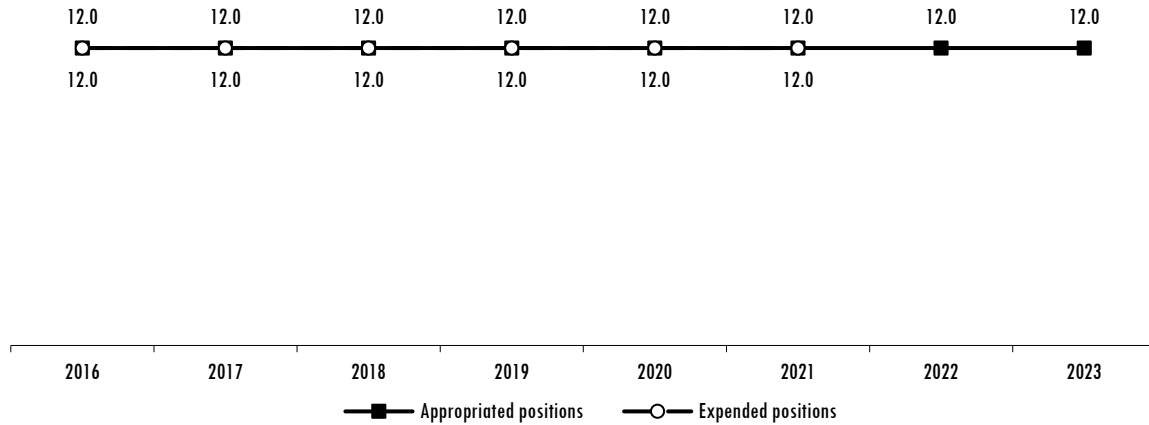
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.0	\$1.0	\$1.0	\$1.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.0	\$1.0	\$1.0	\$1.0

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 90 shows FTE positions for the program. The program has maintained 12.0 FTE positions each fiscal year.

FIGURE 90
DUE PROCESS HEARINGS AND APPEALS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would expose TJJD to allegations of violating youths’ constitutionally protected due process rights. This action could require the payment of monetary damages to youths whose rights were found to have been violated and subject the agency to the control or monitoring of a court or other third party.

FACILITY SAFETY AND SECURITY

The Texas Human Resources Code, Sections 201.002(D), 242.003, 204.005, 204.006

PROGRAM DESCRIPTION

The Facility Safety and Security Program is responsible for managing the youth safety management system, aligning the regulation and safety functions of the TJJD security program, supporting risk-management functions, and performing other operational initiatives supporting safe and secure operations that serve to improve safety and define structure and accountability within the agency’s Texas Model of Intervention.

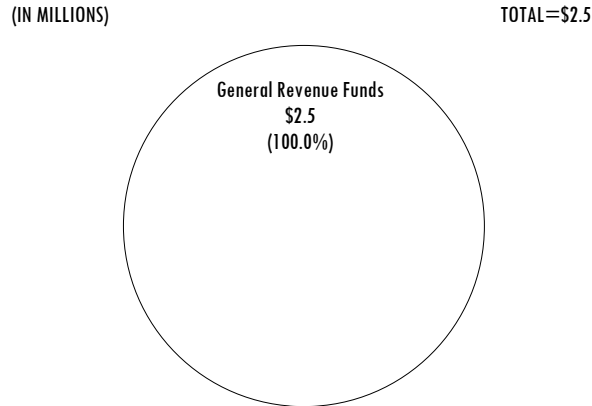
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 91 shows the program’s funding source by method of finance.

FIGURE 91
FACILITY SAFETY AND SECURITY PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



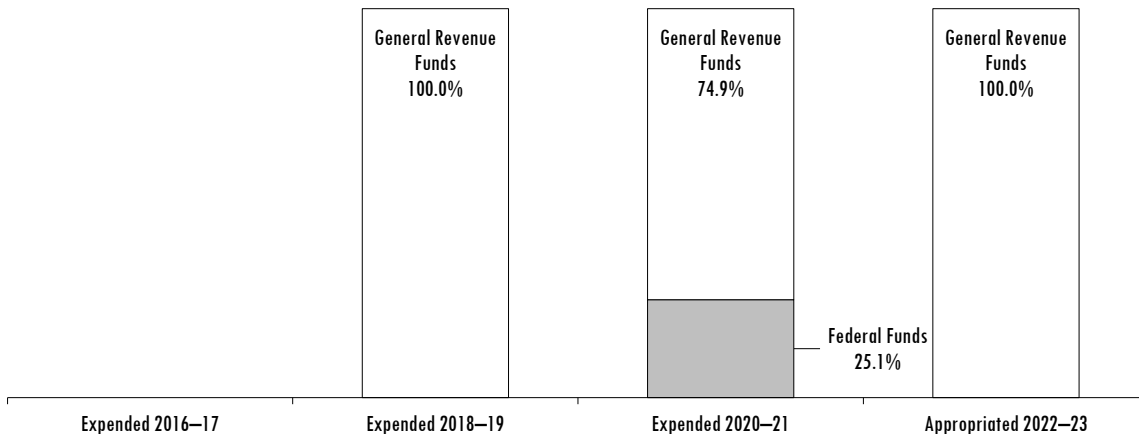
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 92 shows historical funding for the program by method of finance. The program was established in the 2018–19 biennium and received pass-through federal funding from the Office of the Governor related to the COVID-19 pandemic in the 2020–21 biennium.

FIGURE 92
FACILITY SAFETY AND SECURITY PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$1.3	\$1.9	\$2.5
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.6	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0

Number of Juveniles Directly Served through the Office of Independent Ombudsman	No	N/A	2,170	N/A
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NOTE: The agency is not required to report targets for non-key performance measures.
 SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would destabilize efforts to unify and systemize integrated safety and security operations, which could jeopardize youth, staff, and community safety. Indirect budgetary impacts could include costs associated with accidents and safety incidents, staffing challenges, youths’ medical expenses, and reactive measures to address facility or environmental hazards. In addition, unsafe conditions resulting from the program’s discontinuation may include lengthening the time of emergency medical response and increasing the burden on medical service and first-response resources from local and state entities.

NUTRITION AND FOOD SERVICES

The Texas Human Resources Code, Sections 242.051 and 244.009; the federal Hunger-Free Kids Act of 2010

PROGRAM DESCRIPTION

The Nutrition and Food Services (NSF) Program provides meals that are intended to meet current and reputable nutrition guidelines and food safety and sanitation practices. The program follows U.S. Department of Agriculture (USDA) guidelines for the National School Lunch Program (NSLP) and School Breakfast Program (SBP). The program’s purpose is to support youths’ rehabilitation of through nutrition. NFS Standardized Menus are revised annually for use by the TJJD facilities and meet or exceed the standards set in the NSLP and SBP, and the USDA’s most recent Dietary Guidelines for Americans and the Recommended Dietary Allowances. Services include menu planning that meets evidence-based nutrition standards; onsite semiannual inspections of food services to monitor compliance with program regulations and applicable standards; policy and procedure development; annual food-service staff training that meets professional standards criteria established for the NSLP and SBP; and nutrition consulting and special diet accommodations.

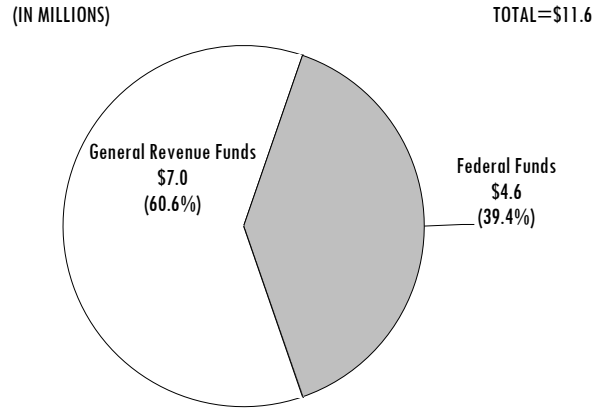
PROGRAM REVENUE

The program has one object of revenue coded as dormitory, cafeteria, and merchandise sales. The 2022–23 GAA, Article V, TJJD, Rider 12, requires collections for services rendered to TJJD employees and visitors to be made by a deduction from the recipient’s salary or by cash payment in advance; the GAA appropriates such receipts to the facility. The rider also authorizes any facility under TJJD’s jurisdiction to provide free meals for food service personnel and volunteer workers as compensation for services rendered and to furnish housing facilities, meals, and laundry service in exchange for services rendered by interns, chaplains in training, student nurses, and juvenile correctional officers (JCO). According to the agency, amendments to Rider 12 by the Eighty-seventh Legislature, Regular Session, 2021, authorizing free meals for JCOs while working have reduced the program’s revenue significantly.

PROGRAM FUNDING

Figure 95 shows program funding sources by method of finance.

FIGURE 95
NUTRITION AND FOOD SERVICES PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



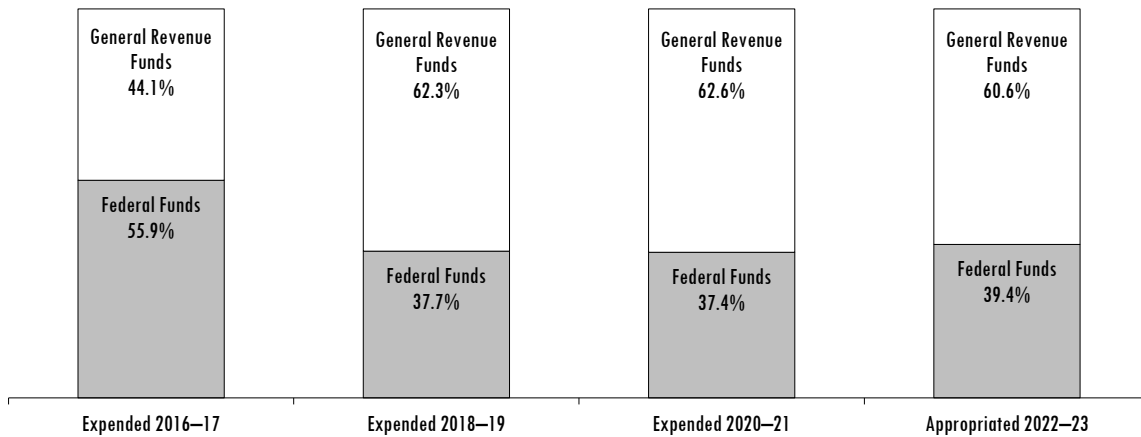
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 96 shows historical funding for the program by method of finance.

FIGURE 96
NUTRITION AND FOOD SERVICES PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

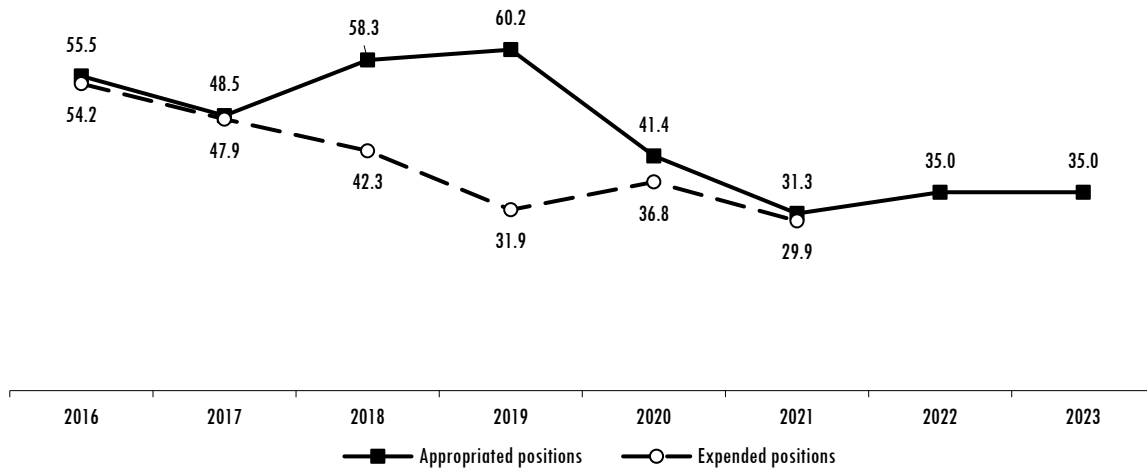
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$5.5	\$6.4	\$6.3	\$7.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$6.9	\$3.9	\$3.8	\$4.6
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$12.4	\$10.2	\$10.1	\$11.6

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 97 shows FTE positions for the program.

FIGURE 97
NUTRITION FOOD SERVICES PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are greater than currently appropriated amounts for the 2022–23 biennium. According to the agency, current funding no longer is sufficient due to increased costs of food and delivery issues related to supply-chain disruptions resulting from the COVID-19 pandemic.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would eliminate oversight of the nutritional safety and well-being of youths in the agency’s care and would disqualify TJJD from receiving federal reimbursement for providing breakfast and lunch meals that meet USDA regulations and requirements for the NSLP and SBP.

VIOLENCE INTERVENTION CONTINUUM

The Texas Human Resources Code, Sections 244.002, 244.005, and 244.006

PROGRAM DESCRIPTION

Through the Violence Intervention Continuum Program, the agency provides additional resources to a small group of youths committed to TJJD whose behavior requires their removal from the general population for others’ safety. This multifunctional tiered program is structured to meet each youth’s needs in the least restrictive environment.

PROGRAM REVENUE

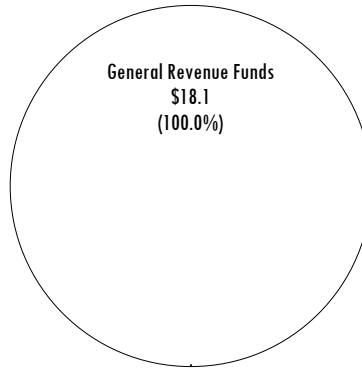
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 98 shows the program’s funding source by method of finance.

FIGURE 98
VIOLENCE INTERVENTION CONTINUUM PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$18.1



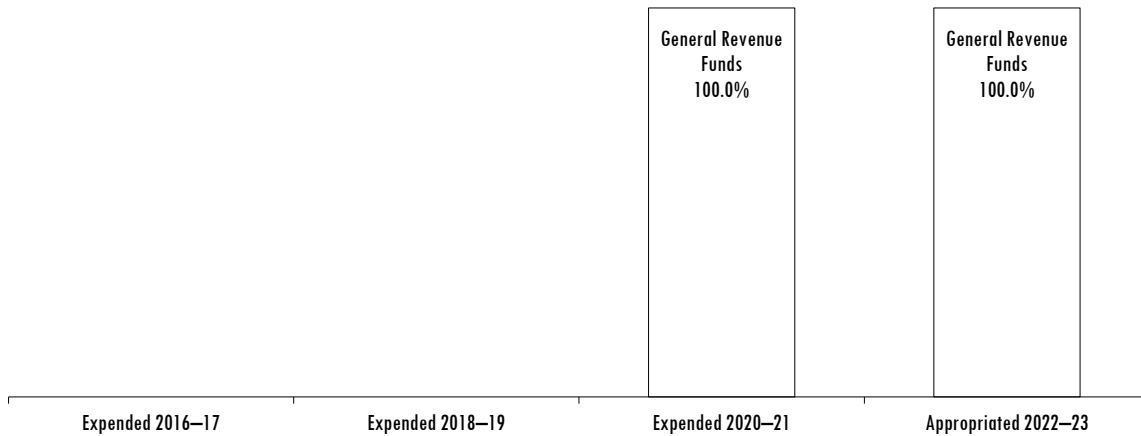
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 99 shows historical funding for the program by method of finance. The program was established in the 2020–21 biennium.

FIGURE 99
VIOLENCE INTERVENTION CONTINUUM PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

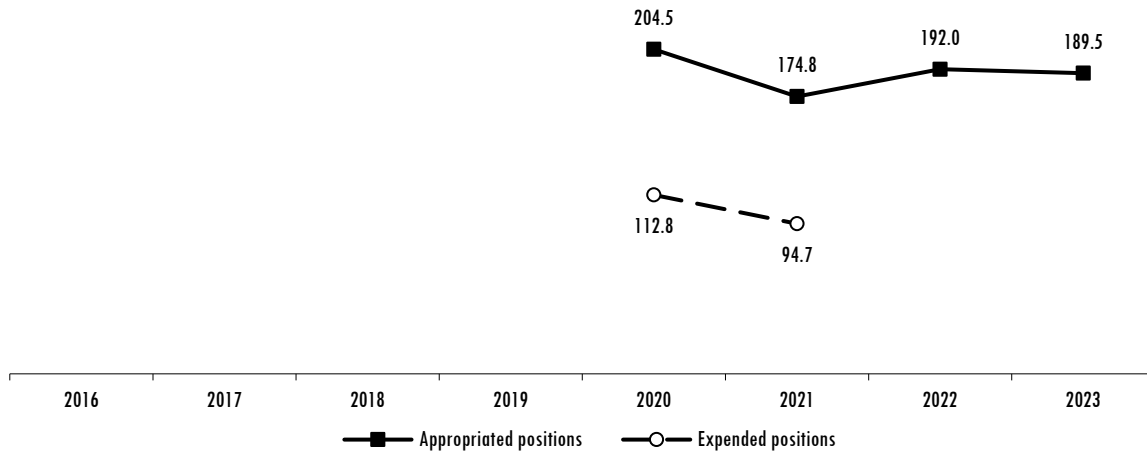
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$17.1	\$18.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.0	\$0.0	\$17.1	\$18.1

NOTE: No funding was reported for the 2016–17 and 2018–19 biennia because the program was not yet established.
 SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 100 shows FTE positions for the program since it was established during the 2020–21 biennium.

FIGURE 100
VIOLENCE INTERVENTION CONTINUUM PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



NOTE: No positions were reported for fiscal years 2016 to 2019 because the program was not yet established.
 SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would decrease the agency’s ability to provide intervention to highly aggressive youths, which would diminish safety and security for facilities, youths, and staff. Without the program’s tiered behavior modification interventions, potentially violent youths would remain housed among the general population programming, which could lead to additional staff turnover and pose a danger to other committed youths.

EDUCATION AND WORKFORCE DEVELOPMENT

The Texas Education Code, Sections 30.102-30.106

PROGRAM DESCRIPTION

Through the Education and Workforce Development Program, agency staff seek to provide youths in secure facilities with quality academic and vocational experiences to better equip them for successful reentry to their communities. The program helps students complete high school graduation requirements by offering courses in language arts, mathematics, science, social studies, and self-discipline.

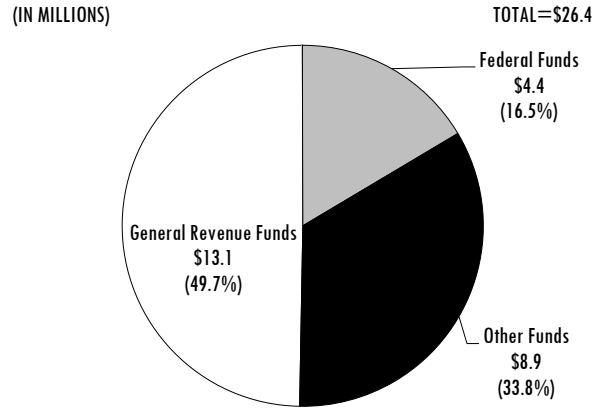
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 101 shows program funding sources by method of finance.

FIGURE 101
EDUCATION AND WORKFORCE DEVELOPMENT PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



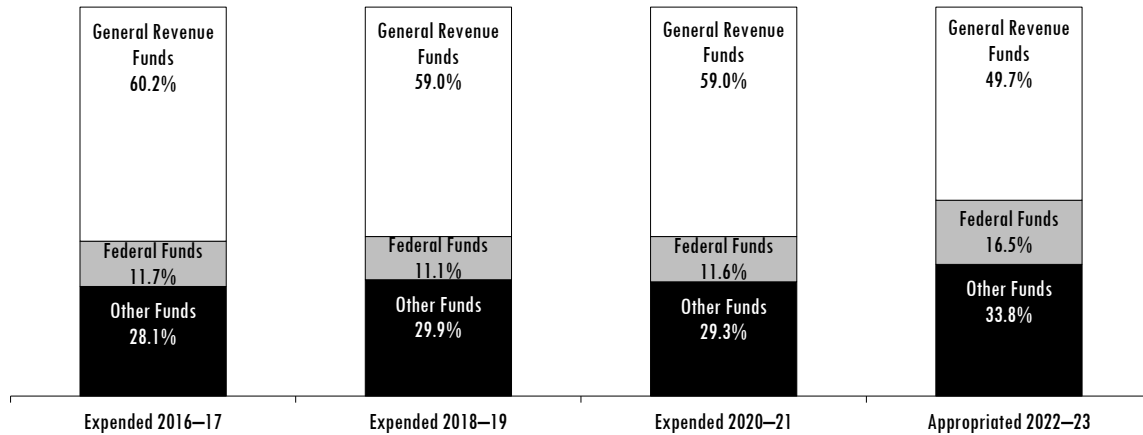
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 102 shows historical funding for the program by method of finance.

FIGURE 102
EDUCATION AND WORKFORCE DEVELOPMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$18.6	\$16.3	\$16.2	\$13.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$3.6	\$3.1	\$3.2	\$4.4
Other Funds	\$8.7	\$8.3	\$8.0	\$9.0

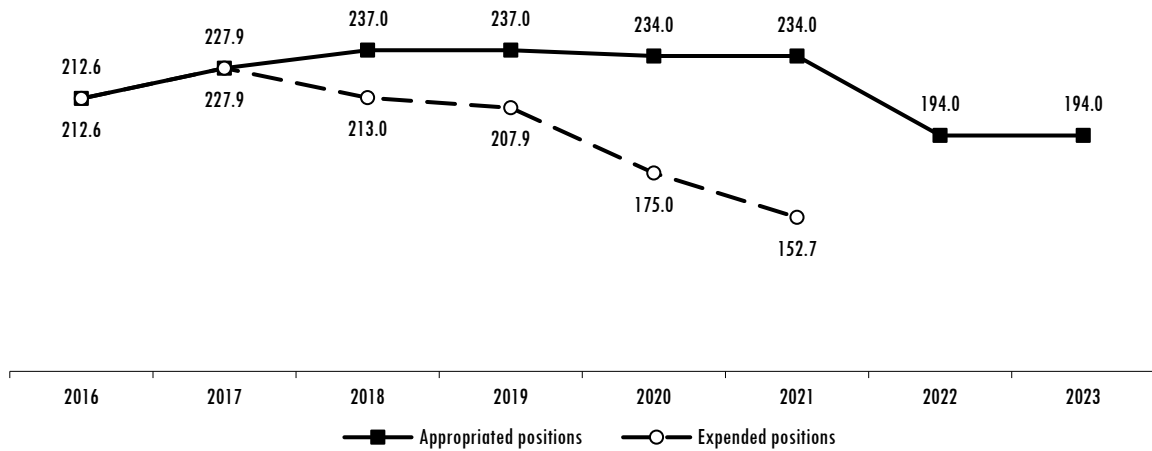
Total, All Methods of Finance **\$30.8** **\$27.7** **\$27.4** **\$26.4**

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 103 shows FTE positions for the program.

FIGURE 103
EDUCATION AND WORKFORCE DEVELOPMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 104 shows the program’s performance measures. The unit of measurement for average math and reading gain is the number of grade levels attained per month of instruction. The gain is assessed by comparing test results across time.

FIGURE 104
EDUCATION AND WORKFORCE DEVELOPMENT PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Diploma or High School Equivalency Rate at Schools Operated by the Texas Juvenile Justice Department (TJJD)	Yes	45.0%	26.7%	45.0%
Percentage Reading at Grade Level at Release	Yes	20.0%	12.9%	20.0%
Industrial Certification Rate in TJJD-operated Schools	No	N/A	30.0%	N/A
Average Math Gain per Month of Instruction	No	N/A	1.2	N/A
Average Reading Gain per Month of Instruction	No	N/A	1.1	N/A
Education and Workforce Cost in TJJD-operated Schools	No	N/A	\$107.9	N/A
Percentage Reading at Grade Level at Commitment	No	N/A	8.1%	N/A
Average Daily Attendance in TJJD-operated Schools	Yes	862	565.8	704

Number of Industrial Certifications Earned by Juveniles	No	N/A	213	N/A
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NOTE: The agency is not required to report targets for non-key performance measures.

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would hinder students' educational growth and would violate state and federal law requiring the provision of educational services and opportunity.

REENTRY

The Texas Human Resources Code, Chapter 245; the Texas Family Code, Section 59.009

PROGRAM DESCRIPTION

The Reentry Program consists of the following services:

- the Centralized Placement Unit, which, among other activities, determines and coordinates the most appropriate placement of youths committed to a TJJD-operated or contracted facility, coordinates subsequent movements with staff across agency divisions during the commitment, and manages youths' placements to help ensure that youths are placed in TJJD settings for appropriate periods of stay;
- halfway house programming, which provides rehabilitative services to low-risk and moderate-risk youths committed to TJJD, provides care for each youth's basic needs, provides housing for youths that are experiencing homelessness or are at risk of becoming homeless; prepares youths to live independently; and connects youths with community resources and special needs such as LGBTQ support;
- the Youth Services Contracts Program, which solicits and develops contract care options to meet the agency's changing needs; provides treatment options for youths in smaller settings; and monitors operational compliance, treatment deliverables, and the case management services provided to such youths at contracted facilities;
- reentry system and parole operations, which provide: (1) trauma-informed reentry services for the agency's most vulnerable youths; and (2) supports, supervision, and resources to youths on parole in the community through contracted and state-operated parole services;
- victim services and sex offender registration technical support, which upholds the legal rights of victims of juvenile crime and recognizes their losses; assists victims by acting as a referral source to available services; ensures that TJJD staff are trained in victim sensitivity issues and rights; and develops youth awareness of how their delinquent behavior victimizes others; and
- administration of the Parrie Haynes and John C. Wende trust funds, which provide education funding for orphaned youths after leaving the agency's custody.

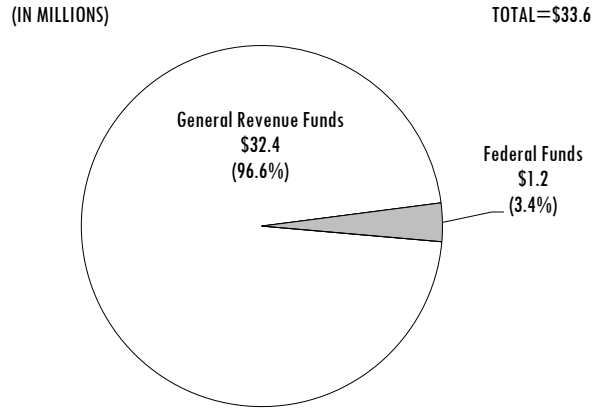
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 105 shows program funding sources by method of finance.

FIGURE 105
REENTRY PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



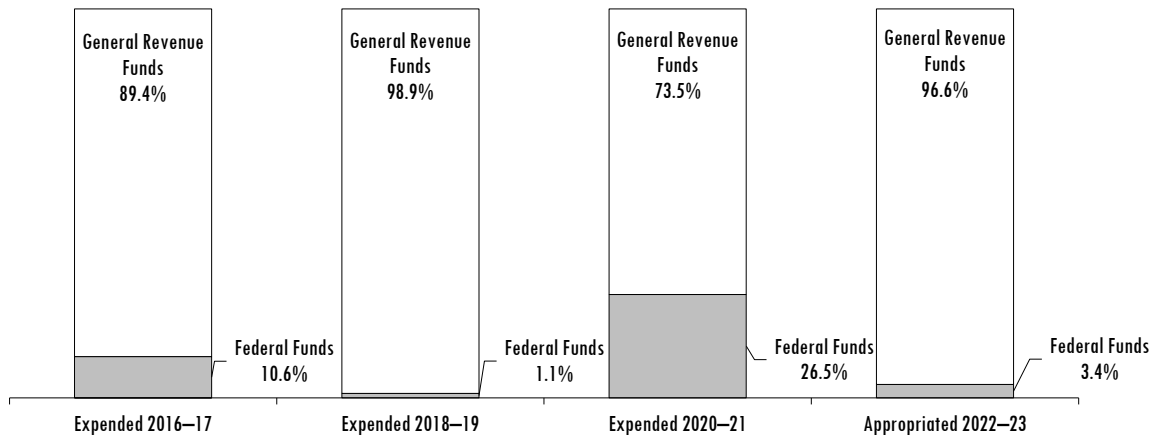
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 106 shows historical funding for the program by method of finance.

FIGURE 106
REENTRY PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

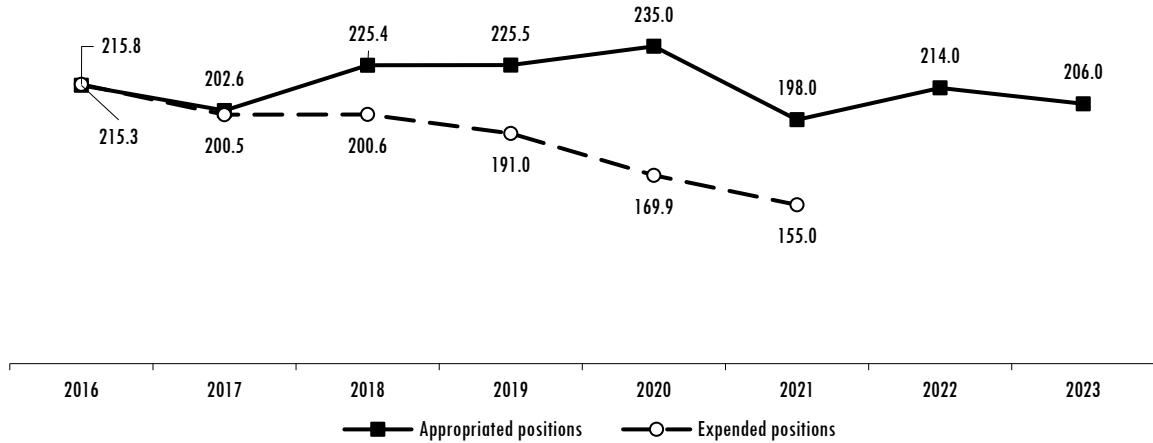
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$33.6	\$33.8	\$22.2	\$32.4
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$4.0	\$0.4	\$8.0	\$1.2
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$37.5	\$34.2	\$30.2	\$33.6

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 107 shows FTE positions for the program.

FIGURE 107
REENTRY PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 108 shows the program’s performance measures.

FIGURE 108
REENTRY PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Rearrest/Re-referral Rate	Yes	42.0%	42.9%	45.0%
One-year Rearrest/Re-referral Rate for Violent Felony Offenses	Yes	10.0%	13.7%	12.0%
Reincarceration Rate – Within One Year	Yes	23.0%	13.0%	23.0%
Reincarceration Rate – Within Three Years	Yes	41.5%	37.3%	41.5%
Rearrest Rate – Juveniles Receiving Specialized Treatment	No (1)	N/A	73.1%	N/A
Constructive Activity (2)	No	N/A	54.6%	N/A
Halfway House Cost per Juvenile per Day	Yes	\$164.48	\$387.03	\$216.31
Average Daily Population (ADP) – Halfway House Programs	Yes	146	56	104
Parole Supervision Cost per Juvenile per Day	Yes	\$14.96	\$22.32	\$18.40
ADP – Parole	Yes	425	270	315
ADP – Contract Parole	No	N/A	26.4	N/A

ADP – Aftercare Services	No	N/A	94.7	N/A
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NOTES:

- (1) The agency is not required to report target data for non-key measures.
- (2) Constructive activity shows the percentage of juveniles who have been on parole for at least 30 days who are employed; actively pursuing employment; attending school, college, or preparing for certificate of high school equivalency; participating in vocational or technical training; or performing community service.

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing parole and halfway house operations, which are essential to the protection of public safety, would reduce rehabilitative services for youths in need and would result in an increase in recidivism. TJJD youths benefitting from the John C. Wendt and Parrie Haynes trust funds no longer would receive services. More than 400 aftercare contracts for TJJD youth no longer would be maintained and monitored, and new contracts would not be secured, which would decrease treatment options for TJJD youths. The agencywide electronic parole monitoring system no longer would be managed, which could diminish public safety. The agency also would fall out of compliance with various provisions of state law.

MEDICAL SERVICES

The Texas Human Resources Code, Sections 244.001, 244.006, and 244.009

PROGRAM DESCRIPTION

The Medical Services Program employs a trauma-informed approach to providing and overseeing preventive, acute-care, and chronic treatment healthcare services, including medical, psychiatric, optometric, dental, pharmacy, and nursing care. These services are provided through a contract vendor for all secure facilities and through healthcare entities that serve the general public for all contract and halfway-house facilities. Among other activities, the program oversees appropriation of sick leave pool hours to TJJD employees for catastrophic medical events, works with state hospitals and counties to address acute mental health care needs of TJJD youths through civil commitments, works with the treatment services team to further develop and optimize an on-site crisis stabilization unit, and collaborates with state agency medical directors to develop optimal practices in managing further care for critical youth in state hospitals.

PROGRAM REVENUE

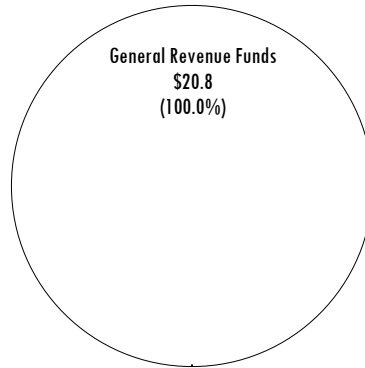
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 109 shows the program’s funding source by method of finance.

FIGURE 109
MEDICAL SERVICES PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$20.8



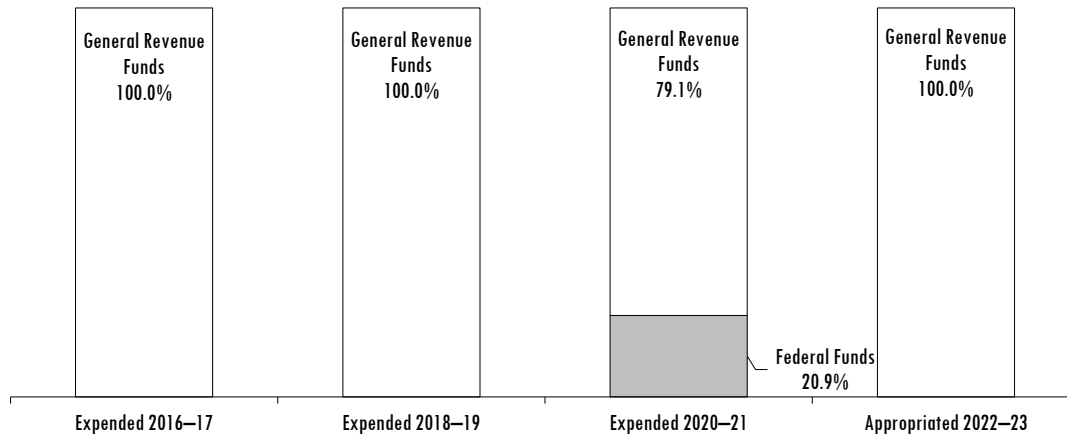
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 110 shows historical funding for the program by method of finance. The program received pass-through federal funding from the Office of the Governor related to the COVID-19 pandemic in the 2020–21 biennium.

FIGURE 110
MEDICAL SERVICES PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$18.2	\$19.2	\$15.1	\$20.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$4.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$18.2	\$19.2	\$19.0	\$20.8

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

The agency did not report any FTE positions for the program. Staff at the University of Texas Medical Branch (UTMB) provide medical services to TJJD youths in accordance with an Interagency Contract. During fiscal year 2020, the agency reported contracted expenditures of \$9.7 million, with a total maximum contract amount of \$21.1 million for the 2020–21 biennium. The FTE positions that oversee the program are included in the position totals for the Residential Administration and Support program.

PERFORMANCE MEASURES

Figure 111 shows the program’s performance measures.

**FIGURE 111
 MEDICAL SERVICES PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021**

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Cost of Health Care Services per Juvenile per Day	Yes	\$20.45	\$38.42	\$30.62
Average Daily Population (ADP) – Health Care	No	N/A	693.2	N/A
Cost of Psychiatric Services per Juvenile per Day	Yes	\$2.40	\$2.51	\$3.04
ADP – Psychiatric Services	No	N/A	693.2	N/A

NOTE: The agency is not required to report targets for non-key performance measures.
 SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium. However, the agency reports that the program currently is not funded fully to support the needed staffing at each facility. TJJD reports that additional funding is necessary to provide salary increases for UTMB staff and address inflation costs for medical services and medication.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, if contracted healthcare services were discontinued, healthcare services would be delivered by community providers at a significantly higher cost. The need for transportation from secure facilities to healthcare providers would be significantly greater. Not all community providers use a trauma-based approach to healthcare delivery, which conflict with the agency’s reform initiative. Discontinuation also would eliminate oversight of healthcare delivered to TJJD youths and could require the youths’ families or local probation departments to incur the additional costs of medical services.

ALCOHOL OR OTHER DRUG TREATMENT

The Texas Human Resources Code, Sections 242.002, 242.051, 244.001, and 244.009; the Texas Family Code, Section 59.009

PROGRAM DESCRIPTION

Through the Alcohol or Other Drug Treatment Program, licensed credentialed counselors serve sentenced offenders and non-sentenced offenders that meet the criteria for substance use disorder in certain TJJD facilities dedicated for this purpose. The program seeks to address the underlying emotional dynamics that fuel delinquent behavior and the effects of youths’ substance use issues on families, victims, and criminal activity. Youths in the program must demonstrate accountability for preventing relapse of their substance use before they are considered for release to a less restrictive setting.

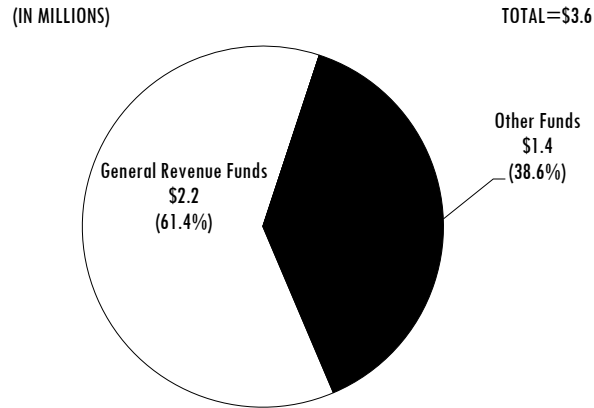
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 112 shows program funding sources by method of finance.

FIGURE 112
ALCOHOL OR OTHER DRUG TREATMENT PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



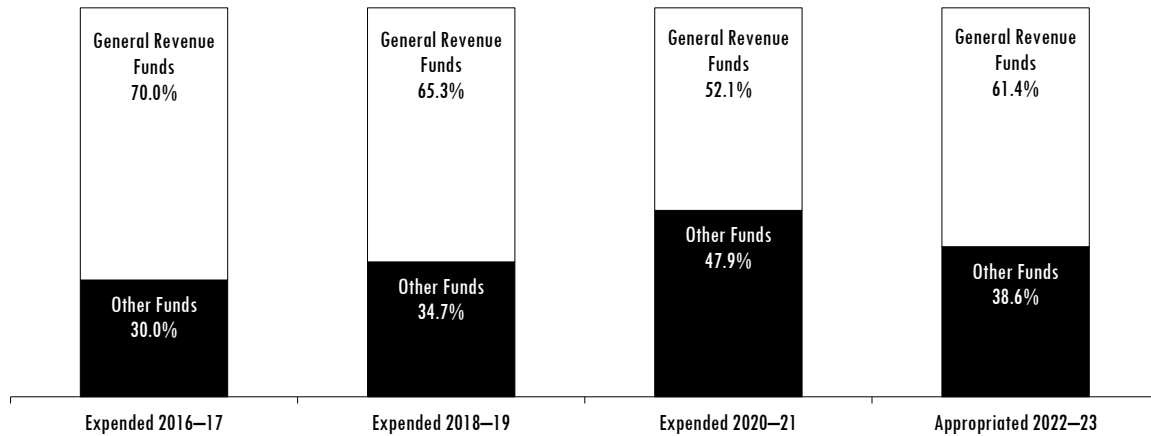
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 113 shows historical funding for the program by method of finance.

FIGURE 113
ALCOHOL OR OTHER DRUG TREATMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$3.0	\$2.4	\$1.2	\$2.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0

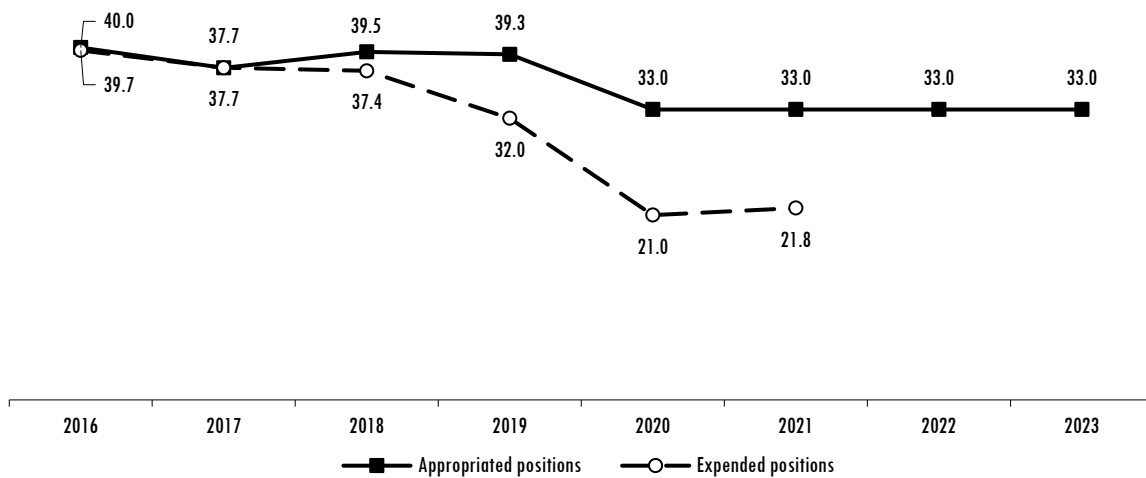
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$1.3	\$1.3	\$1.1	\$1.4
Total, All Methods of Finance	\$4.3	\$3.7	\$2.4	\$3.6

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 114 shows FTE positions for the program.

FIGURE 114
ALCOHOL OR OTHER DRUG TREATMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 115 shows the program’s performance measures.

FIGURE 115
ALCOHOL OR OTHER DRUG TREATMENT PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Specialized Treatment Cost per Juvenile per Day	Yes	\$18.49	\$14.95	\$35.32
Average Daily Population – Specialized Treatment	Yes	711	405	550

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would eliminate specialized treatment services at the agency’s institutional facilities and halfway houses for youths diagnosed with substance use disorder. The resulting return of untreated youth to the

community would increase the likelihood of recidivism and could impose the eventual cost of treatment onto local communities.

INTERVENTION SERVICES

The Texas Human Resources Code, Sections 244.002, 244.005, and 244.006

PROGRAM DESCRIPTION

The Intervention Services Program outlines a systematic, evidence-based approach for evaluating an individual’s risk of future offending and identifying the specific factors that must be addressed to reduce risk. Program staff seek to provide youths in the agency’s care individualized, effective, evidence-based interventions by qualified case managers.

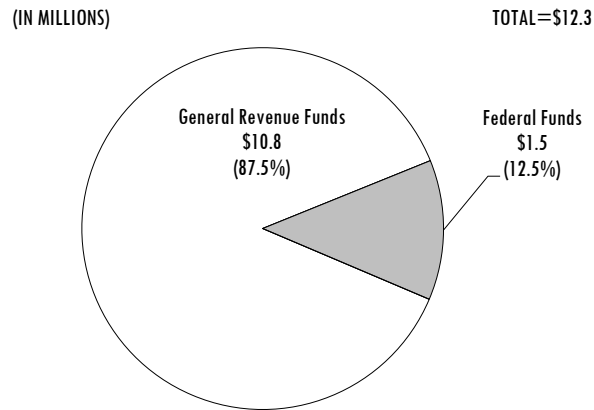
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 116 shows program funding sources by method of finance.

FIGURE 116
INTERVENTION SERVICES PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



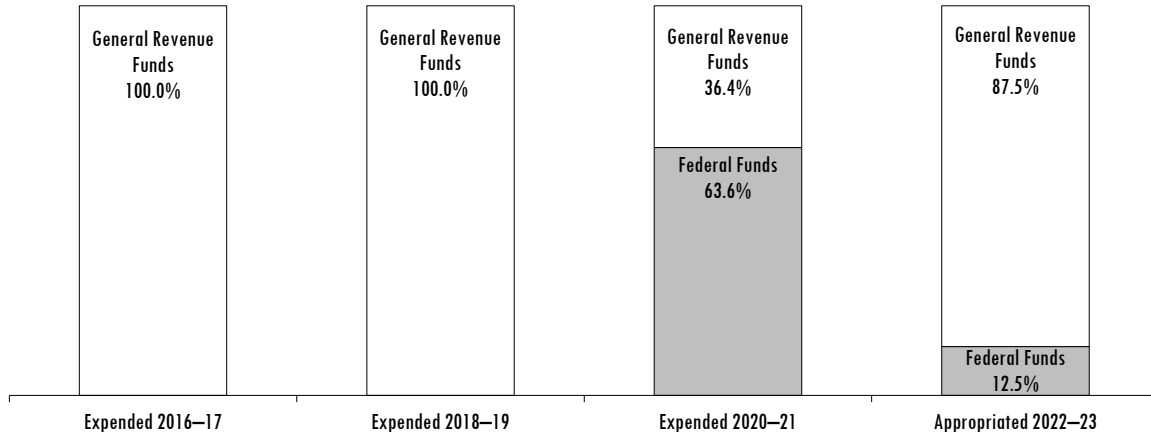
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 117 shows historical funding for the program by method of finance. The program received pass-through federal funding from the Office of the Governor related to the COVID-19 pandemic in the 2020–21 and 2022–23 biennia.

**FIGURE 117
INTERVENTION SERVICES PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

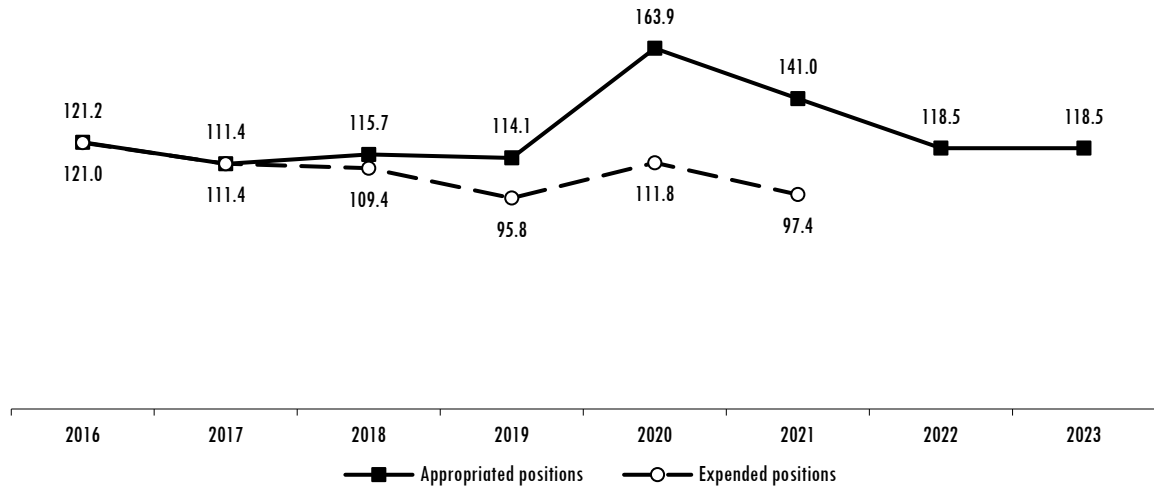
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$11.8	\$10.5	\$4.7	\$10.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$8.1	\$1.5
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$11.8	\$10.5	\$12.8	\$12.3

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 118 shows FTE positions for the program.

FIGURE 118
INTERVENTION SERVICES PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 119 shows the program’s performance measures.

FIGURE 119
INTERVENTION SERVICES PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
General Rehabilitation Treatment Cost per Juvenile per Day	Yes	\$20.84	\$37.43	\$24.09
Average Daily Population – General Rehabilitation Treatment	Yes	914	601	735

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing case management and intervention services would have a detrimental effect on youths in TJJD’s care by decreasing the services and interventions provided to them. This decrease in services could impede the effective progress of youths through the juvenile justice system and could result in longer lengths of stay in facilities and an increased need for agency resources to support and sustain a greater number of youths for longer periods.

MENTAL HEALTH TREATMENT

The Texas Human Resources Code, Sections 242.0052, 242.051, 242.009, 244.001, and 244.006; the Texas Family Code, Section 59.009

PROGRAM DESCRIPTION

The Mental Health Treatment Program provides treatment at one of three levels for the approximately 61.0 percent of youths in TJJD who are classified as needing mental health services. Youths with moderate mental health needs are monitored and

treated by clinicians at their local facilities. Youths with a primary mental health diagnosis (i.e., those who struggle with mental health symptoms and cognitive or developmental delays or both, and those who have experienced significant trauma that limits their ability to be safe without additional therapeutic interventions) receive assessment and specialized treatment from trained agency staff. Youths with intensive mental health needs are admitted to the crisis stabilization unit to receive enhanced assessments identifying and clarifying particular mental diagnoses and needs to inform treatment and transition planning, along with medication management services, individual therapy, therapeutic group activities, recreational activities, and educational services with the support of specially trained staff.

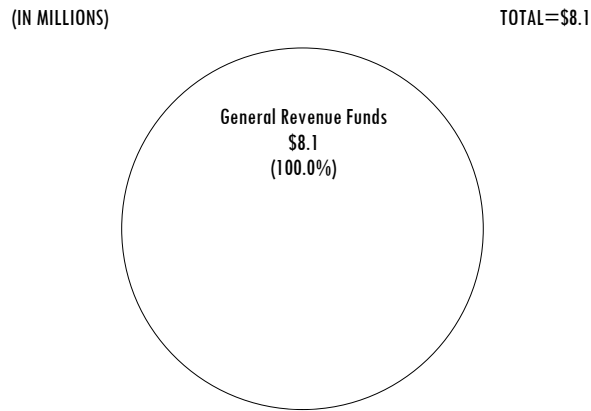
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 120 shows the program’s funding source by method of finance.

FIGURE 120
MENTAL HEALTH TREATMENT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



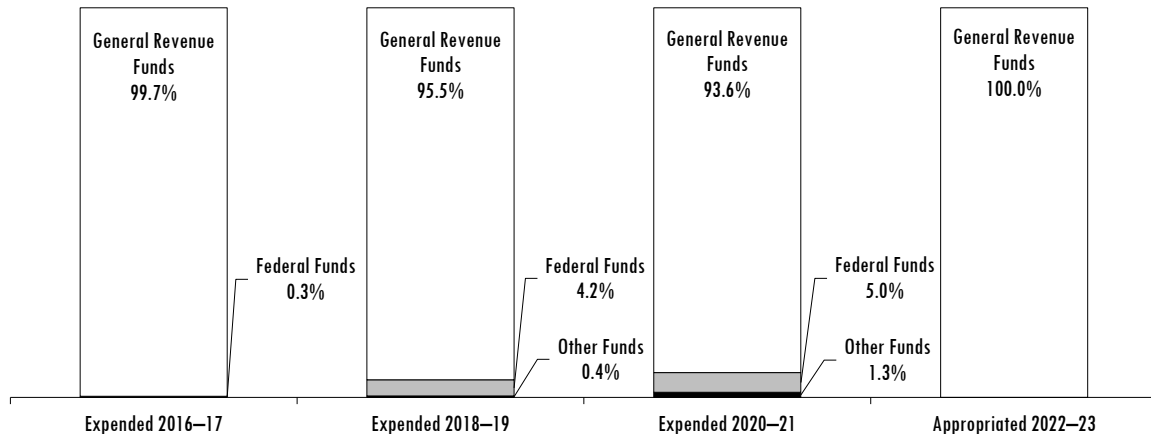
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 121 shows historical funding for the program by method of finance.

FIGURE 121
MENTAL HEALTH TREATMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

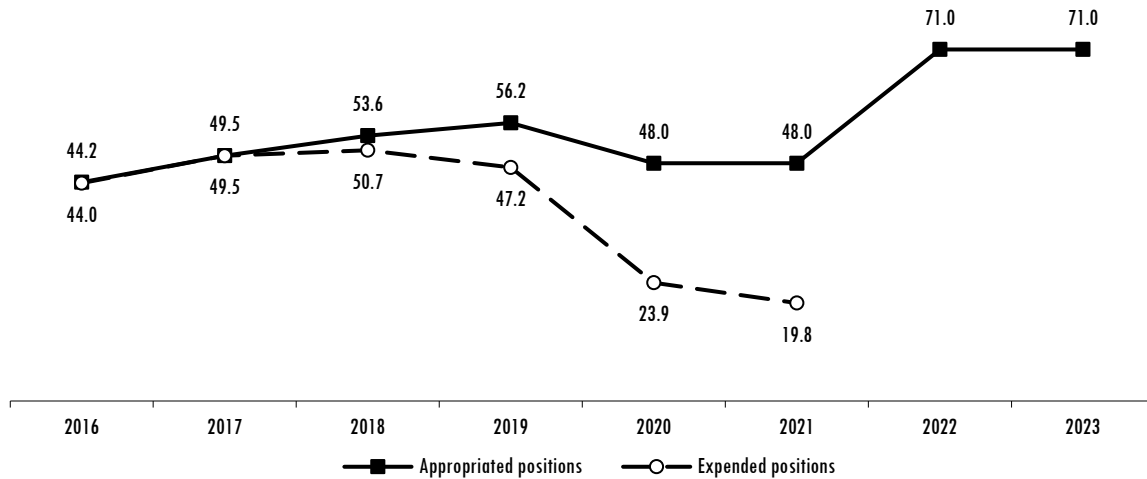
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$4.6	\$5.0	\$2.6	\$8.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.2	\$0.1	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$4.6	\$5.2	\$2.8	\$8.1

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 122 shows FTE positions for the program.

FIGURE 122
MENTAL HEALTH TREATMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 123 shows the program’s performance measures.

FIGURE 123
MENTAL HEALTH TREATMENT PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Specialized Treatment Cost per Juvenile per Day	Yes	\$18.49	\$14.95	\$35.32
Average Daily Population – Specialized Treatment	Yes	711	405	550

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would place the community and the youths in care at risk. Youths likely would obtain treatment in less effective and less appropriate settings, and the local communities could be required to provide treatment at higher costs.

SEXUAL BEHAVIOR TREATMENT

The Texas Human Resources Code, Sections 242.002, 242.051, 244.001, and 244.009; the Texas Family Code, Section 59.009; the Texas Code of Criminal Procedure, Article 62.352

PROGRAM DESCRIPTION

The Sexual Behavior Treatment Program is intended to help TJJD youths identified as needing sexual behavior treatment to stop victimizing others and learn and implement skills leading to a safe reentry into the community. Youths are assigned need levels of low, moderate, or high based on the nature of their offenses, risk factors, and assessments. Low-need youths receive

psychological education and team intervention and processing. Moderate-need and high-need youths receive more intensive and structured programming that must be facilitated by credentialed sex offender treatment providers. Treatment is facilitated using agency-approved curriculum that has been adapted to meet the youths’ responsivity needs. Juvenile corrections officers (JCO), case managers, mental health professionals, and licensed sex offender therapists collaborate with the youth and family about each youth’s treatment and safety planning.

PROGRAM REVENUE

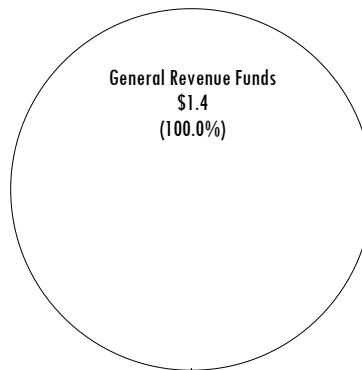
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 124 shows the program’s funding source by method of finance.

FIGURE 124
SEXUAL BEHAVIOR TREATMENT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$1.4



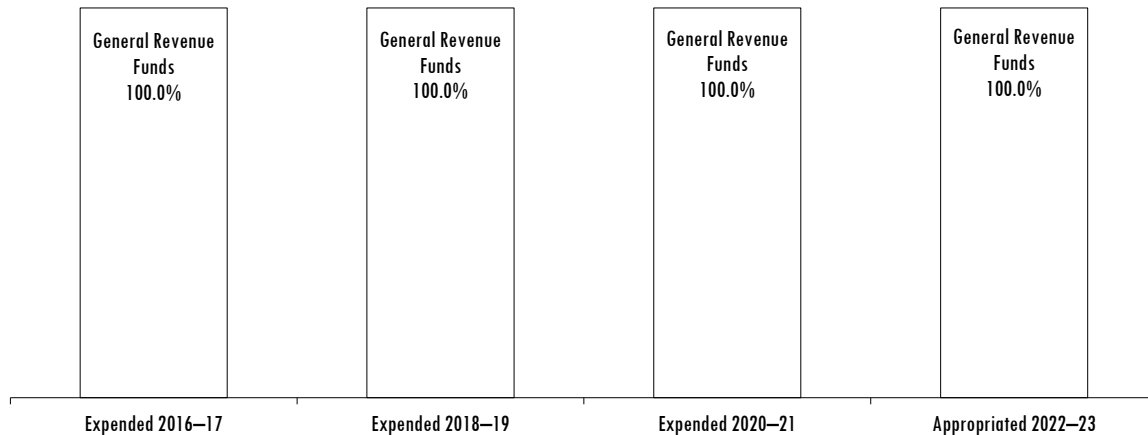
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 125 shows historical funding for the program by method of finance.

FIGURE 125
SEXUAL BEHAVIOR TREATMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

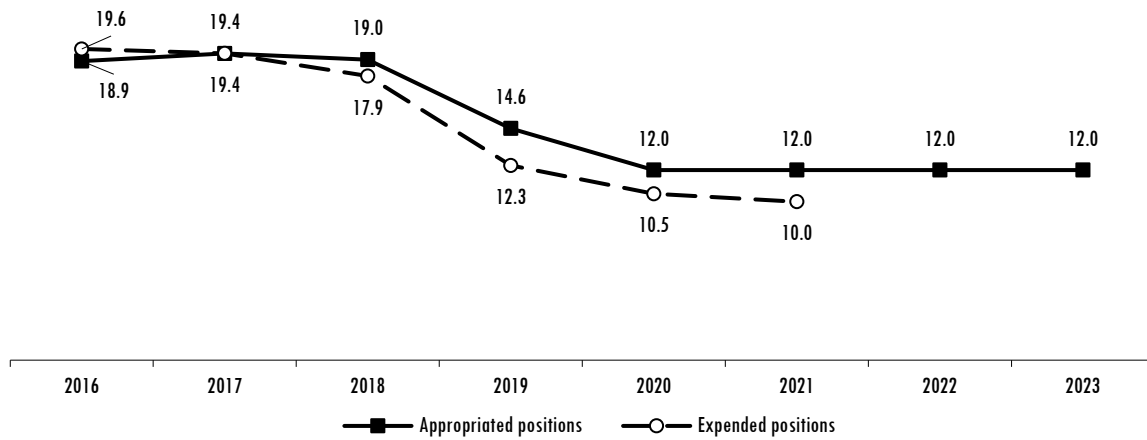
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$2.1	\$1.6	\$1.2	\$1.4
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$2.1	\$1.6	\$1.2	\$1.4

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 126 shows FTE positions for the program.

FIGURE 126
SEXUAL BEHAVIOR TREATMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 127 shows the program’s performance measures.

FIGURE 127
SEXUAL BEHAVIOR TREATMENT PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Specialized Treatment Cost per Juvenile per Day	Yes	\$18.49	\$14.95	\$35.32
Average Daily Population – Specialized Treatment	Yes	711	405	550

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program could place the community and the youths in care at risk. Offenders likely would obtain treatment in less effective and less appropriate settings. Youths who are not engaged in treatment risk being transferred to the Texas Department of Criminal Justice, being required to register as a sex offender as a minor, or being returned to the community without appropriate treatment or risk assessment. Indirect budgetary impacts include increased costs to treat youth in the community.

TEXAS MODEL OF INTERVENTION

The Texas Human Resources Code, Sections 242.002, 242.051, and 244.006; the Texas Family Code, Section 59.009

PROGRAM DESCRIPTION

The Texas Model of Intervention Program is a comprehensive, trauma-informed correctional process that helps agency staff understand how trauma affects youths’ brains and helps youths develop regulation skills through connection, engagement, empowerment, and making correctional environments less severe. The program is based on the principles of the academically developed Trust-Based Relational Intervention (TBRI) and other trauma-informed practices. Agency staff trained and certified as Texas Model Champions and TBRI practitioners coach other agency staff and infuse the Texas Model into dormitory, facility, and agency culture.

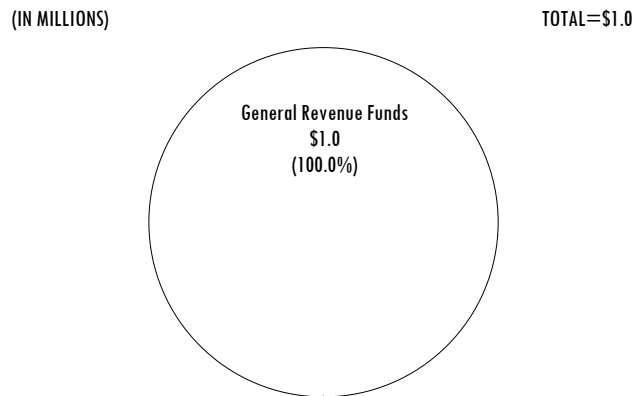
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 128 shows the program’s funding source by method of finance.

FIGURE 128
TEXAS MODEL OF INTERVENTION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



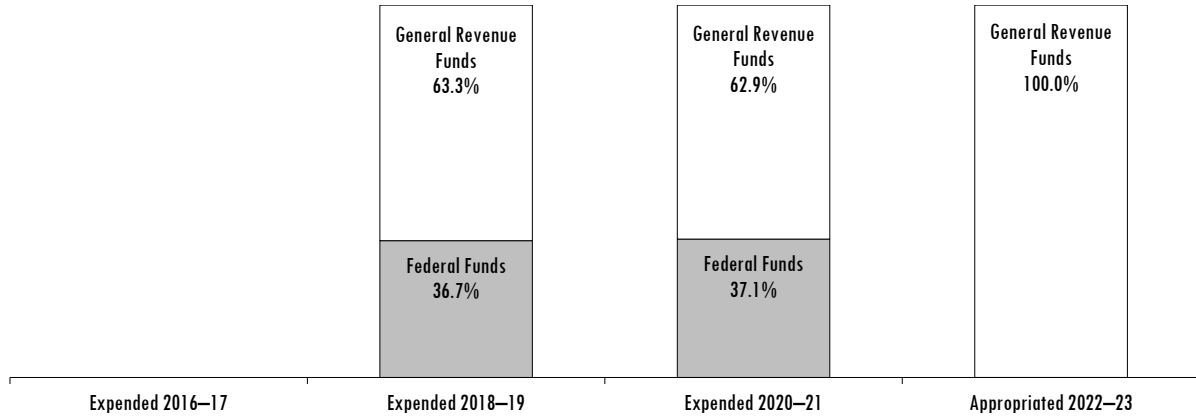
SOURCE: Texas Juvenile Justice Department

HISTORICAL FUNDING

Figure 129 shows historical funding for the program by method of finance. The program was established in the 2018–19 biennium.

FIGURE 129
TEXAS MODEL OF INTERVENTION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.4	\$0.9	\$1.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.2	\$0.5	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.0	\$0.6	\$1.4	\$1.0

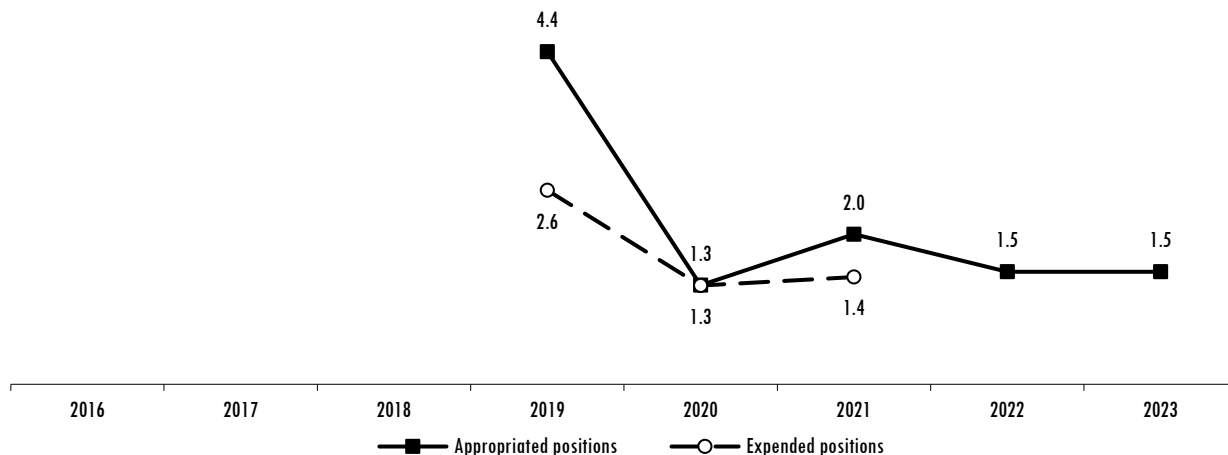
NOTES: No funding was reported for the 2016–17 biennium because the program was not established yet. Totals may not sum due to rounding.

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 130 shows FTE positions for the program since its establishment in the 2018–19 biennium.

FIGURE 130
TEXAS MODEL OF INTERVENTION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



NOTE: No positions are reported for fiscal years 2016 to 2018 because the program was not established nor funded yet.
 SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency did not provide funding amounts necessary to provide a minimum level of service because the program is not statutorily required.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, the Texas Model is the cornerstone of how the agency currently functions. If the program were discontinued, the agency would have to replace it with another program developed to advance the reforms implemented by the Legislature. This replacement would require additional costs and would destabilize existing agency culture. Discontinuing the program also would delay service delivery to TJJD youth while new programming is developed, trained, and implemented. Several county-level entities have partnered with the agency to participate in the Texas Model, and any change also would require those counties to develop replacement programming.

VIOLENT OFFENDER TREATMENT

The Texas Human Resources Code, Sections 203.018, 242.002, 242.051, 244.001, and 244.009; the Texas Family Code, Section 59.009

PROGRAM DESCRIPTION

The Violent Offender Treatment Program consists of services intended to address risk factors specific to violent and aggressive offending. Most of the youths who are adjudicated to the agency have engaged in offenses that involve aggressive or violent actions and, thus, require targeted interventions. The program is organized into the following three levels of intervention based on the risk presented by the youth offender:

- the lowest-tier intervention is Aggression Replacement Training, which is a 10-week to 12-week program wherein sessions cover coping-skill development, role playing, and problem-solving training;
- the middle-tier intervention is Power Source, which is an evidence-based program that typically lasts four months and is intended to empower at-risk youth with social and emotional skills to avoid offending behavior; and

- the highest-tier intervention is the Capital Offender Program, which is an intensive, cognitive behavioral therapy-based program intended to assist youths in understanding emotional and cognitive contributors to criminal behavior, to promote individual responsibility, to foster victim empathy, and to teach youths to interrupt negative behavior cycles to reduce future offending.

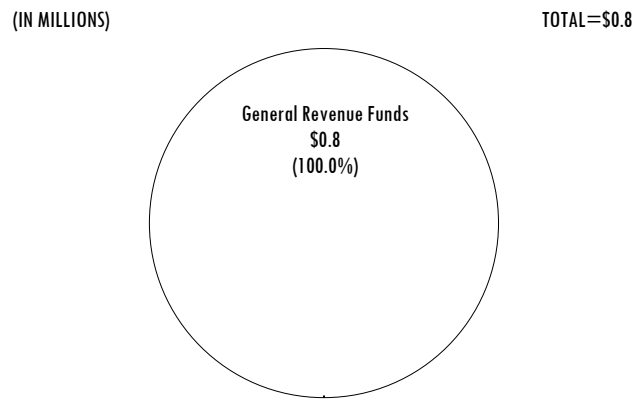
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 131 shows the program’s funding source by method of finance.

FIGURE 131
VIOLENT OFFENDER TREATMENT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



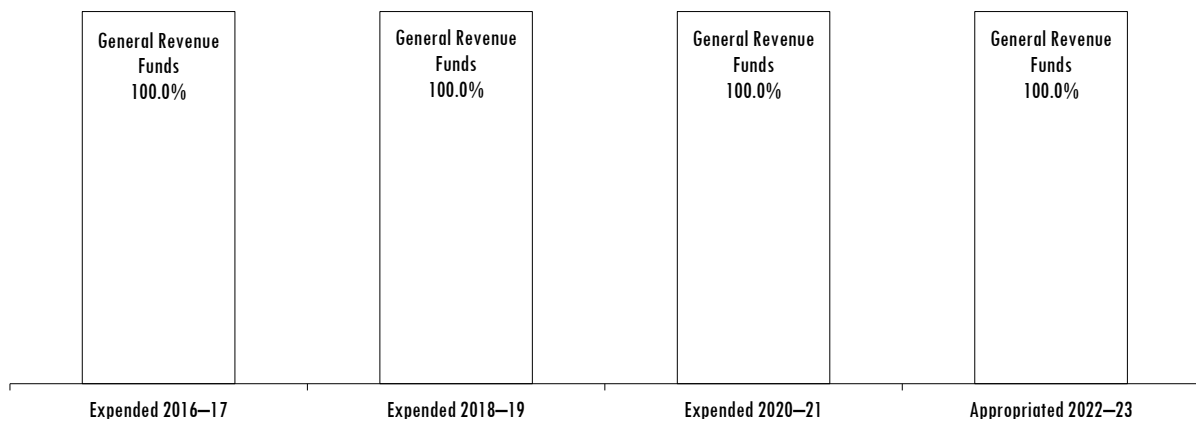
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 132 shows historical funding for the program by method of finance.

FIGURE 132
VIOLENT OFFENDER TREATMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

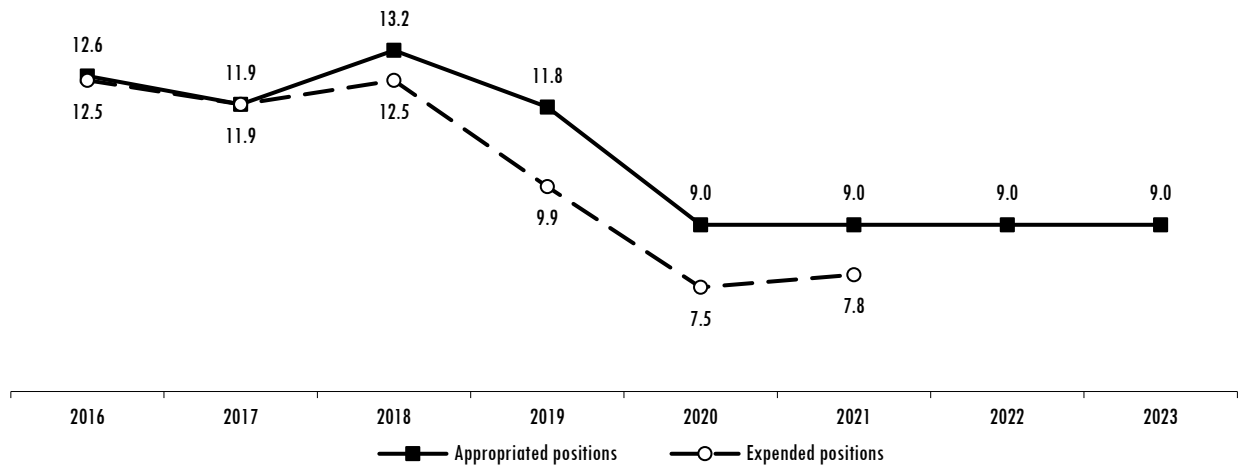
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.2	\$1.1	\$0.7	\$0.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.2	\$1.1	\$0.7	\$0.8

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 133 shows FTE positions for the program.

FIGURE 133
VIOLENT OFFENDER TREATMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 134 shows the program’s performance measures.

FIGURE 134
VIOLENT OFFENDER PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Specialized Treatment Cost per Juvenile per Day	Yes	\$18.49	\$14.95	\$35.32
Average Daily Population – Specialized Treatment	Yes	711	405	550

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program could place the community and the youth in care at risk. Offenders likely would obtain treatment in less effective and less appropriate settings. Youths who are not engaged in treatment risk of being transferred to the Texas Department of Criminal Justice prematurely or returning to the community without appropriate treatment or risk assessment. Program discontinuation also could require local communities to incur treatment costs.

RELEASE REVIEW PANEL

The Texas Human Resources Code, Sections 245.101 to 245.105

PROGRAM DESCRIPTION

The Release Review Panel Program consists of a three-member panel appointed by the agency’s executive director to review youths committed to TJJD with indeterminate sentences. The panel determines whether youths who have completed their minimum lengths of stay but otherwise have not met program-completion criteria should be discharged from TJJD custody, released under supervision (i.e., paroled), or assigned an extension of their minimum lengths of stay.

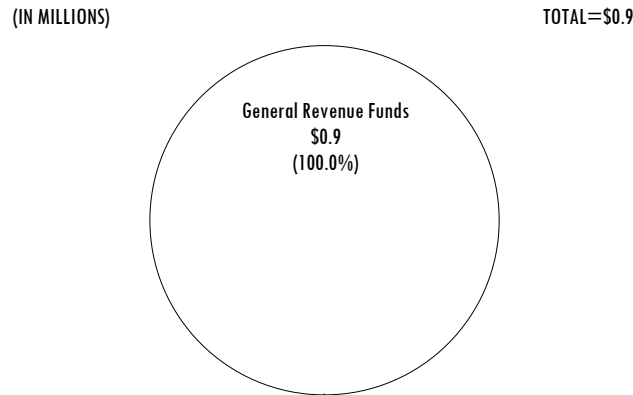
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 135 shows the program’s funding source by method of finance.

FIGURE 135
RELEASE REVIEW PANEL PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

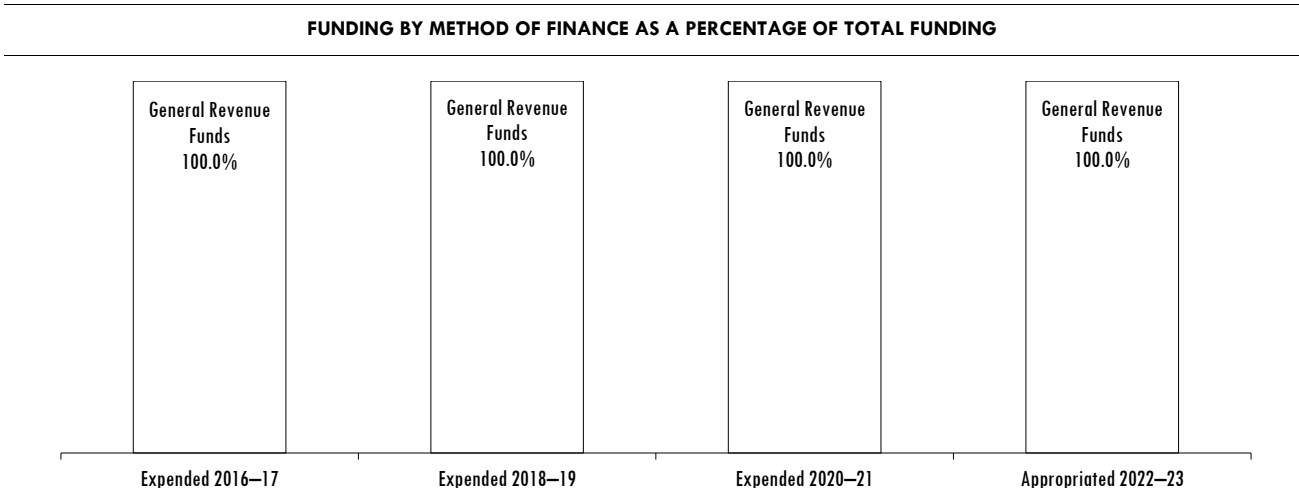


SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 136 shows historical funding for the program by method of finance.

FIGURE 136
RELEASE REVIEW PANEL PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA



(IN MILLIONS)

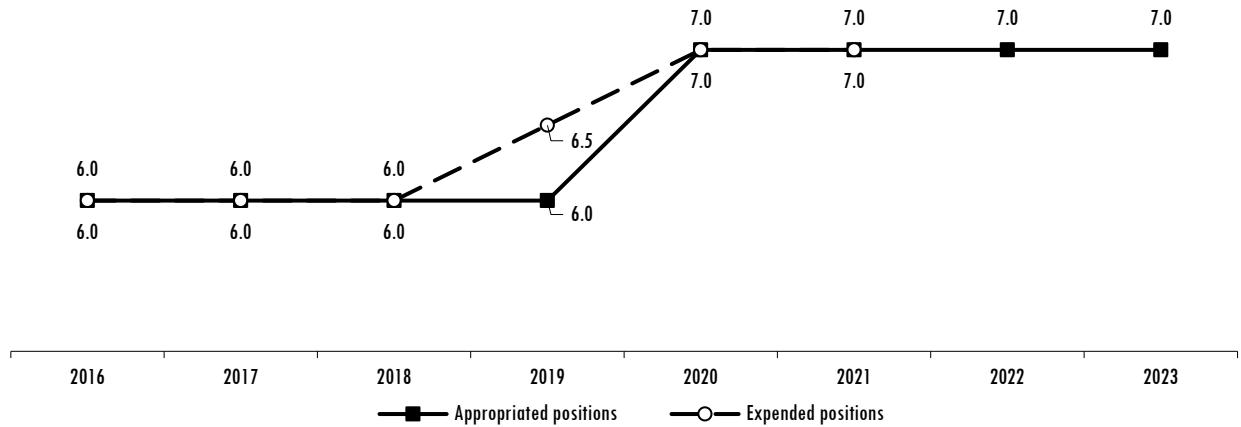
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.6	\$0.7	\$0.9	\$0.9
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.6	\$0.7	\$0.9	\$0.9

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 137 shows FTE positions for the program.

FIGURE 137
RELEASE REVIEW PANEL PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program could require youths who have completed treatment to remain in high-restriction settings or otherwise stay in custody, which costs the state and is detrimental to the youths’ health and well-being. Holding youths longer than necessary to complete their treatment also could expose the agency to habeas actions.

TATTOO REMOVAL

The Texas Family Code, Section 54.0491; the Texas Administrative Code, Title 22, Part 9, Sections 193.11 and 193.17 and Title 25, Part 1, Section 289.301

PROGRAM DESCRIPTION

The Tattoo Removal Program removes tattoos that remind a voluntarily participating youth of a traumatic past, with the intention of eliminating markings so the youth can secure employment and education without further judgment, thus facilitating positive reintegration into the community.

PROGRAM REVENUE

The agency did not report any revenue associated with this program.

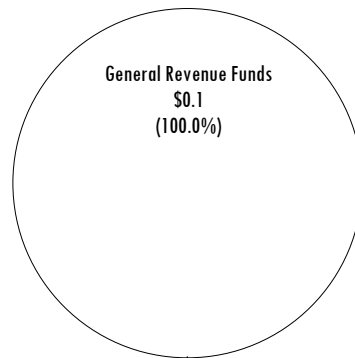
PROGRAM FUNDING

Figure 138 shows the program’s funding source by method of finance.

FIGURE 138
TATTOO REMOVAL PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$0.1



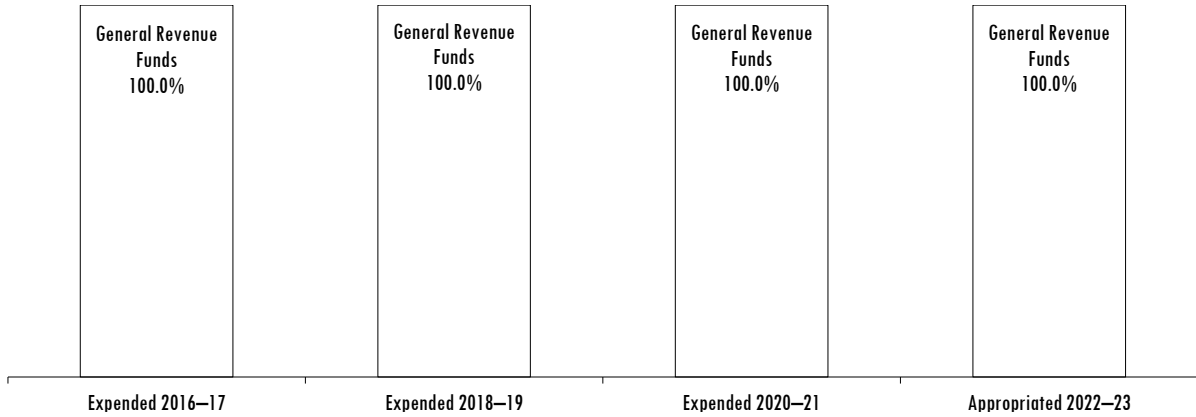
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 139 shows historical funding for the program by method of finance.

FIGURE 139
TATTOO REMOVAL PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

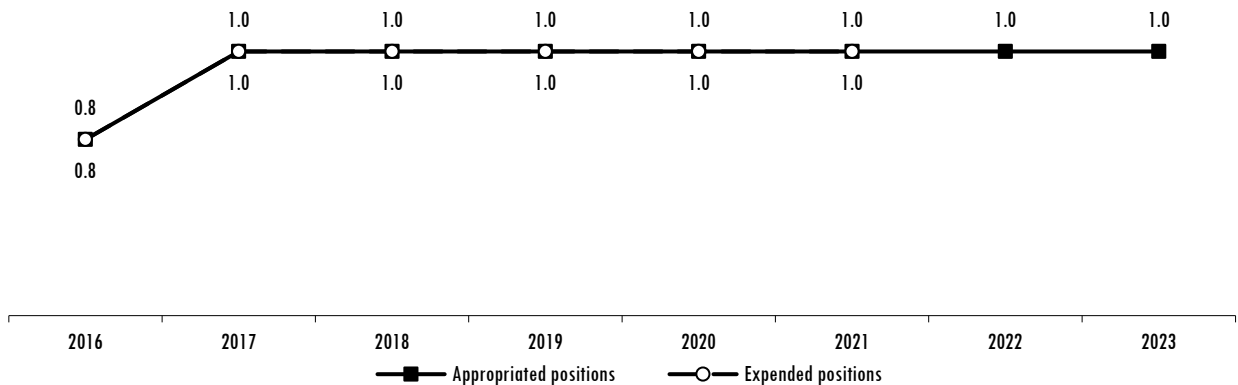
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.1	\$0.1	\$0.1	\$0.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.6	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.1	\$0.1	\$0.1	\$0.1

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 140 shows FTE positions for the program. The program has maintained 1.0 FTE position each year since fiscal year 2017.

FIGURE 140
TATTOO REMOVAL PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency did not provide funding amounts necessary to provide a minimum level of service because the program is not statutorily required.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would eliminate an opportunity for TJJD youths to remove tattoos that have been limiting their potential and contributing to low self-esteem.

JUVENILE JUSTICE TRAINING ACADEMY FOR PROBATION

The Texas Human Resources Code, Sections 221.003 to 221.006 and 221.0061

PROGRAM DESCRIPTION

The Juvenile Justice Training Academy for Probation Program provides ongoing training and a standardized curriculum to the probation community and oversees the certification of juvenile probation officers and juvenile supervision officers.

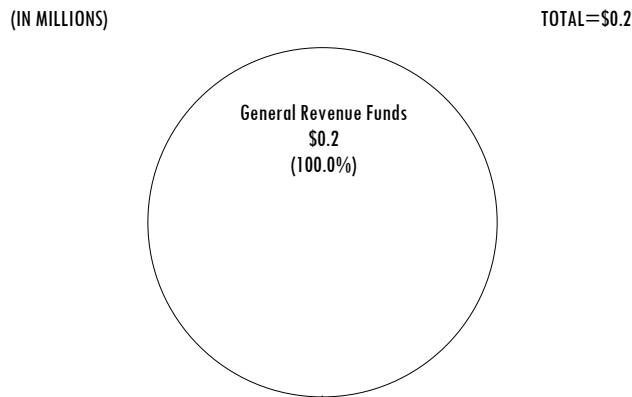
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 141 shows the program’s funding source by method of finance.

FIGURE 141
JUVENILE JUSTICE TRAINING ACADEMY FOR PROBATION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



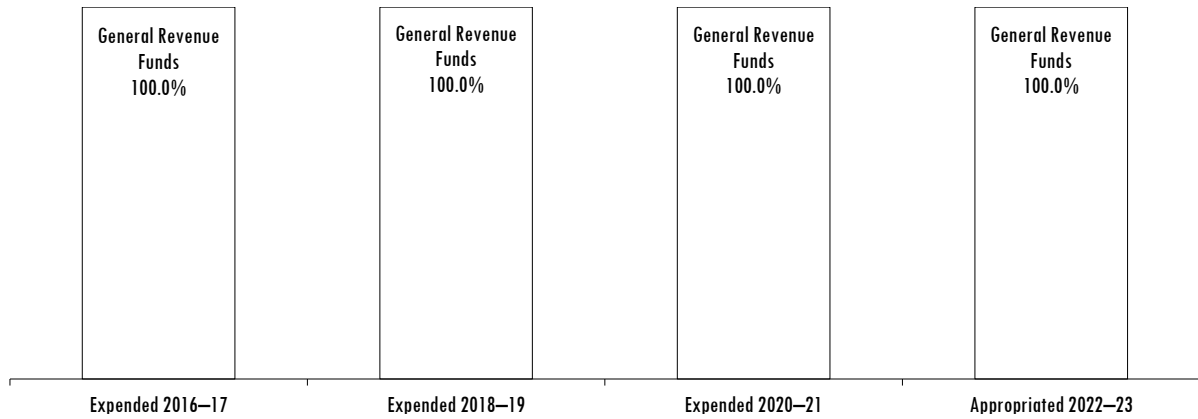
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 142 shows historical funding for the program by method of finance.

FIGURE 142
JUVENILE JUSTICE TRAINING ACADEMY FOR PROBATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

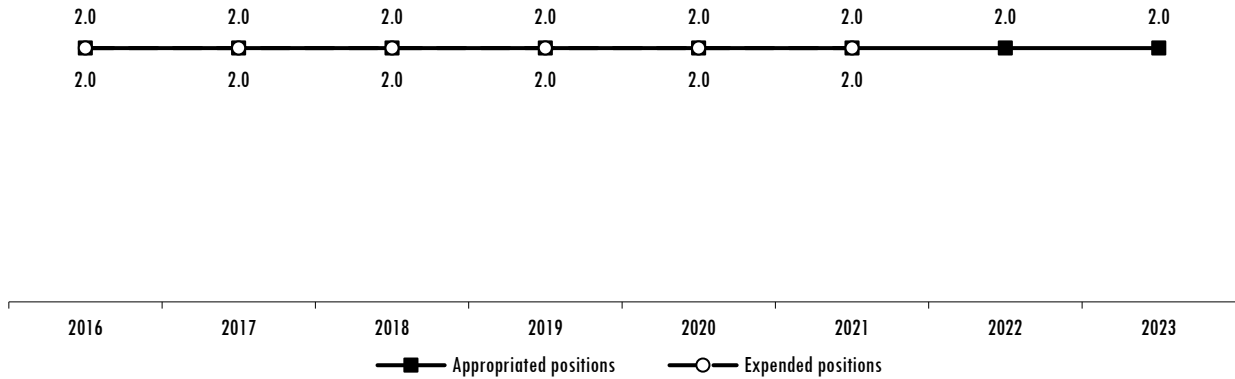
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.2	\$0.2	\$0.2	\$0.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.2	\$0.2	\$0.2	\$0.2

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 143 shows FTE positions for the program. The program has maintained 2.0 FTE positions each fiscal year.

FIGURE 143
JUVENILE JUSTICE TRAINING ACADEMY FOR PROBATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 144 shows the program’s performance measure.

FIGURE 144
JUVENILE JUSTICE TRAINING ACADEMY FOR PROBATION PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Officers Certified	No	N/A	3,834	N/A

NOTE: The agency is not required to report targets for non-key performance measures.

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would remove a valuable training resource from juvenile probation departments and inhibit their ability to certify officers as required by rule.

JUVENILE JUSTICE TRAINING ACADEMY PROGRAMS – STATE

The Texas Human Resources Code, Section 242.009

PROGRAM DESCRIPTION

The general Juvenile Justice Training Academy Program provides competency-based and on-the-job training to juvenile correctional officers by developing curriculum, instructing staff, and documenting compliance according to state law. The program also provides leadership training for new supervisors and ongoing professional development training for agency staff. Program staff conduct annual training to review concepts and skills learned, introduce new policies or procedures, provide an

opportunity to resolve questions and concerns experienced during daily duties, and provide an opportunity for officers to refine acquired skills, techniques, and strategies.

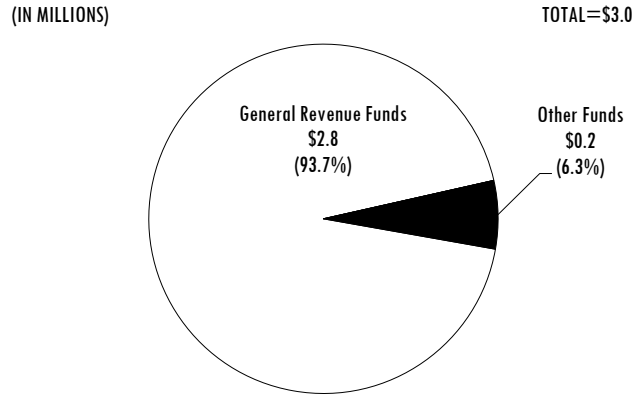
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 145 shows program funding sources by method of finance.

FIGURE 145
JUVENILE JUSTICE TRAINING ACADEMY – STATE PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



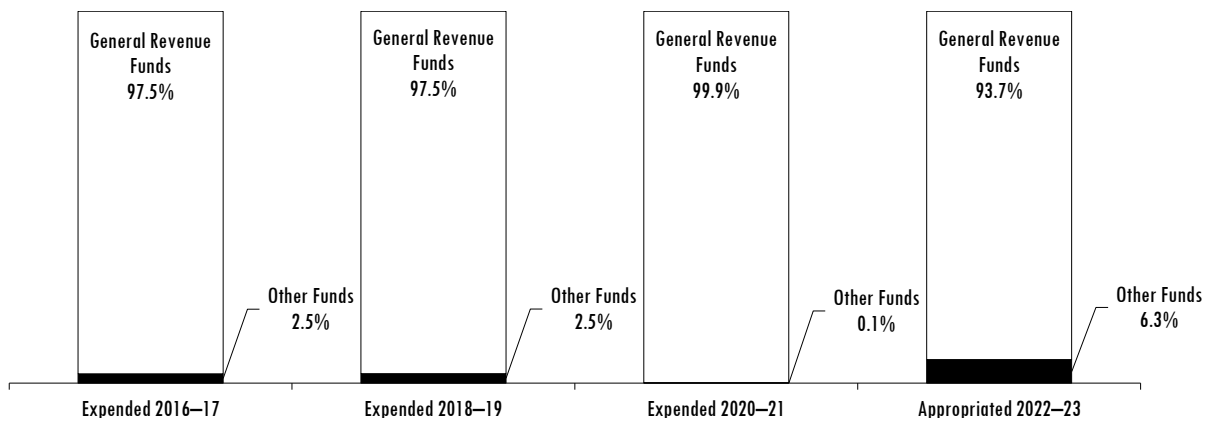
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 146 shows historical funding for the program by method of finance.

FIGURE 146
JUVENILE JUSTICE TRAINING ACADEMY – STATE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$3.1	\$2.9	\$2.3	\$2.8

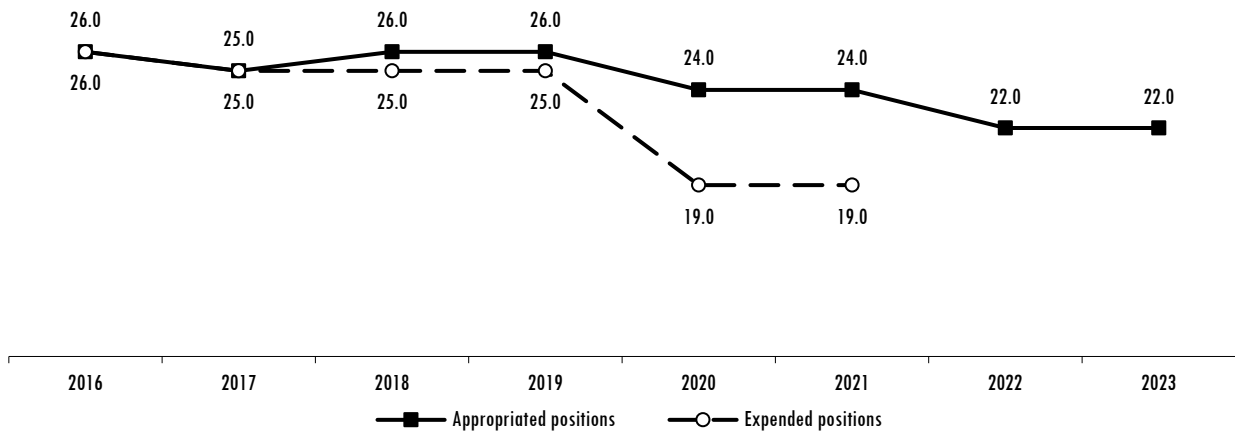
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.1	\$0.1	\$0.0	\$0.2
Total, All Methods of Finance	\$3.2	\$3.0	\$2.3	\$3.0

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 147 shows FTE positions for the program.

FIGURE 147
JUVENILE JUSTICE TRAINING ACADEMY – STATE PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would deprive newly hired staff at facilities, halfway houses, and parole offices of required trainings and current staff of annual compliance training, and training for updates to policies, procedures, and programming.

MONITORING AND INSPECTIONS

The Texas Family Code, Sections 51.12, 51.125, and 51.126; the Texas Human Resources Code, Sections 221.002(a)(1), 221.004(a)(3) and (b), and 242.053; the U.S. Code of Federal Regulations, Title 28, Part 115, Prison Rape Elimination Act

PROGRAM DESCRIPTION

The Monitoring and Inspections Program performs legislatively mandated monitoring and enforcement of minimum standards for county-operated juvenile probation departments and programs, short-term detention facilities, pre-adjudication secure detention facilities, post-adjudication correctional facilities, and nonsecure correctional facilities. The program also provides objective evaluation and oversight of state-operated and contracted juvenile correctional facilities and programs. The key objective of the program is to provide comprehensive and effective reviews to promote accountability in the state and county-level juvenile justice system that improves the performance of the juvenile justice facilities, services, and the outcomes of youths served.

PROGRAM REVENUE

The agency did not report any revenue associated with this program.

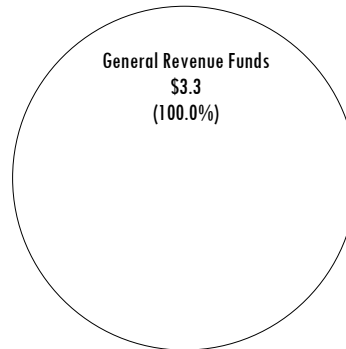
PROGRAM FUNDING

Figure 148 shows the program’s funding source by method of finance.

FIGURE 148
MONITORING AND INSPECTIONS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$3.3



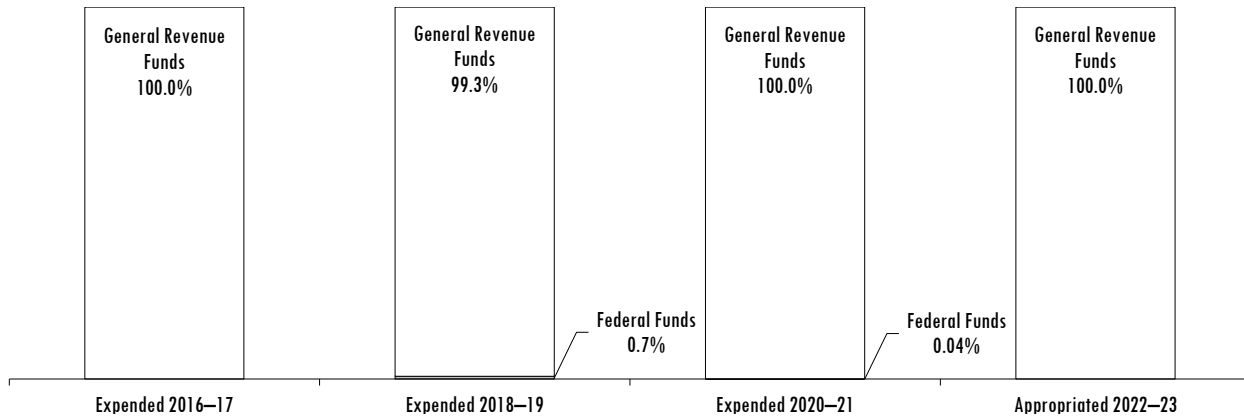
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 149 shows historical funding for the program by method of finance.

FIGURE 149
MONITORING AND INSPECTIONS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

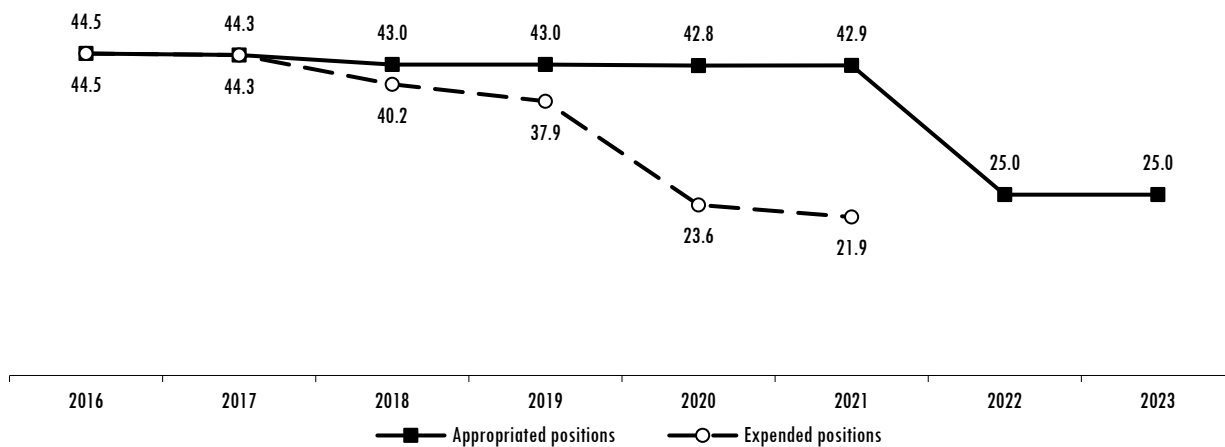
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$5.7	\$5.4	\$3.0	\$3.3
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$5.7	\$5.4	\$3.0	\$3.3

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 150 shows FTE positions for the program.

FIGURE 150
MONITORING AND INSPECTIONS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 151 shows the program’s performance measures.

**FIGURE 151
MONITORING AND INSPECTIONS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021**

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Local Facility Inspections Conducted	No	N/A	84	N/A
Number of Annual Comprehensive Monitoring Reviews	No	N/A	20	N/A

NOTE: The agency is not required to report targets for non-key performance measures.
SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would hinder the agency’s ability to meet statutory requirements and verify compliance with applicable laws, regulations, policy, procedures, and standards, leaving locally operated juvenile facilities without state-level oversight or regulation. The program’s discontinuation could increase risk regarding the treatment and care of youths housed in local county and TJJD-operated or contracted facilities and could result in a lack of objective oversight and evaluation of county and TJJD facilities and program operations. TJJD-operated facilities could report and address injuries and incidents inconsistently and lack proactive and preventive measures for the management of risk. Discontinuing the program also would eliminate the official liaison between TJJD, the State Office of Risk Management, and the State Fire Marshal’s Office, which also would diminish the agency’s ability to promote compliance with state and federal laws and regulations and would remove the agency’s ability to provide determination of suitability to juvenile court judges for the detention of children.

PRISON RAPE ELIMINATION ACT

The Texas Human Resources Code, Section 242.101; the U.S. Code of Federal Regulations, Title 28, Part 115, Prison Rape Elimination Act

PROGRAM DESCRIPTION

The objective of the Prison Rape Elimination Act (PREA) Program is to establish TJJD’s zero-tolerance policy for any form of sexual abuse, sexual harassment, or sexual activity involving youths in the agency’s care. The program also addresses TJJD’s obligations under federal PREA standards for preventing, detecting, and responding to sexual abuse and sexual harassment. TJJD employs a PREA coordinator to develop, implement, and oversee agency efforts to comply with PREA standards in all TJJD-operated facilities and halfway houses. TJJD also has a designated PREA compliance manager to coordinate efforts to comply with federal standards.

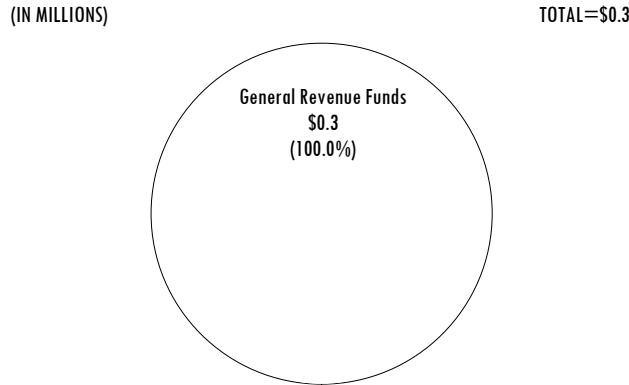
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 152 shows the program’s funding source by method of finance.

FIGURE 152
PRISON RAPE ELIMINATION ACT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



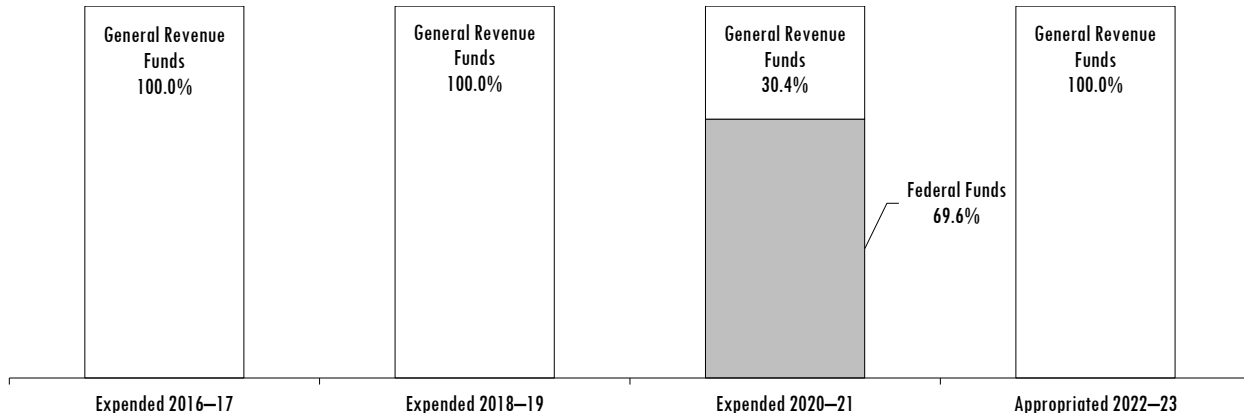
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 153 shows historical funding for the program by method of finance. The program received pass-through federal funding from the Office of the Governor related to PREA in the 2020–21 biennium.

FIGURE 153
PRISON RAPE ELIMINATION ACT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

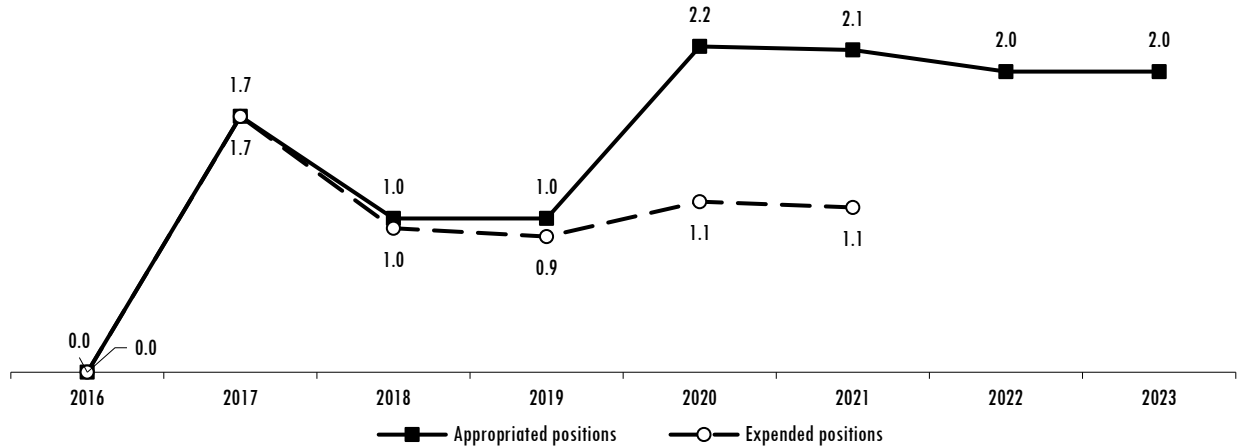
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.1	\$0.1	\$0.2	\$0.3
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.4	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.1	\$0.1	\$0.5	\$0.3

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 154 shows FTE positions for the program.

FIGURE 154
PRISON RAPE ELIMINATION ACT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would threaten agency compliance with federal PREA standards and could imperil the receipt of federal funding. Failure to comply with PREA would impede TJJD’s continuous effort to keep youths safe while in the agency’s care.

INTERSTATE COMPACT FOR JUVENILES

The Texas Family Code, Chapter 60

PROGRAM DESCRIPTION

The Interstate Compact for Juveniles program provides for the cooperative supervision of juveniles on parole and probation who seek to reside in a state other than the one in which they were adjudicated and regulates out-of-state travel by juveniles on probation and parole. The program also works to protect the due process rights of juveniles in the following categories as it oversees their return or extradition to their home or demanding states: (1) juveniles who have absconded from parole and probation or escaped from a facility; and (2) non-delinquent juveniles who have run away from parents or guardians.

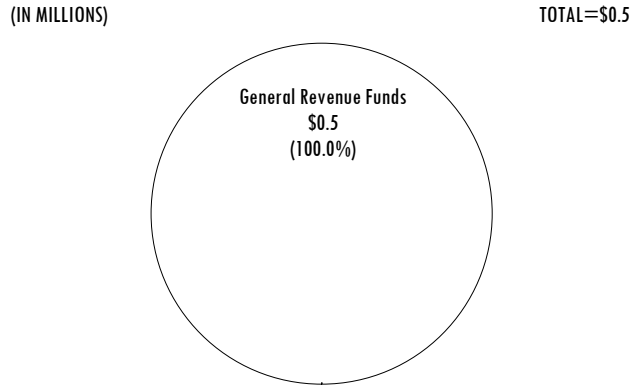
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 155 shows the program’s funding source by method of finance.

FIGURE 155
INTERSTATE COMPACT FOR JUVENILES PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



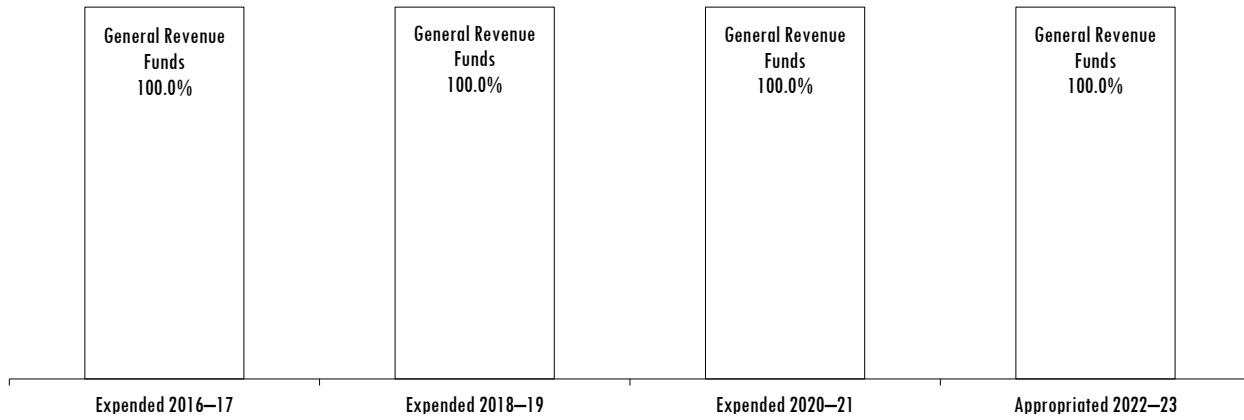
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 156 shows historical funding for the program by method of finance.

FIGURE 156
INTERSTATE COMPACT FOR JUVENILES PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

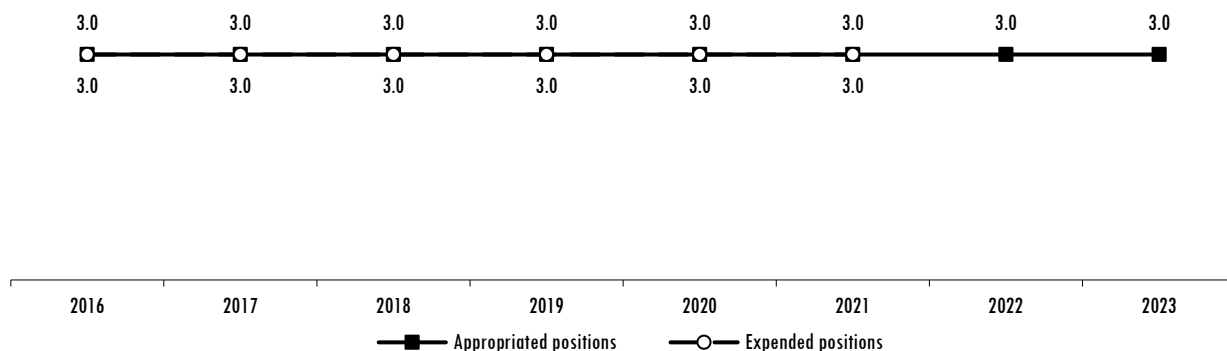
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.4	\$0.4	\$0.4	\$0.5
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.4	\$0.4	\$0.4	\$0.4

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 157 shows FTE positions for the program. The program has maintained 3.0 FTE positions each fiscal year.

FIGURE 157
INTERSTATE COMPACT FOR JUVENILES PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 158 shows the program’s performance measure.

FIGURE 158
INTERSTATE COMPACT FOR JUVENILES PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Juveniles Served Through Interstate Compact	No	N/A	1,909	N/A

NOTE: The agency is not required to report targets for non-key performance measures.

SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent the state from meeting its statutory obligations pursuant to the compact. It also would hinder the state’s regulation and tracking of youths who require authorization to relocate or travel and the provision of appropriate services to youths in need of supervision.

DEPARTMENT OF SENTENCED OFFENDERS

The Texas Human Resources Code, Sections 244.014, 244.015, 245.051, 245.151, and 245.152; the Texas Family Code, Section 54.11

PROGRAM DESCRIPTION

Through the Department of Sentenced Offenders Program, agency staff represent TJJD at transfer or release hearings for youths with determinate sentences, process and review youth packets to ensure compliance with TJJD policy and criteria, and coordinate youth transfers between TJJD and the Texas Department of Criminal Justice’s (TDCJ) Institutional and Parole

divisions. Staff also assist families of offenders, victims of offenders, and TJJD and court personnel in understanding juvenile law and TJJD policies related to sentenced offenders.

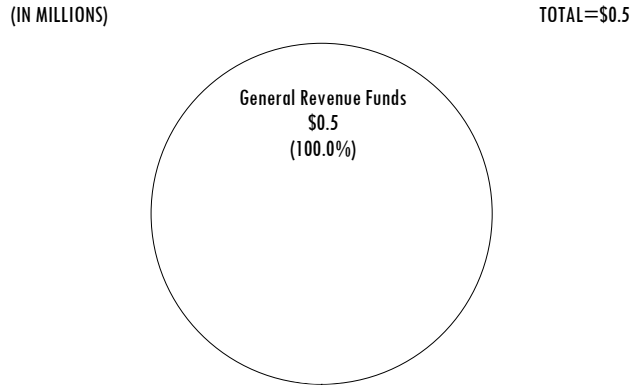
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 159 shows the program’s funding source by method of finance.

FIGURE 159
DEPARTMENT OF SENTENCED OFFENDERS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



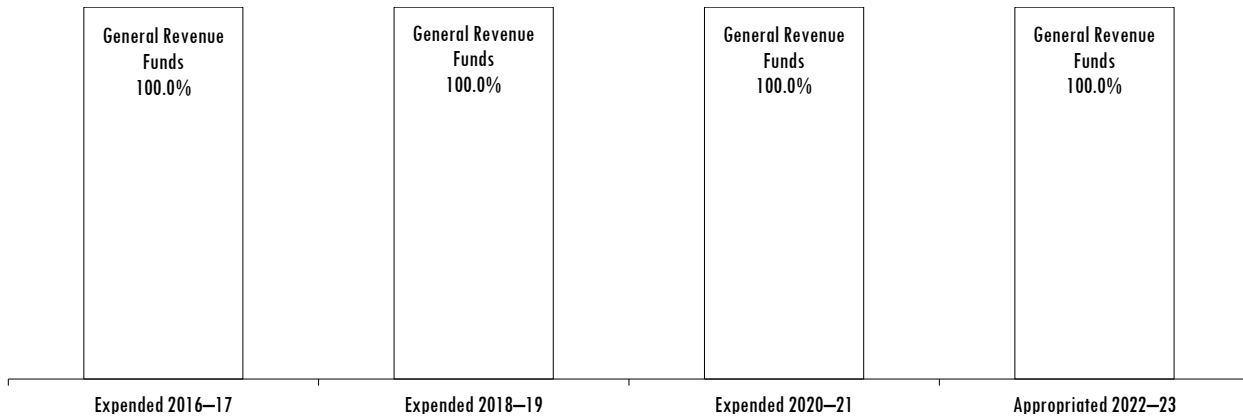
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 160 shows historical funding for the program by method of finance.

FIGURE 160
DEPARTMENT OF SENTENCED OFFENDERS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.4	\$0.4	\$0.5	\$0.5
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0

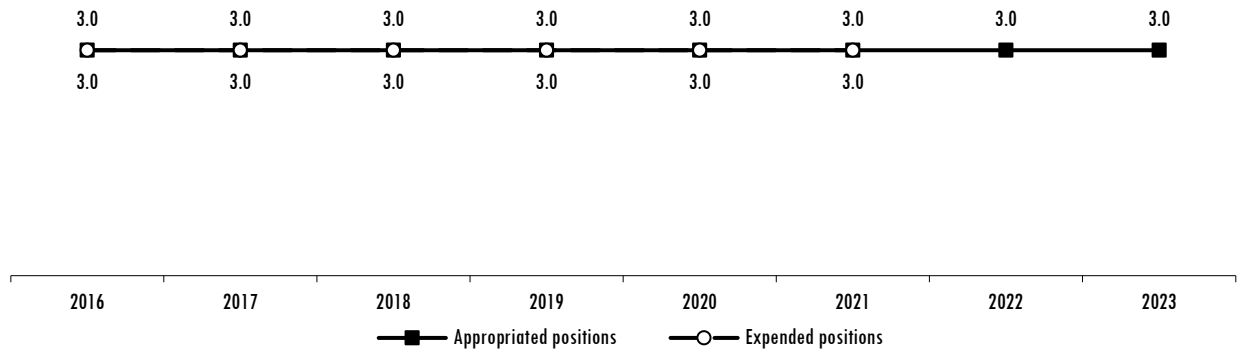
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.4	\$0.4	\$0.5	\$0.5

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 161 shows FTE positions for the program. The program has maintained 3.0 FTE positions each fiscal year.

FIGURE 161
DEPARTMENT OF SENTENCED OFFENDERS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would hinder the communication of information regarding youth progress at TJJD necessary for courts to determine whether to continue youths on parole or send them to TDCJ's Institutional Division. This function would have to be relocated elsewhere in the agency to continue providing adjudicating courts with required information.

DISCIPLINE OF CERTIFIED OFFICERS

The Texas Human Resources Code, Section 222.053

PROGRAM DESCRIPTION

Through the Discipline of Certified Officers Program, attorneys in the Office of General Counsel oversee the discipline of certified juvenile probation officers, juvenile supervision officers, and community activities officers who work in the juvenile probation departments and juvenile facilities that the agency regulates, excluding those the agency operates directly or contracts. The agency may impose discipline if it finds that a certified officer has abused, neglected, or exploited a juvenile or has violated

the code of ethics adopted by the Texas Juvenile Justice Board. Discipline may take the form of a written reprimand, suspension, or revocation. A suspension may be an active or probated suspension, or a combination of the two.

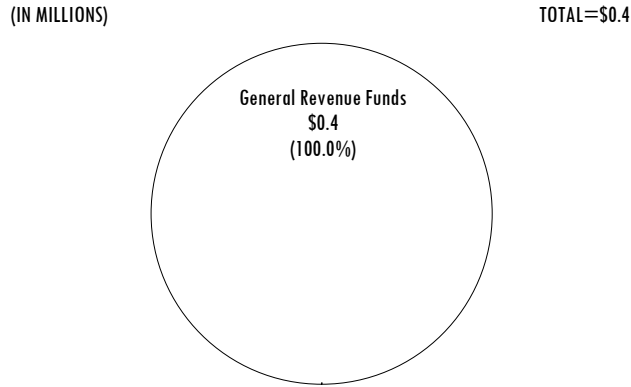
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 162 shows the program’s funding source by method of finance.

**FIGURE 162
DISCIPLINE OF CERTIFIED OFFICERS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**



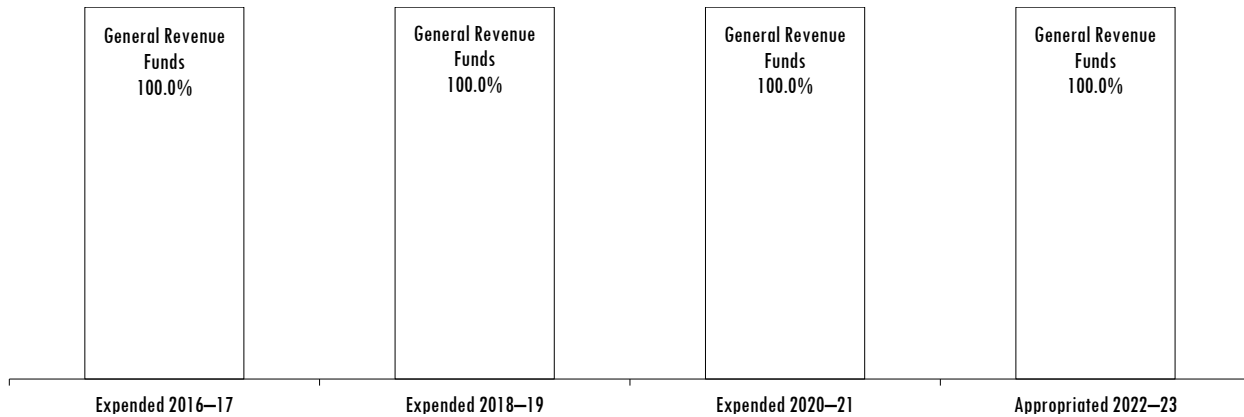
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 163 shows historical funding for the program by method of finance.

**FIGURE 163
DISCIPLINE OF CERTIFIED OFFICERS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.3	\$0.4	\$0.4	\$0.4
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0

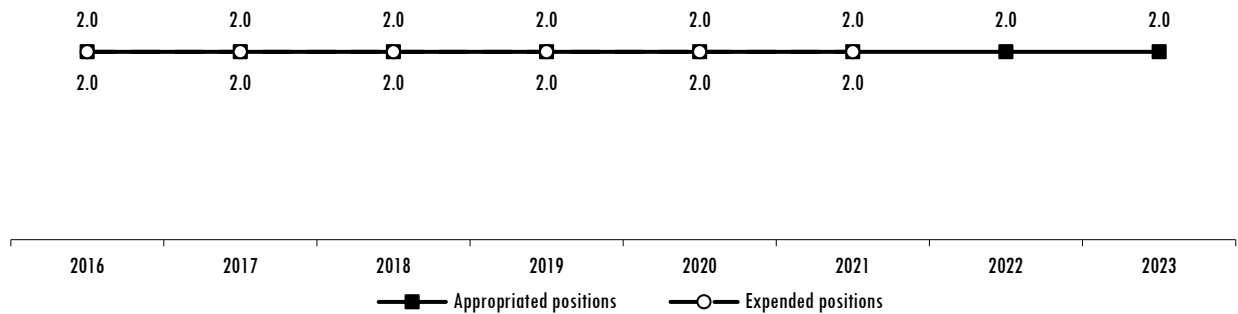
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.3	\$0.4	\$0.4	\$0.4

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 164 shows FTE positions for the program. The program has maintained 2.0 FTE positions each fiscal year.

**FIGURE 164
DISCIPLINE OF CERTIFIED OFFICERS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023**



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would remove the disciplinary oversight of certified officers and could reduce the safety of youths in TJJD custody.

INTERNAL AUDIT

The Texas Government Code, Chapter 2102; the Texas Human Resources Code, Section 203.013

PROGRAM DESCRIPTION

The Internal Audit Program seeks to enhance and protect organizational values by providing risk-based and objective assurance, advice, and insight. Program staff conduct periodic audits of the agency’s major systems and controls, including accounting systems, administrative systems, electronic systems, and their respective controls. The scope of internal auditing includes examining and evaluating the adequacy and effectiveness of the organization’s governance, risk management, and internal controls. as Auditing also evaluates the quality of performance in performing assigned responsibilities to achieve the agency’s goals and objectives.

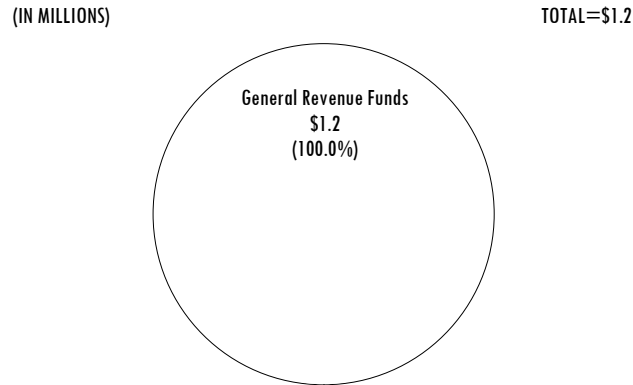
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 165 shows the program’s funding source by method of finance.

**FIGURE 165
INTERNAL AUDIT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**



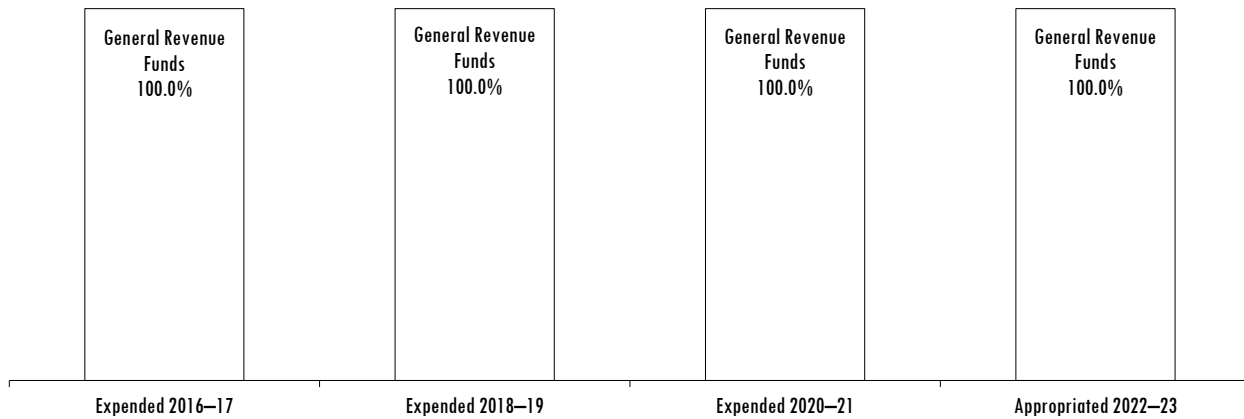
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 166 shows historical funding for the program by method of finance.

**FIGURE 166
INTERNAL AUDIT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.0	\$0.9	\$1.0	\$1.2
General Revenue—Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0

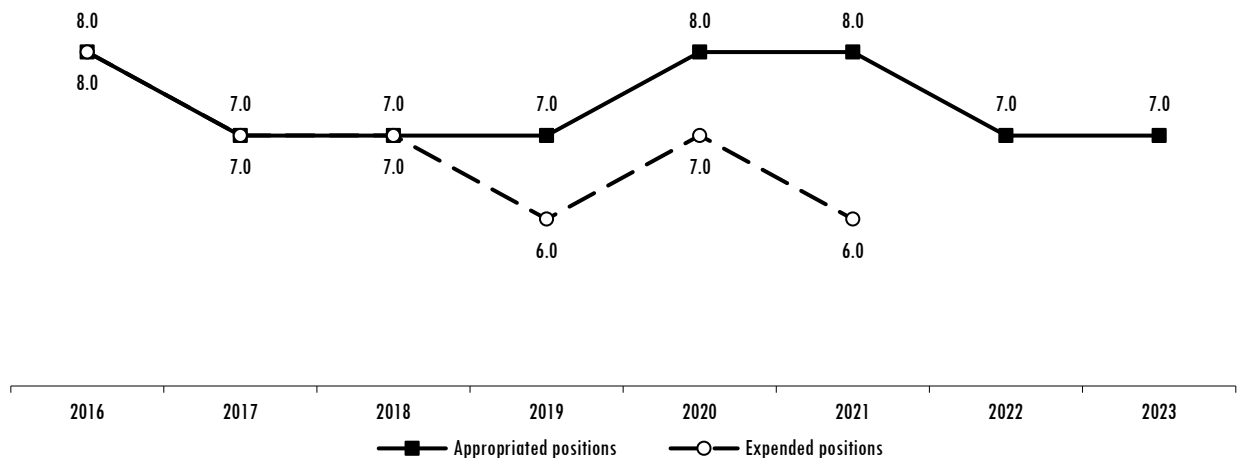
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.0	\$0.9	\$1.0	\$1.2

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 167 shows FTE positions for the program.

FIGURE 167
INTERNAL AUDIT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would minimize the independent audits and advisory services of agency programs and require the agency to contract with an outside auditing entity to meet the requirements of statute. Additional training and guidance would be necessary for outside auditing entities due to the sensitive nature of interaction with adjudicated youth. The agency also would lose the guidance provided through the program in addressing potential fraud, waste, and abuse in daily operations.

LEGAL EDUCATION, TECHNICAL ASSISTANCE, AND RECORDS

The Texas Human Resources Code, Section 221.005

PROGRAM DESCRIPTION

TJJD staff in the Legal Education, Technical Assistance, and Records Program fulfill the statutory mandate to provide educational training and technical assistance to counties, juvenile boards, and probation departments to promote compliance with TJJD standards and to assist them in improving the operation of probation, parole, and detention services. The program operates a Legal Help Desk that enables individuals to contact agency attorneys with questions and provides legal training through in-person instruction and online webinars, which may be used toward the training hours required for certified officers.

The program also includes a records section that responds to requests for agency records and information and oversees agency compliance with state laws regarding records management.

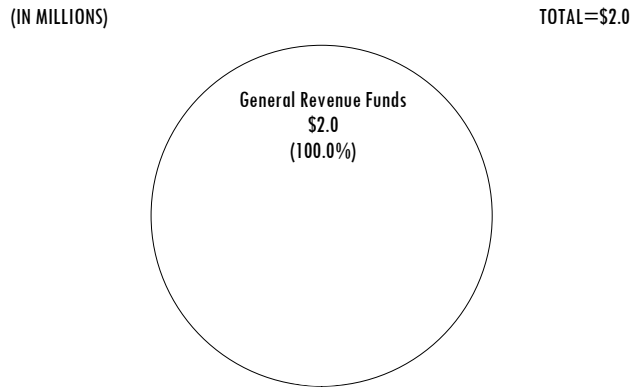
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 168 shows the program’s funding source by method of finance.

FIGURE 168
LEGAL EDUCATION, TECHNICAL ASSISTANCE, AND RECORDS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



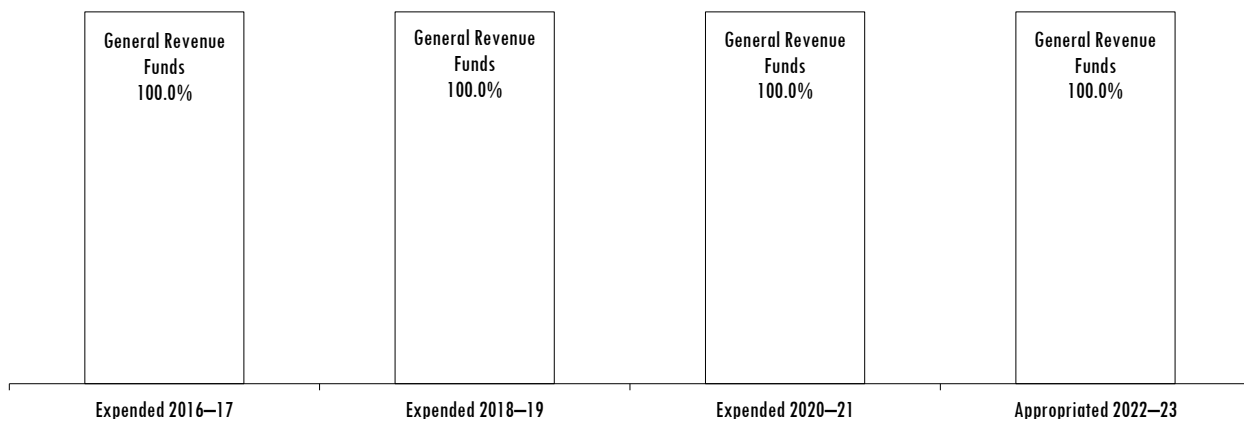
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 169 shows historical funding for the program by method of finance.

FIGURE 169
LEGAL EDUCATION, TECHNICAL ASSISTANCE, AND RECORDS PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.8	\$2.0	\$1.8	\$2.0

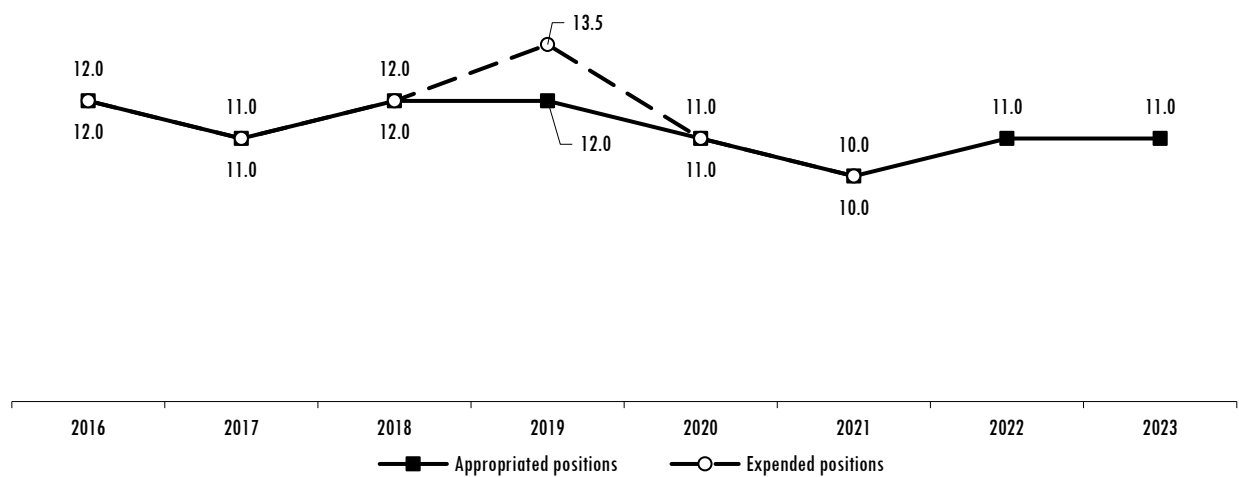
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.8	\$2.0	\$1.8	\$2.0

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 170 shows FTE positions for the program.

**FIGURE 170
LEGAL EDUCATION, TECHNICAL ASSISTANCE, AND RECORDS PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023**



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would eliminate essential legal and technical assistance that benefits the agency, facilities, local departments, and employees. It would diminish the agency’s ability to provide real-time guidance regarding agency rules and standards, without which the state’s 165 juvenile probation departments could reach differing interpretations on how to implement programs required by agency rule.

POLICY DEVELOPMENT AND INTERPRETATION

The Texas Human Resources Code, Sections 203.001, 203.004, 221.002 to 221.004, 222.003, 242.003, 242.004, 242.008, 242.010, 242.056, 242.101, 243.001, 244.001, 244.0106, 245.001, 245.101, and 245.104

PROGRAM DESCRIPTION

Through the Policy Development and Interpretation Program, agency staff in the Office of General Counsel draft and interpret administrative rules and policies to carry out the agency’s mission, typically when agency divisions request amendments to the rules and policies affecting those divisions. The policy division helps to ensure that drafted standards are measurable and enforceable, consistent with statute, and in alignment with other standards.

PROGRAM REVENUE

The agency did not report any revenue associated with this program.

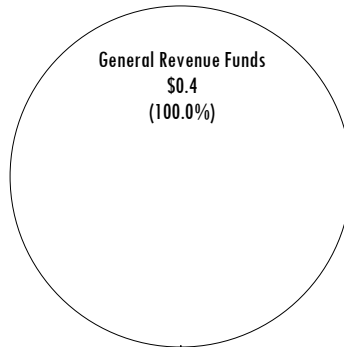
PROGRAM FUNDING

Figure 171 shows the program’s funding source by method of finance

FIGURE 171
POLICY DEVELOPMENT AND INTERPRETATION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$0.4



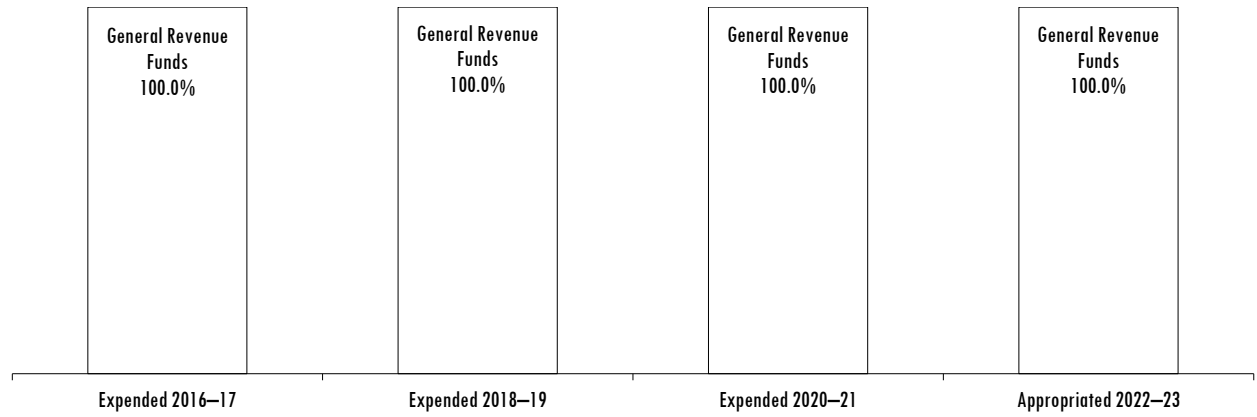
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 172 shows historical funding for the program by method of finance.

FIGURE 172
POLICY DEVELOPMENT AND INTERPRETATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

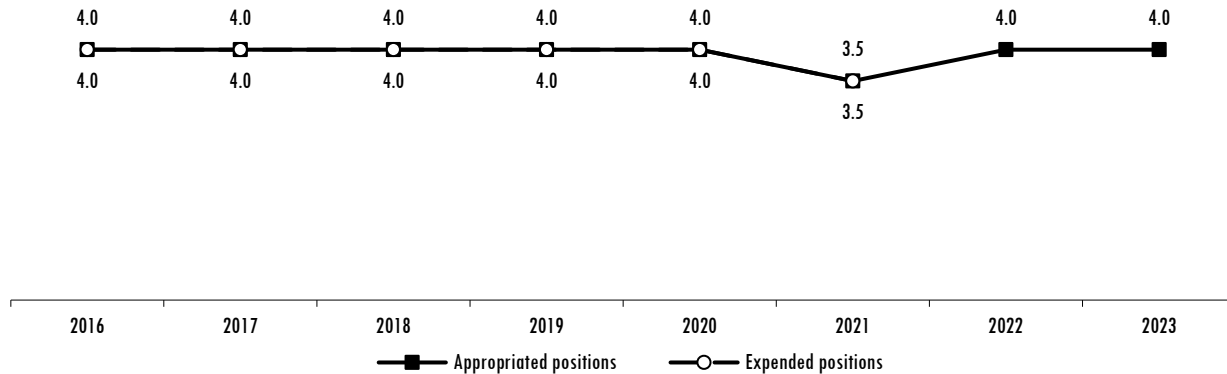
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.3	\$0.4	\$0.4	\$0.4
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.3	\$0.4	\$0.4	\$0.4

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 173 shows FTE positions for the program. The program has maintained 4.0 FTE positions each fiscal year, except for fiscal year 2021, during which it maintained the appropriated 3.5 positions.

FIGURE 173
POLICY DEVELOPMENT AND INTERPRETATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency did not provide funding amounts necessary to provide a minimum level of service because the program is not statutorily required.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would hinder the agency in updating its policies and procedures to conform with federal and state laws and regulations. Failure to follow applicable statutory and regulatory requirements would expose the agency to litigation and payment of monetary damages, among other potential consequences. The agency also would lose the ability to make timely changes to policies and procedures, resulting in the degradation of services and negatively affecting TJJD youths and staff.

STANDARDS DEVELOPMENT, INTERPRETATION, AND TECHNICAL ASSISTANCE

The Texas Human Resources Code, Sections 221.002, 221.004, and 221.005; the Texas Government Code, Chapter 2001, Subchapter A

PROGRAM DESCRIPTION

The Standards Development, Interpretation, and Technical Assistance Program seeks to maintain a comprehensive and coordinated process for the development and ongoing review of the agency’s administrative rules that govern county juvenile probation department operations and services. The process promotes the consistent interpretation and communication of established standards across all agency divisions.

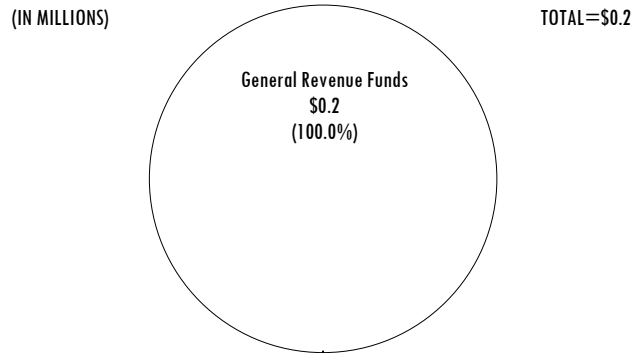
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 174 shows the program’s funding source by method of finance.

FIGURE 174
STANDARDS DEVELOPMENT, INTERPRETATION, AND TECHNICAL ASSISTANCE PROGRAM FUNDING SOURCE
2022–23 BIENNIUM



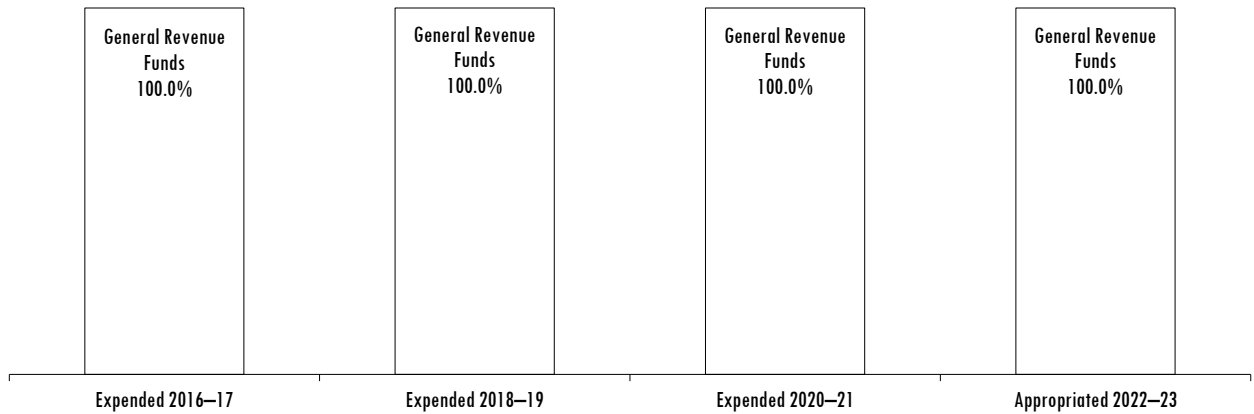
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 175 shows historical funding for the program by method of finance.

FIGURE 175
STANDARDS DEVELOPMENT, INTERPRETATION, AND TECHNICAL ASSISTANCE PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

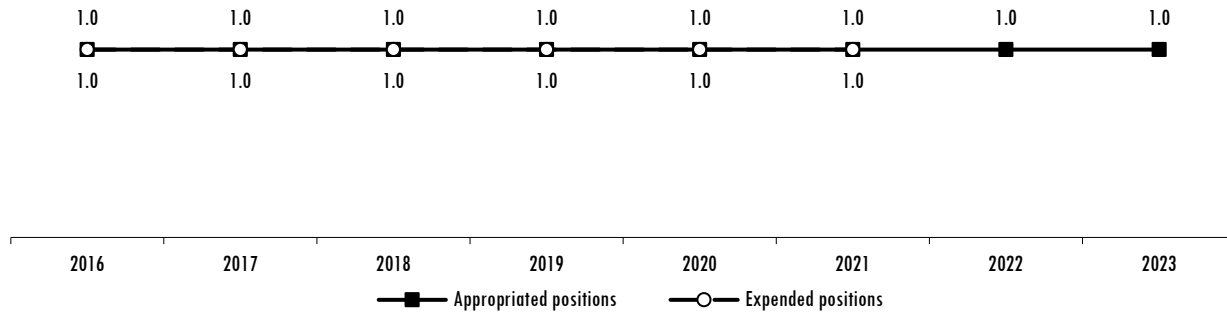
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.2	\$0.2	\$0.2	\$0.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.2	\$0.2	\$0.2	\$0.2

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 176 shows FTE positions for the program. The program has maintained 1.0 FTE position each fiscal year.

FIGURE 176
STANDARDS DEVELOPMENT, INTERPRETATION, AND TECHNICAL ASSISTANCE PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program could diminish the quality of care for youths at the community and residential levels because probation departments would have fewer resources when seeking clarification and interpretation of standards or requesting technical assistance. Many of the adopted standards are related directly to the ability of local probation departments and residential facilities to meet the needs of youths in the juvenile justice system safely and effectively.

OFFICE OF THE INSPECTOR GENERAL

The Texas Human Resources Code, Section 242.102

PROGRAM DESCRIPTION

The Office of Inspector General (OIG) Program reports directly to the TJJD board and is responsible for investigating and preventing criminal and delinquent conduct at TJJD state facilities and programs. It is responsible for investigating criminal offenses and allegations of abuse, neglect, and exploitation; apprehending fugitives; detecting and investigating contraband; conducting gang intelligence; and operating a reporting hotline regarding juvenile justice facilities and programs in Texas.

PROGRAM REVENUE

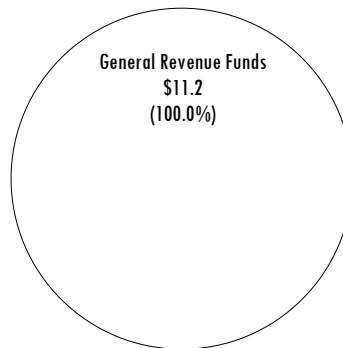
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 177 shows the program’s funding source by method of finance.

FIGURE 177
OFFICE OF INSPECTOR GENERAL PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$11.2



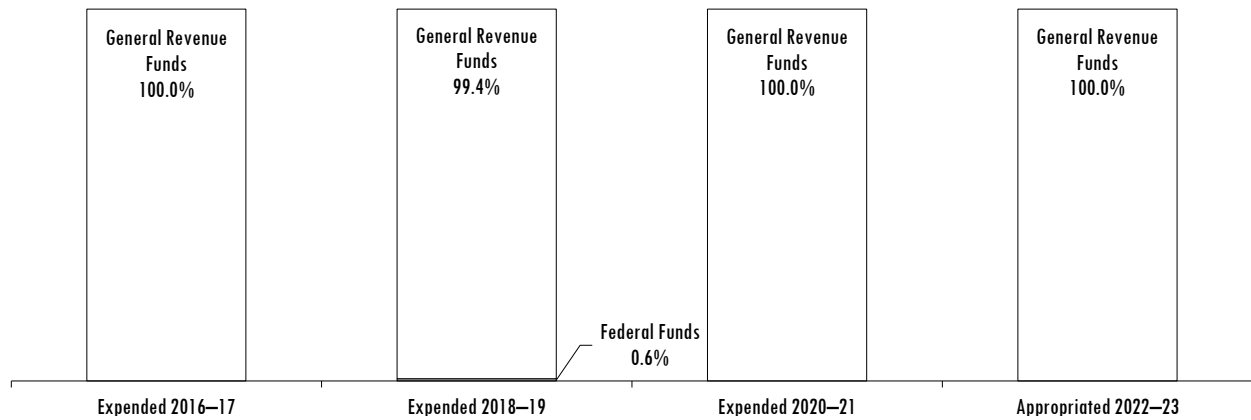
SOURCE: Texas Juvenile Justice Department.

HISTORICAL FUNDING

Figure 178 shows historical funding for the program by method of finance.

FIGURE 178
OFFICE OF INSPECTOR GENERAL PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

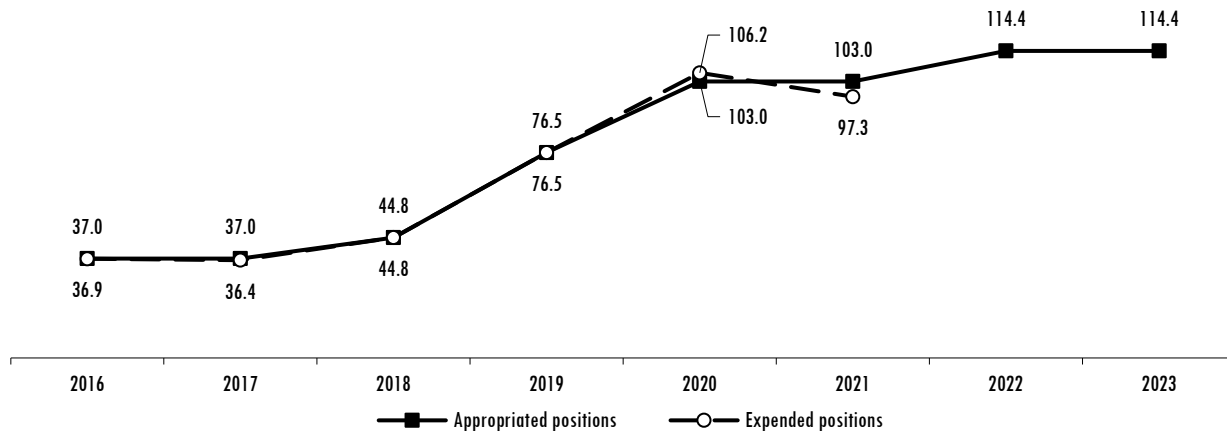
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$4.6	\$6.6	\$11.2	\$11.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$4.6	\$6.6	\$11.2	\$11.2

SOURCE: Texas Juvenile Justice Department.

FULL-TIME-EQUIVALENT POSITIONS

Figure 179 shows FTE positions for the program.

FIGURE 179
OFFICE OF INSPECTOR GENERAL PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Juvenile Justice Department.

PERFORMANCE MEASURES

Figure 180 shows the program’s performance measures.

FIGURE 180
OFFICE OF INSPECTOR GENERAL PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Allegations Reported to the Office of Inspector General (OIG)	No	N/A	17,363	N/A
Number of Texas Juvenile Justice Department Juveniles Apprehended by OIG	No	N/A	9	N/A
Number of Completed Criminal Investigative Cases	Yes	N/A	1,455	2,487
Number of Child Abuse Claims Investigated	No	N/A	313	N/A
Number of Completed Administrative Investigative Cases	No	N/A	515	N/A

NOTE: The agency is not required to report targets for non-key performance measures.
SOURCE: Texas Juvenile Justice Department.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported funding amounts necessary to provide a minimum level of service are greater than appropriated amounts for the 2022–23 biennium. According to the agency, additional FTE positions are necessary to fulfill the OIG’s responsibilities, including fugitive apprehension and processing calls, complaints, and grievances.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would result in various adverse consequences, including the following issues:

- the elimination of the OIG uniformed security detail at the five TJJD-operated secure facilities would require the transfer of authority and responsibility for contraband detection and entry and exit searches back to the juvenile correctional officers assigned to work in those facilities, who are not trained specifically for nor experienced in performing these functions. These changes could result in an unsafe working environment for staff and hinder their ability to provide effective rehabilitation due to the increased prevalence of contraband among the youth population;
- the elimination of criminal history inquiries for TJJD facility visitors, certain temporary volunteers, and youths' families could impede the law enforcement response to the arrival of an individual who has an active warrant or is a fugitive from justice;
- the elimination of OIG investigative functions would erode institutional knowledge and impede progress regarding juvenile delinquency, juvenile supervision, and juvenile corrections. It also could hinder the agency's ability to detect, respond to, investigate, and prosecute juvenile delinquents in these settings; and
- indirect budgetary impacts could include staffing and overtime costs for state, county, and contract-care facilities and programs if investigations were conducted by outside entities.

OFFICE OF INDEPENDENT OMBUDSMAN

The Texas Human Resources Code, Chapter 261

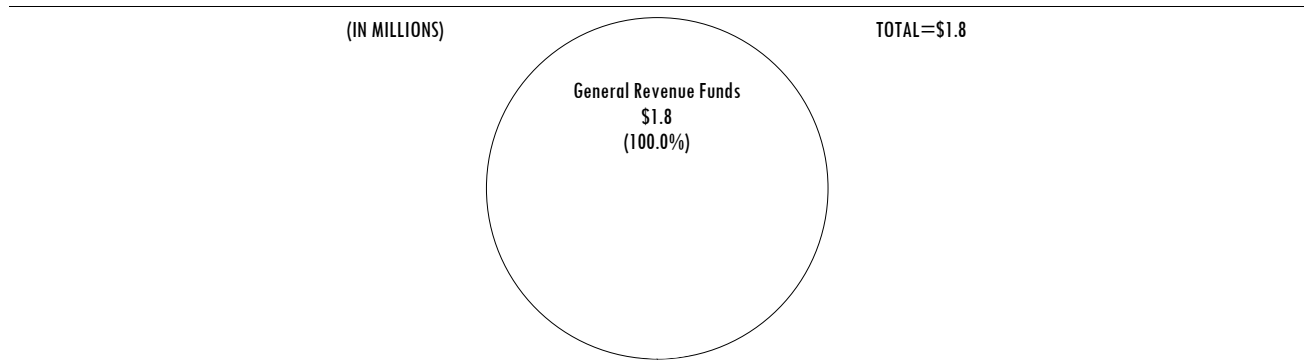
AGENCY DESCRIPTION

The Office of Independent Ombudsman (OIO) is a state agency established by statute to investigate, evaluate, and secure rights for youths committed to the Texas Juvenile Justice Department (TJJD). OIO’s duties include representing youths released under supervision before final discharge and those placed at county post-adjudication facilities and contract facilities. To fulfill the agency’s duties, OIO staff regularly visit TJJD secure facilities, halfway houses, parole offices, county post-adjudication facilities, and TJJD and county contract care programs.

AGENCY FUNDING SOURCES

OIO is appropriated funding through the Eighty-seventh Legislature, General Appropriations Act (GAA), 2022–23 Biennium, Article V, TJJD, Strategy D.1.1. In TJJD’s bill pattern, Rider 33 requires TJJD to provide indirect support and administrative resources as necessary to assist OIO to fulfill its statutory responsibilities. **Figure 181** shows the agency’s funding source by method of finance for its direct appropriation via TJJD’s bill pattern.

FIGURE 181
OFFICE OF INDEPENDENT OMBUDSMAN FUNDING SOURCE, 2022–23 BIENNIUM



SOURCE: Office of Independent Ombudsman.

Figure 182 shows the agency’s program funding overview, associated GAA budgeting strategy, expended amounts for the 2020–21 biennium, and appropriated amounts and full-time-equivalent positions for the 2022–23 biennium. OIO has one program.

FIGURE 182
OFFICE OF INDEPENDENT OMBUDSMAN PROGRAM FUNDING OVERVIEW, 2020–21 TO 2022–23 BIENNIA

RANKING	PROGRAM	STRATEGY (1)	(IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS 2022–23 (2)
			EXPENDED 2020–21	APPROPRIATED 2022–23	
1	Office of Independent Ombudsman	D.1.1, Texas Juvenile Justice Department	\$1.7	\$1.8	13.0

NOTES:

- (1) Strategy D.1.1. is in the Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium, Article V, bill pattern for the Texas Juvenile Justice Department.
- (2) The amount shown for full-time-equivalent positions is the budgeted level for each fiscal year of the biennium.

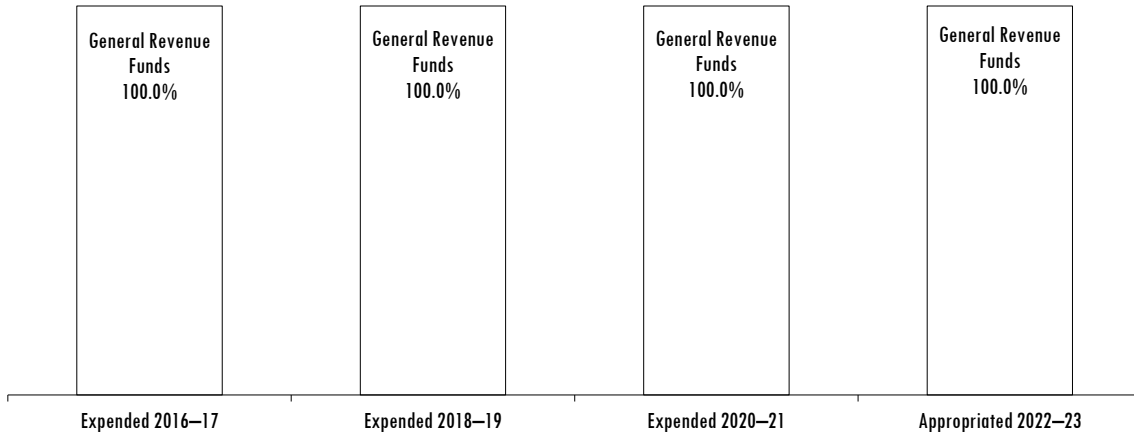
SOURCE: Office of Independent Ombudsman.

HISTORICAL FUNDING

Figure 183 shows historical funding for the agency by method of finance.

FIGURE 183
OFFICE OF INDEPENDENT OMBUDSMAN HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

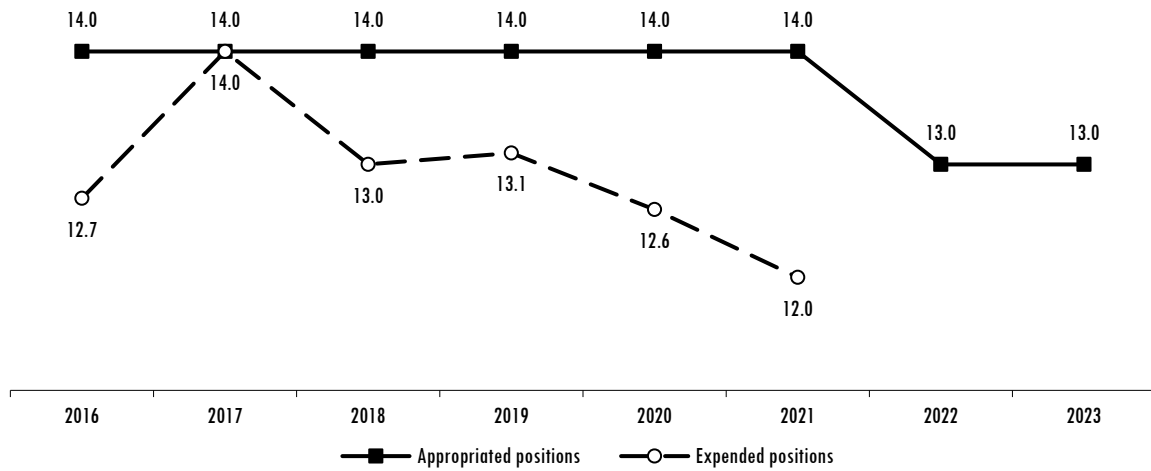
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.8	\$1.8	\$1.7	\$1.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.8	\$1.8	\$1.7	\$1.8

NOTE: Totals may not sum due to rounding.
 SOURCE: Office of Independent Ombudsman.

FULL-TIME-EQUIVALENT POSITIONS

Figure 184 shows full-time-equivalent positions for the agency.

FIGURE 184
OFFICE OF INDEPENDENT OMBUDSMAN FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Office of Independent Ombudsman.

AGENCY REVENUE SOURCES

The agency did not report any revenue sources.

PERFORMANCE MEASURE

Figure 185 shows the agency’s performance measure regarding the number of youths served. According to the agency, the number of youths served for fiscal year 2021 decreased during the COVID-19 pandemic as OIO staff conducted site visits virtually and were not able to contact as many youths as with onsite visits.

FIGURE 185
OFFICE OF INDEPENDENT OMBUDSMAN PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Youths Served	No	3,000	2,170	3,000

NOTE: The number of youths served is the number interviewed by the Office of Independent Ombudsman, not including orientation sessions or communication with families.

SOURCE: Office of Independent Ombudsman.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are essentially equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, the key function of securing the rights of youths committed to TJJD should remain a top priority considering TJJD’s ongoing challenges, including ongoing reports of abuse at TJJD facilities, and how they relate to OIO’s duties as an oversight agency. Discontinuing this program could weaken the protection of rights of post-adjudicated youths committed to state facilities.

TEXAS COMMISSION ON LAW ENFORCEMENT

The Texas Occupations Code, Chapter 1701

AGENCY DESCRIPTION

The Texas Commission on Law Enforcement (TCOLE) is a regulatory agency whose mission is to screen, develop, and monitor resources for the continuing education of law enforcement officers, and to set standards for behavior. The agency also develops, maintains, and enforces minimum qualifications for the selection, training, and certification of law enforcement personnel, county correctional officers, and telecommunicators.

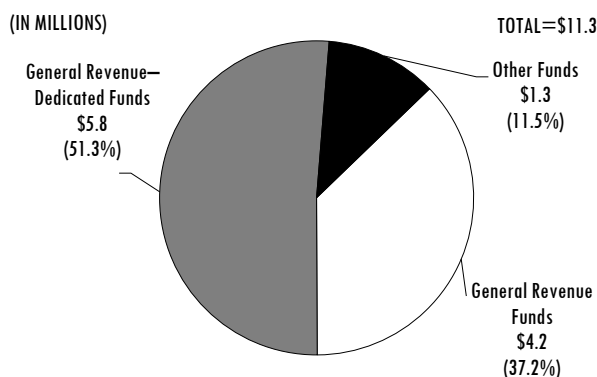
TCOLE is governed by nine commissioners appointed by the Governor, with the advice and consent of the Senate. To represent the regulated population, TCOLE is required statutorily to include the following representatives: three chief administrators of law enforcement agencies, which include sheriffs, constables, and chiefs of police; three individuals licensed by the agency, two of whom must be peace officers in nonsupervisory positions with a law enforcement agency when appointed; and three private citizens that have no direct connection with the field of law enforcement.

During the 2020–21 biennium, the Legislative Budget Board (LBB) and the Sunset Advisory Commission (SAC) reported on TCOLE through the Strategic Fiscal Review (SFR) and Sunset review processes, during which SAC recommended continuing the agency until the end of the 2022–23 biennium. The LBB and SAC are reviewing TCOLE in a limited-scope SFR and Sunset review for the 2022–23 biennium, and the SFR focuses on reviewing previous findings.

AGENCY FUNDING SOURCES

Figure 186 shows agency funding sources by method of finance.

FIGURE 186
TEXAS COMMISSION ON LAW ENFORCEMENT FUNDING SOURCES, 2022–23 BIENNIUM



SOURCE: Texas Commission on Law Enforcement.

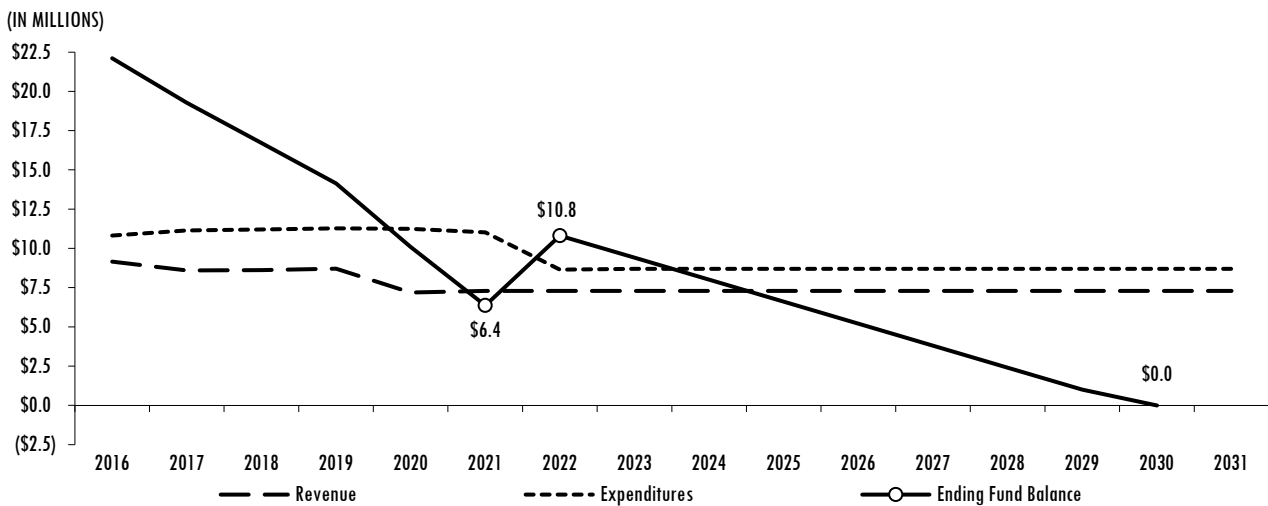
PREVIOUS STRATEGIC FISCAL REVIEW FINDINGS AND UPDATES

FUND DEPLETION

Agency funding includes a combination of General Revenue Funds, General Revenue–Dedicated Funds, Appropriated Receipts (Other Funds), donations, and state and federal grants. Revenue collected from consolidated court costs and professional fees is deposited to General Revenue–Dedicated Account No. 116, Law Enforcement Officer Standards and Education (Account No. 116), which finances the majority of TCOLE’s expenditures. The Comptroller of Public Accounts (CPA) also spends from Account No. 116, as does the Employees Retirement System of Texas for employee benefits. The amount of revenue collected has been decreasing for at least the past 15 fiscal years due to the overall decrease of state court cost collections from traffic citations and other nonjailable misdemeanor offenses.

The October 2020 SFR report determined that, without replacement, the loss of funding from Account No. 116 would negatively affect most TCOLE operations no later than fiscal year 2024. To address the depleting fund balance of Account No. 116, appropriations to TCOLE for the 2022–23 biennium included a method-of-finance adjustment that increased General Revenue Funds to the agency by \$1.0 million while decreasing funding for Strategy A.1.7, Law Enforcement Education Funds, at Fiscal Programs within the Office of the CPA by the same amount. In addition, Senate Bill 8, Eighty-seventh Legislature, Third Called Session, 2021, provided \$5.8 million in Federal Funds from pandemic-related stimulus funds for deposit into Account No. 116 to address the shortfalls in court fee collections. Based on current revenue and expenditure levels, **Figure 187** shows the projected fund balance levels with continued depletion until the balance hits \$0.0 in fiscal year 2030.

FIGURE 187
GENERAL REVENUE–DEDICATED ACCOUNT NO. 116 PROJECTED FUND BALANCE AT CURRENT SERVICE LEVELS
FISCAL YEARS 2016 TO 2031



NOTE: Fiscal years 2022 to 2031 show projected amounts.
 SOURCES: Comptroller of Public Accounts; Texas Commission on Law Enforcement.

IT INFRASTRUCTURE AND THE TEXAS COMMISSION ON LAW ENFORCEMENT DATA DISTRIBUTION SYSTEM

The 2021 Sunset Advisory Commission Staff Report revealed deficiencies in TCOLE’s contracting practices, which have hampered the development of a fully functional licensing database, the Texas Commission on Law Enforcement Data Distribution System (TCLEDDS), due to the agency's inability to hold the database vendor accountable for substandard performance in accordance with the contract. House Bill 2, Eighty-seventh Legislature, Regular Session, 2021, appropriated \$3.6 million in General Revenue Funds to end the contract and purchase TCLEDDS from the database vendor, and \$1.0 million in General Revenue Funds for 6.0 additional full-time-equivalent (FTE) positions to support TCLEDDS and other information technology (IT) functions. The 2020 SFR also reported issues that could arise from failing to update the IT infrastructure of the agency’s legacy case management system, such as the potential loss of case history or undetected repeat violations by a licensee. The agency plans to integrate infrastructure updates with the TCLEDDS purchase.

AGENCY STAFFING

The 2020 SFR reported that the agency’s new courses are developed by a committee of stakeholders formed from an intentionally diverse representation of the law enforcement profession across the state. This committee includes individuals from agencies of varying types, sizes, and geographic locations, and subject matter experts for specific topics when necessary.

Although this inclusion provides a broader range of perspectives when developing new courses, the agency reports that the committee process requires a significant amount of workload and coordination for the curriculum coordinator, due to the diversion of resources. The work hours dedicated to developing new courses has left several existing courses, which were added during previous legislative sessions, in need of review and updating. Some older, advanced-level courses that require

maintenance have been displaced in the curriculum staff's workload by newer, basic-level courses, which require development efforts.

The Eighty-seventh Legislature, Regular Session, 2021, provided \$1.3 million in General Revenue–Dedicated Funds from Account No. 116 to fund an additional 6.0 FTE positions for the curriculum staff to oversee law enforcement training, and funding to reimburse volunteer curriculum committee participants for travel and per diem expenses.

MANUAL FORM SUBMISSIONS

When the agency's 2009 Sunset legislation added a provision requiring TCOLE to collect forms and reports submitted by law enforcement agencies in an electronic format on TCLEDDS, the same requirement was not established for forms submitted by individual licensees. The 2020 SFR found that spending an estimated \$0.2 million to replace TCOLE's manual form submission process with an online system for licensees to submit forms electronically would enable the agency to deliver proficiency certificates and process other forms in half the time or less.

The agency has reported that it can incorporate this functionality into the existing MyTCOLE system, which manages the direct delivery of training to licensees, at no cost to their employing agencies. The agency reports that it will incorporate into the MyTCOLE online services platform the 35 individual licensee forms that currently are downloaded from TCOLE's website and mailed.

LICENSE EXPIRATION DATES

The school marshal license expiration date previously was on the individual's birthday, which made it difficult for the agency to track expirations and to organize renewal classes. The 2020 SFR report identified an option to amend the Texas Occupations Code, Section 1701.260(g), to align the license expiration date with the end of the continuing education period for the rest of the TCOLE licensees.

Senate Bill 785, Eighty-seventh Legislature, Regular Session, 2021, amended the license expiration date to match the continuing education dates, expiring August 31 following the second anniversary of the date TCOLE licensed the individual.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

The Texas Government Code, the Texas Health and Safety Code, the Texas Local Government Code, the Texas Natural Resources Code, the Texas Occupations Code, the Texas Tax Code, and the Texas Water Code

AGENCY DESCRIPTION

The Texas Commission on Environmental Quality's (TCEQ) mission is to protect the state's human and natural resources consistent with sustainable economic development through environmental assessment, planning, permitting, monitoring, and pollution prevention and remediation activities.

To accomplish this mission, the agency generates environmental data through planning, assessment, analysis, and reporting; coordinates with public, private, local, state, and federal entities; develops regulations and policies in accordance with state and federal statutes; provides customer service and information; manages environmental grants, funds, contracts, and fees; and administers agency operations.

The agency's goal is to reduce the release of toxic substances in Texas and guide the state's environmental regulatory framework regarding air, water, waste, and radioactive materials.

AIR

Agency efforts to inspect and improve air quality include monitoring pollutant levels by collecting air samples throughout the state; developing the State Implementation Plan and associated regulatory actions to ensure compliance with National Ambient Air Quality Standards; assisting in implementing the Vehicle Emissions Inspection and Maintenance Program to monitor and reduce tailpipe emissions in nonattainment areas; awarding grants through the Texas Emissions Reduction Plan (TERP) program to support initiatives in nonattainment areas and other areas in the state intended to reduce emissions from vehicles, heavy-duty equipment, locomotives, marine vessels, and stationary engines; and inspecting and issuing permits to facilities that release pollutants to ensure that new or expanding facilities that emit air pollution use the best available technologies to control or reduce emissions.

WATER

TCEQ works to protect the state's water quality by monitoring and evaluating water quality in lakes, streams, and groundwater; establishing water-quality standards to protect aquatic life, human health, drinking water, and recreation; reviewing and issuing permits for the diversion, use, or storage of surface water and wastewater; supporting five signatory interstate river compacts to ensure that Texas receives its share of river waters as allocated by each compact agreement; protecting the Edwards Aquifer by reviewing applications and construction plans submitted for projects in the recharge, transition, or contributing zones of the aquifer; and ensuring compliance with water rights in designated service areas along the Rio Grande and the Brazos and Concho rivers.

WASTE

The agency monitors the generation, treatments, and storage of solid waste throughout the state by tracking the capacity of waste-disposal facilities; providing technical assistance to municipal solid waste planning regions for the development and implementation of waste-reduction plans by assessing waste-management trends and future waste-management needs; and registering, permitting, and inspecting all industries engaged in the disposal of hazardous, industrial, and municipal solid waste.

RADIOACTIVE MATERIALS

Agency efforts to control and monitor radioactive materials include licensing, permitting, and regulating source materials recovery, commercial radioactive waste processing and storage, byproduct material disposal, and disposal of naturally occurring radioactive waste materials not related to oil and gas production. The agency also oversees the reclamation of historic radioactive material, burial sites, and other sites contaminated with radioactive materials. It also reviews and monitors compliance for low-level radioactive waste disposal at the site in Andrews County, which is a state-owned facility that is operated by an independent third party, in accordance with the federal Low-level Radioactive Waste Disposal Compact between Texas and Vermont.

Other functions of the agency include inspecting and accrediting all environmental laboratories in Texas promoting pollution prevention and recycling through public educational programs and technical assistance performance-based regulation; and

identifying, assessing, and prioritizing cleanup for sites contaminated by leaks from petroleum storage tanks, hazardous materials, solvent releases from dry cleaner facilities, and industrial hazardous waste.

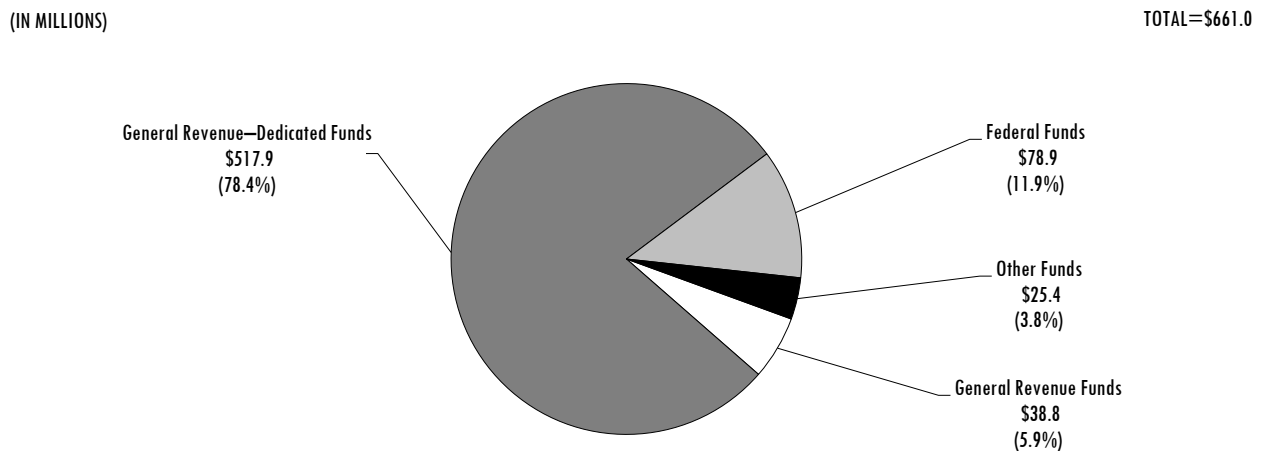
TCEQ maintains 16 regional offices, three satellite offices, and laboratories in Austin and Houston to monitor and assess air and water quality, investigate facilities, respond to complaints, promote voluntary compliance through education and technical assistance, and respond to emergencies such as accidental releases of chemicals into the environment.

The agency monitors compliance with all environmental orders and regulations pertaining to air, water, waste, and radioactive materials in the state and assesses penalties and other regulatory actions on businesses and industries that are noncompliant. It also offers programs to defer or mitigate penalties and enforcement actions to certain regulated communities that have special needs, including small businesses and small local governments.

AGENCY FUNDING SOURCES

The agency is funded through a combination of General Revenue Funds, General Revenue–Dedicated Funds, Federal Funds, and Other Funds. **Figure 188** shows agency funding sources by method of finance. For the 2022–23 biennium, 78.4 percent of total agency funding is provided through General Revenue–Dedicated Funds appropriated from 15 dedicated accounts. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 188
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FUNDING SOURCES WITHIN THE TREASURY, 2022–23 BIENNIUM



SOURCE: Legislative Budget Board.

A majority of the agency’s federal funding is through grants from the U.S. Environmental Protection Agency for monitoring and compliance with the federal Clean Air Act and Clean Water Act. Other Funds include Interagency Contracts with other state entities, to enforce the federal Safe Drinking Water Act, and Appropriated Receipts.

Figure 189 shows a program funding overview in the agency’s program ranking order along with associated General Appropriations Act budgeting strategies, expended amounts for the 2020–21 biennium, and appropriated amounts and full-time-equivalent positions for the 2022–23 biennium.

FIGURE 189
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY PROGRAM FUNDING OVERVIEW, 2020–21 TO 2022–23 BIENNIA

RANKING	PROGRAM	STRATEGY	(IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS 2022–23 (1)
			EXPENDED 2020–21	APPROPRIATED 2022–23	
1	Drinking Water Quality Standards	B.1.1. Safe Drinking Water	\$34.0	\$44.5	128.1
2	Field Inspections and Complaint Response	C.1.1. Field Inspections and Complaints	\$97.3	\$106.2	703.7/709.3
3	Air Permitting – New Source Review	A.2.1. Air Quality Permitting	\$14.7	\$16.5	105.1/102.2
4	Air Permitting – Title V, Federal Operating Permits	A.2.1. Air Quality Permitting	\$16.4	\$17.3	117.3/120.2
5	Water Resource Permitting	A.2.2. Water Resource Permitting	\$23.5	\$25.2	151.4/150.2
6	Municipal Solid Waste Permits	A.2.3. Waste Management and Permitting	\$9.2	\$9.8	49.2/50.2
7	Industrial and Hazardous Waste Permits	A.2.3. Waste Management and Permitting	\$8.9	\$9.1	55.5/54.8
8	Dam Safety	A.1.2. Water Assessment Planning	\$5.6	\$6.1	34.8/36.2
9	Utility Regulation/District Applications	B.1.1. Safe Drinking Water	\$3.7	\$3.9	17.5
10	Low-level Radioactive Waste	A.3.1. Low-level Radioactive Waste Assessment	\$2.8	\$3.0	14.1/13.3
11	Radioactive Materials	A.3.1. Low-level Radioactive Waste Assessment	\$5.9	\$6.0	12.9/13.7
12	Air Quality Planning	A.1.1. Air Quality Assessment and Planning	\$27.2	\$26.5	106.8/106.9
13	Edwards Aquifer Protection	A.2.2. Water Resource Permitting	\$2.8	\$2.6	18.3/19.5
14	Watermaster Administration	A.2.2. Water Resource Permitting and C.1.1. Field Inspections and Complaints	\$4.4	\$4.3	27.5/26.9
15	Underground Injection Control	A.2.3. Waste Management and Permitting	\$0.5	\$0.4	2.0/1.9
16	Registration and Reporting	A.1.3. Waste Assessment and Planning; A.2.3. Waste Management and Permitting; D.1.1. Storage Tank Administration and Cleanup; and D.1.2. Hazardous Materials Cleanup	\$2.6	\$2.9	19.9/19.2
17	Air Monitoring	A.1.1. Air Quality Assessment	\$49.7	\$48.6	167.4/167.2

		and Planning			
18	Water Assessment and Planning	A.1.2. Water Assessment Planning	\$26.6	\$24.8	142.6/136.8
19	Water Quality Standards	A.1.2. Water Assessment Planning	\$1.0	\$1.3	4.0/4.3
20	Waste Assessment and Planning	A.1.3. Waste Assessment and Planning	\$1.9	\$1.3	5.5/6.4
21	River Compacts	E.1.1. Canadian River Compact; E.1.2. Pecos River Compact; E.1.3. Red River Compact; E.1.4. Rio Grande River Compact; and E.1.5. Sabine River Compact	\$10.6	\$6.2	7.0
22	Water Quality Assessment and Planning – Total Maximum Daily Load	A.1.2. Water Assessment Planning	\$4.0	\$4.5	8.0/9.2
23	Clean Rivers	A.1.2 Water Assessment Planning	\$8.7	\$10.7	3.6/4.0
24	Occupational Licensing	A.2.4. Occupational Licensing	\$2.6	\$2.6	22.2
25	Enforcement	C.1.2. Enforcement and Compliance Support	\$19.3	\$20.8	147.4/153.9
26	Central Administration	F.1.1. Central Administration	\$42.9	\$45.5	281.4
27	Information Resources	F.1.2. Information Resources	\$53.0	\$58.5	130.0
28	Other Support Services	F.1.3. Other Support Services	\$17.0	\$17.6	41.5
29	Petroleum Storage Tank Administration and Regulatory	D.1.1. Storage Tank Administration and Cleanup	\$8.4	\$8.8	57.8/57.3
30	Voluntary Cleanup and Other Remediation	D.1.2. Hazardous Materials Cleanup	\$7.5	\$7.9	51.3/50.5
31	Petroleum Storage Tank	D.1.1. Storage Tank Administration and Cleanup	\$22.3	\$24.6	0.0
32	Superfund Assessment and Cleanup	D.1.2. Hazardous Materials Cleanup	\$36.6	\$43.1	62.2/63.1
33	Dry Cleaner Remediation	D.1.2. Hazardous Materials Cleanup	\$7.3	\$7.2	4.4/4.3
34	Protection and Restoration of Bays and Estuaries	A.1.2. Water Assessment Planning	\$4.0	\$4.2	6.6/6.4
35	Water Quality Assessment and Planning – Nonpoint Source Program	A.1.2. Water Assessment Planning	\$7.1	\$8.0	7.3/8.2
36	Vehicle Emission Inspection and Maintenance	A.1.1. Air Quality Assessment and Planning	\$4.1	\$4.0	18.6/18.7
37	Groundwater Protection and Management	A.1.2. Water Assessment Planning	\$1.1	\$1.0	5.2/7.4

38	Tier II Chemical Reporting	C.1.2. Enforcement and Compliance Support	\$1.5	\$2.4	11.6/12.2
39	Performance Standards for Safety at Storage Vessels	D.1.1. Storage Tank Administration and Cleanup	\$0.0	\$0.2	2.0
40	Laboratory Accreditation	C.1.2. Enforcement and Compliance Support	\$1.3	\$1.5	7.1/8.5
41	Environmental Assistance	C.1.2. Enforcement and Compliance Support	\$4.5	\$4.3	31.2/27.1
42	Pollution Prevention and Recycling	C.1.3. Pollution Prevention and Recycling	\$3.5	\$3.8	19.2/18.8
43	Texas Emissions Reduction Plan Program (2)	A.1.1. Air Quality Assessment and Planning	\$130.1	\$349.0	145.4
44	Air Pollution Control Equipment	C.1.3. Pollution Prevention and Recycling	\$0.3	\$0.5	3.0/3.4
45	Regional Solid Waste Disposal Grant	A.1.3. Waste Assessment and Planning	\$11.0	\$11.0	0.0
46	Seminar Account	C.1.3. Pollution Prevention and Recycling	\$0.4	\$1.9	0.0
48	Low-income Vehicle Repair Assistance Program (3)	A.1.1. Air Quality Assessment and Planning	(\$9.9)	\$0	0.0

NOTES:

- (1) The amounts shown for full-time-equivalent (FTE) positions are the budgeted levels for each fiscal year of the biennium. If the levels differ by fiscal year, both are shown.
- (2) The 2020–21 biennial amount represents expended totals from General Revenue–Dedicated Account No. 5071, Texas Emissions Reduction Plan (TERP). The budgeted amount for the 2022–23 biennium shows anticipated funds available to the agency from revenue deposited to the Texas Emissions Reduction Plan Fund, a trust fund established by House Bill 3745, Eighty-sixth Legislature, 2019, located outside of the Treasury. All FTE positions for the 2022–23 biennium for the TERP program are funded entirely from the TERP Fund.
- (3) The negative amount shown for the 2020–21 biennium represents amounts reimbursed to counties that participated in the program before the Governor vetoed its 2018–19 biennial appropriations.

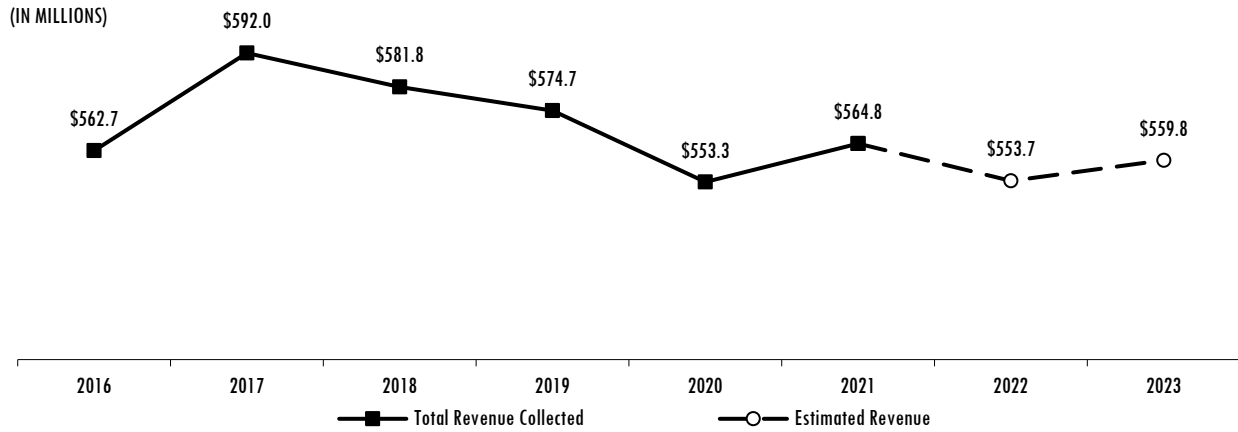
SOURCE: Texas Commission on Environmental Quality.

AGENCY REVENUE SOURCES

The agency collects fees from various sources including permitting and licensing, vehicle and equipment registration, disposal, applications, and sales tax on certain products from petroleum to batteries. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

Figure 190 shows total revenue collected from fiscal years 2016 to 2021 and the agency’s estimate of revenue to be collected for fiscal years 2022 and 2023.

FIGURE 190
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY REVENUE COLLECTIONS, FISCAL YEARS 2016 TO 2023



NOTE: Amounts for fiscal years 2022 and 2023 include fee revenue collected for the Texas Emissions Reduction Plan (TERP) program, which are deposited in the TERP Fund, a trust fund established by House Bill 3745, Eighty-sixth Legislature, 2019, located outside of the Treasury.

SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Depending on the revenue source, collected revenue is deposited either in the General Revenue Fund, a specific General Revenue–Dedicated account, or the TERP Fund, a trust fund established by House Bill 3745, Eighty-sixth Legislature, 2019, located outside of the Treasury. Of the \$1.1 billion in revenue collected for the 2020–21 biennium, 98.2 percent was deposited to a General Revenue–Dedicated account. Historically, the largest General Revenue–Dedicated account revenue deposit has been to Account No. 5071, Texas Emissions Reduction Plan, which collected 45.4 percent of all agency fee revenue during the 2020–21 biennium. House Bill 4472, Eighty-seventh Legislature, Regular Session, 2021, redirected all fees deposited to the TERP account to the TERP Fund effective September 1, 2021. The agency anticipates collecting \$254.3 million in fiscal year 2022 and \$256.9 million in fiscal year 2023 in fee revenue to be deposited to the TERP Fund. These amounts represent net deposits, including monthly transfers to the State Highway Fund.

Figure 191 shows revenue collected by method of finance.

FIGURE 191
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY REVENUE BY METHOD OF FINANCE, FISCAL YEARS 2020 TO 2023

(IN MILLIONS)

METHOD OF FINANCE	ACTUAL 2020	ACTUAL 2021	ESTIMATED 2022	ESTIMATED 2023
General Revenue Funds	\$9.5	\$10.6	\$1.8	\$1.8
General Revenue–Dedicated Funds				
Account No. 88, Low Level Waste	\$0.7	\$0.5	\$0.7	\$0.7
Account No. 151, Clean Air	\$65.8	\$68.2	\$68.1	\$68.6
Account No. 153, Water Resource Management	\$81.9	\$81.4	\$86.3	\$87.7
Account No. 158, Watermaster Administration	\$2.8	\$2.7	\$2.7	\$2.7
Account No. 468, TCEQ Occupational Licensing	\$2.6	\$2.7	\$2.4	\$2.6
Account No. 549, Waste Management	\$35.2	\$36.5	\$36.4	\$36.6

Account No. 550, Hazardous and Solid Waste Remediation Fee	\$28.6	\$29.6	\$28.9	\$29.0
Account No. 655, Petroleum Storage Tank Remediation	\$16.0	\$16.5	\$17.2	\$17.5
Account No. 5000, Solid Waste Disposal	\$11.0	\$11.3	\$11.6	\$11.7
Account No. 5020, Workplace Chemicals List	\$1.1	\$1.8	\$1.3	\$1.4
Account No. 5065, Environmental Testing Laboratory Accreditation	\$0.8	\$0.8	\$0.8	\$0.8
Account No. 5071, Texas Emissions Reduction Plan (2)	\$252.1	\$255.9	\$254.3	\$256.9
Account No. 5093, Dry Cleaning Facility Release (3)	\$3.3	\$2.7	\$3.2	\$3.2
Account No. 5094, Operating Permit Fees	\$39.4	\$41.3	\$39.8	\$40.1
Account No. 5158, Environmental Radiation and Perpetual Care	\$2.6	\$2.3	\$1.6	\$1.6
Other Funds				
License Plate Trust Fund (4)	\$0.0	\$0.0	\$0.0	\$0.0
Total	\$553.3	\$564.8	\$556.9	\$563.0

NOTES:

- (1) Amounts shown for fiscal years 2020 and 2021 are actual; amounts shown for fiscal years 2022 and 2023 are estimated.
- (2) House Bill 4472, Eighty-seventh Legislature, Regular Session, 2021, redirected all fees deposited to the General Revenue—Dedicated Account No. 5071, Texas Emissions Reduction Plan, to the Texas Emissions Reduction Plan Trust Fund outside of the Treasury effective September 1, 2021. The amounts shown represent net revenue deposits, including monthly transfers to the State Highway Fund.
- (3) Fiscal years 2022 and 2023 amounts are estimates based on the fiscal note for Senate Bill 872, Eighty-seventh Legislature, Regular Session, 2021.
- (4) Collections amounts for the License Plate Trust Fund are less than \$100,000 each fiscal year.

SOURCES: Legislative Budget Board; Texas Commission on Environmental Quality (TCEQ).

FINDINGS

FINDING 1: OVERVIEW OF RECENT LEGISLATION – TEXAS EMISSIONS REDUCTION PLAN PROGRAM

Texas Emissions Reduction Plan (TERP) program funds support grants to provide financial incentives for activities to reduce nitrogen oxide (NO_x) emissions, a precursor to the formation of ground-level ozone, and for other activities authorized by the Texas Health and Safety Code, Section 386.252. These grants also support the following activities:

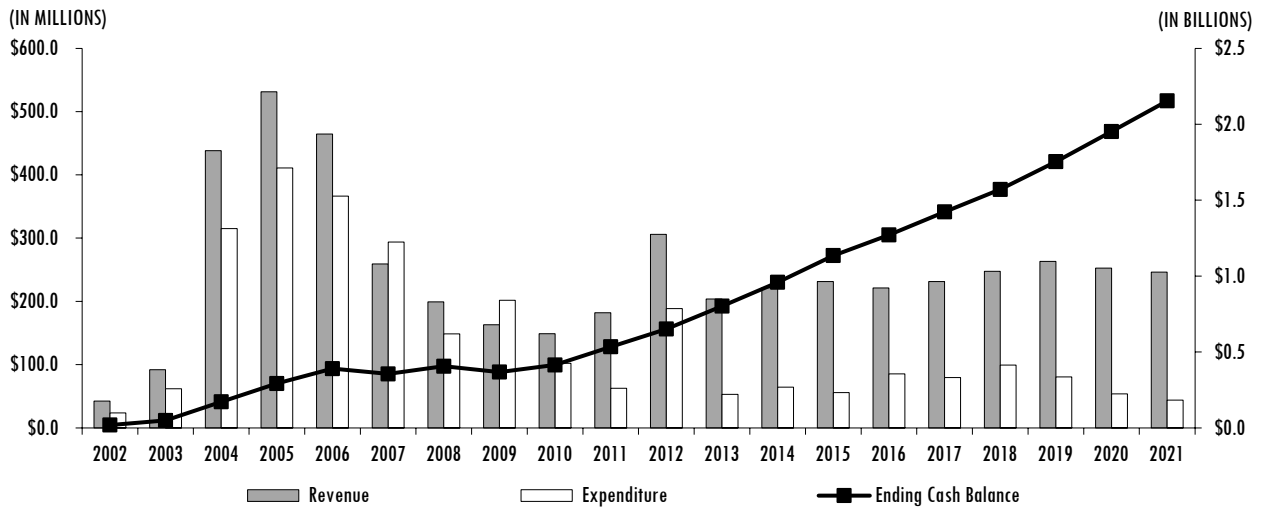
- upgrade or replace older diesel vehicles and equipment;
- encourage the use of natural gas vehicles and other alternative-fuel vehicles;
- provide infrastructure for alternative-fuel vehicles; reduce emissions of diesel exhaust from school buses;
- advance technologies to reduce NO_x and other emissions from facilities and other stationary sources;
- fund studies and pilot programs for port authorities to encourage cargo movement to reduce emissions; and
- implement new technologies to reduce emissions from certain stationary facilities.

Other authorized uses include regional air monitoring, air quality research, quantification of the benefits from wind and other renewable energy sources, and research of the effects of foreign emissions.

The Seventy-seventh Legislature, 2001, established the TERP program and the associated General Revenue–Dedicated Account No. 5071, Texas Emissions Reduction Plan (TERP account), to improve air quality in the state with the goal of meeting National Ambient Air Quality Standards established by the U.S. Environmental Protection Agency pursuant to the federal Clean Air Act. Until fiscal year 2022, the TERP account was funded by various fees and surcharges on the following activities: the sale, lease, and storage of off-road diesel equipment; the sale or lease of pre-1997 diesel vehicles; registration of truck tractors and commercial motor vehicles; a portion of vehicle certificate title fees; and commercial motor vehicle safety inspections; and emissions used as part of an emission reduction program to offset the requirements of commission TCEQ rules relating to control of air pollution from NO_x. According to the agency, the TERP program has provided approximately \$1.4 billion in grant funding to more than 25,000 projects to reduce NO_x emissions in nonattainment areas and other locations in Texas since 2001.

TERP program appropriations and expenditures from the TERP account historically have been less than revenues collected each fiscal year, which has resulted in a significant positive fund balance. According to the Comptroller of Public Accounts' 2021 State of Texas Annual Cash Report, the balance of the account was an estimated \$2.2 billion at the beginning of fiscal year 2022. **Figure 192** shows revenue, expenditure, and fund balance data for the TERP account for the past 20 years.

FIGURE 192
REVENUE, EXPENDITURES, AND FUND BALANCE OF THE GENERAL REVENUE–DEDICATED ACCOUNT NO. 5071, TEXAS
EMISSIONS REDUCTION PLAN, FISCAL YEARS 2002 TO 2021



SOURCE: Comptroller of Public Accounts.

House Bill 3745, Eighty-sixth Legislature, 2019, established the Texas Emissions Reduction Plan Fund (TERP Fund), a trust fund located outside the Treasury. The legislation redirected fees and surcharges previously deposited to the TERP account to the new TERP Fund beginning in fiscal year 2022. It also authorizes TCEQ to expend all revenues collected and deposited to the TERP Fund each fiscal year but requires any unexpended and unobligated amounts remaining in the fund to be transferred to the TERP account at the end of each biennium.

House Bill 4472, Eighty-seventh Legislature, Regular Session, 2021, requires the transfer of at least 35.0 percent of revenues deposited to the TERP Fund to the State Highway Fund (SHF) for use by the Texas Department of Transportation (TxDOT) to support congestion mitigation and air quality (CMAQ) improvement projects in nonattainment areas. Funds remaining after the required transfer to the SHF are available for TERP program spending. In addition, the legislation redirects any unexpended and unobligated amounts remaining in the TERP Fund to be transferred to the SHF at the end of each biennium rather than to the TERP account No. 5071. House Bill 4472 also requires TxDOT to provide an annual report to TCEQ detailing all planned and active CMAQ improvement projects in nonattainment areas that have received or may receive funding. The legislation’s provisions became effective September 1, 2021. As of June 2022, the projected ending balance of the TERP Fund to be transferred to the SHF is unknown.

During the 2020–21 biennium, the TERP program expended \$130.1 million from the TERP account, authorized before the enactment of House Bill 3745 and House Bill 4472. According to TCEQ, the agency projects spending \$173.9 million in fiscal year 2022 and \$175.1 million in fiscal year 2023, or \$349.0 million for the biennium, from the TERP Fund for program activities. This increase is possible because of the agency is authorized to spend all available remaining balances instead of being limited to historically appropriated sum-certain amounts from the TERP account. Additionally, the agency received an appropriation of \$1.4 million in fiscal year 2022 from the TERP account to meet its temporary cash-flow needs at the beginning of the biennium until sufficient TERP Fund revenues accumulate to repay the amount to the TERP account. TCEQ also expects to hire an additional 62.4 full-time-equivalent (FTE) positions, for a total of 145.4 FTE positions per fiscal year, to assist with the increased workload due to the additional funding. All current and future FTE positions for the program are funded entirely from the TERP Fund.

The Eighty-seventh Legislature, General Appropriations Act (GAA), 2022–23 Biennium, Article VI, TCEQ, Rider 29, TERP Annual Report, requires the agency to produce an annual report on its expenditures, number of projects, estimated pollution reduction, and cost-effectiveness of each TERP-authorized program expended from the TERP Fund.

FINDING 2: REVENUE FROM GENERAL REVENUE–DEDICATED ACCOUNT NO. 549, WASTE MANAGEMENT

General Revenue–Dedicated Account No. 549, Waste Management (Account No. 549), collects revenue from various sources, of which the largest is the Municipal Solid Waste Disposal Fee, referred to as the tipping fee. This fee is assessed on all solid waste disposed in the state based on weight and/or volume and paid by municipalities and waste-management businesses operating municipal solid waste facilities. **Figure 193** shows the current Municipal Solid Waste Disposal Fee structure. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

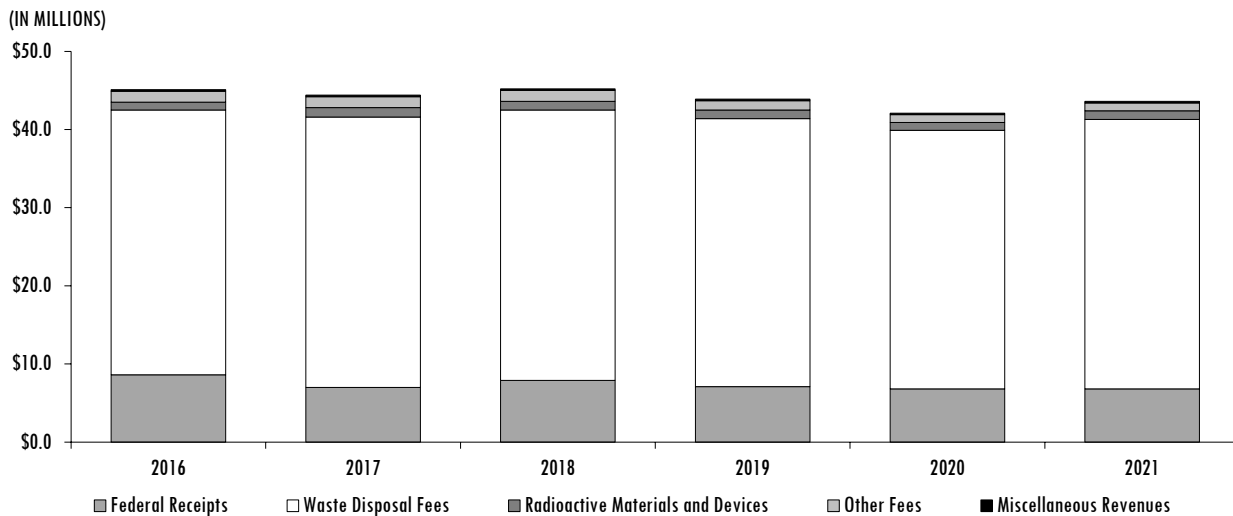
**FIGURE 193
MUNICIPAL SOLID WASTE DISPOSAL FEE RATES, AS OF JUNE 2022**

UNIT OF MEASURE	LANDFILLS	PROCESSORS FOR DISPOSAL (1)
Ton	\$0.94 per ton	\$0.47 per ton
Cubic yard (compacted)	\$0.30 per cubic yard	\$0.15 per cubic yard
Cubic yard (uncompacted)	\$0.19 per cubic yard	\$0.0095 per cubic yard

NOTE: (1) Includes incinerators, composters, shredders, and similar facilities.
SOURCE: Texas Commission on Environmental Quality.

The Texas Health and Safety Code, Section 361.014, allocates 66.7 percent of tipping fee revenue to Account No. 549 and the remaining 33.3 percent to Solid Waste Disposal Fees Account No. 5000 (Account No. 5000). **Figure 194** shows the revenues collected in Account No. 549 by object revenue code. On average, the waste disposal fees contributed approximately 77.6 percent of the revenue deposited to Account No. 549 from fiscal years 2016 to 2021.

**FIGURE 194
GENERAL REVENUE-DEDICATED ACCOUNT NO. 549 FEE REVENUE BY OBJECT REVENUE CODE, FISCAL YEARS 2016 TO 2021**



SOURCE: Comptroller of Public Accounts, Annual Cash Reports.

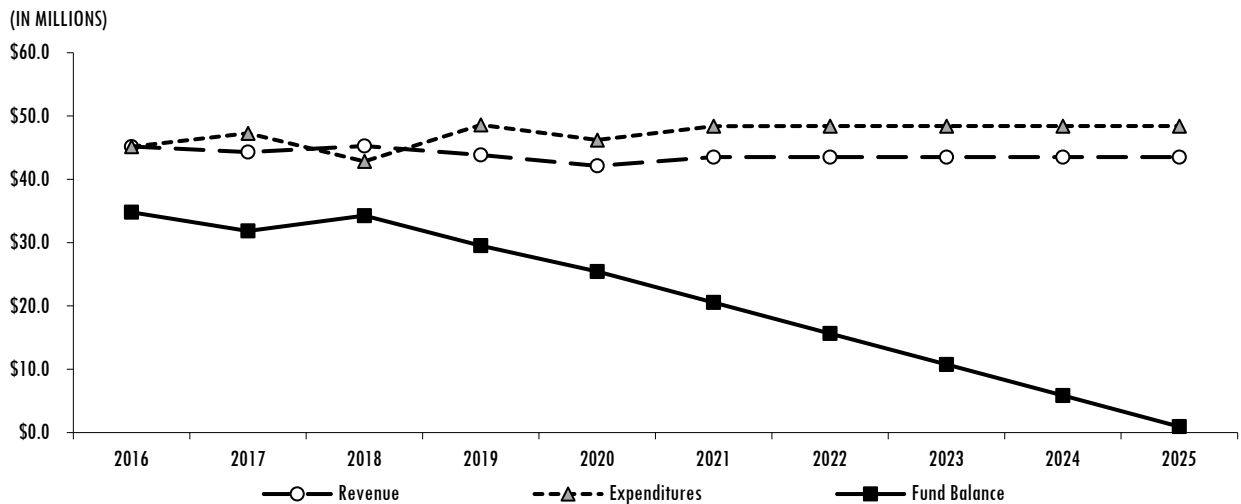
TCEQ was appropriated \$71.1 million from Account No. 549 for the 2022–23 biennium. The appropriation pays costs associated with employee benefits and retirement, supports the Statewide Cost Allocation Plan, and funds the following programs:

- Field Inspections and Complaint Response;
- Central Administration;
- Municipal Solid Waste;

- Information Resources;
- Industrial Hazardous Waste;
- Enforcement;
- Other Remediation;
- Other Support Services;
- Radioactive Materials;
- Underground Injection Control;
- Waste Assessment and Planning;
- Registration and Reporting;
- Environmental Assistance; and
- Pollution Prevention and Recycling.

According to the Comptroller of Public Accounts, Account No. 549 began fiscal year 2021 with a fund balance of \$25.4 million. Expenditures of \$48.4 million from the account exceeded revenues deposited of \$43.5 million, which resulted in a \$4.9 million decrease in the fund balance at the end of fiscal year 2021. If similar revenue collection and expenditure trends continue, assuming no increase in revenues or expenditures, the account’s balance may be depleted as soon as fiscal year 2025. **Figure 195** shows the revenues, expenditures, and anticipated fund balance amounts through fiscal year 2025.

FIGURE 195
REVENUE, EXPENDITURES, AND FUND BALANCE OF THE GENERAL REVENUE–DEDICATED ACCOUNT NO. 549,
WASTE MANAGEMENT, FISCAL YEARS 2016 TO 2025



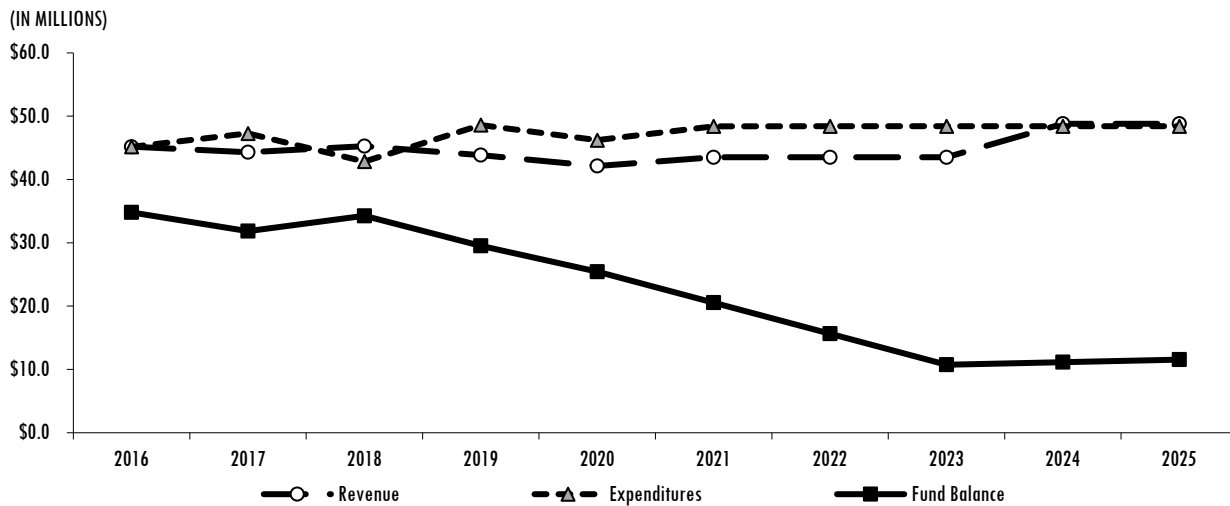
SOURCES: Legislative Budget Board; Comptroller of Public Accounts, Annual Cash Reports.

FINDING 2, OPTION 1: REALLOCATION OF FEE REVENUE

Option 1 would amend the Texas Health and Safety Code, Section 361.014, to increase the percentage of the Municipal Solid Waste Disposal Fee that is deposited to Account No. 549 and decrease the percentage to Account No. 5000. The Senate Committee on Natural Resources and Economic Development’s Interim Report to the Eighty-sixth Legislature, 2019, recommended directing 83.0 percent of the tipping fee to Account No. 549 and 17.0 percent to Account No. 5000 to mitigate the decrease in the former’s account balance. Revenue collected by the agency from the tipping fee totaled \$33.3 million for

fiscal year 2021. Through the current allocation, Account No. 549 received approximately \$22.3 million, and Account No. 5000 received \$11.0 million. Expenditures from Account No. 5000 totaled \$5.5 million for fiscal year 2021. If the recommended percentages in the committee’s interim report were adopted, Account No. 549 would receive \$27.6 million, an increase of \$5.3 million. The reallocation would align revenues deposited to Account No. 549 with anticipated expenditures and reduce revenue collections to Account No. 5000 without affecting its fund balance. **Figure 196** shows how the recommended allocation is projected to stabilize Account No. 549’s fund balance, assuming the adjustment takes effect in fiscal year 2024.

FIGURE 196
REVENUE, EXPENDITURES, AND FUND BALANCE OF THE GENERAL REVENUE–DEDICATED ACCOUNT NO. 549,
WASTE MANAGEMENT, ASSUMING AN INCREASE IN THE ALLOCATION OF THE MUNICIPAL SOLID WASTE DISPOSAL FEE
REVENUE, FISCAL YEARS 2016 TO 2025



SOURCES: Legislative Budget Board; Comptroller of Public Accounts, Annual Cash Reports.

FINDING 2, OPTION 2: AMEND STATUTE

Option 2 would amend the Texas Health and Safety Code, Section 361.014, to remove the statutory allocations and instead authorize TCEQ and the Comptroller of Public Accounts to set the allocation biennially by rule as necessary to adjust fund balances for Account No. 549 and Account No. 5000 based on anticipated revenue collections and expenditures. This adjustment could help prevent fluctuations to the accounts’ balances and use fee revenue more efficiently.

FINDING 2, OPTION 3: INCREASE THE SOLID WASTE DISPOSAL FEE

Option 3 would increase the Solid Waste Disposal Fee by an amount necessary to offset anticipated expenditures in Account No. 549 to maintain the fund balance. The Texas Health and Safety Code, Section 361.013(b), authorizes TCEQ to “raise or lower the fees ... in accordance with commission spending levels established by the legislature.” The fee last was adjusted pursuant to House Bill 7, Eighty-third Legislature, Regular Session, 2013, which decreased it by 25.0 percent. See **Figure 193** for the current fee structure.

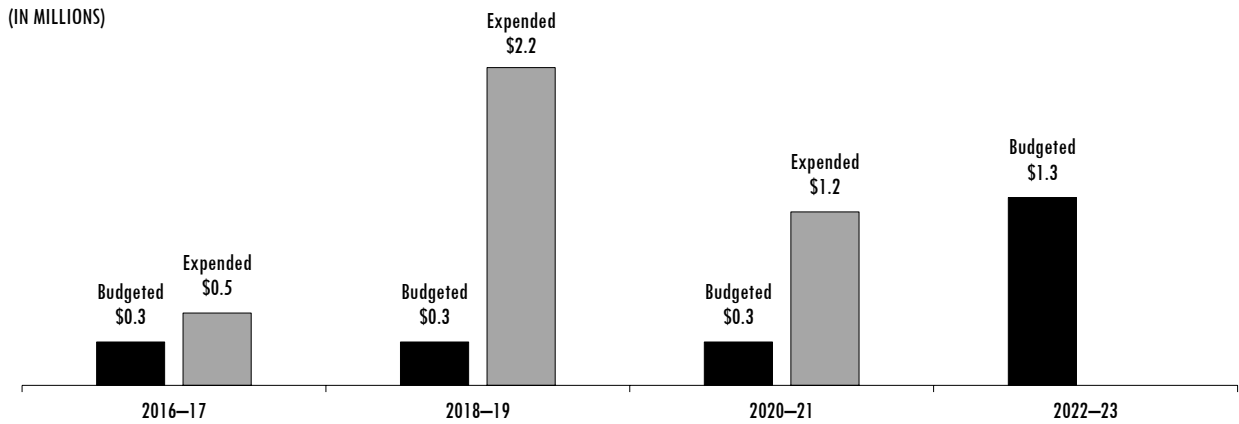
FINDING 3: EMERGENCY RESPONSE

State and local entities increasingly rely on TCEQ to provide first-responder emergency assistance during disasters such as hurricanes, industrial accidents, and chemical spills that may contaminate air and water systems. According to the agency, it does not have adequate funding to fulfill this first-responder role, which results in the diversion of agency resources from state and federally mandated inspections or investigations. Recent emergencies include: Winter Storm Uri, which occurred in February 2021; Hurricane Harvey, which made landfall in Texas in August 2017; the TPC Group petrochemical plant explosion in Port Neches in November 2019; the Intercontinental Terminals Company fire near Houston in March 2019; and the HP Gas LLC fire in Baytown in February 2018. Each of these events required TCEQ staff to conduct extensive air

monitoring using handheld instruments to generate data critical to protecting the public from potentially harmful chemicals or hazardous materials.

Figure 197 shows TCEQ’s budgeted and expended amounts for emergency response for the past three biennia. The Eighty-seventh Legislature, Regular Session, 2021, approved the agency’s exceptional item request for an additional \$1.0 million in All Funds to increase support for emergency response efforts.

FIGURE 197
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY’S EMERGENCY RESPONSE BUDGETED AND EXPENDED AMOUNTS
2016–17 TO 2022–23 BIENNIA



SOURCE: Texas Commission on Environmental Quality.

The 2022–23 GAA, Article IX, Section 14.04, Disaster Related Transfer Authority, authorizes the Office of the Governor and the Legislative Budget Board (LBB) to transfer appropriations between agencies to fund activities related to a declared disaster. Because many of the smaller, industrial emergency events are not declared disaster events, funds may be unavailable for transfer to cover expenditures.

The Legislature could consider providing TCEQ, through a rider appropriation, sum-certain contingency appropriations each fiscal year in which emergency response expenditures exceeded noncontingent appropriations for the same purpose within the biennium. The rider also would require the agency to report expenditures to the LBB and Comptroller of Public Accounts at the end of each fiscal year and would prohibit the transfer of the contingent appropriations to other programs or strategies within the agency’s bill pattern.

PROGRAMS

AIR MONITORING

The U.S. Code, Title 42, Section 7410 (a)(2)(B); the U.S. Code of Federal Regulations, Title 40, Parts 50 and 58

PROGRAM DESCRIPTION

The Air Monitoring Program measures the concentration of pollutants in ambient air from 255 state and partner-owned air monitoring stations and provides data to assess regional air quality in areas frequented by the public. All data collected are available for use by the public, federal and local entities, universities, nonprofit organizations, and other programs within the agency.

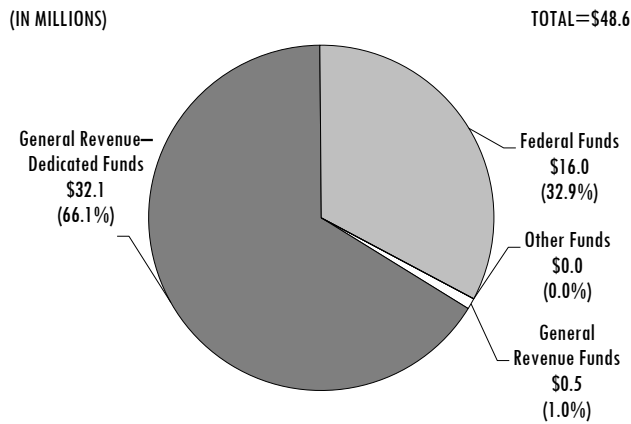
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 198 shows the program’s funding sources by method of finance, including General Revenue Funds, General Revenue–Dedicated Funds, Other Funds from Interagency Contracts, and Federal Funds to provide pass-through grants to local air pollution control agencies in key areas of the state. General Revenue–Dedicated Funds consist of \$23.3 million from General Revenue–Dedicated Account No. 151, Clean Air Account (Account No. 151), and \$8.8 million from General Revenue–Dedicated Account No. 5094, Operating Permit Fees (Account No. 5094). See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 198
AIR MONITORING PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



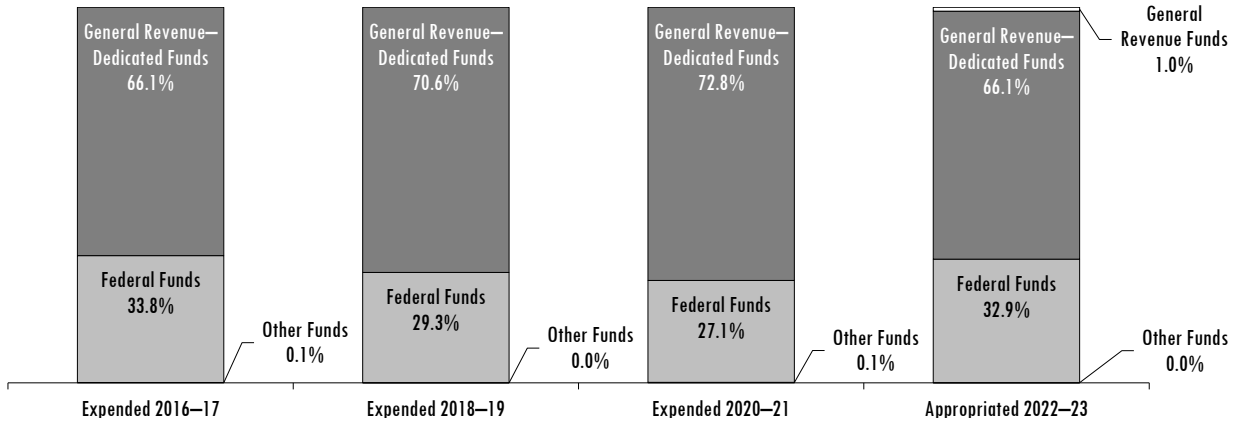
NOTE: Totals may not sum due to rounding. Other Funds sum to less than \$5,000 for the biennium.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 199 shows historical funding for the program by method of finance. The program historically has been funded through General Revenue–Dedicated Funds and Federal Funds. The increase in General Revenue Funds in the 2022–23 biennium was provided in fiscal year 2021 and carried forward to fiscal year 2022 pursuant to House Bill 2, Eighty-seventh Legislature, Regular Session, 2021, to replace funds transferred by the agency, pursuant to the 2022–23 GAA, Article VI, TCEQ, Rider 11, Reallocation of Certain Revenue and Balances for Certain Accounts, to continue water rights litigation with the State of New Mexico for equitable distribution of water pursuant to the Rio Grande River Compact. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 199
AIR MONITORING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

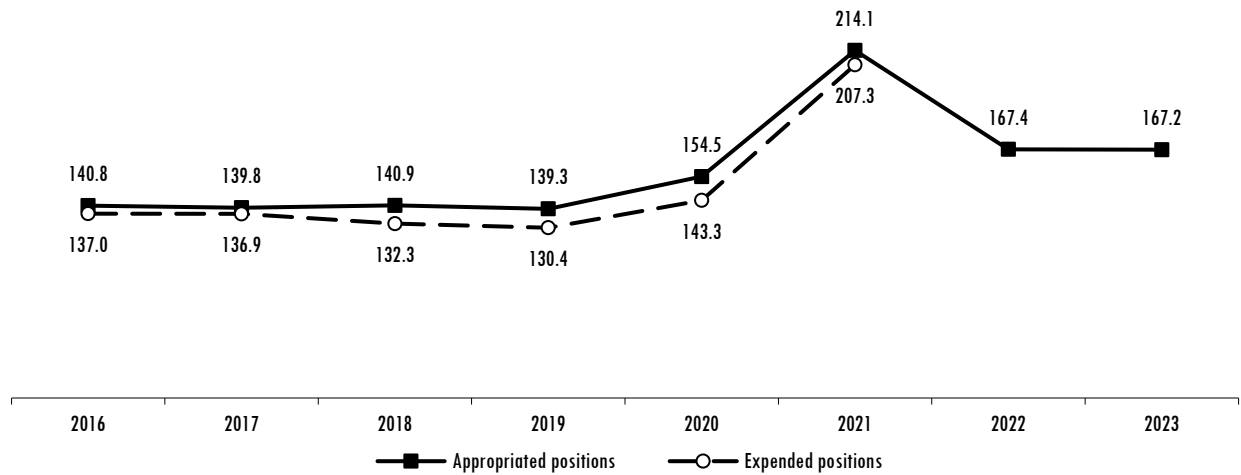
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.5
General Revenue-Dedicated Funds	\$29.3	\$30.8	\$36.1	\$32.1
Federal Funds	\$14.9	\$12.8	\$13.5	\$16.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$44.2	\$43.5	\$49.7	\$48.6

NOTE: Totals may not sum due to rounding. Other Funds sum to less than \$100,000 each biennium.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 200 shows full-time-equivalent positions for the program. During fiscal year 2021, the agency transferred full-time-equivalent (FTE) positions from the Air Quality Planning program to align with agency priorities.

FIGURE 200
AIR MONITORING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 201 shows the program’s performance measures.

FIGURE 201
AIR MONITORING PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Air Monitors Operated	Yes	393	403	417
Percentage of Data Collected by TCEQ Continuous and Noncontinuous Air-monitoring Networks	No	94.0%	90.0%	94.0%

SOURCE: Texas Commission on Environmental Quality (TCEQ).

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would place Texas out of compliance with the Federal Clean Air Act (FCAA) and air-monitoring requirements codified in federal rules. Discontinuing the program also would produce the following results:

- the collection of reliable air quality data that are used to inform Texas communities about local levels of air pollutants would cease;
- the ability of certain local air agencies to measure air quality in their communities would be reduced; and
- TCEQ’s ability to provide additional air-monitoring support during times of environmental emergencies and natural disasters, which assist in gauging threats to public safety, would be eliminated.

AIR QUALITY PLANNING

The Texas Health and Safety Code, Chapter 370, Chapter 382, and Section 386.051(b); the Federal Clean Air Act

PROGRAM DESCRIPTION

The State Implementation Plan (SIP) is the state’s comprehensive plan to clean the air and meet federal air quality standards. The Air Quality Planning Program develops SIP revisions and associated regulatory actions and programs to help ensure that all areas of Texas attain or maintain compliance with National Ambient Air Quality Standards (NAAQS). Program activities include SIP development, mobile sources (other than vehicle emissions inspection-related activities), rule writing and control strategy development, modeling, data analysis, emissions assessment, and research.

PROGRAM REVENUE

The agency did not report any revenue associated with this program.

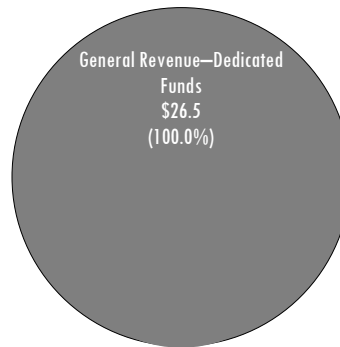
PROGRAM FUNDING

Figure 202 shows the program’s funding source by method of finance. Appropriations from General Revenue–Dedicated Funds include \$20.6 million from Account No. 151 and \$5.9 million from Account No. 5094. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 202
AIR QUALITY PLANNING PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$26.5



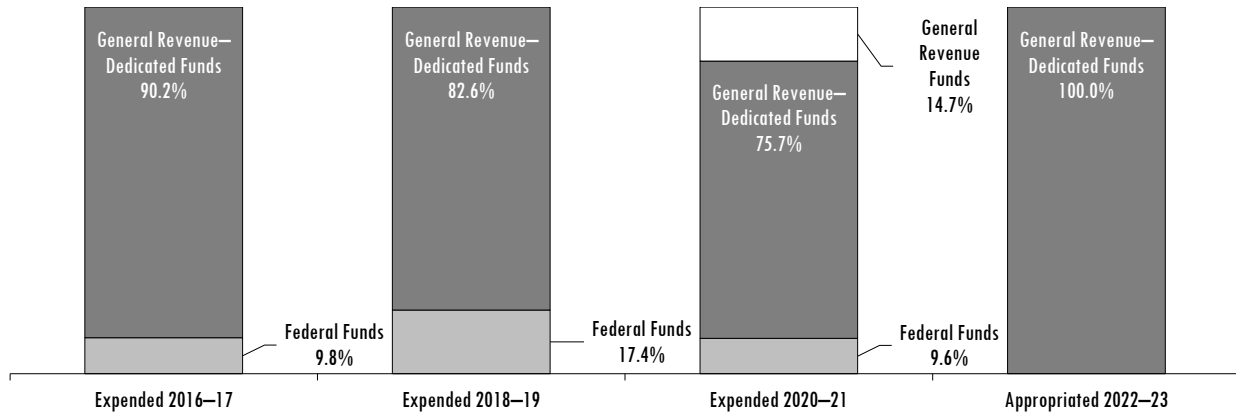
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 203 shows historical funding for the program by method of finance. The agency was appropriated \$4.0 million in General Revenue Funds during the 2020–21 biennium for a onetime interagency transfer to the University of Houston for projects that reduce emissions through improvements in energy production efficiency using supercritical carbon dioxide.

FIGURE 203
AIR QUALITY PLANNING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

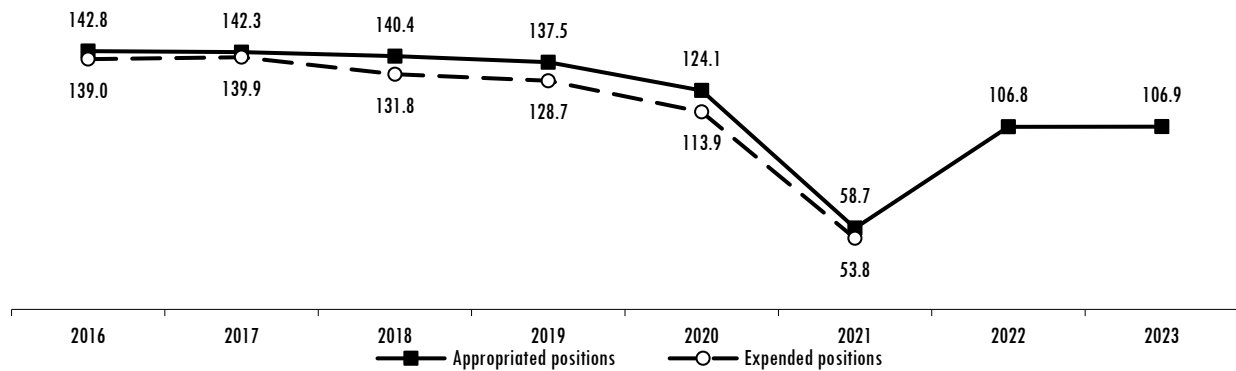
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$4.0	\$0.0
General Revenue-Dedicated Funds	\$27.7	\$20.4	\$20.6	\$26.5
Federal Funds	\$3.0	\$4.3	\$2.6	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$30.7	\$24.7	\$27.2	\$26.5

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 204 shows FTE positions for the program. During fiscal year 2021, the agency transferred FTE positions to the Air Monitoring Program to align with agency priorities.

FIGURE 204
AIR QUALITY PLANNING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 205 shows the program's performance measures. The fiscal year 2021 target for Percentage of Texans Living Where the Air Meets Federal Air Quality Standards was set at 100.0 percent because the state's two primary ozone nonattainment areas, Dallas–Fort Worth and Houston–Galveston–Brazoria, were required by the U.S. Environmental Protection Agency (EPA) to meet NAAQS attainment status by 2021. The EPA reclassified the areas after they did not reach attainment, and the measure was adjusted accordingly for the 2022–23 biennium.

FIGURE 205
AIR QUALITY PLANNING PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Annual Percentage of Stationary and Mobile-source Pollution Reductions in Ozone Nonattainment Areas	Yes	3.0%	10.0%	3.0%
Percentage of Texans Living Where the Air Meets Federal Air Quality Standards	Yes	100.0%	44.0%	43.0%
Annual Percentage Decrease in Toxic Releases in Texas	Yes	2.0%	14.0%	2.0%
Number of Point-source Air Quality Assessments	Yes	2,050	2,097	2,050
Number of Area-source Air Quality Assessments	Yes	3,200	21,082	5,080
Number of On-road Mobile-Source Air Quality Assessments	Yes	1,013	1,175	1,013
Number of Non-road Mobile-Source Air Quality Assessments	No	3,000	5,036	2,794
Average Cost per Air Quality Assessment	No	\$252.00	\$76.92	\$207.00
Number of Days Ozone Exceedances are Recorded in Texas	No	18	31	11

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would result in failure to submit the FCAA-required SIP revisions. The EPA provides states from 12 months to 18 months to correct a failure to submit, after which the federal government is obligated to withhold highway money, require increased emission offsets from companies seeking to build or modify facilities, and implement a Federal Implementation Plan (FIP) in place of the applicable SIP element. A FIP is an air-quality plan developed by the EPA under certain circumstances to help states attain or maintain NAAQS if a state fails to submit a complete implementation plan or if the EPA disapproves a plan as not meeting FCAA requirements. Conformity is a FCAA requirement and discontinuing the program likely would result in sanctions for the state and the areas subject to conformity requirements.

State control strategy rules, fuel programs, and the state idling program are approved parts of the SIP. Discontinuing them would require a SIP submittal to the EPA demonstrating that removal would not: harm air quality in Texas nor interfere with attainment of the NAAQS; impede further progress toward attainment; or violate any other applicable FCAA requirement. Additionally, some control strategies are required to implement reasonably available control technology, and removal would violate SIP requirements, which could result in sanctions from the EPA.

The program also develops transportation control measures (TCM) as part of the SIP, which are strategies to reduce transportation-related air pollution by improving traffic flow and reducing vehicle use. Without TCMs in place, the state would be violating SIP requirements and would have no mechanism for substituting TCMs or removing them from the SIP.

The Air Quality Planning Program also administers funds for targeted monitoring and research efforts, including field studies and local monitoring networks. The discontinuance of such funding would impact certain technical projects by local entities, including monitoring in the Dallas–Fort Worth area by the North Texas Commission, work related to supercritical carbon dioxide, and energy efficiency work by the Texas A&M Energy Systems Laboratory.

The program also distributes funding to research institutions, consulting firms, and local governments that perform outsourced work through contractual agreements.

LOW-INCOME VEHICLE REPAIR ASSISTANCE, RETROFIT, AND ACCELERATED VEHICLE RETIREMENT

The Texas Health and Safety Code, Section 382.209

PROGRAM DESCRIPTION

The Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program provided assistance to low-income individuals with repairs, retrofits, or retirement of vehicles that failed emissions inspections. The program was discontinued after the Governor vetoed its 2018–19 biennial funding.

PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

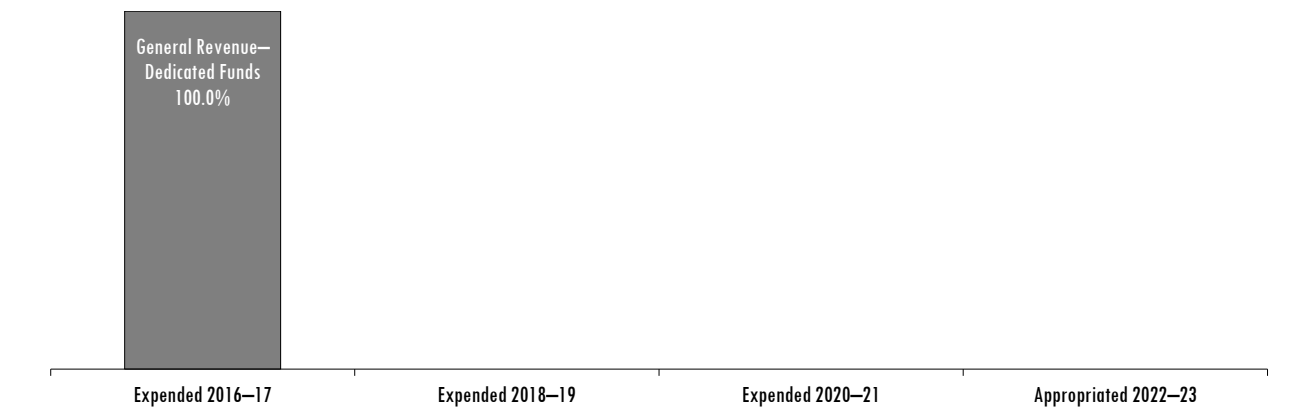
The program did not receive any appropriated funding for the 2022–23 biennium.

HISTORICAL FUNDING

Figure 206 shows historical funding for the program by method of finance. All appropriations are from Account No. 151. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 206
LOW-INCOME VEHICLE REPAIR ASSISTANCE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)				
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$95.8	(\$24.1)	(\$9.9)	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0

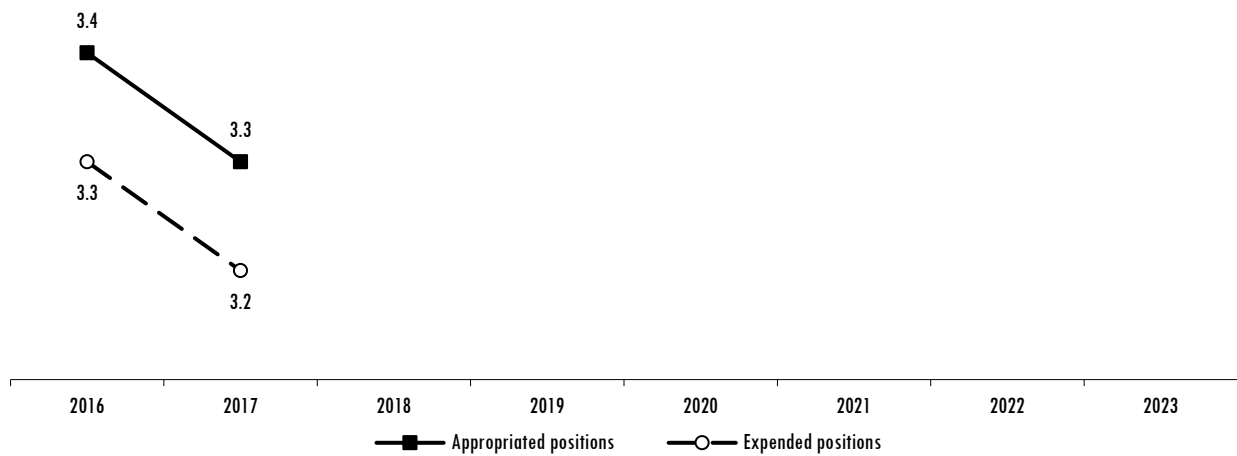
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$95.8	(\$24.1)	(\$9.9)	\$0.0

NOTE: Negative amounts shown for the 2018–19 and 2020–21 biennia represent reimbursements for counties that participated in the program prior to its discontinuation after the Governor vetoed its funding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 207 shows full-time-equivalent positions for the program. The program was discontinued after the Governor vetoed its 2018–19 biennial funding.

FIGURE 207
LOW-INCOME VEHICLE REPAIR ASSISTANCE PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



NOTE: The program was discontinued after the Governor vetoed its 2018–19 biennial funding.
 SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Performance measures were discontinued following the program’s discontinuance.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The program has been discontinued.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

The program has been discontinued.

TEXAS EMISSIONS REDUCTION PLAN

The Texas Health and Safety Code, Chapters 386 and 390–395

PROGRAM DESCRIPTION

The Texas Emissions Reduction Plan (TERP) program provides grants to fund financial incentives for activities to reduce nitrogen oxide (NOx) emissions, a precursor to the formation of ground-level ozone, and other activities authorized by the Texas Health and Safety Code, Section 386.252, in areas of nonattainment and other areas in the state. Nonattainment is a federal designation by the EPA for any area that exceeds the eight-hour standard of 70.0 parts per billion of particulate matter in accordance with the 2015 NAAQS. In 2018, the EPA published final designations for all areas in Texas. As of December 2021, the following areas hold nonattainment designations: the nine-county Dallas–Fort Worth area, the six-county Houston–Galveston–Brazoria area, Bexar County, and El Paso County.

TERP includes the following grant incentive programs:

- the Diesel Emissions Reduction Incentive Program (DERI) provides grants for projects that reduce NOx emissions for counties designated nonattainment and other eligible affected counties, including the following subprograms:
 - the Emissions Reduction Incentive Grants program, which provides grants for the lease or purchase, replacement, repower, or retrofit of non-road equipment, heavy-duty on-road vehicles, marine vessels, locomotives, and stationary equipment. Grants also may be available for the acquisition and installation of refueling and idle-reduction infrastructure for heavy-duty non-road equipment, heavy-duty on-road vehicles, marine vessels, locomotives, and stationary equipment;
 - the Rebate Grants Program, which provides a streamlined and simplified process for the submission and approval of grants for projects to reduce NOx emissions for heavy-duty on-road diesel vehicles and non-road diesel equipment. Rebate grants are based on pre-approved maximum rebate grant amounts for eligible on-road and non-road replacement and repower projects;
 - the Small Business Grants Program, which provides grants to small businesses and other entities in DERI-eligible counties that, for more than two years, have owned and operated some combination of up to five vehicles or pieces of equipment, one of which must be diesel-powered; and
 - the Third-Party Grant Program, which grants funds to state and local governmental entities—including the Railroad Commission of Texas, the North Central Texas Council of Governments, the General Land Office, and the Houston–Galveston Area Council—to assist with the implementation of TERP projects in DERI-eligible counties;
- the Texas Clean Fleet Program provides grants to owners of at least 75 vehicles to replace a minimum of 10 diesel vehicles with new hybrid or alternative-fuel vehicles, including those powered by compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, methanol, or electricity;
- the Seaport and Rail Yard Areas Emissions Reduction Program provides grants for the repower or replacement of drayage vehicles and cargo handling equipment operating at seaport and rail yard facilities located in designated nonattainment areas;
- the Texas Natural Gas Vehicle Grants Program provides grants for projects to replace or repower existing heavy-duty and medium-duty vehicles with natural gas vehicles and engines powered by compressed natural gas, liquefied natural gas, or liquefied petroleum gas;
- the Texas Clean School Bus Program provides grants statewide for the retrofit or replacement of school buses operated on a daily route to reduce exposure to diesel exhaust in and around school buses;
- the Alternative Fueling Facilities Program provides grants for the construction, reconstruction, or acquisition of public or private facilities in the area designated as the Clean Transportation Zone to store, compress, or dispense alternative fuels, including compressed natural gas, liquefied natural gas, liquefied petroleum gas, biodiesel, hydrogen, methanol, and electricity;
- the New Technology Implementation Grant Program provides grants statewide for projects to offset the incremental cost of emissions reductions of pollutants from facilities and other stationary sources including: Advanced Clean Energy projects; new technologies that reduce emissions of regulated pollutants from point sources and from upstream or midstream oil and gas production, completions, gathering, storage, processing, and transmission activities; and electricity storage projects related to renewable energy;
- the Light-Duty Purchase or Lease Incentive Program provides rebate grants statewide for the purchase or lease of: (1) new light-duty motor vehicles powered by compressed natural gas, liquefied petroleum gas, or hydrogen fuel cell; or (2) other electric drive vehicles, to stimulate the market for these vehicles and fuels in the state;

- the Governmental Alternative Fuel Fleet Program provides grants to a state agency or political subdivision that operates a fleet of more than 15 vehicles to help offset the difference in cost of purchasing a new alternative-fuel or hybrid vehicle versus a traditional vehicle powered by diesel or gasoline; and
- the Port Authority Studies and Pilot Projects provides grants to port authorities in DERI-eligible counties for studies and pilot programs to assess incentives to encourage methods of cargo movement that reduce emissions of NOx and particulate matter.

TERP also includes the following other programs :

- the Regional Air Monitoring Program, which collects air toxicity data to determine the potential for health consequences due to gas production in the Barnett Shale. The program supports 21 monitoring sites that collect volatile organic compound data hourly in TCEQ Regions 3 and 4, which includes the Barnett Shale geological area;
- the Air Quality Research Support Program, which identifies and prioritizes scientific questions important to air-quality management in the state and provides funds for scientific investigations to answer these questions; and
- Health Effects Studies, which conduct studies on the health effects related to air quality and exposure to certain compounds and pollutants.

Figure 208 shows the total amount granted and the number of projects for each of TERP’s grant incentive programs. It also includes the total amount of NOx reduced through grant funding and the average cost per ton of NOx reduced.

FIGURE 208
TEXAS EMISSIONS REDUCTION PLAN GRANT INCENTIVE PROGRAMS, FISCAL YEARS 2001 TO 2020

PROGRAM	YEARS	PROJECTS	TOTAL GRANT AMOUNT	TOTAL NOx REDUCED (IN TONS)	AVERAGE COST PER TON OF NOx REDUCED
Diesel Emissions Reduction Incentive Program	2001 to 2020	12,331	\$1,147,735,817	183,434	\$6,257
Emissions Reduction Incentive Grants	2001 to 2020	5,433	\$871,398,686	151,092	\$5,767
Rebate Grants Program (1)	2006 to 2020	3,077	\$198,422,619	22,236	\$8,888
Rebate Grants Program – ARRA	2010	232	\$12,425,362	1,322	\$9,396
Third-Party Grant Program	2004 to 2020	149	\$65,489,150	8,694	\$7,532
Texas Clean Fleet Program	2010 to 2020	32	\$61,626,649	667	\$92,433
Texas Natural Gas Vehicle Grant Program	2012 to 2020	145	\$56,682,844	1,696	\$33,426
Seaport and Railyard Areas Emissions Reduction Program	2015 to 2020	89	\$19,930,214	952	\$20,934
Alternative Fueling Facilities Program	2012 to 2020	129	\$20,268,407	N/A	N/A
Light Duty Purchase or Lease Incentive Program	2014 to 2020	4,872	\$11,755,380	N/A	N/A
Texas Clean School Bus Program (2)	2008 to	7,793	\$48,398,016	129	\$108,911

	2020				
New Technology Implementation Grant Program	2010 to 2020	8	\$11,654,067	N/A	N/A

NOTES:

- (1) Includes Small Business Grants.
- (2) Includes \$4.7 million in Federal Funds, including funding from the American Recovery and Reinvestment Act (ARRA).
- (3) NOx=nitrogen oxide.

SOURCE: Texas Commission on Environmental Quality’s Texas Emissions Reduction Plan Biennial Report (2019 to 2020).

PROGRAM REVENUE

The program is funded through fees and surcharges for obtaining a certificate of vehicle title for all vehicles, purchasing or leasing of heavy-duty vehicles and equipment, and registering and inspecting commercial vehicles.

Collected fee and surcharge revenues historically have been deposited to the General Revenue–Dedicated Account No. 5071, Texas Emissions Reduction Plan (TERP account). The revenues often exceeded sum-certain appropriations from the TERP account to the agency in the General Appropriations Act, resulting in a growing fund balance. According to the Comptroller of Public Accounts’ 2021 State of Texas Annual Cash Report, the balance of the TERP account was an estimated \$2.2 billion at the beginning of fiscal year 2022.

House Bill 3745, Eighty-sixth Legislature, 2019, established the Texas Emissions Reduction Plan Fund (TERP Fund) as a trust fund located outside the Treasury. The legislation redirected the fees and surcharges deposited to the TERP account into the new TERP Fund beginning in fiscal year 2022. House Bill 4472, Eighty-seventh Legislature, Regular Session, 2021, requires at least 35.0 percent of revenues deposited to the TERP Fund to be transferred to the State Highway Fund (SHF) for use by the Texas Department of Transportation (TxDOT) to support congestion mitigation and air quality improvement projects in nonattainment areas. Any unexpended and unobligated amounts remaining in the TERP Fund are to be transferred to the SHF at the end of each biennium.

Figure 209 shows the fees that are deposited to the TERP Fund.

**FIGURE 209
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FEES DEPOSITED IN THE TEXAS EMISSIONS REDUCTION PLAN TRUST FUND, AS OF JUNE 2022**

FEE DESCRIPTION	STATUTORY AUTHORITY	CURRENT RATE	ASSESSMENT METHOD	LAST DATE OF CHANGE
Motor Vehicle Surcharge	The Texas Health and Safety Code, §386.251; the Texas Tax Code, §152.0215	2.5% on vehicles made before 1997 and 1.0% on vehicles since 1997 based total consideration	Collected by the Comptroller of Public Accounts (CPA)	6/20/2003
Certificate of Title Fee	The Texas Health and Safety Code, §386.251; the Texas Transportation Code, §501.138	\$15 fee in areas of attainment and \$20 fee in areas of non-attainment	Collected by counties	9/1/2001
Motor Vehicle Registration Surcharge	The Texas Health and Safety Code §386.251; the Texas Transportation Code, §502.358	10.0% of the total registration fees due	Collected by counties	9/1/2001
Motor Vehicle Seller-Financed Sale	The Texas Health and Safety Code, §386.251; the Texas Tax Code, §152.047	2.5% on vehicles made before 1997 and 1.0% on vehicles since 1997 based total consideration	Collected by CPA	9/1/2001
Motor Vehicle Inspection	The Texas Health and Safety Code, §386.251; the Texas Transportation Code, §548.5055	\$10 per inspection	Collected by Department of Public Safety	9/1/2001

Diesel Equipment Surchage	The Texas Health and Safety Code, §386.251; the Texas Tax Code, §151.0515	1.5% of sale or rental price	Collected by counties	9/1/2001
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SOURCE: Texas Commission on Environmental Quality.

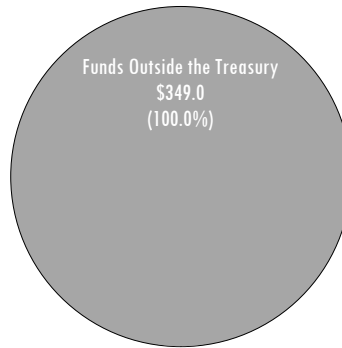
PROGRAM FUNDING

Figure 210 shows the program’s funding source by method of finance. All funding is appropriated from the TERP Fund located outside the Treasury.

**FIGURE 210
TEXAS EMISSIONS REDUCTION PLAN PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**

(IN MILLIONS)

TOTAL=\$349.0



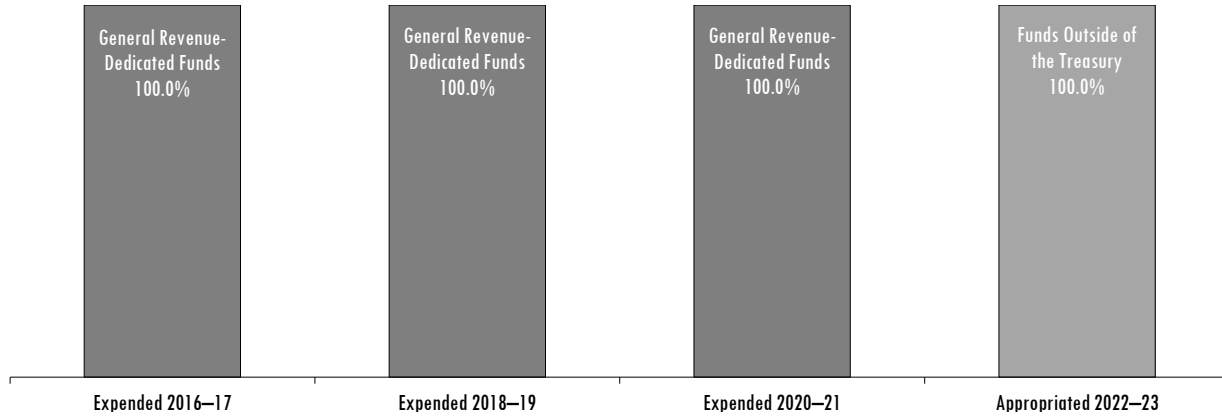
NOTE: The biennial amount represents estimated funds available to the agency from revenue deposited to the Texas Emissions Reduction Plan Fund established by House Bill 3745, Eighty-sixth Legislature, 2019, located outside the Treasury, and further revised by House Bill 4472, Eighty-seventh Legislature, Regular Session, 2021.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 211 shows historical funding for the program by method of finance. Funding for the program increased for the 2022–23 biennium pursuant to House Bill 3745, Eighty-sixth Legislature, 2019, and House Bill 4472, Eighty-seventh Legislature, Regular Session, 2021, which established the TERP Fund located outside the Treasury and redirected revenue deposits, respectively.

FIGURE 211
TEXAS EMISSIONS REDUCTION PLAN PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$171.8	\$127.8	\$130.1	(\$1.4) (1)
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Funds Outside the Treasury (2)	\$0.0	\$0.0	\$0.0	\$349.0
Total, All Methods of Finance	\$171.8	\$127.8	\$130.1	\$349.0

NOTES:

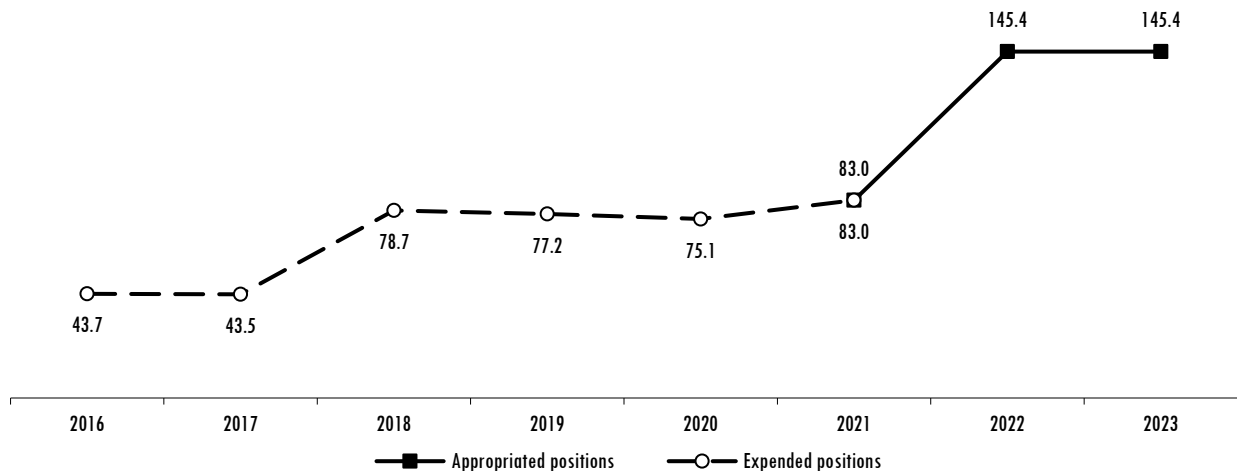
- (1) General Revenue–Dedicated Funds amounts for the 2022–23 biennium represent reimbursed amounts.
- (2) The Funds Outside the Treasury amount for the 2022–23 biennium represents anticipated funds available to the agency from revenue deposited to the Texas Emissions Reduction Plan Trust established by House Bill 3745, Eighty-sixth Legislature, 2019, located outside of the Treasury.
- (3) Totals may not sum due to rounding.

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 212 shows FTE positions for the program. The agency reports that it plans to hire an additional 59.2 FTE positions in the 2022–23 biennium to facilitate the anticipated increase in available funding for grant programs as result of the enactment of House Bill 3745, Eighty-sixth Legislature, 2019, and House Bill 4472, Eighty-seventh Legislature, Regular Session, 2021. Program FTE positions beginning in fiscal year 2022 will be funded from the TERP Trust outside the Treasury.

FIGURE 212
TEXAS EMISSIONS REDUCTION PLAN PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



NOTE: The agency did not report appropriated positions for fiscal years 2016 to 2021.
 SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 213 shows the program’s performance measures for fiscal year 2021.

FIGURE 213
TEXAS EMISSIONS REDUCTION PLAN (TERP) PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Nitrogen Oxide (NOx) Emissions Reduced through TERP (in tons)	Yes	21.1	16.5	N/A
Average Cost per Ton of NOx Reduced through TERP	Yes	\$13,000	\$8,763	N/A
Number of Tons of NOx Reduced per Year through TERP	Yes	3,013	6,167	N/A

NOTE: Performance measures were removed for the 2022–23 biennium because the program is 100.0 percent funded with funds outside the Treasury.
 SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would eliminate the public health benefit achieved by reducing exposure to ground-level ozone and other potentially harmful pollutants that result from the continued use of older, higher-emitting vehicles and equipment in the state. Also, the program provides positive weight of evidence for the SIP and has served as an alternative FCAA fee program. Because it is possible that the EPA may classify additional parts of Texas as ozone nonattainment areas in the future, discontinuing the program would limit the agency’s abilities to meet FCAA requirements. This limitation may lead to the imposition of federal penalties for FCAA violations and the unregulated mitigation of air pollution.

VEHICLE EMISSIONS INSPECTION AND MAINTENANCE

The Texas Health and Safety Code, Chapter 382

PROGRAM DESCRIPTION

The Vehicle Emissions Inspection and Maintenance Program administers and monitors the federally required SIP Vehicle Emissions Inspection and Maintenance Program (VEIMP), which is a vehicle emissions control strategy that requires emissions testing for certain gasoline-powered vehicles registered and primarily operated in one of 15 nonattainment counties, including Brazoria, Collin, Dallas, Denton, El Paso, Ellis, Fort Bend, Galveston, Harris, Johnson, Kaufman, Montgomery, Parker, Rockwall, and Tarrant. Travis and Williamson counties participate in the program voluntarily.

The VEIMP is administered as part of the Texas Department of Public Safety (DPS) vehicle safety inspection program under a memorandum of understanding between TCEQ and DPS to ensure there is no conflict or duplication of duties.

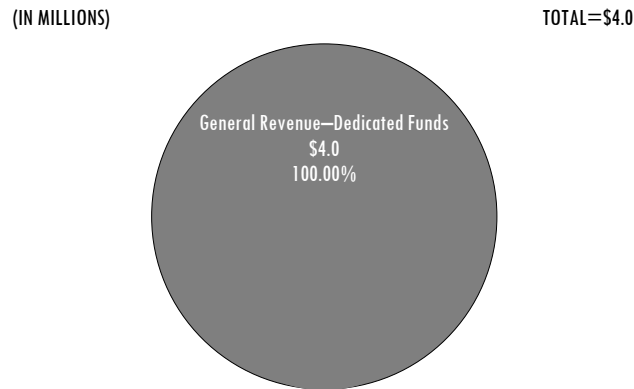
PROGRAM REVENUE

The program receives revenue from motor vehicle inspection fees, which is deposited to Account No. 151. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

PROGRAM FUNDING

Figure 214 shows the program’s funding source by method of finance. All appropriations are from Account No. 151. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 214
VEHICLE EMISSION INSPECTION AND MAINTENANCE PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



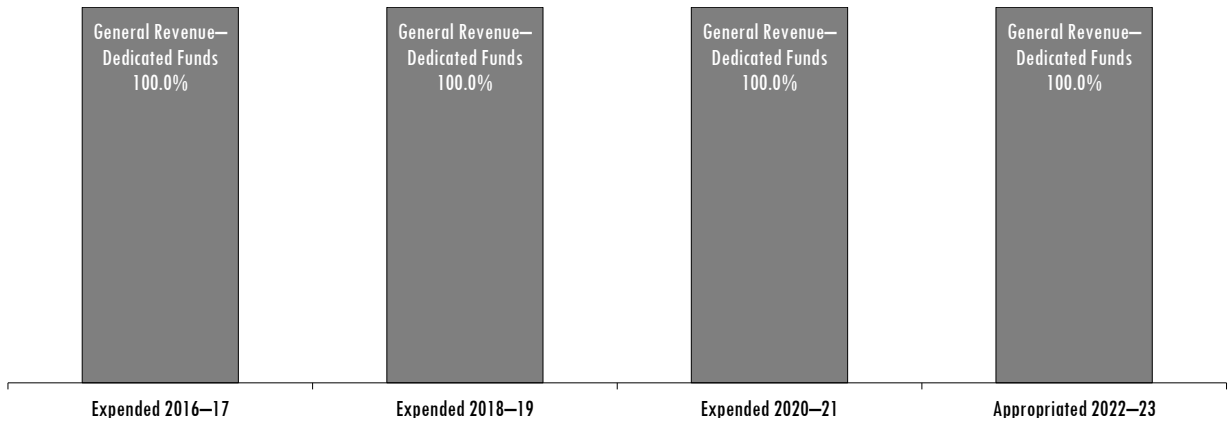
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 215 shows historical funding for the program by method of finance. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 215
VEHICLE EMISSION INSPECTION AND MAINTENANCE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

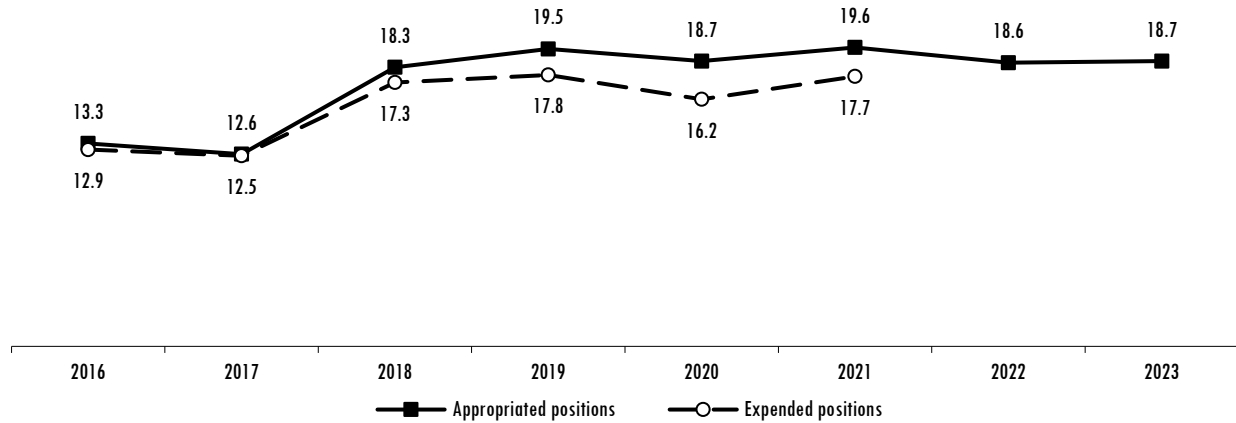
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$4.0	\$3.9	\$4.1	\$4.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$4.0	\$3.9	\$4.1	\$4.0

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 216 shows FTE positions for the program.

FIGURE 216
VEHICLE EMISSION INSPECTION AND MAINTANENCE PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program likely would prompt legal challenges because the program is required in certain areas of the state by the FCAA due to ozone nonattainment designations and classifications for various ozone standards. The FCAA also requires the state’s SIP submittal to demonstrate to the EPA that any change in an air quality program would not adversely affect air quality in Texas, interfere with attainment of the NAAQS, impede further progress toward attainment, or violate any other applicable requirement of the FCAA. The FCAA requires states to assure there is adequate funding for FCAA- required programs for NAAQS implementation plans.

Discontinuing the program also would diminish air quality in the areas where the program operates. It also would cause a corresponding reduction in revenue that would impair the viability of vehicle emissions inspection stations and eliminate the collection of the agency’s portion of emissions-related vehicle registration fees used to implement the program and fund FCAA compliance activities such as SIP planning, air quality research, and refining emissions inventories.

Accordingly, discontinuing the program would threaten Texas’s compliance with FCAA requirements, which could result in an EPA finding of failure to implement the approved SIP. Such a finding could result in the application of discretionary or mandatory sanctions, including loss of federal highway funds or increased emissions offset requirements for new source review permitting in nonattainment areas. Also, the EPA could elect to enforce the program in the federally approved SIP or initiate a FIP.

PROTECTION AND RESTORATION OF BAYS AND ESTUARIES

The Texas Water Code, Sections 5.601–5.609; the Federal Clean Water Act, Section 320; the U.S. Code, Title 33, Section 1130

PROGRAM DESCRIPTION

The Protection and Restoration of Bays and Estuaries Program includes two subprograms: the Galveston Bay Estuary Program (GBEP) and the Coastal Bend Bays and Estuaries Program (CBBEP). The GBEP is a non-regulatory program that functions

as a partnership of local governments, business and industry, conservation organizations, bay users, and resource agencies to implement the federally approved Comprehensive Conservation and Management Plan (CCMP) developed to provide interdisciplinary, ecosystem-based management for Galveston Bay, an estuary of national significance. To carry out this purpose, the GBEP coordinates the development and implementation of multi-partner habitat and water quality conservation projects and provides grants and assistance to Houston–Galveston-area communities and organizations to implement certain conservation projects and to conduct research informing adaptive management and promoting science-based decision making.

The CBBEP is a Corpus Christi-based nonprofit organization whose mission is to protect and restore the health and productivity of the bays and estuaries along the south-central Texas coastline while supporting continued economic growth and public use of the bays.

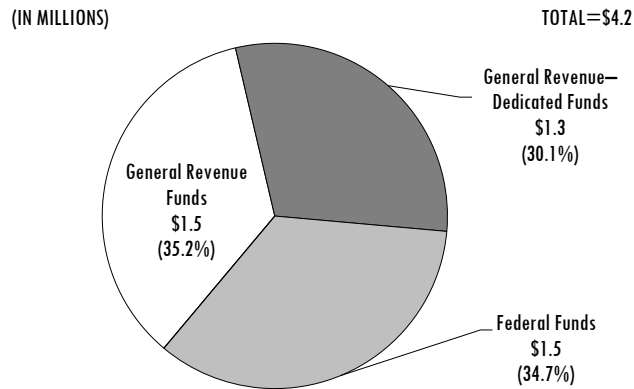
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 217 shows the program’s funding sources by method of finance, including General Revenue Funds, General Revenue-Dedicated Funds from General Revenue–Dedicated Account No. 153, Water Resource Management (Account No. 153), and Federal Funds from the EPA and the U.S. Fish and Wildlife Department. Funding provided by the EPA to implement the CCMP requires a one-to-one funding match. This program provides the primary source of this match. An increase in program resources would be required if additional grant funds were made available. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 217
PROTECTION AND RESTORATION OF BAYS AND ESTUARIES PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



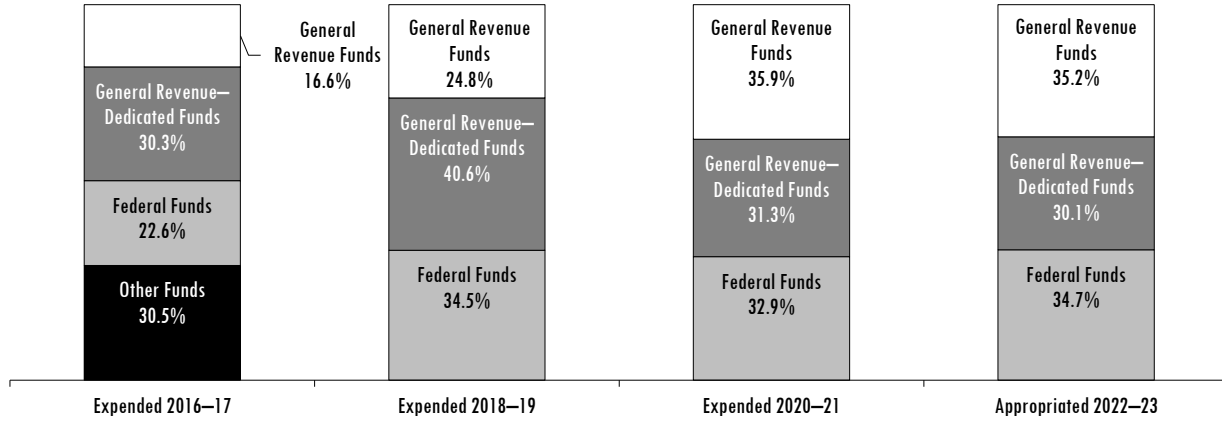
NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 218 shows historical funding for the program by method of finance. Although the amounts of Federal Funds from the EPA and the U.S. Fish and Wildlife Department have remained fairly consistent from fiscal years 2016 to 2023, decreases totaling \$0.4 million in Account No. 153 were offset by equivalent or greater increases in General Revenue Funds beginning in the 2020–21 biennium. Interagency Contracts (Other Funds) were discontinued after the 2016–17 biennium due to the expiration of the Coastal Impact Assistance Program and grant funding for the Deepwater Horizon Oil Spill from the Office of the Governor.

FIGURE 218
PROTECTION AND RESTORATION OF BAYS AND ESTUARIES PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

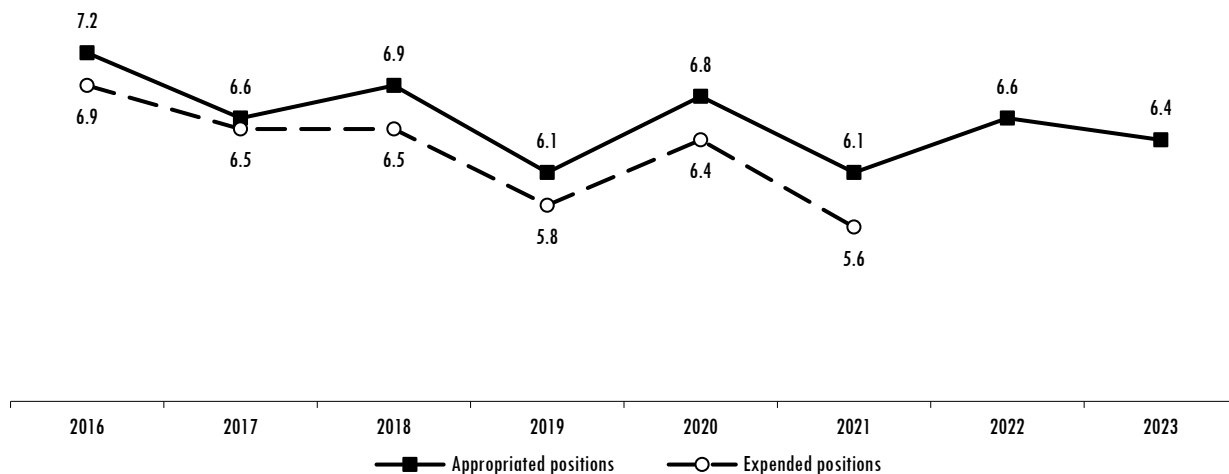
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.9	\$1.0	\$1.4	\$1.5
General Revenue–Dedicated Funds	\$1.7	\$1.7	\$1.3	\$1.3
Federal Funds	\$1.3	\$1.4	\$1.3	\$1.5
Other Funds	\$1.7	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$5.6	\$4.2	\$4.0	\$4.2

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 219 shows FTE positions for the program.

FIGURE 219
PROTECTION AND RESTORATION OF BAYS AND ESTUARIES PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 220 shows the program’s performance measures. Additional TCEQ programs contribute to the Number of Surface Water Assessments measure, including Water Assessment and Planning, Water Quality Standards, Clean Rivers, Total Maximum Daily Load, and Nonpoint Source programs. According to the agency, the variance between the fiscal year 2021 target and actual performance for the Number of Acres of Habitat Created, Restored, and Protected measure is attributable to delays in closing land transactions, the availability of land acquisitions, and a lack of funding. The target was reduced for the 2022–23 biennium to align with historical trends.

FIGURE 220
PROTECTION AND RESTORATION OF BAYS AND ESTUARIES PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Acres of Habitat Created, Restored, and Protected Through Implementation of Estuary Action Plans	No	5,800	2,519	2,000
Number of Surface Water Assessments	Yes	50	48	59

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would cease planning and implementation of activities to address environmental priorities and needs identified by local stakeholders along the Texas coast, and the agency would lose the ability to administer the GBEP and to provide state matching funds to receive related federal Clean Water Act (CWA) federal funds for both the GBEP and CBBEP. Discontinuing the program also would prevent the agency from fulfilling certain federal obligations associated with the EPA’s National Estuary Program and CWA.

CLEAN RIVERS

The Texas Water Code, Section 26.0135

PROGRAM DESCRIPTION

The Clean Rivers Program is a collaboration between the agency and 15 partner entities, including river authorities and other local governmental entities, that provides water quality monitoring and assessment and public outreach. This non-regulatory program provides a framework and forum for managing water quality issues within river basins, both locally and regionally, by coordinating the efforts of various organizations to promote maximum resource efficiency and reduce duplication of efforts. The program’s partner agencies collect water samples at hundreds of sites per year, resulting in thousands of water quality measurements. The data collected accounts for the majority of data available in the agency’s Surface Water Quality Monitoring Information Systems database used for CWA-required assessments of surface water. In addition, program staff provide quality assurance for data submitted and aid in the study of water quality issues in the state.

PROGRAM REVENUE

The agency did not report any revenue associated with this program.

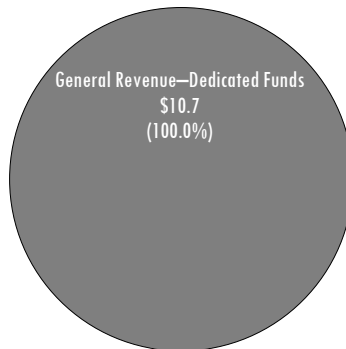
PROGRAM FUNDING

Figure 221 shows the program’s funding source by method of finance, which consists entirely of appropriations from Account No. 153. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 221
CLEAN RIVERS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$10.7



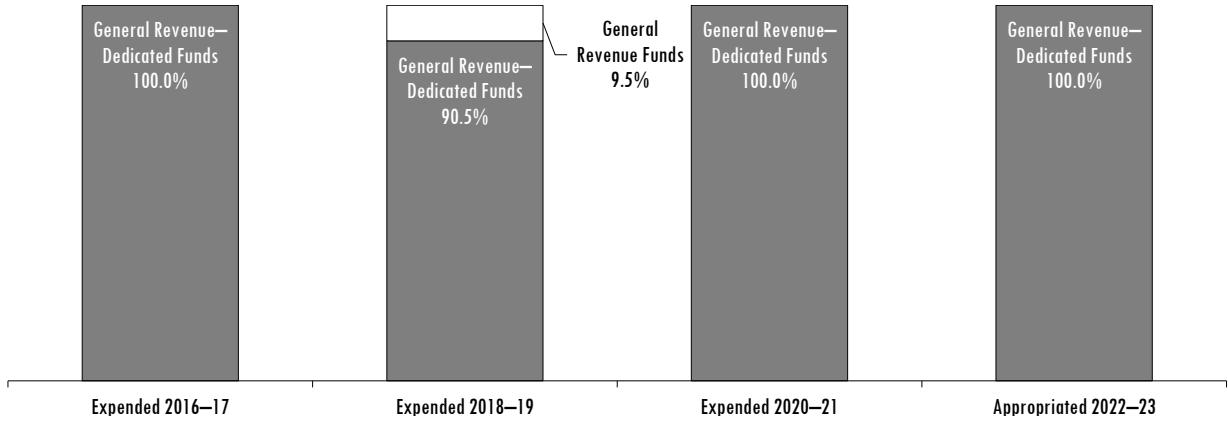
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 222 shows historical funding for the program by method of finance. The agency was appropriated \$1.0 million in General Revenue Funds for fiscal year 2019 to purchase instruments for the collection and analysis of surface water quality monitoring data. Apart from this, appropriations historically have been entirely from Account No. 153.

FIGURE 222
CLEAN RIVERS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$1.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$9.0	\$9.8	\$8.7	\$10.7
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$9.0	\$10.8	\$8.7	\$10.7

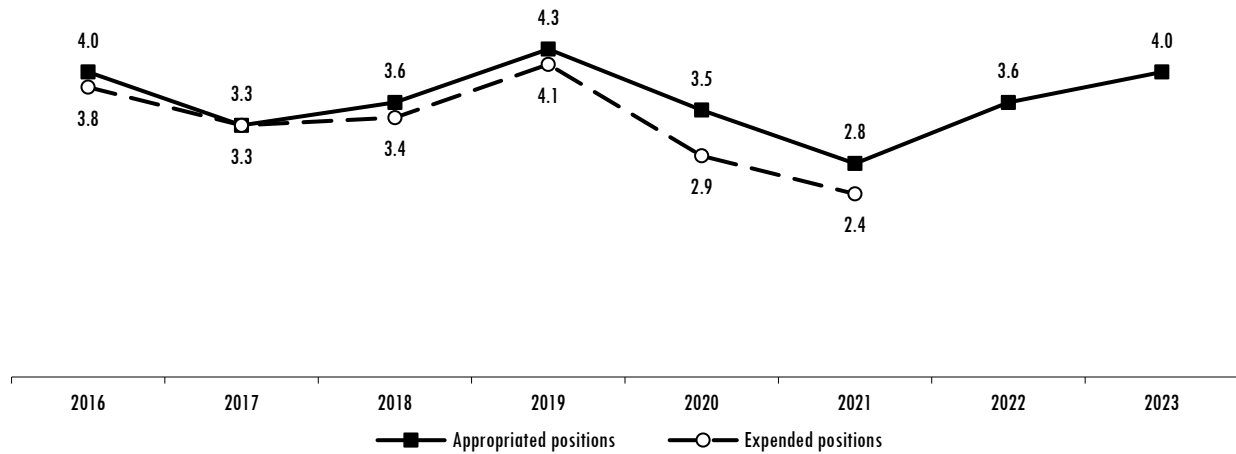
NOTE: Totals may not sum due to rounding.

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 223 shows full-time-equivalent positions for the program.

FIGURE 223
CLEAN RIVERS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURE

Figure 224 shows the program’s performance measure. Additional TCEQ programs contribute to this measure, including Water Assessment and Planning, Water Quality Standards, Total Maximum Daily Load, Nonpoint Source, and Bay and Estuary programs.

FIGURE 224
CLEAN RIVERS PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Surface Water Assessments	Yes	50	48	59

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

The agency reports that discontinuing the program would prevent the agency from fulfilling the requirements of the Texas Water Code, Section 26.0135, Watershed Monitoring and Assessment of Water Quality. Without the centralized oversight of the program, there would be no mechanism for coordinating program activities statewide. According to the agency, discontinuing the program also would discontinue funding to program partners, which would reduce the ability of regional water authorities to carry out activities such as surface water quality monitoring, assessment, and public outreach. In addition, discontinuing the program would prevent TCEQ from acquiring a significant amount of data that program partners historically have generated for the Surface Water Quality Monitoring Information System, which the agency uses to support other water programs and satisfy certain federal reporting requirements.

DAM SAFETY

The Texas Water Code, Sections 11.126, 11.144, 12.015, and 12.052

PROGRAM DESCRIPTION

The Dam Safety Program monitors and regulates the safe maintenance of private and public dams in Texas with the mission of protecting life and property. The program periodically inspects dams that pose a high or significant hazard (i.e., those for which failure could result in loss of life) and provides recommendations and reports to responsible parties to help them maintain safe facilities. The program establishes requirements for the safe construction, maintenance, repair, and removal of dam facilities to prevent loss of life and damage to habitable structures and other property downstream.

According to the agency, as of September 2021, the state had 7,314 private and public dams and 116 federal dams, of which 4,049 are under TCEQ’s jurisdiction. Of the dams under the program’s jurisdiction, 1,502 are designated high-hazard, 304 are significant-hazard dams, and 2,243 are low hazard. The remaining 3,265 dams are exempt due to their volume, low-hazard designation, and locations relative to municipalities and population centers. Exempt dams are not subject to routine safety inspection but must comply with operation and maintenance requirements. The number of dams the program is required to monitor and inspect increases every year as the population grows and more residents move into areas downstream of dams.

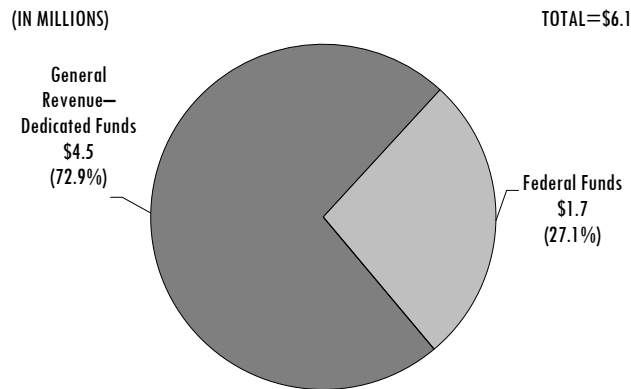
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 225 shows the program’s funding sources by method of finance, including General Revenue–Dedicated Funds from Account No. 153 and Federal Funds from the Federal Emergency Management Administration (FEMA) High Hazard Potential Dam Grant and the National Dam Safety Program Grant. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 225
DAM SAFETY PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



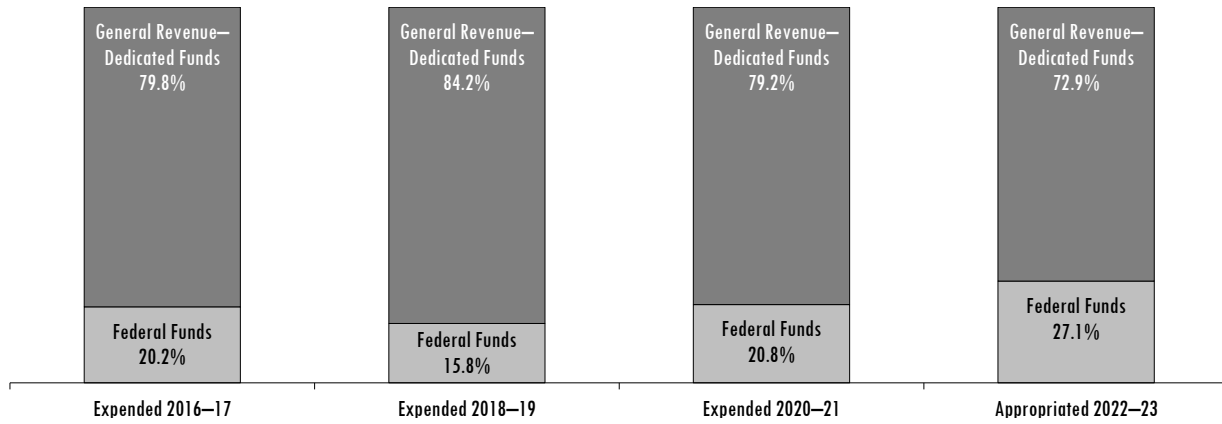
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 226 shows historical funding for the program by method of finance. Funding from Account No. 153 has been fairly consistent with the last increase occurring in the 2020–21 biennium and subsequently continuing at that level in the 2022–23 biennium. Federal Funds appropriations have been increasing since the 2018–19 biennium.

FIGURE 226
DAM SAFETY PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue—Dedicated Funds	\$3.9	\$4.0	\$4.5	\$4.5
Federal Funds	\$1.0	\$0.7	\$1.2	\$1.7
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$4.9	\$4.7	\$5.6	\$6.1

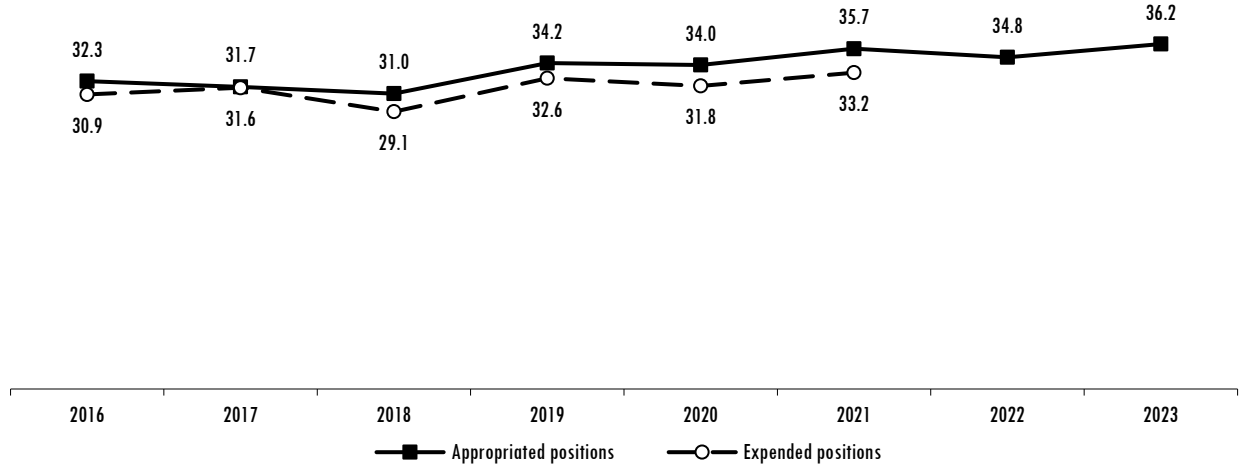
NOTE: Totals may not sum due to rounding.

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 227 shows full-time-equivalent positions for the program.

FIGURE 227
DAM SAFETY PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 228 shows the program’s performance measures. According to the agency, the number of high- and significant-hazard dams the program is required to inspect during a five-year inspection cycle has increased each fiscal year, due largely to the reclassification of existing dams because of increased development and population growth downstream. TCEQ has expressed the need for additional resources to retain and hire qualified dam-safety engineers to meet the statutorily required inspection cycle.

FIGURE 228
DAM SAFETY PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of High-hazard and Significant-hazard Dams Inspected within the Last Five Years	Yes	100.0%	84.0%	100.0%
Number of Dam Safety Assessments	Yes	800	604	800
Average Cost per Dam Safety Assessment	No	\$3,000	\$3,469	\$3,000
Number of Dams in the Texas Dam Inventory	No	4,005	4,052	4,005

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program could endanger residents who live downstream of high-hazard or significant-hazard dams during a dam failure. The Texas Administrative Code, Title 30, Section 299.42(a)(2), requires all high-hazard and significant-hazard dams to be inspected every five years. In the absence of this program, the responsibility to maintain this inspection cycle might be assigned to another state entity that may not have sufficient resources or staff. Additionally, discontinuing the program could lead to the forfeit of federal funding provided by the FEMA National Dam

Safety Program and High Hazard Potential Dam Grant Program or its transfer to another state entity charged with TCEQ’s former dam inspection duties.

GROUNDWATER PROTECTION AND MANAGEMENT

The Texas Water Code, Chapters 26, 35, and 36; the Texas Constitution, Article XVI, Section 59

PROGRAM DESCRIPTION

The Groundwater Protection and Management Program supports the Texas Groundwater Protection Committee (TGPC), an interagency committee charged with developing and updating a comprehensive groundwater protection strategy, studying and making legislative recommendations to improve groundwater protection, reporting to the Legislature on its activities, and publishing an annual report on groundwater monitoring and contamination. TGPC member organizations include TCEQ, the Texas Water Development Board (TWDB) Vice Chair, Railroad Commission of Texas, Texas Department of State Health Services, Texas Department of Agriculture, Texas State Soil and Water Conservation Board, the Texas Alliance of Groundwater Districts, Texas A&M AgriLife Research, University of Texas Bureau of Economic Geology, and Texas Department of Licensing and Regulation.

The program supports TGPC through program and monitoring coordination, water quality assessment, public participation and outreach, and special projects. The program also facilitates and leads the agency’s Impact Evaluation Team to identify cases for notification to private well owners of potential groundwater contamination, coordinates and supports the state management plan for prevention of pesticide contamination of groundwater, conducts a cooperative pesticide monitoring program in coordination with the TWDB, and supports other agency groundwater management functions.

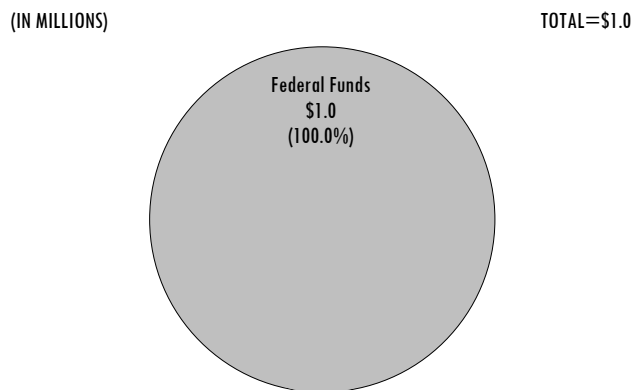
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 229 shows the program’s funding source by method of finance. All appropriations are from Federal Funds provided by the EPA for the purpose of implementing groundwater protection projects.

FIGURE 229
GROUNDWATER PROTECTION AND MANAGEMENT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



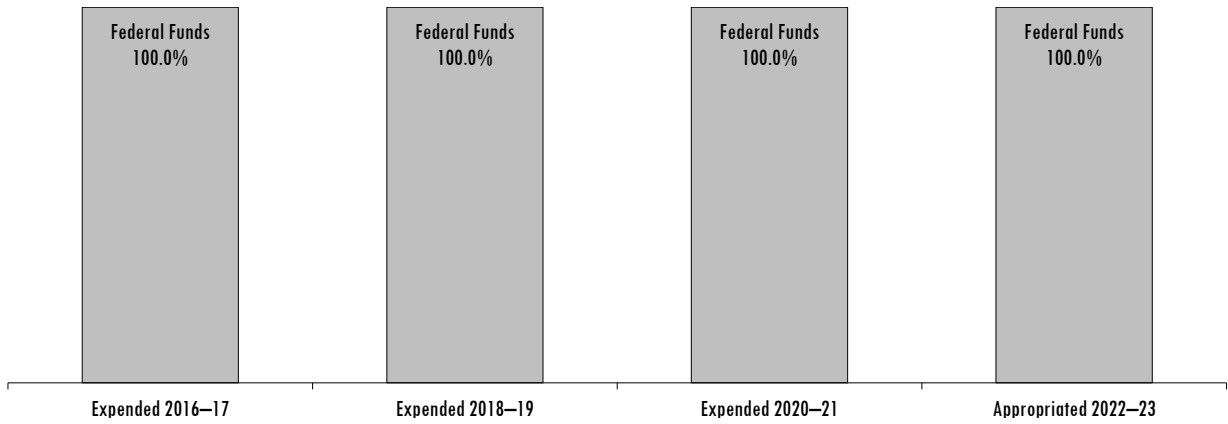
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 230 shows historical funding for the program by method of finance. The program historically has been funded through Federal Funds.

FIGURE 230
GROUNDWATER PROTECTION AND MANAGEMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

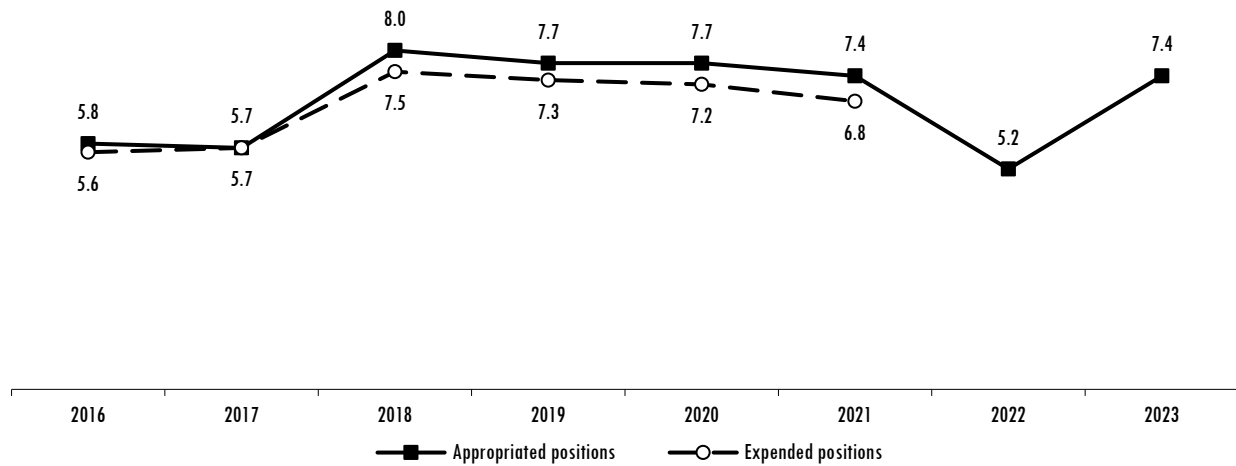
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.9	\$1.1	\$1.1	\$1.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.9	\$1.1	\$1.1	\$1.0

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 231 shows FTE positions for the program.

FIGURE 231
GROUNDWATER PROTECTION AND MANAGEMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURE

Figure 232 shows the program’s performance measure.

FIGURE 232
GROUNDWATER PROTECTION AND MANAGEMENT PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Groundwater Assessments	Yes	54	54	54

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program could result in the loss of Federal Funds and have indirect budgetary impacts relating to administrative and legal services. It also would shift the burden of TGPC support and responsibilities to staff from other member agencies and would eliminate current program functions related to the following activities: notifying private well owners in cases of potential groundwater contamination; coordinating and supporting the state management plan for preventing pesticide contamination of groundwater; conducting a cooperative pesticide monitoring program in coordination with the TWDB; and supporting other agency groundwater management functions.

WATER QUALITY ASSESSMENT AND PLANNING – NONPOINT SOURCE

The Federal Clean Water Act, Section 319(h)

PROGRAM DESCRIPTION

The Water Quality Assessment and Planning – Nonpoint Source Program is a nonregulatory program charged with implementing the federal CWA, Section 319, Nonpoint Source Management Programs. The program plans and implements activities that prevent or reduce urban and non-agricultural nonpoint source pollution in Texas waters. The program facilitates the implementation of programs and practices for managing nonpoint sources of pollution necessary to meet water quality

goals. Projects to prevent or reduce nonpoint source pollution are voluntary and are supported by federal grant funds under the CWA.

Nonpoint source pollution occurs when rainfall or snowmelt flows over land, roads, buildings, and other features of the landscape, and carries pollutants into drainage ditches, lakes, rivers, wetlands, coastal waters, and underground sources of water. The program supports the development and implementation of watershed-based plans to protect and restore waters threatened or impaired by nonpoint source pollution.

The program also manages contracts with regional planning agencies to implement water quality planning activities related to CWA, Section 604(b), Water Quality Program.

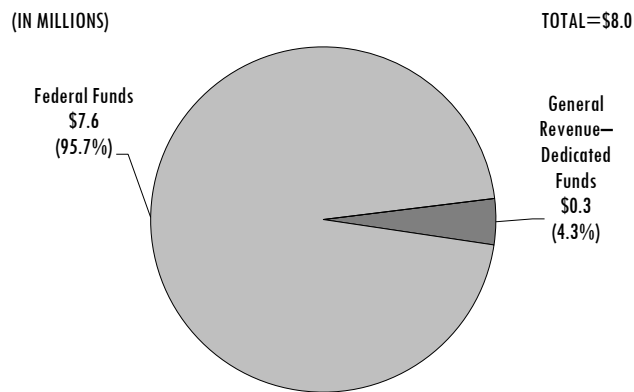
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 233 shows the program’s funding sources by method of finance, including General Revenue–Dedicated Funds from Account No. 153 and Federal Funds from EPA Nonpoint Source Management Grants. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 233
WATER ASSESSMENT AND PLANNING – NONPOINT SOURCE PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



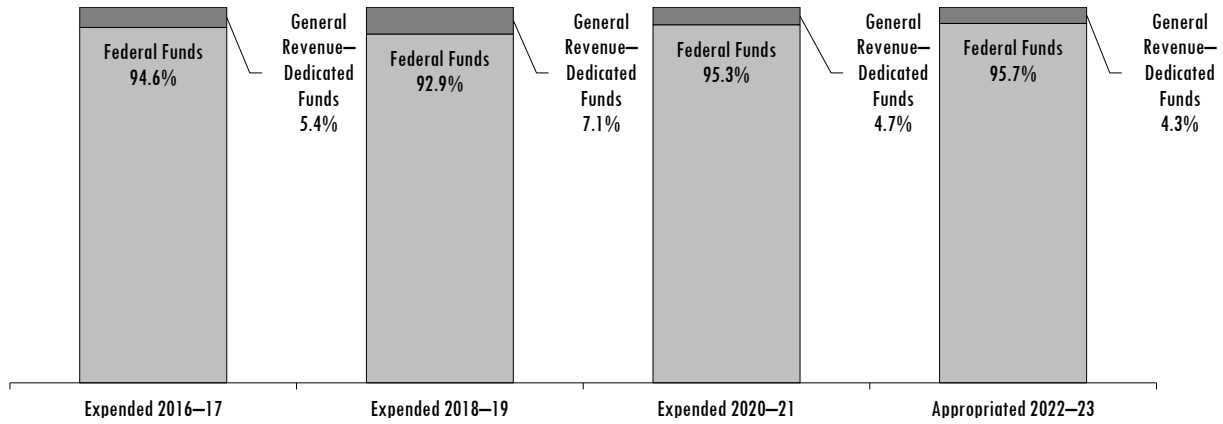
NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 234 shows historical funding for the program by method of finance. Federal Funds historically have been the primary source of funding for the program and have been increasing since the 2018–19 biennium. Appropriations from Account No. 153 were reduced beginning in the 2020–21 biennium and remain at the same level for the 2022–23 biennium.

FIGURE 234
WATER QUALITY AND ASSESSMENT – NONPOINT SOURCE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

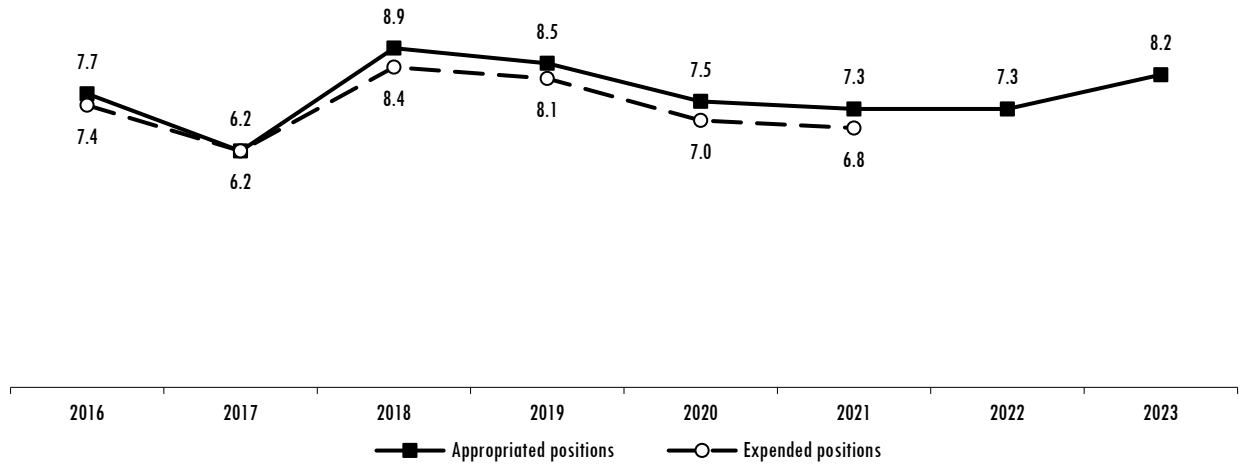
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$0.4	\$0.5	\$0.3	\$0.3
Federal Funds	\$6.5	\$6.1	\$6.8	\$7.6
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$6.9	\$6.6	\$7.1	\$8.0

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 235 shows FTE positions for the program.

FIGURE 235
WATER QUALITY AND ASSESSMENT – NONPOINT SOURCE PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURE

Figure 236 shows the program’s performance measure. Additional TCEQ programs contribute to this measure, including Water Assessment and Planning, Water Quality Standards, Clean Rivers, Total Maximum Daily Load, and Bay and Estuary.

FIGURE 236
WATER QUALITY ASSESSMENT AND PLANNING – NONPOINT SOURCE PROGRAM PERFORMANCE MEASURE
FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Surface Water Assessments	Yes	50	48	59

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent the agency from administering the Nonpoint Source Program under Federal requirements, receiving CWA funds to implement the Texas Nonpoint Source Management Program, and supporting watershed protection plan development and implementation. Discontinuing the program also may prevent the agency from: (1) administering certain other CWA funded activities with regional planning agencies; and (2) providing Water Quality Management Plan information necessary to process CWA State Revolving Fund loan applications and agency wastewater permits.

WATER QUALITY ASSESSMENT AND PLANNING – TOTAL MAXIMUM DAILY LOAD

The Federal Clean Water Act, Section 303(d)

PROGRAM DESCRIPTION

The Water Quality Assessment and Planning – Total Maximum Daily Load (TMDL) Program works to improve water quality in impaired streams, lakes, and bays by developing estimates (expressed as TMDLs) of the amount of pollutant a water body

can assimilate daily while continuing to meet water quality standards. TMDL calculations are used in determining necessary pollutant reductions; developing implementation plans or watershed action plans, in cooperation with the implementing organizations, to meet pollutant reduction goals; and preparing use-attainability analyses to determine how water bodies are used. Through the program, the state meets its federal requirement to identify waters where effluent limitations alone are not sufficient to meet water quality standards and report them every two years. Although requirements for the TMDL Program are established in the CWA, the program is also impacted by changing EPA initiatives and requirements. TMDLs must be developed with public participation and are reviewed and approved by the EPA. All adopted TMDLs are included in the state’s Water Quality Management Plan (WQMP).

The program also is responsible for coordinating with the agency’s Texas Pollutant Discharge Elimination System permitting program to implement TMDLs, revise load allocations of existing TMDLs to adapt to changes in land use and population, and provide updates to the WQMP.

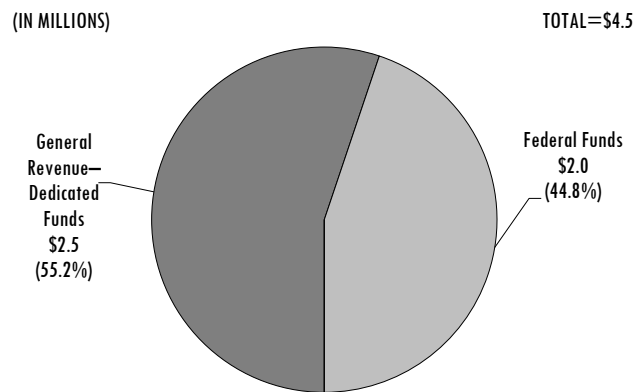
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 237 shows the program’s funding sources by method of finance, including General Revenue–Dedicated Funds from Account No. 153 and Federal Funds from the EPA for assessing water quality and implementing protection and restoration plans. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 237
WATER QUALITY ASSESSMENT AND PLANNING – TOTAL MAXIMUM DAILY LOAD PROGRAM FUNDING SOURCES
2022–23 BIENNIUM



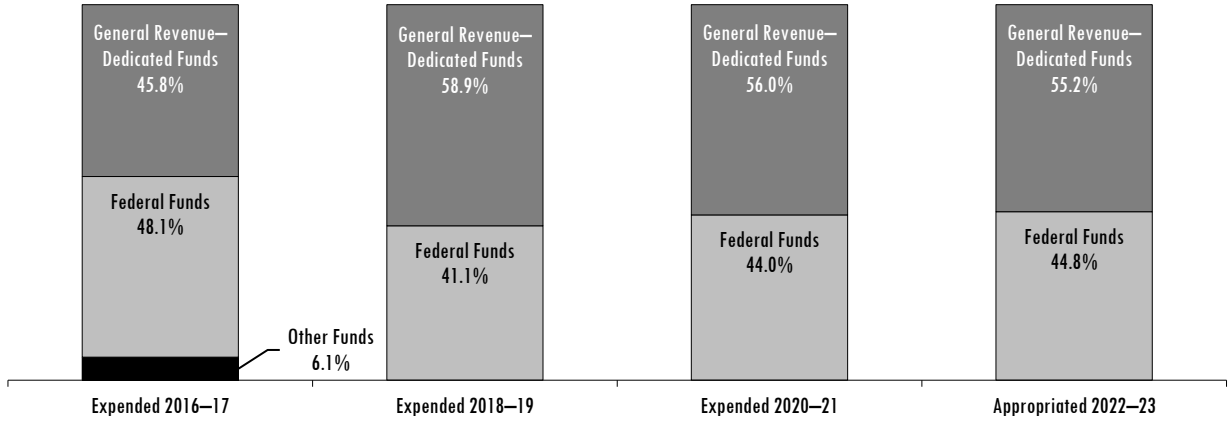
NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 238 shows historical funding for the program by method of finance. Appropriations from Account No. 153 and Federal Funds consistently have funded the program.

FIGURE 238
WATER QUALITY ASSESSMENT AND PLANNING – TOTAL MAXIMUM DAILY LOAD PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

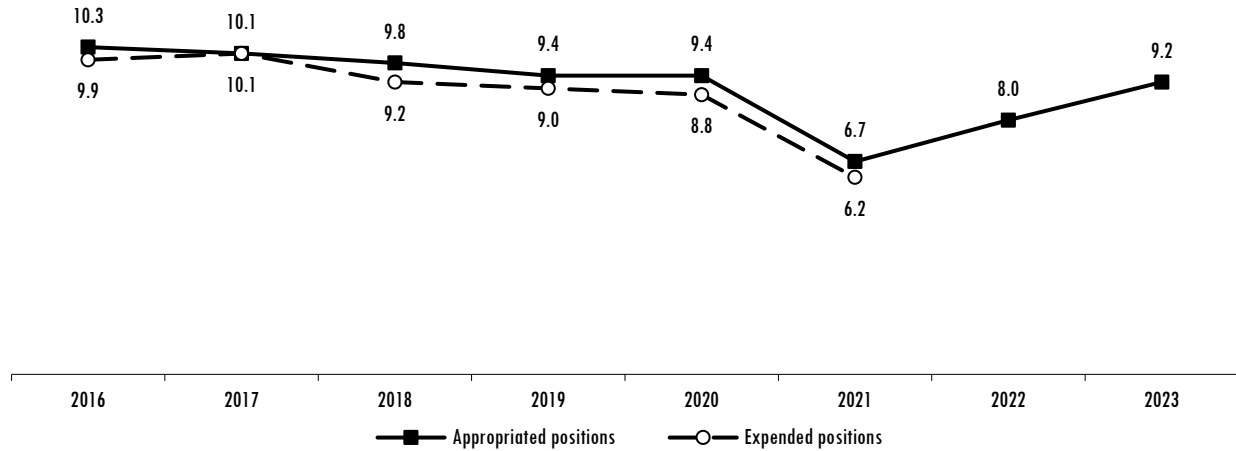
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$2.7	\$2.9	\$2.3	\$2.5
Federal Funds	\$2.9	\$2.0	\$1.8	\$2.0
Other Funds	\$0.4	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$5.9	\$4.9	\$4.0	\$4.5

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 239 shows FTE positions for the program. FTE position decreases during fiscal year 2021 were related to the 5.0 percent reductions directed by state leadership during the 2020–21 biennium.

FIGURE 239
WATER QUALITY ASSESSMENT AND PLANNING – TOTAL MAXIMUM DAILY LOAD PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURE

Figure 240 shows the program’s performance measure. Additional TCEQ programs contribute to this measure, including Water Assessment and Planning, Water Quality Standards, Clean Rivers, Nonpoint Source, and Bay and Estuary.

FIGURE 240
WATER QUALITY ASSESSMENT AND PLANNING - TOTAL MAXIMUM DAILY LOAD PROGRAM PERFORMANCE MEASURE FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 ACTUAL		
		2021 TARGET	PERFORMANCE	2023 TARGET
Number of Surface Water Assessments	Yes	50	48	59

NOTE: Additional Texas Commission on Environmental Quality programs contribute to this measure including Water Assessment and Planning, Water Quality Standards, Clean Rivers, Nonpoint Source, and Bay and Estuary.

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent the state from meeting federally mandated requirements associated with the program. TCEQ would not be able to administer the program and establish waste load allocations used to ensure Texas Pollutant Discharge Elimination System permits complied with TMDL requirements. The state no longer would receive Federal Funds available for the program purposes, which would reduce state funding requirements and would impede the following activities: public education and outreach; collecting data; conducting modeling; developing TMDL implementation plans; and use-attainability analyses.

WATER ASSESSMENT AND PLANNING

The Texas Water Code, Sections 5.013, 26.0135, and 26.127; the Federal Clean Water Act, Sections 106, 303, 305, and 314

PROGRAM DESCRIPTION

The Water Assessment and Planning Program encompasses a range of activities required to obtain, assess, and report water quality. The program, in coordination with the Clean Rivers program, facilitates the collection of data for an integrated evaluation of physical, chemical, and biological characteristics of aquatic ecosystems in relation to human health concerns, ecological conditions, and designated uses as defined in the Texas Water Quality Standards. The program develops and submits the Texas Integrated Report of Surface Water Quality to the EPA on April 1 of even numbered years as required by the CWA.

The program also supports the Sugar Land Laboratory, the agency’s principal water analysis laboratory, and the Data Management and Analysis Team, which work to ensure that agency decisions related to ambient surface water quality are based on data of known quality. The program coordinates and assists with the data management activities of all surface water programs and external data providers; manages procedures for submitting, tracking, maintaining, and reporting data; and verifies and validates the data from individual programs against data quality objectives.

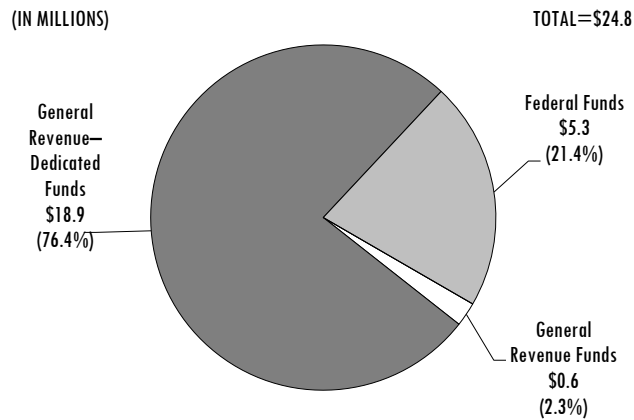
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 241 shows the program’s funding sources by method of finance, including General Revenue Funds, General Revenue–Dedicated Funds from Account No. 153, and Federal Funds provided by the EPA for CWA monitoring and assessment activities. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 241
WATER QUALITY ASSESSMENT AND PLANNING PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



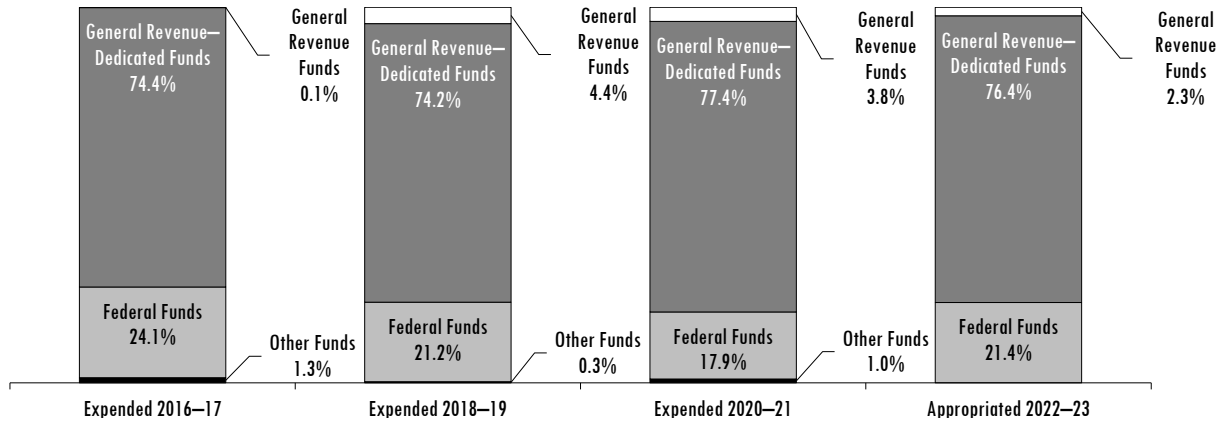
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 242 shows historical funding for the program by method of finance. The program is funded primarily with General Revenue–Dedicated Funds and Federal Funds, with the addition of small amounts of General Revenue Funds since the 2018–19 biennium. Other Funds totals in past years include various interagency contracts.

FIGURE 242
WATER ASSESSMENT AND PLANNING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$1.1	\$1.0	\$0.6
General Revenue-Dedicated Funds	\$17.8	\$19.4	\$20.6	\$18.9
Federal Funds	\$5.8	\$5.5	\$4.8	\$5.3
Other Funds	\$0.3	\$0.1	\$0.3	\$0.0
Total, All Methods of Finance	\$23.9	\$26.1	\$26.6	\$24.8

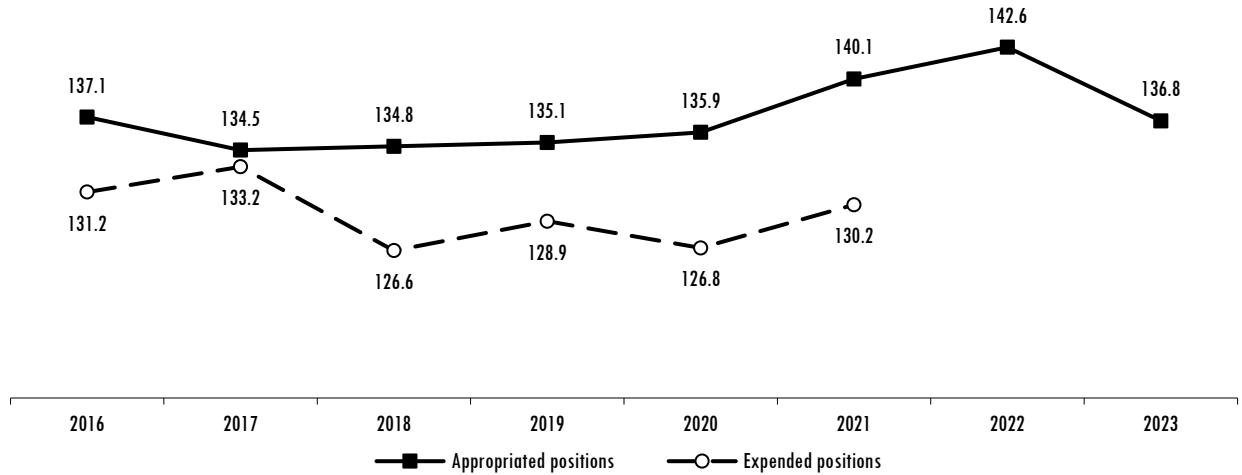
NOTE: Totals may not sum due to rounding.

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 243 shows FTE positions for the program.

FIGURE 243
WATER ASSESSMENT AND PLANNING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 244 shows the program’s performance measures. Additional TCEQ programs contribute to the Number of Surface Water Assessments measure, including Water Quality Standards, Clean Rivers, Total Maximum Daily Load, Nonpoint Source, and Bay and Estuary.

FIGURE 244
WATER ASSESSMENT AND PLANNING PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Texas Classified Surface Waters Meeting or Exceeding Water Quality Standards	Yes	56.0%	56.0%	56.0%
Number of Surface Water Assessments (1)	Yes	50	48	59

NOTE: (1) Additional Texas Commission on Environmental Quality programs contribute to this measure including Water Quality Standards, Clean Rivers, Total Maximum Daily Load, Nonpoint Source, and Bay and Estuary.

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent TCEQ from conducting required surface water quality monitoring activities, with the exception of those conducted by the Clean Rivers Program. If the agency did not develop the Texas Integrated Report of Surface Water Quality, the result would be the state’s noncompliance with the CWA. Additionally, the agency could no longer support the following activities: (1) maintain the Sugar Land Laboratory, which generates quality-assured data at a cost significantly less than third-party laboratories; (2) support and maintain the database for ambient surface water quality data; and (3) assure that its future decisions related to ambient surface water quality were based on data of known quality.

WATER QUALITY STANDARDS

The Texas Water Code, Sections 5.013, 5.103, and 26.023 to 26.026; the Federal Clean Water Act, Section 303(c)

PROGRAM DESCRIPTION

The Water Quality Standards Program develops the state’s water quality standards, which establish the basis for discharge limits in wastewater and stormwater discharge permits. It also sets instream water quality goals for TMDLs and establishes targets for assessing water quality. The standards are developed to maintain water quality consistent with existing industry operations in a manner that supports the state’s economic development. The standards also are intended to encourage and promote the development and use of regional and area-wide wastewater collection, treatment, and disposal systems to better serve public needs. In accordance with CWA and EPA requirements, the water quality standards are reviewed and revised every three years to incorporate new information on potential pollutants and additional data about water quality conditions in specific water bodies and to address new state and federal regulatory changes. Although the EPA is required to approve the standards within 60 days, or disapprove them within 90 days, portions of the 2010, 2014, and 2018 revisions are still pending EPA review, including site-specific standards and other provisions.

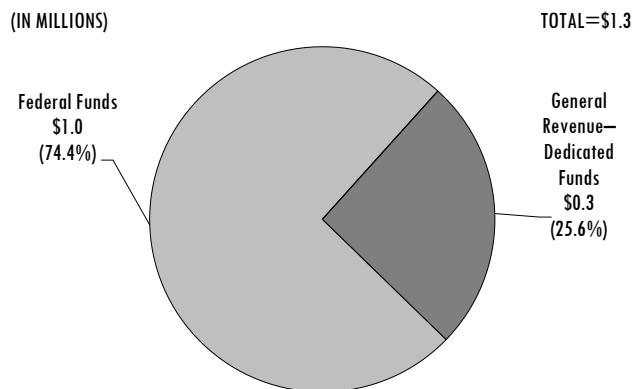
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 245 shows the program’s funding sources by method of finance, including General Revenue–Dedicated Funds from Account No. 153 and Federal Funds provided by the EPA for CWA water quality monitoring and assessment activities. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 245
WATER QUALITY STANDARDS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



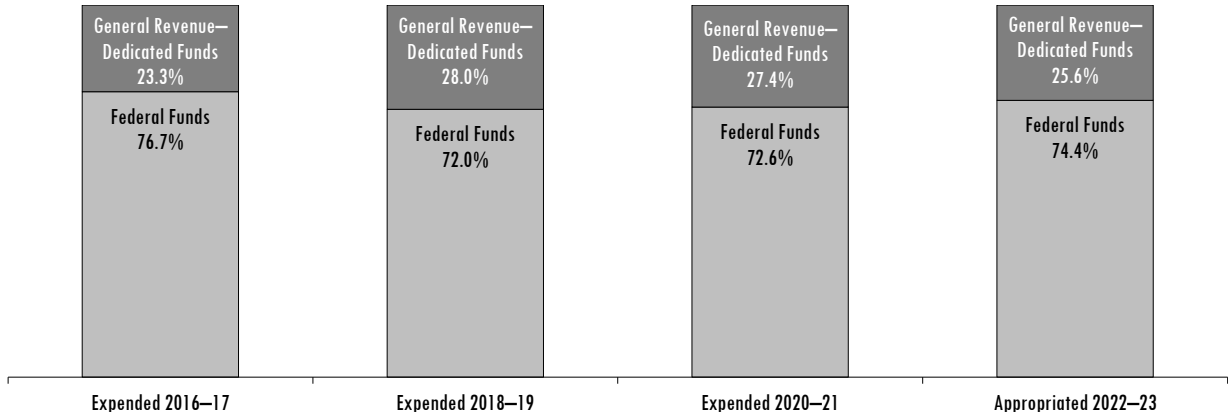
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 246 shows historical funding for the program by method of finance.

FIGURE 246
WATER QUALITY STANDARDS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

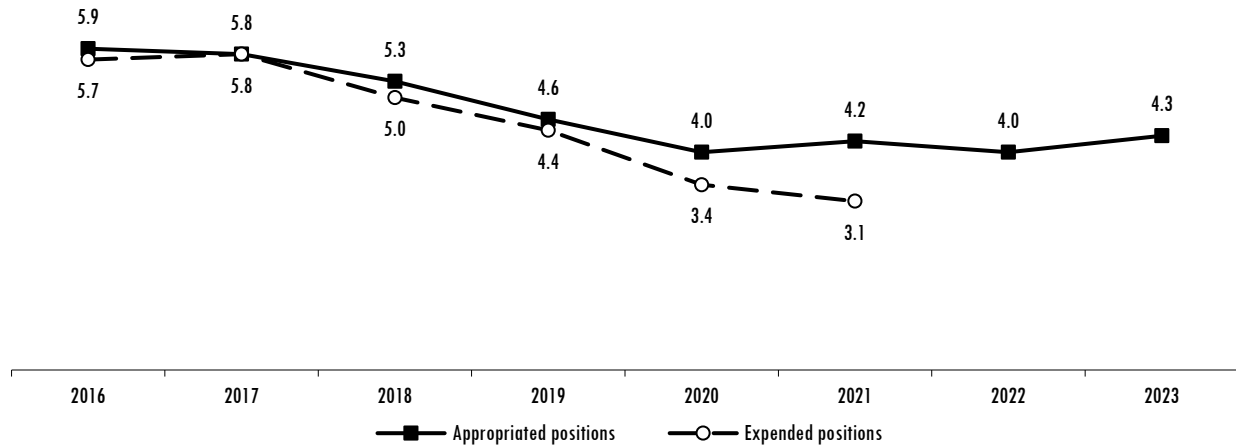
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$0.4	\$0.4	\$0.3	\$0.3
Federal Funds	\$1.3	\$1.0	\$0.7	\$1.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.8	\$1.5	\$1.0	\$1.3

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 247 shows FTE positions for the program. The overall number of positions has decreased since fiscal year 2016, which matches corresponding reductions in overall funding during the same period.

FIGURE 247
WATER QUALITY STANDARDS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 248 shows the program’s performance measures. Additional TCEQ programs contribute to the Number of Surface Water Assessments measure, including Water Assessment and Planning, Clean Rivers, Total Maximum Daily Load, Nonpoint Source, and Bay and Estuary.

FIGURE 248
WATER QUALITY STANDARDS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Texas' Rivers, Streams, Wetlands and Bays Protected by Site-specific Water Quality Standards	No	36.0%	36.0%	36.0%
Number of Surface Water Assessments (1)	Yes	50	48	59

NOTE: (1) Additional Texas Commission on Environmental Quality programs contribute to this measure including Water Assessment and Planning, Clean Rivers, Total Maximum Daily Load, Nonpoint Source, and Bay and Estuary.

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would impede the state’s compliance with related CWA and EPA requirements, guidelines, regulations, and requirements in the Texas Water Code. The agency reports that it would lose the ability to set accurate standards based on instream conditions, uses, and protective criteria. Discontinuing the program and preventing the agency from developing, revising, and maintaining water quality standards would harm public health, terrestrial and aquatic life, and economic conditions that rely on the quality of water in the state. The agency also would lose the ability to perform use-attainability analyses and assist other programs with the implementation of Texas Surface Water Quality Standards, including the Clean Rivers Program, Water Quality Assessment and Planning – Total Maximum Daily Load Program, Water Quality Assessment and Planning – Nonpoint Source Program, Groundwater Protection and Management Program, and the Edwards Aquifer Protection Program.

REGIONAL SOLID WASTE DISPOSAL GRANT

The Texas Health and Safety Code, Section 361.014

PROGRAM DESCRIPTION

The Regional Solid Waste Grant Program provides grants to regional councils of governments (COG) to fund solid waste management activities and various local and regional projects that help implement solid waste management plans. Through the program, TCEQ allocates state-appropriated funds to 24 COGs throughout Texas based on a formula considering population, geographic area, percentage of solid waste fee revenue generated within each region, and public health needs. Program staff review each COG's application, 20-year Regional Solid Waste Management Plan, implementation projects, and various reports and budget adjustments. The program also provides technical assistance to COGs and recipients of grant funds. COGs use the funds to maintain an inventory of closed municipal solid waste (MSW) landfills, conduct regional coordination and planning activities, maintain a regional solid waste management plan, and administer pass-through grant programs to fund regional and local MSW projects. Program staff also monitor COG performance through desk audits of financial and project data, site visits, and on-site audits.

PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

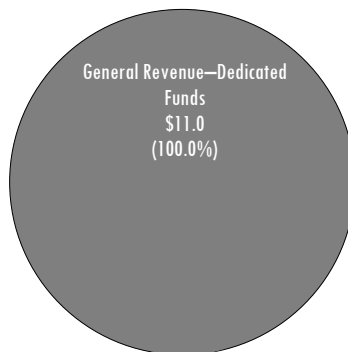
Figure 249 shows the program's funding source by method of finance. The appropriations are from General Revenue—Dedicated Account No. 5000, Solid Waste Disposal (Account No. 5000). One-third of the revenue generated by state fees on MSW disposed of at landfills, which is deposited to Account No. 5000, must be dedicated to grants for regional and local MSW projects. See **Appendix TCEQ–A** for details regarding General Revenue—Dedicated accounts.

FIGURE 249

REGIONAL SOLID WASTE DISPOSAL GRANT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$11.0



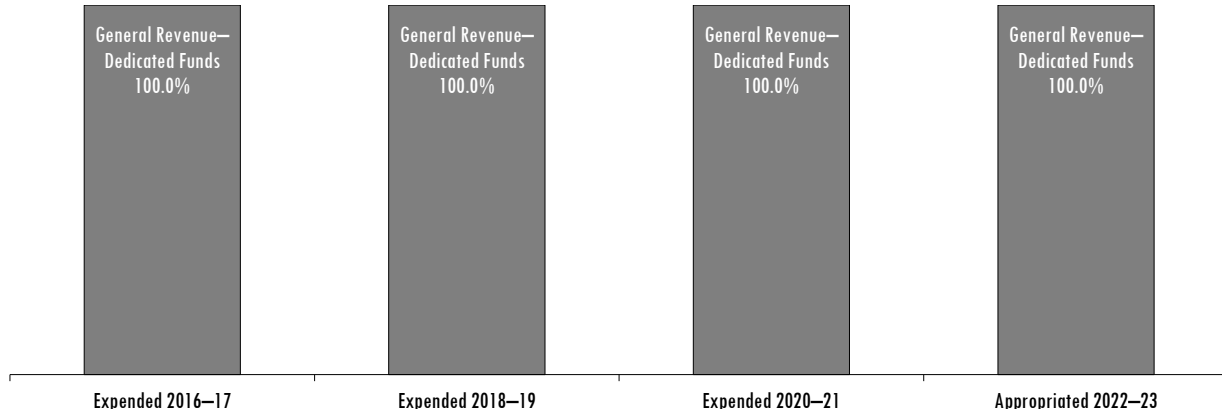
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 250 shows historical funding for the program by method of finance. The program consistently has been funded through appropriations from Account No. 5000. In fiscal year 2018, TCEQ received a \$90.0 million transfer from the Texas Department of Emergency Management to provide pass-through grants to cities and counties for debris cleanup costs related to Hurricane Harvey. Of this amount, the agency granted a total of \$33.9 million, remitting \$56.1 million back to Account No. 5000 in fiscal year 2020 because local entities and counties were unable to expend the entirety of the transfer.

**FIGURE 250
REGIONAL SOLID WASTE DISPOSAL GRANT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$11.0	\$39.8	\$11.0	\$11.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$11.0	\$39.8	\$11.0	\$11.0

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

This program does not have any FTE positions.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would deprive the 24 COGs of funding for solid waste planning and implementation projects, which likely would require them to seek additional funding from local sources for this purpose. In addition, absent a statutory change, the portion of the revenue generated from state fees on MSW that must be dedicated as grants for regional and local MSW projects still would be collected and deposited to Account No. 5000.

REGISTRATION AND REPORTING

The Texas Water Code, Chapters 26 and 28A; the Texas Health and Safety Code, Chapters 361, 371, and 374; the U.S. Code of Federal Regulations, Title 40, Parts 262, 263, 279, and 280

PROGRAM DESCRIPTION

The Registration and Reporting Program processes registrations, maintains data on entities regulated by the registration programs, and performs the following major activities:

- registers and authorizes petroleum storage tanks (PST), dry cleaners, aggregate production operations, industrial and hazardous waste (IHW) generators, used oil handlers, sludge transporters, medical waste transporters and on-site treaters, and enclosed containers (special-collection routes and stationary compactors);
- issues PST delivery certificates, dry cleaner solvent delivery certificates, and sludge truck registration stickers; and
- receives and maintains annual waste summaries for the IHW Program; annual summary reports for medical waste transporters, sludge transporters, and used oil collection centers; and biennial reports for used oil handlers and used oil filter handlers.

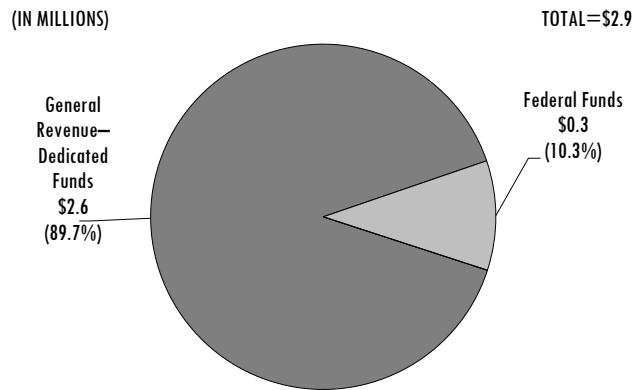
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 251 shows the program’s funding sources by method of finance, which consist of General Revenue–Dedicated Funds appropriations totaling \$0.4 million from Account No. 153; \$0.7 million from General Revenue–Dedicated Account No. 549, Waste Management (Account No. 549); \$1.2 million from General Revenue–Dedicated Account No. 655, Petroleum Storage Tank Remediation (Account No. 655); \$0.3 million from General Revenue–Dedicated Account No. 5093, Dry Cleaning Facility Release (Account No. 5093); and \$0.3 million in Federal Funds for CWA monitoring and assessment activities. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 251
REGISTRATION AND REPORTING PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



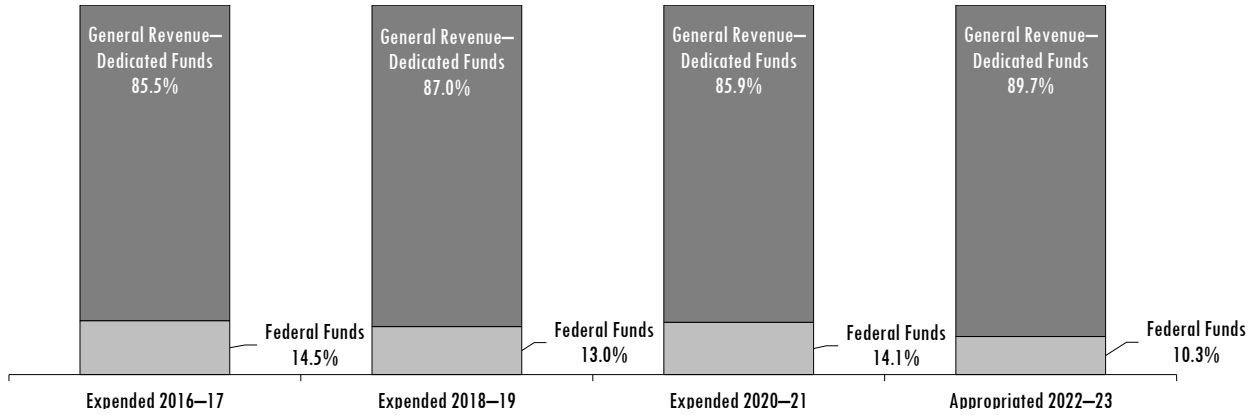
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 252 shows historical funding for the program by method of finance. Funding from General Revenue–Dedicated Funds and Federal Funds has remained fairly consistent since fiscal year 2016, with minor adjustments appropriations from General Revenue–Dedicated Funds due to the 5.0 percent reductions directed by state leadership during the 2020–21 biennium.

**FIGURE 252
REGISTRATION AND REPORTING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

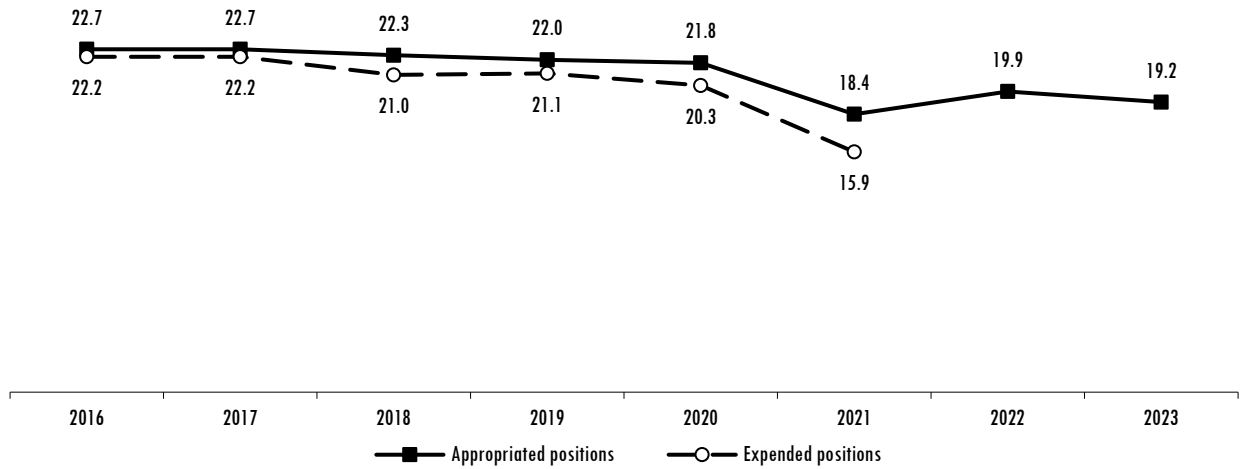
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue-Dedicated Funds	\$2.6	\$2.6	\$2.2	\$2.6
Federal Funds	\$0.4	\$0.4	\$0.4	\$0.3
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$3.0	\$3.0	\$2.6	\$2.9

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 253 shows FTE positions for the program.

FIGURE 253
REGISTRATION AND REPORTING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 254 shows the program’s performance measures.

FIGURE 254
REGISTRATION AND REPORTING PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Quarts of Used Oil Diverted from Improper Disposal (in millions)	No	55	76	75
Number of Petroleum Storage Tank Self-certifications Processed	No	16,500	16,723	16,800

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent the agency from tracking, inspecting, or enforcing regulations for appropriate compliance oversight for the regulated entities to protect public health and the environment. Certain programs have federally mandated registration components, and discontinuing the registration programs would impede the agency’s federally delegated authority to accept, process, and approve those registrations. Additionally, fees formerly collected during the registration process would be discontinued, which could harm other agency programs.

WASTE ASSESSMENT AND PLANNING

The Texas Health and Safety Code, Chapter 363

PROGRAM DESCRIPTION

The Waste Assessment and Planning Program assesses municipal solid waste (MSW) disposal capacity, identifies waste management trends, and assesses the state’s future waste management needs by collecting, compiling, and publishing data related to MSW management in Texas. Owners and operators of MSW landfills and processing facilities must submit a report

to TCEQ each fiscal year on the amount and types of MSW disposed, processed, and diverted from landfills. The program releases an annual summary that details waste disposal trends to assist cities, counties, regional planning areas, and private entities with long-term waste planning. The program also supports the development of special reports and studies to evaluate opportunities for diverting wastes from landfill disposal and for improving public education related to waste management, as well as assessing, managing, and preventing environmental impact from emerging contaminants.

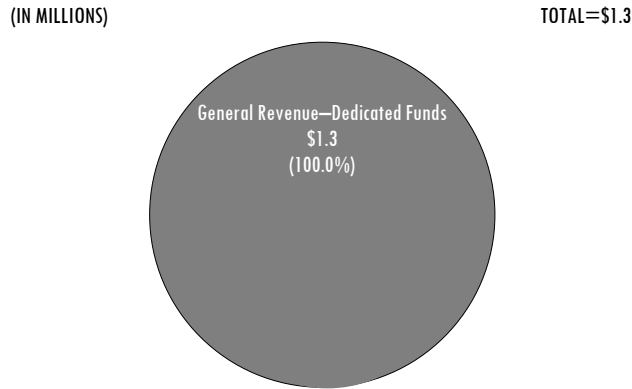
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 255 shows the program’s funding source by method of finance, which consists of General Revenue–Dedicated Funds totaling \$1.1 from Account No. 549 and \$0.2 million from General Revenue–Dedicated Account No. 550, Hazardous and Solid Waste Remediation Fee (Account No. 550). See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 255
WASTE ASSESSMENT AND PLANNING PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



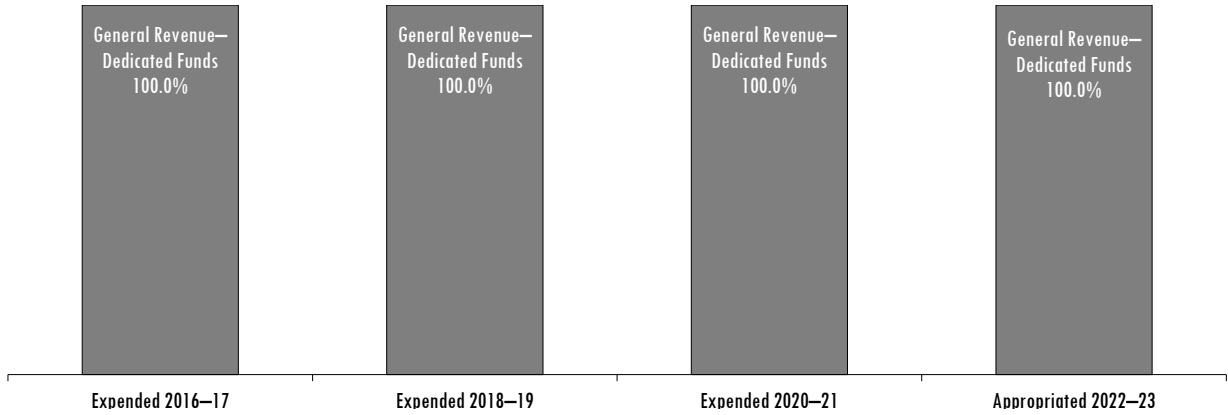
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 256 shows historical funding for the program, which consistently has been funded from General Revenue–Dedicated Funds.

FIGURE 256
WASTE ASSESSMENT AND PLANNING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

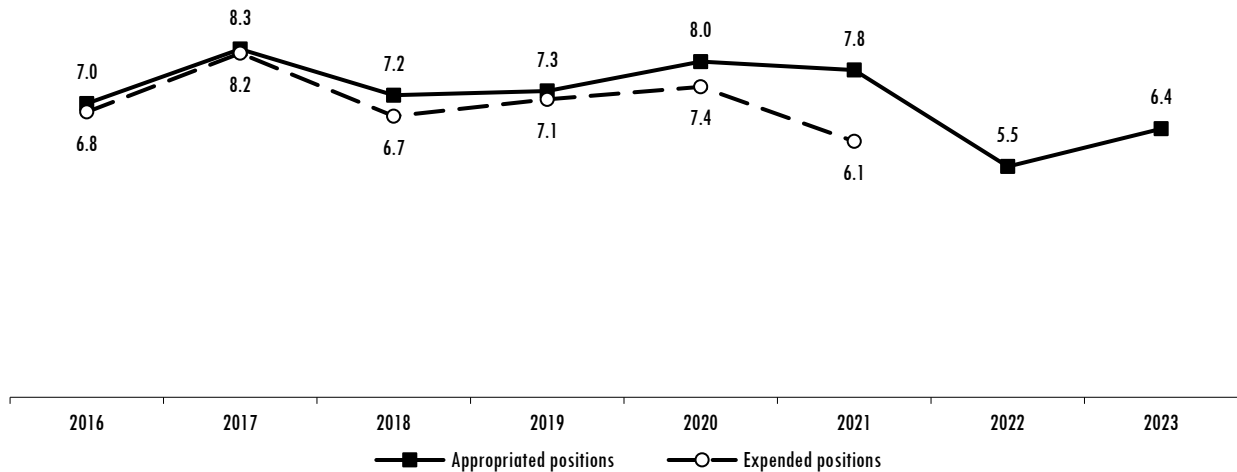
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue-Dedicated Funds	\$1.4	\$1.4	\$1.9	\$1.3
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.4	\$1.4	\$1.9	\$1.3

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 257 shows FTE positions for the program.

FIGURE 257
WASTE ASSESSMENT AND PLANNING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 258 shows the program’s performance measures.

**FIGURE 258
WASTE ASSESSMENT AND PLANNING PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021**

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Annual Percentage of Solid Waste Diverted from Municipal Solid Waste Landfills	No	4.0%	5.0%	4.0%
Annual Percent Change in the Amount of Municipal Solid Waste Going into Texas Municipal Solid Waste Landfills	No	2.0%	(1.0%)	2.0%
Number of Active Municipal Solid Waste Landfill Capacity Assessments	Yes	195	198	195
Average Number of Hours Spent per Municipal Solid Waste Facility Capacity Assessment	No	2.0	1.75	2.0
Number of Council of Government Regions in the State with 10 Years or More of Disposal Capacity	No	24	24	24

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program either would eliminate assessment and planning for the state’s MSW landfills or would return this responsibility to local municipal governments or COG regions. Lack of timely assessment, planning, and funding for new landfills or expansion of existing landfills could reduce or eliminate the ability of local governments to provide waste services to their residents and impose additional costs on these jurisdictions for transporting waste long distances.

AIR PERMITTING – NEW SOURCE REVIEW

The Texas Health and Safety Code, Chapter 382; the Federal Clean Air Act

PROGRAM DESCRIPTION

The Air Permitting – New Source Review Program provides assessments and issues permits to construct or modify major and minor stationary sources of air pollution under NAAQS established by the EPA under FCAA authority. The program administers the Emissions Banking and Trading (EBT) programs, which include market-based strategies used to address air quality issues in nonattainment and attainment areas in Texas. The EBT programs provide flexibility in complying with the statutory requirements of the Texas Health and Safety Code and the FCAA, while also offering incentives to reduce emissions from various sources through the trading of emission reductions within a market-based framework.

PROGRAM REVENUE

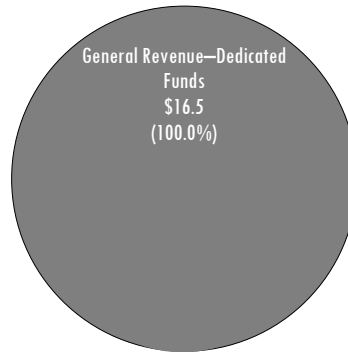
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 259 shows the program’s funding source by method of finance. Current appropriations are from Account No. 151. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 259
AIR PERMITTING – NEW SOURCE REVIEW PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$16.5



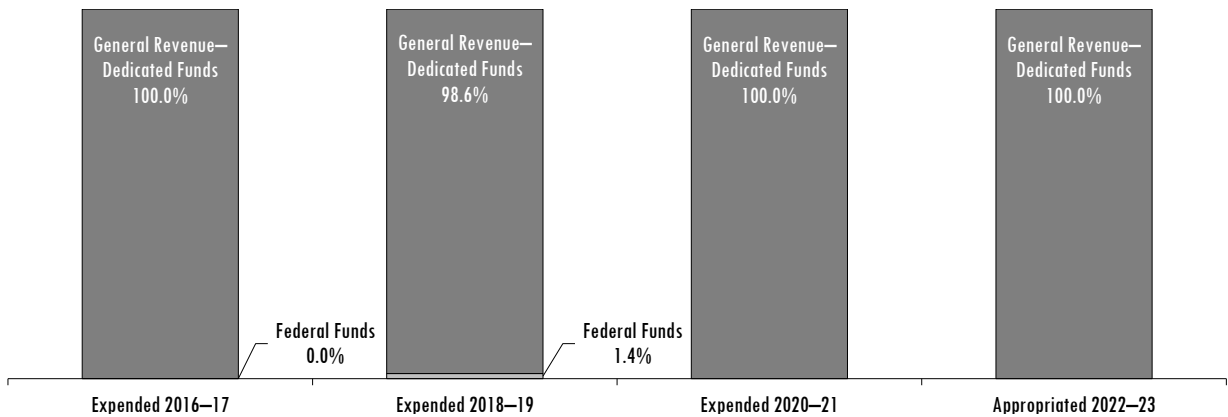
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 260 shows historical funding for the program by method of finance. Appropriations historically have come from Account No. 151, but 2018–19 appropriations also included Federal Funds from a onetime Environmental Information Exchange Network grant. The program received an additional \$1.8 million in the 2022–23 biennium, which included targeted salary increases for investigators, enforcement coordinators, engineers, permit specialists, and attorneys.

FIGURE 260
AIR PERMITTING – NEW SOURCE REVIEW PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue—Dedicated Funds	\$13.6	\$14.5	\$14.7	\$16.5
Federal Funds	\$0.0	\$0.2	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0

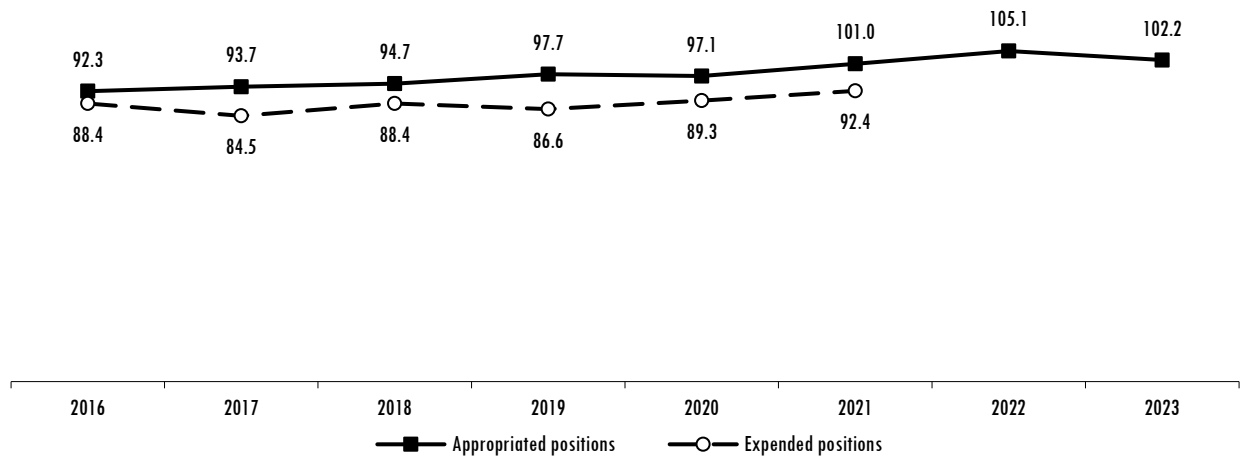
Total, All Methods of Finance **\$13.6** **\$14.7** **\$14.7** **\$16.5**

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 261 shows FTE positions for the program. The number of positions for the 2022–23 biennium increased with the additional \$1.8 million provided for the program.

FIGURE 261
AIR PERMITTING – NEW SOURCE REVIEW PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 262 shows the program’s performance measures.

FIGURE 262
AIR PERMITTING – NEW SOURCE REVIEW PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Air Quality Permit Applications Reviewed Within Established Time Frames	No	75.0%	95.0%	75.0%
Number of State and Federal New Source Review Air Quality Permit Applications Reviewed	Yes	7,800	6,158	7,800
Number of State and Federal Air Quality Permits Issued	No	7,000	5,912	7,000
Number of Emissions Banking and Trading Transaction Applications Reviewed	No	1,000	1,603	1,000

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

New Source Review permits are required by the FCAA. According to the agency, all applicable sites would need to obtain authorization directly from the EPA if the program were discontinued, which could delay or cancel the construction or modification of a facility.

AIR PERMITTING – TITLE V FEDERAL OPERATING PERMITS

The Texas Health and Safety Code, Chapter 382; the Federal Clean Air Act

PROGRAM DESCRIPTION

The Title V Federal Operating Permit (FOP) program requires facilities classified as major sources of air pollution, and certain facilities identified as non-major sources of air pollution, to obtain a permit consolidating all applicable air requirements in a single document to improve compliance. The criteria for designation as a major source of air pollution or an affected non-major site subject to permitting appear in the Texas Administrative Code, Title 30, Chapter 122. A Title V permit grants a source permission to operate for those facilities.

PROGRAM REVENUE

The program collects inspection fees for Title V permits, ranging from \$840 to \$25,090 depending on the type of manufacturing and the amount of emission from a facility. Rates are adjusted annually according to the Consumer Price Index. Inspection fee revenue that funds program operations is deposited to the General Revenue–Dedicated Account No. 5094, Operating Permit Fees (Account No. 5094).

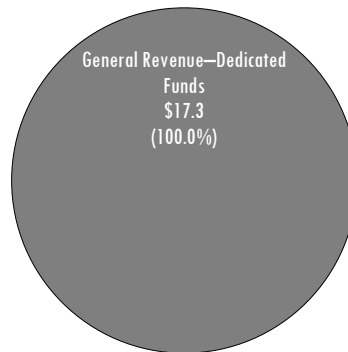
PROGRAM FUNDING

Figure 263 shows the program’s funding source by method of finance, which consists of appropriations from Account No. 5094. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 263
AIR PERMITTING – TITLE V FEDERAL OPERATING PERMITS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$17.3



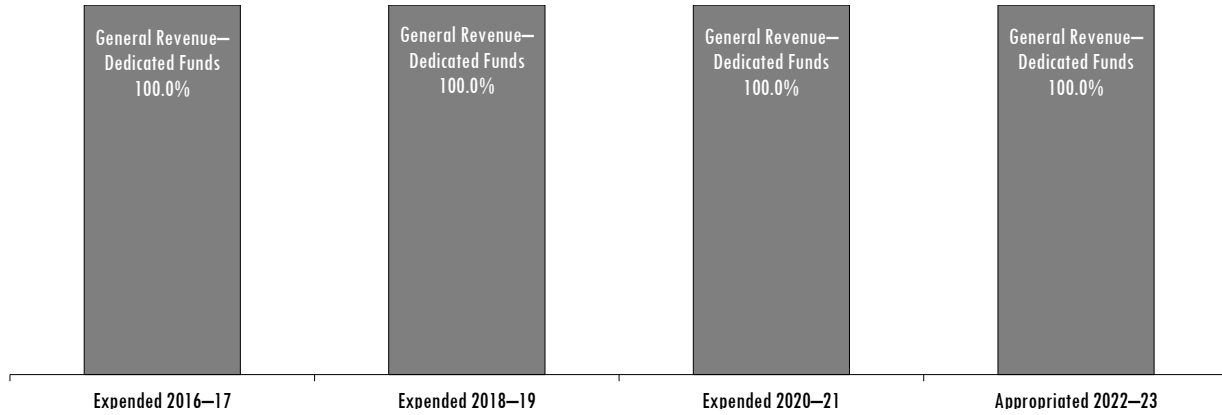
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 264 shows historical funding for the program by method of finance. Program funding consistently has been provided from Account No. 5094. The program received an additional \$0.5 million in the 2022–23 biennium, which included targeted salary increases for investigators, enforcement coordinators, engineers, permit specialists, and attorneys.

FIGURE 264
AIR PERMITTING – TITLE V FEDERAL OPERATING PERMITS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

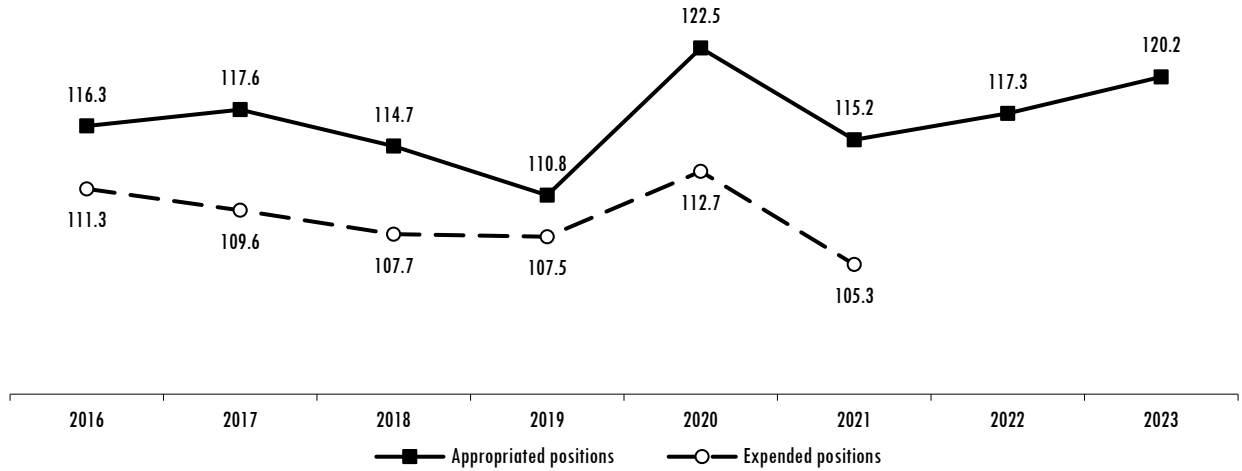
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$16.2	\$16.8	\$16.4	\$17.3
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$16.2	\$16.8	\$16.4	\$17.3

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 265 shows FTE positions for the program. The number of positions for the 2022–23 biennium increased with the additional \$0.9 million provided for the program.

FIGURE 265
AIR PERMITTING – TITLE V OPERATING PERMITS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 266 shows the program’s performance measures.

FIGURE 266
AIR PERMITTING – TITLE V OPERATING PERMITS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Air Quality Permit Applications Reviewed Within Established Time Frames	No	75.0%	95.0%	75.0%
Number of Federal Air Quality Operating Permits Reviewed	Yes	900	982	900
Number of Federal Air Quality Permits Issued	No	650	666	650

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, Title V permits are required by the FCAA. If the program were discontinued, all applicable sites would need to obtain authorization directly from the EPA. In addition, the agency would lose the ability to collect fees that support the Title V program, which would impede activities related to operating permits, air monitoring, compliance and enforcement, and air quality planning.

EDWARDS AQUIFER PROTECTION PROGRAM

The Texas Water Code, Sections 26.046 and 26.0461; the Federal Clean Water Act

PROGRAM DESCRIPTION

The Edwards Aquifer Protection Program reviews and approves building activities that have the potential to pollute the Edwards Aquifer, including its recharge, transition, or contributing zones, and hydrologically connected surface streams to protect existing and potential uses of groundwater and to maintain Texas Surface Water Quality Standards.

The Edwards Aquifer is a karst aquifer that provides drinking water to more than 2.0 million people, including residents of San Antonio and surrounding Central Texas communities. It is covered in fractures, caves, sinking streams, and sinkholes that can function as direct conduits to the aquifer from the surface.

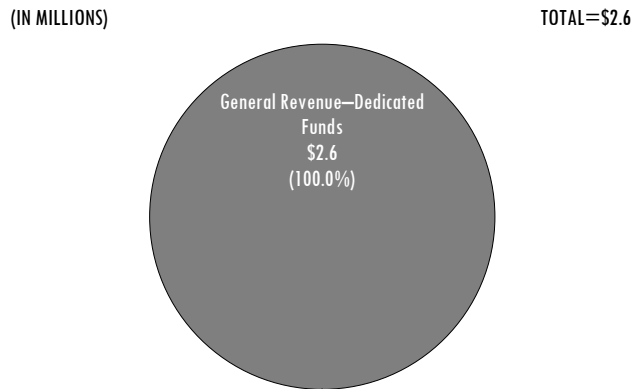
PROGRAM REVENUE

The program collects application fee revenue for the review and approval of development activities over the Edwards Aquifer. Fees range from \$650 to \$10,000 based on acreage, sewage systems, and linear feet of pipe.

PROGRAM FUNDING

Figure 267 shows the program’s funding source by method of finance, which consists of appropriations from Account No. 153. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 267
EDWARDS AQUIFER PROTECTION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



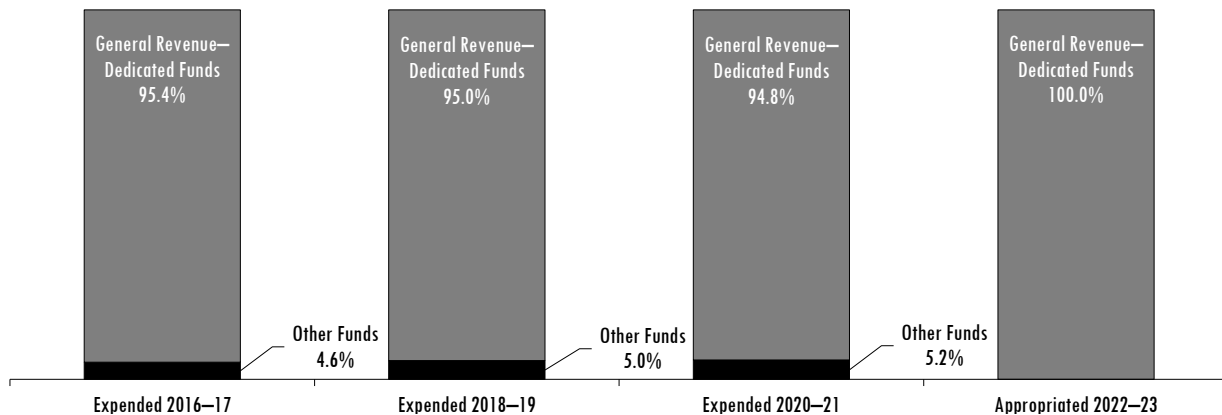
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 268 shows historical funding for the program by method of finance. Other Funds amounts included from fiscal years 2016 to 2021 include Appropriated Receipts.

FIGURE 268
EDWARDS AQUIFER PROTECTION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

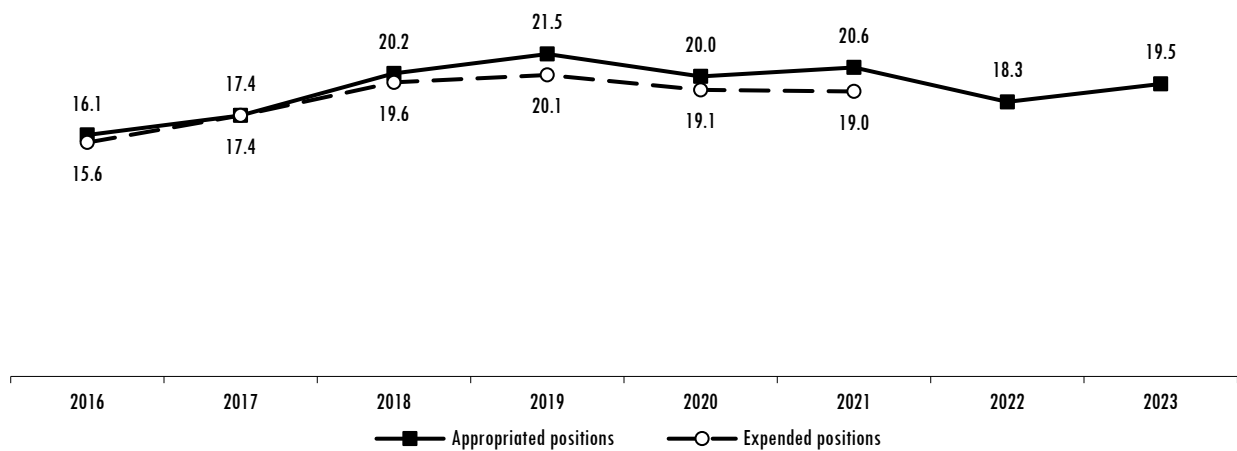
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$2.2	\$2.7	\$2.6	\$2.6
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.1	\$0.1	\$0.1	\$0.0
Total, All Methods of Finance	\$2.3	\$2.8	\$2.8	\$2.6

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 269 shows FTE positions for the program.

FIGURE 269
EDWARDS AQUIFER PROTECTION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 270 shows the program’s performance measures. The Water Resource Permitting Program also contributes to the Number of Applications to Address Water Quality Impacts Reviewed measure.

FIGURE 270
EDWARDS AQUIFER PROTECTION PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Inspections and Investigations of Water Sites and Facilities	Yes	13,144	13,998	13,144
Average Time (Days) From Air, Water, or Waste Inspection to Report Completion	No	35	35	35

Number of Citizen Complaints Investigated	No	4,500	4,676	4,500
Number of Applications to Address Water Quality Impacts Reviewed	Yes	12,438	14,072	20,230

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would remove the agency's direct oversight of applicable rules and regulations specific to the aquifer, which could increase the risk of contamination to the aquifer and its connected surface waterways. Application fees no longer would be collected, which would remove this source of funding for staff salaries and standard employee overhead costs. Any employee and program costs shared with other programs either would be eliminated, along with positions no longer funded, or would have to be supported by other revenues or funding mechanisms.

WATER RESOURCE PERMITTING

The Texas Water Code, Chapters 11 and 18; Sections 5.124 and 26.027; the Texas Health and Safety Code, Chapters 366 and 367; the U.S. Code of Federal Regulations, Title 40, Part 403

PROGRAM DESCRIPTION

The Water Resource Permitting Program includes several permitting processes and one grant program administered by the following subprograms:

- the Water Right Permitting Program administers the water rights permitting process, which includes issuing new water rights, changing existing water rights, and processing water supply contracts. State water is defined in the Texas Water Code, Section 11.021, as including the water of each river, stream, lake, and bay or arm of the Gulf of Mexico, and the underflow of each river. A state water right permit is required to divert, use, or store state water or use the bed and banks of a watercourse to convey water unless the water is being used for one of several specific exempt uses. The most common exemption is for domestic and livestock purposes. The state has recorded 6,240 water rights, all or portions of which are owned by 11,363 individuals;
- the Wastewater Permitting Program administers the wastewater permitting process, which protects the quality of surface and groundwater in Texas by regulating the types and amounts of pollutants introduced into water through the issuance of written authorizations. There are three categories of written authorizations: individual permits, general permits, and registrations. Permits are issued under both state and federal authority. For example, Texas Pollutant Discharge Elimination System (TPDES) permits, which authorize the discharge of wastewater into state water, are provided under a delegated regulatory authority from the EPA, while Texas Land Application Permits, which authorize the discharge of wastewater via irrigation or land application of manure/sludge, are issued under state authority only. The Pretreatment Program is a subprogram of the TPDES, which is governed by federal law and focuses on the removal of harmful pollutants before they are discharged to a sewer system under the control of a publicly owned treatment works;
- the Onsite Sewage Facility (OSSF) Program administers the OSSF permitting process, which is designed to eliminate and prevent health hazards by regulating and planning the location, construction, alteration, repair, extension, and operation of new or replacement OSSFs. The agency has statutory authority to delegate program and permitting requirements to local governmental entities, known as Authorized Agents (AA). In absence of an AA, TCEQ regional staff serve the community in that capacity. Approximately 75.0 percent of the state is within an AA's jurisdiction, with the remaining 25.0 percent under TCEQ's jurisdiction. While OSSF staff review and recommend approval of local orders that codify the requirements of the local programs, other TCEQ staff provide oversight of the required periodic compliance inspections; and

- the Texas Onsite Sewage Facility Grant Program (TOGP) awards competitive grants to support applied research and demonstration projects for on-site wastewater treatment technology and systems. Grant funding is provided through OSSF permit fees.

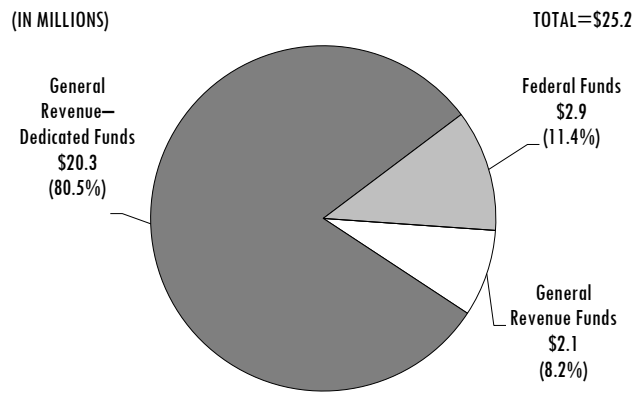
PROGRAM REVENUE

The Water Resource Permitting Program collects inspection and application fee revenue from water rights, wastewater, and sewage facility permitting.

PROGRAM FUNDING

Figure 271 shows the program’s funding sources by method of finance, including General Revenue, General Revenue–Dedicated Funds from Account No. 153, and Federal Funds from EPA wastewater permitting to reduce redundancy in making regulatory decisions for a single project. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 271
WATER RESOURCE PERMITTING PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



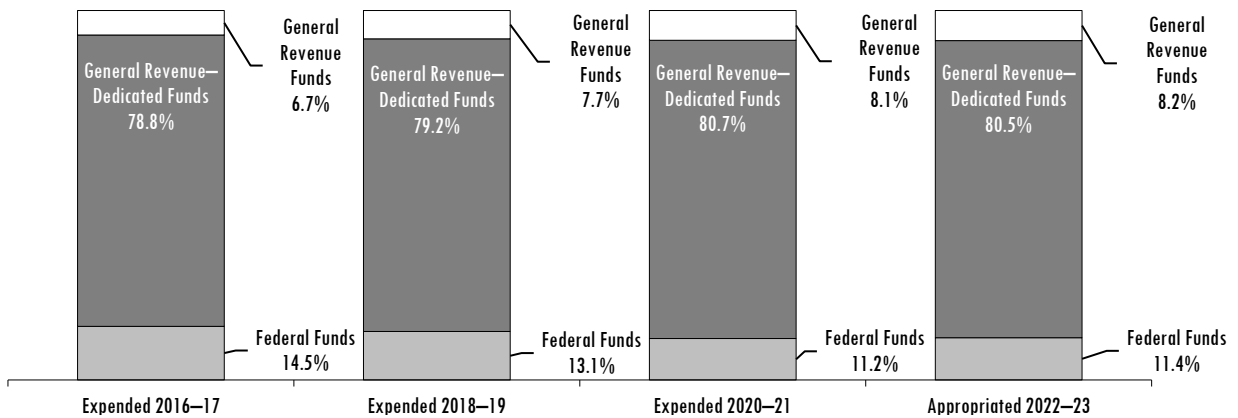
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 272 shows historical funding for the program by method of finance.

FIGURE 272
WATER RESOURCE PERMITTING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

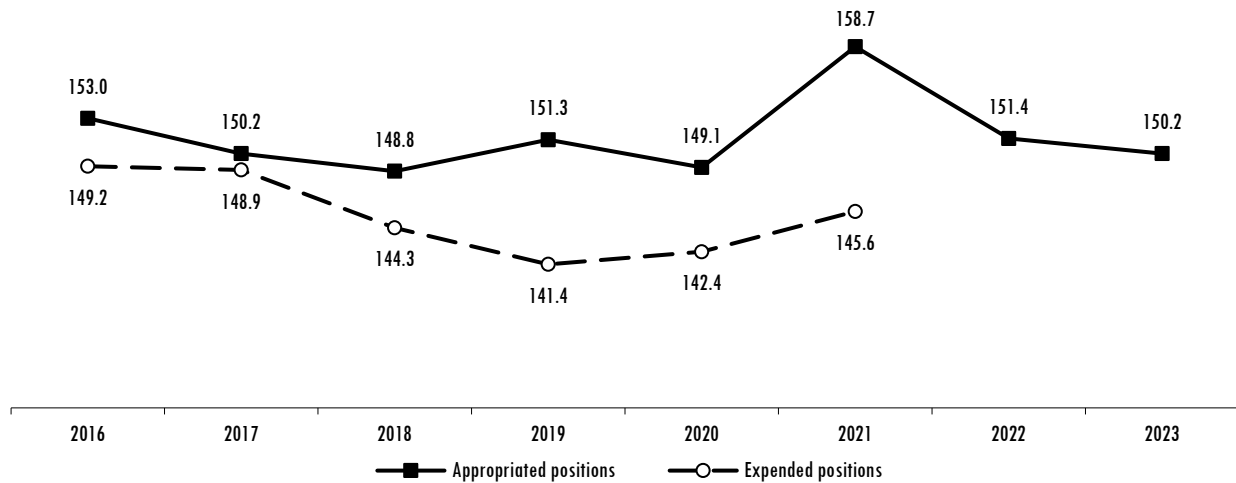
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.7	\$1.8	\$1.9	\$2.1
General Revenue–Dedicated Funds	\$20.0	\$18.3	\$19.0	\$20.3
Federal Funds	\$3.7	\$3.0	\$2.6	\$2.9
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$25.3	\$23.1	\$23.5	\$25.2

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 273 shows FTE positions for the program. The decrease in expended FTE positions is attributable to positions being reallocated from this program to other programs to align with agency priorities.

FIGURE 273
WATER RESOURCE PERMITTING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 274 shows the program’s performance measures. The Edwards Aquifer Protection Program also contributes to the Number of Applications to Address Water Quality Impacts Reviewed. The fiscal year 2021 Percent of Water Quality Permit Applications Reviewed Within Established Time Frames and Percent of Water Rights Permit Applications Reviewed Within Established Time Frames measures were less than targeted amounts because of an increase in applications submitted primarily due to the growth in population and development activity. As a result, the agency implemented a new application management system to reduce permit processing time in the 2022–23 biennium.

FIGURE 274
WATER RESOURCE PERMITTING PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Applications to Address Water Quality Impacts Reviewed	Yes	12,438	14,072	18,220
Number of Applications to Address Water Rights Impacts Reviewed	No	595	988	595
Number of Concentrated Animal Feeding Operation (CAFO) Authorizations Reviewed	Yes	50	42	50
Number of Water Quality Permits Issued	No	663	701	619
Number of Water Rights Permits Issued	No	75	102	75
Percentage of Water Quality Permit Applications Reviewed Within Established Time Frames	No	90.0%	57.4%	90.0%
Percentage of Water Rights Permit Applications Reviewed Within Established Time Frames	No	75.0%	56.0%	75.0%
Percentage Reduction of Pollution from Permitted Wastewater Facilities Discharging to the Waters of the State	No	0.1%	0.03%	0.1%

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, the following adverse effects would occur if the program were discontinued:

- the agency would be unable to administer water rights permitting. New water rights permits, including temporary permits, could not be issued, and existing water rights could not be amended;
- operators of industrial and domestic wastewater treatment facilities would not be able to obtain a wastewater permit that complies with state and federal water quality standards and other state requirements and would not be able to legally discharge or land-apply treated wastewater in Texas. Instead, the operators would be required to obtain a permit from the EPA;
- the agency would be unable to provide certain federal water quality certifications or administer the Pretreatment Program;
- the oversight of the rules and regulations for the design, construction, installation, operation, and maintenance of OSSFs no longer would occur. No framework for the delegation of those rules and regulations to authorized agents would exist, no general or technical assistance to stakeholders would be provided, and no framework for permitting of new and altered OSSFs would be provided;
- discontinuing TOGP grant funding could hinder research and development of innovative on-site sewage technology, affecting the state's ability to protect its water resources from wastewater contamination;
- data collection, analysis, monitoring, and all regulatory oversight, duties, and functions related to the program either would cease or be absorbed into other programs to the extent possible; and
- fee collections associated with program operations would cease absent statutory changes and/or the provision of alternative funding mechanisms.

INDUSTRIAL AND HAZARDOUS WASTE PERMITS

The Texas Health and Safety Code, Chapter 361; the Texas Water Code, Chapter 5

PROGRAM DESCRIPTION

The Industrial and Hazardous Waste Permits Program regulates hazardous waste treatment, storage, and disposal facilities and off-site industrial non-hazardous waste storage and treatment facilities. The program is responsible for reviewing permit applications for storage, processing, or disposal of hazardous and non-hazardous industrial waste from permitted generators and waste management facilities. The program also reviews applications to modify existing permits, documents required as a condition of a permit, and notifications of certain types of industrial solid waste management.

Effective July 28, 2021, the EPA approved TCEQ’s partial state Coal Combustion Residuals (CCR) Program, which is a subprogram that requires registration of CCR management units such as landfills or surface impoundments at power production facilities. The program is responsible for the review and issuance of CCR registrations and documents required as a condition of a CCR registration. The approval allows Texas’ CCR program to operate in lieu of the federal CCR program.

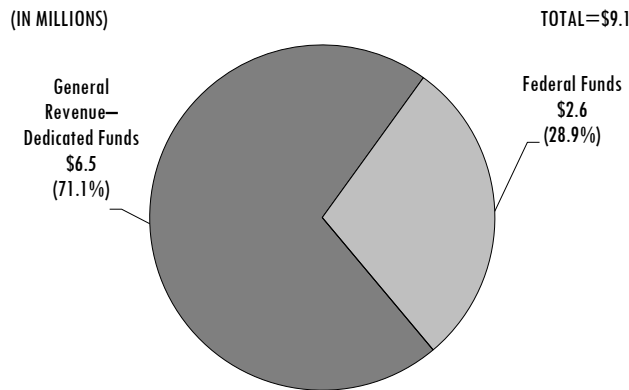
PROGRAM REVENUE

The program collects application fee revenue through the permitting of hazardous waste treatment, storage, and disposal facilities.

PROGRAM FUNDING

Figure 275 shows the program’s funding sources by method of finance, including General Revenue–Dedicated Funds from Account No. 549 and Federal Funds provided by the EPA to assist in processing a targeted number of permit applications established by the EPA each fiscal year. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 275
INDUSTRIAL AND HAZARDOUS WASTE PERMITS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



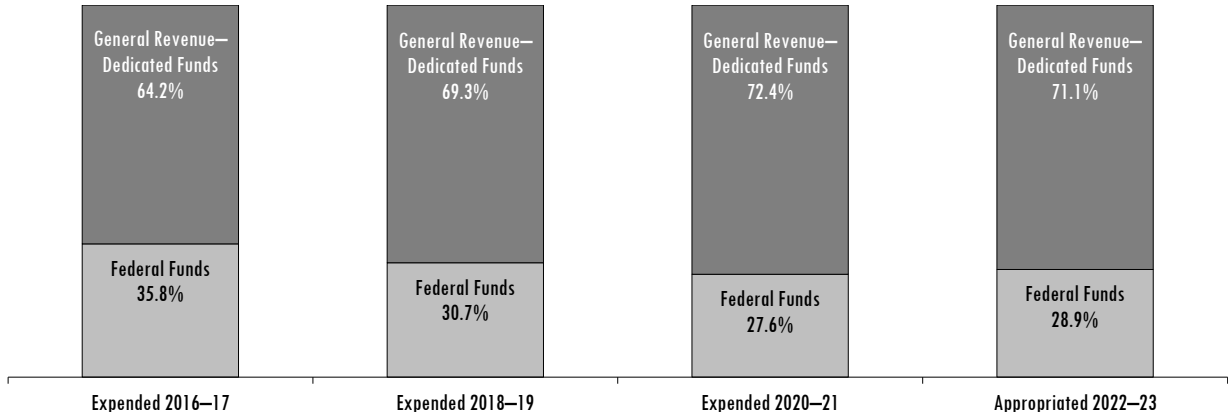
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 276 shows historical funding for the program by method of finance. Program funding has increased by \$0.6 million since the 2016–17 biennium, with Federal Funds decreasing and funding from Account No. 549 consistently increasing during this period.

FIGURE 276
INDUSTRIAL AND HAZARDOUS WASTE PERMITS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

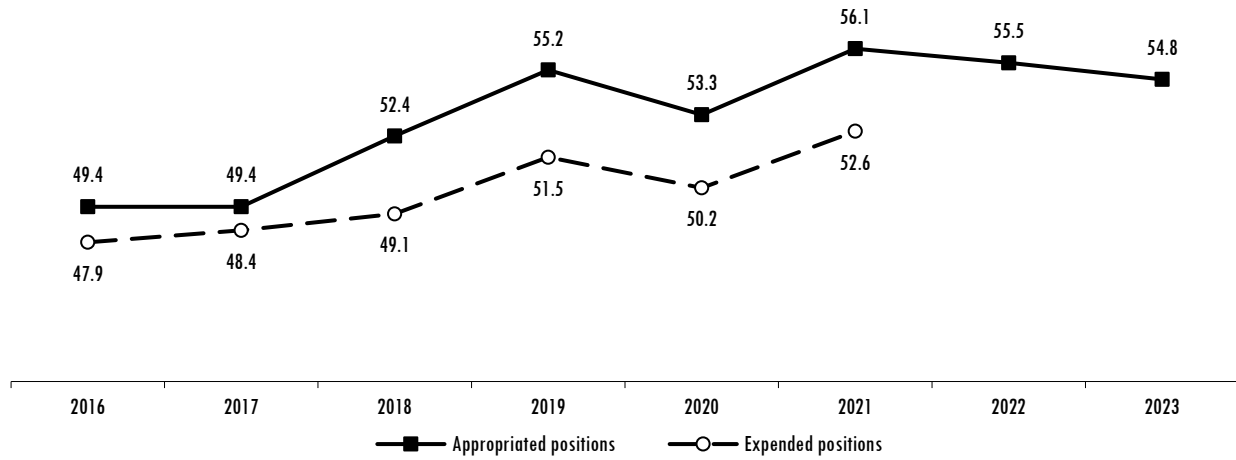
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue—Dedicated Funds	\$5.4	\$6.2	\$6.4	\$6.5
Federal Funds	\$3.0	\$2.7	\$2.5	\$2.6
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$8.5	\$8.9	\$8.9	\$9.1

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 277 shows FTE positions for the program.

FIGURE 277
INDUSTRIAL AND HAZARDOUS WASTE PERMITS PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 278 shows the program’s performance measures. Additional TCEQ programs contribute to these measures, including the Underground Injection Control Program, the Municipal Solid Waste Permits Program, the Low-level Radioactive Waste Program, and the Radioactive Materials Program.

FIGURE 278
INDUSTRIAL AND HAZARDOUS WASTE PERMITS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Waste Management Permit Applications Reviewed Within Established Time Frames	No	90.0%	92.9%	90.0%
Number of New System Waste Evaluations Conducted	No	570	553	570
Number of Hazardous Waste Permit Applications Reviewed	Yes	200	207	200
Number of Hazardous Waste Permits Issued	No	200	238	200

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would cause permitting for industrial and hazardous waste management to revert to the EPA, ceding decision-making authority for hazardous waste facilities in Texas to the federal government. Without state oversight, there would be an increased risk for accidental releases of waste and public exposure to waste-related contaminants.

MUNICIPAL SOLID WASTE PERMITS

The Texas Health and Safety Code, Chapters 361 and 363; the Texas Water Code, Chapter 5

PROGRAM DESCRIPTION

The Municipal Solid Waste (MSW) Permits Program regulates the handling, storage, processing, and disposal of MSW and authorized industrial solid waste. The program promotes and encourages recycling by regulating this activity through streamlined authorizations. It is responsible for reviewing applications for handling, storing, processing, and disposing of MSW and specific types of industrial solid waste at MSW facilities. It also reviews applications to modify or amend existing permits and registrations, to authorize recycling operations and construction activities over closed landfills, and for regulated management activities.

The Scrap Tire Program is a subprogram that regulates the management of used and scrap tires in Texas, including used and scrap tire transportation, processing, recycling, utilization, storage, and land reclamation projects using tires. Owners or operators of regulated scrap tire management activities are required to obtain a scrap tire registration to ensure the safe management of scrap tires to protect human health and the environment.

PROGRAM REVENUE

The agency did not report any revenue associated with this program.

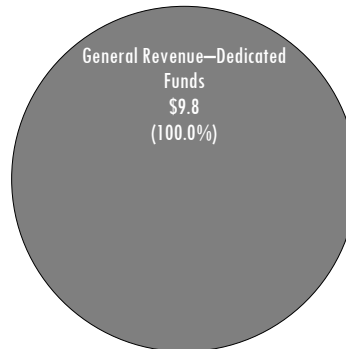
PROGRAM FUNDING

Figure 279 shows the program’s funding source by method of finance, with all appropriations from Account No. 549. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 279
MUNICIPAL SOLID WASTE PERMITS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$9.8



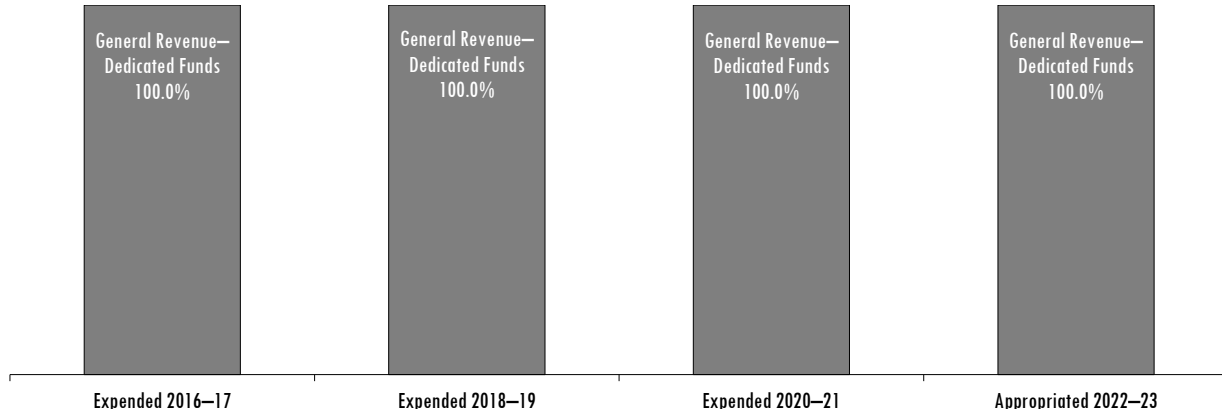
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 280 shows historical funding for the program by method of finance. Appropriations consistently have come from Account No. 549, with minor increases provided in the 2022–23 biennium.

FIGURE 280
MUNICIPAL SOLID WASTE PERMITS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

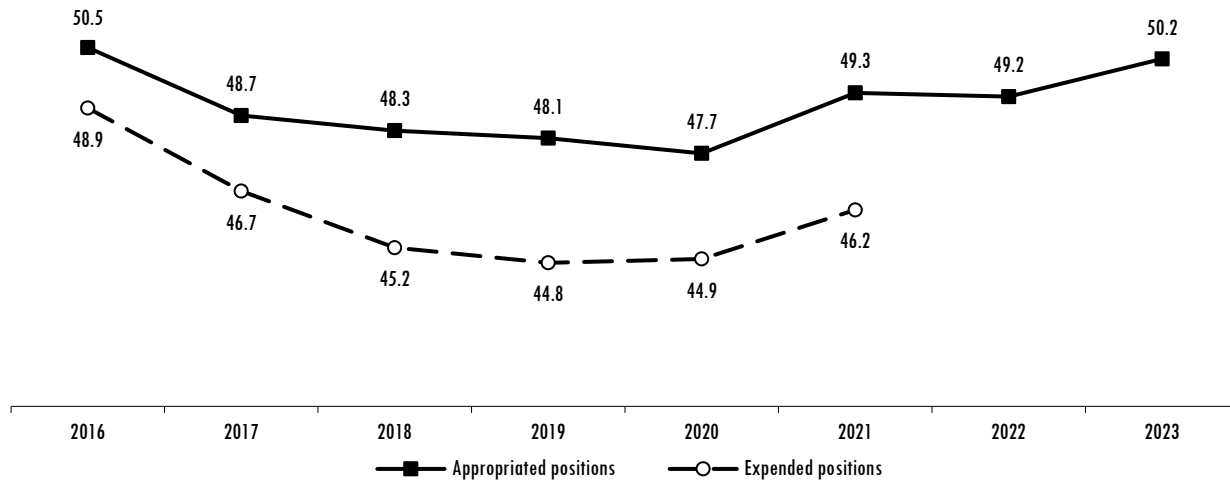
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$9.2	\$9.2	\$9.2	\$9.8
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$9.2	\$9.2	\$9.2	\$9.8

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 281 shows FTE positions for the program.

FIGURE 281
MUNICIPAL SOLID WASTE PERMITS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 282 shows the program's performance measures. Additional TCEQ programs contribute to these measures, including the Underground Injection Control Program, the Industrial and Hazardous Waste Permits Program, the Low-level Radioactive Waste Program, and the Radioactive Materials Program.

FIGURE 282
MUNICIPAL SOLID WASTE PERMITS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Waste Management Permit Applications Reviewed within Established Time Frames	No	90.0%	92.9%	90.0%
Number of Nonhazardous Waste Permit Applications Reviewed	Yes	250	167	250
Number of Nonhazardous Waste Permits Issued	No	200	158	200
Number of Corrective Actions Implemented by Responsible Parties for Solid Waste Sites	No	3	1	3
Number of Registered Waste Tire Facilities and Transporters	No	600	594	600

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would shift the responsibility for MSW management and enforcement to another state agency or to local governments; failing these options, regulation would revert to the EPA. Under local government control, program administration would vary across the state, making compliance difficult to monitor. If permitting reverted to the EPA, the federal government would have decision-making authority for MSW facilities in Texas. The absence of TCEQ's oversight could increase risks to the environment and the public from accidental releases of waste-related contaminants and the spread of diseases through birds or rodents attracted by mismanaged wastes.

UNDERGROUND INJECTION CONTROL

The Texas Water Code, Chapter 27; the Federal Safe Drinking Water Act

PROGRAM DESCRIPTION

The Underground Injection Control (UIC) Program protects underground sources of drinking water through permitting and authorization of injection wells. The UIC program is a federal program created by the Safe Drinking Water Act (SDWA). Jurisdiction and grant funds provided by the EPA are divided between TCEQ and the Railroad Commission of Texas (RRC). TCEQ-regulated injection well projects accomplish many purposes, such as permanently isolating injected wastes from the biosphere, storing large volumes of injected fresh water for later use, recovering certain minerals for mining without the use of open pits, and using compounds to remediate contaminated groundwater. The EPA reviews the UIC program annually. Through permitting, the TCEQ program regulates siting, design, construction, operation, maintenance, monitoring, and closure of Class 1, some Class III, Class IV, and most Class V injection wells. RRC has jurisdiction over injection wells used to dispose of oil and gas waste, enhanced oil or natural gas recovery, brine mining, geothermal energy, and in-situ recovery of tar sands. RRC monitors, inspects, and approves certain Class II, Class III, and Class V injection wells used in the oil and gas industry. The TCEQ UIC Program coordinates activities with RRC through a memorandum of understanding and through the rulemaking process to delineate jurisdiction and coordination in the regulation and permitting of injection wells.

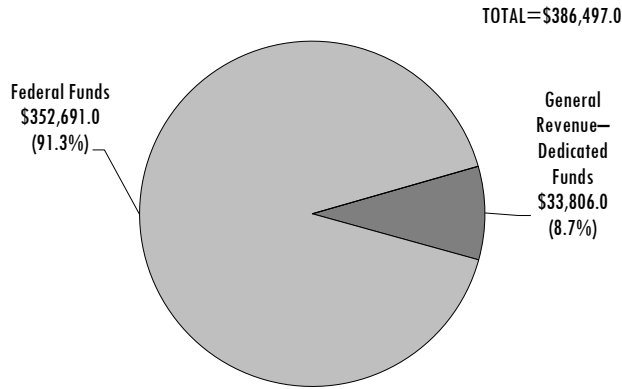
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 283 shows the program’s funding sources by method of finance, including General Revenue–Dedicated Funds from Account No. 549 and Federal Funds provided by the EPA for monitoring and enforcement of the federal SDWA. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 283
UNDERGROUND INJECTION CONTROL PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



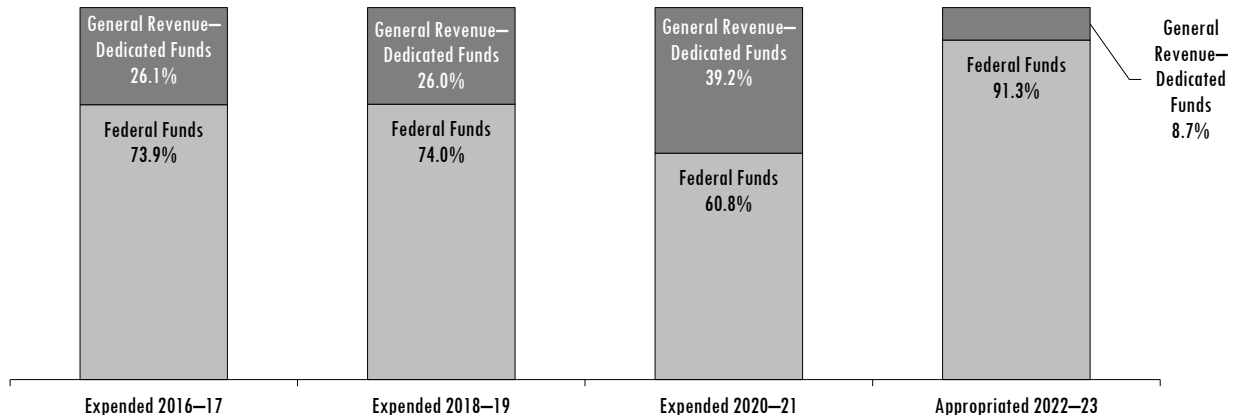
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 284 shows historical funding for the program by method of finance. Although funding for the program consistently has come from Account No. 549 and Federal Funds, the amount of Federal Funds has increased each biennium since 2020–21.

FIGURE 284
UNDERGROUND INJECTION CONTROL PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0	\$0	\$0	\$0
General Revenue–Dedicated Funds	\$80,808	\$73,643	\$196,202	\$33,806
Federal Funds	\$228,661	\$209,584	\$304,758	\$352,691

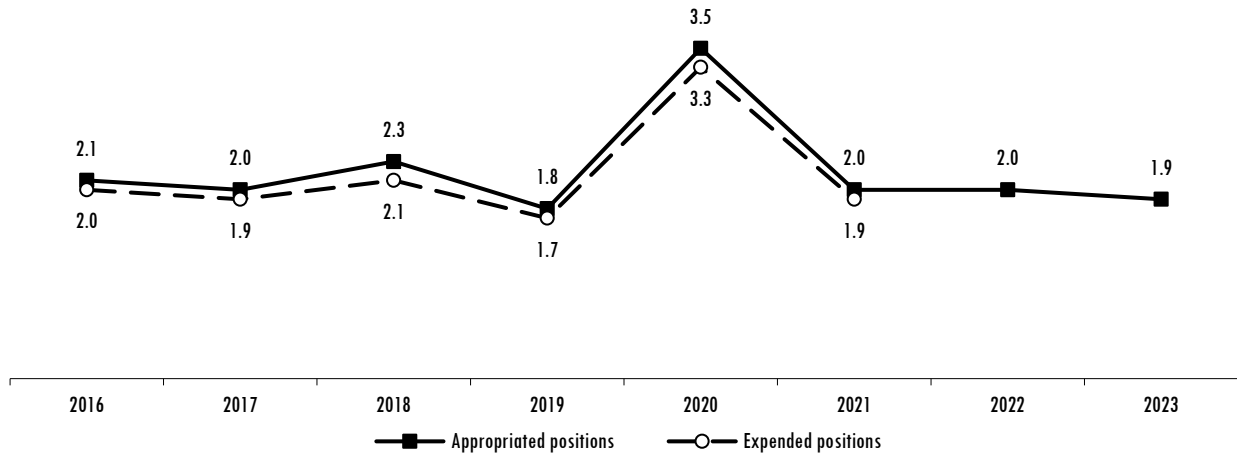
Other Funds	\$0	\$0	\$0	\$0
Total, All Methods of Finance	\$309,469	\$283,227	\$500,960	\$386,497

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 285 shows FTE positions for the program. The number of positions increased in fiscal year 2020 commensurate with the additional funding provided to support program needs and subsequently were reduced beginning in fiscal year 2021.

FIGURE 285
UNDERGROUND INJECTION CONTROL PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 286 shows the program’s performance measures. Additional TCEQ programs contribute to each of the measures below, including the Municipal Solid Waste Permits Program, the Industrial and Hazardous Waste Permits Program, the Low-level Radioactive Waste Program, and the Radioactive Materials Program.

FIGURE 286
UNDERGROUND INJECTION CONTROL PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Waste Management Permit Applications Reviewed Within Established Time Frames	No	90.0%	92.9%	90.0%
Number of Hazardous Waste Permit Applications Reviewed	Yes	200	207	200
Number of Hazardous Waste Permits Issued	No	200	238	200

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing either state-administered UIC program would lead to the EPA’s regulation of injection wells in Texas, which could harm the following industries: waste (hazardous, nonhazardous, and some radioactive) disposal, petrochemical, chemical manufacturing, in-situ uranium mining, groundwater remediation, sewage treatment, drinking-water treatment, and drinking-water storage. Unlike other federally delegated programs, the program does not have a means for EPA to review or comment upon individual permits or authorizations, which makes it difficult to predict what policy and regulation changes EPA would initiate if it took charge of UIC regulation in Texas.

OCCUPATIONAL LICENSING

The Texas Water Code, Chapters 7, 26, and 37; the Texas Health and Safety Code, Chapters 341, 361, and 366; the Texas Family Code, Chapter 232; the Texas Occupations Code, Chapters 53, 54, 55, 1903, and 1904

PROGRAM DESCRIPTION

The Occupational Licensing Program is responsible for issuing licenses and registrations for environmental occupations; reviewing and updating licensing exams, approving training courses and qualifying instructors for all licensing programs; and maintaining license and registration records. Program-issued occupational licenses require unique training and specialized oversight designed to protect public health and the environment. The program manages 10 environmental occupational licensing and registration programs that collectively issue 42 licenses, including Backflow Prevention Assembly Testers, Customer-service Inspectors, Landscape Irrigation Specialists, Leaking Petroleum Storage Tank Specialists, Municipal Solid Waste Operators, On-site Sewage Facilities Specialists, Underground Storage Tank Contractors, Water Operators, Wastewater Operators, and Wastewater Treatment Operators.

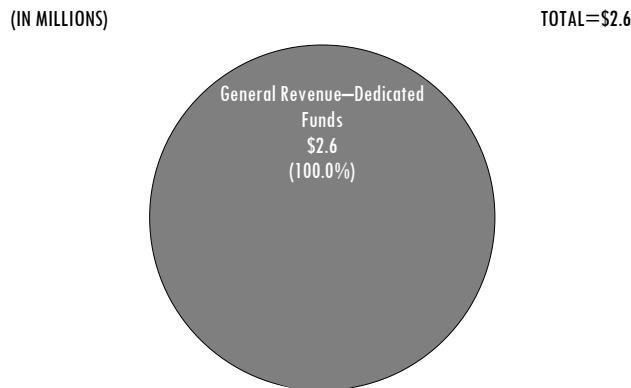
PROGRAM REVENUE

The program collects application fee revenue for each of the occupational licenses it issues, including annual renewal fees.

PROGRAM FUNDING

Figure 287 shows the program’s funding source, which consists of appropriations from General Revenue–Dedicated Account No. 468, TCEQ Occupational Licensing (Account No. 468). See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 287
OCCUPATIONAL LICENSING PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



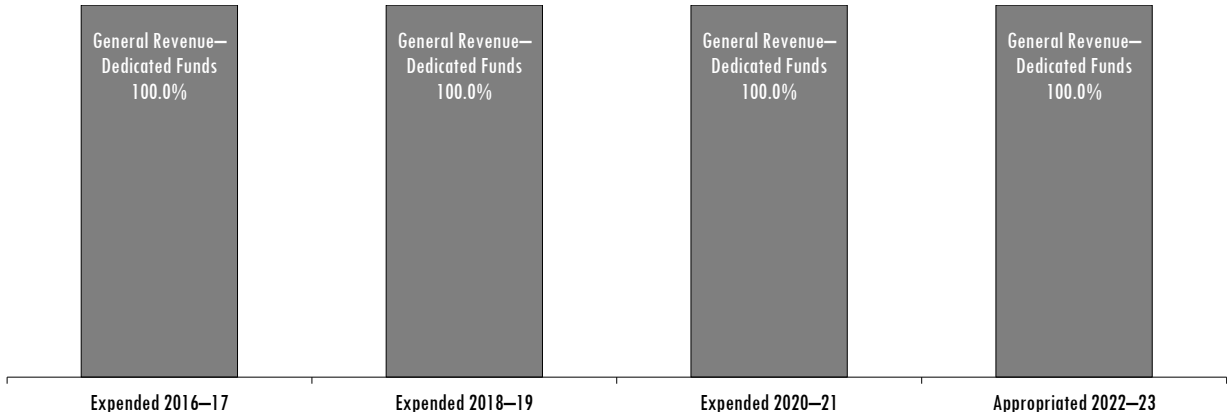
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 288 shows historical funding for the program by method of finance.

FIGURE 288
OCCUPATIONAL LICENSING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

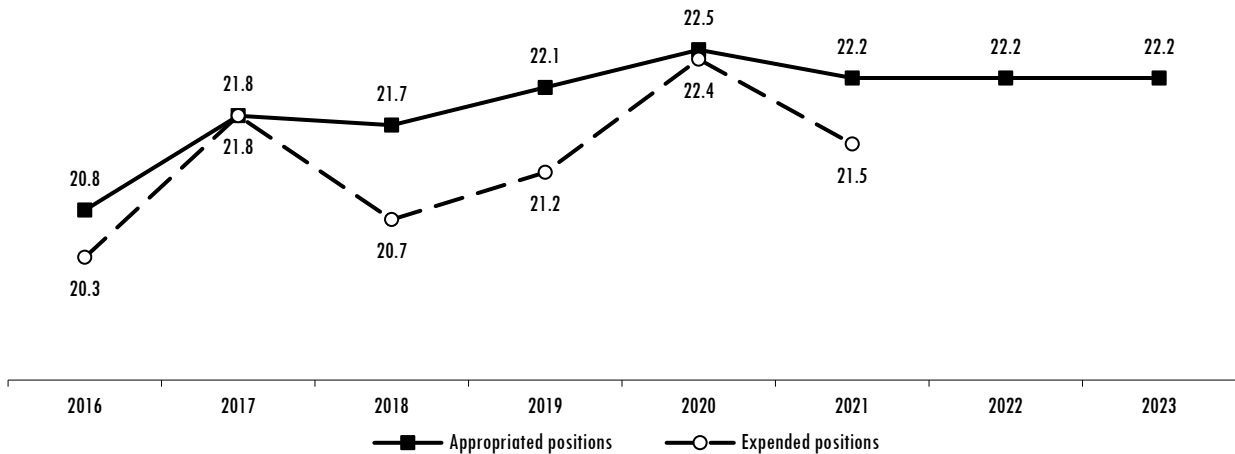
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue-Dedicated Funds	\$2.7	\$2.7	\$2.6	\$2.6
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$2.7	\$2.7	\$2.6	\$2.6

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 289 shows FTE positions for the program.

FIGURE 289
OCCUPATIONAL LICENSING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 290 shows the program’s performance measures. The number of occupational licenses issued, examinations processed, and applications for certification have increased as the state’s workforce has expanded due to population growth.

**FIGURE 290
OCCUPATIONAL LICENSING PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021**

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Applications for Occupational Licensing	No	22,000	24,898	23,500
Number of Examinations Processed	Yes	11,200	13,767	11,200
Number of Licenses and Registrations Issued	No	19,000	20,190	21,000
Number Of TCEQ Licensed Environmental Professionals and Registered Companies	No	55,500	55,653	56,000
Average Cost per License and Registration	No	\$19	\$22	\$19

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent the agency from confirming that individuals performing environmental occupation tasks and duties in Texas had the necessary education, training, licensing, and regulation. This would harm the environment and public health, especially regarding the quality of drinking water. In addition, discontinuing the program would place federal funding at risk. For example, the EPA requires the state to certify and license operators of public water systems that perform process control duties in the production or distribution of drinking water. If the state abandoned its certification process, the federal government would have the legal authority to withhold 20.0 percent of the state’s allotment of Drinking Water State Revolving Funds per year, or \$17.0 million based on the amount received in fiscal year 2021. The loss of this funding would weaken TCEQ’s Drinking Water Program and programs administered by the Texas Water Development Board.

LOW-LEVEL RADIOACTIVE WASTE

The Texas Health and Safety Code, Chapter 401; the Federal Atomic Energy Act of 1954; the federal Low-Level Radioactive Waste Policy Amendments Act of 1985

PROGRAM DESCRIPTION

The Low-level Radioactive Waste Program sets waste disposal fees pursuant to the federal Low-Level Radioactive Waste Disposal Compact between Texas and Vermont. Fees are based on projected annual volume of low-level radioactive waste received in the waste disposal facility operated by Waste Control Specialist in Andrews County. The program also reviews and approves contracts for third-party low-level radioactive waste disposal at the waste disposal site based on compact volume and capacity guarantees and allotments agreed upon in advance by compact members. TCEQ works with the Texas Low-level Radioactive Waste Disposal Compact Commission to comply with the provisions of the federal compact.

PROGRAM REVENUE

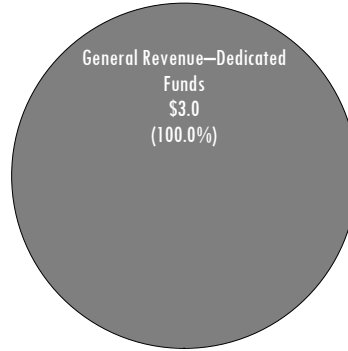
The program collects disposal and license fee revenue from compact states (Texas and Vermont) and out-of-compact members, including third-party operators, for the disposal and storage of low-level radioactive waste in Texas. Additional surcharges on the revenue generated by the operator of the waste disposal facility are deposited to the General Revenue Fund and to General Revenue–Dedicated Account No. 5158, Environmental Radiation and Perpetual Care (Account No. 5158).

PROGRAM FUNDING

Figure 291 shows the program’s funding source by method of finance. All appropriations are from General Revenue–Dedicated Account No. 88, Low Level Waste (Account No. 88). See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

**FIGURE 291
LOW-LEVEL RADIOACTIVE WASTE PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**

(IN MILLIONS) TOTAL=\$3.0



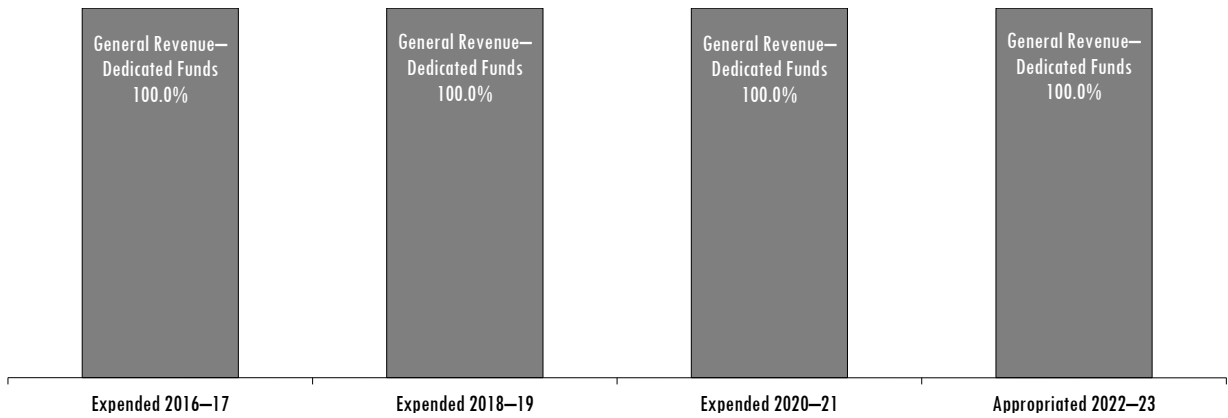
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 292 shows historical funding for the program by method of finance.

**FIGURE 292
LOW LEVEL RADIOACTIVE WASTE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$2.8	\$2.8	\$2.8	\$3.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0

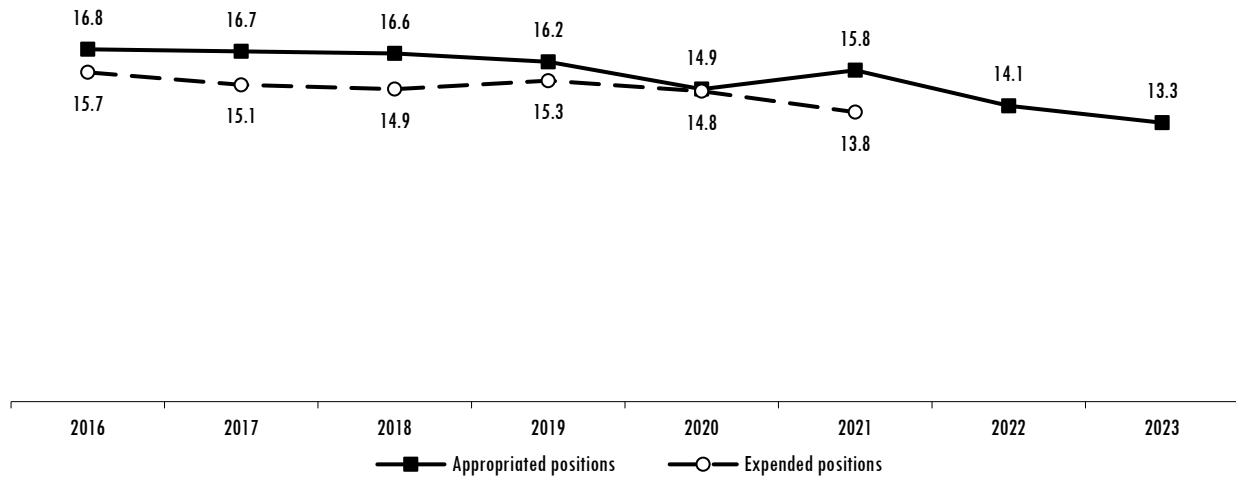
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$2.8	\$2.8	\$2.8	\$3.0

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 293 shows FTE positions for the program. The number of FTE positions was reduced by 2.0 positions in fiscal year 2022 and 3.0 positions in 2023 due to reallocations made to other programs.

FIGURE 293
LOW LEVEL RADIOACTIVE WASTE PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 294 shows the program’s performance measures. Additional TCEQ programs contribute to these measures, including the Underground Injection Control Program, the Municipal Solid Waste Permits Program, the Industrial and Hazardous Waste Program, and the Radioactive Materials Program.

FIGURE 294
LOW LEVEL RADIOACTIVE WASTE PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Waste Management Permit Applications Reviewed Within Established Time Frames	No	90.0%	93.0%	90.0%
Number of Hazardous Waste Permit Applications Reviewed	Yes	200	207	200
Number of Hazardous Waste Permits Issued	No	200	238	200
Number of Radiological Monitoring and Verification of Air, Water, Soil/Sediment, and Flora Samples Collected	No	100	123	100
Amount of Revenue Deposited to the General Revenue Fund Generated From the 5.0 Percent Gross Receipts Fee of the Disposal of Low-level Radioactive Waste and Other Radioactive Substances	No	N/A	\$1,041,624	N/A

Volume of Low-level Radioactive Waste Accepted by the State of Texas for Disposal at the Texas Compact Waste Facility	Yes	184,750	26,532	184,750
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SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would result in the state relinquishing its Agreement State regulatory authority to the federal Nuclear Regulatory Commission (NRC). A state or federal agency still would be required to perform regulatory oversight of radioactive material use and disposal in Texas.

It is assumed that fees collected by the program would be discontinued, which would reduce the balances of the following funds based on the Comptroller of Public Accounts' 2022–23 Biennial Revenue Estimate:

- \$3.0 million to the General Revenue Fund, which receives a 5.0 percent surcharge on revenue generated by the disposal of low-level radioactive waste and a 20.0 percent surcharge on revenue generated from the storage of low-level radioactive waste at both the state and federal waste facilities in Andrews;
- \$3.2 million to Account No. 5158, which receives a 20.0 percent surcharge on revenue generated from the disposal of low-level radioactive waste from out-of-compact members and a 5.0 percent surcharge of annual radioactive license fees; and
- \$0.9 million to Account No. 88, which receives waste disposal facility license fees and compact party-state disposal fees. Funds deposited to this account also support the administration of the Low-level Radioactive Waste Disposal Compact Commission.

Additionally, discontinuing the program could place the state in violation of the federal Low-level Radioactive Waste Disposal Compact between Texas and Vermont if certain administrative functions were not supported by fee revenue collected by the program.

RADIOACTIVE MATERIALS

The Texas Health and Safety Code, Chapter 401; the Federal Atomic Energy Act of 1954; the Uranium Mill Tailings Radiation Control Act

PROGRAM DESCRIPTION

The Radioactive Materials Licensing Program protects the public and workers from unnecessary radiation exposure and the environment from contamination resulting from the possession, storage, or disposal of radioactive materials. The major activities performed by the program include radioactive material licensing of the recovery or processing of uranium and the processing of by-product material. Additionally, the program oversees the reclamation of historic burial sites for radioactive materials and other contaminated sites, including former uranium mines.

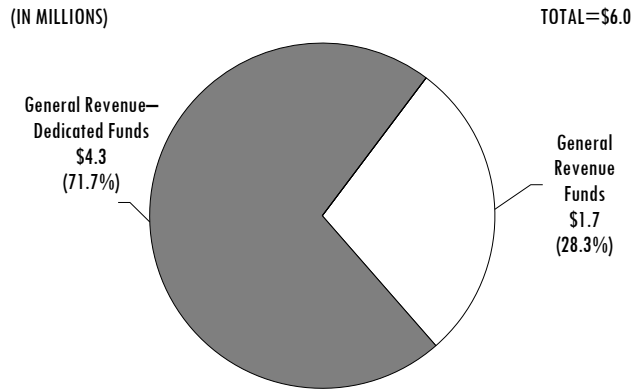
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 295 shows the program's funding sources by method of finance, which consist of General Revenue Funds totaling \$1.7 million and General Revenue–Dedicated Funds totaling \$1.3 million from Account No. 549 and \$3.0 million from General Revenue–Dedicated Account No. 5158. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 295
RADIOACTIVE MATERIALS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



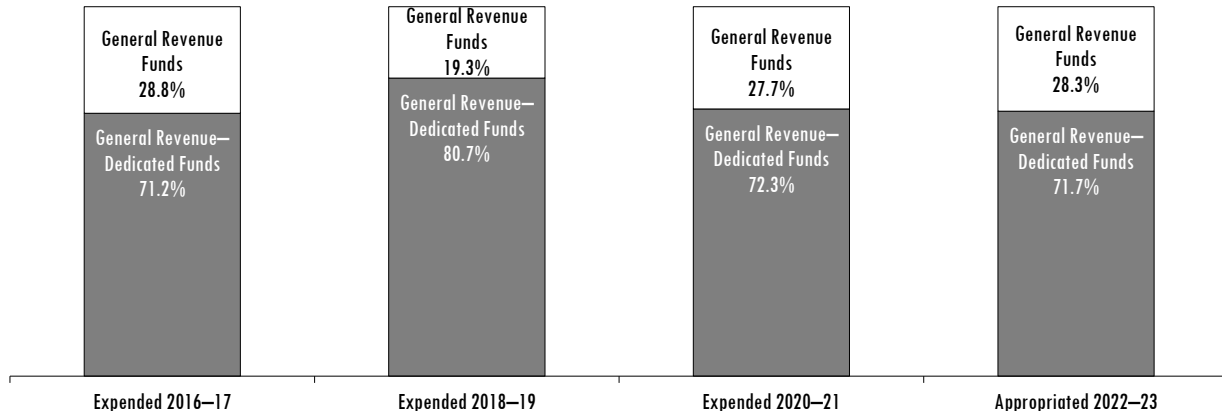
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 296 shows historical funding for the program by method of finance.

FIGURE 296
RADIOACTIVE MATERIALS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

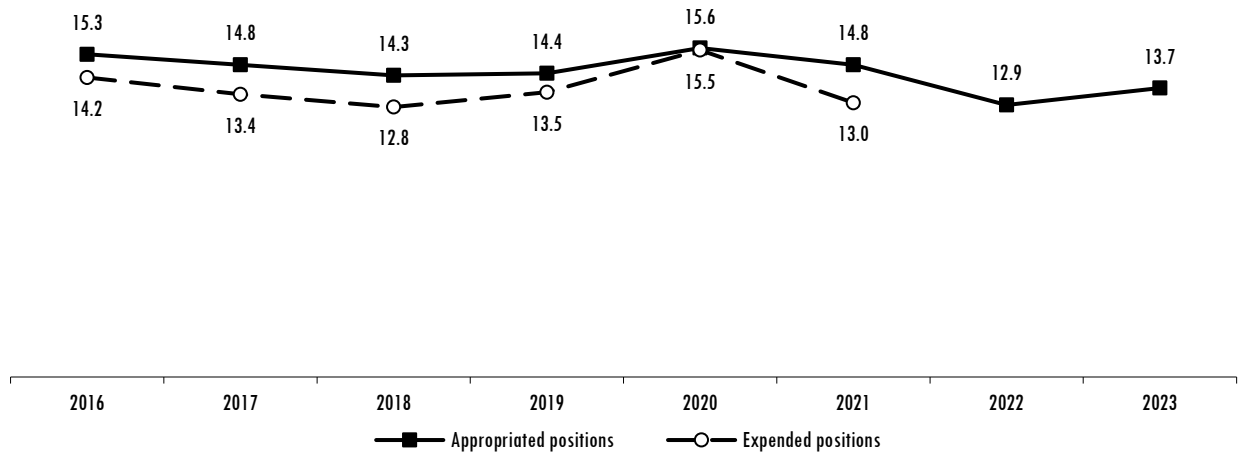
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.4	\$1.4	\$1.6	\$1.7
General Revenue–Dedicated Funds	\$3.5	\$5.9	\$4.2	\$4.3
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$5.0	\$7.4	\$5.9	\$6.0

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 297 shows FTE positions for the program.

FIGURE 297
RADIOACTIVE MATERIALS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 298 shows the program’s performance measures. Additional TCEQ programs contribute to these measures, including the Underground Injection Control Program, the Municipal Solid Waste Permits Program, the Industrial and Hazardous Waste Program, and the Low-level Radioactive Waste Program.

FIGURE 298
RADIOACTIVE MATERIALS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Waste Management Permit Applications Reviewed Within Established Time Frames	No	90.0%	92.9%	90.0%
Number of Hazardous Waste Permit Applications Reviewed	Yes	200	207	200
Number of Hazardous Waste Permits Issued	No	200	238	200

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would result in the state relinquishing its Agreement State regulatory authority to the federal NRC. A state or federal agency still would be required to regulate the use and disposal of radioactive material in Texas. Also, discontinuing the program would remove a 5.0 percent surcharge of the annual license fee that is deposited into Account No. 5158.

UTILITY REGULATION/DISTRICT APPLICATIONS

The Texas Constitution, Article III, Section 52(b)(1) and (2), and Article XVI, Section 59; the Texas Water Code, Section 5.013(a)(2), Section 5.701(e), (f), and (n), Section 12.081, Section 15.001(13), and Chapters 49 to 63; the Texas Tax Code, Section 151.355(5)

PROGRAM DESCRIPTION

Although statute gives TCEQ right of supervision over water districts, the daily operations of each water district are the responsibility of the water district’s board. The Utility Regulation/District Applications Program assists local water district board members and their consultants with understanding complex and varied laws and regulations under which a district must operate to finance water, wastewater, drainage, and recreational infrastructure projects and provide improvements for residential and commercial areas within the district. The program reviews applications and petitions for the creation of districts; reviews bond applications to determine the engineering and economic feasibility of each proposed bond issue; reviews applications and petitions for the appointment of district board members; reviews financial and revenue reports submitted by districts through annual financial audits or other reporting requirements; and oversees bond proceeds fees. The program also investigates issues or concerns contained in financial submissions and maintains records of the financial documents filed by water districts. As of June 2021, there are 1,876 active water districts in Texas.

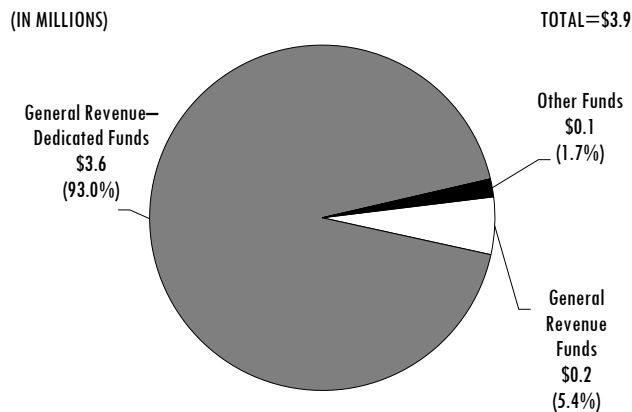
PROGRAM REVENUE

The agency collects application fee revenue that is deposited into Account No. 153.

PROGRAM FUNDING

Figure 299 shows the program’s funding sources by method of finance, including General Revenue Funds, General Revenue–Dedicated Funds from Account No. 153, and Interagency Contracts (Other Funds). See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 299
UTILITY REGULATION/DISTRICT APPLICATIONS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM

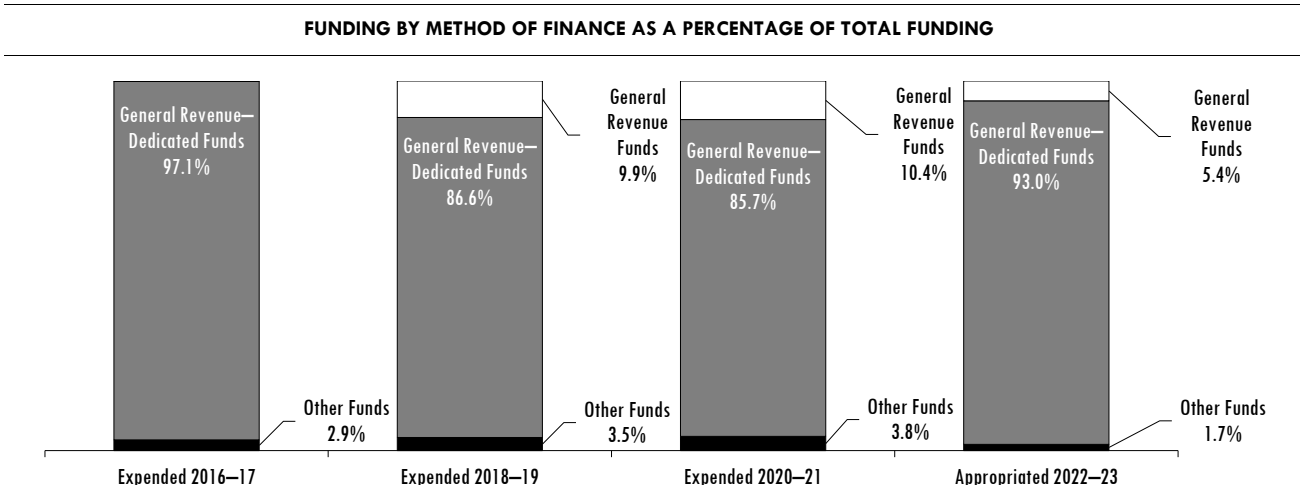


NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 300 shows historical funding for the program by method of finance. The level of funding has increased slightly since the 2016–17 biennium primarily due to the addition of General Revenue beginning in the 2018–19 biennium, which has offset minor fluctuations in funding from Account No. 153.

FIGURE 300
UTILITY REGULATION/DISTRICT APPLICATIONS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA



(IN MILLIONS)

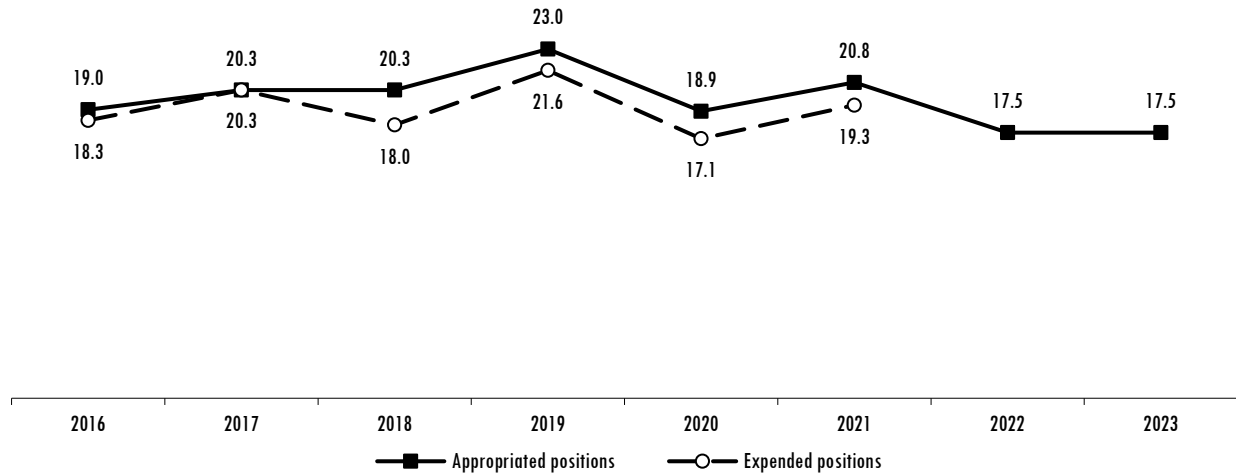
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.4	\$0.4	\$0.2
General Revenue-Dedicated Funds	\$3.5	\$3.3	\$3.2	\$3.6
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.1	\$0.1	\$0.1	\$0.1
Total, All Methods of Finance	\$3.6	\$3.8	\$3.7	\$3.9

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 301 shows FTE positions for the program. The number of positions for the program has varied since fiscal year 2016 as the agency has implemented improvements to application and license processing and review.

FIGURE 301
UTILITY REGULATION/DISTRICT APPLICATIONS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURE

Figure 302 shows the program’s performance measure.

FIGURE 302
UTILITY REGULATION/DISTRICT APPLICATIONS PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of District Applications Processed	No	550	574	550

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

The agency reports that discontinuing the program would prevent it from performing its general supervision of water districts, particularly the establishment of certain water districts and the issuance of bonds by these water districts. The program provides assurance that the bonds issued by water districts are economically feasible. Its discontinuance could weaken the housing market due to water districts losing the ability to issue bonds to finance water, wastewater, and drainage infrastructure. The agency also would lose the ability to supervise the financial activity of water districts as required by the Texas Water Code. Agency oversight of structured financial reporting no longer would be possible and the public could be deprived of proper financial information, including the residents and taxpayers of the water districts. Discontinuing the program also would result in direct budgetary impacts relating to the loss of the revenue generated by the program.

DRINKING WATER QUALITY STANDARDS

The Texas Health and Safety Code, Chapter 341, Subchapter C; the Texas Water Code, Sections 5.507 and 5.701 and Chapter 13; the Federal Safe Drinking Water Act

PROGRAM DESCRIPTION

The Drinking Water Quality Standards program adopts, implements, and supports compliance with drinking water rules statutorily required to match, if not exceed, federal drinking standards.

Other program responsibilities include:

- overseeing monitoring and compliance determinations for chemical and microbiological drinking water standards;
- initiating formal enforcement action for public water systems exceeding compliance trigger levels agreed upon by TCEQ and EPA;
- reviewing engineering plans and specifications for public water system improvements, including the approval of facilities to treat drinking water, and evaluating innovative and non-standard drinking water treatment technologies;
- administering the Capacity Development Program to assist public water systems in developing and maintaining financial, managerial, and technical capacity;
- providing technical assistance to public water systems affected by natural disasters or other emergency conditions that impede a safe water supply;
- assessing vulnerability of drinking water sources and assisting public water systems in protecting source waters;
- administering voluntary program offering free sampling, training, and guidance to schools and childcare programs to identify sources of lead in drinking water and to reduce exposure to lead in drinking water;
- supporting the Drinking Water State Revolving Fund grant set-asides program by ranking proposed projects and preparing reports on capability of applicants applying for Texas Water Development Board funding;
- maintaining and delivering public water system inventory, violation, and action data to the EPA;
- assisting public water systems with Homeland Security activities and training to effectively respond to and recover from disasters or other events that could threaten the safety of the water supply, and reviewing Emergency Preparedness Plans to increase public water system resiliency;
- administering the Texas Optimization Program, which provides advanced technical assistance, operator training, and treatment plant optimization strategies for public water systems;
- administering the Cross-connection Control Program, which assists public water systems with protecting drinking water supplies from contamination;
- maintaining the Texas Drinking Water Watch database, which informs the public about the quality of local drinking water, and requiring public water systems to deliver a Consumer Confidence Report to customers;
- hosting the annual Public Drinking Water Conference and quarterly Drinking Water Advisory Workgroup meetings for training, guidance, and stakeholder input concerning drinking water-related issues; and,
- overseeing Public Health Service and Regulatory Assessment Fees.

TCEQ reported regulating 7,053 public water systems that provide safe drinking water to approximately 29.6 million Texans as of July 1, 2021.

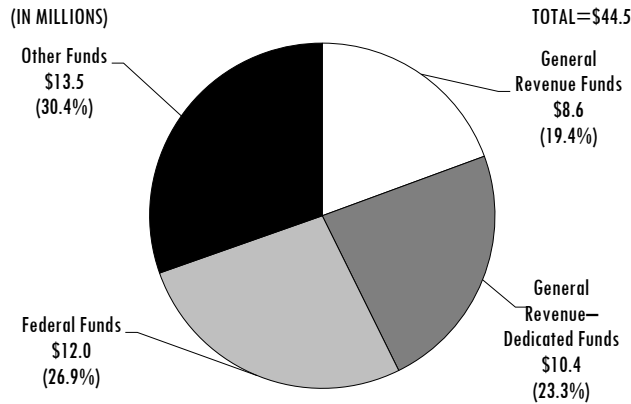
PROGRAM REVENUE

The agency collects application fee revenue that is deposited into Account No. 153.

PROGRAM FUNDING

Figure 303 shows the program's funding sources by method of finance, including General Revenue Funds, General Revenue–Dedicated Funds from Account No. 153, Other Funds, and Federal Funds provided by the EPA for monitoring and assessment activities. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 303
DRINKING WATER QUALITY STANDARDS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



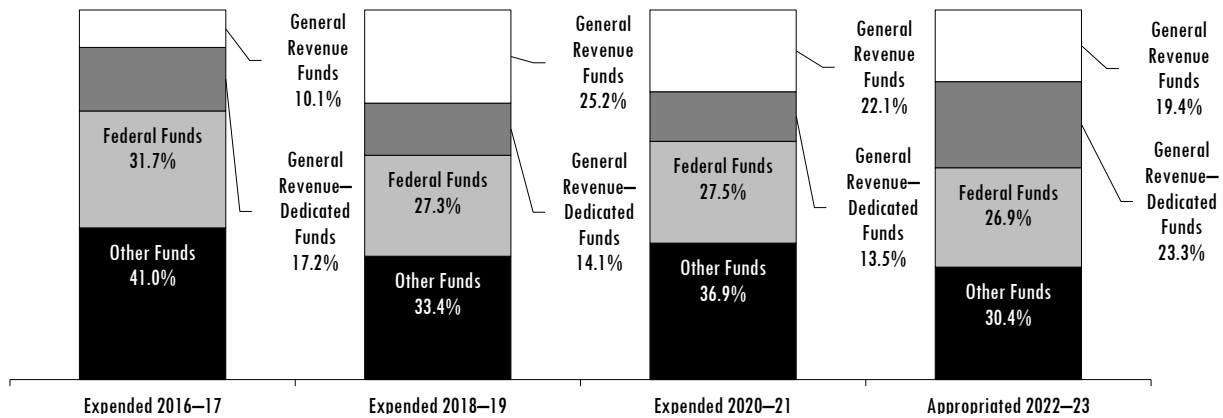
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 304 shows historical funding for the program by method of finance. The Eighty-seventh Legislature, Regular Session, 2021, appropriated an additional \$8.1 million in All Funds, including \$4.7 million from Account No. 153, to implement EPA’s revised federal Lead and Copper Rule, which establishes new regulatory requirements for approximately 5,550 public water systems; \$2.4 million in Federal Funds for lead testing of drinking water for schools and childcare facilities; and \$1.0 million in General Revenue Funds and General Revenue–Dedicated Funds for targeted salary increases and to maintain program funding levels each year for the 2022–23 biennium.

FIGURE 304
DRINKING WATER QUALITY STANDARDS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$2.8	\$7.8	\$7.5	\$8.6
General Revenue–Dedicated Funds	\$4.8	\$4.4	\$4.6	\$10.4
Federal Funds	\$8.8	\$8.5	\$9.4	\$12.0

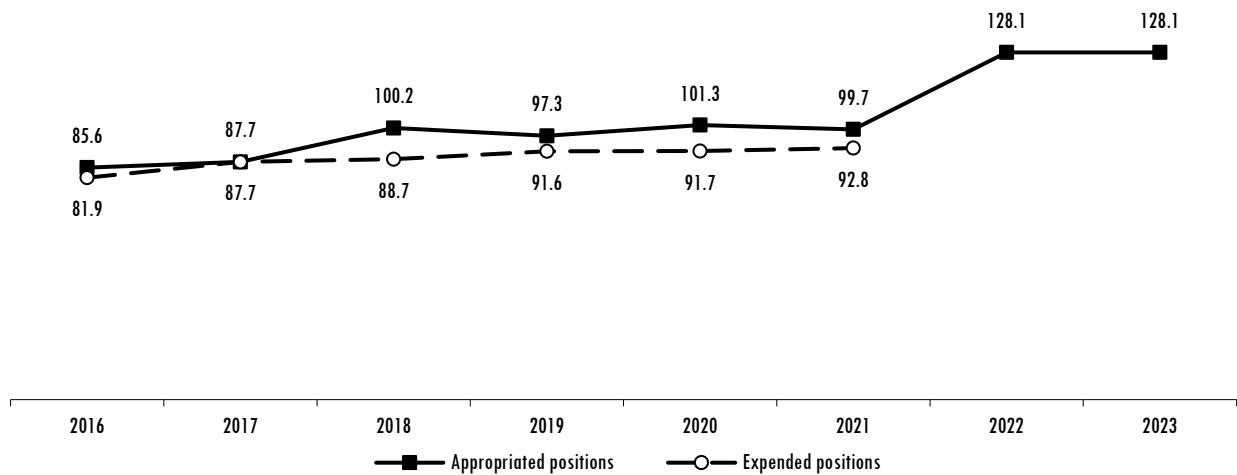
Other Funds	\$11.4	\$10.3	\$12.6	\$13.5
Total, All Methods of Finance	\$27.7	\$30.9	\$34.0	\$44.5

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 305 shows FTE positions for the program. The number of positions increased for fiscal years 2022 and 2023 due to additional funding and FTE positions provided by the Legislature to implement the EPA’s revised federal Lead and Copper Rule and for the review and approval of all emergency preparedness plans submitted by public water utilities for disaster response pursuant to Senate Bill 3, Eighty-seventh Legislature, Regular Session, 2021.

FIGURE 305
DRINKING WATER QUALITY STANDARDS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 306 shows the program’s performance measures.

FIGURE 306
DRINKING WATER QUALITY STANDARDS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Texas Population Served by Public Water Systems That Meet Drinking Water Standards	Yes	93.0%	99.1%	95.0%
Number of Public Drinking Water Systems That Meet Primary Drinking Water Standards	Yes	6,635	6,846	6,635
Number of Drinking Water Samples Collected	Yes	57,680	60,201	58,390

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would remove state oversight of implementing the federal Safe Drinking Water Act. Failure to adequately monitor the water supply to ensure it meets drinking water standards and to inform consumers about water quality issues would harm public health and safety. In the program's absence, the EPA would have to implement and enforce the provisions of the act and obtain the resources needed to protect essential water services for the Texas public. Discontinuing the program also would strip the agency of its primary enforcement responsibility for drinking water safety, which would obligate the federal government to perform state primacy functions. As a result, Texas no longer would be eligible for Public Water System Supervision Program grant funding and various other federal funding sources currently available for the state's drinking water program, which would harm public water systems that need financial, managerial, and technical support to provide a safe and adequate water supply.

Discontinuing the program would reduce the state's receipt of federal Drinking Water State Revolving Funds (DWSRF), which are contingent on the Capacity Development subprogram. Additionally, the state would receive 20.0 percent less funding for the DWSRF Capitalization Grant, which would reduce funds available to public water systems for grants and loans for infrastructure.

FIELD INSPECTIONS AND COMPLAINT RESPONSE

The Texas Water Code, Chapter 7; the Federal Clean Air Act; the Federal Clean Water Act; the Federal Resource Conservation and Recovery Act

PROGRAM DESCRIPTION

The Field Inspections and Complaint Response Program investigates regulated entities in Texas to determine compliance with applicable federal and state air, water, and waste rules and regulations; investigates environmental complaints based on information from Texas residents, organizations, or other concerned parties; addresses violations documented during investigations through written notices of violation or development of formal enforcement referrals; monitors the quality of ambient air, surface water, and public drinking water; monitors compliance with water rights regulations and allocates the limited water resources in certain designated areas of the state when drought conditions exist; and responds as needed to environmental emergencies, including natural disasters.

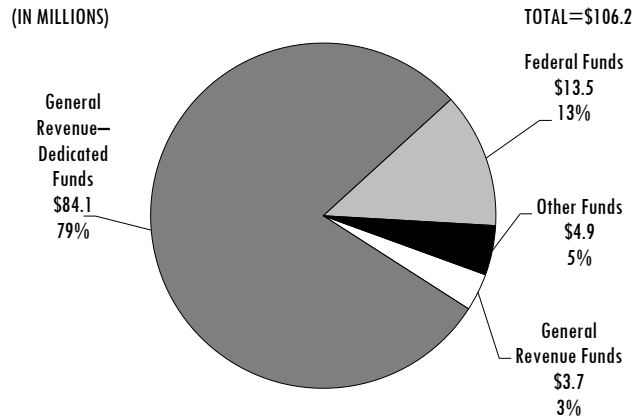
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 307 shows the program's funding sources by method of finance, which consist of General Revenue Funds totaling \$3.7 million; General Revenue–Dedicated Funds totaling \$13.9 million from Account No. 151, \$23.3 million from Account No. 153, \$19.4 million from Account No. 549, \$2.3 million from Account No. 550, Hazardous and Solid Waste Remediation Fee (Account No. 550), \$6.6 million from Account No. 655, Petroleum Storage Tank Remediation (Account No. 655), \$18.6 million from Account No. 5094; and Federal Funds totaling \$13.5 million from Performance Partnership grants and Underground Storage Tank Prevention, Detection, and Compliance grants from the EPA. Other Funds consist of Appropriated Receipts and Interagency Contracts. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 307
FIELD INSPECTIONS AND COMPLAINT RESPONSE PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



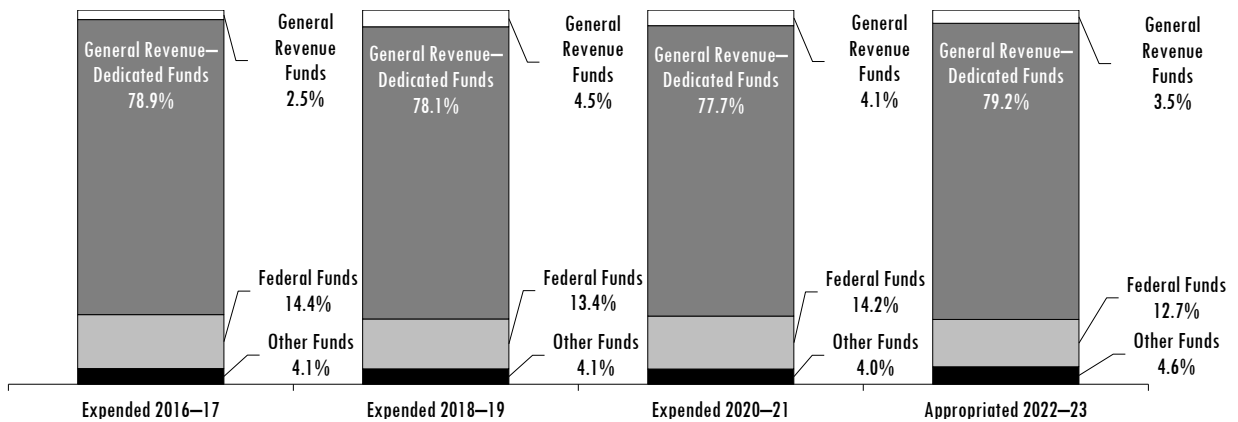
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 308 shows historical funding for the program by method of finance. The Eighty-seventh Legislature, Regular Session, 2021, provided an additional \$2.4 million in General Revenue–Dedicated Funds for targeted salary increases for investigators, enforcement coordinators, engineers, permit specialists, and attorneys within the program; \$1.0 million in General Revenue–Dedicated Funds for emergency response activities; \$0.9 million in General Revenue–Dedicated Funds for renovation of the agency’s Region 12 office in Houston; and \$0.8 million in General Revenue–Dedicated Funds for relocation of the agency’s Region 14 office in Corpus Christi.

FIGURE 308
FIELD INSPECTIONS AND COMPLAINT RESPONSE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$2.3	\$4.3	\$4.0	\$3.7
General Revenue–Dedicated Funds	\$72.9	\$75.8	\$75.6	\$84.1

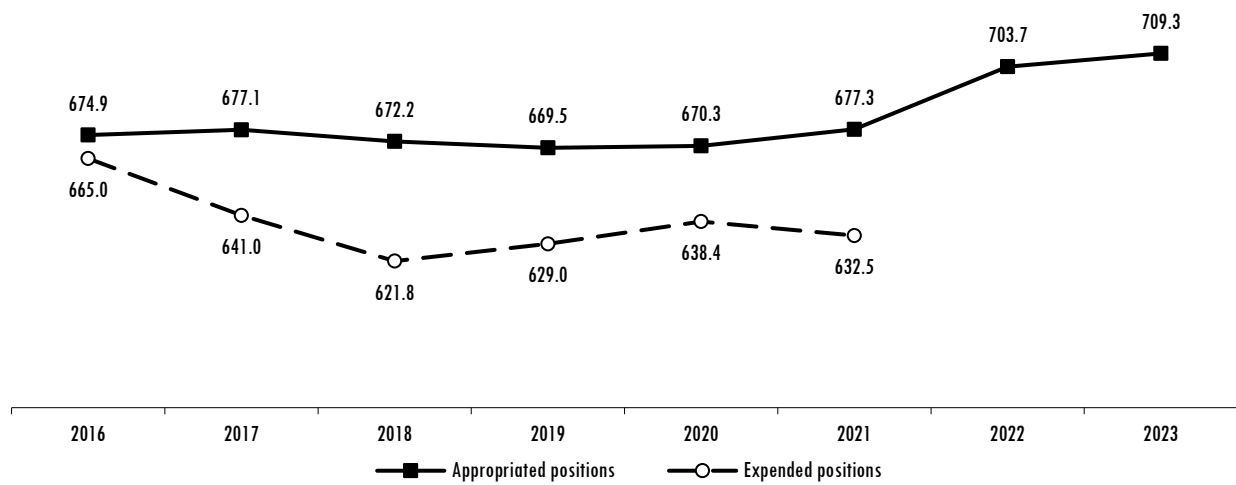
Federal Funds	\$13.3	\$13.0	\$13.8	\$13.5
Other Funds	\$3.8	\$3.9	\$3.9	\$4.9
Total, All Methods of Finance	\$92.4	\$97.0	\$97.3	\$106.2

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 309 shows FTE positions for the program.

FIGURE 309
FIELD INSPECTIONS AND COMPLAINT RESPONSE PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 310 shows the program’s performance measures.

FIGURE 310
FIELD INSPECTIONS AND COMPLAINT RESPONSE PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Inspections and Investigations of Air Sites	Yes	11,177	10,343	11,177
Number of Inspections and Investigations of Water Sites and Facilities	Yes	13,144	13,998	13,144
Number of Inspections and Investigations of Waste Sites	Yes	10,200	12,586	10,200
Average Time in Days from Air, Water, or Waste Inspection to Report Completion	No	35	35	35
Number of Citizen Complaints Investigated	No	4,500	4,676	4,500
Number of Emission Events Investigations	No	5,000	6,837	5,000

Number of Spill Cleanup Inspections or Investigations	No	1,200	1,233	1,200
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SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program likely would result in the degradation of Texas’ natural resources, reduction in compliance with regulations for state programs and federal programs delegated to the state, delays or cancellation of complaints received prior to the program ending, and endangerment to public health due to weakened regulatory controls for certain contaminants currently regulated by agency. In addition, federally delegated programs currently implemented by the state would be remanded to the federal government for enforcement.

WATERMASTER ADMINISTRATION

The Texas Water Code, Chapter 11

PROGRAM DESCRIPTION

The Watermaster Administration Program provides intensive monitoring, enforcement, and management of water rights in areas of the state where water is scarcer, where droughts are more frequent or severe, or where there is more competition for limited water resources. The program consists of four subprograms: the Rio Grande Watermaster Program, which serves the Rio Grande Basin south of Fort Quitman, excluding the Devils and Pecos rivers; the South Texas Watermaster Program, which serves the Guadalupe, Lavaca, Nueces, and San Antonio river basins and the Lavaca–Guadalupe, Nueces–Rio Grande, and San Antonio–Nueces coastal basins; the Concho River Watermaster Program, which serves the Concho River segment of the Colorado River Basin; and the Brazos Watermaster Program, which serves the Brazos River Basin from the Possum Kingdom reservoir and downstream of the reservoir.

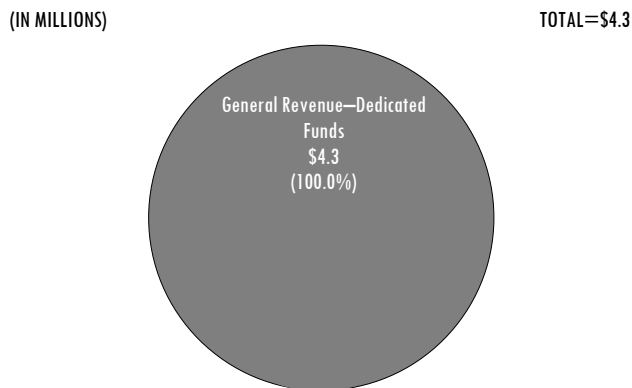
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 311 shows the program’s funding source by method of finance, which consists of appropriations from General Revenue–Dedicated Account No. 158 Watermaster Administration (Account No. 158). See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

**FIGURE 311
WATERMASTER ADMINISTRATION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**



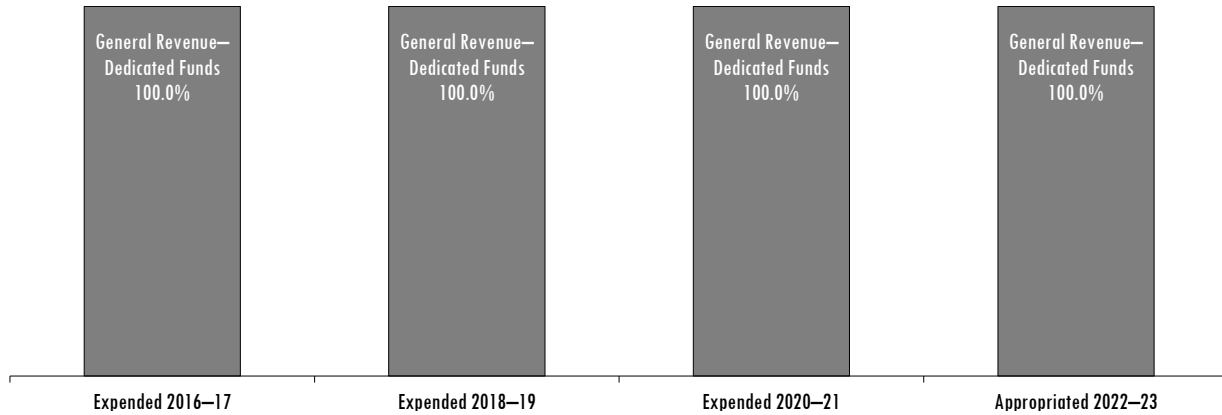
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 312 shows historical funding for the program by method of finance, which consists entirely of appropriations from Account No. 158.

**FIGURE 312
WATERMASTER ADMINISTRATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

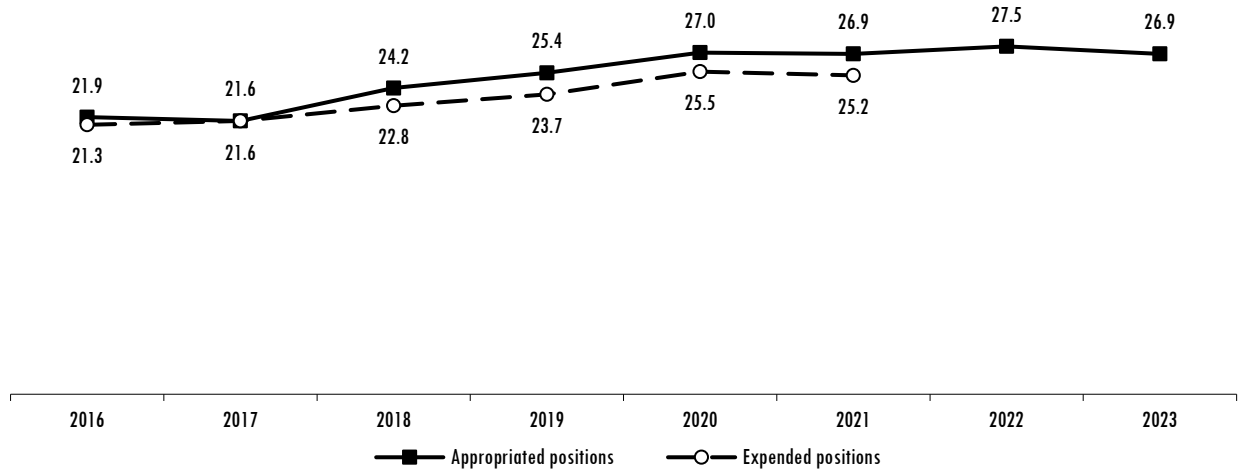
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue-Dedicated Funds	\$4.2	\$4.1	\$4.4	\$4.3
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$4.2	\$4.1	\$4.4	\$4.3

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 313 shows FTE positions for the program.

FIGURE 313
WATERMASTER ADMINISTRATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURE

Figure 314 shows the program’s performance measure.

FIGURE 314
WATERMASTER ADMINISTRATION PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Inspections and Investigations of Water Rights Sites	Yes	38,600	38,387	38,600

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent the agency from administering the Watermaster Program as required by the Texas Water Code, Chapter 11. This omission would result in a reduction of monitoring and enforcement of water rights. Water rights would be enforced as they are in other areas of the state, on an honor-based system wherein the agency primarily responds to complaints and priority calls instead of conducting in-depth analysis and enforcement.

ENFORCEMENT

The Texas Water Code, Chapters 5, 7, 11, 12, 13, 16, 26, and 28a; the Texas Health and Safety Code, Chapters 341, 371, 382, and 1101; the Texas Transportation Code, Chapter 548

PROGRAM DESCRIPTION

The Enforcement Program supports and compels compliance with agency rules, regulations, authorizations, and permits established under state and federal laws. The program drafts proposed Enforcement Orders that include appropriate penalties and compliance provisions for agency consideration and approval. In addition, the program generates compliance history ratings and calculations annually, monitors compliance with commission issued orders, administers the Wastewater Compliance Monitoring Program, incorporates third-party Supplemental Environmental Projects into administrative orders, and responds

to notices of audit under the Texas Environmental, Health, and Safety Audit Privilege Act (the Texas Health and Safety Code, Chapter 1101).

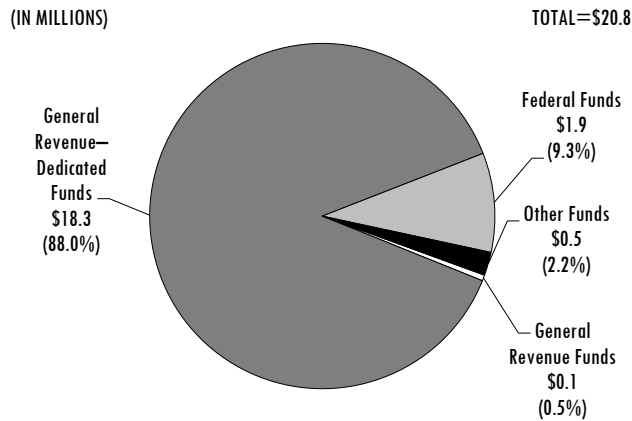
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 315 shows the program’s funding sources by method of finance, which consist of General Revenue Funds totaling \$0.1 million; General Revenue–Dedicated Funds totaling \$2.6 million from Account No. 151, \$7.6 million from Account No. 153, \$4.4 million from Account No. 549, \$0.2 million from Account No. 550, \$2.1 million from Account No. 655, Petroleum Storage Tank Remediation, \$1.4 million from Account No. 5094, Operating Permit Fees (Account No. 5094); Federal Funds totaling \$1.9 million; and Other Funds from Interagency Contracts totaling \$0.5 million. See **Appendix TCEQ–A** for details regarding General Revenue–Dedicated accounts.

FIGURE 315
ENFORCEMENT PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM

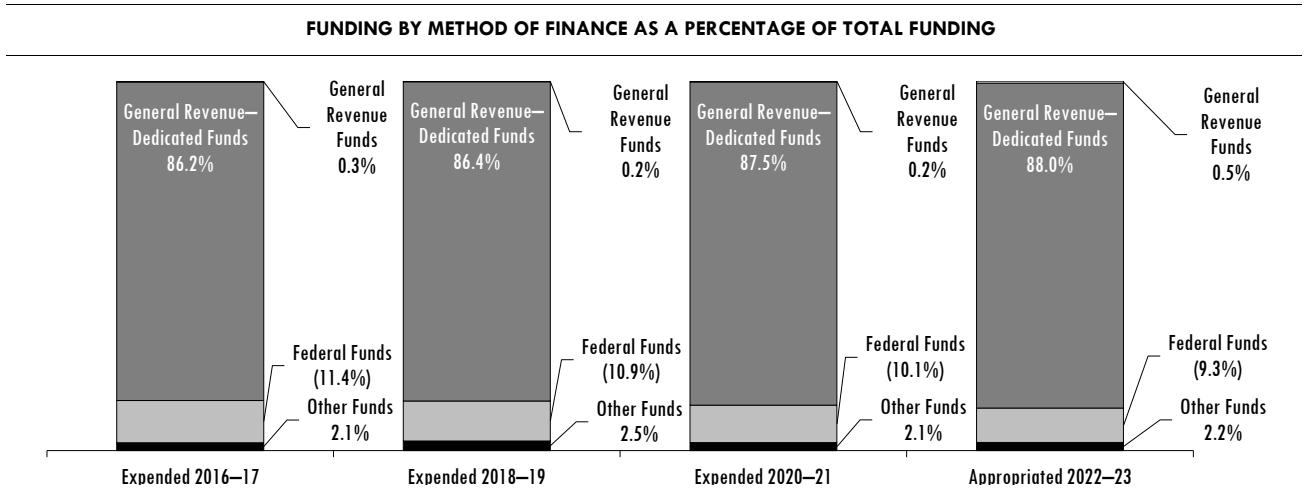


NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 316 shows historical funding for the program by method of finance.

FIGURE 316
ENFORCEMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA



(IN MILLIONS)

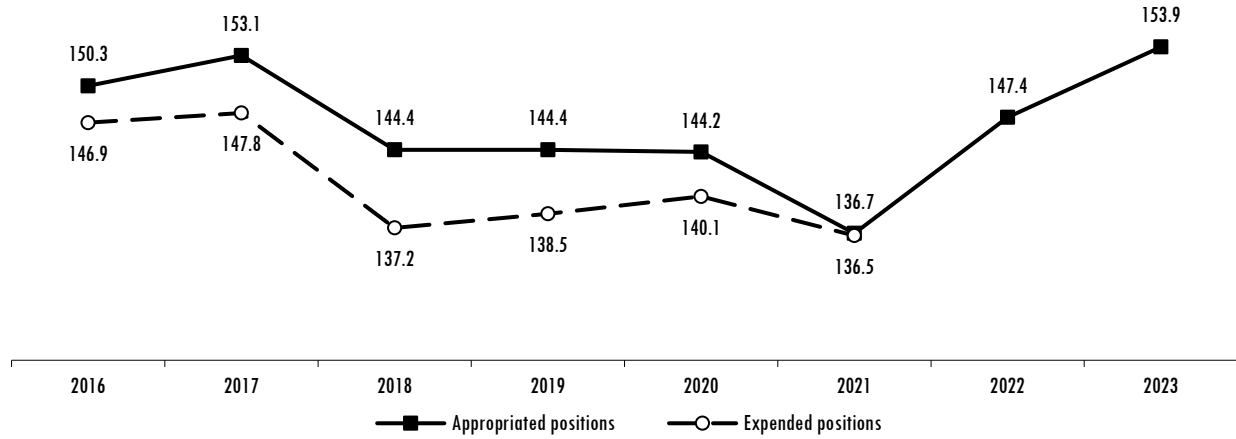
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.1	\$0.0	\$0.0	\$0.1
General Revenue-Dedicated Funds	\$17.8	\$16.2	\$16.9	\$18.3
Federal Funds	\$2.4	\$2.0	\$2.0	\$1.9
Other Funds	\$0.4	\$0.5	\$0.4	\$0.5
Total, All Methods of Finance	\$20.7	\$18.7	\$19.3	\$20.8

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 317 shows FTE positions for the program. Position increases in fiscal years 2022 and 2023 are a result of additional funding and positions pursuant to Senate Bill 3, Eighty-seventh Legislature, Regular Session, 2021, for the review and approval of all emergency preparedness plans submitted by public water utilities for disaster response.

FIGURE 317
ENFORCEMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 318 shows the program’s performance measures. No target amount is set for the measure Amount of Administrative Penalties Paid in Final Orders Issued by the agency to avoid the overuse of a punitive action to meet a set goal.

FIGURE 318
ENFORCEMENT PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Inspected or Investigated Air Sites in Compliance	Yes	98.0%	94.0%	98.0%
Percentage of Inspected or Investigated Water Sites and Facilities in Compliance	Yes	97.0%	99.0%	97.0%
Percentage of Inspected or Investigated Waste Sites in Compliance	Yes	97.0%	97.0%	97.0%
Percentage of Identified Noncompliant Sites and Facilities for which Timely and Appropriate Enforcement Action is Taken	Yes	85.0%	77.0%	85.0%
Percentage of Investigated Occupational Licensees in Compliance	No	75.0%	81.0%	75.0%
Percentage of Administrative Orders Settled	No	80.0%	86.0%	80.0%
Percentage of Administrative Penalties Collected	Yes	82.0%	86.0%	82.0%
Average Number of Days to File the Initial Settlement Offer	No	70	107	70
Amount of Administrative Penalties Paid in Final Orders Issued	No	N/A	\$7,511,772	N/A
Amount Required to be Paid for Supplemental Environmental Projects Issued in Administrative Orders	No	N/A	\$2,383,549	N/A
Number of Administrative Enforcement Orders Issued	No	1,000	1,006	1,000

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the Enforcement Program would result in the loss of critical tools necessary to deter and compel compliance with environmental permits, rules, and regulations designed to protect human health and the environment. The agency would lose federal delegation for the programs authorized by the federal FCAA, CWA, Resource Conservation Recovery Act, and the SDWA. The agency would not meet the EPA’s required enforcement targets, nor the EPA’s High Priority Violator, Significant Noncompliance, and Enforcement Response Policy timelines. The agency would be unable to collect data, develop reports, report the information monthly at an agency hearing, and electronically publish the required annual enforcement report. There could also be budgetary implications, as administrative penalties no longer would be assessed and deposited to the Treasury. In addition, violators would not be held accountable for noncompliance. The state could incur federal penalties if it no longer maintained an enforcement mechanism to assure compliance with federally mandated rules and regulations.

ENVIRONMENTAL ASSISTANCE

The Texas Water Code, Section 5.135; the Federal Clean Air Act

PROGRAM DESCRIPTION

The Environmental Assistance Program provides confidential compliance assistance on air, water, and waste regulations to small businesses and small units of local government.

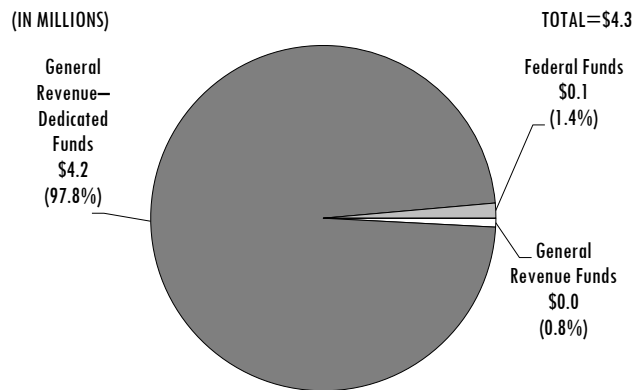
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 319 shows the program’s funding sources by method of finance. The program is funded primarily by appropriations from General Revenue–Dedicated Funds totaling \$0.4 million from Account No. 151, \$1.6 million from Account No. 153, \$0.8 million from Account No. 549, \$0.2 million from Account No. 550, \$0.4 million from Account No. 655, Petroleum Storage Tank Remediation, and \$0.8 million from Account No. 5094. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts. The program also receives small amounts of General Revenue Funds and Federal Funds.

FIGURE 319
ENVIRONMENTAL ASSISTANCE PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



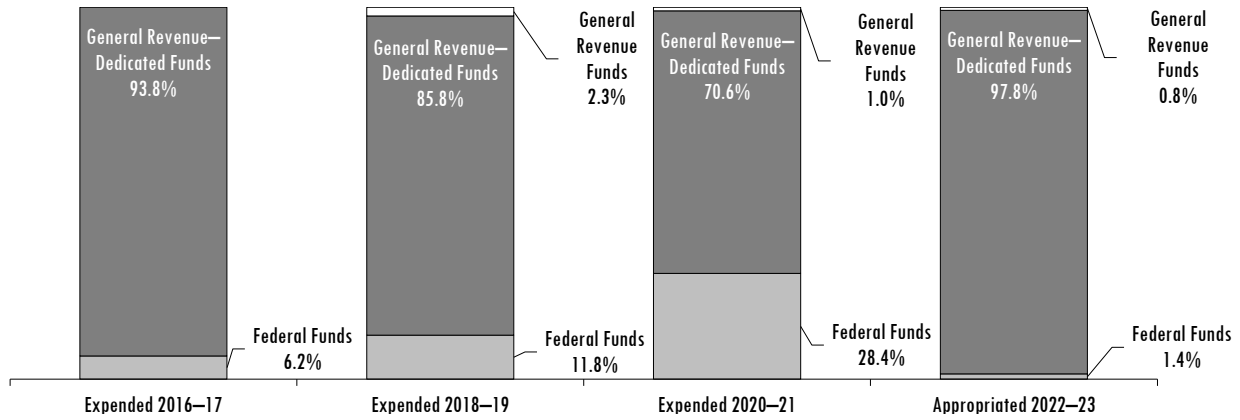
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 320 shows historical funding for the program by method of finance. Federal funding provided by the EPA from the Leaking Underground Storage Tank Trust Fund Corrective Action to provide grants to small local governments for petroleum leak prevention activities is not anticipated in the 2022–23 biennium.

**FIGURE 320
ENVIRONMENTAL ASSISTANCE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.1	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$3.5	\$3.6	\$3.2	\$4.2
Federal Funds	\$0.2	\$0.5	\$1.3	\$0.1
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$3.8	\$4.2	\$4.5	\$4.3

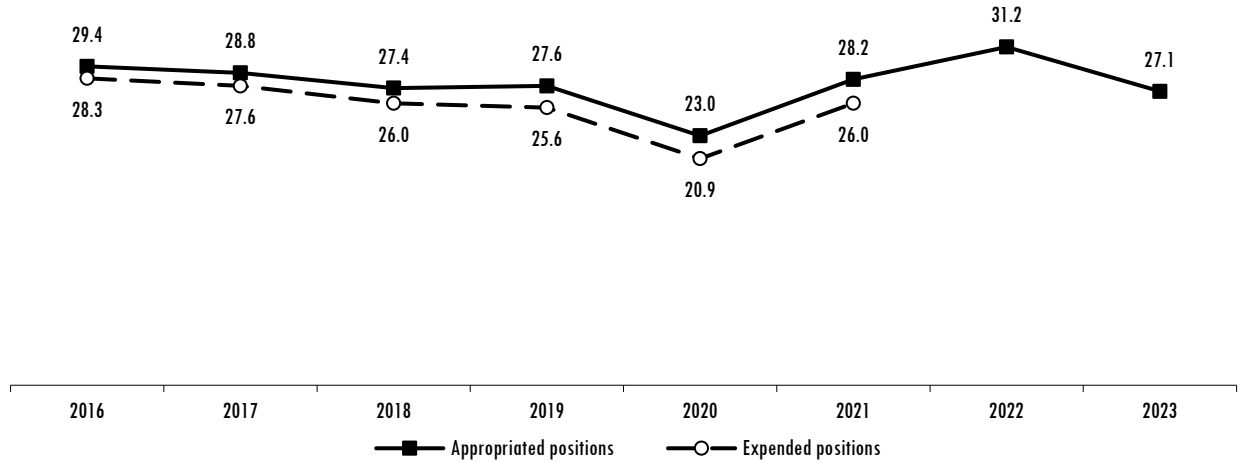
NOTE: Totals may not sum due to rounding.

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 321 shows FTE positions for the program.

FIGURE 321
ENVIRONMENTAL ASSISTANCE PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURE

Figure 322 shows the program’s performance measure.

FIGURE 322
ENVIRONMENTAL ASSISTANCE PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Small Businesses and Local Governments Assisted	Yes	66,000	130,827	66,000

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent TCEQ from meeting federal and state requirements to provide compliance assistance to small businesses and would result in lower overall compliance rates for small businesses and small units of local government. The indirect impact would be increased workloads for other agency programs, including the Enforcement and Field Inspections and Complaint Response programs, to conduct the former program’s outreach and guidance activities. Discontinuing the program also would eliminate its multimedia outreach functions, including providing technical assistance and conducting workshops and webinars.

LABORATORY ACCREDITATION

The Texas Water Code, Sections 5.134 and 5.801 to 5.807

PROGRAM DESCRIPTION

The Laboratory Accreditation Program is a voluntary program that accredits environmental laboratories providing analytical data directly or indirectly to the agency. Accreditation confirms that environmental laboratories meet established standards of operation and reduces the risk of the agency making decisions based on poor environmental data. Since fiscal year 2005, TCEQ has accredited 327 laboratories and has denied 38 applications for initial accreditation or accreditation renewal after determining the labs had not met minimum performance and analytical standards.

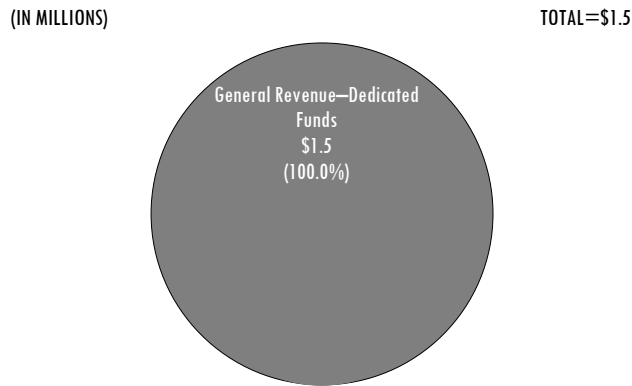
PROGRAM REVENUE

The program collects accreditation fees based on the type and scope of environmental testing each laboratory performs and reports. A fee matrix established by the program considers the category of testing (microbiology, metals, aquatic toxicity, etc.) and area of environmental impact (air, water, biologic tissue, etc.). Fees are assessed annually.

PROGRAM FUNDING

Figure 323 shows the program’s funding source by method of finance, which consists entirely of appropriations from General Revenue–Dedicated Account No. 5065, Environmental Testing Laboratory Accreditation (Account No. 5065). See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 323
LABORATORY ACCREDITATION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



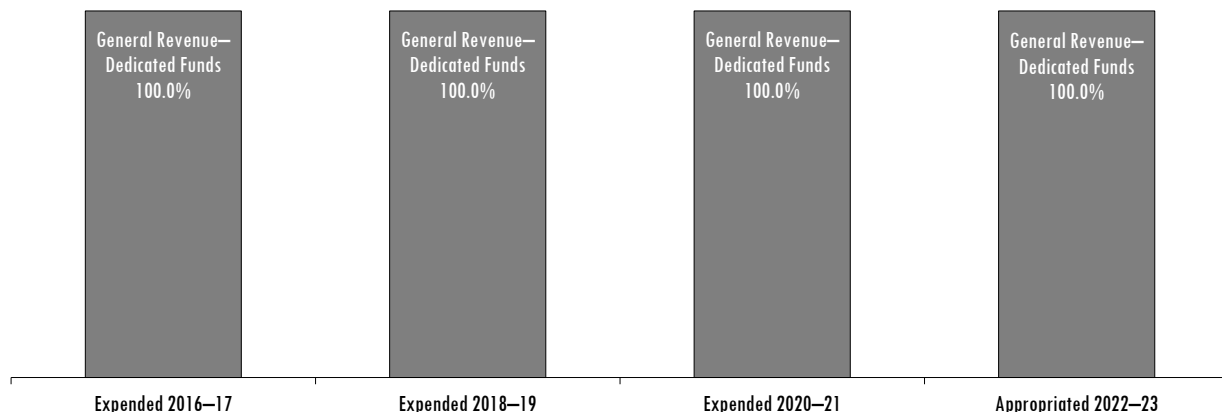
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 324 shows historical funding for the program by method of finance, which consists entirely of appropriations from Account No. 5065.

FIGURE 324
LABORATORY ACCREDITATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

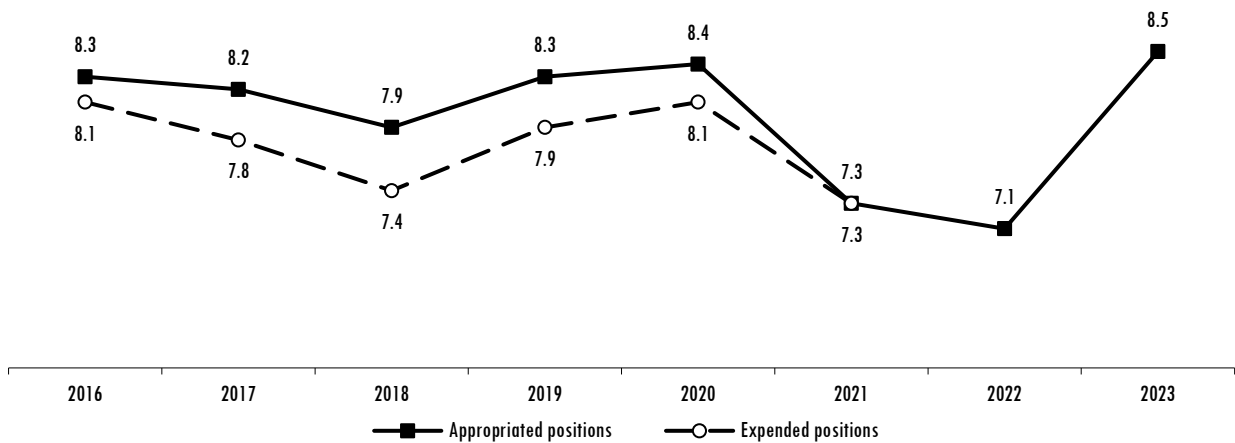
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$1.4	\$1.4	\$1.3	\$1.5
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.4	\$1.4	\$1.3	\$1.5

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 325 shows FTE positions for the program.

FIGURE 325
LABORATORY ACCREDITATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURE

Figure 326 shows the program’s performance measure. According to the agency, the overall number of accredited laboratories has decreased due to industry consolidation as smaller laboratories have merged with larger laboratories.

FIGURE 326
LABORATORY ACCREDITATION PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Environmental Laboratories Accredited	Yes	265	251	260

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would require the state’s environmental laboratories seeking National Environmental Laboratory Accreditation Program certification to pursue it through other accrediting bodies. It is assumed that fee revenue generated from laboratory accreditation no longer would be assessed or collected, which could reduce the funding available to support the agency’s indirect administration costs.

TIER II CHEMICAL REPORTING

The Texas Health and Safety Code, Chapters 505, 506, and 507; the Federal Emergency Planning and Community Right-to-Know Act of 1986

PROGRAM DESCRIPTION

The Tier II Chemical Reporting Program provides local emergency planning and response agencies with up-to-date and accurate information on hazardous materials stored within their jurisdictions. Hazardous substances, as defined by the U.S. Code of Federal Regulations, Title 29, are reportable when a facility stores more than 10,000 pounds on one day. Private and public facilities within the state storing hazardous substances must submit a Tier II chemical inventory report to TCEQ, local emergency planning committees (LEPC), and local fire departments.

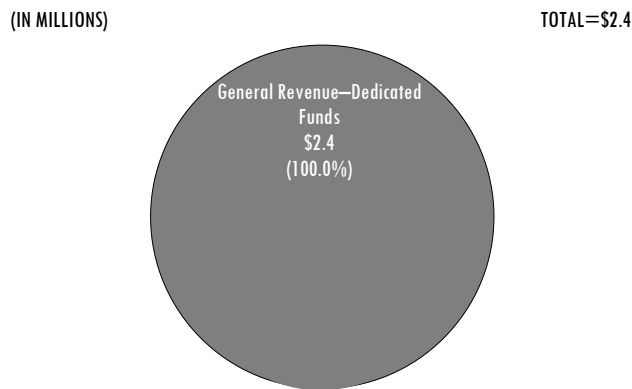
PROGRAM REVENUE

The agency collects the required filing fee with the submittal of the Annual and Initial Tier II Reports. Fee revenue supports the program and provides funding for community and worker right-to-know programs and LEPC grants.

PROGRAM FUNDING

Figure 327 shows the program’s funding source by method of finance, which consists of appropriations from General Revenue–Dedicated Account No. 5020, Workplace Chemicals List (Account No. 5020). See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 327
TIER II CHEMICAL REPORTING PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



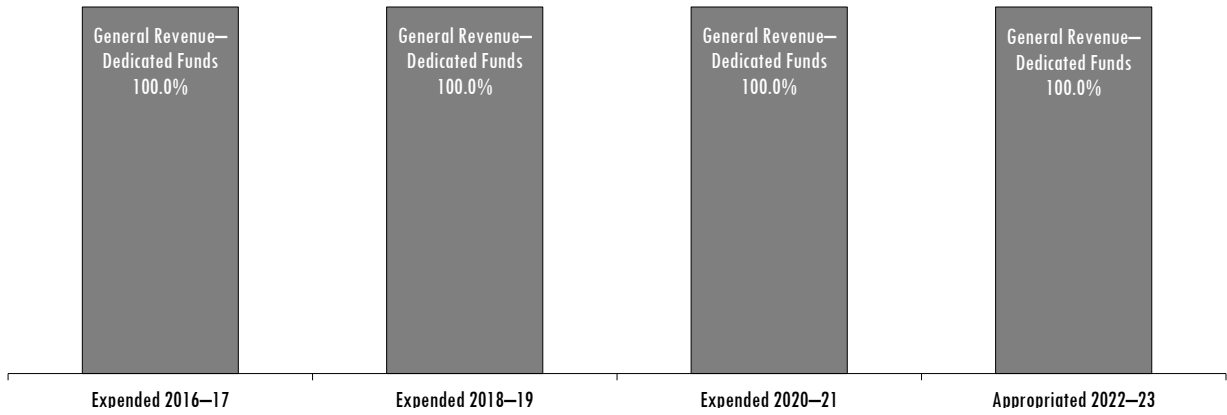
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 328 shows historical funding for the program by method of finance. Funding consistently has been provided from Account No. 5020. During the 2016–17 biennium, an additional \$4.0 million in onetime funding was appropriated from Account No. 5020 to provide grants for communities to develop and execute emergency response plans for hazardous chemical events.

FIGURE 328
TIER II CHEMICAL REPORTING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

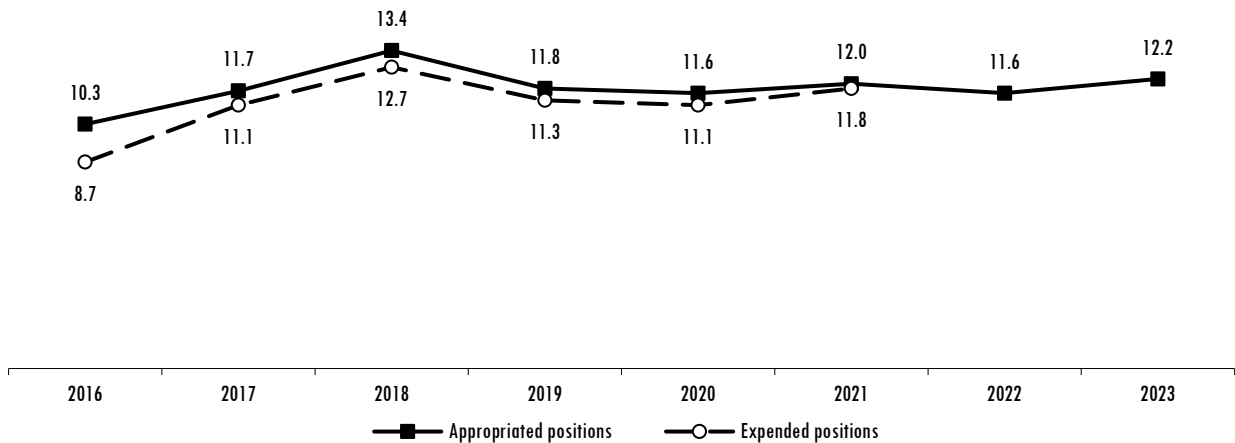
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue-Dedicated Funds	\$5.8	\$1.8	\$1.5	\$2.4
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$5.8	\$1.8	\$1.5	\$2.4

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 329 shows FTE positions for the program.

FIGURE 329
TIER II CHEMICAL REPORTING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would eliminate the regulatory authority responsible for providing timely and accurate information to local emergency planning and response agencies regarding the hazardous substances stored within their jurisdictions. It would also eliminate the state’s depository for Tier II reports submitted by regulatory facilities pursuant to federal law, which could lead to penalties from the EPA or federal management of the program.

AIR POLLUTION CONTROL EQUIPMENT

The Texas Tax Code, Chapters 11 and 26

PROGRAM DESCRIPTION

The Air Pollution Control Equipment Program includes the Tax Relief for Pollution Control Property subprogram and the Voter-approval Tax Relief for Pollution Control Requirements subprogram, which provide property tax exemptions to individuals, companies, and political subdivisions making capital investments that meet or exceed environmental regulations. The program evaluates applications to confirm that the property was installed to meet or exceed an adopted environmental regulation, and that the equipment is used to prevent, monitor, or control air, water, or land pollution.

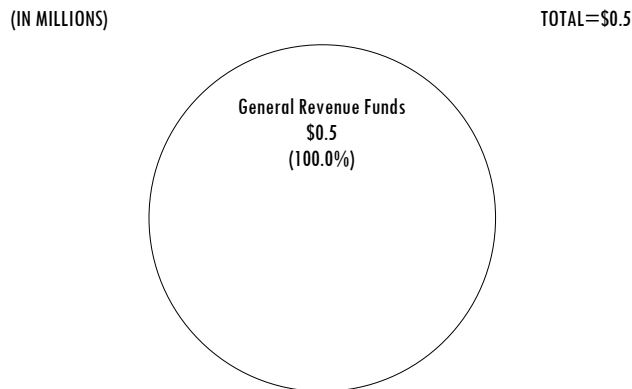
PROGRAM REVENUE

The program collects application fees for tiered pollution control exemption requests that are deposited to General Revenue Funds.

PROGRAM FUNDING

Figure 330 shows the program’s funding source by method of finance, which consists entirely of appropriations from General Revenue Funds.

FIGURE 330
AIR POLLUTION CONTROL EQUIPMENT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



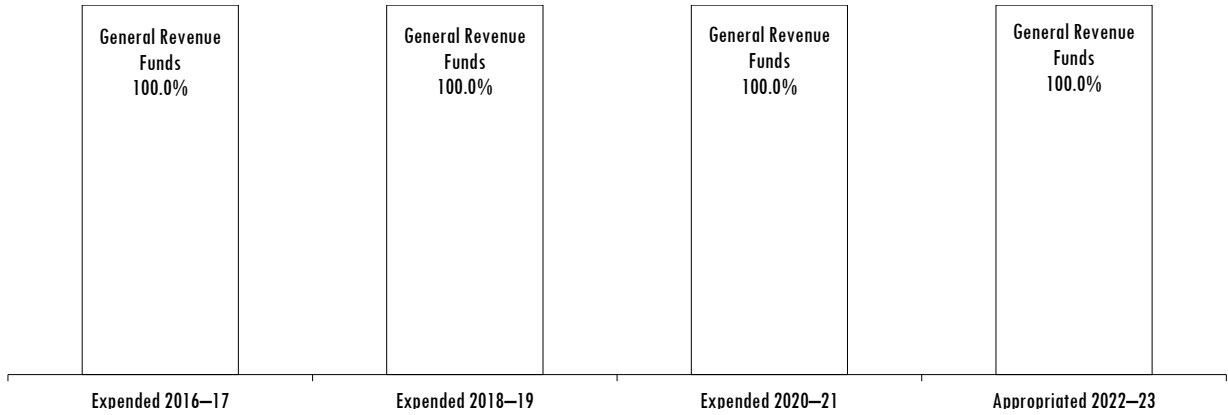
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 331 shows historical funding for the program by method of finance.

FIGURE 331
AIR POLLUTION CONTROL EQUIPMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

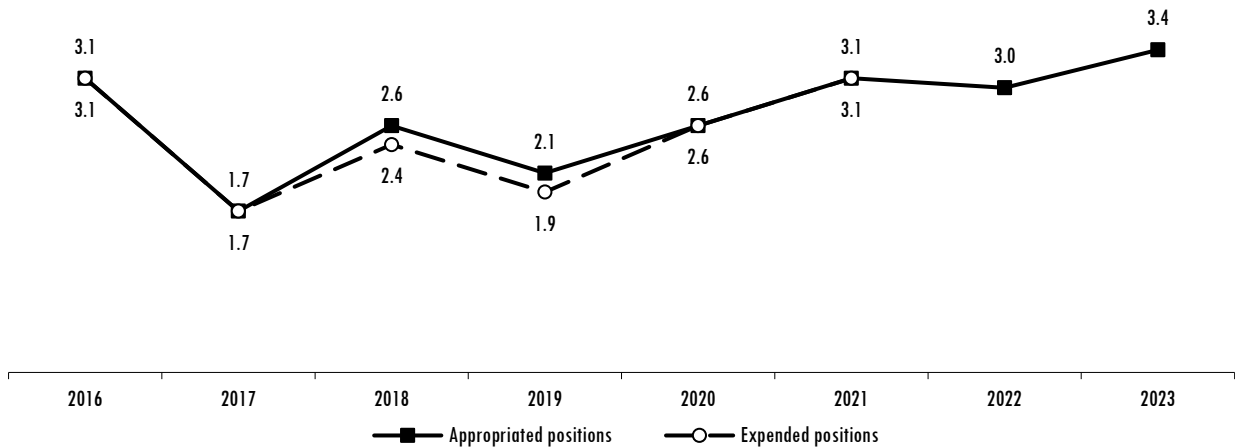
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.3	\$0.3	\$0.3	\$0.5
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.3	\$0.3	\$0.3	\$0.5

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 332 shows FTE positions for the program.

FIGURE 332
AIR POLLUTION CONTROL EQUIPMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would impose a tax burden for owners of pollution-control property currently eligible for tax relief.

POLLUTION PREVENTION AND RECYCLING

The Texas Health and Safety Code, Chapters 361 and 382; the Texas Water Code, Chapters 5 and 26; the Federal Pollution Prevention Act of 1990; the Federal Clean Air Act

PROGRAM DESCRIPTION

The Pollution Prevention and Recycling Program provides information and assistance to the public and regulated entities to aid in the reduction and prevention of pollution and recycling of eligible items to minimize risk to public health and the environment. Additionally, the program provides resources for compliance with the state Waste Reduction Policy Act and pollution prevention planning.

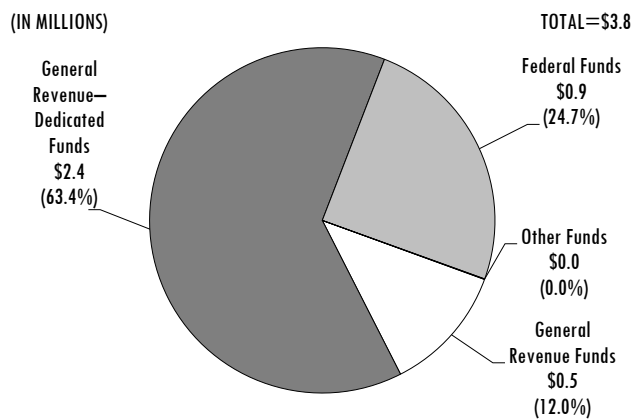
PROGRAM REVENUE

The program receives specialty license plate revenue from the sale of Take Care of Texas specialty plates. Total revenue is anticipated to be \$1,471 in the 2022–23 biennium.

PROGRAM FUNDING

Figure 333 shows the program’s funding sources by method of finance, including General Revenue Funds totaling \$0.5 million; General Revenue–Dedicated Funds totaling \$1.0 million from Account No. 151, \$0.5 million from Account No. 153, \$0.8 million from Account No. 549, \$0.1 million from Account No. 550, \$0.01 million from License Plate Trust Fund Account No. 802; and Federal Funds totaling \$0.9 million for implementing water pollution control programs, performance partnerships and pollution prevention programs. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

**FIGURE 333
POLLUTION PREVENTION AND RECYCLING PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM**



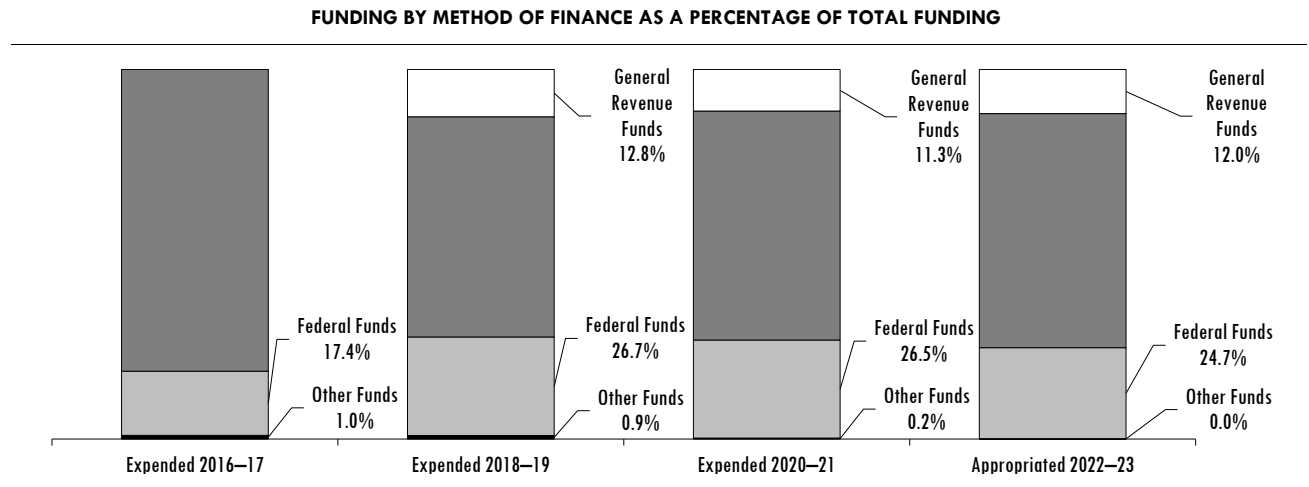
NOTES: Totals may not sum due to rounding. Other Funds consists of funding from the License Plate Trust Fund, which totals less than \$1,500 for the biennium.

SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 334 shows historical funding for the program by method of finance. General Revenue Funds have been appropriated since the 2018–19 biennium to offset decreases in General Revenue–Dedicated Funds appropriations.

FIGURE 334
POLLUTION PREVENTION AND RECYCLING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA



(IN MILLIONS)

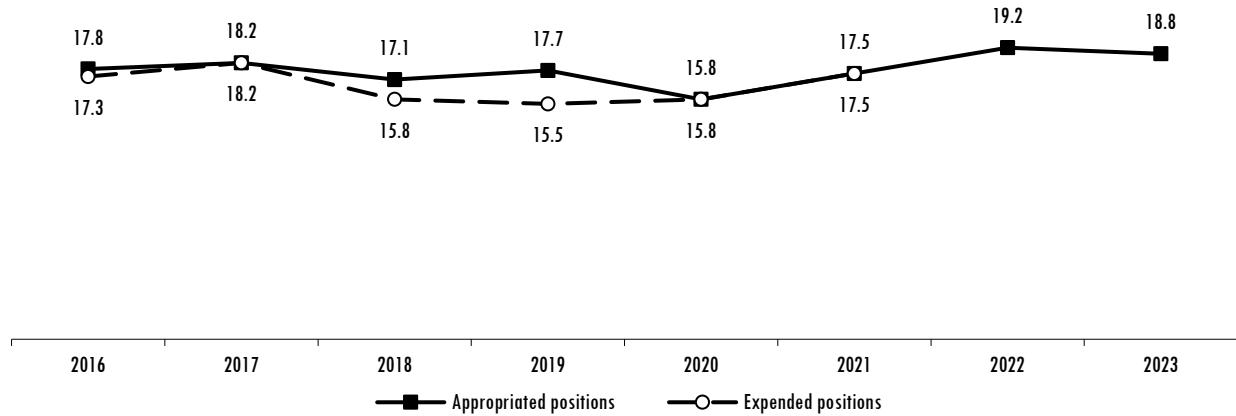
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.4	\$0.4	\$0.5
General Revenue–Dedicated Funds	\$2.7	\$2.1	\$2.2	\$2.4
Federal Funds	\$0.6	\$0.9	\$0.9	\$0.9
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$3.4	\$3.5	\$3.5	\$3.8

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 335 shows FTE positions for the program.

FIGURE 335
POLLUTION PREVENTION AND RECYCLING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 336 shows the program’s performance measures.

FIGURE 336
POLLUTION PREVENTION AND RECYCLING PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Tons of Hazardous Waste Reduced as a Result of Pollution Prevention Planning	No	500,000	110,896	500,000
Tons of Waste Collected by Local and Regional Household Hazardous Waste Collection Programs	No	8,500	7,037	8,500
Number of Presentations, Booths, and Workshops Conducted on Pollution Prevention/ Minimization and Voluntary Program Participation (1)	Yes	125	57	125

NOTE: (1) The Seminar Account Program also contributes to this measure.
 SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program could lead to increased hazardous waste generation across Texas. Businesses currently are required to evaluate waste-generating processes to identify potential reduction opportunities that are financially beneficial. Discontinuing this voluntary reporting mechanism will impede the implementation of such waste-reduction opportunities. Additionally, ending the program’s messaging to the public about recycling and the proper disposal of household hazardous waste could lead to an increase of improperly managed hazardous materials and greater volumes of landfilled materials, which could be harmful to public safety and the environment. Discontinuing the program also would remove program salary dollars that currently are used as match funds for federal grant programs.

SEMINAR ACCOUNT

Eighty seventh Legislature, General Appropriations Act, 2022–23 Biennium, Article IX, Section 8.07

PROGRAM DESCRIPTION

The Seminar Account Program is administered by the Public Education Section of the External Relations Division, which provides conference planning services to program areas throughout the agency, including the Autumn Environmental Conference and Expo, Dam Safety Workshops for Owners and Operators, the Emissions Inventory Workshop, the Environmental Trade Fair and Conference, the Pollution Prevention Waste Management Workshop, and the State of the Bay Symposium.

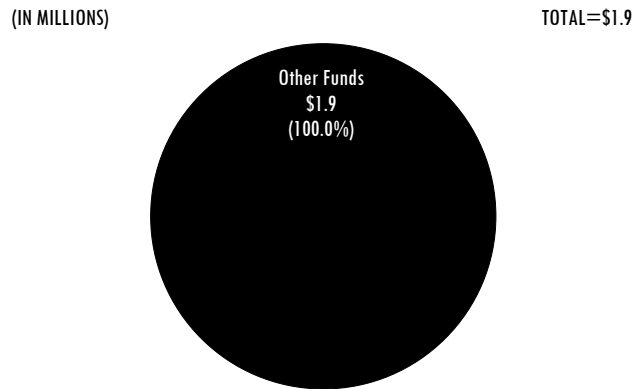
PROGRAM REVENUE

Revenue associated with this program is generated from registration fees for TCEQ trainings, seminars, and workshops.

PROGRAM FUNDING

Figure 337 shows the program’s funding source by method of finance. Appropriations are provided from Appropriated Receipts (Other Funds), primarily for travel and other operating expense reimbursements.

FIGURE 337
SEMINAR ACCOUNT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



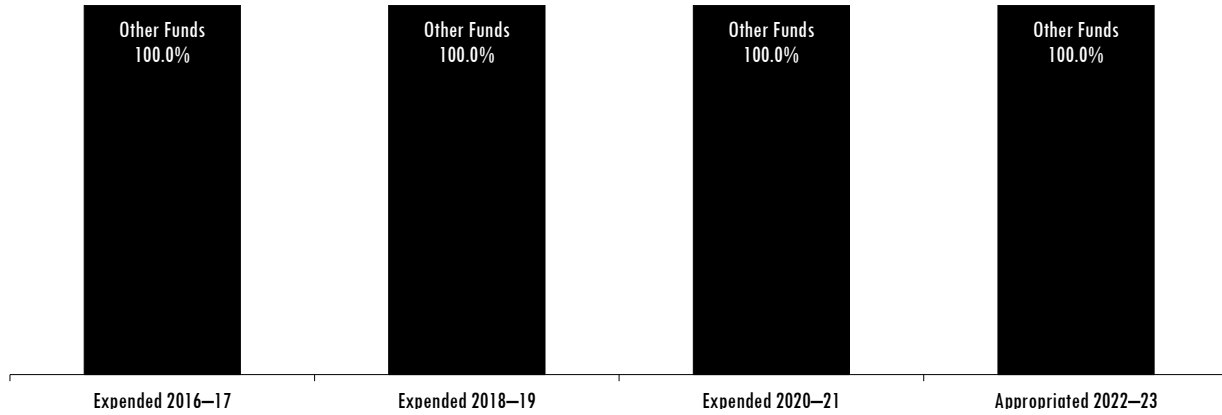
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 338 shows historical funding for the program by method of finance. Program funding has been fairly consistent since fiscal year 2016, apart from decreased expenditures during the 2020–21 biennium due to the COVID-19 pandemic.

FIGURE 338
SEMINAR ACCOUNT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$1.6	\$1.4	\$0.4	\$1.9
Total, All Methods of Finance	\$1.6	\$1.4	\$0.4	\$1.9

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

The agency did not report any FTE positions for this program.

PERFORMANCE MEASURE

Figure 339 shows the program’s performance measure. The actual Number of Presentations, Booths, and Workshops conducted in fiscal year 2021 was less than the targeted amount due to the cancellation of conferences and workshops during the onset of the COVID-19 pandemic.

FIGURE 339
SEMINAR ACCOUNT PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Presentations, Booths, and Workshops Conducted on Pollution Prevention/Waste Minimization and Voluntary Program Participation (1)	Yes	125	57	125

NOTE: (1) The Pollution Prevention and Recycling Program also contributes to this measure.

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, TCEQ-regulated entities and communities would lose access to continuing education opportunities and would have to find alternative means to learn about changes to agency programs, rules, and regulations if the program were discontinued.

PERFORMANCE STANDARDS FOR SAFETY AT STORAGE VESSELS

The Texas Water Code, Sections 26.341(b), 26.3442, 26.3443, and 26.3445

PROGRAM DESCRIPTION

The Performance Standards for Safety at Storage Vessels Program is a new program required by Senate Bill 900, Eighty-seventh Legislature, Regular Session, 2021, to provide for the protection of groundwater and surface water resources from a release of substances from a storage vessel during an emergency or disaster. Statute requires TCEQ to conduct on-site inspections of applicable facilities at least once every five years to determine compliance. The agency also is required to establish fees to cover the costs of implementing a registration program, reviewing initial and 10-year certifications, amending certifications, inspecting certified facilities, and enforcing compliance with the statutes, rules, and orders.

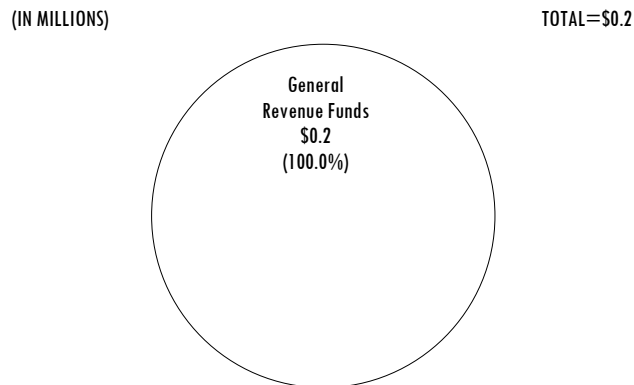
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 340 shows the program’s funding source by method of finance, which consist entirely of appropriations from General Revenue Funds.

FIGURE 340
PERFORMANCE STANDARDS FOR SAFETY AT STORAGE VESSELS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 341 shows historical funding by method of finance for the program, which was implemented in the 2022–23 biennium.

**FIGURE 341
PERFORMANCE STANDARDS FOR SAFETY AT STORAGE VESSELS PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING

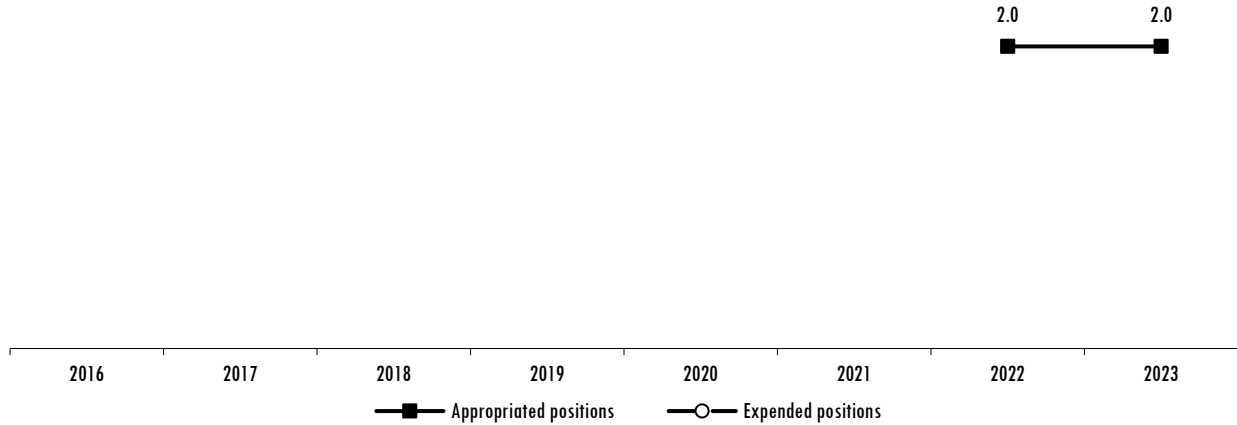
(IN MILLIONS)				
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.0	\$0.0	\$0.0	\$0.2

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 342 shows FTE positions for the program, which was implemented in the 2022–23 biennium.

FIGURE 342
PERFORMANCE STANDARDS FOR SAFETY AT STORAGE VESSELS PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program, which was implemented in the 2022–23 biennium.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

The program was implemented recently; therefore, the adverse effects of discontinuing the program cannot be determined.

PETROLEUM STORAGE TANK ADMINISTRATION AND REGULATORY

The Texas Water Code, Chapter 26, Subchapter I

PROGRAM DESCRIPTION

The Petroleum Storage Tank (PST) Administration and Regulatory Program processes registrations for underground and aboveground storage tanks; provides delivery certificates for self-certified underground tanks; and provides technical assistance, interprets rules, and reviews requests for variances from rule requirements. The program also oversees the assessment and cleanup of leaking petroleum storage tanks (LPST) to ensure proper cleanup of releases through evaluation and tracking of all reported releases of petroleum and other hazardous substances from underground and aboveground storage tanks. The program uses a risk-based approach in managing cleanup to determine the timing, type, and degree of remediation at contaminated sites at which the responsible party is unwilling or financially unable to properly clean up the site or is unknown.

The RRC also regulates underground and aboveground storage tanks used in connection with oil and gas exploration, development, and production. A memorandum of understanding between RRC and TCEQ defines jurisdiction between the two agencies. TCEQ has jurisdiction for storage tanks that hold hazardous and nonhazardous solid waste, and RRC has jurisdiction for storage tanks that hold oil and gas waste.

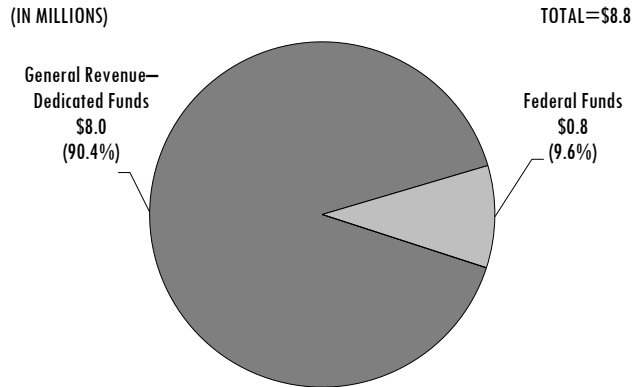
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 343 shows the program’s funding sources by method of finance, including General Revenue–Dedicated Funds from Account No. 655, Petroleum Storage Tank Remediation (Account No. 655), and Federal Funds from the Leaking Underground Storage Tank Federal Grant to supplement state-led cleanup efforts. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 343
PETROLEUM STORAGE TANK ADMINISTRATION AND REGULATORY PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



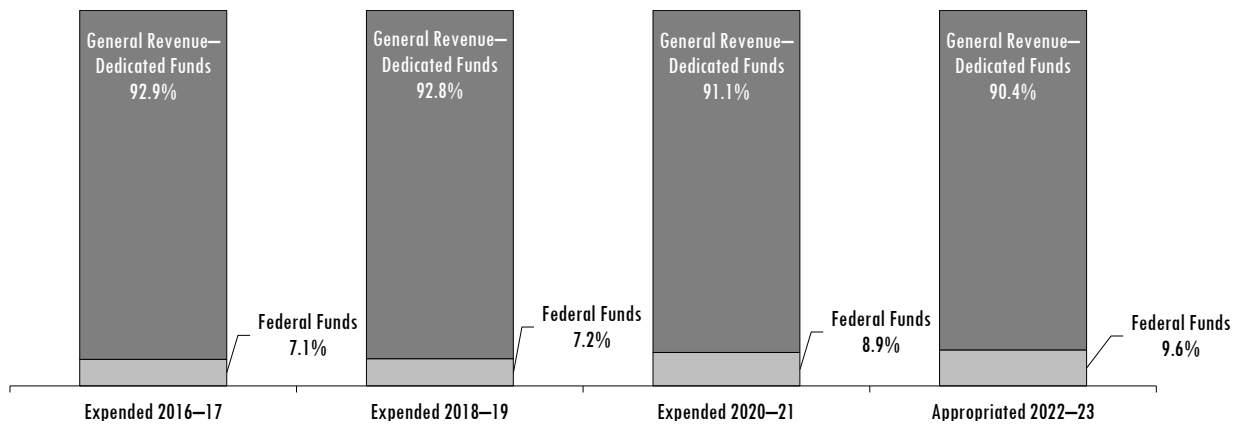
NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 344 shows historical funding for the program by method of finance. Federal funding has remained fairly constant since the 2016–17 biennium; however, General Revenue–Dedicated Funds from Account No. 655 have decreased by \$2.3 million since that time.

FIGURE 344
PETROLEUM STORAGE TANK ADMINISTRATION AND REGULATORY PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

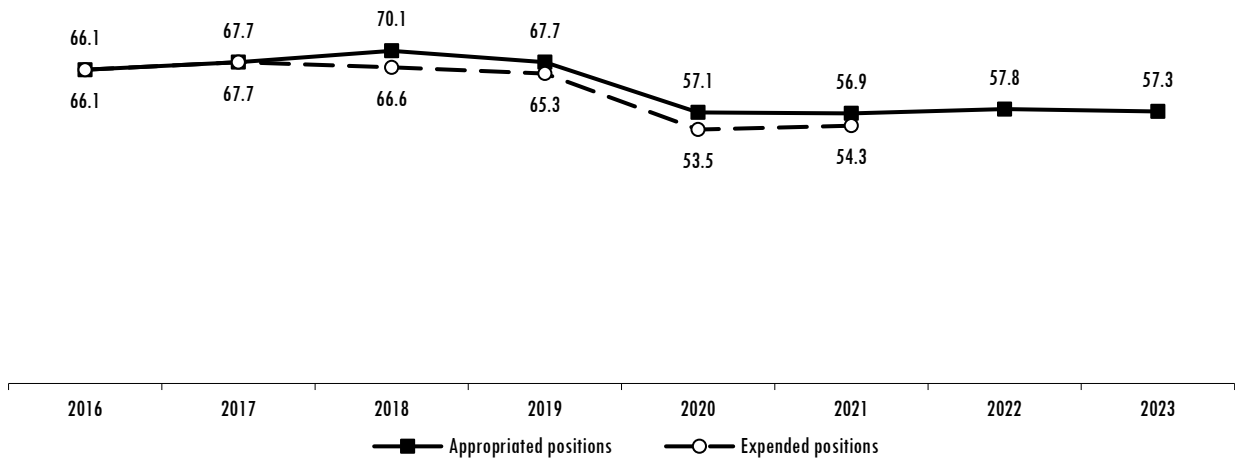
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$10.3	\$9.9	\$7.7	\$8.0
Federal Funds	\$0.8	\$0.8	\$0.7	\$0.8
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$11.1	\$10.6	\$8.4	\$8.8

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 345 shows FTE positions for the program. Program positions were decreased beginning in the 2020–21 biennium as a result of funding decreases.

FIGURE 345
PETROLEUM STORAGE TANK ADMINISTRATION AND REGULATORY PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, the program provides the administrative and regulatory work for the related Petroleum Storage Tank State Lead and Responsible Party Lead program, which the agency would be unable to support if the PST Administration and Regulatory Program were discontinued.

PETROLEUM STORAGE TANK

The Texas Water Code, Chapter 26, Subchapter I

PROGRAM DESCRIPTION

The Petroleum Storage Tank Program oversees and authorizes state contractors to conduct corrective action at sites where soil and groundwater have been contaminated by LPSTs and the responsible party is unknown or is unwilling or financially unable to properly clean up the site.

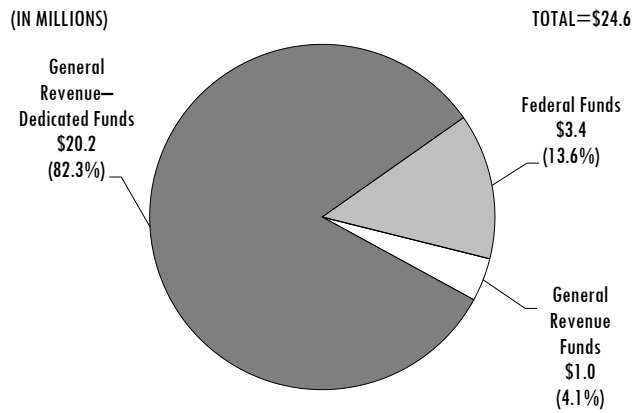
PROGRAM REVENUE

The program assesses a tiered fee on the delivery of a petroleum product on withdrawal from bulk based on cargo tank capacity. The revenue is collected by the Comptroller of Public Accounts and deposited to Account No. 655 to cover the agency’s cost of administering the program.

PROGRAM FUNDING

Figure 346 shows the program’s funding sources by method of finance, including General Revenue Funds, General Revenue–Dedicated Funds from Account No. 655, and Federal Funds from the Leaking Underground Storage Tank Federal Grant to supplement state led clean-up efforts. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 346
PETROLEUM STORAGE TANK PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



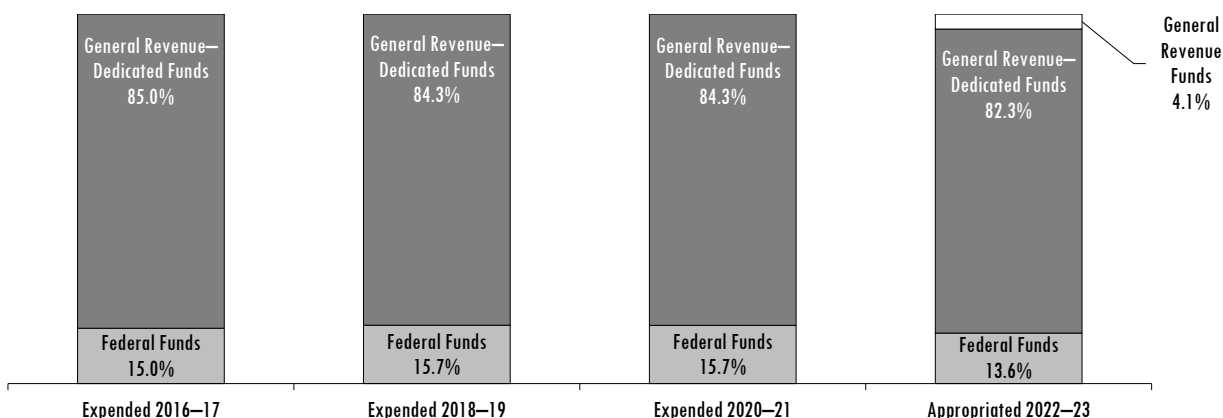
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 347 shows historical funding for the program by method of finance. House Bill 2, Eighty-seventh Legislature, Regular Session, 2021, appropriated \$5.0 million in General Revenue Funds to replace funds transferred pursuant to the 2022–23 GAA, Article VI, TCEQ, Rider 11, Reallocation of Revenue and Balances for Certain Accounts, and Rider 25, Litigation Expenses for the Rio Grande Compact Commission, to support continuing water rights litigation with the State of New Mexico for equitable distribution of water pursuant to the compact. The program received \$1.0 million of this appropriation in fiscal year 2021 and carried it forward to fiscal year 2022 as authorized by House Bill 2.

FIGURE 347
PETROLEUM STORAGE TANK PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$1.0
General Revenue–Dedicated Funds	\$21.1	\$19.9	\$18.8	\$20.2
Federal Funds	\$3.7	\$3.7	\$3.5	\$3.4
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$24.8	\$23.7	\$22.3	\$24.6

NOTE: Totals may not sum due to rounding.

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

The agency did not report any FTE positions for this program.

PERFORMANCE MEASURES

Figure 348 shows the program's performance measures.

FIGURE 348
PETROLEUM STORAGE TANK PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Leaking Petroleum Storage Tank Sites Cleaned Up	Yes	94.0%	96.0%	95.0%
Number of Emergency Response Actions at Petroleum Storage Tank Sites	No	4	2	N/A (1)
Number of Petroleum Storage Tank Cleanups Completed	Yes	200	230	200
Average Time in Days to Authorize a State Lead Contractor to Perform Corrective Action Activities	No	60	29	60

NOTE: (1) Removal of this measure was approved by the Legislative Budget Board for fiscal years 2022 and 2023.

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, the program is an EPA-approved state program operating in lieu of the federal program. If the program were discontinued, the state would have no means or alternative program for remediating LPST sites leaking contaminants into the surrounding environment. More specifically, this program serves an important purpose in addressing releases from PSTs where the responsible party is unknown or unwilling/unable to perform site remediation. Such sites are not eligible to be addressed by the Superfund Assessment and Cleanup Program or the Dry Cleaner Remediation Program and would go unaddressed if the program were discontinued.

DRY CLEANER REMEDIATION

The Texas Health and Safety Code, Chapter 374

PROGRAM DESCRIPTION

The Dry Cleaner Remediation Program uses a risk-based approach to manage the assessment and cleanup of releases of solvents from eligible dry-cleaner facilities. The program oversees and authorizes state contractors to conduct prescribed assessment and corrective action. Senate Bill 872, Eighty-seventh Legislature, Regular Session, 2021, extended the program to September 1, 2041.

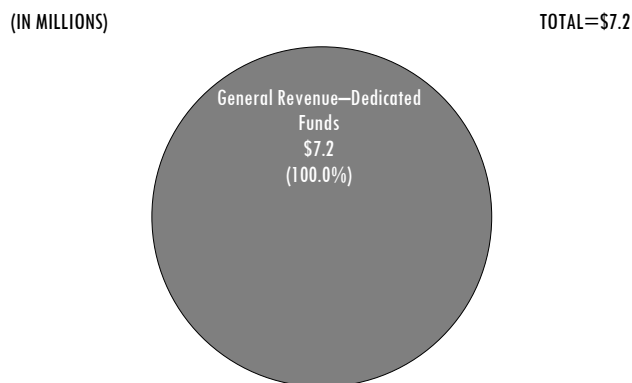
PROGRAM REVENUE

The program assesses and collects fee revenue from the registration of dry-cleaning facilities in the state and a per-gallon fee for certain dry-cleaning solvents utilized by the facilities.

PROGRAM FUNDING

Figure 349 shows the program’s funding source by method of finance, which consists entirely of appropriations from General Revenue–Dedicated Account No. 5093. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 349
DRY CLEANER REMEDIATION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



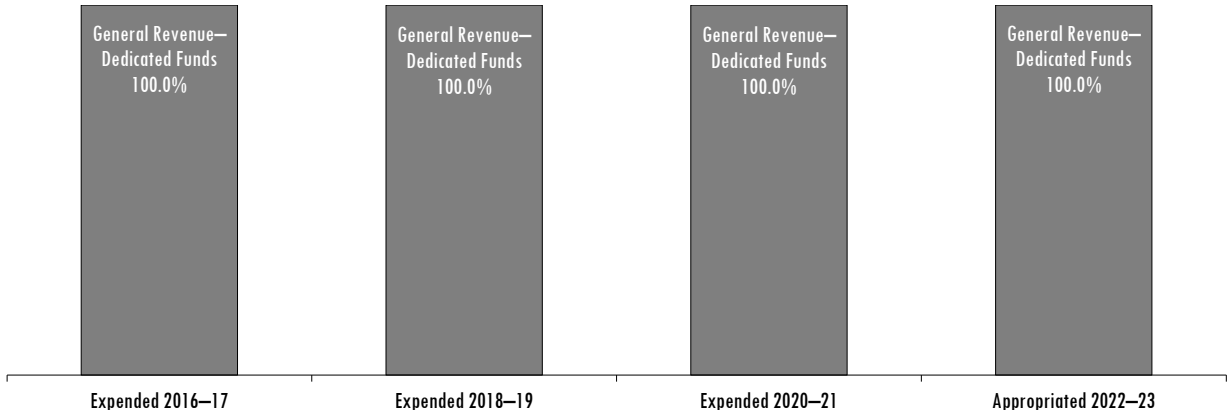
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 350 shows historical funding for the program by method of finance, which consists entirely of funding from Account No. 5093.

FIGURE 350
DRY CLEANER REMEDIATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

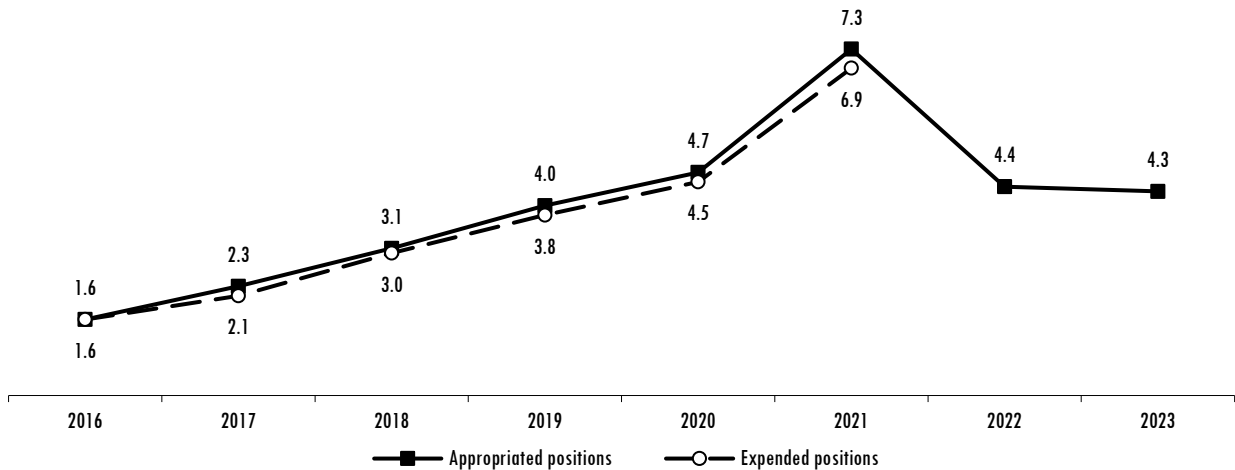
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue-Dedicated Funds	\$6.8	\$7.0	\$7.3	\$7.2
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$6.8	\$7.0	\$7.3	\$7.2

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 351 shows FTE positions for the program.

FIGURE 351
DRY CLEANER REMEDIATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 352 shows the program’s performance measures.

**FIGURE 352
DRY CLEANER REMEDIATION PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021**

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Dry Cleaner Remediation Program Site Assessments Initiated	No	12	14	N/A (1)
Number of Dry Cleaner Remediation Program Site Cleanups Completed	Yes	2	8	2
Number of State and Federal Superfund sites	No	90	56	N/A (1)

NOTE: (1) Removal of this measure was approved by the Legislative Budget Board for fiscal years 2022 and 2023.
SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would eliminate the financial protections offered to eligible entities by the program. Responsible parties would be required to address releases through another of the agency’s remediation programs. Although sites where the responsible party is unknown or unwilling/unable to perform site remediation may be addressed by the Superfund Assessment and Cleanup Program if eligible based on the Hazard Ranking System Score, other sites may go unaddressed, which could harm human health and the environment.

VOLUNTARY CLEANUP AND OTHER REMEDIATION

The Texas Health and Safety Code, Chapter 361, Subchapters S, V, and W; the Federal Resource Conservation and Recovery Act

PROGRAM DESCRIPTION

The Voluntary Cleanup and Other Remediation Program consists of the following remediation subprograms:

- the Voluntary Cleanup Program provides incentives to property owners, lenders, operators, and prospective purchasers to encourage clean up and redevelopment of contaminated properties. The program oversees clean-up activities issues certificates of completion to participants who apply, complete clean-up activities, and certify property clean-up is complete. It also provides a release of liability for all future owners, lessees, operators, and lenders regarding the cleanup of past contamination at the site. Additionally, the program administers two other subprograms:
 - the Innocent Owner/Operator Program provides a process through which a property owner or operator can apply for designation as an innocent owner/operator if the property became contaminated because of the migration of contaminants from releases not located on the property. The program reviews applications and environmental reports documenting the source of contamination to determine that it was off-property and issues a certificate releasing the current owner/operator from liability to the state for further investigation, monitoring, or remediation; and
 - the Municipal Setting Designation Program authorizes a municipality to restrict the potable use of ground water within its jurisdiction. The program receives, processes, and denies or certifies applications and can limit investigation or mitigation requirements for contaminated groundwater that is not used as potable water. This results in expedited cleanup of sites, which facilitates the efforts of municipalities to promote redevelopment;

- the Brownfields Program supports communities by assessing dormant and underutilized former industrial properties where the real or perceived presence of contamination may hamper expansion, redevelopment, or reuse activities. The program manages a grant from the EPA to help governments and nonprofit organizations redevelop brownfield properties in Texas with assessments, limited cleanups, and technical review;
- the Corrective Action Program oversees the cleanup of sites with soil and groundwater contamination by requiring mitigation, removal, or both, of the contamination to levels protective of human health and the environment.

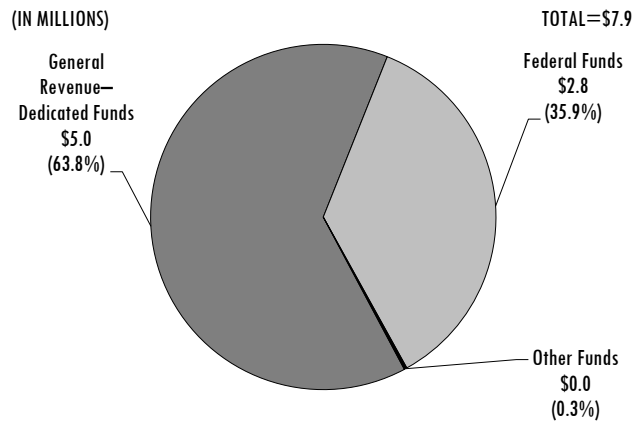
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 353 shows the program’s funding sources by method of finance, including General Revenue–Dedicated Funds totaling \$2.3 million from Account No. 549 and \$2.7 million from Account No. 550; and Federal Funds totaling \$2.8 million from EPA’s Brownfields program. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 353
VOLUNTARY CLEANUP AND OTHER REMEDIATION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



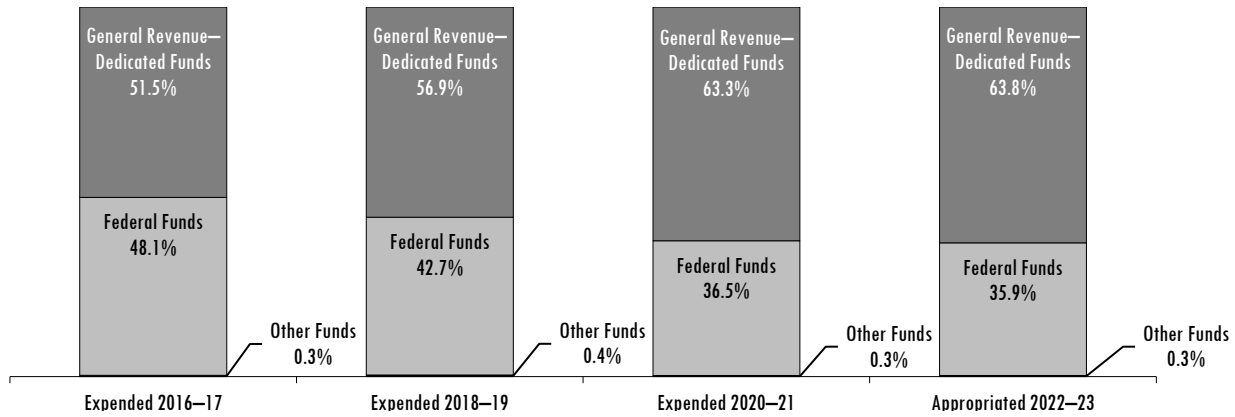
NOTE: Totals may not sum due to rounding. Other Funds amounts total less than \$25,000 for the biennium.
 SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 354 shows historical funding for the program by method of finance. Overall program funding has increased since fiscal year 2016 due to increases in General Revenue–Dedicated Funds, while amounts of Federal Funds have fluctuated slightly.

FIGURE 354
VOLUNTARY CLEANUP AND OTHER REMEDIATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue-Dedicated Funds	\$3.3	\$3.8	\$4.8	\$5.0
Federal Funds	\$3.1	\$2.9	\$2.7	\$2.8
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$6.4	\$6.8	\$7.5	\$7.9

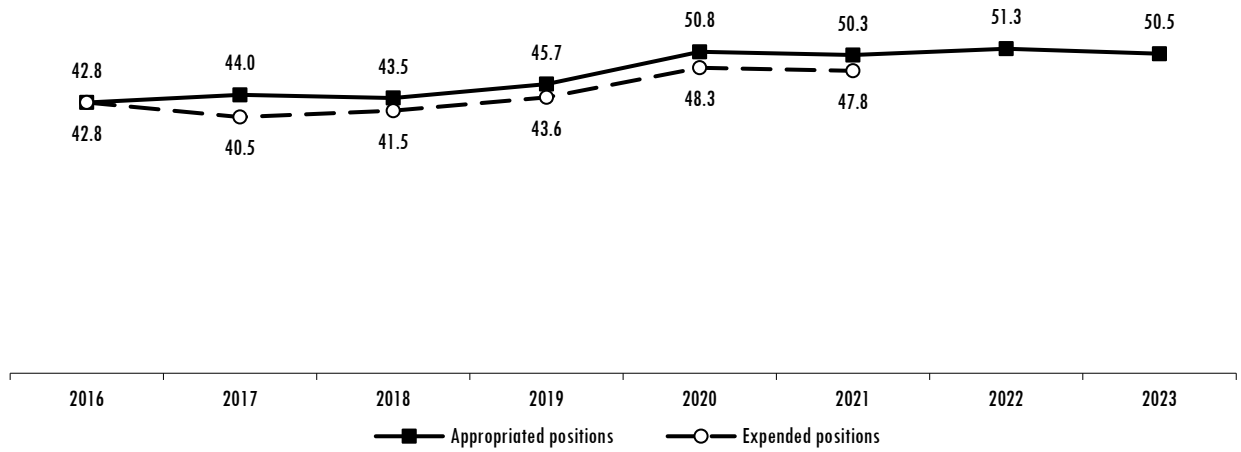
NOTE: Totals may not sum due to rounding.

SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 355 shows FTE positions for the program. The number of program positions increased beginning in the 2020–21 biennium as overall funding increased by \$0.7 million. Positions for the 2022–23 biennium are provided at similar levels.

FIGURE 355
VOLUNTARY CLEANUP AND OTHER REMEDIATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 356 shows the program’s performance measures.

FIGURE 356
VOLUNTARY CLEANUP AND OTHER REMEDIATION PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Voluntary and Brownfield Cleanup Properties Made Available for Commercial/Industrial Redevelopment, Community, or Other Economic Reuse	Yes	70.0%	87.0%	70.0%
Percentage of Industrial Solid and Municipal Hazardous Waste Facilities Cleaned Up	No	64.0%	79.0%	64.0%
Number of Voluntary and Brownfield Cleanups Completed	Yes	61	77	61

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program could prevent the cleanup and remediation of sites with real or perceived contamination, or at which the owner or operator did not cause the contamination. The extent to which these unaddressed sites remained unused or underutilized would impede local economic activity. Specifically, discontinuing the Corrective Action Program would remove the mechanism by which Federal Resource Conservation and Recovery Act-permitted facilities are required to address releases impacting public health and the environment. Texas would lose delegation of the Resource Conservation and Recovery Act Corrective Action program and would be in violation of the memorandum of agreement with the EPA that established the program.

SUPERFUND ASSESSMENT AND CLEANUP

The Texas Health and Safety Code, Chapter 361, Subchapters B, D, F, I, L, and M; the Federal Comprehensive Environmental Response, Compensation, and Liability Act and National Oil and Hazardous Substance Pollution Contingency Plan

PROGRAM DESCRIPTION

The Superfund Assessment and Cleanup Program identifies and addresses contaminated sites that may constitute an imminent or substantial endangerment to public health, public safety, or the environment due to a release or threatened release of hazardous substances into the environment. Major functions include investigating and evaluating threatened or actual releases of hazardous substances; remediating state Superfund sites; identifying and recovering costs spent by the state from responsible parties; and providing project management and other assistance on federal Superfund sites through collaboration with the EPA. Sites contaminated with hazardous substances for which there is not a responsible party willing to address the contamination through a permit, corrective action, voluntary clean up, or enforcement, are identified through referral from internal and external entities. Potential state Superfund sites are evaluated to determine whether they are eligible for listing on the Texas Superfund Registry.

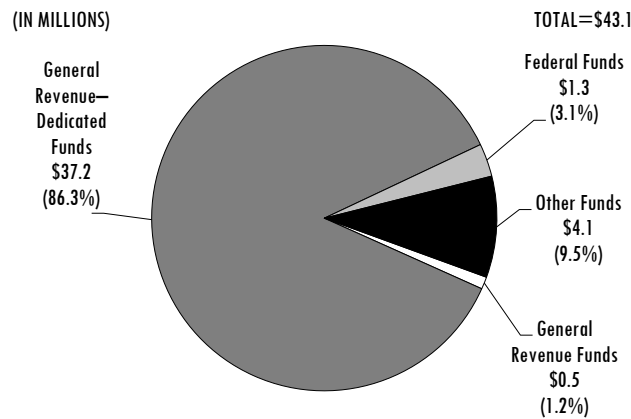
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 357 shows the program’s funding sources by method of finance, including General Revenue Funds, General Revenue–Dedicated Funds from Account No. 550, Federal Funds from the EPA for Superfund site cleanup and remediation, and Other Funds from Appropriated Receipts. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 357
SUPERFUND ASSESSMENT AND CLEANUP PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



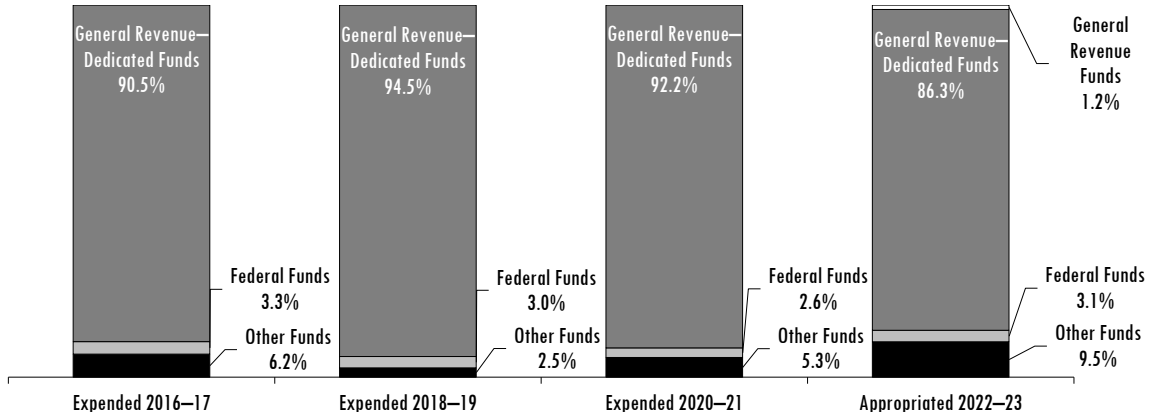
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 358 shows historical funding for the program by method of finance. The increase in General Revenue Funds in the 2022–23 biennium was provided in fiscal year 2021 and carried forward to fiscal year 2022 through supplemental appropriations in House Bill 2, Eighty-seventh Legislature, Regular Session, 2021. The program received \$0.5 million of the \$5.0 million appropriated in total to replace funds transferred as authorized by Rider 11, Reallocation of Certain Revenue and Balances for Certain Account, to support continuing water rights litigation with the State of New Mexico for equitable distribution of water pursuant to the Rio Grande Compact.

**FIGURE 358
SUPERFUND ASSESSMENT AND CLEANUP PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

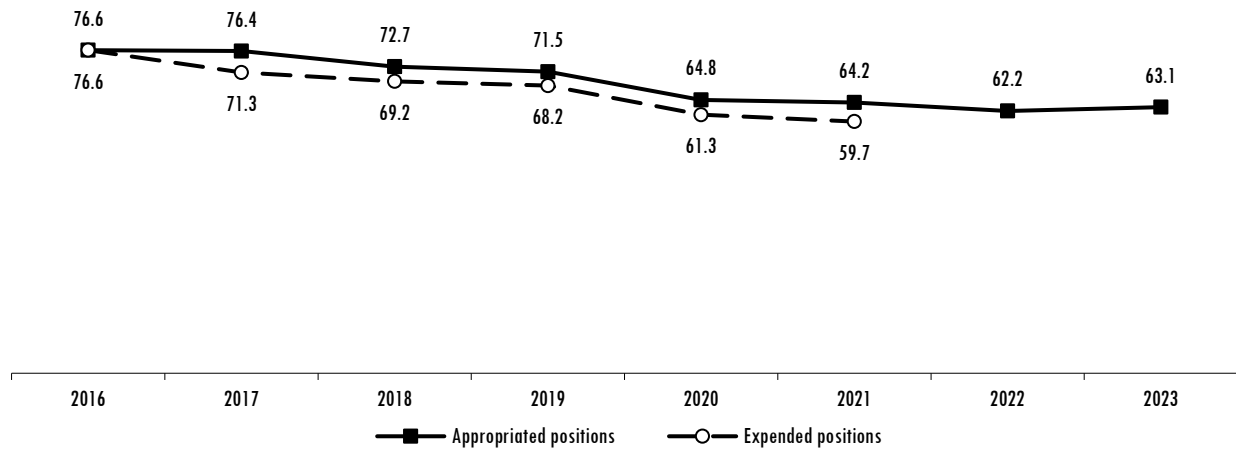
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.5
General Revenue-Dedicated Funds	\$31.0	\$31.0	\$33.7	\$37.2
Federal Funds	\$1.1	\$1.0	\$0.9	\$1.3
Other Funds	\$2.1	\$0.8	\$1.9	\$4.1
Total, All Methods of Finance	\$34.3	\$32.8	\$36.6	\$43.1

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 359 shows FTE positions for the program. The number of positions in the program has decreased steadily as the agency has reallocated certain positions to other programs to promote efficiency.

FIGURE 359
SUPERFUND ASSESSMENT AND CLEANUP PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 360 shows the program’s performance measures.

FIGURE 360
SUPERFUND ASSESSMENT AND CLEANUP PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Total Number of Superfund Remedial Actions Completed	Yes	130	127	132
Number of Immediate Response Actions Completed to Protect Human Health and Environment (1)	No	2	2	2
Number of Superfund Site Assessments	Yes	62	61	N/A (2)
Number of Superfund Sites in Texas Undergoing Evaluation and Cleanup	Yes	42	41	38
Number of Superfund Remedial Actions Completed	Yes	2	1	2
Number of Potential Superfund Sites to Be Assessed	No	41	38	44

NOTES:

(1) The Legislative Budget Board (LBB) changed this non-key measure from an output measure to an explanatory measure for fiscal years 2022 and 2023.

(2) Removal of this measure was approved by the LBB for fiscal years 2022 and 2023.

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, sites that could not be addressed by another remediation program or did not qualify for the National Priorities List would go unaddressed if the program were discontinued, which could harm public health and the environment. Sites currently referred to the program no longer require inspection and monitoring by regional and enforcement staff, which

fall under a different agency program. However, if the program were discontinued, other programs newly responsible for these sites would require more resources. Additionally, the state would retain certain obligations under the Federal Comprehensive Environmental Response, Compensation, and Liability Act, which include cost sharing for remedial actions, conducting and funding operation and maintenance activities, and providing grant-funded management assistance at federal Superfund sites. If these obligations and responsibilities were not transferred and administered by another program, the state could be in violation of federal statute, which could lead to the cancellation of current and future projects.

RIVER COMPACTS

The Texas Water Code, Chapters 41, 42, 43, 44, and 46

PROGRAM DESCRIPTION

The River Compacts Program administers and supports five interstate river compacts involving the Canadian, Pecos, Red, Rio Grande, and Sabine rivers. Each compact is recognized under state and federal law as an agreement allocating the waters in these rivers and their tributaries among participating states.

Each river compact is administered by an interstate commission, which consists of one or two members appointed to represent each state as outlined in the by-laws of each individual compact, as well as a non-voting federal commissioner appointed by the President of the United States. The river compact commissions represent the State of Texas and protect its right to equitable shares of quality water. Texas’ river compact commissioners are appointed by the Governor and must be confirmed by the Texas Senate, except for TCEQ’s executive director who, by statute, serves as the second commissioner on the Red River Compact Commission.

The Texas river compact commissions’ objectives are to ensure the state receives and maximizes 100.0 percent of its equitable share of the interstate waters of the applicable rivers and their tributaries, as allocated by the applicable interstate compact. In addition, the river compact commissions develop programs to increase the quantity and improve the quality of the water available in Texas.

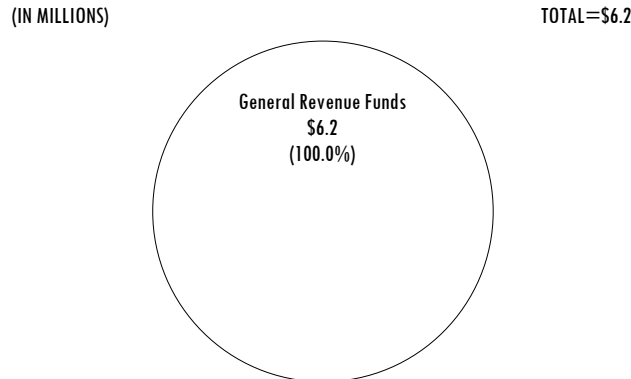
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 361 shows the program’s funding source by method of finance, which consists entirely of appropriations from General Revenue Funds for the 2022–23 biennium.

FIGURE 361
RIVER COMPACTS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



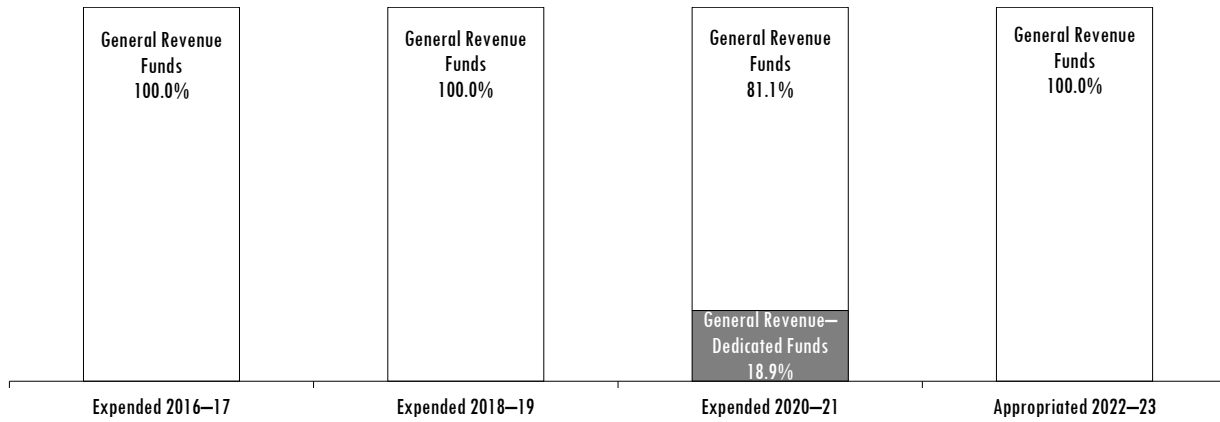
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 362 shows historical funding for the program by method of finance. Since fiscal year 2012, the program has received a total of \$35.6 million in All Funds appropriations for expenses related to continuing water rights litigation with the State of New Mexico for equitable distribution of water pursuant to the Rio Grande Compact.

**FIGURE 362
RIVER COMPACTS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

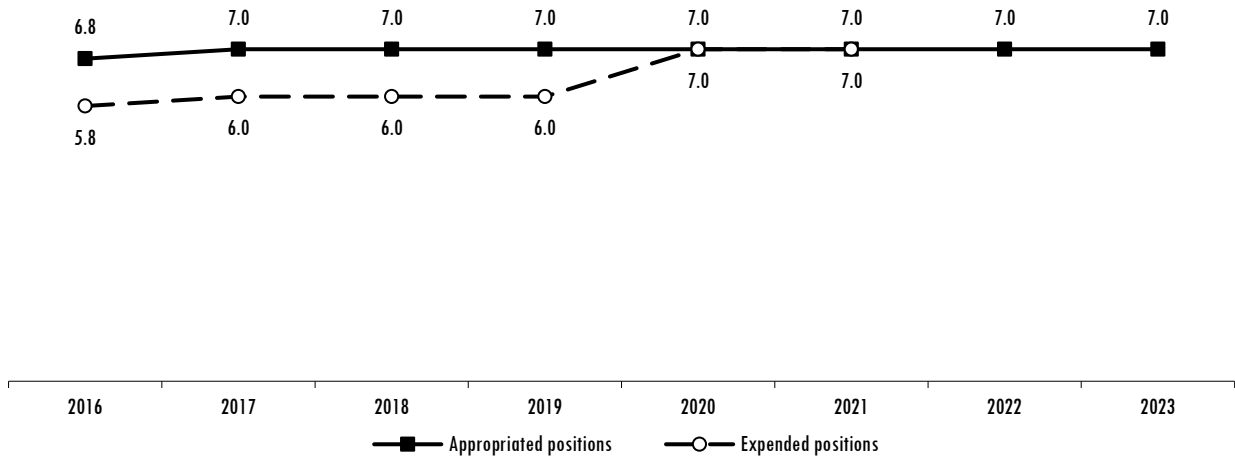
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$3.5	\$5.0	\$8.6	\$6.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$2.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$3.5	\$5.0	\$10.6	\$6.2

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 363 shows FTE positions for the program.

FIGURE 363
RIVER COMPACTS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

Figure 364 shows the program’s performance measures.

FIGURE 364
RIVER COMPACTS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Canadian River Compact	No	100%	254%	100%
Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Pecos River Compact	No	100%	430%	100%
Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Red River Compact	No	100%	100%	100%
Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Rio Grande Compact	No	100%	0%	100%
Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Sabine River Compact	No	100%	109%	100%

SOURCE: Texas Commission on Environmental Quality.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent the agency from providing administrative and technical support to the state’s river compact commissioners to assure the state receives its equitable share of water for current and future state needs.

CENTRAL ADMINISTRATION

The Texas Water Code, Chapter 5

PROGRAM DESCRIPTION

The Central Administration Program includes the following functional areas:

- the Office of the Commissioners, which consists of the General Counsel, Public Interest Counsel, Chief Clerk, and Chief Auditor divisions. Three full-time commissioners are appointed by the Governor to establish overall agency direction and policy, and to make final determinations on contested permitting and enforcement matters;
- the Office of the Executive Director, which consists of the External Relations, Intergovernmental Relations, and Toxicology, Risk Assessment, and Research divisions;
- Administrative Services, which include the Budget and Planning Division and portions of the Financial Administration, Human Resources, and Staff Services divisions; and
- Legal Services, including the General Law Division, which serves as legal counsel on issues related to contracts, grants, procurement, employment law, and public-service ethics.

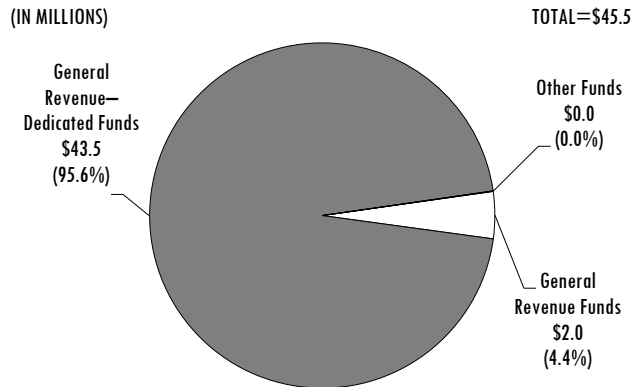
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 365 shows the program’s funding sources by method of finance, which consists of General Revenue Funds totaling \$2.0 million; General Revenue–Dedicated Funds totaling \$5.5 million from Account No. 151, \$10.3 million from Account No. 153, \$0.8 million from Account No. 468, \$14.2 million from Account No. 549, \$7.4 million from Account No. 550, \$1.3 million from Account No. 655, \$4.0 million from Account No. 5094; and Other Funds from Appropriated Receipts totaling \$20,789. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 365
CENTRAL ADMINISTRATION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



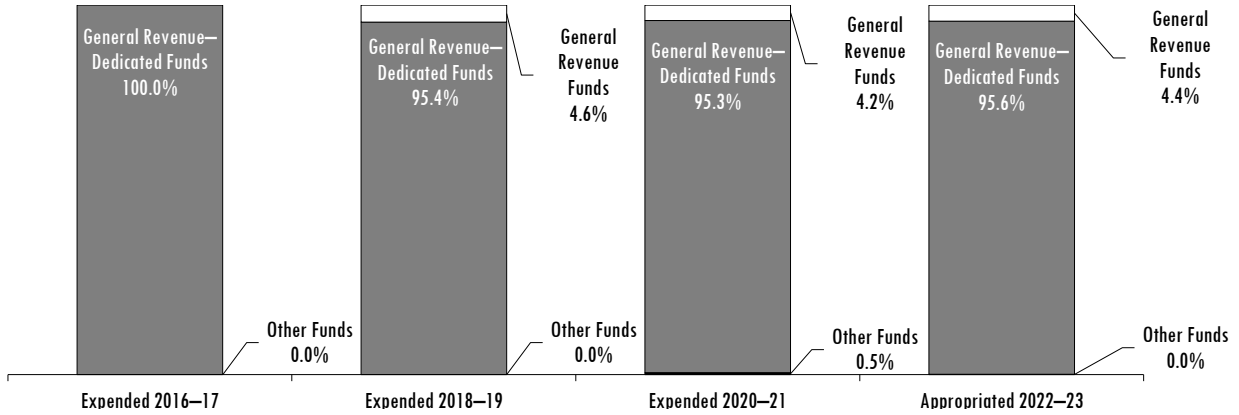
NOTES: Totals may not sum due to rounding. Other Funds amounts total less than \$25,000 for the biennium.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 366 shows historical funding for the program by method of finance. House Bill 2, Eighty-seventh Legislature, Regular Session, 2021, appropriated an additional \$0.8 million in General Revenue–Dedicated funds, including \$0.2 from Account No. 153, \$0.2 from Account No. 549, \$0.3 million from Account No. 550, and \$0.1 million from Account No. 5094, for the implementation of Central Accounting and Payroll/Personnel System (CAPPS) Human Resources deployment.

FIGURE 366
CENTRAL ADMINISTRATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

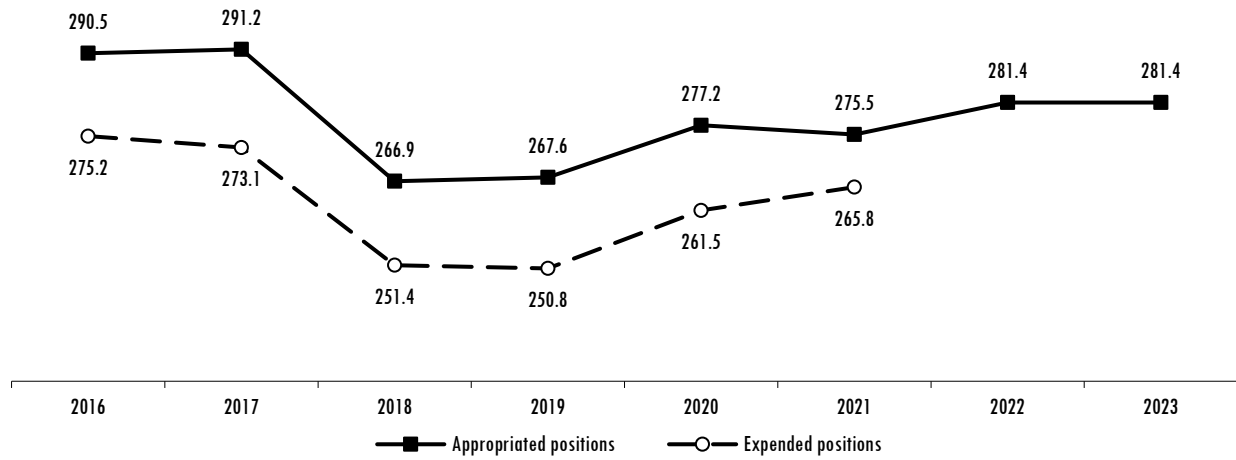
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$1.8	\$1.8	\$2.0
General Revenue-Dedicated Funds	\$39.0	\$37.2	\$40.9	\$43.5
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.2	\$0.0
Total, All Methods of Finance	\$39.0	\$39.0	\$42.9	\$45.5

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 367 shows FTE positions for the program.

FIGURE 367
CENTRAL ADMINISTRATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the Central Administration Program would have the following adverse effects:

- eliminating the Office of Public Interest Counsel would violate current statutory requirements relating to the office. For matters referred to a contested case hearing, the record would be less developed for the presiding administrative law judge and the agency to consider. The agency would lose an objective perspective from an office independent of the Executive Director. The public would no longer have this resource for understanding the legal aspects of procedural questions in commission proceedings;
- eliminating the Office of the Chief Clerk would violate current statutory requirements relating to the office. It would impede the agency’s ability to mail required notices and documents to applicants and other parties; facilitate public meetings independently; receive and track public comments; and prepare information for the agency commissioners;
- eliminating the Chief Auditor’s Office would end compliance with the current statutory requirement to implement an internal audit program and appoint an internal auditor; the state would have no independent oversight of the agency’s programs and processes;
- eliminating the Office of the General Counsel would end compliance with the current statutory requirement related to this office. The agency would not have legal counsel in contested matters in which it is prohibited under state law from consulting with Executive Director staff and other parties. Eliminating the office also could lead to delays in permitting because the General Counsel’s staff reviews certain permits for compliance and legality;
- the performance of all supported agency programs would be decreased. The agency would be unable to hire new employees or to process payroll, process invoices, execute contracts, process revenue, and monitor and report on the agency budget;

- federal funding could be at risk, if the agency were found deficient of carrying out federally mandated responsibilities regarding civil rights laws within respective programs; and
- the absence of the Budget and Planning Division could affect federal funding for the state administration of various pollution control and other environmental programs. The Federal Funds Section aids agency program grant managers, notifies the agency of grant funding opportunities, coordinates and submits grant actions to the grantor, and monitors federal grant expenditures and program performance.

INFORMATION RESOURCES

The Texas Water Code, Section 5.223; the Texas Government Code, Section 2054.056

PROGRAM DESCRIPTION

The Information Resources Program supports the agency’s business-area information and technology needs through execution of strategic and operational plans, policies, procedures, and activities in the delivery of infrastructure, software, and customer services. Program functions include infrastructure management, software development, upgrades and ongoing maintenance of information technology systems, cybersecurity implementation and management, budgeting, planning, reporting, and coordination of the agency’s programs focused on records management, processing of public information requests, and on information and communication accessibility.

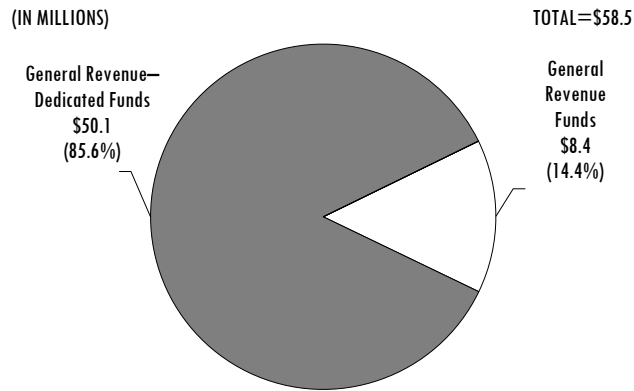
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 368 shows the program’s funding sources by method of finance, including General Revenue Funds totaling \$8.4 million and General Revenue–Dedicated Funds totaling \$11.9 million from Clean Air Account No. 151, \$11.1 million from Account No. 153, \$9.2 million from Account No. 549, \$5.1 million from Account No. 550, \$4.4 million from Account No. 655, and \$8.4 million from Account No. 5094. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 368
INFORMATION RESOURCES PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



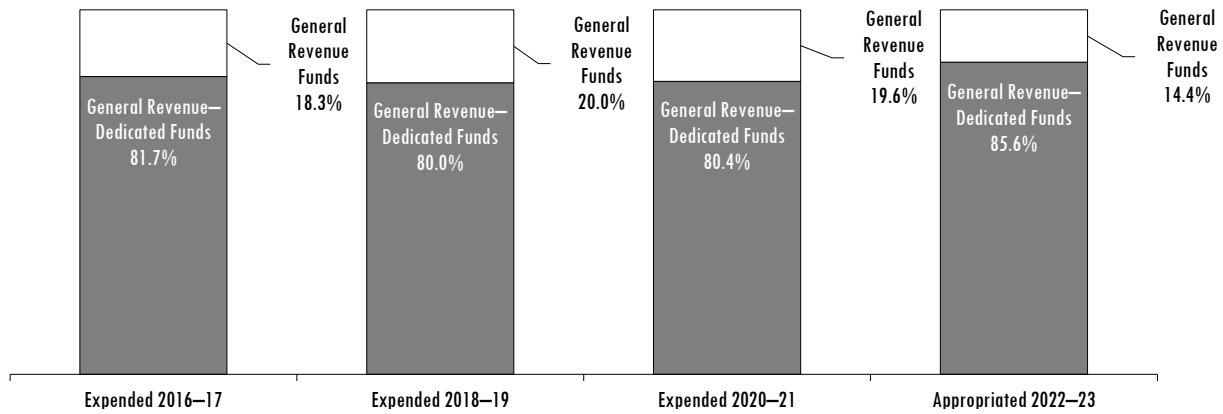
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 369 shows historical funding for the program by method of finance. Program funding has been increasing each biennium since 2016–17 across all methods of finance. House Bill 2, Eighty-seventh Legislature, Regular Session, 2021, appropriated an additional \$4.3 million in General Revenue–Dedicated funds in the 2020–21 biennium, including \$0.2 million for the implementation of CAPPs Human Resources deployment and \$4.1 million to update the occupational licensing and commissioner integrated database. The agency has carried the funds forward into the 2022–23 biennium pursuant to provisions of House Bill 2.

FIGURE 369
INFORMATION RESOURCES PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

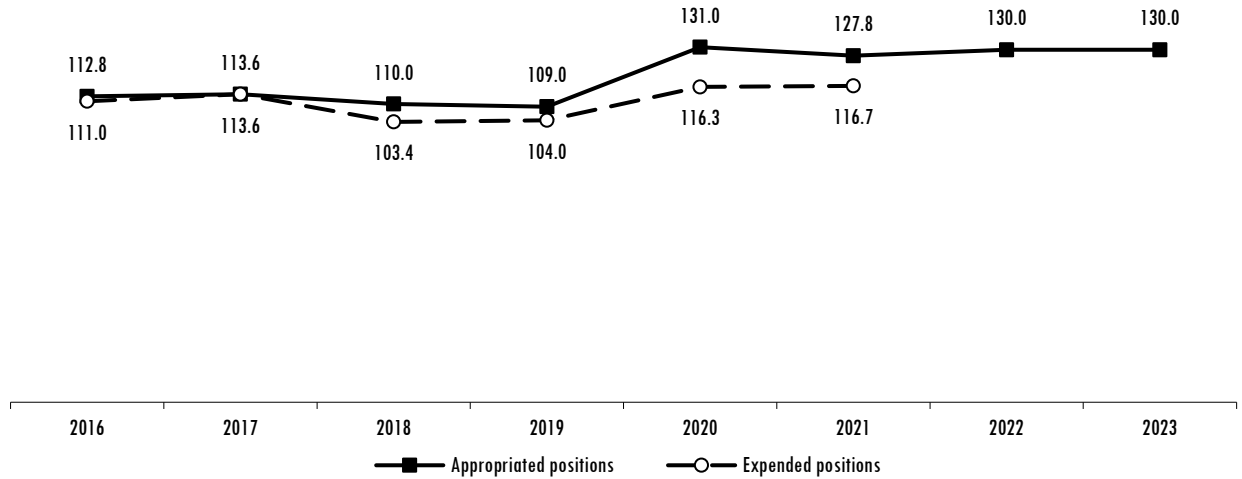
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$8.5	\$9.7	\$10.4	\$8.4
General Revenue–Dedicated Funds	\$37.8	\$38.8	\$42.6	\$50.1
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$46.3	\$48.5	\$53.0	\$58.5

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 370 shows FTE positions for the program. The number of positions increased in the 2020–21 biennium and are continuing in the 2022–23 biennium at similar levels.

FIGURE 370
INFORMATION RESOURCES PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would affect the agency’s budget because the agency would lose information technology-supported business processes. Additionally, the agency would incur costs associated with the response to security events due to loss of information security funding.

OTHER SUPPORT SERVICES

The Texas Water Code, Section 5.222

PROGRAM DESCRIPTION

The Other Support Services Program provides enterprise support to the Financial Administration, Human Resources, and Staff Services divisions. These divisions are responsible for providing core business services, including services related to the historically underutilized business program, procurement and contracting, mail services, safety, fleet, and asset and risk management. The agency centralizes management of payment for rent and utilities within this program.

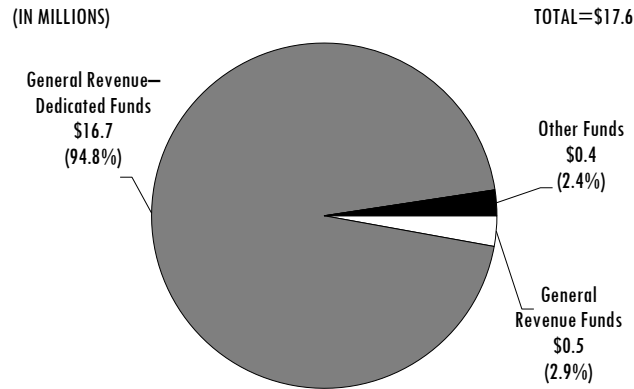
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 371 shows the program’s funding sources by method of finance, which consist of General Revenue Funds totaling \$0.5 million; General Revenue–Dedicated Funds totaling \$6.3 million from Account No. 151, \$3.5 million from Account No. 153, \$1.9 million from Account No. 549, \$0.2 million from Account No. 550, \$4.8 million from Account No. 5094; and \$0.4 million in Other Funds in Appropriated Receipts. See Appendix TCEQ–A for details regarding General Revenue–Dedicated accounts.

FIGURE 371
OTHER SUPPORT SERVICES PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



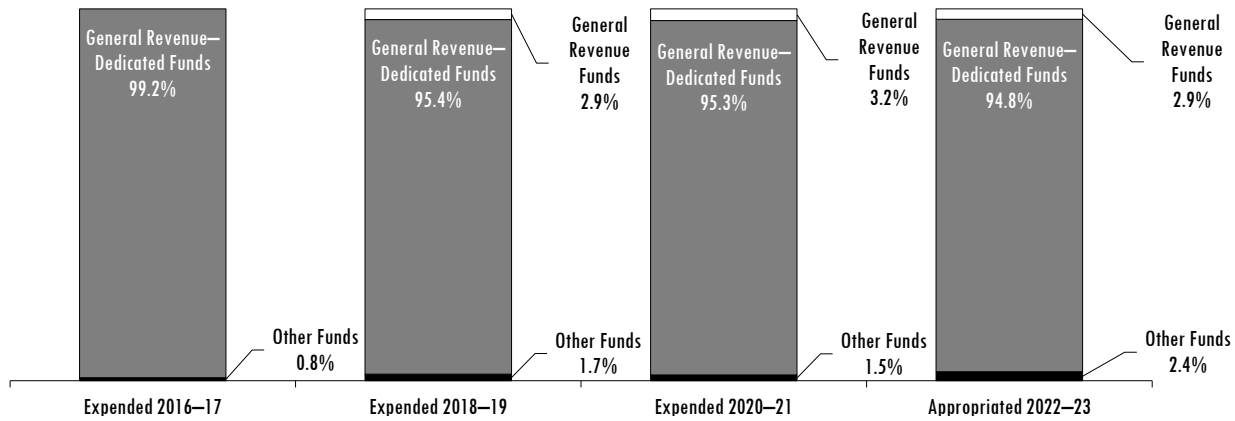
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

HISTORICAL FUNDING

Figure 372 shows historical funding for the program by method of finance.

FIGURE 372
OTHER SUPPORT SERVICES PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

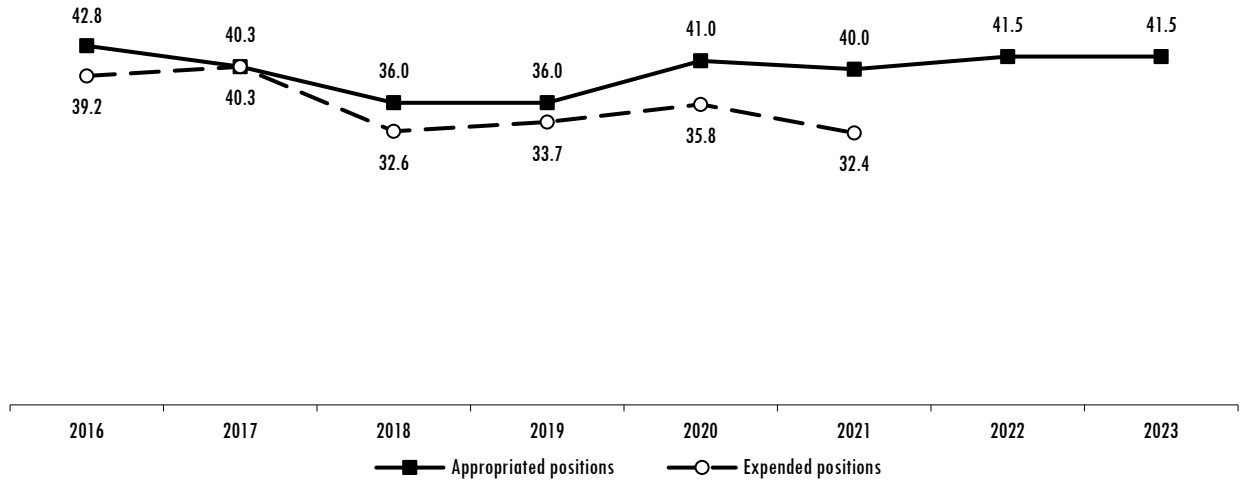
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.5	\$0.5	\$0.5
General Revenue–Dedicated Funds	\$16.5	\$16.4	\$16.2	\$16.7
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.1	\$0.3	\$0.3	\$0.4
Total, All Methods of Finance	\$16.7	\$17.2	\$17.0	\$17.6

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

FULL-TIME-EQUIVALENT POSITIONS

Figure 373 shows FTE positions for the program. The number of program positions has continued at similar levels since the 2020–21 biennium. Employee turnover accounted for the decreases in expended positions during the 2020–21 biennium.

FIGURE 373
OTHER SUPPORT SERVICES PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Commission on Environmental Quality.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would require transferring the following responsibilities to other program areas and regional offices: managing lease contracts, fleet services, copier contracts, processing utility payments, and Texas Facilities Commission contracts and projects. In addition, other program area staff would need to provide additional resources and develop expertise and project management oversight of responsibilities currently managed by the program.

APPENDIX TCEQ–A – GENERAL REVENUE–DEDICATED ACCOUNTS DETAILS

This appendix provides additional details on the General Revenue–Dedicated accounts associated with the Texas Commission on Environmental Quality (TCEQ) since fiscal year 2016, including an account description, statutory authority, revenue streams, and fee assessments. Information included in this appendix does not consider or represent revenues generated from donations, interest, or penalties for the following accounts.

GENERAL REVENUE–DEDICATED ACCOUNT NO. 88, LOW LEVEL WASTE

The Texas Health and Safety Code, Section 401.249

General Revenue–Dedicated Account No. 88, Low Level Waste (Account No. 88), receives fee revenue collected by TCEQ for application and licensing of low-level radioactive waste disposal in the state (\$500,000 is collected to recover costs). Funds equal to appropriated amounts established in the General Appropriations Act to the Low-level Radioactive Waste Disposal Compact Commission are transferred to General Revenue–Dedicated Account No. 5151, Texas Low-level Radioactive Waste Disposal Compact Commission (Account No. 5151), each fiscal year. Any unused or lapsed funds from Account No. 5151 are remitted back to Account No. 88 at the end of each fiscal year. TCEQ also may transfer funds from Account No. 88 to General Revenue–Dedicated Account No. 5158, Environmental Radiation and Perpetual Care (Account No. 5158), to issue refunds to low-level radioactive waste license holders after certain obligations are satisfied pursuant to the Texas Health and Safety Code, Chapter 401.

Figure TCEQ–A–1 shows the fees that are assessed, collected, and deposited to Account No. 88 including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

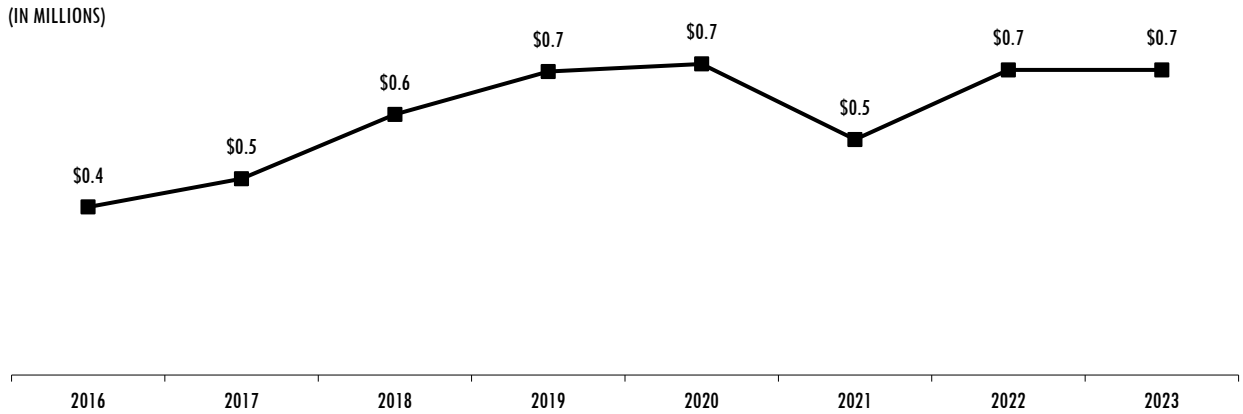
**FIGURE TCEQ–A–1
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 88, LOW LEVEL WASTE**

FEE DESCRIPTION	STATUTORY AUTHORITY	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Compact Waste Disposal Facility License	The Texas Health and Safety Code, §§401.229 and 401.246	\$500,000 or more per application prior to facility opening then based on agency fees that are calculated annually	Billed Fee	September 1, 2003
Party State Compact Low-Level Rad Disposal	The Texas Health and Safety Code, §401.246 (a)(6)	Based on fees set by TCEQ that are calculated annually	Billed Fee	September 1, 2003
Low-Level Radioactive Waste Party State Payments	The Texas Health and Safety Code, §§401.250 and 403.006	\$30,000,000 from each participating nonhost state joining from January 11, 2011, to August 31, 2018; \$50,000,000 from each nonhost state joining from September 1, 2018, to August 31, 2023	Billed Fee	September 1, 2011

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–2 shows the revenue deposited to Account No. 88 resulting from fees assessed by TCEQ.

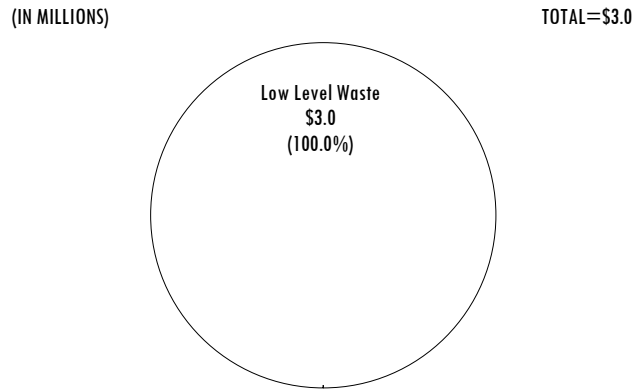
FIGURE TCEQ-A-2
GENERAL REVENUE-DEDICATED ACCOUNT NO. 88, LOW LEVEL WASTE, FEE REVENUE DEPOSITS, FISCAL YEARS 2016 TO 2023



NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate.
 SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ-A-3 shows 2022-23 biennial appropriations from Account No. 88 by program.

FIGURE TCEQ-A-3
GENERAL REVENUE-DEDICATED ACCOUNT NO. 88, LOW LEVEL WASTE, APPROPRIATIONS BY PROGRAM, 2022-23 BIENNIUM



SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE-DEDICATED, CLEAN AIR ACCOUNT NO. 151

The Texas Health and Safety Code, Sections 382.0335, 382.051866, 382.062(b), and 382.220

General Revenue-Dedicated Account No. 151, Clean Air (Account No. 151), was established to receive Clean Air Act fees used to safeguard air resources of the state, including payments to Texas Department of Public Safety for cost of administering vehicle emissions inspection and maintenance programs.

Figure TCEQ-A-4 shows the fees that are assessed, collected, and deposited to Account No. 151, including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

**FIGURE TCEQ–A–4
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 151, CLEAN AIR**

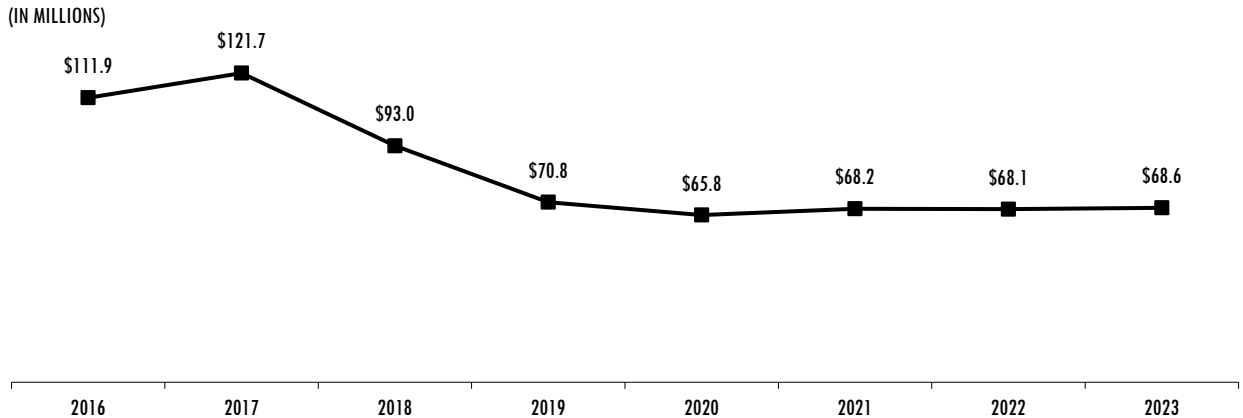
FEE DESCRIPTION	STATUTORY AUTHORITY, THE TEXAS HEALTH AND SAFETY CODE	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Motor Vehicle Safety Inspection Fee	§382.0622	\$2.00 per sticker collected by the Department Motor Vehicles during registration	Collected by Department of Public Safety (DPS)	September 1, 1991
Motor Vehicle Emissions Inspection Fee	§382.202(e)	\$0.50 per vehicle (20% of \$2.50 DPS sticker fee)	Collected by DPS	May 1, 2002
Auto Emission Inspection, On-Board Diagnostic (OBD) (1)	§382.209(a) and (b), §382.302(c)	\$6.00 for OBD test on 1996 or newer cars; Additional \$2.50 Inspection and Maintenance (I/M) fee in Dallas-Fort Worth and Houston-Galveston-Brazoria nonattainment areas; Additional \$2.00 I/M fee for Travis and Williamson Counties.	Collected by DPS	May 1, 2002
Air Permit Fee	§382.062	0.30 percent of capital cost or \$32 Dollars per ton under flexible permit; \$900 Min, \$75k Max	Application Fee	October 20, 2002
Air Inspection Fee	§382.062	\$75K max; rates range from \$840 to \$25,090 based on manufacturing type and amount of emission; rate adjusted annually by Consumer Price Index (CPI)	Billed Fee	October 20, 2002
Air Permit Renewal Fee	§382.062	\$600 to \$10,000 based on emission tonnage; issued for 5 years	Application Fee	October 20, 2002
Air Permit Amendment Fee	§382.062	0.30 percent of capital cost; \$900 Min, \$75k Max	Application Fee	October 20, 2002
Permit by Rule Fee	§382.062	\$100 for small businesses, cities, and Independent School Districts less than 10K; \$450 all others	Application Fee	October 20, 2002
Air Permit Expedited Fee	§382.05155(d)	\$500 to \$20,000 plus any additional costs to expedite the permit	Application Fee	November 13, 2014

NOTE: (1) The fee was discontinued after the Governor vetoed 2018–19 biennial appropriations for the Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement program.

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–5 shows the revenue deposited to Account No. 151 resulting from fees assessed by TCEQ. Revenues decreased during fiscal year 2018 after the Governor vetoed 2018–19 appropriations for the Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program. Fee revenue was no longer needed for program funding.

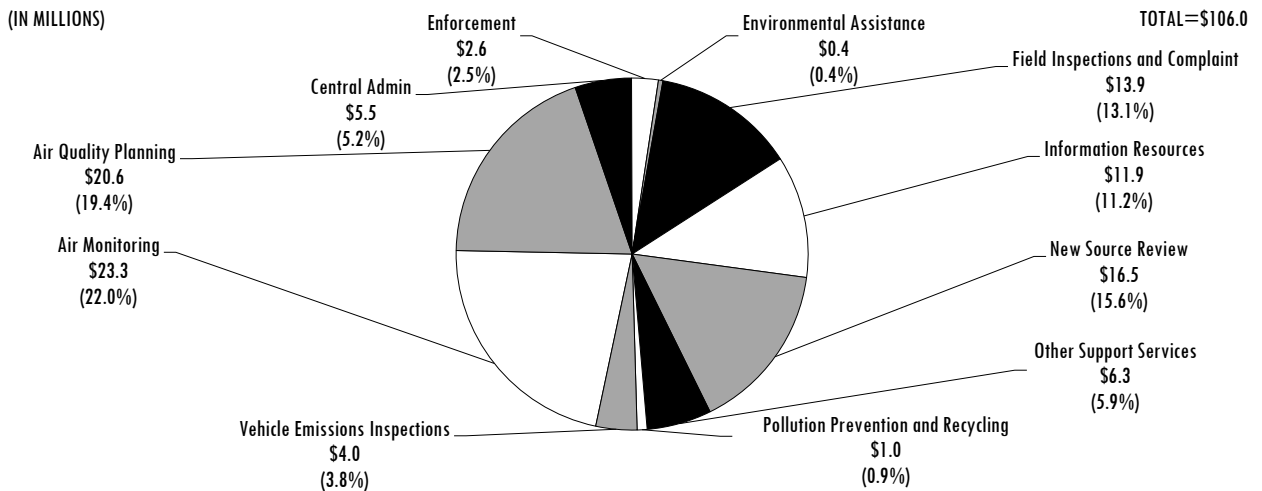
FIGURE TCEQ-A-5
GENERAL REVENUE-DEDICATED ACCOUNT NO. 151, CLEAN AIR, FEE REVENUE DEPOSITS, FISCAL YEARS 2016 TO 2023



NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate. SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ-A-6 shows 2022-23 biennial appropriations from Account No. 151 by program. Amounts shown do not include appropriations from the account for Texas A&M AgriLife Research programs.

FIGURE TCEQ-A-6
GENERAL REVENUE-DEDICATED ACCOUNT NO. 151, CLEAN AIR, APPROPRIATIONS BY PROGRAM, 2022-23 BIENNIUM



NOTES:
 (1) Totals may not sum due to rounding.
 (2) Appropriations for Texas A&M AgriLife Research programs are not included.
 SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE-DEDICATED ACCOUNT NO. 153, WATER RESOURCE MANAGEMENT

The Texas Health and Safety Code, Section 371.061; the Texas Water Code, Section 26.0291(f)

General Revenue-Dedicated Account No. 153, Water Resource Management (Account No. 153), receives waste treatment inspection fees, recovery of costs to protect water resources, water supply system owner fees, assessments on public utilities, certification of boat sewage disposal devices, and other application and permit fees and penalties. Allowable uses of funds include inspecting waste treatment facilities; enforcing laws related to waste discharge and waste treatment facilities; water quality

management and water resource management programs; registration of used oil collection centers, used oil transporters, used oil marketers, and used oil recyclers; and grants and public education related to used oil recycling.

Figure TCEQ-A-7 shows the fees that are assessed, collected, and deposited to Account No. 153 including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

**FIGURE TCEQ-A-7
FEES DEPOSITED IN GENERAL REVENUE-DEDICATED ACCOUNT NO. 153, WATER RESOURCE MANAGEMENT**

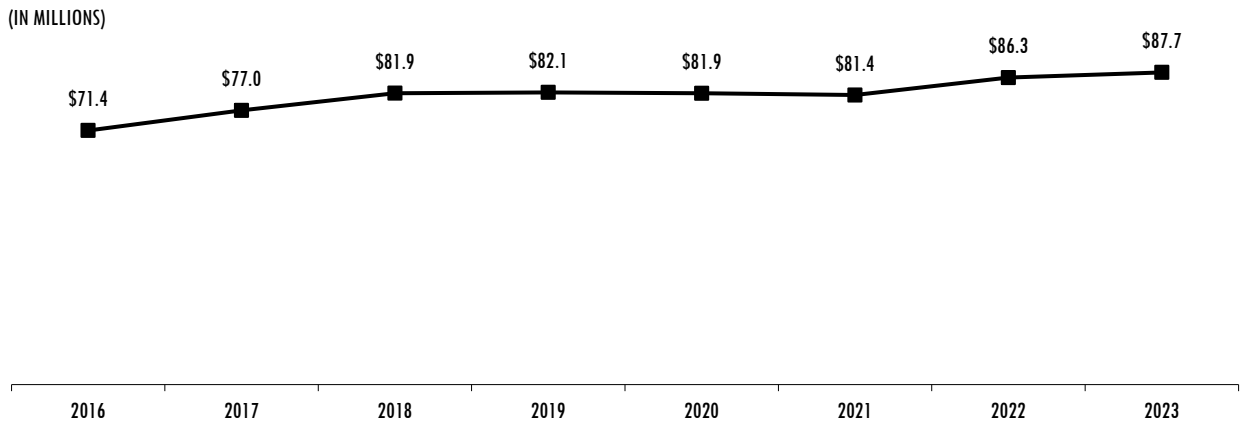
FEE DESCRIPTION	STATUTORY AUTHORITY	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Water Utility Regulatory Assessment Fee	The Texas Water Code, §5.701(n)	0.5% to 1.0% of utility companies' retail water service charges	Self-Assessed/Self Pay	September 1, 1997
Water Use Permit Application Fee	The Texas Water Code, §5.701(c)	\$100 to \$2,000 based on acre-feet	Application Fee	January 7, 1994
Water District Creation Application Fee	The Texas Water Code, §5.701(e)	\$700 plus cost of notice	Application Fee	September 1, 1997
Temporary or Emergency Water Use Permit	The Texas Water Code, §11.138(g)	\$100 to \$250, based on number of acre-feet, plus notice, max \$500	Application Fee	January 7, 1994
Miscellaneous Water District Application Fee	The Texas Water Code, §5.701(b)	\$100 plus cost of notice	Application Fee	January 7, 1994
Water Use Permit – Construction Delay	The Texas Water Code, §11.145	Based on number of acre-feet, plus cost of notice, \$2,000 max	Application Fee	January 7, 1994
Water Rate Appeals Filing, Application, Petition, Recording Fee	The Texas Water Code, §§5.701(b) and 11.041(b)	\$100 application plus \$25 deposit	Application Fee	September 1, 1997
Municipal Waste Permit	The Texas Water Code, §5.701	\$100 application plus \$50 notice	Application Fee	March 27, 2006
Water Use Assessment Fee	The Texas Water Code, §26.0135(h)	For consumptive use, \$0.385 per acre-foot; for non-consumptive use \$0.021 per acre-foot	Billed Fee	July 8, 2009
Water Utility Bond Issue Application Fee	The Texas Water Code, §5.701(f)	\$500 plus cost of notice	Application Fee	October 22, 1996
Water Utility Bond Issue Proceeds Fee	The Texas Water Code, §5.701(f)	Not to exceed 0.25 percent of bond issue principal	Application Fee	April 15, 1994
Water Quality Permit Application Fee	The Texas Water Code, §5.701	\$100 to \$2,001	Application Fee	September 1, 1997
Public Health Service Fee	The Texas Health and Safety Code, §341.041	\$125 minimum, 25–161 connections \$200, then \$2.45 per number of retail connections	Billed Fee	July 8, 2009
Aggregate Production Operations	The Texas Water Code, §28A.101	0–10 acres, \$474; 10– 50 acres, \$790; 50– 100 acres, \$1,106; more than 100 acres, \$1,500	Application Fee	May 22, 2013
General Permit Wastewater (Concrete Production, Aqua Culture,	The Texas Water Code, §26.040	\$100 to \$300 application; \$100 to \$800 annual fee depending on permit type	Application Fee/Annual Fee	September 1, 1997

Petroleum Bulk Station and Terminals, Hydrostatic Test Water, Petroleum Fuel or Substance, and Concentrated Animal Feeding Operations)					
Boat Sewage Disposal Device Certification	The Texas Water Code, §26.044	\$15 fee for marine sanitation device; \$35 for initial certification of pump out facility with \$25 dollar renewal fee	Application Fee/Renewal Fee		November 11, 2010
General Permit Storm Water (Multisector, Municipal Separate Storm Sewer System, and Construction)	The Texas Water Code §§26.040, 26.021, and 26.029	\$100 application; \$100 to \$200 annual Water Quality Fee and \$225 to \$325 Construction fee	Billed Fee		March 5, 2003
General Permit Wastewater Livestock Manure Compost Operation	The Texas Water Code, §26.040	\$100 application; \$100 annual Water Quality Fee	Billed Fee		September 1, 1997
Consolidated Water Quality Fee	The Texas Water Code, §§26.0291 and 26.0135(h)	\$620 to \$125,000, depending on volume, pollutants, toxicity	Billed Fee		July 8, 2009
Edwards Aquifer Development Application Fee	The Texas Water Code, §26.0461(d)	\$650 to \$10,000 based on acreage, sewage system, linear feet of pipe	Self-Assessed/Self Pay		April 24, 2008
Disposal Waste, Injection, or Gas Well Fee	The Texas Water Code, §27.014	\$100 nonhazardous and \$2,000 hazardous	Application Fee		September 1, 1995
Onsite Sewage Disposal System Permit	The Texas Health and Safety Code, §366.058	\$200 for single-family dwelling, \$400 for other	Application Fee		June 13, 2001
Onsite Wastewater Treatment Research Grant	The Texas Health and Safety Code, §367.010	\$10 per application for an onsite septic facility	Billed Fee		April 24, 2008
Automotive Oil Sales Fee	The Texas Health and Safety Code, §371.062(j)	\$0.01 per quart or \$.04 per gallon	Collected by CPA		September 1, 1997

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–8 shows the revenue deposited to Account No. 153 resulting from fees assessed by TCEQ. Senate Bill 1105, Eighty-fifth Legislature, Regular Session, 2017, abolished General Revenue–Dedicated Account No. 146, Used Oil Recycling, and transferred the revenue collected from the Automotive Oil Sales Fee to Account No. 153 beginning in fiscal year 2018.

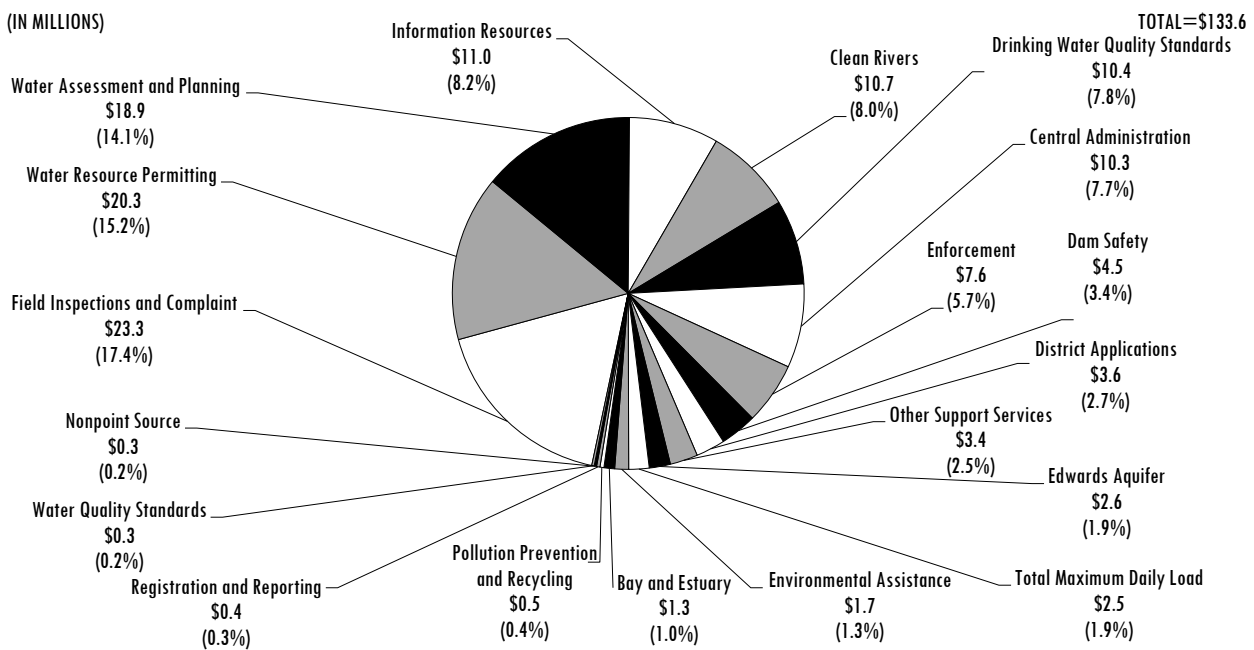
FIGURE TCEQ-A-8
GENERAL REVENUE—DEDICATED ACCOUNT NO. 153, WATER RESOURCE MANAGEMENT, FEE REVENUE DEPOSITS
FISCAL YEARS 2016 TO 2023



NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate.
 SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ-A-9 shows 2022–23 biennial appropriations from Account No. 153 by TCEQ program. Amounts shown do not include appropriations from the account for Public Utility Commission programs. Although the Office of Public Utility Counsel and the Texas Water Development Board also are authorized to receive appropriations from the account, no appropriations were made to these agencies from the account during the 2022–23 biennium.

FIGURE TCEQ-A-9
GENERAL REVENUE—DEDICATED ACCOUNT NO. 153, WATER RESOURCE MANAGEMENT, APPROPRIATIONS BY PROGRAM
2022–23 BIENNIUM



NOTES:
 (1) Totals may not sum due to rounding.
 (2) Appropriations for Public Utility Commission programs are not included.
 SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE–DEDICATED ACCOUNT NO. 158, WATERMASTER ADMINISTRATION

The Texas Water Code, Sections 11.3291 and 12.113

General Revenue–Dedicated Account No. 158, Watermaster Administration (Account No. 158) receives all collections of cost authorized by the Water Rights Adjudication Act of 1967. In addition, the account receives money from rate assessments to meet budgeted expenses of the Rio Grande and South Texas watermasters’ offices.

Figure TCEQ–A–10 shows the fees that are assessed, collected, and deposited to Account No. 158, including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

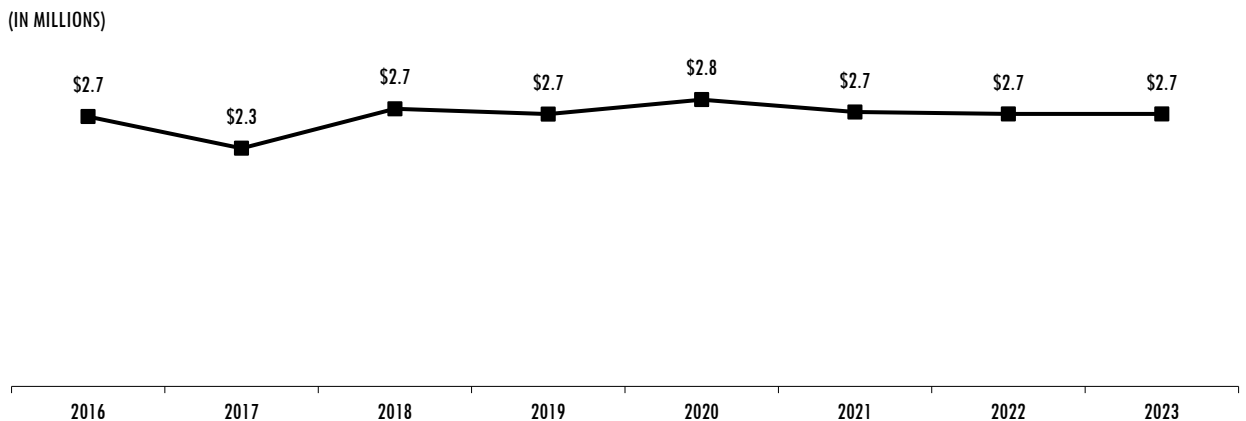
**FIGURE TCEQ–A–10
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 158, WATERMASTER ADMINISTRATION**

FEE DESCRIPTION	STATUTORY AUTHORITY, THE TEXAS WATER CODE	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Brazos Watermaster Assessment	§11.329	0.43616 per acre foot irrigation, 0.5452 per acre foot municipal (rates adjusted annually)	Billed Fee	September 1, 2021
Concho River Watermaster Assessment	11.329	0.4680 per acre foot irrigation, 0.5860 per acre foot municipal (rates adjusted annually)	Billed Fee	September 1, 2021
Rio Grande Watermaster Assessment	§11.329	0.2246 per acre foot irrigation, 0.2807 per acre foot municipal (rates adjusted annually)	Billed Fee	September 1, 2021
South Texas Watermaster Assessment	§11.329	0.1904 per acre foot irrigation, 0.2380 per acre foot municipal	Billed Fee	September 1, 2021

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–11 shows the revenue deposited to Account No. 158 resulting from fees assessed by TCEQ.

**FIGURE TCEQ–A–11
GENERAL REVENUE–DEDICATED ACCOUNT NO. 158, WATERMASTER ADMINISTRATION, FEE REVENUE DEPOSITS
FISCAL YEARS 2016 TO 2023**



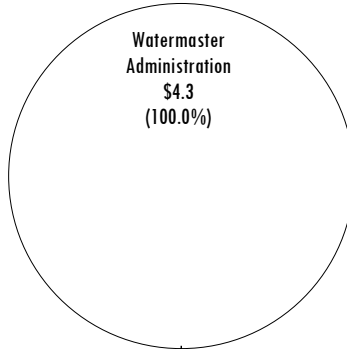
NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts’ Biennial Revenue Estimate.
SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ–A–12 shows 2022–23 biennial appropriations from Account No. 153 by program.

**FIGURE TCEQ–A–12
GENERAL REVENUE–DEDICATED ACCOUNT NO. 158, WATERMASTER ADMINISTRATION, APPROPRIATIONS BY PROGRAM
2022–23 BIENNIUM**

(IN MILLIONS)

TOTAL=\$4.3



SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE–DEDICATED ACCOUNT NO. 468, TCEQ OCCUPATIONAL LICENSING

The Texas Water Code, Section 37.009

General Revenue–Dedicated Account No. 468, TCEQ Occupational Licensing (Account No. 468), receives fees paid to TCEQ for examination, licensing, registration, and certification of competence related to storage tank, irrigators, water supply system operators, solid waste technicians, wastewater treatment operators and others.

Figure TCEQ–A–13 shows the fees that are assessed, collected, and deposited to Account No. 468, including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

**FIGURE TCEQ–A–13
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 468, TCEQ OCCUPATIONAL LICENSING**

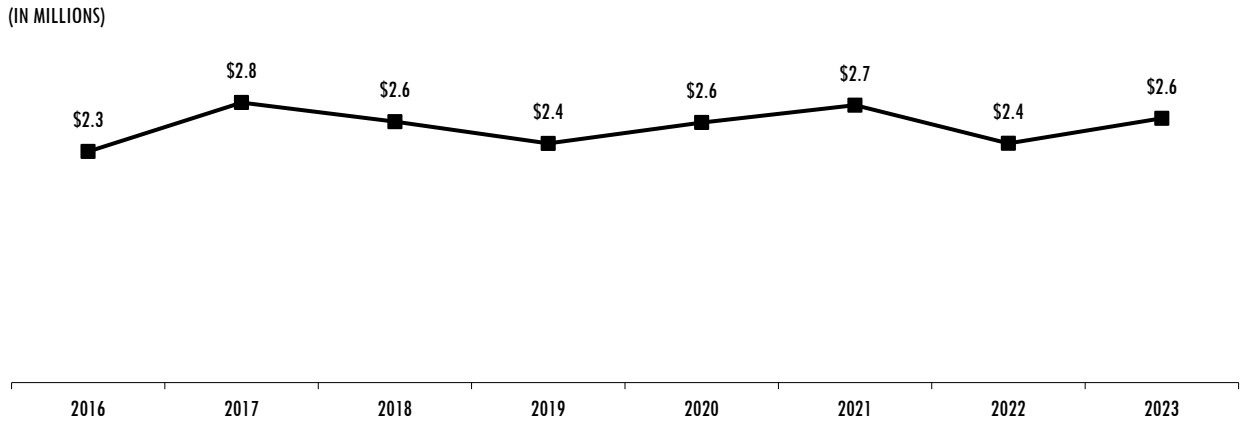
FEE DESCRIPTION	STATUTORY AUTHORITY	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Occupational Training Approval	The Texas Water Code, §§37.003, 37.009	Classroom (existing material), association meeting, and conferences training \$10 per hour, minimum \$50; Classroom (new material), technology based, and correspondence training \$25 per hour, minimum \$100; Association meeting review single \$100 and multiple \$400 chapters	Application Fee	September 27, 2007
Underground Storage Tank Contractors Registration Fee	The Texas Water Code, §§37.003, 26.452, 26.456	\$232 new or renewal	Application Fee	September 1, 2001
Underground Storage Tank Installers License Fee	The Texas Water Code, §§37.003, 26.452, 26.456	\$111 new or renewal	Application Fee	September 27, 2007
Water Treatment Specialist License	The Texas Water Code, §37.003; the Texas Health and Safety Code, §341.034	\$111 new or renewal	Application Fee	September 1, 2001

Landscape Irrigator, Technician, and Inspector License	The Texas Water Code, §37.003; the Texas Occupations Code, §1903.251	\$111 new or renewal, both irrigators and installers	Application Fee	September 1, 2001
Water System Operators License and Water System Operating Company Registration	The Texas Health and Safety Code, §341.034(a) and (b); the Texas Water Code, §37.003	Based on number of facilities served: 0 to 4, \$122; 5 to 9, \$240; 10 to 19, \$399; 20 or more, \$636	Application Fee	September 1, 2001
Backflow Prevention Assembly Tester License	The Texas Water Code, §37.003; the Texas Health and Safety Code, §341.034	\$111 new or renewal	Application Fee	September 1, 2001
Customer Service Inspector License	The Texas Water Code §37.003; the Texas Health and Safety Code, §341.034(d)	\$111 new or renewal	Application Fee	December 17, 2001
Leaking Petroleum Storage Tank (LPST) Corrective Action Specialist Registration Fee	The Texas Water Code, §37.003; §§26.364 to 26.367	\$232 new or renewal	Application Fee	September 1, 2001
LPST Project Manager Fee	The Texas Water Code, §§37.003 and 26.366	\$111 new or renewal	Application Fee	September 1, 2001
Municipal Solid Waste Supervisor License	The Texas Water Code, §37.003; the Texas Health and Safety Code, §361.027	\$111 new or renewal	Application Fee	September 1, 2001
Aerobic System Maintenance Provider	The Texas Water Code, §37.003; the Texas Health and Safety Code, §366.071	\$111 new or renewal	Application Fee	September 1, 2001
Wastewater Treatment and Collection Operators License and Wastewater Treatment Facility Operations Registration	The Texas Water Code, §§37.003, 26.0301(c)	Based on number of facilities served: 0 to 4, \$122; 5 to 9, \$240; 10 to 19, \$399; 20 or more, \$636	Application Fee	September 1, 2001
Onsite Septic Installers License	The Texas Water Code, §37.003; the Texas Health and Safety Code, §366.071	\$111 new or renewal	Application Fee	September 1, 1989

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ-A-14 shows the revenue deposited to Account No. 468 resulting from fees assessed by TCEQ.

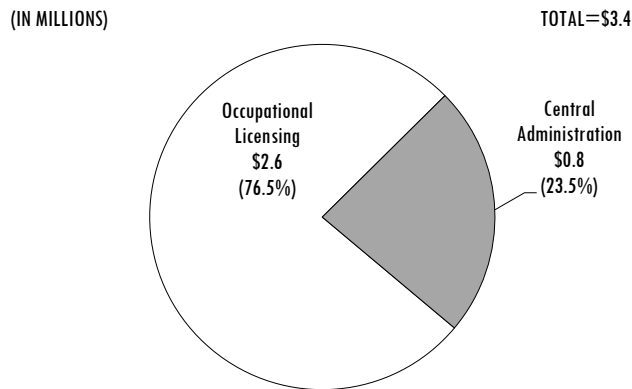
FIGURE TCEQ-A-14
GENERAL REVENUE-DEDICATED ACCOUNT NO. 468, TCEQ OCCUPATIONAL LICENSING, FEE REVENUE DEPOSITS
FISCAL YEARS 2016 TO 2023



NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate.
 SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ-A-15 shows 2022-23 appropriations from Account No. 468 by program.

FIGURE TCEQ-A-15
GENERAL REVENUE-DEDICATED ACCOUNT NO. 468, TCEQ OCCUPATIONAL LICENSING, APPROPRIATIONS BY PROGRAM
2022-23 BIENNIUM



SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE-DEDICATED ACCOUNT NO. 549, WASTE MANAGEMENT

The Texas Health and Safety Code, Section 361.132

General Revenue-Dedicated Account No. 549, Waste Management (Account No. 549), receives revenue collected by TCEQ from fees imposed on industrial solid or hazardous waste generation owners or operators of permitted facilities or those subject to permit. It also receives other fees related to waste management and interest and penalties imposed for late payment of fees. The account receives 66.7 percent of solid waste disposal fee revenues.

Figure TCEQ-A-16 shows the fees that are assessed, collected, and deposited to Account No. 549 including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

FIGURE TCEQ-A-16
FEES DEPOSITED IN GENERAL REVENUE—DEDICATED ACCOUNT NO. 549, WASTE MANAGEMENT

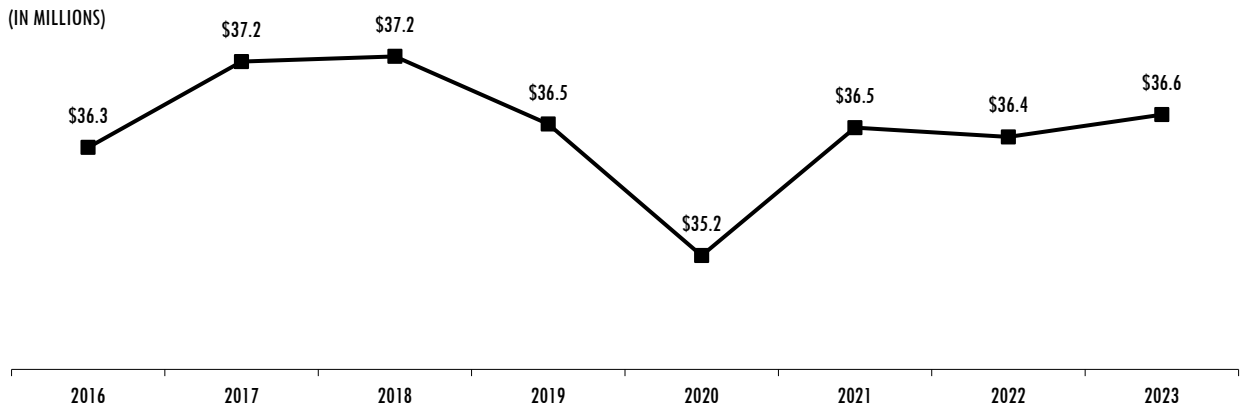
FEE DESCRIPTION	STATUTORY AUTHORITY	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Underground Storage Tank Registration Fee	The Texas Water Code, §26.358(f)	\$50 per tank	Billed Fee	September 1, 1989
Aboveground Storage Tank Registration Fee	The Texas Water Code, §26.358(f)	\$25 per tank	Billed Fee	September 1, 1997
Voluntary Clean Up Program Fee	The Texas Health and Safety Code, §361.604	\$1,000 initial application then hourly thereafter	Billed Fee	September 1, 1997
Toxic Chemical Release Reporting Fee	The Texas Health and Safety Code, §370.008	\$25 per release report form, \$250 max	Billed Fee	July 25, 2005
Radioactive Disposal Site License Fee	The Texas Health and Safety Code, §401.301	Subchapters F and K: \$50,000 application, \$25,000 annual; Subchapter G: \$10,000 application, \$8,400 annual; Subchapter L: \$463,096 or \$322,633 or \$325,910 or \$374,729 based on mining type application, \$60,929.50 annual; Subchapter M \$3,830 or \$39,959 or \$94,661 or \$273,800 application and annual based of waste class	Billed Fee	June 15, 2007
Radioactive Byproduct Fee	The Texas Health and Safety Code §§401.2625 and 401.412(b), (c), (d), and (f); the Texas Administrative Code, Title 30, Subchapter B, §336.105(b)(4)	\$60,929 annual licensing fee	Billed Fee	August 17, 2002
Sludge Class B Land Application Permit	The Texas Health and Safety Code, §361.121	\$1,000 to \$5,000 depending on volume	Application Fee	December 22, 1999
Hazardous Waste Facility Fee	The Texas Health and Safety Code, §361.135	\$2,500 to \$25,000 annually based on capacity; \$25,000 maximum	Billed Fee	April 24, 1995
Hazardous Waste Generation Fee	The Texas Health and Safety Code, §361.134	\$100 for 1 to 50 tons; \$2.00 per ton if total more than 50 tons; \$50,000 max	Billed Fee	September 22, 1999
Nonhazardous Waste Facility Fee	The Texas Health and Safety Code, §361.135	\$500 to \$5,000 annually based on capacity; \$5,000 max	Billed Fee	April 24, 1995
Non-Hazardous Waste Generation Fee	The Texas Health and Safety Code, §361.134	\$50 for 1 to 100 tons; \$0.50 per ton if total more than 100 tons; \$10,000 max	Billed Fee	September 1, 1997
Hazardous Waste Permit Application Fee	The Texas Health and Safety Code, §361.137	\$2,000 to \$50,000; \$50,000 max	Application Fee	April 24, 1995
Hazardous Waste Management Fee	The Texas Health and Safety Code, §361.136	\$1 to \$37.50 per ton based on source and method of disposal;	Self-assessed/self-pay	April 24, 1995

	(b)(1)(A) and (d)	annual collection shall not exceed \$16 million after making payments to counties		
Class 1 Commercial Waste Management Fee	The Texas Health and Safety Code, §361.136(b)(1)(B) and (b)(2)	\$3.20 to \$7.50 per ton based on source and method of disposal; annual collection shall not exceed \$16 million after making payments to counties	Self-assessed/self-pay	September 1, 2003
Municipal Setting Designation Application	The Texas Health and Safety Code, §361.804(b)	\$1,000	Application Fee	October 20, 2005
Sludge Hauler Registration Fee (1)	The Texas Health and Safety Code, §361.013(c)	\$100 to \$500 per year based on volume hauling	Billed Fee	September 1, 1995
Sludge Beneficial Land Use Fee (1)	The Texas Health and Safety Code, §361.013(a)	\$0.75 per dry ton for beneficial use, \$100 minimum	Billed Fee	February 1, 1995
Sludge Hauler Sticker Fee (1)	The Texas Health and Safety Code, §361.013(c)	\$10 per motor transport vehicle	Self-assessed/self-pay	September 1, 1995
Sludge Beneficial Land Use Permit Fee (1)	The Texas Health and Safety Code, §361.013(a)	\$100 to \$500 based on quantity	Billed Fee	September 1, 1995
Sludge Surface Disposal Permit Fee (1)	The Texas Health and Safety Code, §361.013(a)	\$1.25 per ton, \$100 minimum	Billed Fee	March 27, 2000
Solid Waste Medical Waste Transport Fee (1)	The Texas Health and Safety Code, §361.013(a)	\$100 to \$500 based on weight	Self-assessed/self-pay	September 1, 1993
Solid Waste Disposal Permit Fee (1)	The Texas Health and Safety Code, §361.013(a)	\$100 application fee and \$50 per notice	Self-assessed/self-pay	August 27, 2006
Solid Waste Disposal Fee (1)	The Texas Health and Safety Code, §361.013(a)	\$0.94 per ton by weight; \$0.30 per cubic yard compacted, \$0.19 per cubic yard un-compacted by volume	Billed Fee	August 30, 1998

NOTE: (1) Account No. 549 receives 66.7 percent of fee revenue. General Revenue–Dedicated Account No. 5000, Solid Waste Disposal Account, receives the remaining 33.3 percent.
 SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–17 shows the revenue deposited to Account No. 549 resulting from fees assessed by TCEQ.

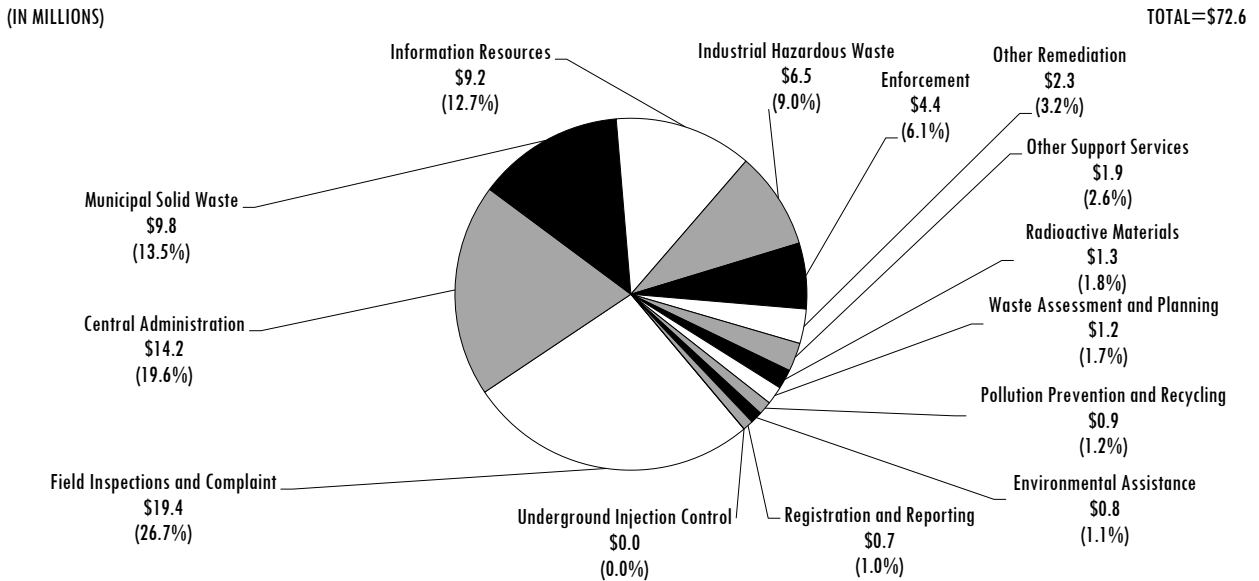
FIGURE TCEQ–A–17
GENERAL REVENUE–DEDICATED ACCOUNT NO. 549, WASTE MANAGEMENT, FEE REVENUE DEPOSITS
FISCAL YEARS 2016 TO 2023



NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate.
 SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ–A–18 shows 2022–23 biennial appropriations from Account No. 549 by program.

FIGURE TCEQ–A–18
GENERAL REVENUE–DEDICATED ACCOUNT NO. 549, WASTE MANAGEMENT, APPROPRIATIONS BY PROGRAM
2022–23 BIENNIUM



NOTES:
 (1) Totals may not sum due to rounding.
 (2) Underground Injection Control program appropriations total \$33,806, which is less than 0.1 percent.
 SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE–DEDICATED ACCOUNT NO. 550, HAZARDOUS AND SOLID WASTE REMEDIATION FEE

The Texas Health and Safety Code, Section 361.133

General Revenue–Dedicated Account No. 550, Hazardous and Solid Waste Remediation Fee (Account No. 550), receives revenue collected by TCEQ from fees imposed on owners and operators of industrial solid or hazardous waste facilities for

management or disposal of waste. The account also collects penalties for late fees or late report filing, money paid by a liable party for facility cleanup and maintenance, and transfers from other agencies. TCEQ may adjust the amount of certain fees to maintain an unobligated balance in the account of no more than \$25.0 million at the end of each fiscal year.

Figure TCEQ–A–19 shows the fees that are assessed, collected, and deposited to Account No. 550 including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

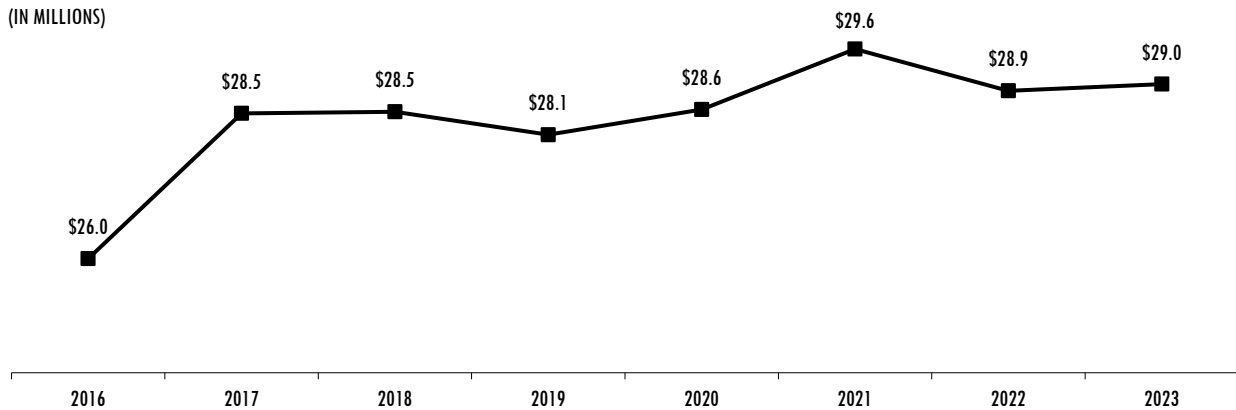
**FIGURE TCEQ–A–19
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 550, HAZARDOUS AND SOLID WASTE REMEDIATION FEE**

FEE DESCRIPTION	STATUTORY AUTHORITY, THE TEXAS HEALTH AND SAFETY CODE	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Innocent Landowner Program Fee	§361.753(b)	\$1,000 initial application	Billed Fee	April 24, 1995
Hazardous Waste Management	§361.136 (b)(1)(A) and (d)	\$1 to \$37.50 per ton based on source and method of disposal; annual collection not to exceed \$16.0 million after making payments to counties	Self-assessed/ self-pay	April 24, 1995
Class 1 Commercial Waste Management	§361.136 (b)(1)(B) and (b)(2)	\$3.20 to \$7.50 per ton based on source and method of disposal	Self-assessed/ self-pay	September 1, 1997
Lead-acid Battery Fee	§361.138(b)	\$2.00 on each retail sale of battery less than 12 volts; \$3.00 on battery 12 volts or greater	Collected by Comptroller of Public Accounts	August 26, 1991

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–20 shows the revenue deposited to Account No. 550 resulting from fees assessed by TCEQ. Revenue increases to the account primarily are due to the rise in the sale of lead-acid batteries since fiscal year 2016.

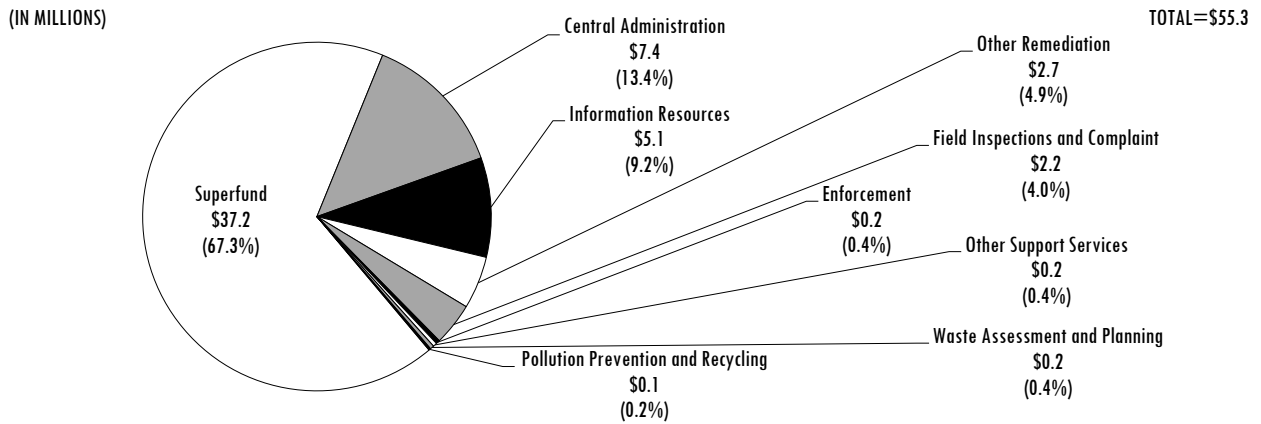
**FIGURE TCEQ–A–20
GENERAL REVENUE–DEDICATED ACCOUNT NO. 550, HAZARDOUS AND SOLID WASTE REMEDIATION FEE, FEE REVENUE DEPOSITS, FISCAL YEARS 2016 TO 2023**



NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate. SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ–A–21 shows 2022–23 biennial appropriations from Account No. 550 by program.

**FIGURE TCEQ–A–21
GENERAL REVENUE–DEDICATED ACCOUNT NO. 550, HAZARDOUS AND SOLID WASTE REMEDIATION FEE, APPROPRIATIONS
BY PROGRAM, 2022–23 BIENNIUM**



NOTE: Totals may not sum due to rounding.
SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE–DEDICATED ACCOUNT NO. 655, PETROLEUM STORAGE TANK REMEDIATION

The Texas Water Code, Sections 26.3573 and 26.3574

General Revenue–Dedicated Account No. 655, Petroleum Storage Tank Remediation (Account No. 655), receives fees, interest, and penalties for late payment of fees, and funds recovered for corrective action and enforcement actions concerning petroleum storage tanks. Funds may be used to pay necessary expenses associated with the administration of the account and groundwater petroleum cleanup program. Any amount up to \$1.0 million may be used to pay expenses associated with corrective action for each occurrence taken in response to a release from a petroleum storage tank. Funds deposited to the account may not be used to compensate third parties for bodily injury or property damage or to reimburse for corrective action performed after September 1, 2005, or for corrective action in a claim filed after March 1, 2008. Fees deposited to the account are assessed based on the account balance.

Figure TCEQ–A–22 shows the fees that are assessed, collected, and deposited to Account No. 655, including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

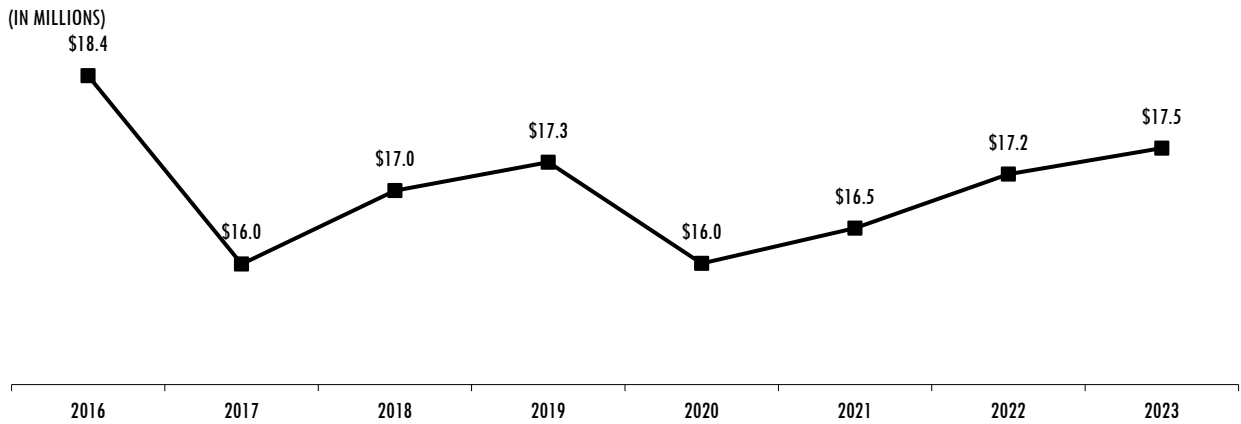
**FIGURE TCEQ–A–22
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 655, PETROLEUM STORAGE TANK REMEDIATION**

FEE DESCRIPTION	STATUTORY AUTHORITY, THE TEXAS WATER CODE	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Petroleum Storage Delivery Fee	§26.3574(b)	Delivery fee rates: \$1.70 for less than 2,500 gallons; \$3.45 for 2,500 to 5,000 gallons; \$5.45 for 5,000 to 8,000 gallons; \$6.95 for 8,000 to 10,000 gallons; \$3.45 for every 5,000 gallons greater than 10,000	Collected by Comptroller of Public Accounts	September 12, 2002

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–23 shows the revenue deposited to Account No. 655 resulting from fees assessed by TCEQ.

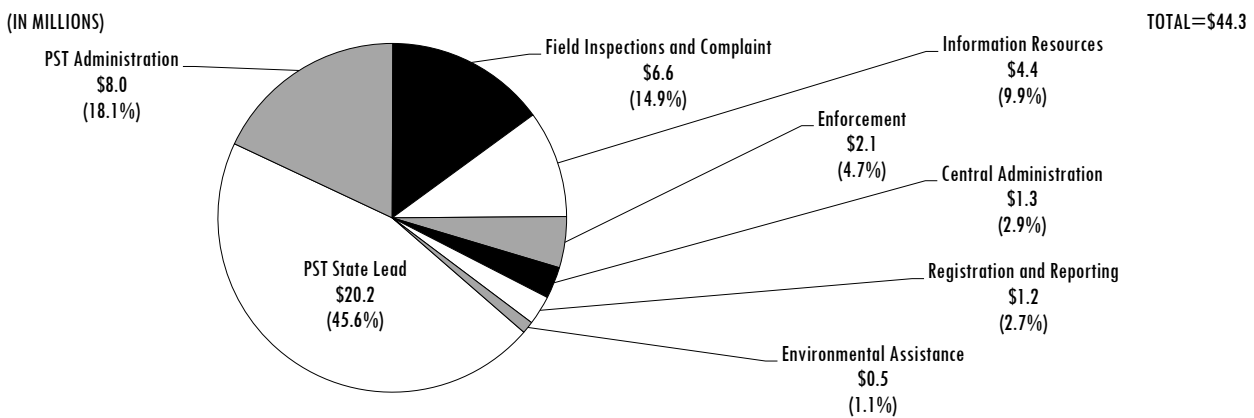
FIGURE TCEQ-A-23
GENERAL REVENUE—DEDICATED ACCOUNT NO. 655, PETROLEUM STORAGE TANK REMEDIATION, FEE REVENUE DEPOSITS, FISCAL YEARS 2016 TO 2023



NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate.
 SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ-A-24 shows 2022-23 biennial appropriations from Account No. 655 by program.

FIGURE TCEQ-A-24
GENERAL REVENUE—DEDICATED ACCOUNT NO. 655, PETROLEUM STORAGE TANK (PST) REMEDIATION, APPROPRIATIONS BY PROGRAM, 2022-23 BIENNIUM



NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE—DEDICATED ACCOUNT NO. 5000, SOLID WASTE DISPOSAL

The Texas Health and Safety Code, Section 361.014(b)

General Revenue—Dedicated Account No. 5000, Solid Waste Disposal (Account No. 5000), receives 33.3 percent of solid waste disposal fee revenues. Funds are utilized for activities to enhance the state's solid waste management program.

Figure TCEQ-A-25 shows the fees that are assessed, collected, and deposited to Account No. 5000, including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

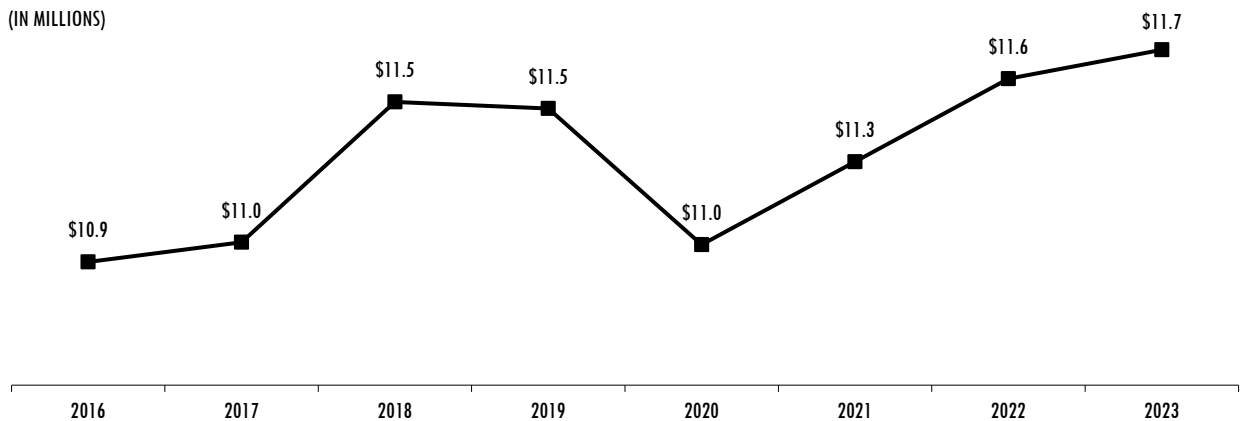
**FIGURE TCEQ–A–25
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 5000, SOLID WASTE DISPOSAL**

FEE DESCRIPTION	STATUTORY AUTHORITY, THE TEXAS HEALTH AND SAFETY CODE	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Sludge Hauler Registration Fee	§361.013(c)	\$100 to \$500 per year based on volume hauling	Billed Fee	September 1, 1995
Sludge Beneficial Land Use Fee	§361.013(a)	\$0.75 per dry ton for beneficial use, \$100 minimum	Billed Fee	February 1, 1995
Sludge Hauler Sticker Fee	§361.013(c)	\$10 per motor transport vehicle	Self-assessed/self-pay	September 1, 1995
Sludge Beneficial Land Use Permit Fee	§361.013(a)	\$100 to \$500 based on quantity	Billed Fee	September 1, 1995
Sludge Surface Disposal Permit Fee	§361.013(a)	\$1.25 per ton, \$100 minimum	Billed Fee	March 27, 2000
Solid Waste Medical Waste Transport Fee	§361.013(a)	\$100 to \$500 based on weight	Self-assessed/self-pay	September 1, 1993
Solid Waste Disposal Permit Fee	§361.013(a)	\$100 application fee and \$50 per notice	Self-assessed/self-pay	August 27, 2006
Solid Waste Disposal Fee	§361.013(a)	\$0.94 per ton by weight; \$0.30 per cubic yard compacted; \$0.19 per cubic yard uncompacted by volume	Billed Fee	August 30, 1998

NOTE: Account No. 5000 receives 33.3 percent of all fee revenue. Account No. 549 receives the remaining 66.7 percent.
SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–26 shows the revenue deposited to Account No. 5000 resulting from fees assessed by TCEQ.

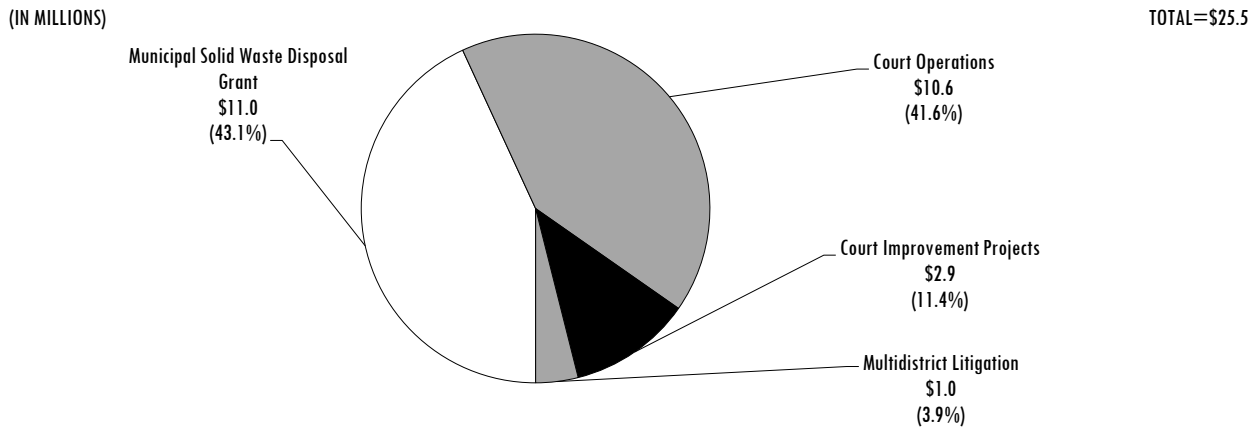
**FIGURE TCEQ–A–26
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5000, SOLID WASTE DISPOSAL, FEE REVENUE DEPOSITS
FISCAL YEARS 2016 TO 2023**



NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate.
SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ–A–27 shows 2022–23 biennial appropriations from Account No. 5000 by program.

FIGURE TCEQ-A-27
GENERAL REVENUE—DEDICATED ACCOUNT NO. 5000, SOLID WASTE DISPOSAL, APPROPRIATIONS BY PROGRAM
2022–23 BIENNIUM



NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE—DEDICATED ACCOUNT NO. 5020, WORKPLACE CHEMICALS LIST

The Texas Health and Safety Code, Sections 505.016 and 506.017

General Revenue—Dedicated Account No. 5020, Workplace Chemicals List (Account No. 5020), receives fees from facility operators for filing Tier II forms relating to hazardous chemicals. Up to 20.0 percent of the funds may be used for grants to local emergency planning committees, up to 15.0 percent may be used to administer the Hazardous Communications Act, and the remainder for administering the Manufacturing Facility Right-to-Know Act and the Public Employer Community Right-to-Know Act.

Figure TCEQ-A-28 shows the fees that are assessed, collected, and deposited to Account No. 5020 including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

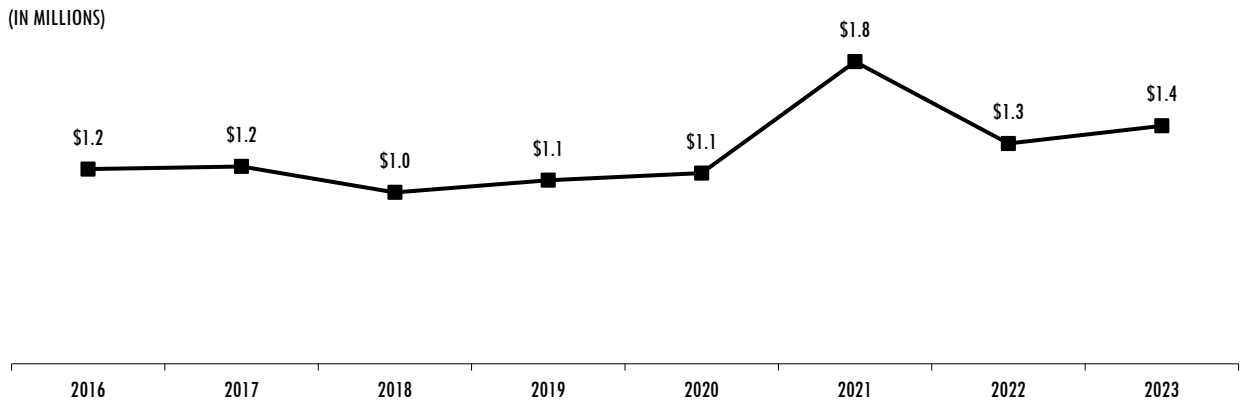
FIGURE TCEQ-A-28
FEES DEPOSITED IN GENERAL REVENUE—DEDICATED ACCOUNT NO. 5020, WORKPLACE CHEMICALS LIST

FEE DESCRIPTION	STATUTORY AUTHORITY, THE TEXAS HEALTH AND SAFETY CODE	CURRENT ASSESSMENT	ASSESSMENT	
			METHOD	LAST DATE OF CHANGE
Tier II Manufacturing	§505.016	\$100 1 to 25 chemicals; \$200 for 26 to 50 chemicals; \$300 for 51 to 75 chemicals; \$400 for 76 to 100 chemicals; \$500 for 101 or more chemicals	Application Fee	September 1, 1993
Tier II Non-Manufacturing	§507.013	\$100 1 to 25 chemicals; \$200 for 26 to 50 chemicals; \$300 for 51 to 75 chemicals; \$400 for 76 to 100 chemicals; \$500 for 101 or more chemicals	Application Fee	September 1, 1993
Tier II Public Employer	§506.017	\$100 1 to 25 chemicals; \$200 for 26 to 50 chemicals; \$300 for 51 to 75 chemicals; \$400 for 76 to 100 chemicals; \$500 for 101 or more chemicals	Application Fee	September 1, 1993

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ-A-29 shows the revenue deposited to Account No. 5020 resulting from fees assessed by TCEQ.

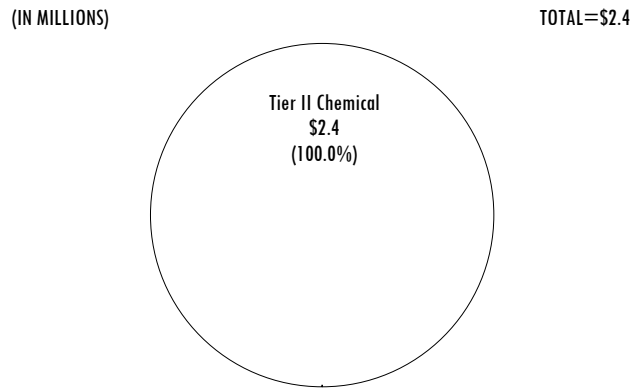
FIGURE TCEQ–A–29
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5020, WORKPLACE CHEMICALS LIST, FEE REVENUE DEPOSITS
FISCAL YEARS 2016 TO 2023



NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate.
 SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ–A–30 shows 2022–23 biennial appropriations from Account No. 5020 by program. These amounts do not include appropriations from the account for Department of State Health Services programs.

FIGURE TCEQ–A–30
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5020, WORKPLACE CHEMICALS LIST, APPROPRIATIONS BY PROGRAM
2022–23 BIENNIUM



NOTE: Appropriations for Department of State Health Services programs are not included.
 SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE–DEDICATED ACCOUNT NO. 5065, ENVIRONMENTAL TESTING LABORATORY ACCREDITATION

The Texas Water Code, Section 5.807

General Revenue–Dedicated Account No. 5065, Environmental Testing Laboratory Accreditation (Account No. 5065), receives all fees related to the accreditation of environmental testing laboratories. Funds are used to pay for costs of the Laboratory Accreditation program.

Figure TCEQ–A–31 shows the fees that are assessed, collected, and deposited to Account No. 5065 including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

**FIGURE TCEQ–A–31
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 5065, ENVIRONMENTAL TESTING LABORATORY ACCREDITATION**

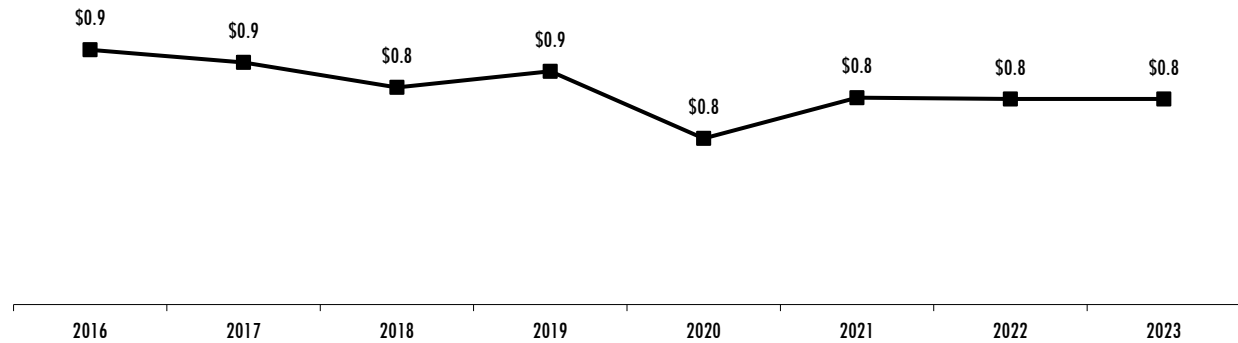
FEE DESCRIPTION	STATUTORY AUTHORITY, THE TEXAS WATER CODE	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Environmental Lab Accreditation	§5.803	\$500 primary, \$350 secondary, plus fee ranging from \$75 to \$300 per media type	Application Fee	September 12, 2002
Safe Drinking Water Lab Certification	§5.803	\$500 primary, \$250 secondary, plus fee ranging from \$75 to \$300 per media type	Application Fee	September 1, 2001

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–32 shows the revenue deposited to Account No. 5065 resulting from fees assessed by TCEQ.

**FIGURE TCEQ–A–32
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5065, ENVIRONMENTAL TESTING LABORATORY ACCREDITATION, FEE REVENUE DEPOSITS, FISCAL YEARS 2016 TO 2023**

(IN MILLIONS)

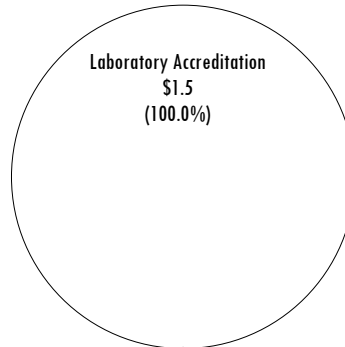


NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate.
SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ–A–33 shows 2022–23 biennial appropriations from Account No. 5020 by program.

FIGURE TCEQ–A–33
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5065, ENVIRONMENTAL TESTING LABORATORY ACCREDITATION,
APPROPRIATIONS BY PROGRAM, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$1.5



SOURCE: Texas Commission on Environmental Quality.

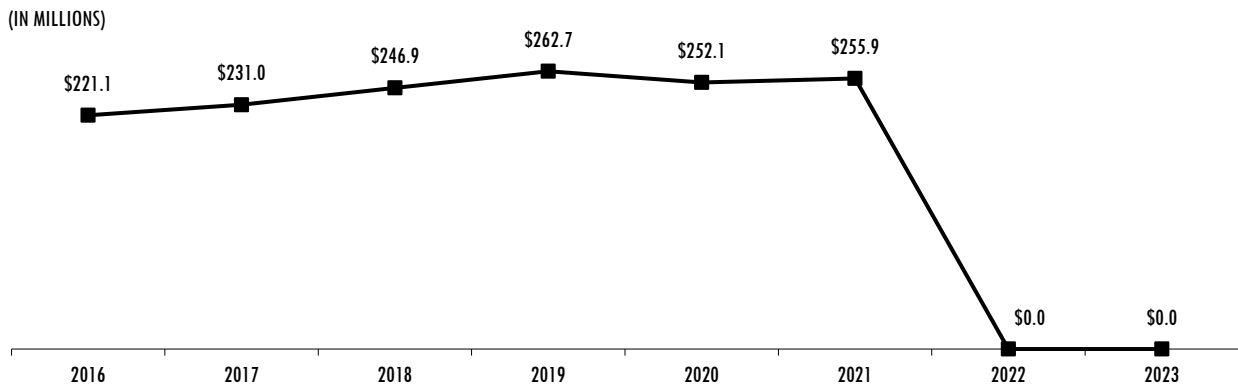
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5071, TEXAS EMISSIONS REDUCTION PLAN

The Texas Health and Safety Code, Sections 386.251 and 388.252

General Revenue–Dedicated Account No. 5071, Texas Emissions Reduction Plan (TERP account), is an account consisting of accumulated balances that previously received surcharges on motor vehicle sales taxes, registrations, inspections, sales taxes on sales or rental of heavy equipment and a portion of title fees. House Bill 3745, Eighty-sixth Legislature, 2019, established the Texas Emissions Reduction Plan Fund, a trust fund held outside of the Treasury that now receives the revenues previously deposited to the TERP account.

Figure TCEQ–A–34 shows the revenue deposited to Account No. 5071 resulting from fees assessed by TCEQ.

FIGURE TCEQ–A–34
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5071, TEXAS EMISSIONS REDUCTION PLAN, FEE REVENUE DEPOSITS
FISCAL YEARS 2016 TO 2023



NOTE: House Bill 3745, Eighty-sixth Legislature, 2019, transferred fee revenue to the Texas Emission Reduction Plan Fund outside of the Treasury beginning September 1, 2021.

SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

GENERAL REVENUE–DEDICATED ACCOUNT NO. 5093, DRY CLEANING FACILITY RELEASE

The Texas Health and Safety Code, Section 374.101

General Revenue–Dedicated Account No. 5093, Dry Cleaning Facility Release (Account No. 5093), receives revenue from fees and charges to dry cleaning facilities, recoveries and penalties, gifts, grants, and reimbursements. Account funds may be used for administration, investigation, and corrective actions related to the Dry Cleaning Remediation program. Senate Bill 872, Eighty-seventh Legislature, Regular Session, 2021, extended the collection of fees to support the program until September 1, 2041.

Figure TCEQ–A–35 shows the fees that are assessed, collected, and deposited to Account No. 5093, including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

**FIGURE TCEQ–A–35
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 5093, DRY CLEANING FACILITY RELEASE**

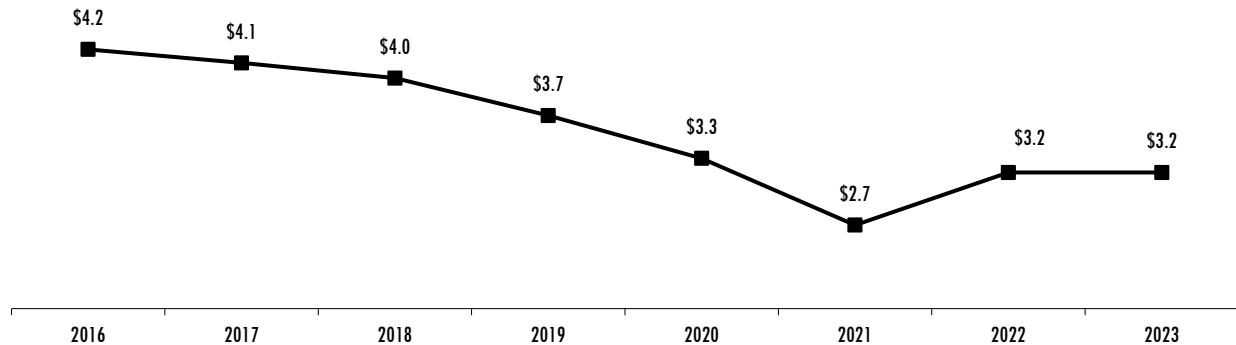
FEE DESCRIPTION	STATUTORY AUTHORITY	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Dry Cleaning Facility Registration	The Texas Health and Safety Code, §374.102	Facility: \$250 per year if less than \$150,000 annual receipts or nonparticipating, otherwise \$2,500 per year; Drop stations \$250 if less than \$150,000, \$750 if greater than \$150,000, \$125 if nonparticipating	Billed Fee	September 1, 2005
Dry Cleaning Penalty	The Texas Health and Safety Code, §374.252; the Texas Water Code, §7.0525	\$1,000 to \$10,000 for violation; \$5 to \$50 per day for expired permit	Billed Fee	September 1, 2003
Dry Cleaning Solvent Fee	The Texas Health and Safety Code, §374.103	\$20 per gallon on perchloroethylene; \$3 per gallon on other solvents	Self-assessed/self-pay	September 1, 2003
Dry Cleaning Deductible	The Texas Health and Safety Code, §374.203	\$5,000 deductible toward corrective action costs	Self-assessed/self-pay	September 1, 2003

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–36 shows the revenue deposited to Account No. 5093 resulting from fees assessed by TCEQ.

**FIGURE TCEQ–A–36
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5093, DRY CLEANING FACILITY RELEASE, FEE REVENUE DEPOSITS
FISCAL YEARS 2016 TO 2023**

(IN MILLIONS)

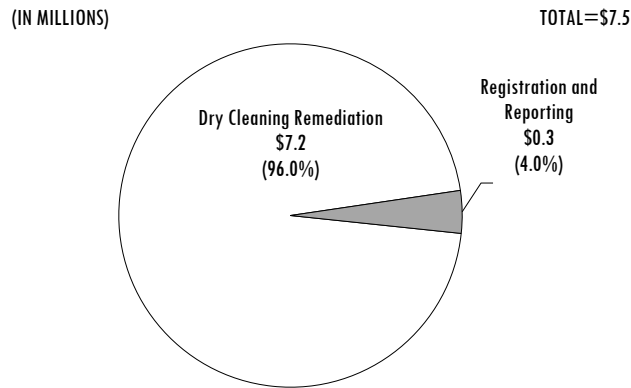


NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the fiscal note for Senate Bill 872, Eighty-seventh Legislature, Regular Session, 2021.

SOURCES: Legislative Budget Board; Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ–A–37 shows 2022–23 biennial appropriations from Account No. 5093 by program.

FIGURE TCEQ–A–37
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5093, DRY CLEANING FACILITY RELEASE, APPROPRIATIONS BY PROGRAM
2022–23 BIENNIUM



SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE–DEDICATED ACCOUNT NO. 5094, OPERATING PERMIT FEES

The Texas Health and Safety Code, Section 382.0622(b-1)

General Revenue–Dedicated Account No. 5094, Operating Permit Fees (Account No. 5094), receives the annual fee based on emissions that is collected pursuant to the Texas Health and Safety Code, Section 382.0621(a). Account funds may only be used to cover the costs of developing and administering the federal permit programs pursuant to the federal Clean Air Act, Title IV and V.

Figure TCEQ–A–38 shows the fees that are assessed, collected, and deposited to Account No. 5094, including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

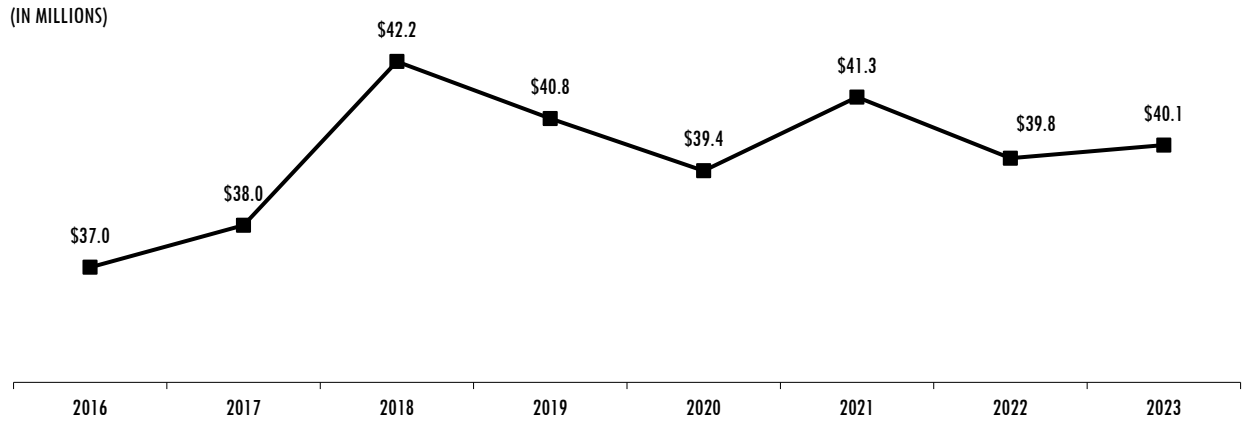
FIGURE TCEQ–A–38
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 5094, OPERATING PERMIT FEES

FEE DESCRIPTION	STATUTORY AUTHORITY, THE TEXAS HEALTH AND SAFETY CODE	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Air Emissions Fee	§382.0621	Formula=Adjusted Base Rate x (CPI/122.15)	Billed Fee	September 25, 2002
Air Inspection Title V Fee	§382.062	\$75,000 max; \$840 to \$25,090 based on manufacturing type and amount of emission; rates are adjusted annually by CPI	Billed Fee	October 20, 2002
Air Emissions Upset and Maintenance	§382.0215	Formula=Adjusted Base Rate x (CPI/122.15)	Billed Fee	September 1, 2016

NOTE: CPI=Consumer Price Index.
 SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–39 shows the revenue deposited to Account No. 5094 resulting from fees assessed by TCEQ.

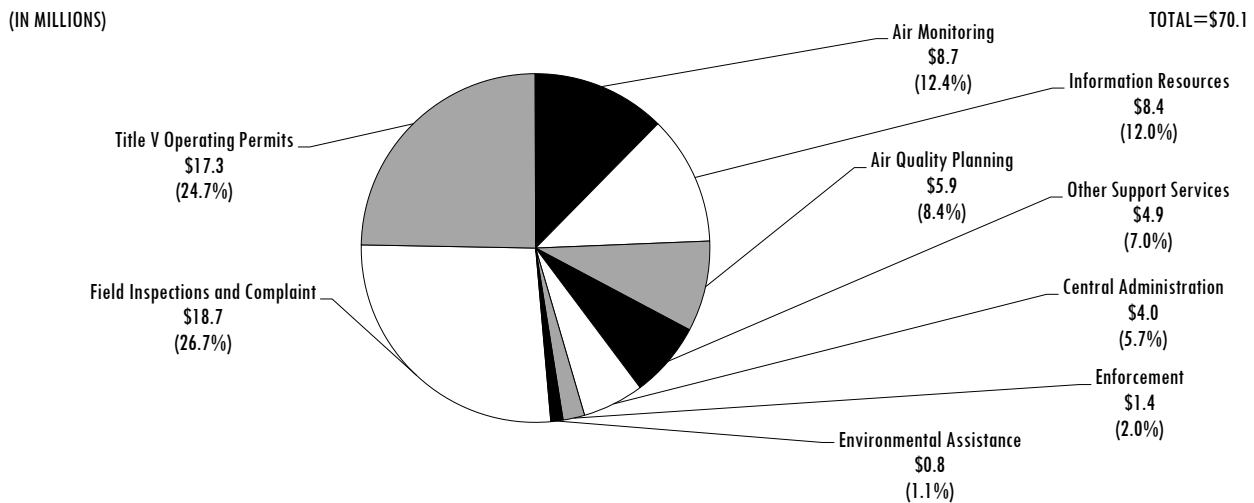
FIGURE TCEQ–A–39
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5094, OPERATING PERMIT FEES, FEE REVENUE DEPOSITS
FISCAL YEARS 2016 TO 2023



NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate.
 SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ–A–40 shows 2022–23 biennial appropriations from Account No. 5094 by program.

FIGURE TCEQ–A–40
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5094, OPERATING PERMIT FEES, APPROPRIATIONS BY PROGRAM
2022–23 BIENNIUM



NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Commission on Environmental Quality.

GENERAL REVENUE–DEDICATED ACCOUNT NO. 5158, ENVIRONMENTAL RADIATION AND PERPETUAL CARE

The Texas Health and Safety Code, Sections 401.301 and 401.306

General Revenue–Dedicated Account No. 5158, Environmental Radiation and Perpetual Care (Account No. 5158), receives disposal fees for low-level radioactive waste material deposited in the state. Funds may be used for the decontamination, decommissioning, stabilization, reclamation, maintenance, surveillance, control, storage, and disposal of radioactive substances. Funds may not be used by TCEQ for operating expenses.

Figure TCEQ–A–41 shows the fees that are assessed, collected, and deposited to Account No. 5158 including fee descriptions, statutory authorities, current assessments, assessment methods, and an estimated last date of change for the fees.

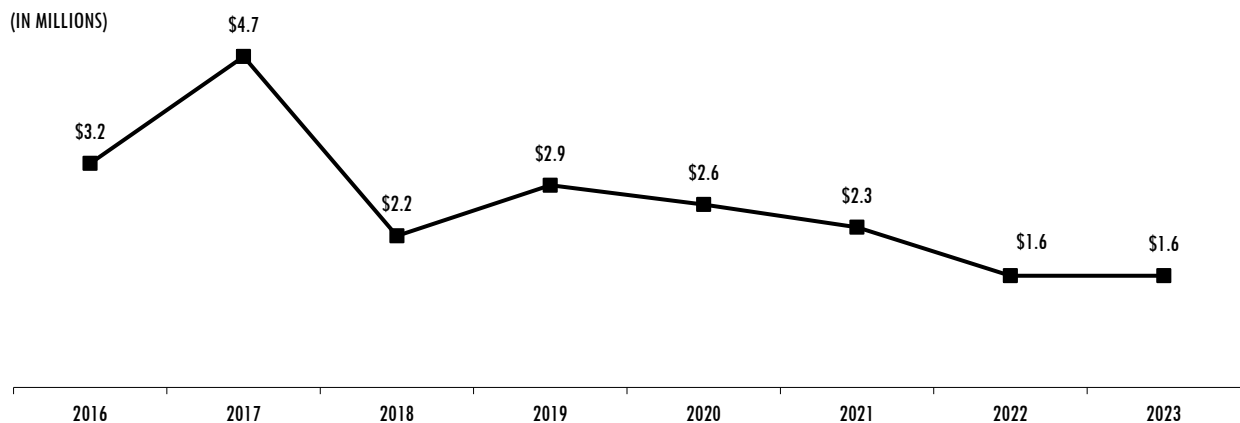
**FIGURE TCEQ–A–41
FEES DEPOSITED IN GENERAL REVENUE–DEDICATED ACCOUNT NO. 5158, ENVIRONMENTAL RADIATION AND PERPETUAL CARE**

SEE DESCRIPTION	STATUTORY AUTHORITY, THE TEXAS HEALTH AND SAFETY CODE	CURRENT ASSESSMENT	ASSESSMENT METHOD	LAST DATE OF CHANGE
Nonparty Compact Waste Surcharge	§§401.207(g) and 401.249	20.0 percent surcharge on the gross amounts of nonparty waste being stored at the facility	Self-pay with Report	September 1, 2011
Radioactive License Surcharge	§401.301(d)	5.0 percent surcharge on Radioactive License Fees	Self-pay with Report	September 2, 2011

SOURCE: Texas Commission on Environmental Quality.

Figure TCEQ–A–42 shows the revenue deposited to Account No. 5158 resulting from fees assessed by TCEQ.

**FIGURE TCEQ–A–42
GENERAL REVENUE–DEDICATED ACCOUNT NO. 5158, ENVIRONMENTAL RADIATION AND PERPETUAL CARE, FEE REVENUE DEPOSITS, FISCAL YEARS 2016 TO 2023**



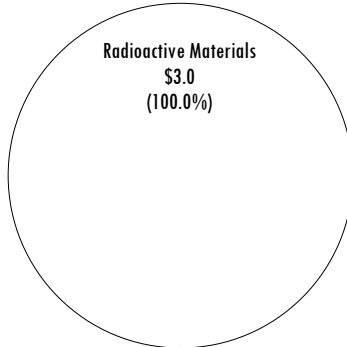
NOTE: Amounts for fiscal years 2022 and 2023 are estimates based on the Comptroller of Public Accounts' Biennial Revenue Estimate. SOURCES: Comptroller of Public Accounts; Texas Commission on Environmental Quality.

Figure TCEQ–A–43 shows 2022–23 biennial appropriations from Account No. 5094 by program.

FIGURE TCEQ-A-43
GENERAL REVENUE—DEDICATED ACCOUNT NO. 5158, ENVIRONMENTAL RADIATION AND PERPETUAL CARE,
APPROPRIATIONS BY PROGRAM, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$3.0



SOURCE: Texas Commission on Environmental Quality.

TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION

The Texas Health and Safety Code, Chapter 403

AGENCY DESCRIPTION

The Texas Low-Level Radioactive Waste Disposal Compact Commission (LLRWDC) is a federal, interstate compact between the states of Texas and Vermont that provides for the economic management and disposal of low-level radioactive waste to protect the health and safety of residents and the environment. The compact was approved by the Texas Legislature in fiscal year 1993 and subsequently ratified by the U.S. Congress during calendar year 1998. In accordance with the terms of the compact, Texas hosts the disposal site for compact participants.

LLRWDC carries out its responsibilities in accordance with the terms of the compact by administratively supporting the commission in the following functions: (1) estimating the quantity of waste generated within the compact member states for disposal during a period ending in fiscal year 2045; (2) ensuring that the annual volume limits and the proportional disposal volume limits stated in the agreement are met; (3) granting permission to in-compact generators to export waste to disposal sites outside of the compact; and (4) entering into agreements with out-of-compact generators to dispose of waste.

The commission consists of eight appointed members, six appointed by the Governor of Texas and two appointed by the Governor of Vermont. Commissioners representing Texas serve six-year terms, and at least one commissioner must reside in Andrews County, where the Compact Waste Disposal Facility (CWF) is located.

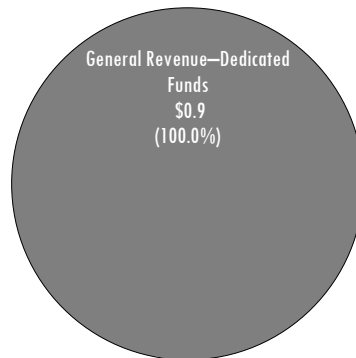
AGENCY FUNDING SOURCES

Funding for LLRWDC is appropriated from General Revenue–Dedicated Account No. 5151, Texas Low-Level Radioactive Waste Disposal Compact Commission (Account No. 5151). At the beginning of each fiscal year, the Comptroller of Public Accounts (CPA) transfers from the General Revenue–Dedicated Account No. 88, Low-Level Waste (Account No. 88), into Account No. 5151 an amount equivalent to the amount appropriated to LLRWDC in the General Appropriations Act (GAA). Additionally, CPA is statutorily required to transfer any unexpended or unencumbered funds remaining from prior fiscal year appropriations from Account No. 5151 back into Account No. 88 on September 30 each year. **Figure 374** shows agency funding sources by method of finance.

FIGURE 374
TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$0.9



SOURCE: Texas Low-Level Radioactive Waste Disposal Compact Commission.

Funding for the CWF operator is not provided from the state Treasury. The operator collects and retains private fees from out-of-compact generators for disposing of low-level radioactive waste.

Figure 375 shows the agency’s program funding overview, associated GAA budgeting strategy, expended amounts for the 2020–21 biennium, and appropriated amounts and full-time-equivalent positions for the 2022–23 biennium. LLRWDCC’s bill pattern in the GAA includes one strategy and program.

FIGURE 375
TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION PROGRAM FUNDING OVERVIEW
2020–21 TO 2022–23 BIENNIA

RANKING	PROGRAM	STRATEGY	(IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS 2022–23
			EXPENDED 2020–21	APPROPRIATED 2022–23	
1	Compact Administration and Operations	A.1.1. Compact Administration and Operations	\$0.6	\$0.9	0.0

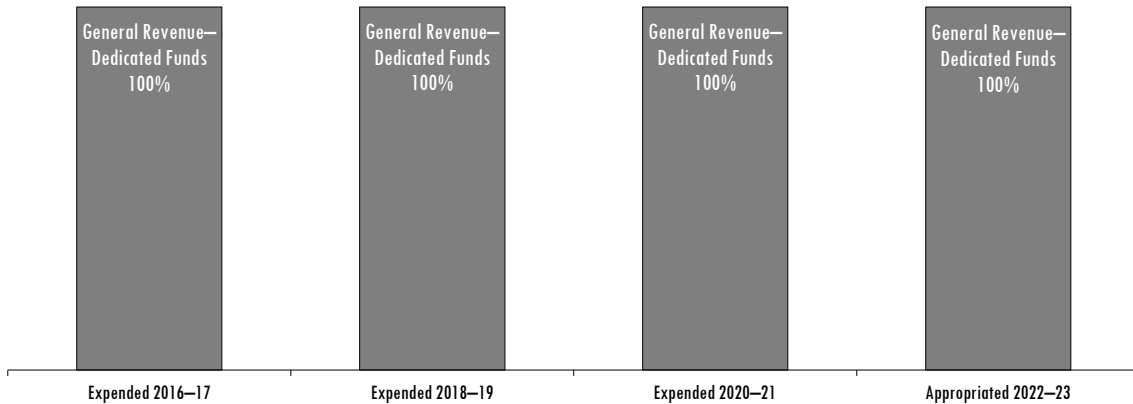
NOTE: The amount shown for full-time-equivalent positions is the budgeted level for each fiscal year of the biennium.
 SOURCE: Texas Low-Level Radioactive Waste Disposal Compact Commission.

HISTORICAL FUNDING

Figure 376 shows historical funding for LLRWDCC by method of finance.

FIGURE 376
TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)				
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue—Dedicated Funds	\$0.6	\$0.7	\$0.6	\$0.9
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.6	\$0.7	\$0.6	\$0.9

SOURCE: Texas Low-Level Radioactive Waste Disposal Compact Commission.

FULL-TIME-EQUIVALENT POSITIONS

LLRWDCC did not report any full-time-equivalent positions for this program. The commission's staff, including its executive director and assistant executive director, are not considered employees of the state; they do not pay for or receive health benefits from the state through the Employees Retirement System of Texas (ERS) and are responsible for paying their own Social Security benefits. LLRWDCC contracts outside consultants for government relations, accounting, and technical support.

AGENCY REVENUE SOURCES

LLRWDCC does not collect revenues directly. The Texas Commission on Environmental Quality (TCEQ) establishes the disposal rates for low-level radioactive waste material deposited at the CWF for both in-compact and out-of-compact generators. This responsibility includes setting the maximum rate for in-compact generators and the minimum rate for out-of-compact generators. TCEQ assesses facility disposal fees specifically to cover only the compact's administrative costs, and the fees are deposited to Account No. 88. TCEQ also assesses and collects fees, which are deposited to the same account, for the registration of radioactive materials and equipment.

In addition, the operator of the CWF is authorized to collect private fees from out-of-compact generators to dispose of low-level radioactive waste. These funds are retained by the operator and not remitted to the Treasury.

PERFORMANCE MEASURES

A main function of LLRWDCC is to ensure that annual volume limits and proportional disposal volume limits stated in the agreement between Texas and Vermont are met before granting permission to out-of-compact generators to dispose of radioactive waste. After LLRWDCC determined that sufficient capacity is available for the compact members, the commission may review applications from independent entities seeking to dispose of low-level radioactive waste at the CWF.

Two key performance measures are included in the LLRWDCC's bill pattern in the GAA, each requiring the commission to inform the public of waste disposal capacity limits. LLRWDCC must make public data regarding the intensity of the radioactive waste measured in curies and the CWF's volumetric capacity measured in cubic feet.

Figure 377 shows agency performance measure data.

FIGURE 377
TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION PERFORMANCE MEASURES
FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2022/2023 TARGET
The Activity Capacity in Curies Remaining in the Texas Low-Level Radioactive Waste Disposal Compact Facility as a Percentage of the Total Available Curie Capacity at the Compact Facility	Yes	85.0%	78.1%	85.0%
The Volumetric Capacity in Cubic Feet Remaining in the Texas Low-Level Radioactive Waste Disposal Compact Facility as a Percentage of the Available Capacity at the Facility	Yes	91.0%	90.6%	91.0%

SOURCE: Legislative Budget Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to LLRWDCC, current funding levels of \$0.9 million are not sufficient to perform assigned duties in accordance with the compact and Texas law. LLRWDCC reports that its requested amount of \$1.2 million for the 2022–23 biennium would meet minimum funding requirements.

Appropriations for the previous three biennia totaled \$1.2 million each biennium, while expenditures averaged slightly more than \$0.6 million each biennium for the same period (see **Figure 376** and **Figure 378**).

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to LLRWDC, discontinuing the program might place the state in breach of the Texas Low-Level Radioactive Waste Disposal Compact, which could result in litigation to force the state to pay the required costs of the compact. In addition, this action could be interpreted as a decision by the state of Texas to withdraw from the compact, resulting in transfer of CWF ownership to the state of Vermont. Additionally, if applications for importation and exportation of low-level radioactive waste were not processed, the CWF could close, leaving the state and independent disposers of low-level radioactive waste that are not participating in an alternate compact without a place for disposal.

FINDINGS

FINDING 1: COMPACT WASTE FACILITY OPERATION

The CWF, located in Andrews County, is operated by a third-party, private vendor that specializes in handling and disposal of radioactive waste. TCEQ approves and oversees the contract with the vendor. Contract obligations are expended from Account No. 88. According to LLRWDC, few U.S. operators are licensed and qualified to operate the CWF due to its highly specialized functions related to the disposal of radioactive waste. If the current operator does not renew the contract, the state would have to assume operation of the facility temporarily or find another viable operator. According to LLRWDC and TCEQ, neither agency has the funding, capacity, or expertise to operate the facility with existing resources.

FINDING 1, OPTION 1: DEVELOP A CONTINGENCY PLAN

The Legislature could consider amending the Texas Health and Safety Code, Chapter 403, to include TCEQ in the development of a contingency plan for transferring management and operations of the CWF. This addition would help ensure that LLRWDC's and TCEQ's resources are coordinated effectively to facilitate a transfer if it becomes necessary. The development of this plan may be accomplished using existing agency resources.

FINDING 1, OPTION 2: EXPAND ALLOWABLE USES OF ACCOUNT NO. 88

The Legislature could consider amending the Texas Health and Safety Code, Section 401.249, to expand the allowable uses of Account No. 88 to include funding operations of the CWF by the state or a temporary operator if a transfer of the CWF management and operations duties to the state becomes necessary.

FINDING 2: EXCEPTIONS FROM CERTAIN AGENCY REQUIREMENTS

The commission is an independent entity established through the enactment of the federal Texas Low-Level Radioactive Waste Disposal Compact Consent Act in 1998. The Texas Health and Safety Code, Section 403.0051, recognizes this status and further specifies that the commission "is not an agency of this state or a program, department, or other division of, or administratively attached to, an agency of this state." As a result, the commission is exempt from certain procedural duties required of other state agencies regarding records retention, information technology, and reporting.

The Texas Health and Safety Code, Section 403.0051, also authorizes the Legislature to appropriate funds for the administration of the commission and establishes the GAA as the mechanism to transfer funds from Account No. 88 to Account No. 5151 to fund salaries, travel, and other operating costs of the commission.

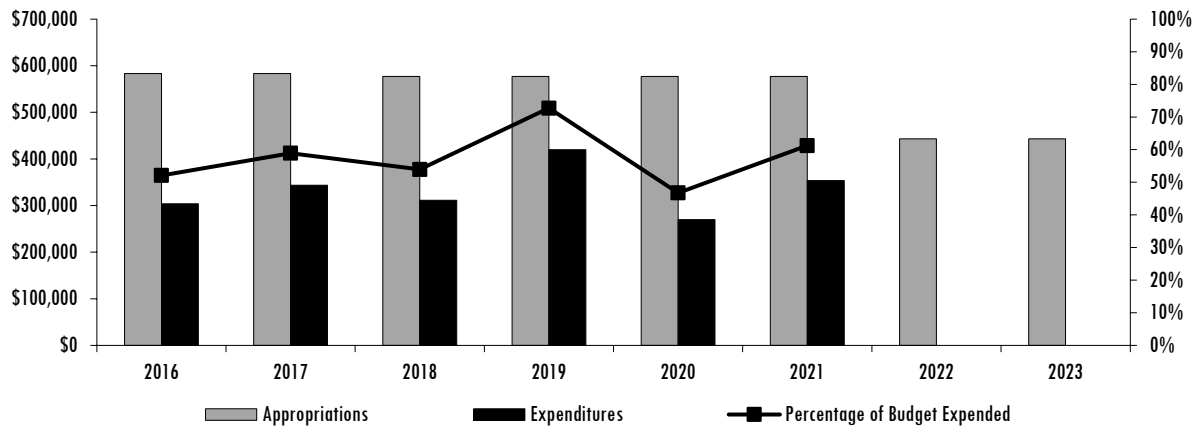
The Legislature could consider including a rider in LLRWDC's bill pattern in the GAA that would reference the Texas Health and Safety Code, Section 403.0051, and specify the procedural duties required by other state agencies for which appropriations to LLRWDC could not pay. This clarification would provide the commission and the compact an additional citation and direction outside of statute to reference and follow when requested to perform certain procedures required of other state agencies from which LLRWDC is exempt. The rider would not supersede statute or establish law, but it would limit funding to what is included in state law.

FINDING 3: LAPSED APPROPRIATIONS

From fiscal years 2016 to 2021, the commission lapsed, on average, approximately \$245,000, or 42.4 percent of its budget, per fiscal year. Appropriations support the administration of the commission, including professional fees and services to compensate the executive director, assistant executive director, and consultants for government relations, accounting, and technical support. Commission staff are not employees of the state and do not receive health or pension benefits from the state. Other expenses include travel and lodging for commissioners to attend commission meetings and other operating expenses. The Eighty-seventh Legislature, Regular Session, 2021, decreased appropriations by \$133,937 for the 2022–23 biennium compared to the 2020–21 biennium (excluding a onetime supplemental appropriation in fiscal year 2022 for a human resources-related technology deployment project) as a cost-saving measure and to align appropriations with historical expenditures.

Figure 378 shows agency historical expenditures compared to appropriated amounts.

FIGURE 378
TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT COMMISSION HISTORICAL APPROPRIATIONS
AND EXPENDITURES, FISCAL YEARS 2016 TO 2023



NOTE: Appropriations shown for fiscal year 2022 exclude a onetime supplemental appropriation for a human resources-related technology deployment project.

SOURCE: Texas Low-Level Radioactive Waste Disposal Compact Commission.

The Legislature could consider including a rider in LLRWDCC’s bill pattern in the GAA to authorize the agency to carry forward any unexpended and unobligated appropriation balances remaining from the first year of a biennium into the second year. This rider would enable LLRWDCC to use funds in the second year of a biennium that it otherwise would be required to lapse at the end the first year.

TEXAS STATE SOIL AND WATER CONSERVATION BOARD

The Texas Agriculture Code, Chapter 201, Subchapter B

AGENCY DESCRIPTION

The Texas State Soil and Water Conservation Board (TSSWCB) administers soil and water conservation law and coordinates voluntary natural resource conservation and nonpoint source water pollution abatement programs throughout the state. This work encourages the informed and productive use of natural resources, including soil conservation projects, flood control dam construction and maintenance, management and abatement of agricultural and silvicultural (forestry) nonpoint source water pollution, and eradication of carrizo cane. In performing this work, the agency collaborates with and provides assistance to the state's 216 local soil and water conservation districts (SWCD) that are organized into five state districts, each of which is represented by an elected state board member.

TSSWCB is governed by a seven-member board composed of five members elected by SWCD directors and two members appointed by the Governor. As of December 1, 2021, TSSWCB employed 68.0 full-time-equivalent staff, including 27.0 positions at the agency's headquarters located in Temple and 41.0 field staff that work remotely or at eight satellite offices.

The agency's activities and responsibilities can be organized broadly into four distinct categories, with an Indirect Administration program overseeing all programs and agency administration.

FINANCIAL AND TECHNICAL SUPPORT FOR LOCAL DISTRICTS

TSSWCB provides direct financial and technical support to the state's 216 local SWCDs. These services are provided through the Conservation Assistance Grants program, the Conservation Implementation Assistance Grants program, the Field Representatives program, the Soil and Water Conservation Public Education and Information program, the SWCD Mileage and Per Diem Program, and the SWCD Operations program.

NONPOINT SOURCE POLLUTION MITIGATION

TSSWCB collaborates with the Texas Commission on Environmental Quality (TCEQ) to develop and administer the Texas Nonpoint Source Management Program (NPS). This program serves as the state's official guidance to address nonpoint source pollution in compliance with the federal Clean Water Act, Section 319(h). TCEQ is designated as the lead agency for urban and industrial NPS pollution mitigation, and TSSWCB is designated as the lead agency for agricultural and silvicultural NPS pollution mitigation. TSSWCB administers these activities through the Water Quality Management Plan (WQMP), Poultry Water Quality Management Plan, and Nonpoint Source Grant programs.

FLOOD CONTROL DAM REPAIR AND REHABILITATION

TSSWCB uses appropriations to enter into cost-share agreements with local SWCDs for flood control dam maintenance and structural repair projects. These dams typically are earthen structures that were built on private property during the 1950s with the assistance of the federal government to help prevent flooding. Construction costs include all costs to develop new flood control dams. Maintenance costs include structural repairs, such as major repairs to damaged dams, and rehabilitation, such as improvements to increase hazard or size classification of flood control dams across the state.

CARRIZO CANE ERADICATION

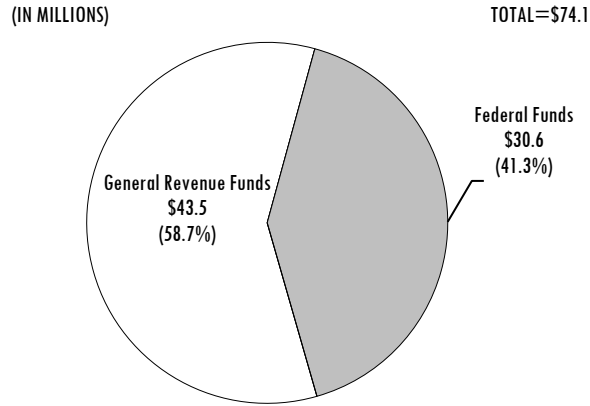
This program addresses nonnative, invasive carrizo cane strands that occupy the banks and flood plains of the Rio Grande. The program intends to improve law enforcement efforts along the international border, improve access to riverbanks, and support water supply enhancement.

AGENCY FUNDING SOURCES

TSSWCB is funded through a combination of General Revenue Funds, Federal Funds, and Other Funds. Federal Funds sources include the federal Environmental Quality Incentives Program, which provides financial and technical assistance to agricultural producers and nonindustrial forest managers to address natural resource concerns; the federal Watershed Rehabilitation Program for the rehabilitation of flood control dams; and federal Nonpoint Source Implementation Grants for the mitigation of nonpoint source pollution caused by runoff. Other Funds include an Emergency Deficiency Grant from the Trusteed

Programs within the Office of the Governor for the Carrizo Cane Eradication program. **Figure 379** shows agency funding sources by method of finance.

FIGURE 379
TEXAS STATE SOIL AND WATER CONSERVATION BOARD FUNDING SOURCES, 2022–23 BIENNIUM



SOURCE: Legislative Budget Board.

Figure 380 shows a program funding overview in the agency’s program ranking order along with associated General Appropriations Act budgeting strategies, expended amounts for the 2020–21 biennium, and appropriated amounts and full-time-equivalent (FTE) positions for the 2022–23 biennium. The number of FTE positions appropriated to the agency each fiscal year totals 73.6.

FIGURE 380
TEXAS STATE SOIL AND WATER CONSERVATION BOARD PROGRAM FUNDING OVERVIEW, 2020–21 TO 2022–23 BIENNIA

RANKING	PROGRAM	STRATEGY	(IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS 2022–23
			EXPENDED 2020–21	APPROPRIATED 2022–23	
1	Conservation Implementation Assistance Grants	A.1.1. Program Management and Assistance	\$6.5	\$5.4	0.0
2	Field Representatives	A.1.1. Program Management and Assistance	\$3.0	\$5.2	13.5
3	Conservation Assistance Grants	A.1.1. Program Management and Assistance	\$2.3	\$2.3	0.0
4	Water Quality Management Plan	B.1.2. Pollution Abatement Plan	\$6.8	\$7.4	23.1
5	Flood Control Dam Maintenance and Construction	A.2.1. Flood Control Dam Maintenance; A.2.2. Flood Control Dam Construction	\$183.1	\$38.0	7.0
6	Rio Grande Carrizo Cane Eradication	C.1.1. Carrizo Cane Eradication	\$2.7	\$4.8	3.0
7	Poultry Water Quality Management Plan	B.1.2. Pollution Abatement Plan	\$0.8	\$0.8	6.0
8	Soil and Water Conservation	A.1.1. Program Management	\$0.2	\$0.2	1.0

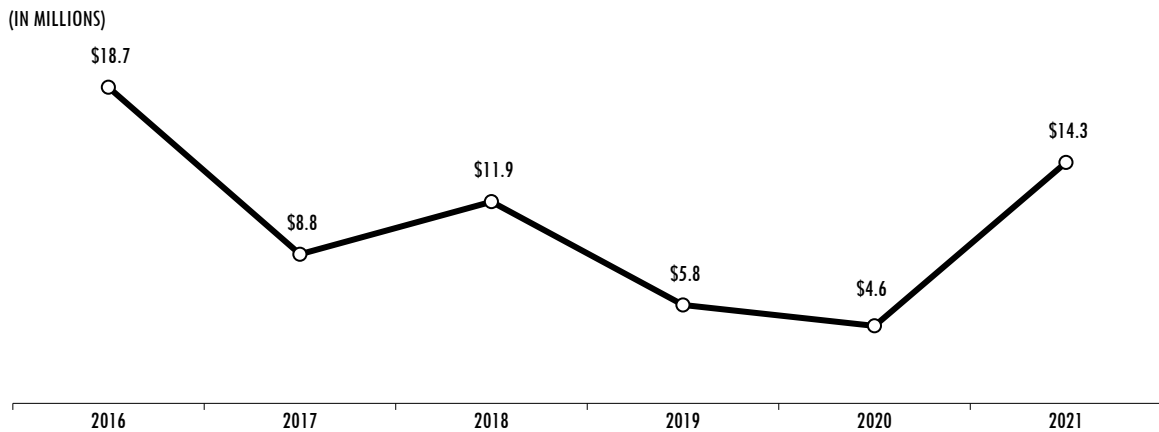
	Public Education and Information	and Assistance			
9	Nonpoint Source Grants	B.1.1. Statewide Management Plan	\$9.6	\$10.3	11.0
10	Soil and Water Conservation District Mileage and Per Diem	A.1.1. Program Management and Assistance	\$0.7	\$0.9	0.0
11	Soil and Water Conservation District Operations	A.1.1. Program Management and Assistance	\$0.7	\$0.8	0.0
12	Indirect Administration	D.1.1. Indirect Administration	\$1.6	\$1.7	9.0

NOTE: The amounts shown for full-time-equivalent positions are the budgeted levels for each fiscal year of the biennium.
 SOURCES: Legislative Budget Board; Texas State Soil and Water Conservation Board.

AGENCY REVENUE SOURCES

Figure 381 shows total agency revenue and totals by revenue category.

FIGURE 381
TEXAS STATE SOIL AND WATER CONSERVATION BOARD TOTAL REVENUE AND REVENUE TOTALS BY REVENUE CATEGORY
FISCAL YEARS 2016 TO 2021



CATEGORY	2016	2017	2018	2019	2020	2021
Federal Funds	\$18.7	\$8.8	\$11.9	\$5.8	\$4.6	\$14.2
Total Revenue	\$18.7	\$8.8	\$11.9	\$5.8	\$4.6	\$14.3

NOTE: Revenue categories consisting of totals that round to \$0.0 are excluded. Totals may not sum due to rounding.
 SOURCE: Comptroller of Public Accounts.

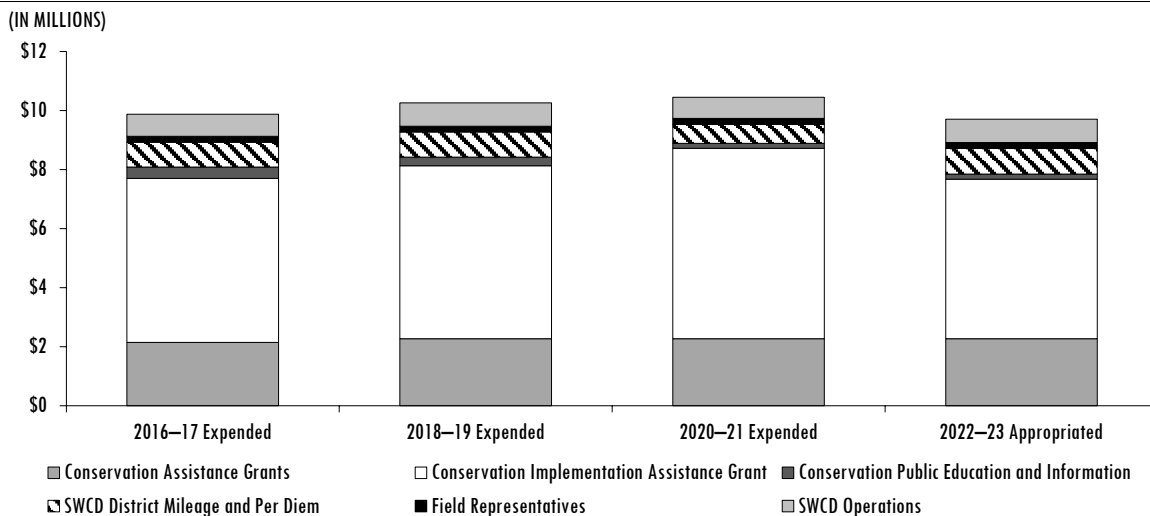
FINDINGS

FINDING 1: SOIL AND WATER CONSERVATION DISTRICT FUNDING

Each SWCD submits a budget request to TSSWCB that identifies any gaps between anticipated local revenues and identified needs. The agency considers these funding needs for inclusion in its biennial legislative appropriations request.

According to TSSWCB, appropriated amounts for the programs that provide direct technical and financial support to local SWCDs have changed little for several biennia, despite an increase in local SWCD costs. These programs include Conservation Assistance Grants, Conservation Implementation Assistance Grant, Soil and Water Conservation Public Education and Information, SWCD Mileage and Per Diem, a portion of the Field Representatives program, and SWCD Operations. As a result, reimbursement rates set by the TSSWCB board often remain fixed for several years without adjustments to account for inflation or other cost increases. For example, the maximum reimbursement rate for soil technicians within the Conservation Implementation Assistance Grant program has remained at \$20 per hour since fiscal year 2017. **Figure 382** shows expended amounts for these programs from the 2016–17 to 2020–21 biennia and appropriated amounts for the 2022–23 biennium.

FIGURE 382
EXPENDITURES AND APPROPRIATIONS FOR PROGRAMS DIRECTLY SUPPORTING SOIL AND WATER CONSERVATION DISTRICTS, 2016–17 TO 2022–23 BIENNIA (IN MILLIONS)



NOTE: All Funds amounts shown for the Field Representatives program for the 2022–23 biennium do not include \$1.2 million in Federal Funds each fiscal year that were designated for feral hog abatement and do not support soil and water conservation districts (SWCD) directly.

SOURCE: Texas State Soil and Water Conservation Board.

For the 2022–23 biennium, SWCDs informed TSSWCB of \$25.2 million in estimated expenditures necessary to maintain a base program, of which \$10.3 million is estimated to be covered by local revenue. State appropriations for Conservation Implementation Assistance Grants (\$5.4 million), Conservation Assistance Grants (\$2.3 million), Soil and Water Conservation District Operations (\$0.8 million), Soil and Water Conservation District Mileage and Per Diem (\$0.9 million), and SWCD Directors and Officers Liability Insurance and Legal fees (\$0.2 million) included in the Field Representatives program provide an estimated \$9.6 million in state assistance, resulting in a funding gap for these programs of \$5.3 million for the biennium.

FINDING 1, OPTION 1: SWCD NEEDS ASSESSMENT

The Legislature could consider adding a rider to the GAA requiring TSSWCB to produce a report that meets the following requirements: (1) provides a financial needs assessment of SWCDs statewide; (2) identifies the qualitative and quantitative factors within that needs assessment; (3) determines the amount of additional funding necessary to meet needs that are not provided in current funding, including an inventory of additional services that could be provided; (4) identifies optional funding level impacts; and (5) reports findings to the Legislature no later than May 31 each even-numbered year, including recommendations of which SWCD programs should be prioritized for additional funding.

FINDING 1, OPTION 2: ADJUSTING PROGRAM FUNDING FOR INCREASING INFLATION COSTS

According to the agency, funding for programs that provide direct technical and financial support to local SWCDs has remained consistent for several biennia due to small changes in appropriations across several years. Funding through these programs primarily offsets local SWCD operational costs, which have been increasing during the same period. Option 2 would direct the agency to identify provisions in statute, rule, or other guidance that restrict adjustments to funding through fixed-amount or percentage limitations, which could be modified to enable additional funding to compensate for increases due to inflation.

FINDING 2: FLOOD CONTROL DAM PROJECTS

Senate Bill 500, Eighty-sixth Legislature, 2019, appropriated \$150.0 million in Other Funds from the Economic Stabilization Fund (ESF) to TSSWCB for dam infrastructure projects. The agency was required to obligate these funds through project grant agreements during the two-year active appropriation period provided by Senate Bill 500, which ended in June 2021. The agency is authorized to expend these funds until 2025, or four years after the date of obligation.

TSSWCB established an initial project budget and sought bids from local government entities, which act as project co-sponsors, then obtain bids for these projects. The period from initial project development to bid can require up to two years from the appropriation date for some projects. As of April 2022, the agency reported completing 23 repair projects with total expenditures of \$11.7 million from these ESF funds. The agency estimates completing most of the projects in the initial budget by June 2024.

TSSWCB's budget for this funding included 55 dam repair and rehabilitation projects and 26 engineering service projects. Bids received for 12 of the dam projects contain costs that are 32.0 percent greater, on average, than original estimates, due in part to increased diesel fuel and concrete prices and to other economic factors resulting from the COVID-19 pandemic.

As a result of identifying these higher costs, the agency determined a need for an additional \$7.8 million in state funding and has de-obligated \$15.1 million that was allocated for two canceled projects. Despite the de-obligation of these funds past the active appropriation period, the Comptroller of Public Accounts reports that the agency will not be required to lapse the funding and may re-obligate and reallocate the funding for other flood control dam projects that can be completed by 2025. **Figure 383** shows the status of TSSWCB's flood control dam project and engineering services as originally budgeted when the agency received the appropriations and the estimated additional funding needed to complete these projects.

FIGURE 383
FLOOD CONTROL DAM PROJECTS FUNDED THROUGH SENATE BILL 500, EIGHTY-SIXTH LEGISLATURE, 2019

PROJECT TYPES	PROJECTS	STATE SHARE	FEDERAL SHARE	SPONSOR SHARE	ADDITIONAL STATE FUNDS NEEDED
Outstanding Projects					
High-hazard Dam Upgrades	13	\$69,387,368	\$0	\$1,206,433	\$7,272,104
Federal Rehabilitation	9	\$17,079,535	\$33,126,426	\$891,865	\$483,840
Dam Repair	10	\$7,327,902	\$0	\$295,550	\$15,510
Completed Dam Projects	21	\$10,479,944	\$0	\$525,889	\$0
Completed Engineering Services	26	\$30,547,865	\$0	\$0	\$0
Total	79	\$134,822,613	\$33,126,426	\$2,919,737	\$7,771,454

NOTE: Projects do not include two high-hazard dam upgrade projects that were canceled, totaling \$15.1 million in state share.

SOURCE: Texas State Soil and Water Conservation Board.

The Legislature could consider adding a rider in the agency's bill pattern in the GAA that would authorize TSSWCB to carry forward unused flood control dam funding from the 2022–23 biennium to the 2024–25 biennium within Strategy A.2.2, Flood Control Dam Construction. This option provides the agency with additional financial discretion when unanticipated project cost overages lead to canceled projects, which could result in lapsed funding.

PROGRAMS

CONSERVATION ASSISTANCE GRANTS

The Texas Agriculture Code, Sections 201.001(c), 201.022, 201.102, 201.201 and 201.202; Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium, Article VI, Soil and Water Conservation Board, Rider 2, Matching Requirements, and Rider 5, Conservation Assistance to the Soil and Water Conservation Districts

PROGRAM DESCRIPTION

The Conservation Assistance Grants Program provides matching grant funds to local SWCDs for daily operating expenses. To be eligible for a Community Assistance Grant, a local SWCD must raise funds locally before an equal amount of state funds are granted. Locally raised funds typically are in the form of grants from the federal government or private entities because SWCDs do not have taxing authority. These grants traditionally have provided funding to existing recipients for several fiscal years based on availability of funds, performance, and compliance with financial reporting requirements. The Eighty-seventh Legislature, General Appropriations Act (GAA), 2022–23 Biennium, Article VI, TSSWCB, Rider 2, Matching Requirements, caps grant funding from state appropriations for each local SWCD each fiscal year at \$7,500. Appropriations in the 2022–23 GAA provide \$5,250 in grant funding for each of the 216 local SWCDs each fiscal year. The 2022–23 GAA, Article VI, TSSWCB, Rider 5, Conservation Assistance to the Soil and Water Conservation Districts, requires any conservation assistance grant awarded to a SWCD on a matching basis that requires the district to raise funds from sources other than the TSSWCB to remain permanently with the SWCD that is granted the funding.

PROGRAM REVENUE

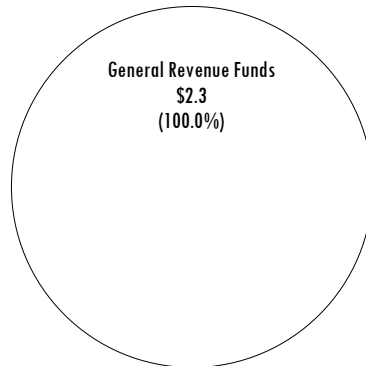
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 384 shows the program’s funding source by method of finance. Program funding is entirely from General Revenue Funds.

FIGURE 384
CONSERVATION ASSISTANCE GRANTS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$2.3



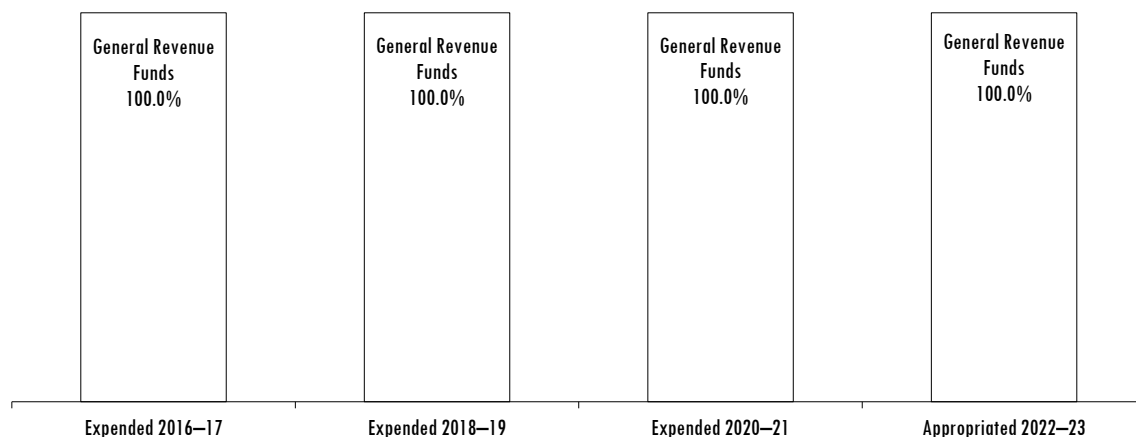
SOURCE: Texas State Soil and Water Conservation Board.

HISTORICAL FUNDING

Figure 385 shows historical funding for the program by method of finance. The program historically has been funded from General Revenue Funds.

FIGURE 385
CONSERVATION ASSISTANCE GRANTS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$2.1	\$2.3	\$2.3	\$2.3
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$2.1	\$2.3	\$2.3	\$2.3

SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

This program provides financial support to all 216 local SWCDs as a pass-through grant for operating expenses and does not have any FTE positions.

PERFORMANCE MEASURES

Figure 386 shows the program's performance measures. Actual performance in fiscal year 2021 exceeded targets due primarily to the onset of the COVID-19 pandemic, which delayed the performance of some activities originally scheduled for fiscal 2020 until 2021. Some of these measures also apply to the Conservation Implementation Assistance Grants program and the Soil and Water Conservation District Mileage and Per Diem program.

FIGURE 386
CONSERVATION ASSISTANCE GRANTS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of District Needs Met by Conservation Board Grants	Yes	61.0%	73.6%	61.0%
Number of Grant-Related Claims Processed	No	1,850	2,494	1,850
Average Number of Days to Process a Grant-related Claim	No	5.8	3.5	5.8

SOURCE: Texas State Soil and Water Conservation Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

Historically, the agency has spent amounts appropriated for this program each fiscal year. The agency did not specify an amount that would support a minimum level of service, but SWCDs report that the funding level necessary to maintain a base conservation delivery program may exceed current state and local funding amounts.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing this program would result in SWCDs being required to raise additional local funding to cover operating costs currently provided through this program.

CONSERVATION IMPLEMENTATION ASSISTANCE GRANTS

The Texas Agriculture Code, Sections 201.001(c), 201.022, 201.102, 201.201, and 201.202; Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium, Article VI, Soil and Water Conservation Board, Rider 3, Allocation of Grant Funds

PROGRAM DESCRIPTION

The Conservation Implementation Assistance Grant Program, commonly referred to as the Technical Assistance Program, provides funding to the 216 SWCDs to employ soil conservation technicians that provide technical assistance in natural resource conservation planning to owners and operators of agricultural or other lands. TWSSCB approves this allocation annually for districts to facilitate the development of conservation plans. The 2022–23 GAA, Article VI, TWSSCB, Rider 3, Allocation of Grant Funds, requires these grant distributions to be used for expenditures during the fiscal year in which the funds are allocated and makes the funds contingent upon SWCDs' filing expenditure summary reports annually with the agency. Soil conservation technicians are full-time and part-time SWCD staff, depending on which district they serve.

Soil conservation technicians gather supplementary planning data and information on the physical features of farms, ranches, or both; perform survey and layout work; explain and demonstrate methods of applying conservation practices such as contour cultivation, terracing, tree planting, woodland improvement, and seasonal or other irrigation practices; and teach range practices, fertilizing, seeding, and land preparation operations. The technicians also verify the application and maintenance of planned conservation practices.

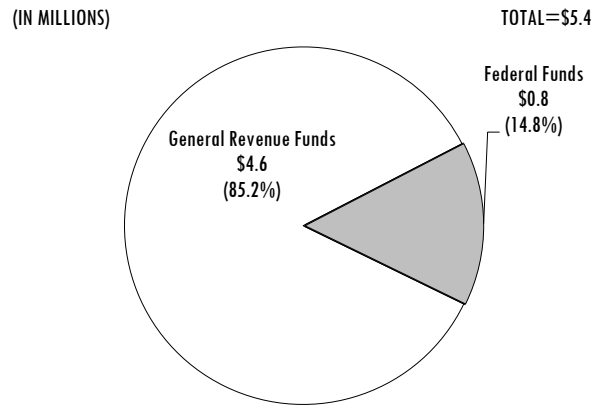
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 387 shows the program's funding sources by method of finance. Program funding includes General Revenue Funds and Federal Funds through the U.S. Department of Agriculture's Natural Resource Conservation Service (USDA–NRCS), which provides grants to local SWCDs through TSSWCB to compensate districts for assisting with soil and water program implementation.

FIGURE 387
CONSERVATION IMPLEMENTATION ASSISTANCE GRANTS PROGRAM FUNDING SOURCES
2022–23 BIENNIUM

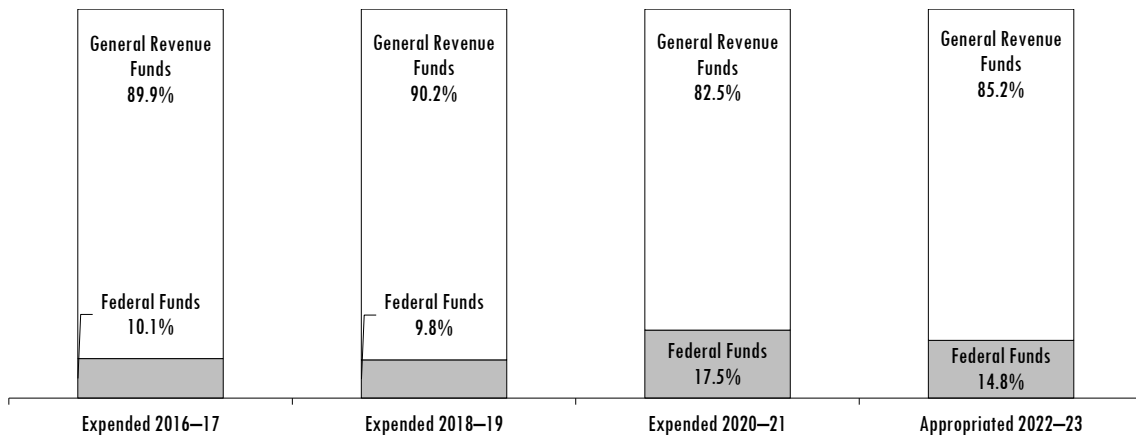


SOURCE: Texas State Soil and Water Conservation Board.

HISTORICAL FUNDING

Figure 388 shows historical funding for the program by method of finance. Program funding historically has included General Revenue Funds and Federal Funds provided by the USDA–NRCS.

FIGURE 388
CONSERVATION IMPLEMENTATION ASSISTANCE GRANTS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA
FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$5.0	\$5.3	\$5.3	\$4.6
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.6	\$0.6	\$1.1	\$0.8
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0

Total, All Methods of Finance **\$5.6** **\$5.9** **\$6.5** **\$5.4**

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

This program provides financial support to all 216 local SWCDs as a pass-through grant for contracting conservation technicians and does not have any FTE positions.

PERFORMANCE MEASURES

Figure 389 shows the program’s performance measures. Actual performance in fiscal year 2021 exceeded targets due primarily to the onset of the COVID-19 pandemic, which delayed the performance of some activities originally scheduled for fiscal year 2020 until 2021. Some of these measures also apply to the Conservation Assistance Grant program and the Soil and Water Conservation District Mileage and Per Diem program.

FIGURE 389
CONSERVATION IMPLEMENTATION ASSISTANCE GRANTS PROGRAM PERFORMANCE MEASURES
FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of District Needs Met by Conservation Board Grants	Yes	61.0%	73.6%	61.0%
Percentage of Districts Receiving Technical Assistance Grants	No	100.0%	100.0%	100.0%
Number of Grant-related Claims Processed	No	1,850	2,494	1,850
Average Number of Days to Process Grant-related Claim	No	5.8	3.5	5.8

SOURCE: Texas State Soil and Water Conservation Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

Soil conservation technicians’ compensation averages \$16.50 per hour across all 216 districts, and some districts pay the maximum rate of \$20.00 per hour set by the agency in fiscal year 2017; however, TSSWCB reimburses districts for actual costs, which often are lower than the hourly amount. According to the SWCDs, the districts have difficulty retaining and recruiting soil conservation technicians primarily because compensation is not competitive with local and regional labor market demands.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

If this program were discontinued, local SWCDs would be required to generate additional local revenue to cover the costs of employing soil conservation technicians, some of which are offset by the current program. If local SWCDs were unable to generate sufficient revenue, they would be unable to contract for these services.

FIELD REPRESENTATIVES

The Texas Agriculture Code, Section 201.022(a)

PROGRAM DESCRIPTION

Through the Field Representatives Program, the agency employs 10.0 field representative positions responsible for overseeing and directing agency assistance programs to local SWCDs within specific geographic areas throughout the state. These staff are the agency’s primary means of communication with the local SWCDs. Field representatives meet regularly with SWCD directors and staff to provide guidance, consultation, and training in meeting statutory requirements. Additionally, field representatives assist in providing local conservation expertise for effective delivery of conservation programs funded through federal, state, or local funding mechanisms.

Each field representative assists approximately 20 local SWCDs, with amounts varying from 18 to 22, working either remotely or co-located in regional USDA–NRCS offices.

Field representatives support local SWCDs in various capacities, which include coordinating federal and state agency assistance programs; coordinating with legislative staff; overseeing district directors in certain administrative, planning, development, implementation, and conservation promotional functions; analyzing and coordinating the financial affairs of local districts; and communicating and maintaining relationships with stakeholders.

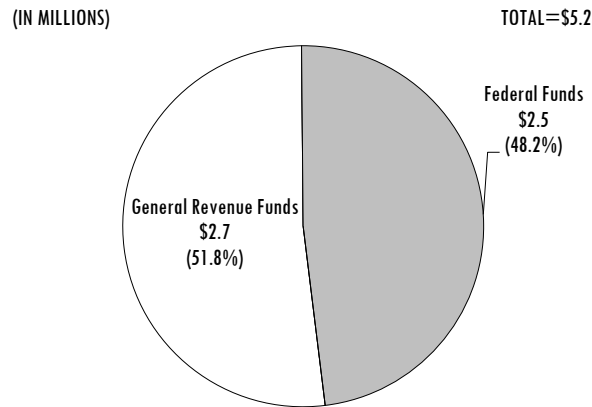
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 390 shows the program’s funding sources by method of finance. The program is funded with General Revenue Funds and Federal Funds. Beginning in fiscal year 2020, the agency received a multiyear grant of \$4.4 million in Federal Funds from USDA–NRCS for a Feral Swine Control Pilot Project, of which the agency anticipates spending \$2.5 million during the 2022–23 biennium.

FIGURE 390
FIELD REPRESENTATIVES PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



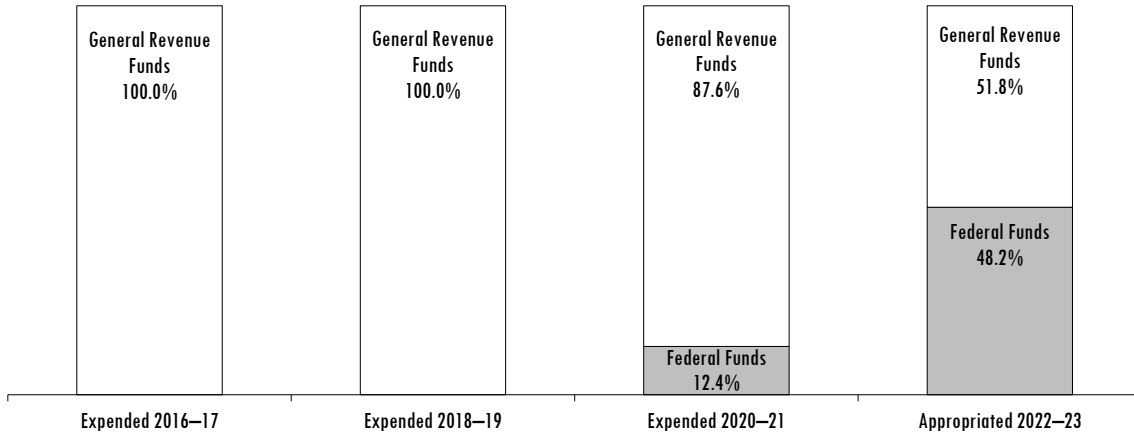
SOURCE: Texas State Soil and Water Conservation Board.

HISTORICAL FUNDING

Figure 391 shows historical funding for the program by method of finance. The program historically has been funded with General Revenue Funds. It began receiving Federal Funds in fiscal year 2020 for a Feral Swine Control Pilot Project awarded through the USDA-NRCS that has continued in the 2022–23 biennium.

FIGURE 391
FIELD REPRESENTATIVES PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

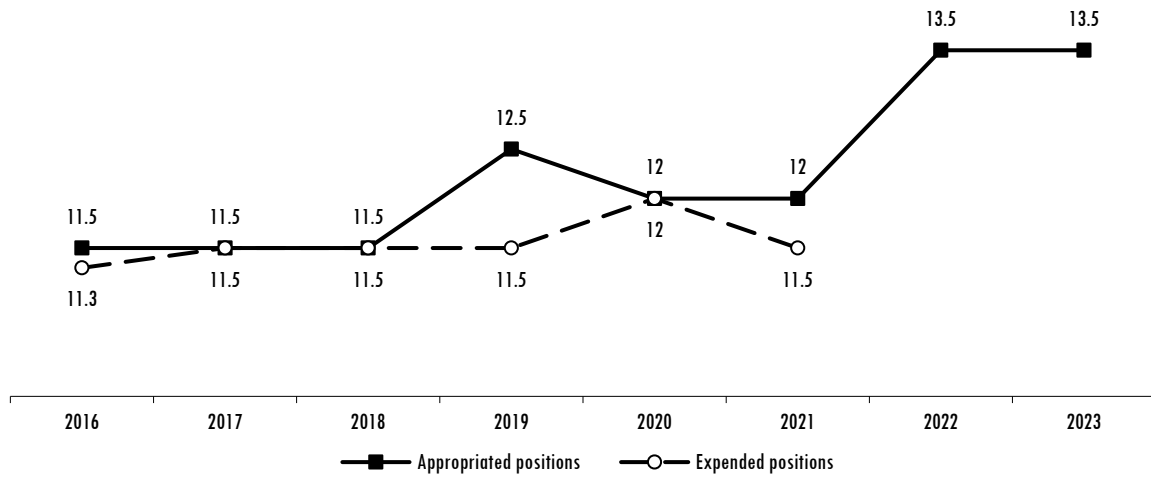
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$2.5	\$2.5	\$2.6	\$2.7
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.4	\$2.5
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$2.5	\$2.5	\$3.0	\$5.2

SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 392 shows FTE positions for the program. The FTE position increase for the 2022–23 biennium is due to allocation of an additional 1.5 FTE positions at agency headquarters to receive and review SWCD claims and to assist with legal and policy-related issues.

FIGURE 392
FIELD REPRESENTATIVES PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas State Soil and Water Conservation Board.

PERFORMANCE MEASURES

Figure 393 shows the program’s performance measures. Field representative support to local SWCDs was limited during fiscal year 2021, primarily due to travel and social contact restrictions associated with the COVID-19 pandemic.

FIGURE 393
FIELD REPRESENTATIVES PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Contacts with Districts to Provide Conservation Assist	Yes	18,625	16,200	18,625
Number of District Meetings Attended	No	1,600	1,395	1,600

NOTE: Field Representative program staff performance measures are tied to multiple programs that include the Soil and Water Conservation Public Education and Information program.

SOURCE: Texas State Soil and Water Conservation Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current field representative coverage ratio ranging from 18 to 22 SWCDs per position presents time and travel constraints that limit how often field representatives can communicate directly with their assigned SWCDs. To provide a minimum level of service and deliver consistent monthly communication, the agency recommends limiting the coverage area per field representative to no more than 15 districts. If implemented, the estimated cost of an additional 4.0 field representative FTE positions would amount to \$81,829 per position annually.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

Discontinuing the program would eliminate the primary means by which the agency interfaces with and provides nonfinancial support to the 216 local SWCDs. This could lead to decreases in SWCD performance levels, efficiencies, program effectiveness, and relationships with stakeholders due to how much SWCDs rely on the program.

SOIL AND WATER CONSERVATION DISTRICT MILEAGE AND PER DIEM

The Texas Agriculture Code, Section 201.077

PROGRAM DESCRIPTION

The statutorily required Soil and Water Conservation District Mileage and Per Diem program reimburses local SWCD directors for travel expenses incurred while performing their duties. Statute authorizes SWCD directors to receive compensation of up to \$30 for each day the director attends board meetings, plus the state mileage reimbursement rate specified in the General Appropriations Act for travel.

PROGRAM REVENUE

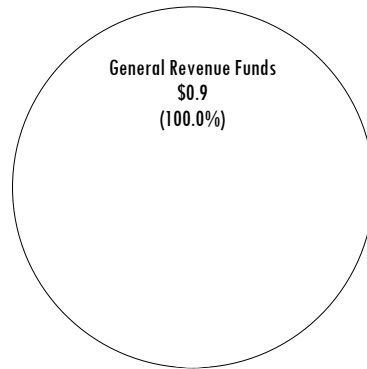
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 394 shows the program’s funding source by method of finance. The program is funded entirely from General Revenue Funds.

FIGURE 394
SOIL AND WATER CONSERVATION DISTRICT MILEAGE AND PER DIEM PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$0.9

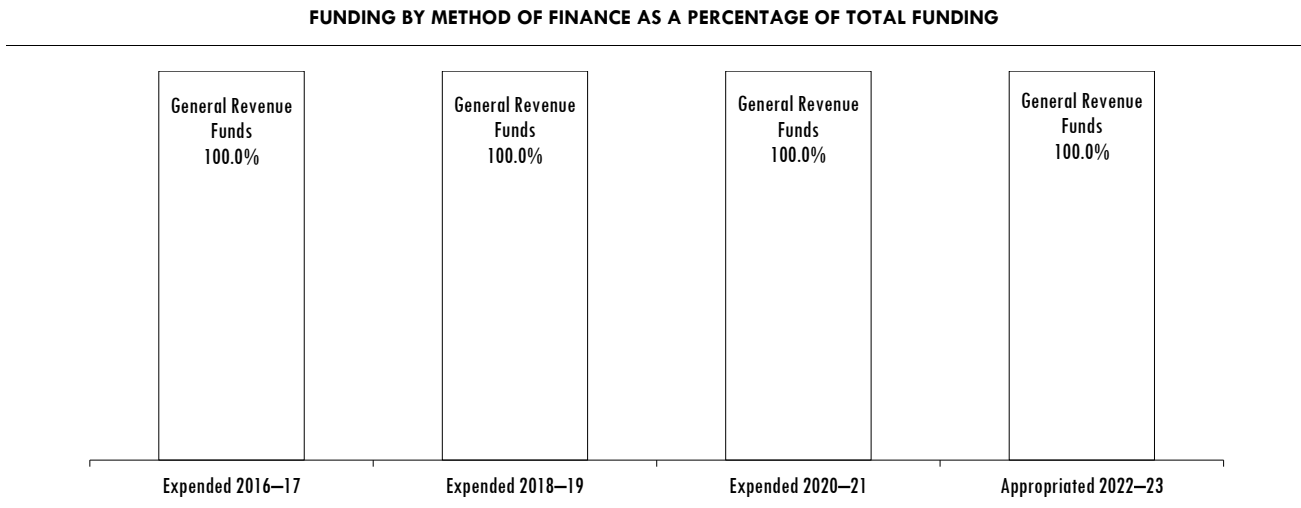


SOURCE: Texas State Soil and Water Conservation Board.

HISTORICAL FUNDING

Figure 395 shows historical funding for the program by method of finance. The program historically has been funded from General Revenue Funds.

FIGURE 395
SOIL AND WATER CONSERVATION DISTRICT MILEAGE AND PER DIEM PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.8	\$0.9	\$0.7	\$0.9
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.8	\$0.9	\$0.7	\$0.9

SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

This program applies exclusively to travel expenses for the SWCD directors. The agency did not report any FTE positions for this program.

PERFORMANCE MEASURES

Figure 396 shows the program’s performance measures. These measures also apply to the Conservation Assistance Grant program and the Conservation Implementation Assistance Grant program.

FIGURE 396
SOIL AND WATER CONSERVATION DISTRICT MILEAGE AND PER DIEM PROGRAM PERFORMANCE MEASURES
FISCAL YEAR 2021

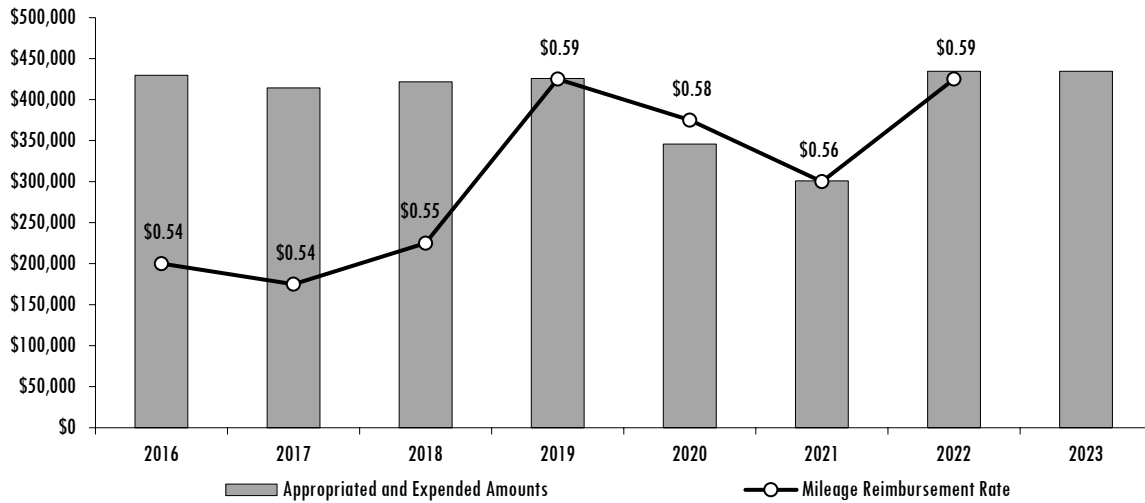
MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Grant-related Claims Processed	No	1,850	2,494	1,850
Average Number of Days to Process a Grant-related Claim	No	5.8	3.5	5.8

SOURCE: Texas State Soil and Water Conservation Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, program costs recently have increased due to increases in the state mileage reimbursement rate from 54.5 cents per mile in fiscal year 2018 to 58.5 cents per mile in fiscal year 2022. **Figure 397** shows that program appropriations and expenditures have remained relatively stable at \$0.4 million each fiscal year from 2016 to 2023, apart from a slight decrease during the 2020–21 biennium, and the mileage reimbursement rate has increased during the same period.

FIGURE 397
SOIL AND WATER CONSERVATION DISTRICT MILEAGE AND PER DIEM PROGRAM APPROPRIATIONS AND EXPENDITURES AND MILEAGE REIMBURSEMENT RATES, FISCAL YEARS 2016 TO 2023



SOURCES: Legislative Budget Board; Comptroller of Public Accounts.

In addition, the per-day compensation set in statute is \$30 per day, but the agency reports limiting reimbursement to \$20 per day due to funding limitations.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

Absent a statutory change, the agency would be required to continue reimbursement for these travel expenses from available funds if the program and associated funding were discontinued.

SOIL AND WATER CONSERVATION DISTRICT OPERATIONS

The Texas Agriculture Code, Sections 201.001(c), 201.022, 201.102, 201.201, and 201.202

PROGRAM DESCRIPTION

The Soil and Water Conservation District Operations Program provides financial support to certain SWCDs for operating expenses through three initiatives: the SWCD Conservation Activity Program, SWCD Audits, and SWCD Information Technology Assistance.

The SWCD Conservation Activity Program offers financial assistance to districts that complete 10 core conservation activities, each valued at \$150. The SWCD considered the most outstanding in each of the five state districts receives an additional \$500 award. The conservation activities include the following areas:

- district has an SWCD local awards program;
- district director attends the conservation day program;
- district submits an entry in the area awards program that meets qualifications and is deemed acceptable by the judging committee;
- district director attends the area district meeting;
- district hosts or co-hosts a field day and any other public outreach activity;
- district director attends the state meeting;
- district director attends the area awards program and state board member election;
- district participates in youth educational activities;
- district participates in soil stewardship activities; and
- district director or staff has attended the current year's district director and employee workshop, or all five directors and the employee attended the workshop previously.

The SWCD Audits initiative provides funding to a random selection of 20 districts per year for third-party preparation of annual financial statements with average costs of \$1,250 per district; and the SWCD Information Technology Assistance initiative provides funding for districts to obtain and maintain mobile internet service for staff at a set reimbursement rate of \$37.50 per month based on available funding. Funding for these two initiatives was suspended during the 2020–21 biennium due to the 5.0 reduction directed by state leadership but was reinstated for the 2022–23 biennium.

PROGRAM REVENUE

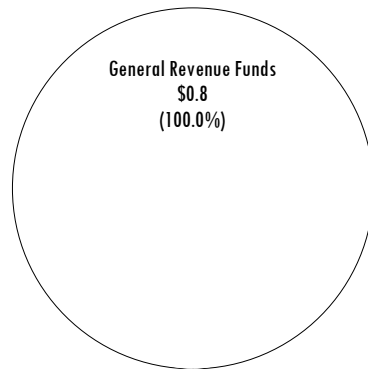
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 398 shows the program's funding source by method of finance. The program is funded entirely from General Revenue Funds.

FIGURE 398
SOIL AND WATER CONSERVATION DISTRICT OPERATIONS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$0.8



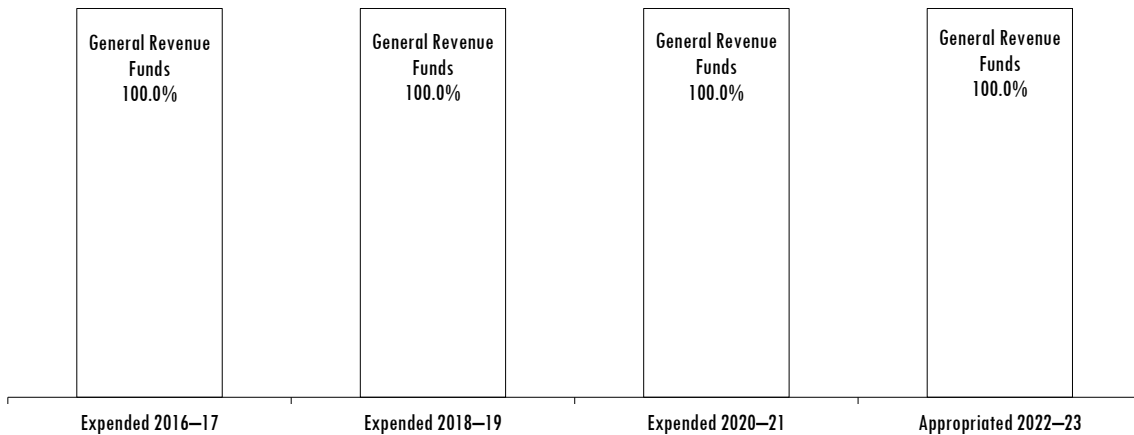
SOURCE: Texas State Soil and Water Conservation Board.

HISTORICAL FUNDING

Figure 399 shows historical funding for the program by method of finance. The program historically has been funded from General Revenue Funds.

FIGURE 399
SOIL AND WATER CONSERVATION DISTRICT OPERATIONS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.7	\$0.8	\$0.7	\$0.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.7	\$0.8	\$0.7	\$0.8

SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

The agency did not report any FTE positions for this program.

PERFORMANCE MEASURES

The agency did not report any performance measures for this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the identified needs of SWCDs exceed current levels of available funding. For example, the agency reports that the average cost for SWCD mobile Internet service is approximately \$50 per month, of which only \$37.50 is eligible for reimbursement by the agency. State funding to cover 100.0 percent of these expenses across all 216 SWCDs would require an additional \$129,600 in General Revenue Funds each fiscal year.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

Discontinuing this program would remove incentive funding provided through the SWCD Conservation Activity Program for districts to complete activities that support their core mission.

SOIL AND WATER CONSERVATION PUBLIC EDUCATION AND INFORMATION

The Texas Agriculture Code, Section 201.022(a)

PROGRAM DESCRIPTION

The Soil and Water Conservation Public Education and Information Program provides leadership and coordination of information and education programs relating to the agency and soil and water conservation district programs, services, operations, and resources. The agency prepares and disseminates information about the agency and local SWCDs to the public and coordinates seminars, conferences, workshops, trade show representation, and training for SWCD directors and employees, conservation professionals, youth groups, and other entities. Agency staff also provide guidance to SWCDs regarding district-initiated local, regional, and state information and education programs and to the Association of Texas Soil and Water Conservation Districts via cooperative agreement regarding their information and education efforts.

PROGRAM REVENUE

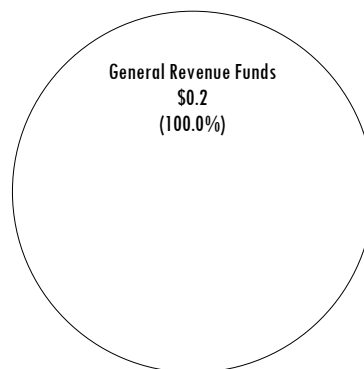
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 400 shows the program’s funding sources by method of finance. The program is funded entirely from General Revenue Funds.

FIGURE 400
SOIL AND WATER CONSERVATION PUBLIC EDUCATION AND INFORMATION PROGRAM FUNDING SOURCE
2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$0.2



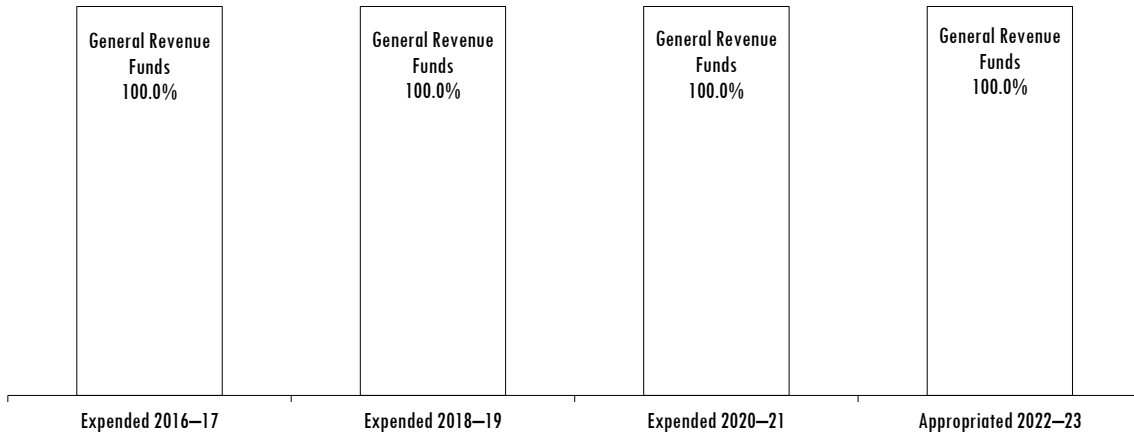
SOURCE: Texas State Soil and Water Conservation Board.

HISTORICAL FUNDING

Figure 401 shows historical funding for the program by method of finance. The program historically has been funded from General Revenue Funds.

**FIGURE 401
SOIL AND WATER CONSERVATION PUBLIC EDUCATION AND INFORMATION PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

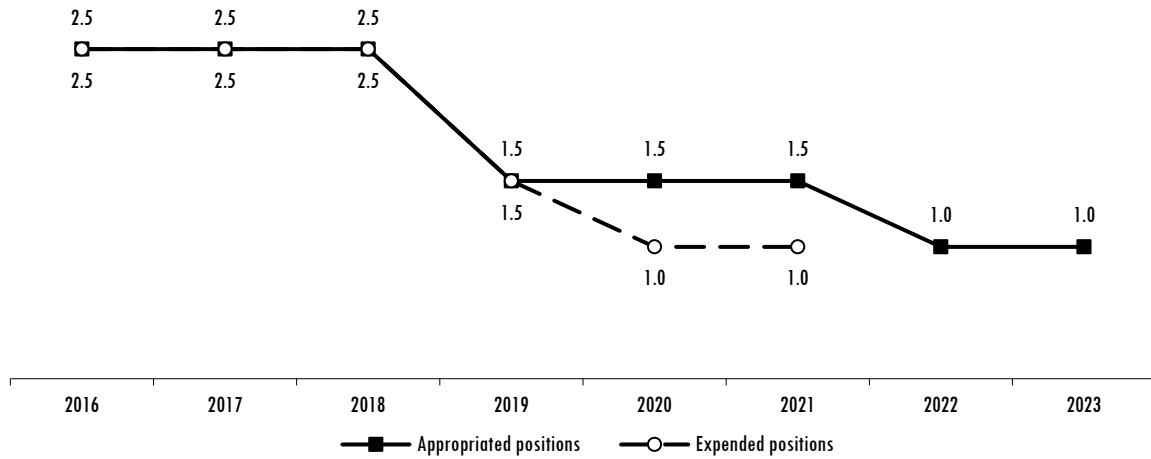
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.4	\$0.3	\$0.2	\$0.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.4	\$0.3	\$0.2	\$0.2

SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 402 shows FTE positions for the program. The decrease in expended FTE positions from the 2016–17 biennium to the 2020–21 biennium is due primarily to employee retirements that led to reallocation of several part-time positions to another program.

FIGURE 402
SOIL AND WATER CONSERVATION PUBLIC EDUCATION AND INFORMATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas State Soil and Water Conservation Board.

PERFORMANCE MEASURES

Figure 403 shows the program’s performance measure. Support to local SWCDs was limited in fiscal year 2021 primarily due to travel and social contact restrictions associated with the COVID-19 pandemic.

FIGURE 403
SOIL AND WATER CONSERVATION PUBLIC EDUCATION AND INFORMATION PROGRAM PERFORMANCE MEASURE
FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Contacts with Districts to Provide Conservation Assist	Yes	18,625	16,200	18,625

SOURCE: Texas State Soil and Water Conservation Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, funding is sufficient to provide a minimum level of service with 1.0 FTE position.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

Agency conservation training and outreach efforts provided to SWCDs and other local entities across the state no longer would be available if the program were discontinued. This discontinuation would diminish the agency’s ability to provide information and education to entities that currently benefit from the program.

FLOOD CONTROL DAM MAINTENANCE AND CONSTRUCTION

The Texas Agriculture Code, Sections 201.024, 201.029, and 201.152; Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium, Article VI, Soil and Water Conservation Board, Rider 7, Flood Control Dam Transfer Authority; Federal Flood Control Act of 1944; the federal Flood Control Act of 1950; the federal Watershed Protection and Flood Prevention Act of 1954; and the federal Agricultural Credit Act of 1978

PROGRAM DESCRIPTION

The Flood Control Dam Maintenance and Construction program funds projects to assist local SWCDs in the repair and rehabilitation of flood control structures on earthen dams. The U.S. Department of Agriculture–Natural Resources Conservation Service (USDA–NRCS) designed and constructed an estimated 2,000 of these dams on private property in Texas during the past 70 years. According to the agency, these dams were constructed with the understanding that the private property owner would provide the land, the federal government would provide the technical design expertise and funding to construct them, and units of local government would be responsible for maintenance in partnership with local SWCDs.

Many of these dams need repair or renovation due to their age and growth in population in the areas they protect. In some cases, this renovation includes dams being reclassified as high hazard, which means dam failure could result in the loss of seven or more lives or three or more habitable structures. TSSWCB estimates that \$2.0 billion would be necessary to address the remaining number of dams that require repairs or renovation.

The program has two components:

- The Flood Control Dam Structural Repair Grant Program is a reimbursable grant program for local SWCDs and certain co-sponsors of earthen flood control dams built by the USDA–NRCS. This program reimburses local districts 95.0 percent of the cost of an eligible structural repair activity or 98.25 percent of the cost of an eligible dam renovation.
- The Flood Control Dam Operation and Maintenance Grant Program is a reimbursable grant program for local districts and certain co-sponsors of flood control dams built by the USDA–NRCS that reimburses 90.0 percent of the cost of an eligible operations and maintenance activity.

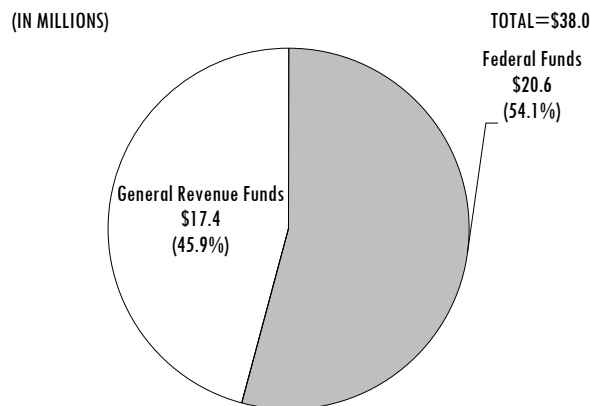
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 404 shows the program’s funding sources by method of finance. The program is funded with General Revenue Funds and Federal Funds through the USDA–NRCS Watershed Rehabilitation Program for the 2022–23 biennium.

FIGURE 404
FLOOD CONTROL DAM MAINTENANCE AND CONSTRUCTION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM

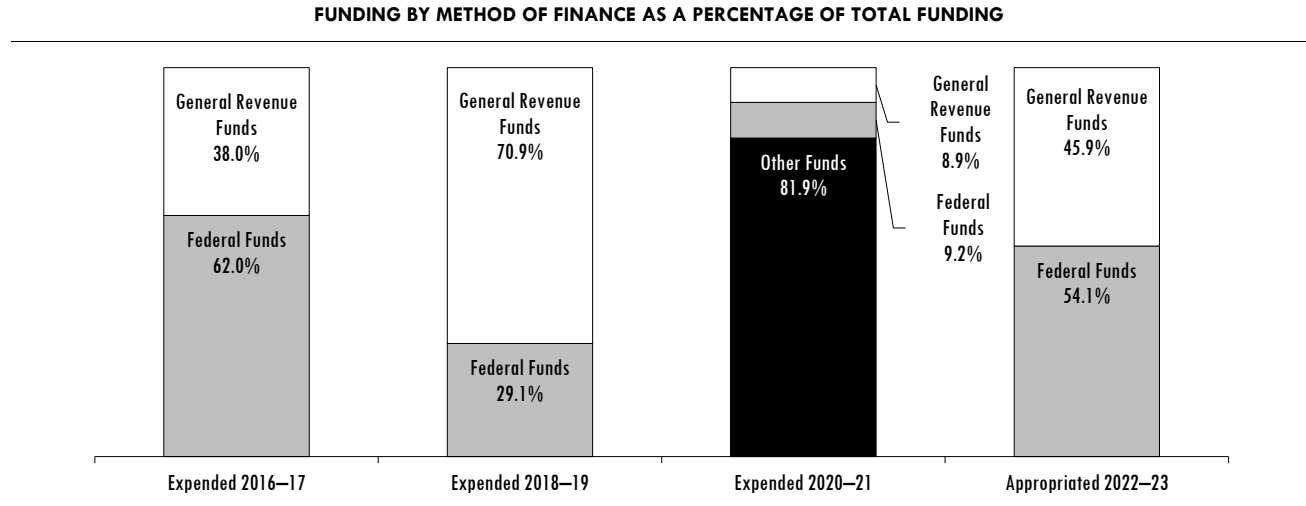


SOURCE: Texas State Soil and Water Conservation Board.

HISTORICAL FUNDING

Figures 405 and 406 show historical funding for the program by method of finance. This program historically has been funded through a combination of General Revenue Funds and Federal Funds through the USDA–NRCS. Senate Bill 500, Eighty-sixth Legislature, 2019, provided a onetime appropriation of \$150.0 million from the Economic Stabilization Fund (ESF) to TSSWCB in fiscal year 2019 for the repair and renovation of flood control dams. This appropriation was effective for two years from the date of enactment, which extended the appropriation authority into fiscal year 2021.

**FIGURE 405
FLOOD CONTROL DAM MAINTENANCE AND CONSTRUCTION PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA**

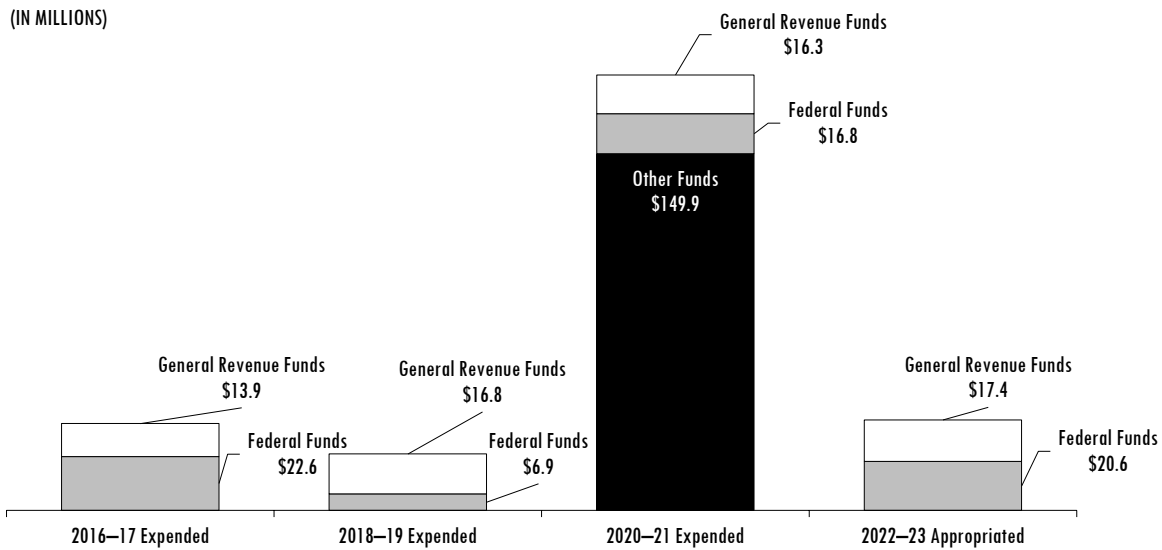


(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$13.9	\$16.8	\$16.3	\$17.4
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$22.6	\$6.9	\$16.8	\$20.6
Other Funds	\$0.0	\$0.0	\$149.9	\$0.0
Total, All Methods of Finance	\$36.4	\$23.7	\$183.1	\$38.0

NOTE: Totals may not sum due to rounding.
SOURCE: Texas State Soil and Water Conservation Board.

**FIGURE 406
FLOOD CONTROL DAM MAINTENANCE AND CONSTRUCTION PROGRAM HISTORICAL FUNDING BY METHOD OF FINANCE
2016–17 TO 2022–23 BIENNIA**

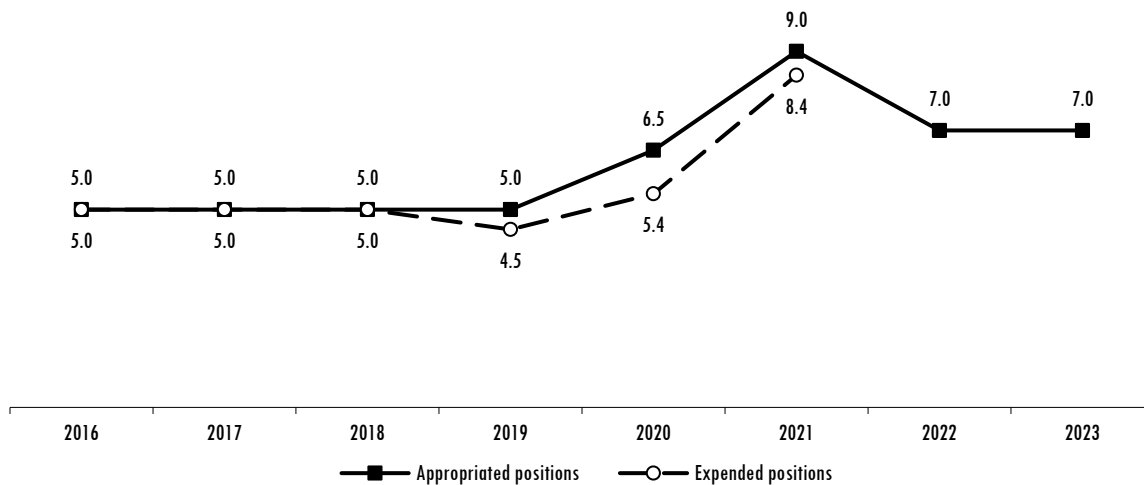


SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 407 shows FTE positions for the program. The FTE increase from fiscal years 2019 to 2021 was due primarily to the agency reallocating FTE positions to accommodate the \$150.0 million increase in onetime ESF funding provided by Senate Bill 500, Eighty-sixth Legislature, 2019, for the repair and renovation of flood control dams. FTE positions for the 2022–23 biennium continue to exceed fiscal year 2019 levels in support of the expenditures from that supplemental funding that will continue through fiscal year 2023. All administrative costs for this program are paid from program appropriations.

**FIGURE 407
FLOOD CONTROL DAM MAINTENANCE AND CONSTRUCTION PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023**



SOURCE: Texas State Soil and Water Conservation Board.

PERFORMANCE MEASURES

Figure 408 shows the program's performance measures. For fiscal year 2021, the agency awarded more flood control dam construction grants than in other fiscal years primarily due to its receipt of \$150.0 million in dam infrastructure appropriations pursuant to Senate Bill 500, Eighty-sixth Legislature, 2019.

FIGURE 408
FLOOD CONTROL DAM MAINTENANCE AND CONSTRUCTION PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Flood Control Dams Identified as in Need of Repair	No	7.9%	7.9%	7.9%
Number of Flood Control Dam Maintenance Grants Awarded	Yes	3	5	3
Number of Flood Control Dam Repairs Completed	No	1	11	1
Number of Flood Control Dam Construction Grants Awarded	Yes	4	38	4

SOURCE: Texas State Soil and Water Conservation Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, additional funding greater than 2022–23 biennial appropriated levels for multiple biennia would be necessary to address the estimated \$2.0 billion backlog of earthen dams needing repair. Although the \$150.0 million onetime dam infrastructure appropriation in Senate Bill 500 provided resources to reduce part of the backlog, additional funding would be necessary to reduce it further.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, the need to upgrade and rehabilitate dams continues to increase. For example, the Texas Commission on Environmental Quality (TCEQ) Dam Safety Program annually reclassifies an average of more than 20 eligible flood control dams from low or significant hazard to high hazard, which contributes to the backlog. Discontinuation of the program could result in the continued degradation of the state's flood control infrastructure and increase the potential for severe flood events, which could result in loss of life and damage to state, local, and private property and infrastructure.

NONPOINT SOURCE GRANTS

The Texas Agriculture Code, Section 201.026(a), (e), and (f); the Texas Water Code, Sections 26.403(c) and 26.121(a)(2)(A); Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium, Article VI, Soil and Water Conservation Board, Rider 6, Statewide Management Plan; the federal Clean Water Act, Sections 303(d) and 319(h)

PROGRAM DESCRIPTION

The Nonpoint Source (NPS) Grant Program provides grant funding to voluntary cooperating entities for certain agricultural and silvicultural NPS pollution abatement activities that address the goals and objectives stated in the Texas NPS Management Program. Program staff collaborate with TCEQ, the U.S. Environmental Protection Agency (EPA), and other state and federal agencies to determine priority areas and activities for the years' funding cycle based on the Texas NPS Management Program and the most recently approved Texas Integrated Report. Grant projects and agency support include technical assistance to develop and implement watershed protection plans in certain watersheds and to fund and support activities that reduce NPS load in adopted Total Maximum Daily Load plans.

For fiscal year 2022, TSSWCB reports 46 active grant-funded projects totaling \$18.1 million in All Funds through this program. Project funding does not have a set maximum or minimum award amount, but the agency reports project funding typically ranges from \$100,000 to \$400,000 for a two-year to three-year project. Program staff also provide technical assistance and oversight of all funded project activities.

In addition, program staff serve on the following advisory boards and committees:

- the advisory group for the Texas Integrated Report, which summarizes the status of the state’s surface water;
- the Texas Surface Water Quality Standards advisory work group, which works to ensure that water-quality standards are appropriate, credible, and realistic for specific waterbodies; and
- the Coastal Coordination Advisory Committee, which oversees administered coastal NPS programs through local SWCDs.

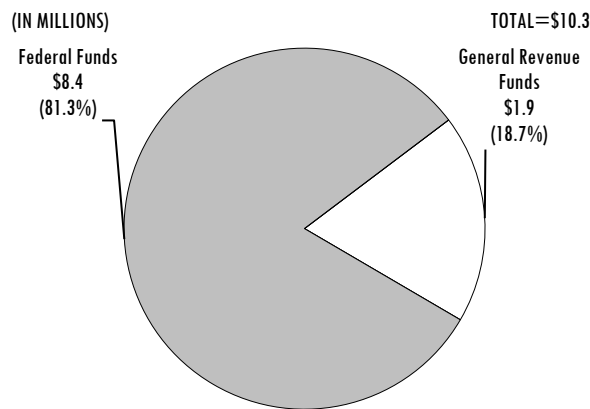
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 409 shows the program’s funding sources by method of finance. Federal Funds are provided through EPA’s Nonpoint Source Implementation Grant program, which provides funding to support state compliance with the federal Clean Water Act that includes a match requirement of 40.0 percent nonfederal funding. This state match is provided through General Revenue Funds appropriations and local funds provided by grantees.

FIGURE 409
NONPOINT SOURCE GRANTS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



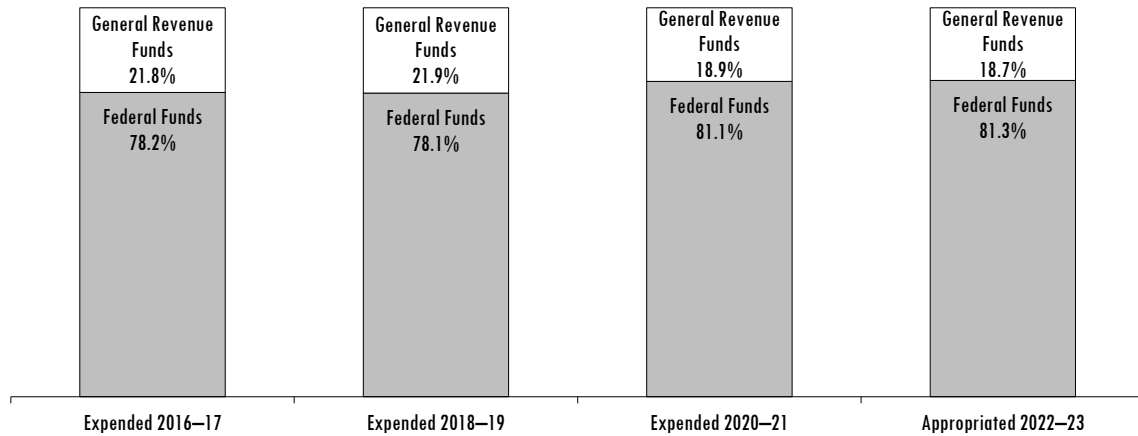
SOURCE: Texas State Soil and Water Conservation Board.

HISTORICAL FUNDING

Figure 410 shows historical funding for the program by method of finance. The program historically has been funded with General Revenue Funds and Federal Funds through the EPA’s Nonpoint Source Implementation Grant program.

**FIGURE 410
NONPOINT SOURCE GRANTS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

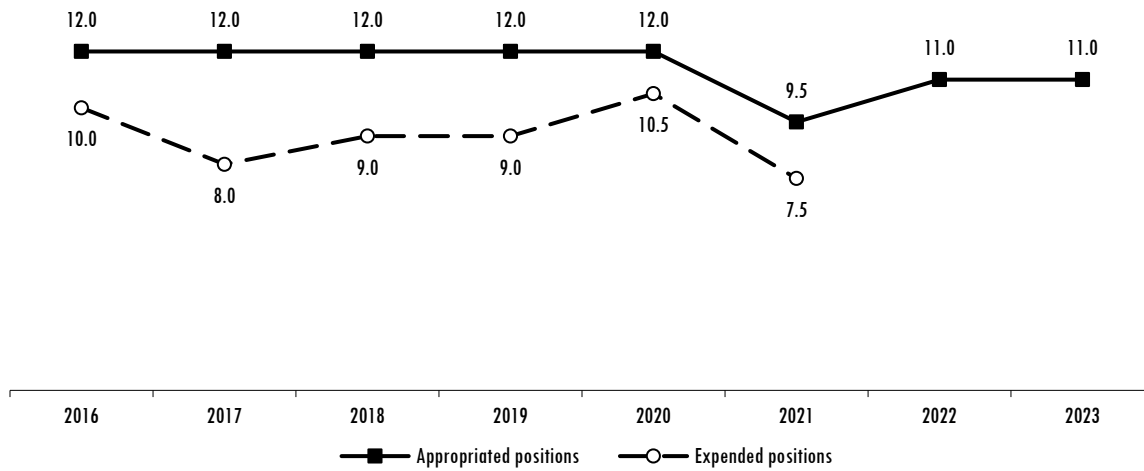
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$2.0	\$1.9	\$1.8	\$1.9
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$7.2	\$6.8	\$7.8	\$8.4
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$9.2	\$8.7	\$9.6	\$10.3

SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 411 shows FTE positions for the program. The decrease in expended FTE positions from the 2016–17 biennium to the 2020–21 biennium is due primarily to staff turnover and a hiring freeze associated with the 5.0 percent reduction directed by state leadership for the 2020–21 biennium.

FIGURE 411
NONPOINT SOURCE GRANTS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas State Soil and Water Conservation Board.

PERFORMANCE MEASURES

Figure 412 shows the program’s performance measures.

FIGURE 412
NONPOINT SOURCE GRANTS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage of Projects Addressing 303(D) List Impaired Water Bodies	No	70.0%	88.0%	70.0%
Number of Proposals for Federal Grant Funding Evaluated	Yes	25	21	25

SOURCE: Texas State Soil and Water Conservation Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, current General Revenue Funds appropriations are sufficient to support the 40.0 percent match requirement necessary to draw down Federal Funds.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the agricultural and silvicultural NPS components of the Texas NPS Management Program would remove the state’s ability to demonstrate the utility and success of voluntary, incentive-based conservation program and could result in increased state or federal regulation of agricultural and silvicultural activities and a potential loss of federal funding. The federal Clean Water Act requires each state to develop a program to protect the quality of water resources from the adverse effects of NPS water pollution. The EPA is required to develop a program for any state that fails to gain federal approval for its own program, which limits the state’s control of the federally developed program’s policy or financing. In addition, discontinuation of the program would have an adverse effect on the partnerships promoting implementation of the Texas NPS Management Program and best-management practices that prevent and abate agricultural and silvicultural NPS water pollution.

WATER QUALITY MANAGEMENT PLAN

The Texas Agriculture Code, Section 201.026; the Texas Water Code, Sections 26.302(b) and 26.121(a)(2)(A); Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium, Article VI, Soil and Water Conservation Board, Rider 4, Water Quality Management Plans

PROGRAM DESCRIPTION

The Water Quality Management Plan (WQMP) program is administered through local SWCDs to provide a voluntary, incentive-based, natural resource conservation planning service to agricultural producers and other rural landowners who implement best-management practices that prevent, abate, or manage NPS pollution. The program provides technical assistance to develop a management plan on participants’ land and financial incentives through cost-sharing payments to assist with the installation of a WQMP.

A WQMP is a site-specific plan documenting when, where, and how conservation practices are implemented in accordance with standards in the USDA–NRCS Field Official Technical Guide. Plans are specified to each landowner’s conservation needs and management goals while adhering to state water quality laws. Landowners receive incentive funding to encourage adoption and continued implementation of these practices. The plan’s purpose is to achieve a level of NPS pollution prevention or abatement that is consistent with state water-quality standards. Each plan is approved locally by an SWCD and then certified by the agency that it meets state water-quality standards, which assures the landowner and TCEQ that all best-management practices concerning NPS pollution are implemented. The certified WQMP meets all the technical requirements for agricultural or silvicultural operations to comply with Texas Surface Water Quality Standards as established and adopted by TCEQ.

PROGRAM REVENUE

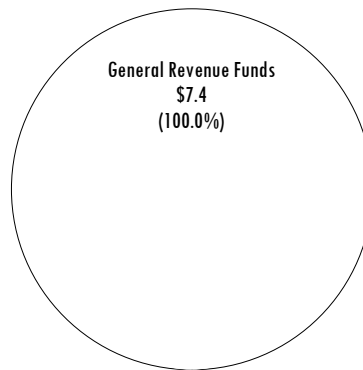
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 413 shows the program’s funding source by method of finance. The program is funded entirely from General Revenue Funds. In addition to funding the development of WQMPs, a portion of this funding also counts toward state support for compliance with the federal Clean Water Act’s 40.0 percent nonfederal funding match requirement, which requires recipient states and territories to provide an amount either in dollars or in-kind services to support local nonpoint source pollution management efforts.

FIGURE 413
WATER QUALITY MANAGEMENT PLAN PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$7.4



SOURCE: Texas State Soil and Water Conservation Board.

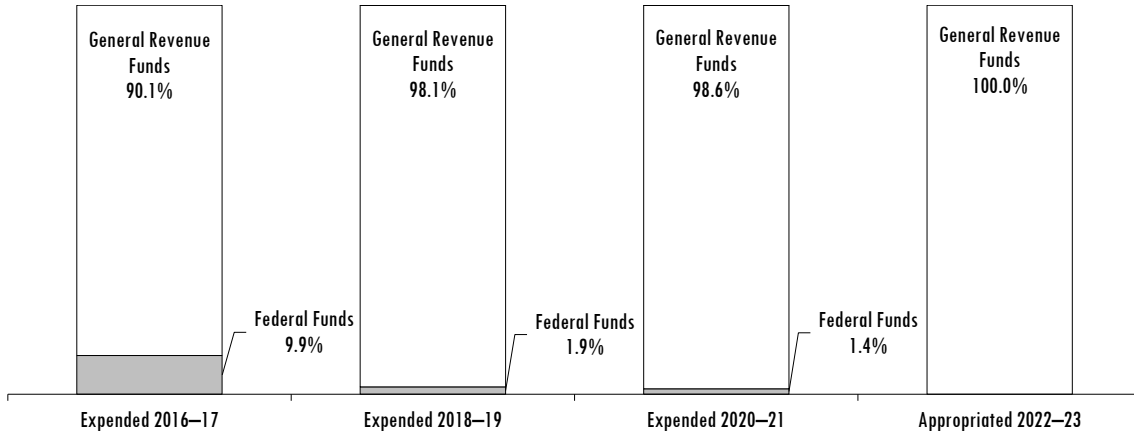
HISTORICAL FUNDING

Figure 414 shows historical funding for the program by method of finance. Historically, the program has been funded with General Revenue Funds and Federal Funds through the USDA–NRCS’ Environmental Quality Incentives program. Federal

Funds have decreased since fiscal year 2016 due to the expiration at the end of fiscal year 2019 of a onetime federally funded project, Conservation Plans to Restore the Health of the Gulf Coast.

FIGURE 414
WATER QUALITY MANAGEMENT PLAN PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

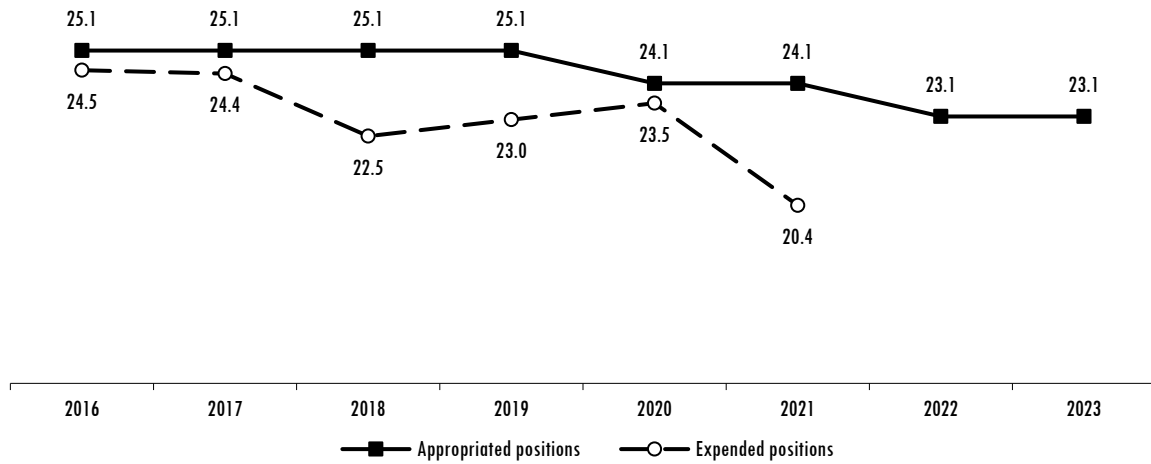
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$5.9	\$5.2	\$6.7	\$7.4
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.6	\$0.1	\$0.1	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$6.5	\$5.3	\$6.8	\$7.4

SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 415 shows FTE positions for the program. The decrease in expended FTE positions from the 2016–17 biennium to the 2020–21 biennium is due primarily to staff turnover and a hiring freeze associated with the 5.0 percent funding reduction directed by state leadership for the 2020–21 biennium.

FIGURE 415
WATER QUALITY MANAGEMENT PLAN PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas State Soil and Water Conservation Board.

PERFORMANCE MEASURES

Figure 416 shows the program’s performance measures, which also apply to the Poultry Water Quality Management Plan program.

FIGURE 416
WATER QUALITY MANAGEMENT PLAN PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage Problem Areas with Certified Plans	Yes	100.0%	100.0%	100.0%
Average Number of Days to Certify Pollution Abatement Plan	No	20.0	11.1	20.0
Number of Pollution Abatement Plans Certified	Yes	190	313	190
Number of Water Quality Treatment Grants Made	No	154	175	154

SOURCE: Texas State Soil and Water Conservation Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

Although the agency expends all available funding to provide WQMP assistance, total funding for this program may not enable the agency to support all assistance requests. According to the agency, the average incentive cost for developing a WQMP in fiscal year 2021 ranged from \$10,500 to \$12,500. TSSWCB received approximately 360 requests for WQMPs in fiscal year 2021 that were not developed due to limited funding. Based on information provided by the agency, the total estimated cost to fully fund all annual requests ranges from \$3.8 million to \$4.5 million, or from \$7.6 million to \$9.0 million for the biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, the purpose of a WQMP is to achieve a level of agricultural and silvicultural NPS water pollution prevention or abatement that TSSWCB determines to be consistent with state water-quality standards. This program is the state’s only on-farm NPS pollution abatement mechanism, without which no mechanism organizes best-management practices to meet state water-quality standards. The agency identifies this program as critical to ensuring the continued restoration of water quality consistent with state and federal priorities. TSSWCB reports that if the agricultural and silvicultural components

of the Texas NPS Management Program were discontinued, the state would lack the ability to demonstrate the utility and success of voluntary, incentive-based conservation programs, which could lead to increased regulation of agriculture and silvicultural activities by the EPA and TCEQ.

POULTRY WATER QUALITY MANAGEMENT PLAN

The Texas Water Code, Section 26.302(a); Eighty-seventh Legislature, General Appropriations Act, 2022–23 Biennium, Article VI, Soil and Water Conservation Board, Rider 4, Water Quality Management Plans

PROGRAM DESCRIPTION

The Poultry Water Quality Management Plan Program is a specialized type of Water Quality Management Plan (WQMP) that is statutorily required in the Texas Water Code, Section 26.302, to be implemented and maintained by facilities that produce poultry for commercial purposes before birds can be placed on a farm. The program provides funding for the cost-sharing of certain poultry carcass disposal equipment to assist poultry operations in meeting disposal requirements. Funding is provided subject to the recipient requesting a certified WQMP that is approved by the local SWCD and indicates a status of implementation.

Poultry WQMPs are approved by local SWCDs and are statutorily required to be certified by TSSWCB. The agency may not certify plans for certain poultry facilities located within one-half mile from certain businesses or residential areas if that facility is likely to present a persistent odor nuisance unless TCEQ approves an odor control plan. Additionally, producers that have a TSSWCB-certified WQMP may operate without a TCEQ-issued Concentrated Animal Feeding Operation Water Quality General Permit within certain circumstances if they do not discharge pollutants to water. TCEQ may assess enforcement and financial penalties against producers that subsequently discharge pollutants into water.

TSSWCB conducts onsite status reviews of facilities’ compliance with certified plans in consultation with local SWCDs. Poultry facilities must request development and certification or recertification of a WQMP before placing poultry at a new facility or increasing the number of poultry at an existing facility.

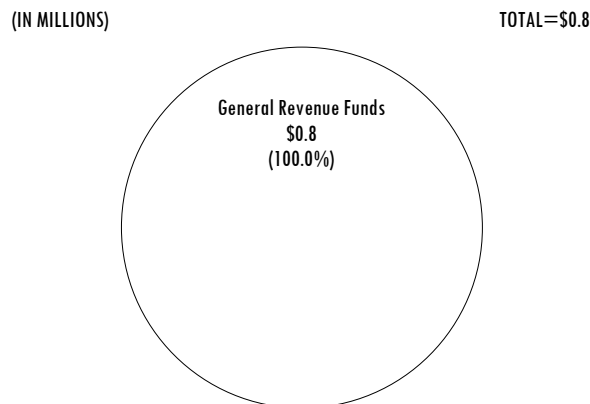
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 417 shows the program’s funding source by method of finance. The program is funded entirely from General Revenue Funds.

FIGURE 417
POULTRY WATER QUALITY MANAGEMENT PLAN PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

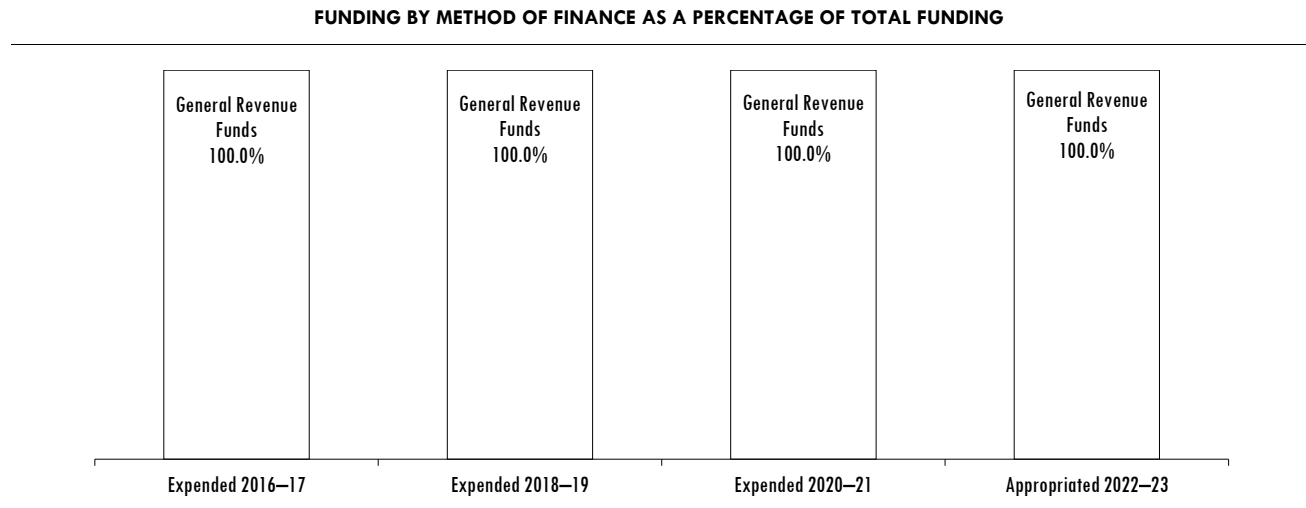


SOURCE: Texas State Soil and Water Conservation Board.

HISTORICAL FUNDING

Figure 418 shows historical funding for the program by method of finance. The program historically has been funded from General Revenue Funds.

**FIGURE 418
POULTRY WATER QUALITY MANAGEMENT PLAN PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**



(IN MILLIONS)

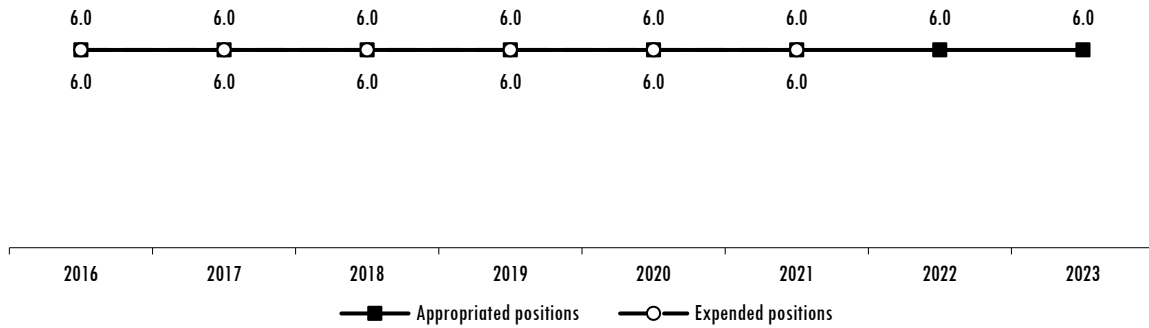
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.8	\$0.8	\$0.8	\$0.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.8	\$0.8	\$0.8	\$0.8

SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 419 shows FTE positions for the program. The program has maintained 6.0 FTE positions each fiscal year since fiscal year 2016. This number is equal to the appropriated positions limit.

FIGURE 419
POULTRY WATER QUALITY MANAGEMENT PLAN PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas State Soil and Water Conservation Board.

PERFORMANCE MEASURES

Figure 420 shows the program’s performance measures, which also apply to the Water Quality Management Plan program.

FIGURE 420
POULTRY WATER QUALITY MANAGEMENT PLAN PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage Problem Areas with Certified Plans	Yes	100.0%	100.0%	100.0%
Average Number of Days to Certify Pollution Abatement Plan	No	20.0	11.1	20.0
Number of Pollution Abatement Plans Certified	Yes	190	313	190
Number of Water Quality Treatment Grants Made	No	154	175	154

SOURCE: Texas State Soil and Water Conservation Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to TSSWCB, program funding is sufficient for the agency to regularly certify or recertify poultry facility WQMPs.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

Discontinuing this program would remove funding for the state certification and review process necessary to comply with the Texas Water Code requirements for poultry facility operators to maintain a state-approved WQMP. In addition, program funding that provides financial support to poultry producers to offset costs for carcass disposal equipment would be eliminated, increasing the risk that local water sources could be contaminated.

RIO GRANDE CARRIZO CANE ERADICATION

The Texas Agriculture Code, Section 201.0225

PROGRAM DESCRIPTION

The Rio Grande Carrizo Cane Eradication Program establishes long-term management of invasive carrizo cane along the Rio Grande. The ecosystem-based program integrates the use of biological, chemical, mechanical, and cultural controls to perform the following activities:

- reduce cane canopy, density, and biomass;
- improve border access for law enforcement officers;
- improve visibility to enable better detection of illegal activities;
- restore ecological function, degraded riverbank habitats, and biodiversity of the Rio Grande;
- improve river function, decrease in-channel sedimentation, and reduce potential for flooding; and
- conserve water lost to evaporation from plant and soil surfaces by cane and regrow native plants in the riverbank habitat.

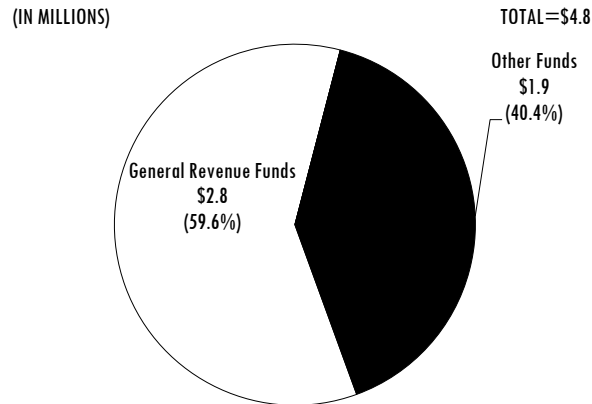
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 421 shows the program’s funding sources by method of finance. Program funding for the 2022–23 biennium includes General Revenue Funds and Other Funds consisting of grants provided by the Office of the Governor. Other Funds consist of two grants to pay invoices for the treatment of carrizo cane: \$1,464,983 granted to treat 3,769.0 acres and an additional \$462,500 provided for herbicidal treatment of 250.0 acres.

FIGURE 421
RIO GRANDE CARRIZO CANE ERADICATION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



NOTE: Totals may not sum due to rounding.
SOURCE: Texas State Soil and Water Conservation Board.

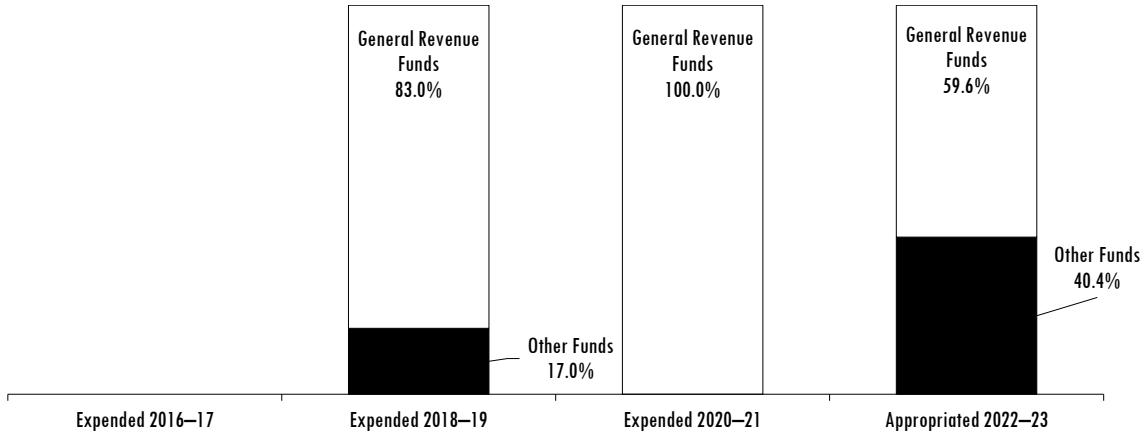
HISTORICAL FUNDING

Figure 422 shows historical funding for the program by method of finance. The Eighty-fourth Legislature, 2015, established the program but did not appropriate funding for its administration. The U.S. Department of Justice awarded TSSWCB an Edward Byrne Memorial Justice Assistance Grant during the 2016–17 biennium for \$189,500. The agency did not use these funds at that time but carried them forward for expenditure in fiscal year 2018. Since the 2018–19 biennium, program funding

has consisted primarily of General Revenue Funds, with periodic funding from Criminal Justice grants (Other Funds) provided by the Office of the Governor.

FIGURE 422
RIO GRANDE CARRIZO CANE ERADICATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

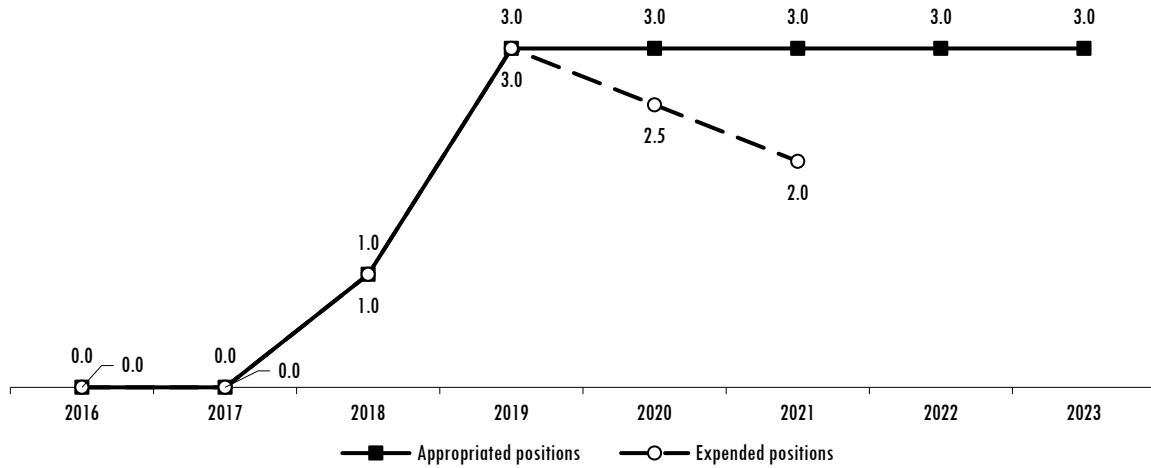
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$2.4	\$2.7	\$2.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.5	\$0.0	\$1.9
Total, All Methods of Finance	\$0.0	\$2.8	\$2.7	\$4.8

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 423 shows FTE positions for the program.

FIGURE 423
RIO GRANDE CARRIZO CANE ERADICATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas State Soil and Water Conservation Board.

PERFORMANCE MEASURES

Figure 424 shows the program’s performance measures. According to the agency, actual performance exceeded the target for fiscal year 2021 due to optimal weather conditions and plant health that promoted an increase in treatment activity.

FIGURE 424
RIO GRANDE CARRIZO CANE ERADICATION PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Predicted Number of Acres of Carrizo Cane Treated	Yes	2,000	10,080	2,000

SOURCE: Texas State Soil and Water Conservation Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The cost to provide a minimum level of service cannot be determined. According to the agency, it is unlikely that carrizo cane can be eradicated completely due to several factors, including the following issues: (1) the agency has no knowledge of initiatives conducted in Mexico to control carrizo cane on the southern banks of the Rio Grande; (2) voluntary mowing by land owners on the northern banks of the river exacerbates its spread; and (3) the plant grows prolifically, up to four inches per day.

Although current funding levels do not enable equal herbicide treatment along the entire Texas–Mexico border, regular treatments are necessary to mitigate spread and provide some measure of control. The agency reports that continued funding for this activity in priority areas will be necessary to provide ongoing targeted control.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would have an adverse effect on border security and the assistance provided to local, state, and federal law enforcement in performing their duties.

INDIRECT ADMINISTRATION

The Texas Agriculture Code, Chapter 201

PROGRAM DESCRIPTION

The Indirect Administration Program provides the administrative support for the agency’s operations. This support includes executive management, legal, human resources, accounting, budget, purchasing, communications, external affairs, information technology, and support to the agency’s governing board.

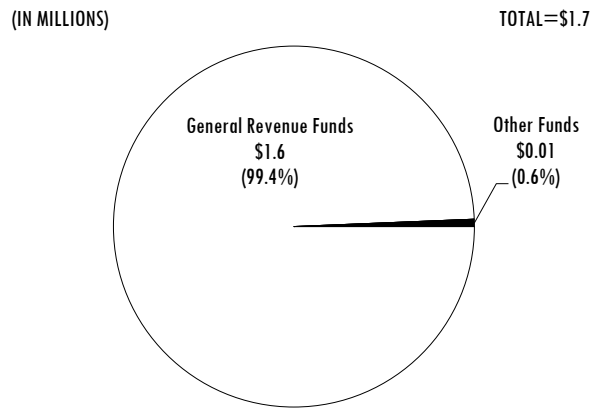
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 425 shows the program’s funding sources by method of finance. The program is funded with General Revenue Funds and Other Funds.

FIGURE 425
INDIRECT ADMINISTRATION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



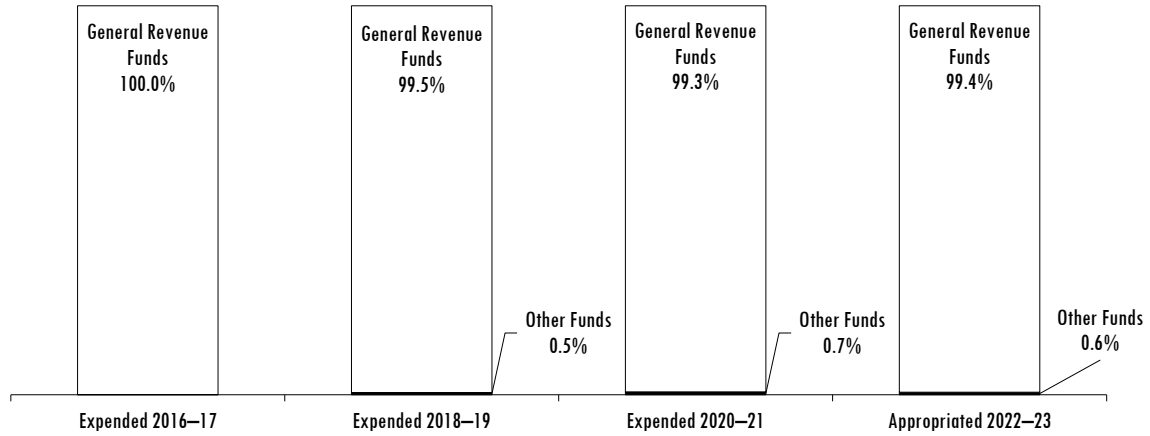
SOURCE: Texas State Soil and Water Conservation Board.

HISTORICAL FUNDING

Figure 426 shows historical funding for the program by method of finance. The program historically has been primarily funded with General Revenue Funds.

FIGURE 426
INDIRECT ADMINISTRATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



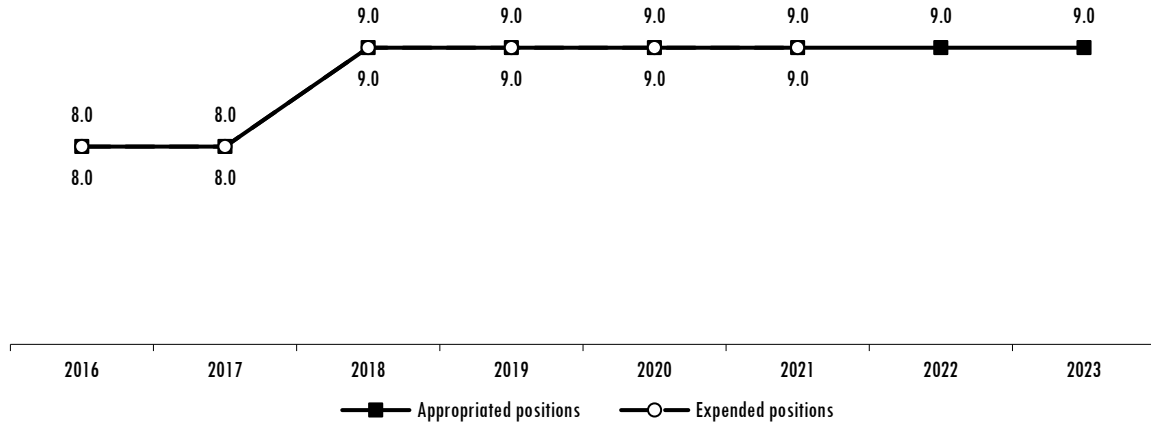
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1,388,529	\$1,532,535	\$1,559,972	\$1,647,658
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$11	\$8,224	\$10,846	\$10,623
Total, All Methods of Finance	\$1,388,540	\$1,540,759	\$1,570,818	\$1,658,281

SOURCE: Texas State Soil and Water Conservation Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 427 shows FTE positions for the program. The program maintained 8.0 FTE positions during fiscal years 2016 and 2017 and 9.0 positions from fiscal years 2018 to 2021. These numbers are equal to the appropriated positions limits.

FIGURE 427
INDIRECT ADMINISTRATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas State Soil and Water Conservation Board.

PERFORMANCE MEASURES

The agency did not report any performance measures for this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the program currently is operating at its minimum funding level.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the Indirect Administration Program would affect the performance of all agency programs due to its role in policy making, executive leadership, staff recruitment, staff retention, staff development, payroll, information systems, cybersecurity, asset management, purchasing, accounts payable, accounts receivable, and budgeting.

TEXAS WATER DEVELOPMENT BOARD

The Texas Water Code, Chapter 6

AGENCY DESCRIPTION

The Texas Water Development Board (TWDB) plans the state's water resources and provides affordable water and wastewater services by providing water planning, data collection and dissemination, financial assistance, information, and technical assistance services to Texas residents.

TWDB was established in 1957, following a seven-year drought during the 1950s that has come to be known as the Drought of Record. In fiscal year 2013, the agency's board was converted from a six-member, part-time board to a three-member, full-time board appointed by the Governor with the advice and consent of the Senate. The board consists of one member from each area of expertise in the fields of engineering, public or private finance, and law or business.

TWDB maintains its headquarters and two field offices in Austin. The Centennial Towers field office houses paper financial and business records, and the Hydro Lab field office is a warehouse that stores boats, trailers, trucks, and equipment used for field data collection and long-term monitoring. TWDB also maintains four regional offices in El Paso, Harlingen, Houston, and Mesquite that provide engineering reviews, grant-management support, and community outreach services. For fiscal year 2022, the agency is appropriated 406.1 full-time-equivalent (FTE) positions.

DEBT SERVICE

Debt service for most TWDB financial assistance programs is recovered through loan repayments and interest. However, these sources of revenue are not always sufficient to fully cover debt service requirements. TWDB makes debt service payments for the Economically Distressed Areas Program and Water Infrastructure Fund bonds through non-self-supporting General Obligation (GO) bond repayments and interest, Appropriated Receipts from Texas Water Resources Finance Authority proceeds, and General Revenue Funds.

FINANCIAL ASSISTANCE

TWDB offers several financial assistance loan and grant programs that provide for the planning, acquisition, design, and construction of water-related infrastructure. Programs that support projects with funding outside the General Appropriations Act (GAA) include the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF), which are capitalized with Federal Funds and proceeds from revenue bonds and GO bonds.

PLANNING FUNCTIONS

Since fiscal year 1997, TWDB has implemented a regionally focused approach to water planning. Every five years, 16 regions develop individual water supply plans that TWDB incorporates into a comprehensive State Water Plan (SWP). The board adopted the 2022 SWP on July 7, 2021. The State Water Implementation Fund for Texas (SWIFT) and the State Water Implementation Revenue Fund for Texas were established in 2013 to provide ongoing financial assistance to projects in the SWP. SWIFT funding is used to implement recommended water-management strategy projects included in the SWP. The Eighty-sixth Legislature, 2019, tasked TWDB with administering a new state and regional flood planning process among 15 regions using a process modeled after the SWP. The first state flood plan is due September 1, 2024.

SCIENCE FUNCTIONS

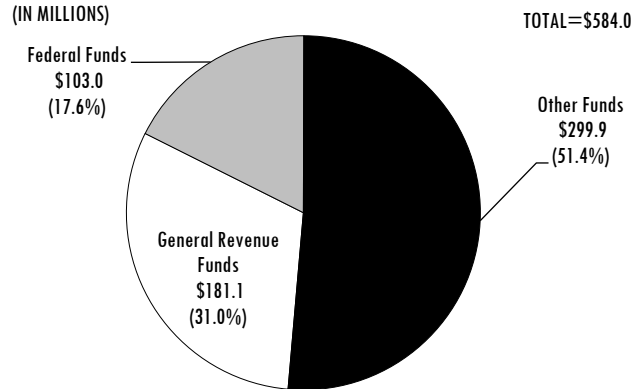
TWDB collects and disseminates data to inform the public about the state's water conditions and resources. These data contribute significantly to the agency's development of the state water and flood plans. Among the agency's main goals are to continue serving as an essential resource for water science data and to improve its understanding of water science to support public health and safety and economic growth in the state.

AGENCY FUNDING SOURCES

Figure 428 shows agency funding sources by method of finance. TWDB is funded through a combination of General Revenue Funds, Federal Funds, and Other Funds. Federal Funds sources primarily include funding received from the U.S. Federal Emergency Management Agency (FEMA) and the U.S. Environmental Protection Agency (EPA). FEMA funds support National Flood Insurance Program (NFIP) activities, including NFIP Community Assistance and Training and NFIP Flood

Mitigation Assistance and Severe Repetitive Loss grants. EPA funds support the Special Appropriation Act Projects program and provide capitalization grants for the two state revolving fund programs (CWSRF and DWSRF). Other Funds include various funding that supports agency functions or provides financial assistance. The appropriation levels for some of these Other Funds are based on the expected bond proceed revenues to be received by a specific fund. See the **Programs** section for further details regarding Federal Funds and Other Funds.

FIGURE 428
TEXAS WATER DEVELOPMENT BOARD FUNDING SOURCES, 2022–23 BIENNIUM



NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

Figure 429 shows a program funding overview in the agency’s program ranking order along with associated GAA budgeting strategies, expended amounts for the 2020–21 biennium, and appropriated amounts and FTE positions for the 2022–23 biennium.

FIGURE 429
TEXAS WATER DEVELOPMENT BOARD PROGRAM FUNDING OVERVIEW, 2020–21 TO 2022–23 BIENNIA

RANKING	PROGRAM	STRATEGY	(IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS 2022–23 (1)
			EXPENDED 2020–21	APPROPRIATED 2022–23	
1	Economically Distressed Areas Program (EDAP) Debt Service	C.1.1. EDAP Debt Service	\$58.7	\$59.2	0.0
2	Water Infrastructure Fund (WIF) Debt Service	C.1.2. WIF Debt Service	\$331.8	\$128.4	0.0
3	State Financial Assistance	B.1.1. State and Federal Financial Assistance Programs	\$15.1	\$71.1	41.3
4	Water Conservation and Education Assistance	A.2.2. Water Resources Planning; A.3.1. Water Conservation Education and Assistance	\$3.3	\$10.2	23.2
5	Drinking Water State Revolving Fund Administration	B.1.1. State and Federal Financial Assistance Programs	\$3.9	\$5.1	29.2
6	Clean Water State Revolving Fund Administration	B.1.1. State and Federal Financial Assistance Programs	\$4.3	\$5.0	29.2
7	Economically Distressed Areas	B.1.2. Economically Distressed	\$0.2	\$0.8	4.9

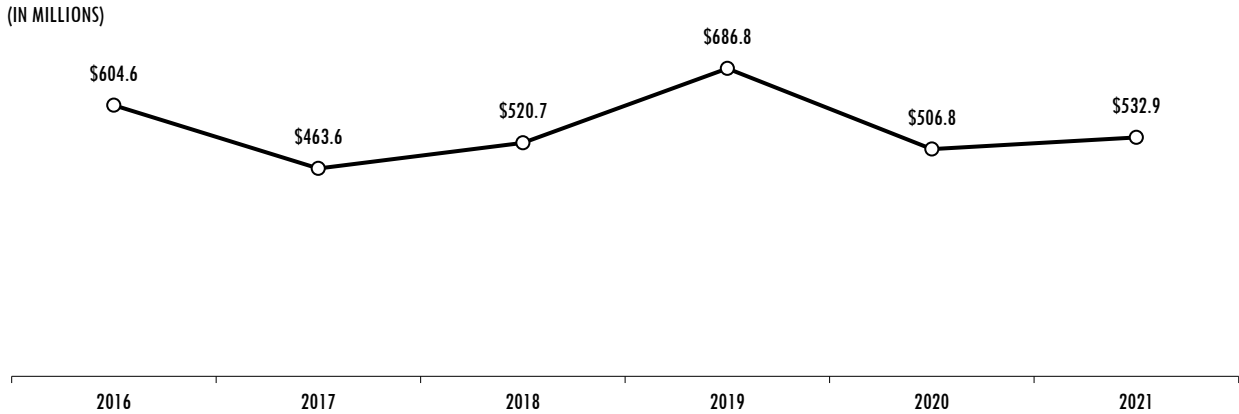
	Program	Areas			
8	Regional Water Planning	A.2.2. Water Resources Planning	\$5.4	\$6.2	25.4
9	Regional Water and Wastewater Facility Planning Grants	A.2.2. Water Resources Planning	\$3.2	\$5.7	0.0
10	Groundwater Availability Modeling	A.2.1. Technical Assistance and Modeling; A.2.2. Water Resources Planning	\$3.9	\$4.1	14.6
11	Surface Water Availability Modeling	A.2.1. Technical Assistance and Modeling	\$0.4	\$0.6	2.1
12	State Flood Planning, Information, and Response	A.4.1. State and Federal Flood Programs	\$152.3	\$113.3	51.1
13	Floodplain Mapping	A.4.1. State and Federal Flood Programs	\$3.9	\$41.1	4.4
14	Strategic Mapping	A.1.3. Automated Information Collection, Maintenance, and Dissemination	\$4.0	\$9.6	19.4
15	National Flood Insurance Program Community Assistance and Training	A.4.1. State and Federal Flood Programs	\$0.7	\$1.1	4.7
16	Innovative Water Strategies	A.2.2. Water Resources Planning	\$3.4	\$0.8	4.7
17	Groundwater Monitoring	A.1.2. Water Resources Data	\$1.6	\$1.9	6.3
18	Bays and Estuaries	A.1.1. Environmental Impact Information	\$1.6	\$1.9	5.1
19	Groundwater Technical Assistance	A.2.1. Technical Assistance and Modeling	\$0.8	\$0.9	5.5
20	Instream Flows	A.1.2. Water Resources Data	\$2.5	\$3.4	6.1
21	Hydrosurvey	A.1.2. Water Resources Data	\$0.7	\$0.8	4.2
22	Indirect Administration	D.1.1. Central Administration; D.1.2. Information Resources; D.1.3. Other Support Services	\$20.9	\$30.3	118.2
23	National Flood Insurance Program – Flood Mitigation Assistance and Severe Repetitive Loss Grant Program	A.4.1. State and Federal Flood Programs	\$2.0	\$82.5	6.4
24	Special Appropriation Act Projects	B.1.1. State and Federal Financial Assistance Programs	\$0.02	\$0.04	0.2

NOTE: The amounts shown for full-time-equivalent positions are the budgeted levels for each fiscal year of the biennium.
SOURCE: Texas Water Development Board.

AGENCY REVENUE SOURCES

Figure 430 shows total agency revenue and totals by revenue category. Other Receipts for the agency consist primarily of bond sales, loan repayments, the sale of short-term investments, and interest income.

FIGURE 430
TEXAS WATER DEVELOPMENT BOARD TOTAL REVENUE AND REVENUE TOTALS BY REVENUE CATEGORY
FISCAL YEARS 2016 TO 2021



(IN MILLIONS)

CATEGORY	2016	2017	2018	2019	2020	2021
Federal Funds	\$22.1	\$20.1	\$24.4	\$13.9	\$22.1	\$22.8
Licenses, Fees, Fines, and Penalties	\$0.2	\$0.0	\$0.1	\$0.1	\$0.0	\$0.0
Other Receipts	\$582.3	\$443.5	\$496.2	\$672.8	\$484.7	\$510.0
Total Revenue	\$604.6	\$463.6	\$520.7	\$686.8	\$506.8	\$532.9

NOTE: Revenue categories consisting of totals that round to \$0.0 are excluded. Totals may not sum due to rounding.
 SOURCE: Comptroller of Public Accounts.

FINDINGS

FINDING 1: FINANCIAL ASSISTANCE PROGRAMS

The Texas Water Development Board (TWDB) offers several cost-effective loan and grant programs that provide for the planning, acquisition, design, and construction of water-related infrastructure and other water quality improvements. TWDB financial assistance programs are funded from revenue and General Obligation (GO) bonds, funds appropriated by the Legislature, and federal sources, specifically the U.S. Environmental Protection Agency (EPA). As of May 31, 2022, TWDB has made more than 5,710 financial commitments for a total of approximately \$32.6 billion since the agency's inception in 1957. A commitment is an agreement or pledge to fund a specific project or purpose. **Figure 431** shows TWDB's commitment amounts since fiscal year 2016.

FIGURE 431
TEXAS WATER DEVELOPMENT BOARD FINANCIAL ASSISTANCE COMMITMENT PROGRAM AMOUNTS
2016–17 TO 2020–21 BIENNIA

(IN MILLIONS)

PROGRAM	FUNDING TYPE	2016–17	2018–19	2020–21
Agricultural Water Conservation Fund	Loans/Grants	\$1.0	\$1.7	\$1.7
Clean Water State Revolving Fund	Loans/Grants	\$658.6	\$668.7	\$1,968.2
Drinking Water State Revolving Fund	Loans/Grants	\$690.9	\$493.0	\$582.8
Economically Distressed Areas Program	Loans/Grants	\$43.7	\$54.8	\$0.0
Flood – Flood Infrastructure Fund/Texas Infrastructure Resiliency Fund	Loans/Grants	\$0.0	\$0.0	\$376.7
General Revenue Grants	Grants	\$4.5	\$0.0	\$0.2
State Water Implementation Fund for Texas	Loans	\$1,812.2	\$2,475.2	\$1,065.7
Water Assistance Fund	Grants	\$0.0	\$0.7	\$0.0
Water Development Fund	Loans	\$75.7	\$52.2	\$46.0
Water Infrastructure Improvements for the Nation	Grants	\$0.0	\$0.0	\$3.3
Total, All Programs		\$3,287.0	\$3,746.3	\$4,044.7

NOTE: Totals may not sum due to rounding.

SOURCE: Texas Water Development Board.

Several TWDB programs administer loans and grants for water-related infrastructure projects. The federal financial assistance programs include the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF), which are funded by federal grants and loan repayments deposited back into the revolving accounts. Debt service for most programs is recovered through loan repayments, except for the Economically Distressed Areas Program (EDAP) and Water Infrastructure Fund (WIF) bonds, which require General Revenue Funds to fully cover debt-service requirements. See State Financial Assistance in the **Programs** section for more information, **Figure 432** shows estimated GO and revenue bonds outstanding by financial assistance program through the end of fiscal year 2021.

FIGURE 432
TEXAS WATER DEVELOPMENT BOARD ESTIMATED OUTSTANDING BOND DEBT FOR GENERAL OBLIGATION AND REVENUE BONDS, AS OF AUGUST 31, 2021

PROGRAM	BOND TYPE	ESTIMATED OUTSTANDING DEBT (IN MILLIONS)
Economically Distressed Areas Program	General Obligation	\$176.6
State Participation Program	General Obligation	\$69.8
Water Infrastructure Fund	General Obligation	\$163.8
Water Development Fund	General Obligation	\$841.2
Clean Water and Drinking Water State Revolving Funds	Revenue	\$801.0
State Water Implementation Revenue Fund for Texas	Revenue	\$6,182.1
Total		\$8,164.70

NOTE: Totals may not sum due to rounding.
 SOURCES: Bond Review Board.

TWDB’s financial assistance capacity expanded in fiscal year 2013 with the establishment of the State Water Implementation Revenue Fund for Texas (SWIRFT) and State Water Implementation Fund for Texas (SWIFT). SWIRFT and SWIFT provide affordable, ongoing state financial assistance for water and wastewater projects in the State Water Plan (SWP). SWIFT funding is used to implement the SWP. SWIRFT funding provides leveraging, bond enhancement, interest rate discounts, loan payment deferrals to borrowers, and extended loan terms. Communities benefit from low- interest loans, extended repayment terms, deferral of loan repayments, and incremental repurchase terms. SWIRFT was capitalized with \$2.0 billion from the Economic Stabilization Fund (ESF), an amount that subsequently was transferred to SWIFT during fiscal year 2014. Through fiscal year 2021, SWIFT has committed more than \$9.2 billion to projects across Texas.

Figure 433 shows total commitments for 12 active financial assistance programs since they were established. The Flood Infrastructure Fund (FIF) program provides financial assistance through loans and grants for flood-control, flood-mitigation, and drainage projects. Since the fund’s inception in fiscal year 2019, TWDB has been committing FIF’s initial \$793.0 million appropriation from the ESF. FIF and the Texas Infrastructure Resiliency Fund (TIRF) were established by the same legislation, but TIRF funds have not been used for financial commitments.

FIGURE 433
TEXAS WATER DEVELOPMENT BOARD ACTIVE FINANCIAL ASSISTANCE PROGRAM HISTORICAL COMMITMENTS, AS OF MAY 2022

PROGRAM	DESCRIPTION	COMMITMENTS	AMOUNTS (IN MILLIONS)
Agricultural Water Conservation Fund	State-funded program for agricultural water conservation projects and related strategies within the State Water Plan (SWP)	105	\$85.8
Clean Water State Revolving Fund	Federally capitalized, leveraged program for projects addressing wastewater infrastructure, nonpoint source pollution, and estuary management	1,196	\$11,126.7
Drinking Water State Revolving Fund	Federally capitalized program for projects addressing water infrastructure and source-water protection	764	\$3,623.1
Economically Distressed Areas Program	State-funded program through appropriations for projects addressing all water and wastewater infrastructure for economically distressed areas	353	\$511.1

Flood – Flood Infrastructure Fund and Texas Infrastructure Resiliency Fund	All funding for authorized flood planning, monitoring, and mitigation infrastructure projects	190	\$447.6
Groundwater District Loan Program	State-funded program to fund any new groundwater district or authority that regulates the spacing of water wells, the production from water wells, or both	5	\$0.3
General Revenue Grant	Special state-appropriated grant funds for select projects	3	\$54.7
Rural Water Assistance Fund	State-funded program to assist small rural utilities to obtain low-cost financing for water and wastewater projects	79	\$181.3
State Participation Program	State-funded program to provide funding and assume a temporary ownership interest in a regional water, wastewater, or flood-control project when the local sponsors are unable to assume debt for an optimally sized facility	23	\$367.6
State Water Implementation Fund for Texas	State-funded program for projects addressing projects listed within the SWP.	300	\$9,252.6
Texas Water Development Fund	State-funded program for projects addressing all water and wastewater infrastructure	712	\$2,913.6
Water Infrastructure Improvements for the Nation	Federally capitalized program for small and disadvantaged community projects addressing drinking water infrastructure	1	\$3.3
Total, All Programs		3,731	\$28,568.0

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

Most of the programs provided by TWDB utilize funding apart from the General Appropriations Act (GAA) and are self-supporting in covering bond debt-service requirements. As the state continues to implement newer programs with more favorable rates, it has phased out older programs. For example, TWDB elected to stop funding SWP projects using WIF when SWIFT was implemented. Such programs become dormant or inactive but are not eliminated due to the future repayments connected to those programs. **Figure 434** shows commitment totals for 10 currently inactive financial assistance programs. For example, the Water Assistance Fund made its last commitment in 2017 but now it is used for regional water-planning grant expenditures, as opposed to financial assistance.

FIGURE 434
TEXAS WATER DEVELOPMENT BOARD’S HISTORICAL COMMITMENTS FOR INACTIVE FINANCIAL ASSISTANCE PROGRAMS, AS OF FISCAL YEAR 2022

PROGRAM	DESCRIPTION	COMMITMENTS COMPLETED	AMOUNTS (IN MILLIONS)	YEAR OF LAST COMMITMENT
Colonia Administrative and Management Support Program	Developed by the U.S. Environmental Protection Agency and administered by the Texas Water Development Board (TWDB), the program assists in managing colonias projects	5	\$0.3	1999
Construction Grant Program	Federal and state funding for wastewater infrastructure projects	1,075	\$1,879.2	1994
Colonia Plumbing Loan Program	Funding for wastewater infrastructure, plumbing fixtures, and collection system hookups for economically distressed areas in southern border counties	20	\$6.4	2004

Colonia Self-help Program	Funding for water and wastewater infrastructure for economically distressed areas across the state; incorporated community participation	14	\$0.7	2009
Colonia Wastewater Treatment Assistance Program	Funding for water and wastewater infrastructure for economically distressed areas in southern border counties	69	\$394.0	2010
Small Community Hardship Assistance Program	Funding for water infrastructure projects for hardship communities across the state	6	\$3.5	2004
State Energy Conservation Office	Funding for water conservation feasibility studies across the state	16	\$3.9	2002
Texas Water Resources Finance Authority	State-funded program for projects addressing all water and wastewater infrastructure	619	\$694.7	1999
Water Assistance Fund	State-funded program for projects addressing all water and wastewater infrastructure	104	\$77.3	2017
Water Infrastructure Fund	State-funded program for projects addressing projects listed within the State Water Plan	52	\$1,035.0	2013
Total, All Programs		1,980	\$4,095.0	

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

The Groundwater Conservation District Loan Program (GDLP), Rural Water Assistance Fund (RWAF), and State Participation (SP) Program are dormant but not inactive financial assistance programs. GDLP, which provides loans to support financing the startup costs of groundwater conservation districts, has not been accessed recently but remains available. The RWAF made its most recent commitment in fiscal year 2014; the CWSRF and DWSRF offer better rates for similar assistance or projects. RWAF continues to cover debt-service requirements. The SP program has not been accessed since the inception of SWIFT, because SWIFT incorporated a Board Participation (BP) program component modeled after SP. However, BP only applies to water-supply projects, whereas SP includes water and wastewater projects, which could provide an option if demand for state participation in a wastewater project occurs.

The Legislature could consider adding a rider to the agency's bill pattern in the GAA requiring TWDB to submit an annual report that identifies inactive funds, remaining fund balances, and outstanding financial commitments to the Legislative Budget Board and the Office of the Governor.

FINDING 2: FLOOD FUNDING

Several bills passed by the Eighty-sixth Legislature, 2019, changed the state's approach to flood planning and infrastructure funding. Senate Bill 7 established the FIF and the TIRF. The TIRF has four subaccounts, each of which serves a specific purpose: (1) Floodplain Management, previously the Floodplain Management Fund, which was eliminated and reincorporated as this subaccount; (2) Flood Plan Implementation; (3) Hurricane Harvey; and (4) Federal Matching. Senate Bill 8 required TWDB to prepare and adopt a comprehensive State Flood Plan (SFP) by September 1, 2024, and every five years thereafter. Senate Bill 500 appropriated funds from the ESF to two TIRF subaccounts in the amounts of \$638.0 million to the Hurricane Harvey Account in onetime matching funds for FEMA grants, and \$47.0 million to the Floodplain Management Account in onetime funding for preparing the State Flood Plan and flood maps. Senate Bill 500 also appropriated \$793.0 million from the ESF to capitalize the FIF for onetime flood infrastructure project funding.

TWDB may use the \$638.0 million appropriated to the Hurricane Harvey Account solely to provide funding to the Texas Division of Emergency Management (TDEM) as a local match for the FEMA-administered Hazard Mitigation and Public Assistance programs to finance Hurricane Harvey-related projects. In addition to the \$47.0 million appropriated to the

Floodplain Management Account for flood mapping and planning activities, the account receives \$3.05 million in insurance maintenance taxes each fiscal year pursuant to the Texas Insurance Code, Section 251.004. Previously this tax collection was deposited to the Floodplain Management Fund.

The FIF was established by constitutional amendment following voter approval (Proposition 8, 2019). The \$793.0 million appropriated to the FIF is used to administer loans and grants to assist in financing drainage, flood-mitigation, and flood-control projects. TWDB adopted rules to administer the FIF; these rules are included in the agency’s Flood Intended Use Plan (IUP). The agency reported approving \$770.0 million of available funds for FIF projects, including \$539.0 million (70.0 percent) allocated for loans, and \$231.0 million (30.0 percent) allocated for grants. Demand for FIF funds exceeded this capacity, as TWDB received 286 abridged applications totaling \$2.4 billion in requested funds. The agency continues to make commitments to these projects based on the prioritization criteria stated in the Flood IUP. **Figure 435** shows the obligated FIF and TIRF funds as of April 30, 2022.

**FIGURE 435
FLOOD FUNDING REPORT, AS OF APRIL 30, 2022**

ACCOUNT/SUBACCOUNT	EXPENDED 2020	EXPENDED 2021	EXPENDED 2022	ENCUMBERED	OBLIGATED
Hurricane Harvey (HH) Account	\$86.4	\$0.0	\$0.0	\$551.6	\$638.0
Floodplain Management (FPM) Account	\$4.9	\$15.5	\$6.0	\$26.7	\$53.2
Texas Infrastructure Resiliency Fund (TIRF=HH+FPM)	\$91.4	\$15.5	\$6.0	\$578.3	\$691.2
Flood Infrastructure Fund	\$0.7	\$274.9	\$39.7	\$92.6	\$407.9
Total Flood Funds Expenditures	\$92.1	\$290.4	\$45.7	\$670.8	\$1,099.0

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

As the agency continues the mapping, modeling, and planning work to develop an SFP by September 1, 2024, ongoing funding will be necessary to support these activities. According to the agency, full statewide base-level engineering flood-mapping coverage is expected to be completed by fiscal year 2024. However, it will need longer-term, ongoing funding to provide adequate maintenance and updating of maps. Additionally, the FIF and TIRF have finite sources of funds because they were intended to distribute funds to communities with immediate flood mitigation and disaster-recovery needs while also supporting the development of the State Flood Plan. After the first State Flood Plan is implemented, the FIF will fund only projects included in the plan. The two currently unused subaccounts of TIRF also could receive appropriations to assist in implementing SFPs. Any funding remaining in the TIRF after fiscal year 2031 is required to be transferred to the State Flood Plan Implementation Account to implement SFP projects.

The Legislature could consider continuing the reporting required by the Eighty-seventh Legislature, GAA, 2022–23 Biennium, Article VI, Texas Water Development Board, Rider 22, which requires the agency to report FIF and TIRF expenditures twice a year to the Legislative Budget Board and the Office of the Governor.

FINDING 3: INFRASTRUCTURE INVESTMENT AND JOBS ACT FEDERAL FUNDING

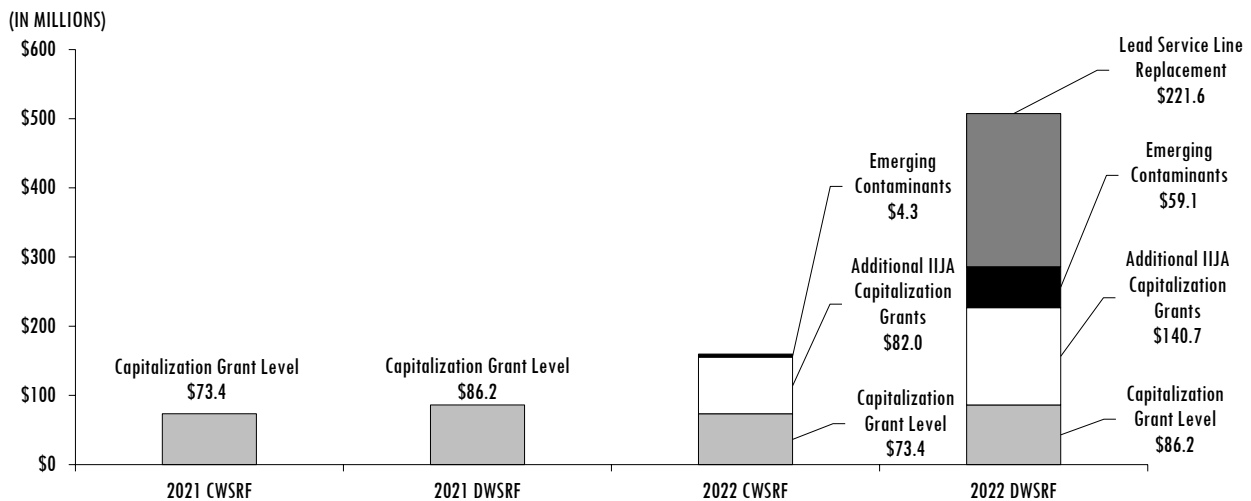
From federal fiscal years 2022 to 2026, the federal Infrastructure Investment and Jobs Act of 2021 (IIJA) will provide \$1.2 trillion in federal funding to states for a range of programs related to transportation, drinking water and wastewater, and broadband and energy. Texas will receive more than \$3.0 billion during this period through the CWSRF and DWSRF for new and existing programs related to drinking water and wastewater. The IIJA funds will increase capitalization grants in the CWSRF and DWSRF, provide funding in both funds to address emerging contaminants in water, and provide funding in the DWSRF for lead service line replacement. The first funding was expected to become available in spring 2022 but has not as of July 2022.

Typically, TWDB matches 20.0 percent of the federal capitalization grant allotment with proceeds from bond sales. For federal fiscal years 2022 and 2023, CWSRF and DWSRF supplemental fund state matching rates will be lowered to 10.0 percent and will return to the standard 20.0 percent rates for fiscal years 2024 and 2025. The funds are expected to be available until expended, subject to the specific conditions of certain loans or grants. The IJA requires the following allocations: 49.0 percent of DWSRF general supplemental funds and lead service line replacement to disadvantaged communities; 49.0 percent of CWSRF general supplemental funds to disadvantaged communities; and 25.0 percent of DWSRF emerging contaminants funds to disadvantaged communities and public water systems serving fewer populations of less than 25,000. Additionally, 2.0 percent of federal capitalization grants may be used for technical assistance. The CWSRF and DWSRF IUPs contain affordability criteria that determine eligibility for disadvantaged communities.

Typically, a portion of CWSRF and DWSRF funds is set aside for disadvantaged communities each fiscal year. For fiscal year 2022, CWSRF funding capacity is \$250.0 million and DWSRF funding capacity is \$150.0 million. These amounts include \$16.0 million to \$17.0 million in principal forgiveness to disadvantaged communities, and \$2.0 million in principal forgiveness to small and rural disadvantaged communities in both state revolving funds. The IJA funding directed to disadvantaged communities expands what typically is available to these communities through the CWSRF and DWSRF. Additionally, from federal fiscal years 2022 to 2026, the EPA made available grant funding to address emerging contaminants in small and disadvantaged communities. Grant awards allotted to Texas will depend on what the state applies for; funding will be administered through the Water Infrastructure Improvements for the Nation grant program at the state level.

IJA allocations to the CWSRF and DWSRF total \$507.7 million for federal fiscal year 2022, with CWSRF appropriations totaling \$86.3 million and DWSRF appropriations totaling \$421.4 million. In addition, from federal fiscal years 2021 to 2022, capitalization grants are expected to increase by \$82.0 million for the CWSRF, from \$73.4 million to \$155.4 million, and increase by \$140.7 million for the DWSRF, from \$86.2 million to \$226.9 million. Federal fiscal year 2022 specified appropriations also include the following amounts: \$4.3 million for the CWSRF to address emerging contaminants, \$59.1 million for the DWSRF to address emerging contaminants, and \$221.6 million for the DWSRF to address lead service line replacement. **Figure 436** shows the state fiscal year 2021 CWSRF and DWSRF capitalization grant funding levels compared to fiscal year 2022 funding levels with IJA funds.

FIGURE 436
FEDERAL FUNDING FOR THE CLEAN WATER STATE REVOLVING FUND (CWSRF) AND DRINKING WATER STATE REVOLVING FUND (DWSRF), FEDERAL FISCAL YEARS 2021 AND 2022



NOTES:
 (1) IJA=Federal Infrastructure Investment and Jobs Act of 2021.
 (2) Totals may not sum due to rounding.

SOURCE: Texas Water Development Board.

The lowering of the state matching rates in federal fiscal years 2022 and 2023 could incentivize entities to apply early for funding and for states to begin administering this funding quickly. Additionally, all infrastructure projects using IIJA funds must comply with the federal Buy America, Build America (BABA) provision, which requires that all iron, steel, manufactured products, and construction materials used in projects are produced in the U.S. The EPA will determine eligibility for waivers to this requirement. The BABA requirement, specified uses of the funding, and timeline will be significant factors in the administration of IIJA funds.

The Legislature could consider adding a rider to the agency's bill pattern in the GAA requiring TWDB to submit a plan outlining funding needs to administer the anticipated IIJA funds to the Eighty-eighth Legislature, 2023, the Legislative Budget Board, and the Office of the Governor.

FINDING 4: ECONOMICALLY DISTRESSED AREAS PROGRAM

The Economically Distressed Areas Program (EDAP) provides financial assistance for the supply of water and wastewater services to economically distressed areas where water or wastewater facilities are inadequate to meet minimum state standards. With voter approval of three constitutional amendments during calendar years 1989, 1991, and 2007, TWDB was authorized to issue \$500.0 million in GO bonds to provide affordable water and wastewater services in these areas.

Senate Joint Resolution 79 and its enabling legislation, Senate Bill 2452, Eighty-sixth Legislature, 2019, made several changes to EDAP after voters approved the amendment in November 2019. The legislation amended EDAP's authority to issue new debt from requiring legislative and voter approval of constitutional amendments to ongoing authority. The legislation also authorized TWDB to issue additional GO bonds in an amount up to \$200.0 million. In addition, previous projects were funded on a first-come, first-served basis; the legislation required TWDB to develop and implement a formal prioritization system for EDAP applications. Additionally, Senate Bill 2452 authorized TWDB to use EDAP bond proceeds to support public-private partnerships; required political subdivisions to provide evidence that they are enforcing model subdivision rules (MSR); added application requirements for proposed water quality enhancement projects; and added new program reporting requirements.

On April 11, 2022, TWDB adopted rules changes that formalized the prioritization system for EDAP applications. TWDB now adopts an IUP to determine and outline the use of funds for the specified application period, a process currently utilized by the state revolving funds. A city or county in which the project is located must adopt and enforce MSRs, qualify as economically distressed, and propose an eligible project type before an application is considered.

The new bonding authority enables TWDB to issue EDAP bonds on a continuing basis if the outstanding principal on the bonds does not exceed \$200.0 million. The Texas Water Code, Section 17.0112(a), limits issuance of EDAP bonds to \$50.0 million per state fiscal year. The new prioritization process utilizing the IUP will streamline the process. EDAP bonding capacity was exhausted in fiscal year 2019, and no EDAP bonds were issued during the 2020–21 biennium. With the new rules changes and bonding authority in place, the program is expected to resume.

The Legislature could consider adding a rider to the agency's bill pattern in the GAA requiring TWDB to submit an annual report detailing EDAP's outstanding debt requirements and available bond authority to the Legislative Budget Board and the Office of the Governor.

PROGRAMS

BAYS AND ESTUARIES

The Texas Water Code, Sections 5.605, 11.02362, 16.012, 16.013, 16.058, and 16.453; the Texas Natural Resources Code, Section 33.065

PROGRAM DESCRIPTION

The Bays and Estuaries Program is responsible for collecting, analyzing, and disseminating physical and chemical water-quality data, which monitors the effects of freshwater inflows upon bays and estuaries; developing hydrologic and hydrodynamic models; and providing administrative and technical assistance to the environmental flows process. This state program is responsible for estimating the volume of freshwater inflow to the Texas coast and for maintaining bay circulation and salinity transport models for all Texas estuaries. The program also provides modeling support to the Texas General Land Office and Veterans’ Land Board’s Oil Spill Prevention and Response Program. Staff provide technical support to the statewide environmental flows process, the Galveston Bay Council, Coastal Bend Bays and Estuaries Program, the Coastal Coordination Advisory Council, and various other stakeholder groups.

The program’s original focus was collecting data and conducting studies of the freshwater inflow needs that provide for a sound ecological environment in Texas bays and estuaries. In fiscal year 2019, the program expanded to collect flood-related data, advance modeling capabilities, and distribute critical flood information. In addition to supporting environmental flows and water supply planning, the program supports flood science and planning, primarily through the development of the Texas Integrated Flooding Framework.

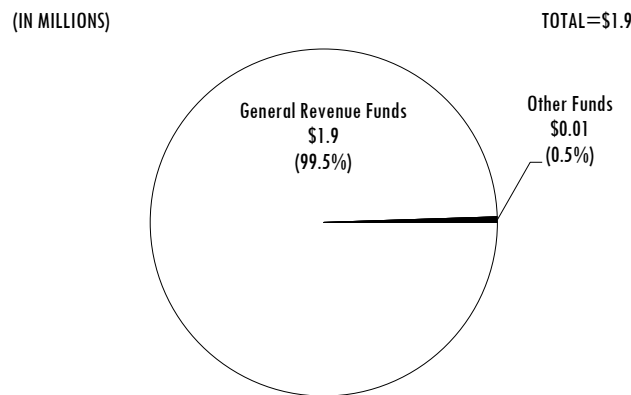
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 437 shows the program’s funding sources by method of finance. The program is funded primarily from General Revenue Funds but also includes a small amount of Other Funds from Interagency Contracts totaling \$5,000 each fiscal year.

FIGURE 437
BAYS AND ESTUARIES PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



NOTES: Totals may not sum due to rounding. Other Funds appropriations from Interagency Contracts total \$5,000 each fiscal year of the 2022–23 biennium.

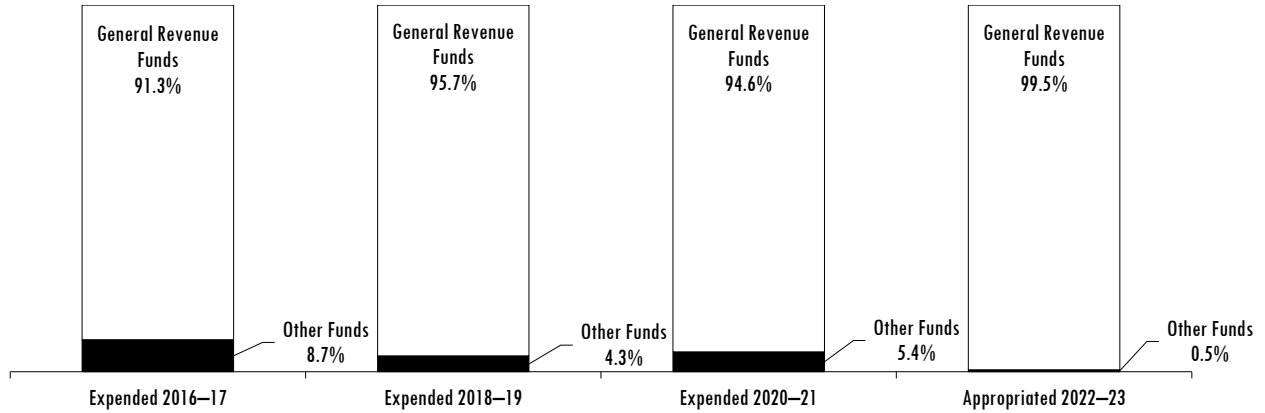
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 438 shows historical funding for the program by method of finance. Overall program funding has decreased since fiscal year 2016. Following a decrease in the 2020–21 biennium, amounts from General Revenue Funds for the current biennium have returned to the approximate level in 2018–19, while Other Funds amounts have continued to decrease.

FIGURE 438
BAYS AND ESTUARIES PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

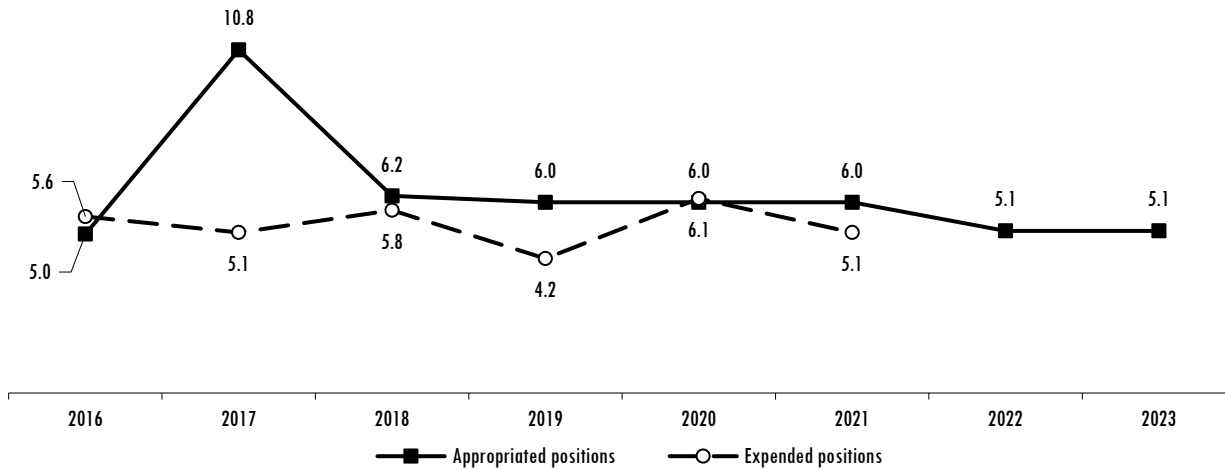
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$2.7	\$1.8	\$1.5	\$1.9
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.3	\$0.1	\$0.1	\$0.0
Total, All Methods of Finance	\$3.0	\$1.8	\$1.6	\$1.9

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 439 shows full-time-equivalent (FTE) positions for the program. The program historically has ranged from 4.0 to 6.0 FTE positions for each fiscal year except 2017. The number of positions has remained consistent since the 2018–19 biennium.

FIGURE 439
BAYS AND ESTUARIES PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

Figure 440 shows the program’s performance measures.

FIGURE 440
BAYS AND ESTUARIES PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Percentage Information Available to Monitor Water Supply	Yes	66.7%	62.1%	62.0%
Number of Bay and Estuary and Instream Study Elements Completed	Yes	10.4	9.9	10.0

SOURCE: Texas Water Development Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would result in loss of key data sets and modeling services that support managing environmental flows, regional and state water-supply planning, regional and state flood planning, and emergency oil spill response in the Texas coastal zone. Discontinuation also would halt advances to develop a three-dimensional, coastwide hydrodynamic and salinity transport model for Texas for use in water planning, flood protection, and oil-spill response.

To secure funding for advances in ecosystem monitoring and applied research, academic, nonprofit, and other researchers often must connect their proposals to state resource management programs, such as the water-supply planning and flood-planning programs at TWDB. The Bays and Estuaries Program frequently serves as the justification for new research and policy studies or as the target user of products developed by other entities. It is also the recipient of state, federal, and private funding for research. Without the program, such funding could be lost, diminishing Texas’ ability to advance scientific knowledge for the benefit of protecting the coastal zone.

GROUNDWATER MONITORING

The Texas Water Code, Sections 11.153 and 11.155 and Chapter 16, Subchapter B

PROGRAM DESCRIPTION

The Groundwater Monitoring program measures water levels and water quality in wells across the state. This program collects, analyzes, and maintains groundwater data from Texas aquifers to monitor the occurrence, quantity, and quality of ambient groundwater conditions and changes and to assist with the development of groundwater availability models and efforts to manage groundwater resources. Program staff measure more than 1,750 wells annually from October to February in 205 counties. In addition, approximately 65 groundwater conservation districts (GCD) measure up to 5,000 wells at least annually in 133 counties. The U.S. Geological Survey also measures an estimated 1,100 wells annually in approximately 40 Texas counties. TWDB compiles and disseminates these records in a database that includes all Texas counties.

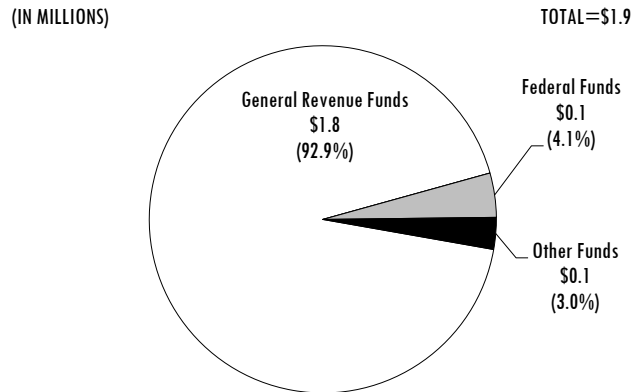
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 441 shows the program’s funding sources by method of finance. Program funding is primarily from General Revenue Funds but also includes small amounts of Federal Funds and Other Funds.

FIGURE 441
GROUNDWATER MONITORING PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



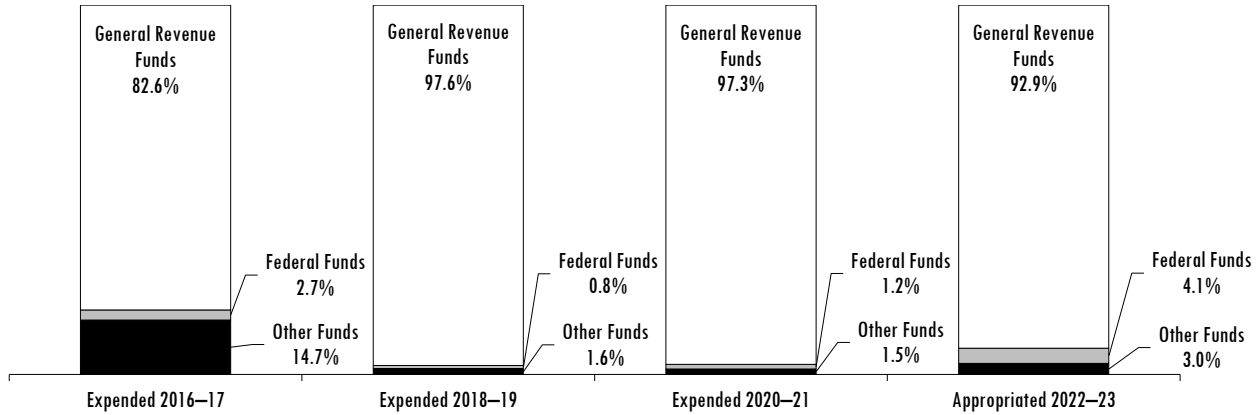
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 442 shows historical funding for the program by method of finance.

FIGURE 442
GROUNDWATER MONITORING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

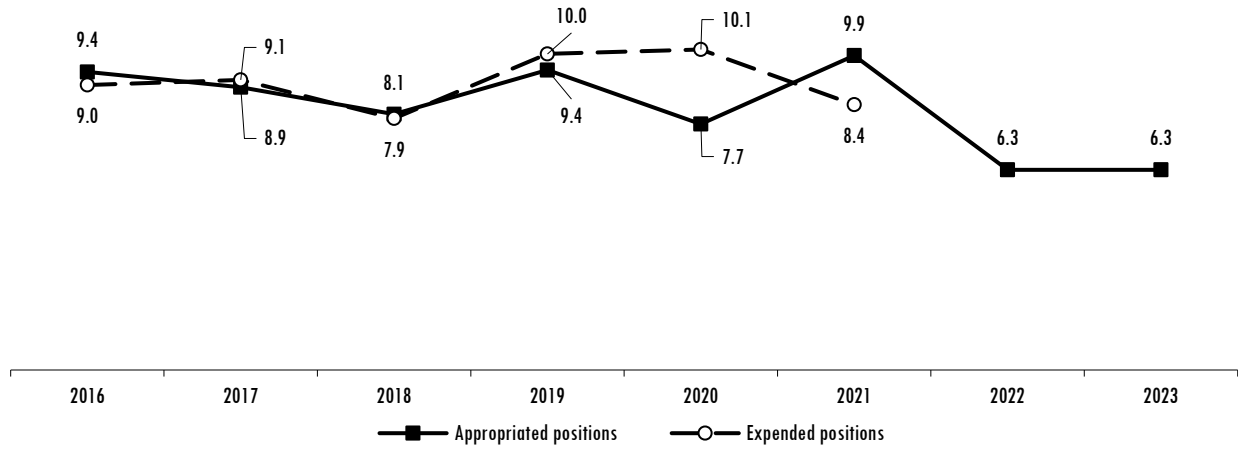
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.4	\$1.7	\$1.5	\$1.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.1
Other Funds	\$0.2	\$0.0	\$0.0	\$0.1
Total, All Methods of Finance	\$1.7	\$1.7	\$1.6	\$1.9

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 443 shows FTE positions for the program. Despite small increases in funding historically, agency management decisions have contributed to fluctuations among allocations of FTE positions since fiscal year 2018.

FIGURE 443
GROUNDWATER MONITORING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

Figure 444 shows the program’s single performance measure.

FIGURE 444
GROUNDWATER MONITORING PROGRAM PERFORMANCE MEASURE, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Data Units Collected/Processed by TWDB Staff	No	34,500	158,398	165,724

SOURCE: Texas Water Development Board (TWDB).

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would limit the ability of policymakers and stakeholders to evaluate groundwater-level trends related to drought and groundwater development. Subsequently, the state could lose the ability to understand the suitability of groundwater to meet the various needs of agriculture and municipal water supply based on quality criteria. Policymakers, stakeholders, and the public would have difficulty obtaining groundwater data relevant to their management and uses of the resource. In the absence of program data, GCDs might implement programs that were technically deficient or had different standards of performance. Local and regional entities would face pressure to increase their spending on groundwater programs to address the lack of updated information necessary to evaluate aquifer conditions for groundwater development planning and monitoring the effects of such development. Ultimately, discontinuing the program could impede the ability of local and regional entities to provide dependable quantities of groundwater to the public.

HYDROSURVEY

The Texas Water Code, Chapter 15, Subchapter M, and Sections 16.012, 16.013, and 16.019; the Texas Administrative Code, Title 31, Part 10, Chapter 377

PROGRAM DESCRIPTION

The Hydrosurvey Program provides accurate and affordable estimates of reservoir storage capacity and the loss in capacity due to sedimentation. It operates as a partially self-supporting program by generating revenue through fees charged to customers for conducting lake surveys and data analysis. The program charges customers based on a TWDB rate schedule that is reviewed and approved every two years. The program conducts from five to seven lake surveys annually, producing data, maps, and reports for customers that also are available to the public on the agency’s website. As of July 2021, the program has performed 196 reservoir surveys since its establishment in 1991. The program’s techniques enable measuring storage capacity up to the conservation storage pool, which is the water-supply portion of a reservoir. Recently, the program has developed a method to estimate the volumetric capacity available for capturing flood waters in reservoirs that have a flood-pool function, which is a volume typically not measured. This new service was funded initially during the 2020–21 biennium.

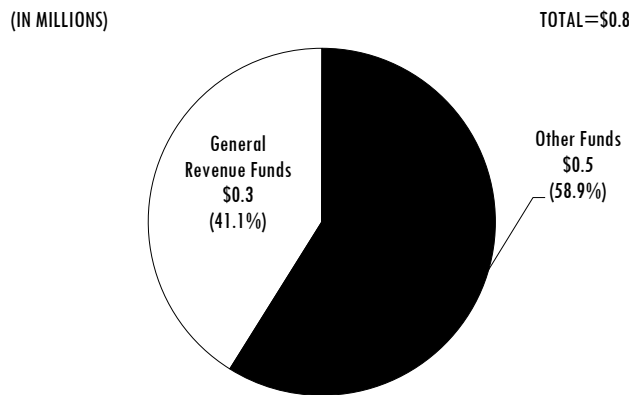
PROGRAM REVENUE

Revenues generated by the program are from fees for conducting lake surveys and data analysis that are collected as Appropriated Receipts.

PROGRAM FUNDING

Figure 445 shows the program’s funding sources by method of finance. Funding is provided through General Revenue Funds and Other Funds from Appropriated Receipts.

FIGURE 445
HYDROSURVEY PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



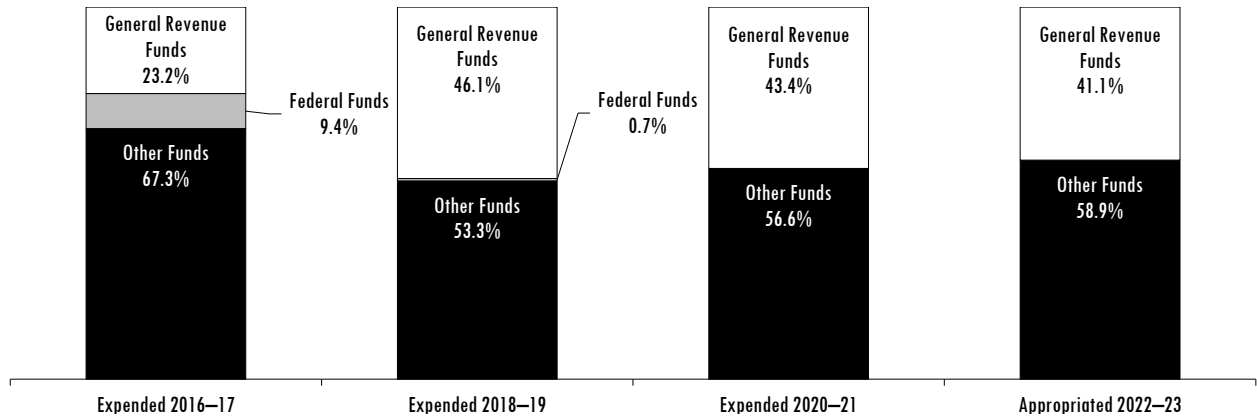
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 446 shows historical funding for the program by method of finance. Funding has continued consistently from General Revenue Funds and Other Funds since the 2018–19 biennium. The program is not entirely self-supporting, General Revenue Funds historically have supplemented the program’s funding. Beginning in the 2018–19 biennium, more General Revenue Funds were provided to maintain the program’s consistency.

FIGURE 446
HYDROSURVEY PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

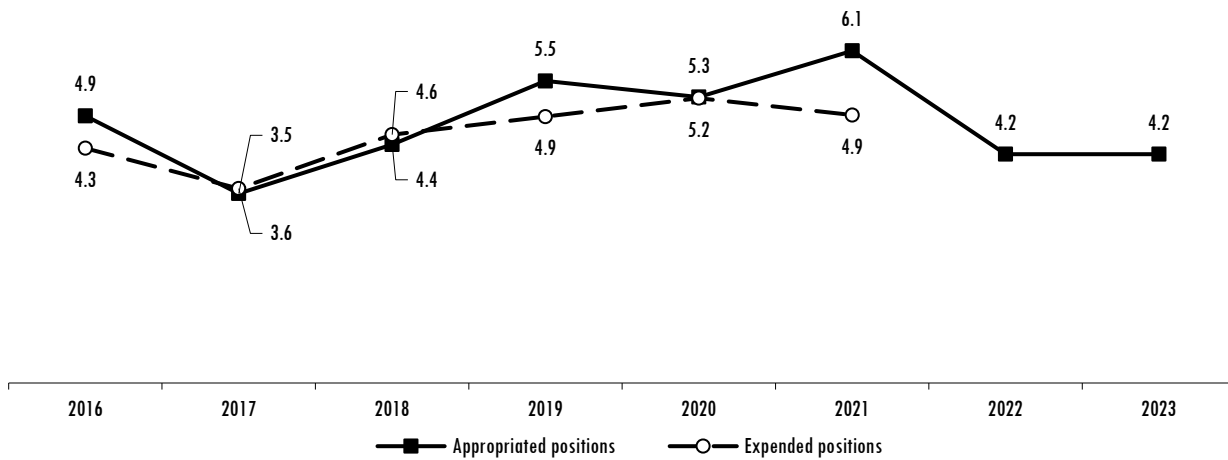
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.1	\$0.4	\$0.3	\$0.3
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.1	\$0.0	\$0.0	\$0.0
Other Funds	\$0.4	\$0.5	\$0.4	\$0.5
Total, All Methods of Finance	\$0.6	\$0.8	\$0.7	\$0.8

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 447 shows FTE positions for the program. Despite the consistency of overall funding amounts, the number of program positions has fluctuated during the reporting period due to agency management decisions.

FIGURE 447
HYDROSURVEY PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would result in reservoir owners losing access to affordable services for measuring lake storage capacity, surface area, and sedimentation. Without these services provided through program funding, many reservoir owners would not be able to fund hydrographic surveys at the recommended 10-year intervals, and some would be unable to fund the surveys altogether. In either circumstance, reservoir owners would be operating reservoirs without critical information to guide short-term and long-term operations and decisions. The agency would lose access to information necessary for monitoring surface water availability and lake sedimentation and to modeling of future water supplies, all of which are necessary components of regional and state water planning. Additionally, the agency would lose fee revenues that would be eliminated when the program was discontinued.

INSTREAM FLOWS

The Texas Water Code, Sections 11.0235, 11.0236, 11.02361, 11.02362, 11.0237, 15.4063, 16.012, 16.014, 16.019, and 16.059

PROGRAM DESCRIPTION

The Instream Flows (River Science) Program collects data and conducts studies to evaluate the environmental flow (instream flow) requirements necessary to maintain ecologically productive streams and rivers. This state program is responsible for developing hydraulic and geomorphic models of Texas rivers. According to the agency, stakeholders rely on the program’s data collection, data analysis, and modeling capabilities for applications related to instream flows management; water resources, flood, and infrastructure planning; assessment of surface water–groundwater interactions; and environmental impact assessments. Additionally, following devastating floods in calendar year 2015, this program began coordinating with the U.S. Geological Survey to install a network of flood-hardened stream gages for improved flood forecasting and warning. The program also has coordinated with the National Oceanic and Atmospheric Administration’s National Weather Service to calibrate watershed models for improved flood forecasting. During the 2020–21 biennium, program staff were assigned temporarily to develop river models for flood mapping as a means of accelerating new flood science efforts. In addition, the program is

performing studies to explore the science of surface water–groundwater interactions and the science of sediment transport, as each relates to surface water availability and environmental flows.

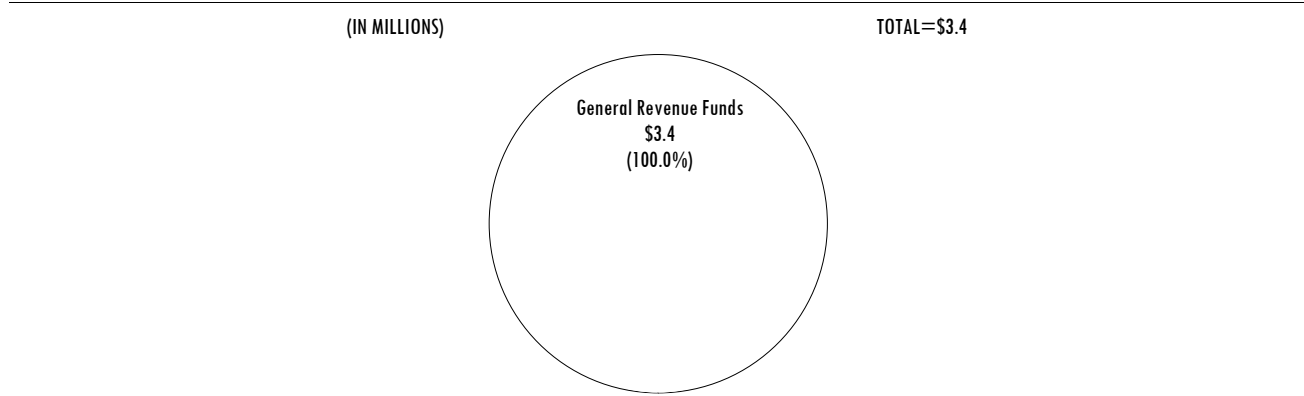
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 448 shows the program’s funding source by method of finance. The program is funded entirely from General Revenue Funds.

FIGURE 448
INSTREAM FLOWS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

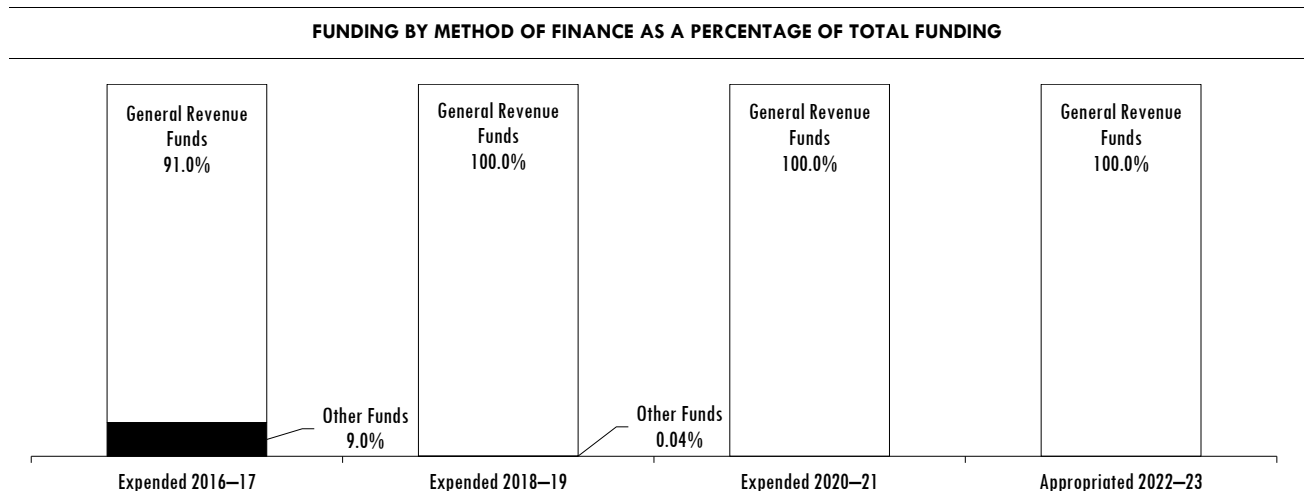


SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 449 shows historical funding for the program by method of finance. In addition to General Revenue Funds, the program has received Other Funds as Appropriated Receipts.

FIGURE 449
INSTREAM FLOWS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA



(IN MILLIONS)

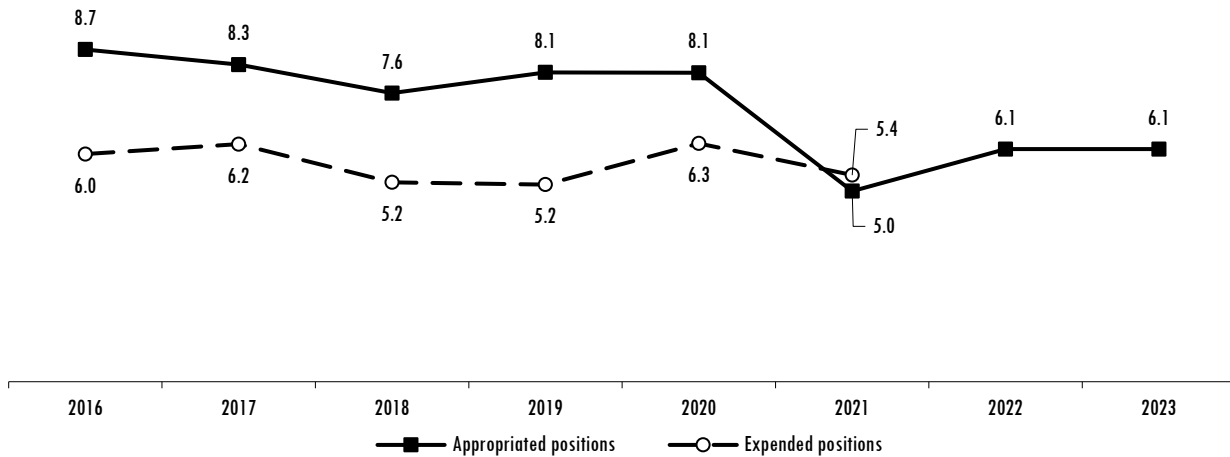
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$2.2	\$3.1	\$2.5	\$3.4
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.2	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$2.5	\$3.1	\$2.5	\$3.4

NOTES: Totals may not sum due to rounding. Other Funds total less than \$1,500 for the 2018–19 biennium.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 450 shows FTE positions for the program. The decrease in the number of positions from fiscal years 2020 to 2021 is due to turnover of long-tenured staff and redirection of some staff to assist with TWDB’s new flood-mapping program.

FIGURE 450
INSTREAM FLOWS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would result in loss of unique data collection, analysis, and modeling services; contracts; and technical and administrative functions that support environmental flows, regional and state water-supply planning, and regional and state flood planning. It also would halt advances in studies of surface water-groundwater interactions, which is a key area of research that is valuable to many stakeholders. Discontinuing the program also would eliminate strategic partnerships to evaluate and advance the science of instream flow needs, surface water-groundwater interactions, and geomorphic assessments of rivers.

STRATEGIC MAPPING

The Texas Water Code, Chapter 16, Subchapter B

PROGRAM DESCRIPTION

The Strategic Mapping Program, established in 1997, develops geographic data resources and provides data products for government, commercial business, and the public. The program administers the state’s High Priority Imagery and Data Sets contract for the Council on Competitive Government.

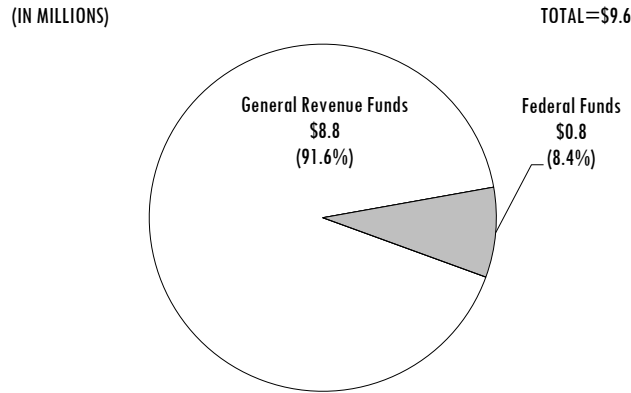
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 451 shows the program’s funding sources by method of finance. The program is funded with General Revenue Funds and Federal Funds.

FIGURE 451
STRATEGIC MAPPING PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



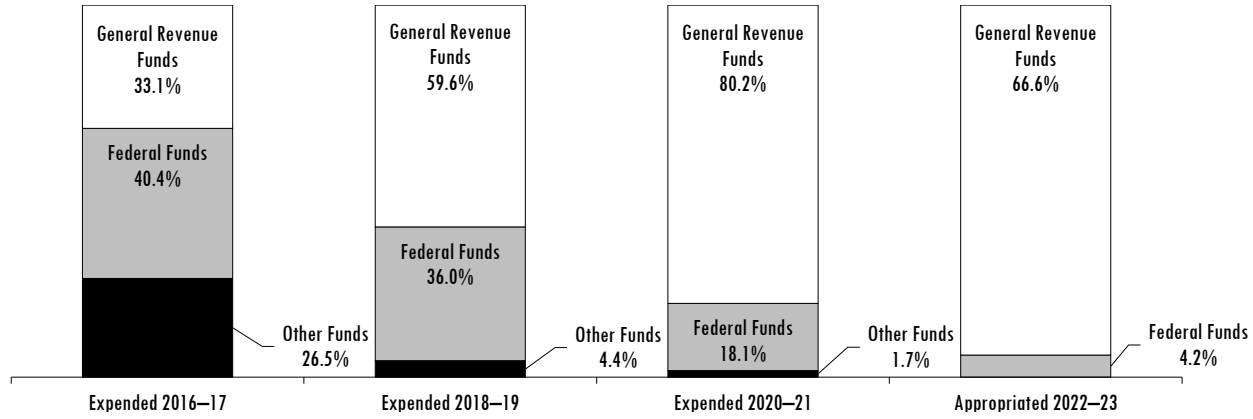
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 452 shows historical funding for the program by method of finance. In addition to General Revenue Funds and Federal Funds, the program historically has received Other Funds from Interagency Contracts and Appropriated Receipts. However, Other Funds are not included in funding for the 2022–23 biennium. Increases in General Revenue Funds since the 2016–17 biennium support obtaining data needed for flood planning. Federal Funds supporting administrative information-technology functions have decreased each fiscal biennium during the reporting period.

FIGURE 452
STRATEGIC MAPPING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

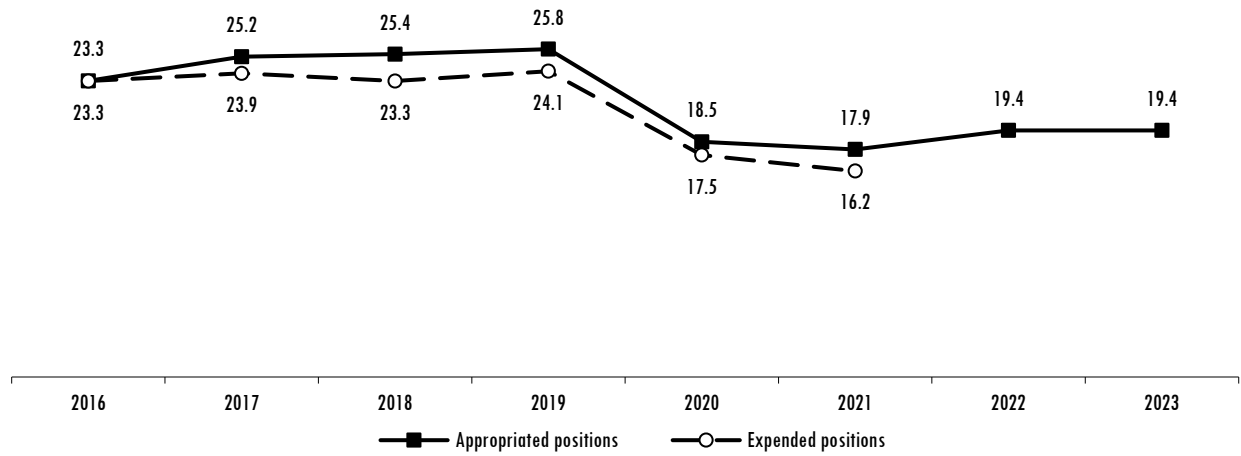
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.9	\$2.8	\$3.2	\$8.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$2.3	\$1.7	\$0.7	\$0.8
Other Funds	\$1.5	\$0.2	\$0.1	\$0.0
Total, All Methods of Finance	\$5.8	\$4.8	\$4.0	\$9.6

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 453 shows FTE positions for the program. In contrast to the overall increase in program funding since fiscal year 2016, the number of FTE positions generally has decreased during that period due to agency management decisions.

FIGURE 453
STRATEGIC MAPPING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

Figure 454 shows the program’s performance measures.

FIGURE 454
STRATEGIC MAPPING PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Responses to Requests for Texas Natural Resources Information System (TNRIS) Information	No	150,000	274,900	150,000
Number of Person-hours in Training Classes and Conferences Sponsored by TNRIS	No	7,000	2,894	7,000
Number of Strategic Mapping Digital Base Map Data Units Available	No	11,000	14,319	13,200
Number of Responses to Requests for TNRIS Information (1)	Yes	N/A	N/A	185,000

NOTE: (1) Number of Responses to Requests for TNRIS Information is a new measure beginning in the 2022–23 biennium.

SOURCE: Texas Water Development Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would remove access from state agencies and the public to geographic information necessary to support daily state business or emergency response scenarios. In addition, the program establishes and monitors statewide standards for data sharing while promoting efficiencies of data acquisition, which eliminates data redundancies that increase the costs of data. Discontinuing the program would impose substantial costs to all state programs that rely on statewide geographic data because of the time and expenses involved in obtaining their own data and coordinating their own programs.

GROUNDWATER AVAILABILITY MONITORING

The Texas Water Code, Sections 16.012, 36.1071(h), 36.108, and 36.1081

PROGRAM DESCRIPTION

The Groundwater Availability Modeling Program develops, maintains, and operates models of the state’s major and minor aquifers to assist GCDs, regional water-planning groups, and other entities in their planning efforts for managing groundwater resources. In addition, the program conducts model simulations and develops reports in support of various groundwater organizations and the Legislature, develops estimates of modeled available groundwater based on desired conditions, and develops and provides total estimated recoverable storage for each aquifer in each groundwater management area.

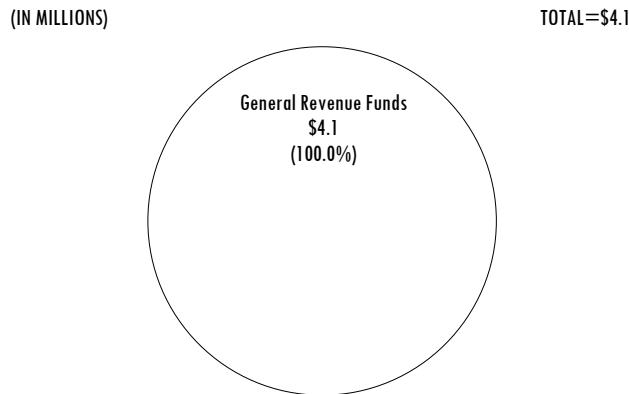
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 455 shows the program’s funding source by method of finance. The program is funded entirely with General Revenue Funds.

FIGURE 455
GROUNDWATER AVAILABILITY MONITORING PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



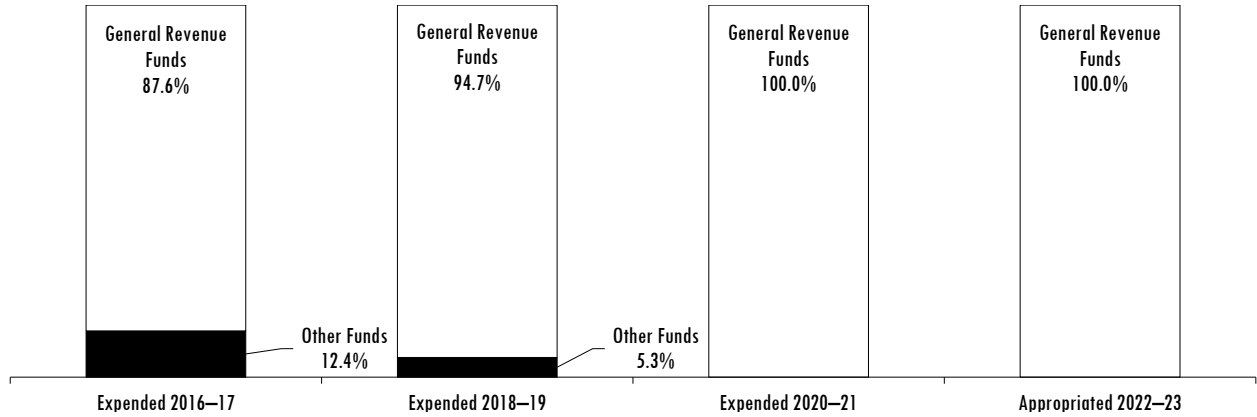
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 456 shows historical funding for the program by method of finance. In addition to General Revenue Funds, the program received small amounts of Other Funds from Appropriated Receipts before the 2020–21 biennium. Overall funding has increased since the 2018–19 biennium.

**FIGURE 456
GROUNDWATER AVAILABILITY MONITORING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

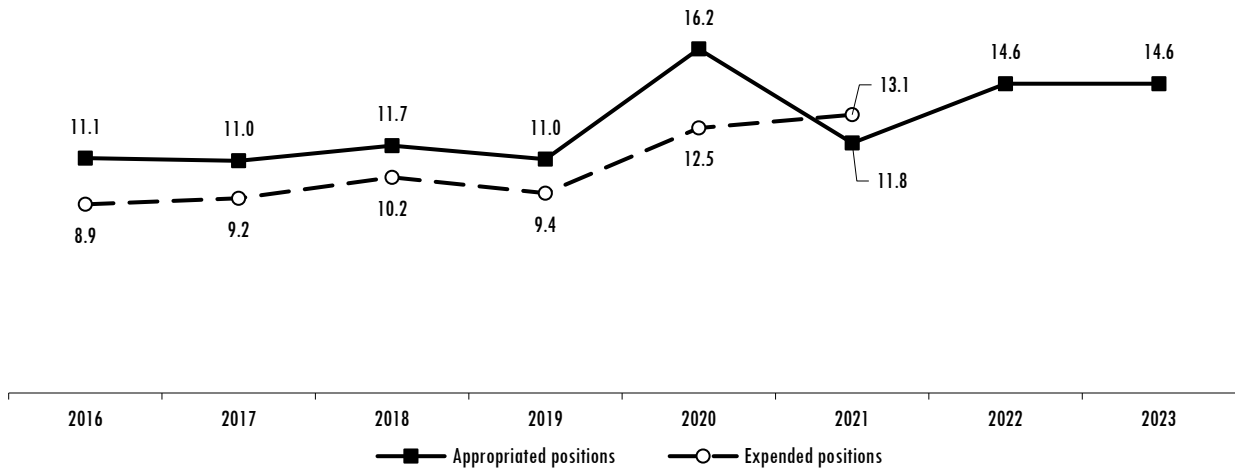
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$3.1	\$2.9	\$3.9	\$4.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.4	\$0.2	\$0.0	\$0.0
Total, All Methods of Finance	\$3.6	\$3.1	\$3.9	\$4.1

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 457 shows FTE positions for the program. The number of positions has increased overall since fiscal year 2016.

FIGURE 457
GROUNDWATER AVAILABILITY MONITORING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

The agency reports that discontinuing the program would have the following consequences:

- the improvement of models required by state law for regional water planning and the development of estimates of modeled available groundwater for joint planning would cease, which could diminish the quality of regional and state water planning due to inadequate or outdated tools that did not present the best available science;
- regional and local entities, such as GCDs, would need to fund alternative tools to manage groundwater resources. These alternative methods could involve hiring groundwater modelers to perform the work or contracting with technical services firms to provide the needed technical analysis and evaluation of groundwater resources;
- the burden of complying with state law governing water budgets would shift to individual GCDs because the quality of information available to local groundwater managers no longer would be sufficient to support their management functions; and
- the development of models without the regional aquifer-based framework and the objectivity offered by program staff could result in a fragmented network of disconnected models developed for disparate purposes, leading to disagreement, an increase in contested regulatory decisions, and possible litigation.

GROUNDWATER TECHNICAL ASSISTANCE

The Texas Water Code, Sections 16.053, 35.007, 36.1071, 36.1072, 36.1073, 36.108, 36.1081, 36.1082, 36.1083, 36.1084, and 36.109

PROGRAM DESCRIPTION

The Groundwater Technical Assistance Program performs the following services:

- facilitates access to basic hydrogeological data and groundwater management information by stakeholders, including state agencies and other interested entities, through presentations, conversations, accessible data, and reports;

- provides technical support to assist GCDs in developing their groundwater management plans and reviewing these plans for administrative completeness;
- facilitates the development of desired conditions; coordinates, tracks, and reviews desired conditions submissions for aquifers by GCDs in groundwater management areas, including conducting scientific and technical analysis in the event of a petition;
- maintains a database and distributes modeled available groundwater to districts and regional water-planning groups;
- maintains a water resource data collection and dissemination network in coordination with federal, state, and local governments, institutions of higher learning, and other parties to support monitoring ambient water conditions in Texas;
- administers, maintains, upgrades, and assures the quality of the TWDB Groundwater Database and online web-mapping applications as a network to disseminate water resource-related information;
- conducts groundwater-related research to evaluate the occurrence, quantity, quality, and availability of groundwater in the state;
- estimates exempt groundwater use for consideration by GCDs in issuing permits;
- coordinates with the agency’s Water Supply Planning Division on groundwater availability in the State Water Plan;
- supports the Texas Department of Licensing and Regulation, water-well drillers, and pump installers with well drillers’ reports;
- alters groundwater management area boundaries as necessary by conditions and as justified by factual data;
- conducts studies concerning priority groundwater management areas; and
- assesses the availability of groundwater for water infrastructure projects submitted to the agency for financial assistance.

PROGRAM REVENUE

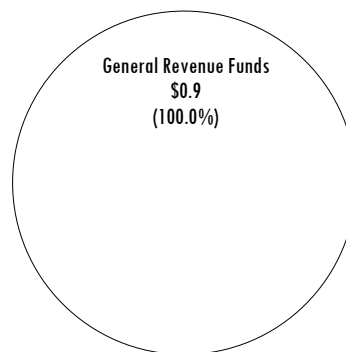
The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 458 shows the program’s funding source by method of finance. The program is funded entirely with General Revenue Funds.

FIGURE 458
GROUNDWATER TECHNICAL ASSISTANCE PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS) TOTAL=\$0.9



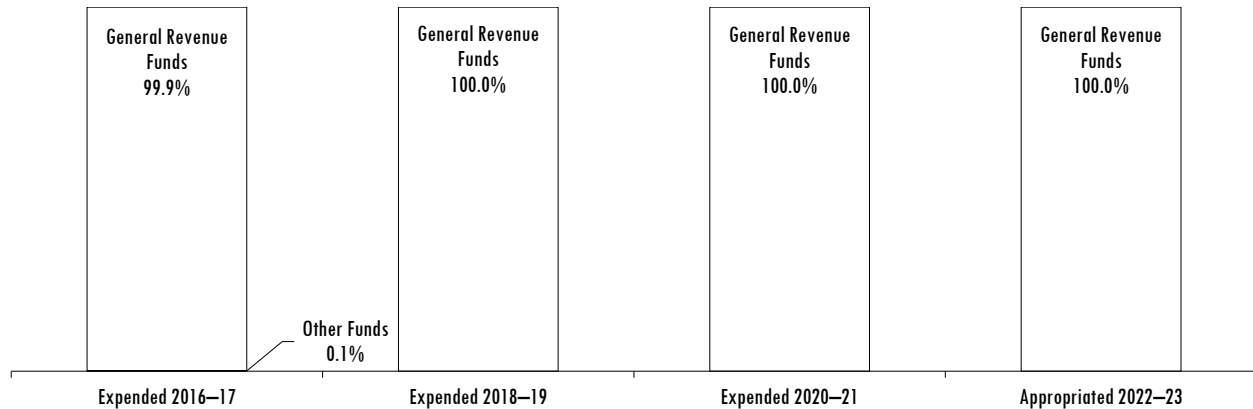
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 459 shows historical funding for the program by method of finance. The program historically has been funded with General Revenue Funds, which decreased by approximately 40.0 percent during the 2018–19 biennium but have increased in each subsequent biennium. Funding for the 2022–23 biennium is slightly less than 2016–17 biennial funding levels.

**FIGURE 459
GROUNDWATER TECHNICAL ASSISTANCE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.0	\$0.6	\$0.8	\$0.9
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.0	\$0.6	\$0.8	\$0.9

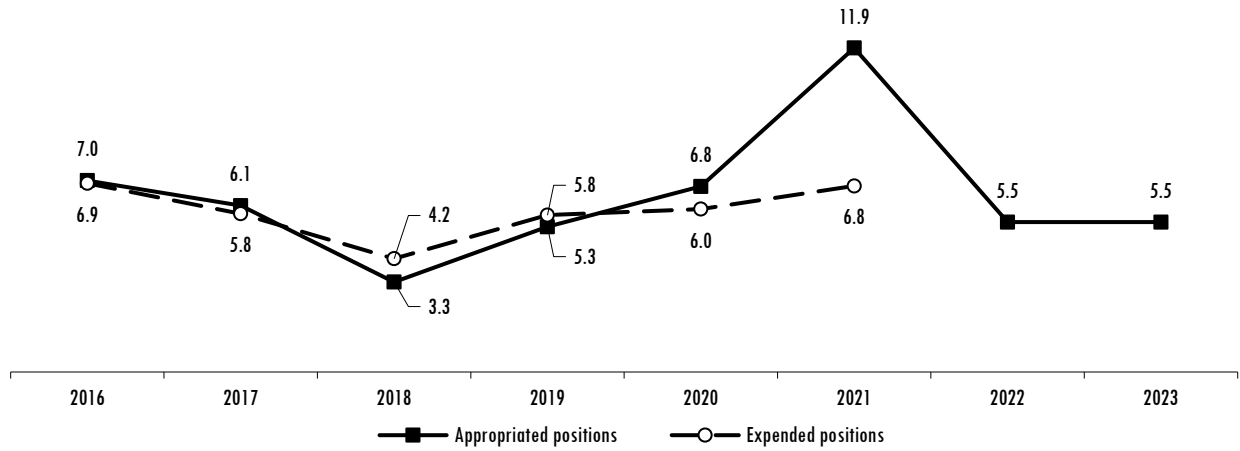
NOTES: Totals may not sum due to rounding. Other Funds total less than \$2,000 for the 2016–17 biennium.

SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 460 shows FTE positions for the program. Although the number of positions has increased from fiscal years 2018 to 2021, agency management decisions have resulted in the appropriation of fewer positions for the fiscal 2022–23 biennium, which contrasts with the slight increase in funding from fiscal year 2021.

FIGURE 460
GROUNDWATER TECHNICAL ASSISTANCE PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

Figure 461 shows the program’s performance measures.

FIGURE 461
GROUNDWATER TECHNICAL ASSISTANCE PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Responses to Requests for Water Resource Information	Yes	2,041	1,149	4,700
Percentage of Key Planning Activities Completed	No	100.0%	89.9%	100.0%

SOURCE: Texas Water Development Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program likely would result in GCDs developing variable management plans of unknown quality or consistency and possibly becoming unresponsive, or less responsive, to the needs of stakeholders or constituents to appropriately understand or manage groundwater resources. Similarly, no systematic way to ensure compliance with minimum statutory requirements for management plans would be available. The program’s discontinuation also could prevent the state from performing due diligence of the feasibility of projects to provide groundwater to meet needs for regional water-supply planning and to understand groundwater resources that provide more than half of the water used by the state. This lack of oversight could impede the efforts of policymakers and decision-makers to manage the resource and identify and provide water to customers.

If the program’s TWDB Groundwater Database, the Water Data for Texas recorder well viewer, and the Water Data Interactive groundwater viewer were not available, various local and regional entities and the public would lose ready access to groundwater data to support the planning of groundwater development or monitor the effects of that development, and any costs for

providing similar services would shift to local and regional entities. In addition, discontinuing the program would impede the ability of entities to provide dependable quantities of groundwater to the public.

SURFACE WATER AVAILABILITY MODELING

The Texas Water Code, Section 16.012

PROGRAM DESCRIPTION

The Surface Water Availability Modeling Program supports regional water planning by providing and verifying the availability of surface water. The program provides updates on statewide water supply conditions via the monthly Texas Water Conditions Report; provides current and forecasted drought conditions via a website drought dashboard; and provides quarterly drought and water conditions updates to the Texas Drought Preparedness Council and input to the council’s biennial legislative report on drought conditions in the state. Through coordination with federal agencies and state universities, staff has assisted in research that can enhance program activities.

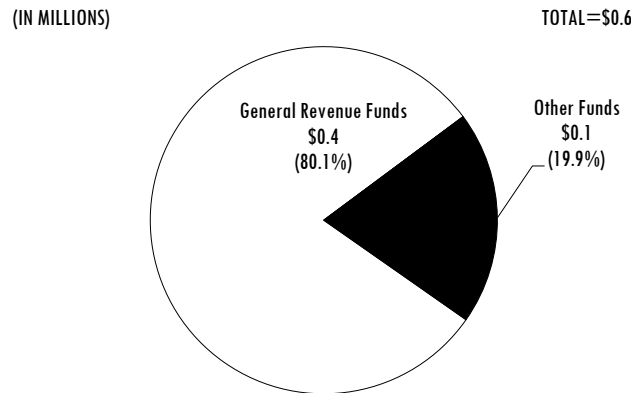
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 462 shows the program’s funding sources by method of finance. The program is funded with General Revenue Funds and Other Funds from Appropriated Receipts.

FIGURE 462
SURFACE WATER AVAILABILITY MODELING PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



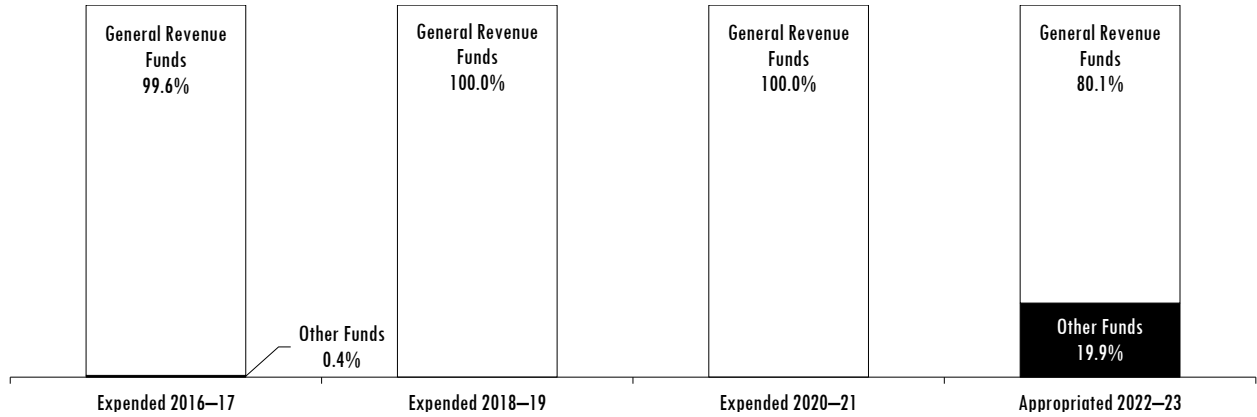
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 463 shows historical funding for the program by method of finance. Funding has remained consistent during the reporting period with the exception of appropriations from Other Funds. Appropriated Receipts of \$55,000 each fiscal year were provided for the 2022–23 biennium; appropriations for fiscal year 2016 included less than \$2,500 in Other Funds.

FIGURE 463
SURFACE WATER AVAILABILITY MODELING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

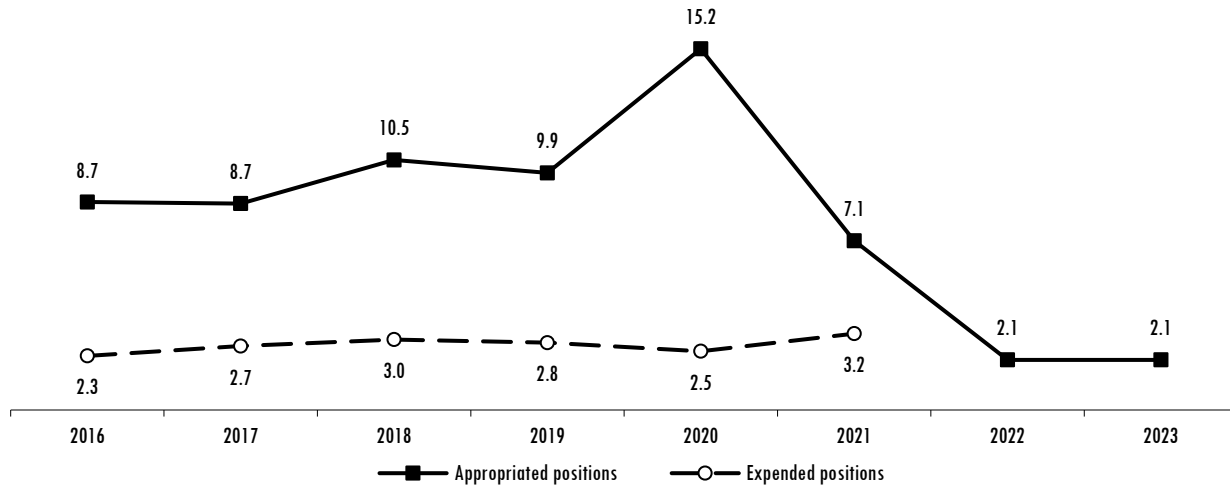
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.5	\$0.4	\$0.4	\$0.4
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.1
Total, All Methods of Finance	\$0.5	\$0.4	\$0.4	\$0.6

NOTES: Totals may not sum due to rounding. Other Funds total less than \$2,500 for the 2016–17 biennium.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 464 shows FTE positions for the program. TWDB reallocated staff to implement new flood programs in the 2022–23 biennium, and the program since has utilized partnerships to help meet the program’s needs.

FIGURE 464
SURFACE WATER AVAILABILITY MODELING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would result in a loss of technical support, key datasets, and modeling services that contribute valuable information for regional and state water supply planning, protecting environmental flows for a sound ecological environment, and flood planning, forecasting, and warning.

INNOVATIVE WATER STRATEGIES

The Texas Water Code, Chapter 18, and Sections 11.153, 11.155, 16.012, 16.013, 16.015, 16.053, 16.060, and 36.1015; the Texas Health and Safety Code, Sections 341.0316 and 341.039

PROGRAM DESCRIPTION

The Innovative Water Strategies Program consists of three primary areas that explore alternative water supplies for use: aquifer storage and recovery (ASR), desalination, and water reuse. The program also included the Brackish Resources Aquifer Characterization Systems (BRACS) from fiscal years 2016 to 2021, which was responsible for the following activities: (1) mapping and characterizing the major and minor aquifers in the state known to contain brackish groundwater; and (2) designating production zones with the potential for long-term production capacity with minimal risk of adverse effects.

The Innovative Water Strategies Program’s mission is to educate the water community on the use of alternative water supplies in Texas by researching, developing, and disseminating information. The program administers contracts for demonstration projects, pilot-plant studies, and research projects. It also conducts internal studies to promote the use of alternative water supplies by providing information on the agency’s website, in articles and reports, and in printed educational materials, and by conducting public presentations and participating in professional organizations and societies. The program maintains and updates a publicly available database of desalination plants with a capacity of more than 25,000 gallons per day. Staff also prepare and submit a biennial report on seawater and brackish groundwater desalination to the Office of the Governor, the Lieutenant Governor, and the Speaker of the House of Representatives before each regular legislative session. During the past several years, the program also has changed its focus from rainwater harvesting activities to municipal conservation efforts and

has reallocated staff to facilitate better coordination and alignment of groundwater analysis and modeling methodologies and assumptions.

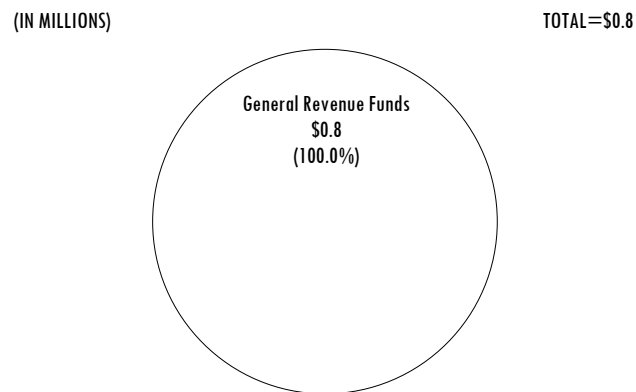
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 465 shows the program's funding source by method of finance. The program is funded entirely with General Revenue Funds.

FIGURE 465
INNOVATIVE WATER STRATEGIES PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



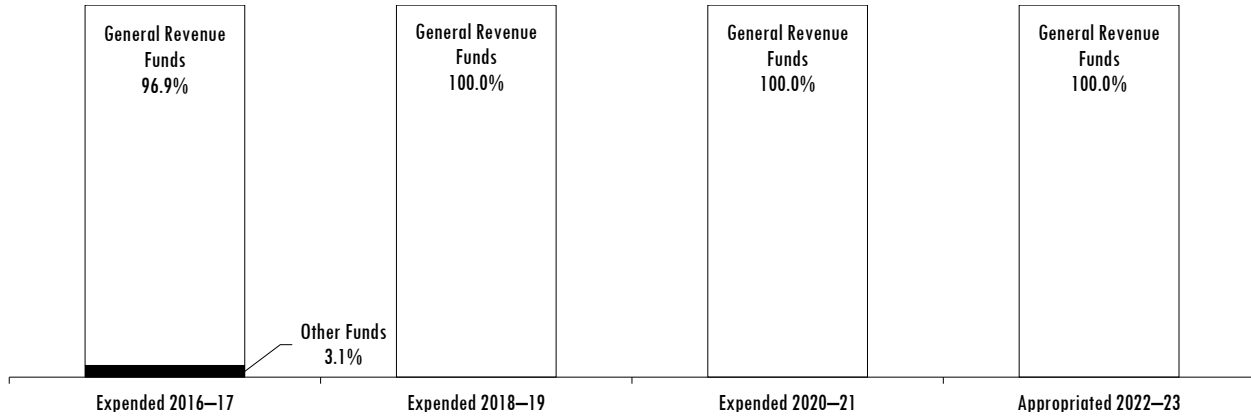
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 466 shows historical funding for the program by method of finance. Funding has fluctuated during the reporting period due to onetime funding appropriations during certain fiscal years. Funding increased during the 2016–17 biennium due to additional appropriations for demonstration projects and feasibility studies for developing new water supplies or increasing water availability. During the 2020–21 biennium, additional appropriations were provided to implement the provisions of House Bill 721, Eighty-sixth Legislature, 2019, which requires TWDB to study and report on characteristics of aquifers in the state.

**FIGURE 466
INNOVATIVE WATER STRATEGIES PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

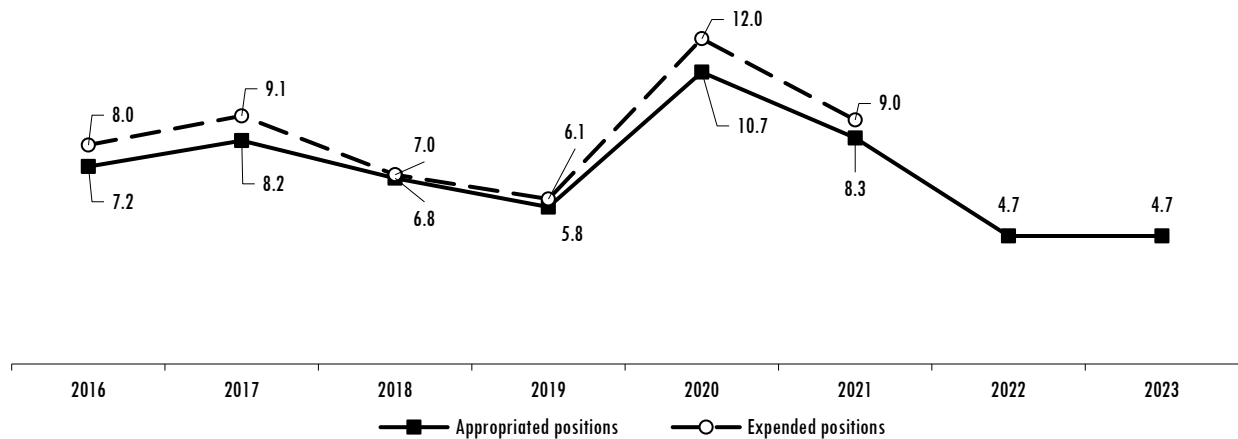
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$3.7	\$0.9	\$3.4	\$0.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.1	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$3.8	\$0.9	\$3.4	\$0.8

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 467 shows FTE positions for the program. Changes in the number of positions since fiscal year 2016 typically have been consistent with funding changes during the same period.

FIGURE 467
INNOVATIVE WATER STRATEGIES PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any current performance measures.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent TWDB from meeting the following statutory requirements and charges:

- conducting studies for ASR and aquifer recharge projects in the State Water Plan and for interested stakeholders as required by statute; and
- updating the Desalination Plant Database, disseminating its information to stakeholders, and submitting the biennial report to the Legislature regarding desalination activities;

In addition, discontinuing the program would prevent BRACS staff from meeting the following requirements:

- updating and disseminating information from the BRACS Database, studying brackish aquifers, and completing the designation of brackish groundwater production zones by the statutory deadline of fiscal year 2032;
- providing zone designation updates in required biennial and annual reports; and
- reviewing and determining whether applications for groundwater production permits from GCDs in designated brackish groundwater production zones are compatible with the designated zones, and whether sufficient monitoring wells are proposed to avoid significant aquifer level decreases or negative effects on water quality in production zones or adjacent aquifers.

REGIONAL WATER AND WASTEWATER FACILITY PLANNING GRANTS

The Texas Water Code, Chapter 15, Subchapter F

PROGRAM DESCRIPTION

The Regional Water and Wastewater Facility Planning Grants Program was established to provide grants for feasibility studies to examine regional alternatives to meet communities' water and wastewater facility needs, evaluate flooding risks within

watersheds, determine structural and nonstructural solutions to flooding problems, and develop alternatives to mitigate flood risks.

According to the agency, TWDB has not made a financial commitment through these program guidelines since fiscal year 2014. Since then, the agency has reported grant funding provided to regional water-planning groups and other program expenditures in support of the Regional Water Planning Program. Regional Water Planning program staff administer this program funding.

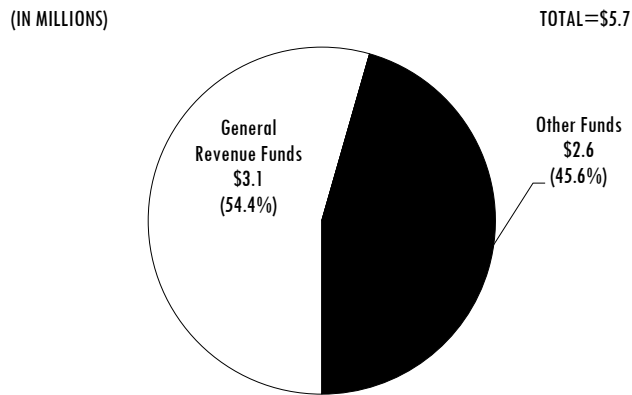
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 468 shows the program’s funding sources by method of finance. Funding is provided from General Revenue Funds and Other Funds from the Water Assistance Fund. According to the agency, funding provided through this program has supported the Regional Water Planning Program since fiscal year 2014.

FIGURE 468
REGIONAL WATER AND WASTEWATER FACILITY PLANNING GRANTS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



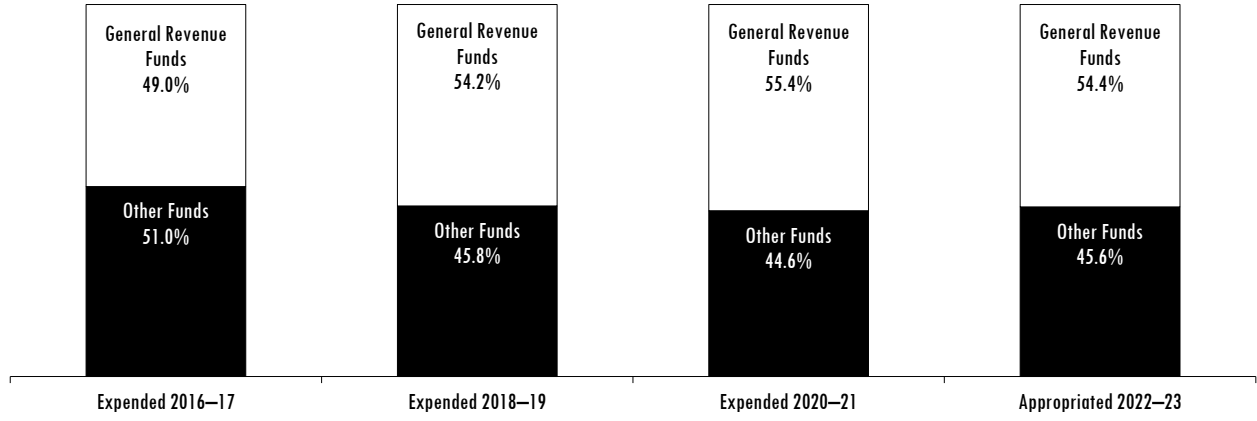
NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 469 shows historical funding for the program by method of finance.

FIGURE 469
REGIONAL WATER AND WASTEWATER FACILITY PLANNING GRANTS PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.5	\$3.0	\$1.8	\$3.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$1.6	\$2.6	\$1.4	\$2.6
Total, All Methods of Finance	\$3.1	\$5.6	\$3.2	\$5.7

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

The agency did not report any FTE positions associated with this program. According to the agency, Regional Water Planning program staff administer this program.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding does not provide any level of service for the program’s purpose as established.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

Despite funding and expenditures reported for this program, the agency reports that this program is inactive and effectively has been discontinued since fiscal year 2014. The reported grant funding provided to regional water-planning groups through this program support the Regional Water Planning Program. Accordingly, any decreases in funding would affect that program.

REGIONAL WATER PLANNING

The Texas Water Code, Chapter 16, Subchapter C

PROGRAM DESCRIPTION

The Regional Water Planning Program provides financial, administrative, and technical support for the five-year development cycle of 16 regional water plans. This support includes guiding the development of regional water plans, funding and contract management, development of population and demand projections, and socioeconomic and planning data analyses.

The program’s annual water-use survey collects water-use data from public water systems and industries across the state. This data is the basis for determining water-demand projections and water supplies in the regional and state water plans, and the data provides modeling data for developing the state’s groundwater availability models. The data also are used in the regional and state water planning process.

According to the agency, grant funding provided to regional water-planning groups and expenditures reported through the Regional Water and Wastewater Facility Planning Grants Program have supported the Regional Water Planning Program since fiscal year 2014. Regional Water Planning program staff also administer funding for the Regional Water and Wastewater Facility Planning Grants Program.

PROGRAM REVENUE

The agency did not report any revenue associated with this program.

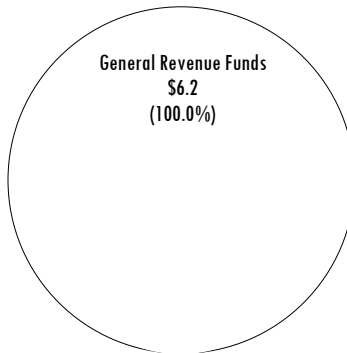
PROGRAM FUNDING

Figure 470 shows the program’s funding source by method of finance. Funding is provided from General Revenue Funds for the 2022–23 biennium.

FIGURE 470
REGIONAL WATER PLANNING PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$6.2



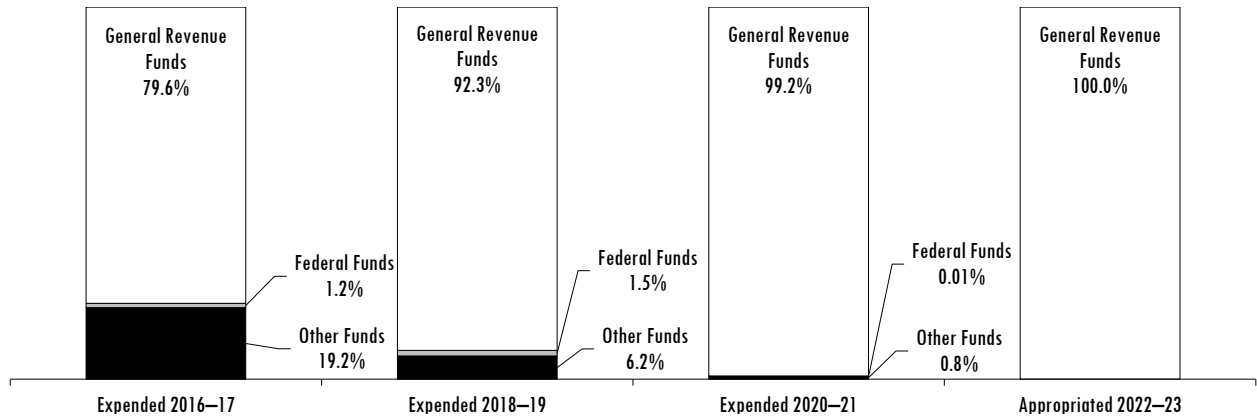
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 471 shows historical funding for the program by method of finance. Although program funding includes General Revenue Funds for the past two biennia, historical funding also includes Federal Funds and Other Funds from the Water Assistance Fund.

**FIGURE 471
REGIONAL WATER PLANNING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$5.8	\$5.1	\$5.3	\$6.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.1	\$0.1	\$0.0	\$0.0
Other Funds	\$1.4	\$0.3	\$0.0	\$0.0
Total, All Methods of Finance	\$7.3	\$5.5	\$5.4	\$6.2

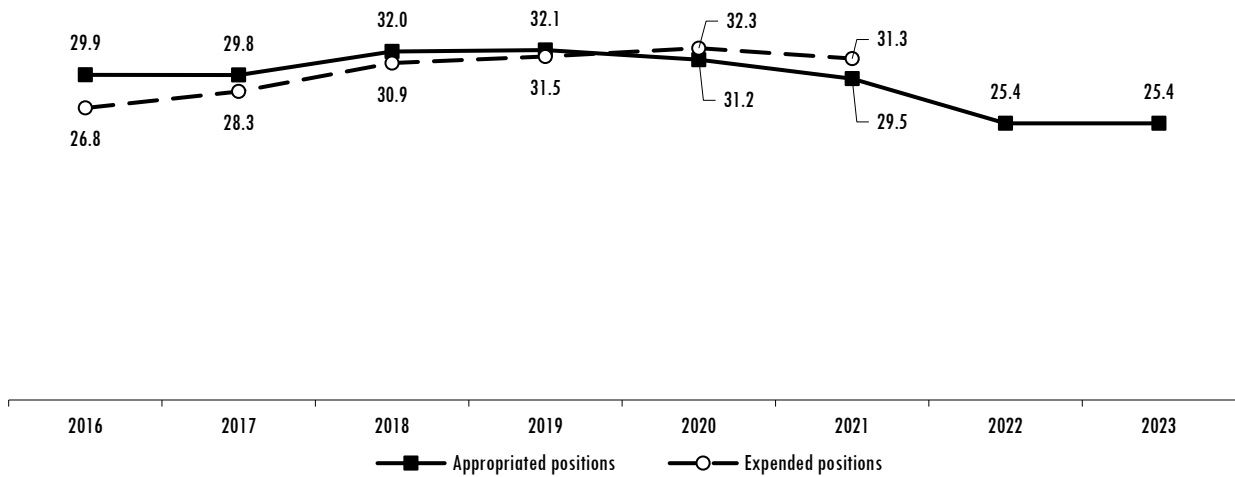
NOTES: Totals may not sum due to rounding. The combined total of Federal Funds and Other Funds for the 2020–21 biennium is less than \$45,000.

SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 472 shows FTE positions for the program.

FIGURE 472
REGIONAL WATER PLANNING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

The agency reports that discontinuation of water planning at the regional level would diminish the availability of information for the state’s policymakers regarding how to support developing the state’s water supply to prepare for drought conditions. It also would limit the opportunity for public access to drought-planning information for water providers and would prevent some entities from providing input to the state’s planning process. According to the agency, it also would complicate many TWDB water-supply project funding decisions, which currently rely on consistency with the State Water Plan to approve funding. This inconsistency could preclude the state from committing funds to projects through the State Water Implementation Fund for Texas program because such projects are required to be included in the State Water Plan.

Discontinuing the water use survey would mean a loss of historic water use and groundwater pumpage data that is used to develop the state’s groundwater availability models, in addition to the foundational data used in regional and state water planning. The absence of this regularly updated, aggregated information could lead to lack of coordination on project development, which could have associated costs from inefficiencies or redundancies. It could prevent smaller communities with fewer resources from obtaining critical information regarding water-supply needs during a severe drought, which could have economic and sustainability consequences for communities. Discontinuing the Water Use Survey also could reduce the ability of planners to adequately determine water supply needs for the state. This could lead to the development of water-supply projects that were inadequate to meet the needs of local communities, which would have negative health and socioeconomic consequences.

WATER CONSERVATION AND EDUCATION ASSISTANCE

The Texas Water Code, Sections 10.006, 11.1271, 11.1272, 13.146, 15.106, 15.208, 15.607, 15.9751, 15.995, 16.012, 16.0121, 16.022, 16.401, 16.402, 17.125(b), 17.277, 17.857(b), and 17.900

PROGRAM DESCRIPTION

The Water Conservation and Education Assistance Program consists of two primary program areas: Municipal Water Conservation and Agricultural Water Conservation. The program includes the following major activities and objectives:

- promoting conservation strategies in regional and statewide water resources planning;
- reviewing certain water conservation plans and annual conservation reports required to be submitted to the state by water utilities and political subdivisions;
- reviewing water-loss audits required to be submitted to the state by water utilities and political subdivisions;
- reviewing water conservation plans and water-loss audits submitted as a requirement for a financial assistance application;
- providing technical assistance to water suppliers with developing water conservation plans and water-loss audits in the implementation of water conservation best management practices;
- providing support to the Water Conservation Advisory Council, including assisting with the council’s development of best management practices and its biennial report to the Legislature;
- providing technical and financial assistance to implement agricultural conservation programs;
- administering the Agricultural Water Conservation Grants function and managing the grant projects;
- conducting annual agricultural irrigation surveys to estimate water use by crop and by county; and
- providing water conservation education, literature, outreach, and public awareness programs.

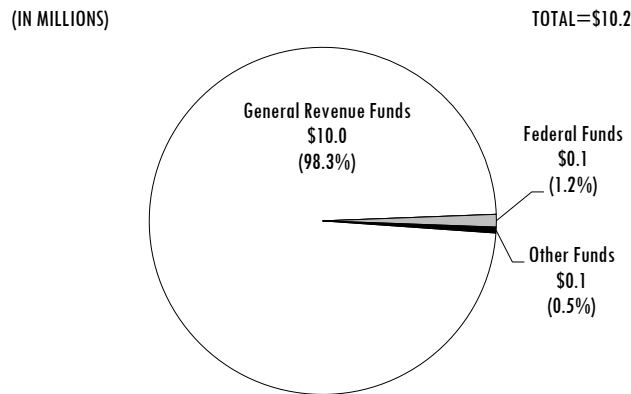
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 473 shows the program’s funding sources by method of finance. This program is funded primarily with General Revenue Funds, in addition to small amounts of Federal Funds and Other Funds from Appropriated Receipts.

FIGURE 473
WATER CONSERVATION AND EDUCATION ASSISTANCE PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

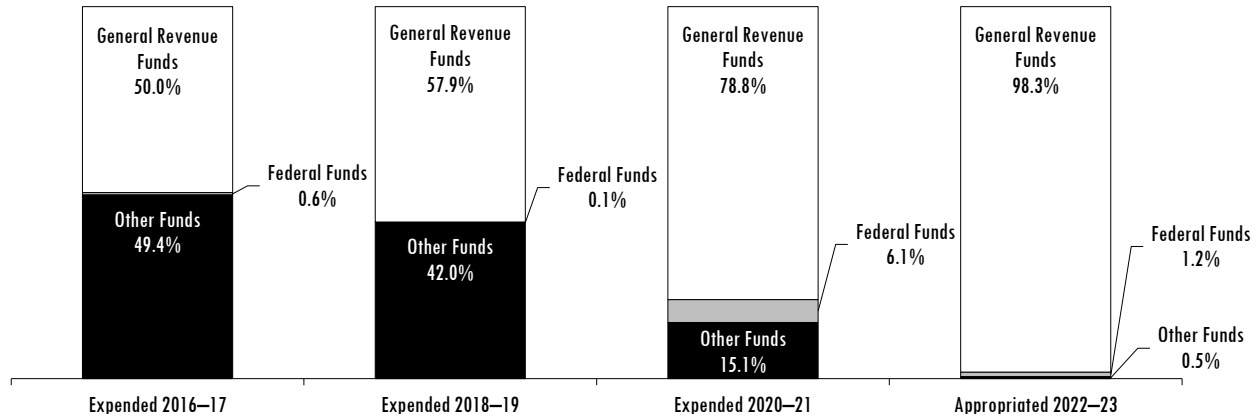
HISTORICAL FUNDING

Figure 474 shows historical funding for the program by method of finance. During the 2016–17 biennium, program funding consisted of equal amounts of General Revenue Funds and Other Funds, including the Water Assistance Fund, Appropriated Receipts, and the Agricultural Water Conservation Fund. For the 2022–23 biennium, the program is funded primarily with

General Revenue Funds (98.3 percent). Small amounts of Federal Funds also have contributed to program funding during the reporting period.

FIGURE 474
WATER CONSERVATION AND EDUCATION ASSISTANCE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$4.2	\$2.6	\$2.6	\$10.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.1	\$0.0	\$0.2	\$0.1
Other Funds	\$4.1	\$1.9	\$0.5	\$0.1
Total, All Methods of Finance	\$8.3	\$4.6	\$3.3	\$10.2

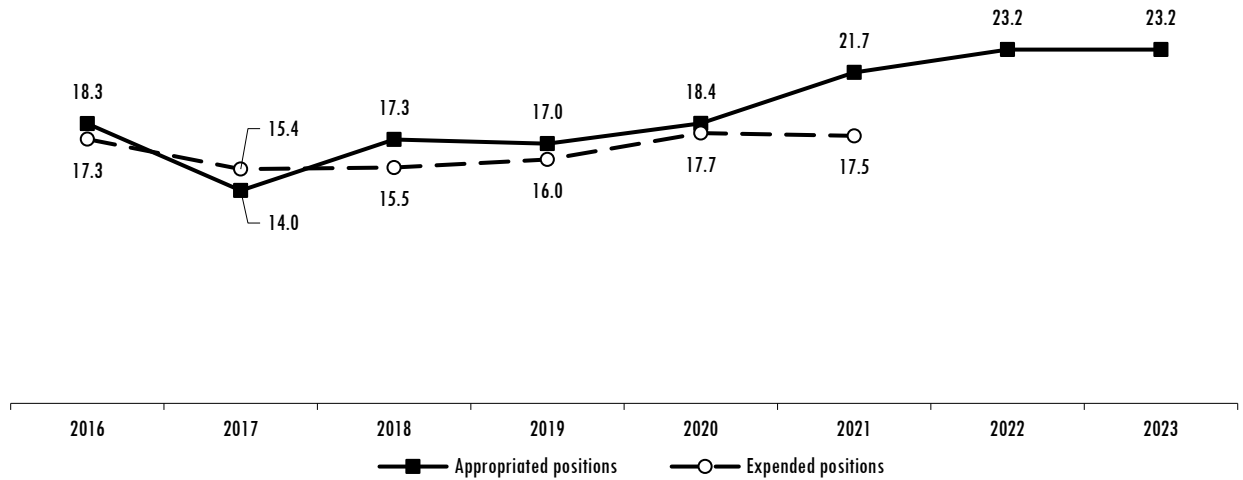
NOTES: Totals may not sum due to rounding. Federal Funds total less than \$5,500 for the 2018–19 biennium.

SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 475 shows FTE positions for the program. Agency management decisions have affected the allocation of FTE positions and caused fluctuations in their numbers that do not closely align with funding changes each biennium during the reporting period. Position increases for the 2022–23 biennium are due to increased funding.

FIGURE 475
WATER CONSERVATION AND EDUCATION ASSISTANCE PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

Figure 476 shows the program’s performance measures. The performance measure Percentage of Communities Assisted is relative to the total number of Texas communities eligible for assistance.

FIGURE 476
WATER CONSERVATION AND EDUCATION ASSISTANCE PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Responses to Requests for Water Conservation Information	Yes	849	1,845	1,100
Percentage of Water Saved with Financial Assistance	No	7.0%	13.9%	7.0%
Percentage of Communities Assisted	Yes	8.7%	12.4%	11.5%

SOURCE: Texas Water Development Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would impede the agency’s ability to meet statutory requirements relating to municipal and agricultural conservation.

For municipal conservation, the agency would not collect or review legally required water loss audits, nor would data be disseminated to the public. Water-loss information would not be applied to thresholds in TWDB financial-assistance applications. The agency would not collect or review legally required water conservation plans and annual conservation reports, nor would the information and data from the plans and reports be disseminated to the regional water planning groups or to the public. TWDB staff would be unable to approve water conservation plans in conjunction with an application for financial

assistance, nor could they support the Water Conservation Advisory Council or assist in preparing its required biennial council report for submission to the Legislature.

For agricultural conservation, the agency would not award agricultural water conservation grants to political subdivisions, universities, and state agencies for projects to further agricultural water conservation in the state and support the implementation of agricultural water conservation water management strategies in the State Water Plan. In addition, the agency could not manage existing grant contracts with political subdivisions. The agency would not calculate annual estimates of irrigation water use for counties and river basins, which means the volume of water used by the state’s largest water-using sector would not be estimated. As a result, the agency could not develop statewide irrigation water use-demand projections included in the regional water planning process and in the development of groundwater availability models. Data gaps in the irrigation water use sector would further complicate these efforts.

FLOODPLAIN MAPPING

The Texas Water Code, Sections 6.012(a)(3) and 16.316(c)

PROGRAM DESCRIPTION

The Floodplain Mapping program develops data and mapping products to support the digital flood insurance rate maps that serve as the official reference for determinations of floodplain elevations; the program also supports the statewide planning process. Each mapping project requires nearly one year to complete, and the agency expects to oversee the production of approximate flood-risk maps for the entire state by the end of fiscal year 2024. The program supports the Federal Emergency Management Agency’s (FEMA) Cooperating Technical Partners (CTP) Program, which seeks to decrease flood losses and to protect life and property by decreasing the risk of flood damage. TWDB entered the CTP Program in October 2000.

TWDB coordinates with federal entities to produce updated flood-risk information and identifies areas of need across the state. Collaborating agencies include FEMA, the U.S. Army Corps of Engineers, the U.S. Geological Survey, the National Oceanic and Atmospheric Administration’s National Weather Service, the Natural Resources Conservation Service, among others.

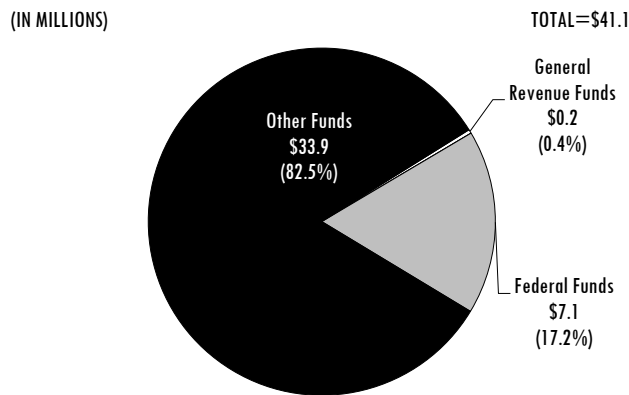
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 477 shows the program’s funding sources by method of finance. The program is funded primarily with Other Funds, including the Texas Infrastructure Resiliency Fund (TIRF). Other funding sources include Federal Funds and small amounts of General Revenue Funds.

**FIGURE 477
FLOODPLAIN MAPPING PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM**

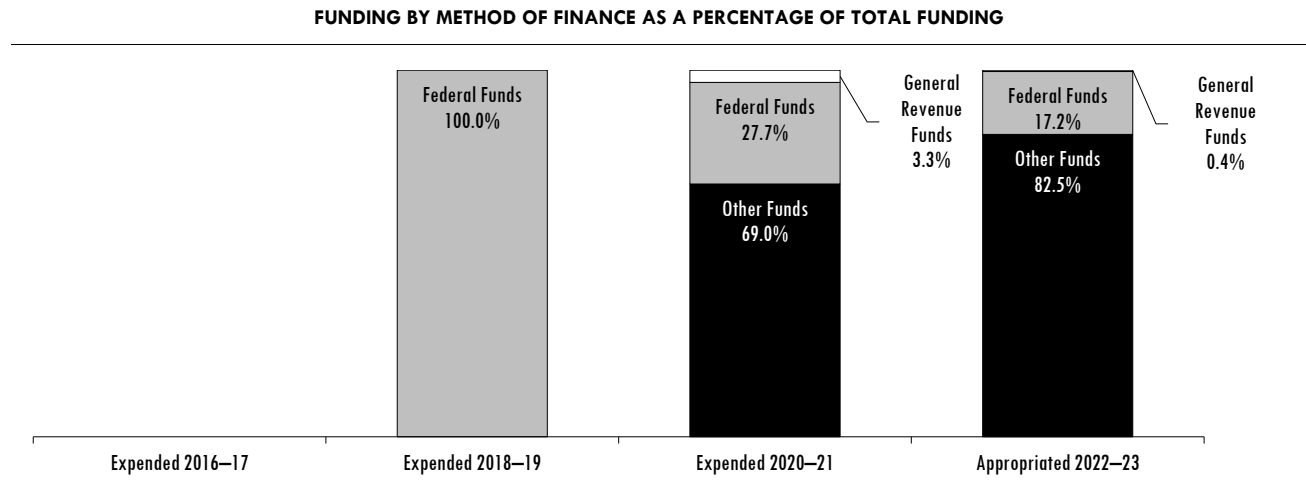


NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 478 shows historical funding for the program by method of finance. The agency reported no program funding for the reporting period prior to fiscal year 2019, in which the program was funded entirely with Federal Funds. Funding consisted primarily of Other Funds from the TIRF during the 2020–21 and 2022–23 biennia, and smaller appropriations from General Revenue Funds and Federal Funds. Funding increased to support the agency’s flood planning and mitigation activities as outlined in Senate Bill 7 and Senate Bill 8, Eighty-sixth Legislature, 2019.

**FIGURE 478
FLOODPLAIN MAPPING PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**



(IN MILLIONS)

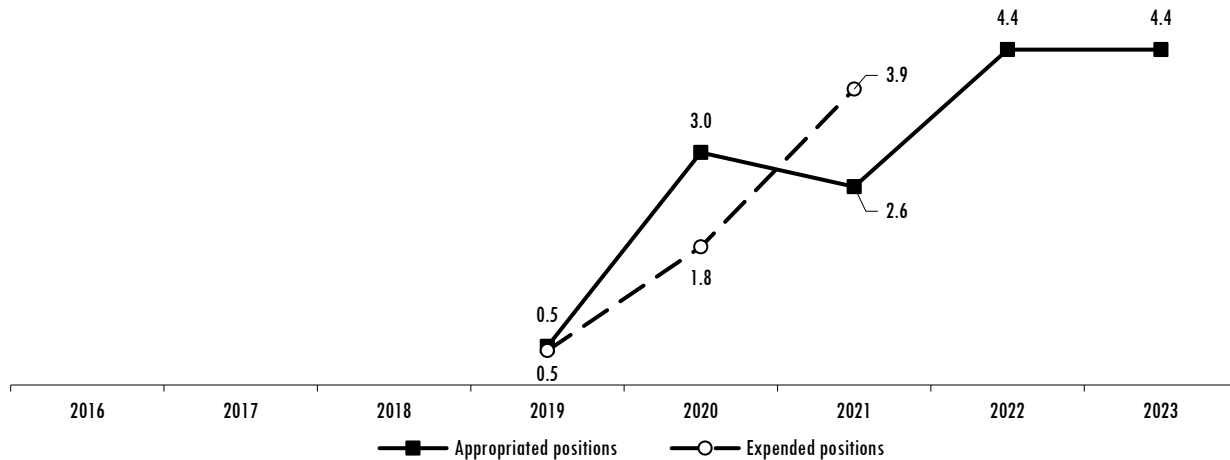
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.1	\$0.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.2	\$1.1	\$7.1
Other Funds	\$0.0	\$0.0	\$2.7	\$33.9
Total, All Methods of Finance	\$0.0	\$0.2	\$3.9	\$41.1

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 479 shows FTE positions for the program. The number of positions has increased since fiscal year 2019 in conjunction with funding increases.

FIGURE 479
FLOODPLAIN MAPPING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would prevent the agency and its technical partners from performing the work necessary to produce up-to-date flood-risk maps for the entire state, approximately half of which has either no flood-risk information or data that is more than 20 years old. Because FEMA’s flood-mapping efforts tend to focus on heavily populated areas, rural areas in particular would be underserved. Areas with no flood-risk information or outdated information would not be able to conduct well-informed floodplain management activities, such as preventing development in the floodplain or supporting adequate flood warning, response, and recovery activities. Failure to adequately mitigate flood risk, which can be accomplished only with accurate and recent flood-risk data, could result in significant additional loss of life and property to these communities, ultimately increasing their flood-response and recovery costs.

Additionally, discontinuing the program would prevent the agency from providing updated flood-risk information for the regional and state flood planning processes to support the statewide planning process. The reduction of state funding for floodplain mapping could lead to a corresponding reduction in FEMA’s CTP Program funding. FEMA’s grant funding can vary significantly each year, although Texas historically has received approximately \$500,000 to \$2.0 million annually in federal CTP Program funding.

NATIONAL FLOOD INSURANCE PROGRAM – FLOOD MITIGATION ASSISTANCE AND SEVERE REPETITIVE LOSS GRANT PROGRAM

The Texas Water Code, Sections 6.012(a)(3) and 15.401 to 15.406; the Texas Government Code, Chapter 742

PROGRAM DESCRIPTION

The National Flood Insurance Program – Flood Mitigation Assistance and Severe Repetitive Loss Grant Program grants millions of dollars in federal funds each fiscal year, when available, to communities for flood-hazard-mitigation planning and to address the long-term risk of flood damage to severe-repetitive-loss structures insured through the National Flood Insurance Program (NFIP). Severe-repetitive-loss structures are properties that flood repeatedly and result in frequent claims for amounts

that meet thresholds in federal law. To be eligible for Flood Mitigation Assistance grant funding, Texas communities must participate in the NFIP and have a FEMA-approved Hazard Mitigation Plan. Eligible entities include cities, counties, and other political subdivisions of the state (e.g., flood-control and drainage districts, etc.). A community may be required to provide up to a 25.0 percent local match if its use of funding is intended to mitigate repetitive-loss structures or NFIP-insured structures, to support localized flood-control projects, or for planning purposes. Approximately 1,260 of 1,480 Texas communities participate in the NFIP.

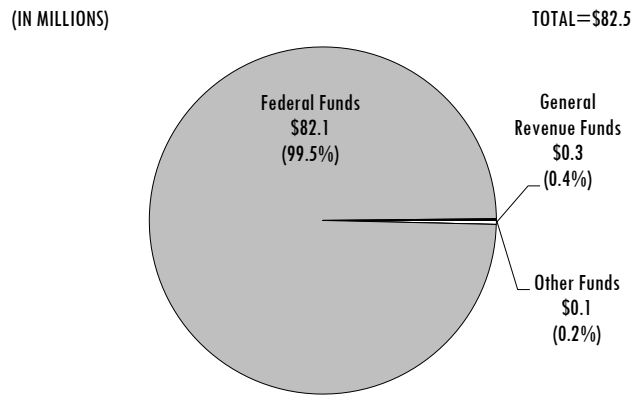
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 480 shows the program’s funding sources by method of finance, which consists primarily of Federal Funds.

**FIGURE 480
FLOOD MITIGATION ASSISTANCE AND SEVERE REPETITIVE LOSS GRANT PROGRAM FUNDING SOURCES
2022–23 BIENNIUM**



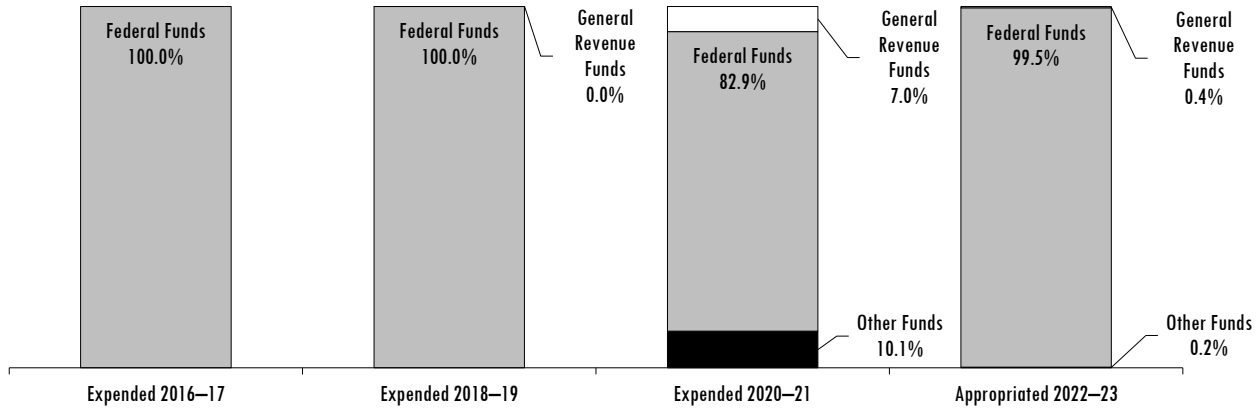
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 481 shows historical funding for the program by method of finance. During the 2020–21 biennium, the agency reported lapsing Federal Funds for Severe Repetitive Loss and Flood Mitigation Assistance grants, but it reported recently that several lapses may be reversed as grant awards are executed. A substantial increase of available Federal Funds is expected for the 2022–23 biennium.

**FIGURE 481
FLOOD MITIGATION ASSISTANCE AND SEVERE REPETITIVE LOSS GRANT PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

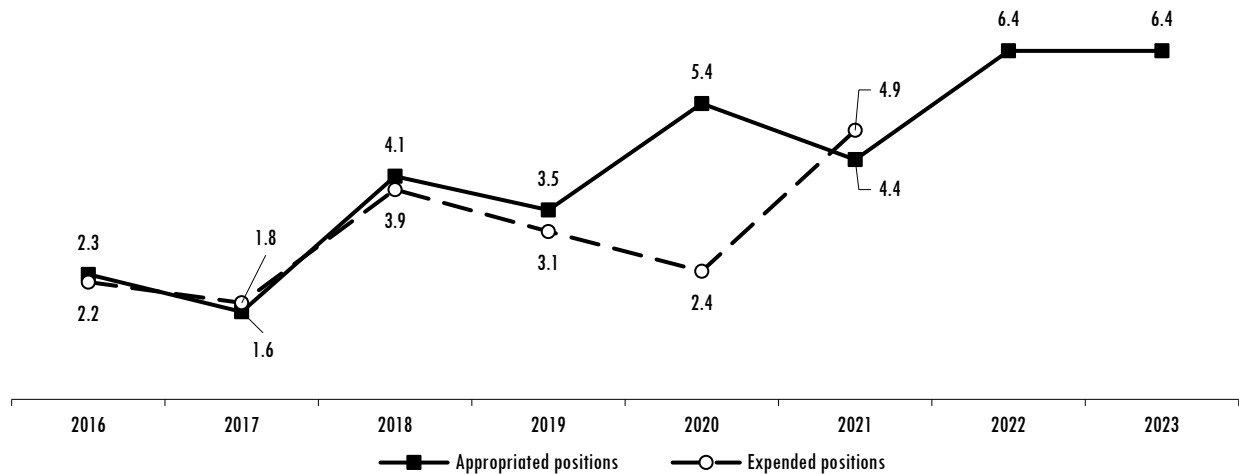
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.1	\$0.3
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$24.0	\$30.2	\$1.7	\$82.1
Other Funds	\$0.0	\$0.0	\$0.2	\$0.1
Total, All Methods of Finance	\$24.0	\$30.2	\$2.0	\$82.5

NOTES: Totals may not sum due to rounding. General Revenue Funds amounts total less than \$1,000 for the 2018–19 biennium.
SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 482 shows FTE positions for the program. Although the number of positions allocated to the program typically has increased since fiscal year 2016, agency management decisions during the reporting period have resulted in fluctuations in allocations.

**FIGURE 482
FLOOD MITIGATION ASSISTANCE AND SEVERE REPETITIVE LOSS GRANT PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023**



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would remove the availability of highly leveraged federal grant funding to assist Texas communities in mitigating flood risk for their properties. This loss of funding would impede the ability of a community to recover from a flood and would eliminate a key source of funding used by property owners to mitigate flood risk. It is unlikely that other state and local programs could provide the services covered by the discontinued program, which would lead to an increase in indirect costs associated with flood response, recovery, and damage for properties where risk could have been mitigated.

Additionally, program staff supported by Federal Funds share their expertise with agency staff that conduct other state flood activities, which develops coordination between state and federal programs. Discontinuing the program would remove these benefits from the state of access to staff with other state-driven initiatives that have flood-related expertise.

NATIONAL FLOOD INSURANCE PROGRAM COMMUNITY ASSISTANCE AND TRAINING

The Texas Water Code, Sections 6.012(a)(3) and 15.401 to 15.406; the Texas Water Code, Chapter 16, Subchapter I; the Texas Government Code, Chapter 742

PROGRAM DESCRIPTION

The National Flood Insurance Program Community Assistance and Training Program provides statewide flood outreach and guidance to local officials and the public on the topic of floodplain management through community assistance visits, general technical assistance, ordinance review assistance, trainings, and workshops. The program also supports communities that have experienced disasters through onsite visits and by providing recommendations on floodplain management responsibilities, substantial damage provisions, application of ordinances or court orders, permitting procedures, and coordination with other state and federal agencies. The program also provides general information for the public on flooding and flood activities and

presents information on flood-related agency programs at conferences, workshops, and community meetings. TWDB serves as the state coordinating agency for the NFIP by coordinating between local floodplain administrators and FEMA.

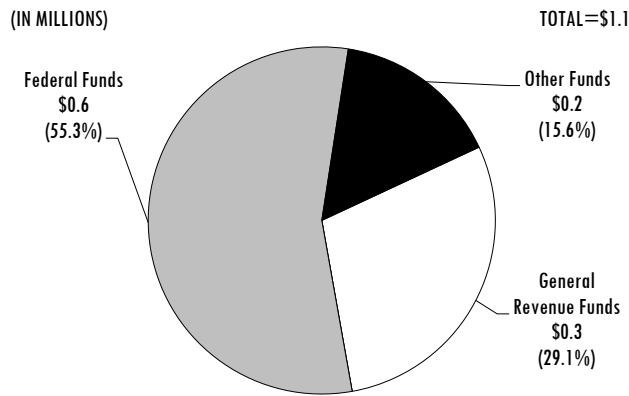
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 483 shows the program’s funding sources by method of finance. The program is funded with General Revenue Funds, Federal Funds provided by FEMA, and Other Funds from the TIRF.

FIGURE 483
NATIONAL FLOOD INSURANCE PROGRAM COMMUNITY ASSISTANCE AND TRAINING PROGRAM FUNDING SOURCES
2022–23 BIENNIUM

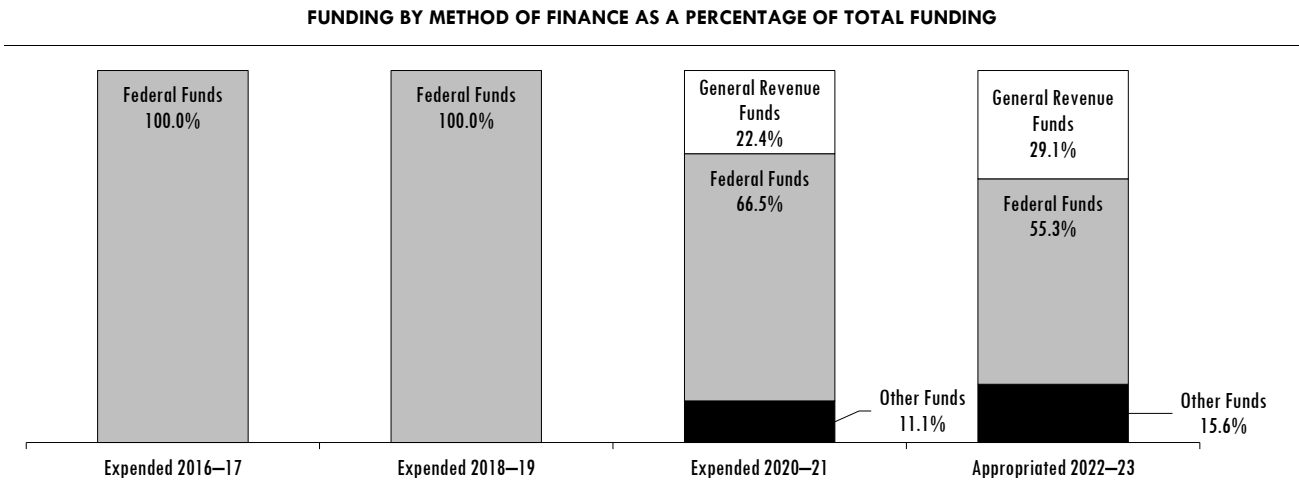


NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 484 shows historical funding for the program by method of finance. The program initially was funded with Federal Funds from fiscal years 2016 to 2019. The subsequent increase in funding, including the addition of General Revenue Funds and Other Funds beginning in the 2020–21 biennium, is related to increased support for flood-related activities.

FIGURE 484
NATIONAL FLOOD INSURANCE PROGRAM COMMUNITY ASSISTANCE AND TRAINING PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA



(IN MILLIONS)

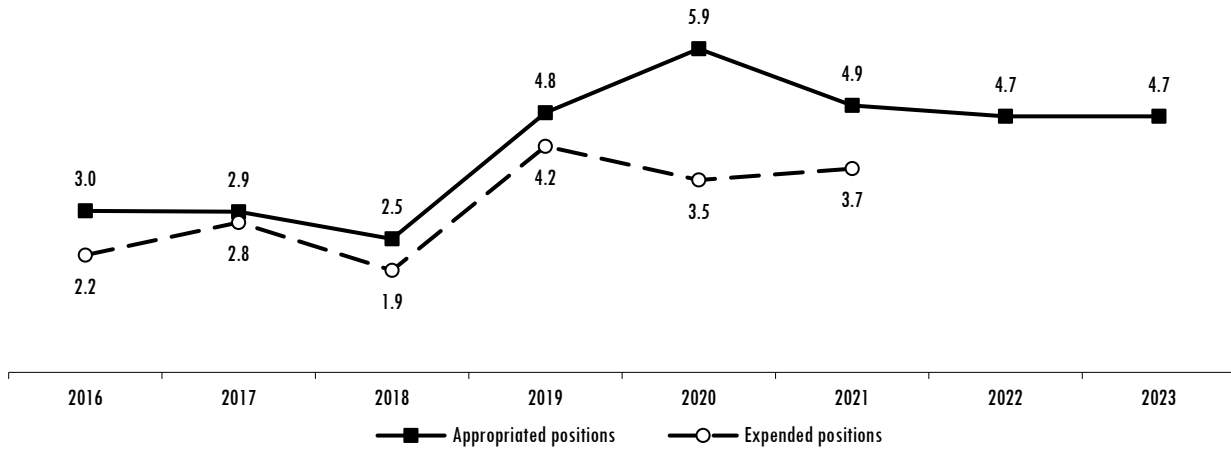
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.2	\$0.3
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.4	\$0.4	\$0.5	\$0.6
Other Funds	\$0.0	\$0.0	\$0.1	\$0.2
Total, All Methods of Finance	\$0.4	\$0.4	\$0.7	\$1.1

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 485 shows FTE positions for the program. The increased number of positions is related to the increased funding to support flood-related activities. Agency management decisions and turnover have contributed to fluctuations among allocations of FTE positions.

FIGURE 485
NATIONAL FLOOD INSURANCE PROGRAM COMMUNITY ASSISTANCE AND TRAINING PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

Figure 486 shows the program’s performance measures. When the performance measures related to the number and dollars of new financial commitments for flood projects were placed into this program, the measures were assigned targets of zero as placeholders following the additional flood funding and responsibilities assigned to TWDB through the enactment of Senate Bill 7 and Senate Bill 8, Eighty-sixth Legislature, 2019. The measure Percentage of Watersheds with Refreshed Flood-risk Maps is a new measure added for the 2022–23 biennium.

FIGURE 486
NATIONAL FLOOD INSURANCE PROGRAM COMMUNITY ASSISTANCE AND TRAINING PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Communities Assisted through Community Assistance Contacts and Community Assistance Visits	No	340	100	340
Percentage of Watersheds with Refreshed Flood-risk Maps	Yes	N/A	N/A	20.0%
Number of New Financial Commitments – Flood	Yes	N/A	N/A	0
Dollar Amounts of New Financial Commitments – Flood	Yes	N/A	N/A	\$0

SOURCE: Texas Water Development Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, no other state program provides technical resources, training, and other assistance to support communities with their participation in and compliance with the NFIP. If this program were discontinued, the lack of NFIP participation could inhibit or prevent communities from obtaining disaster assistance after flood events, and it could enable

potentially harmful development to occur without floodplain regulations in place. Both scenarios ultimately lead to a greater financial burden on communities, which would receive little or no federal support after a flood disaster and could be more damaging if development had not been regulated appropriately. Communities would be less prepared for flood events without the information provided through program trainings, technical assistance, and community communications.

STATE FLOOD PLANNING, INFORMATION, AND RESPONSE

The Texas Water Code, Sections 15.534, 15,538, 16.012, 16.021(a)(3), 16.061, 16.062, 16.314, and 16.316

PROGRAM DESCRIPTION

According to the agency, the State Flood Planning, Information, and Response program primarily consists of the Flood Modeling and Flood Mapping subprograms, which were established to support the agency’s flood planning and mitigation activities as outlined in Senate Bill 7 and Senate Bill 8, Eighty-sixth Legislature, 2019. The subprograms work collaboratively internally and externally with federal, state, regional, and local partners to produce various types of flood-risk information for the state. Methods used to develop flood-risk information employ the most recent data, modeling, and mapping techniques. Key functions of the programs include coordination and development of hydrologic and hydraulic models; generation of flood hazard maps, including flood extents, frequency, and intensity; and performance of risk assessments, including annual average flood losses. The subprograms also lead the agency’s participation in FEMA’s CTP Program, with support from other agency resources.

PROGRAM REVENUE

The agency did not report any revenue associated with this program.

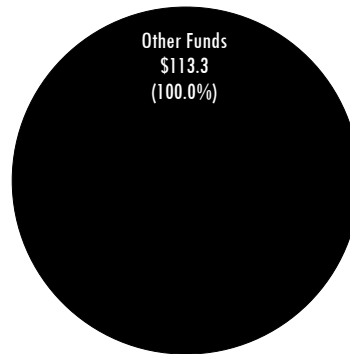
PROGRAM FUNDING

Figure 487 shows the program’s funding source by method of finance. The program is funded entirely with Other Funds, primarily from the TIRF, Appropriated Receipts, and Interagency Contracts.

**FIGURE 487
STATE FLOOD PLANNING, INFORMATION, AND RESPONSE PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**

(IN MILLIONS)

TOTAL=\$113.3



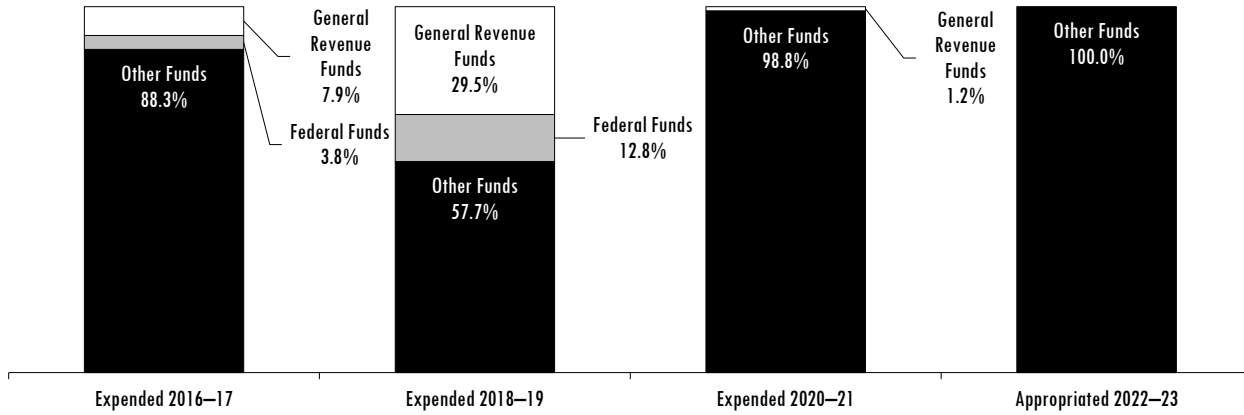
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 488 shows historical funding for the program by method of finance. Since the 2016–17 biennium, program funding has changed from a combination of General Revenue Funds, Federal Funds, and Other Funds as Interagency Contracts to being entirely funded with Other Funds for the 2022–23 biennium. This funding is contributed primarily from the TIRF, Appropriated Receipts, and Interagency Contracts. According to the agency, Federal Funds were no longer available for program purposes beginning in the 2020–21 biennium.

FIGURE 488
STATE FLOOD PLANNING, INFORMATION, AND RESPONSE PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

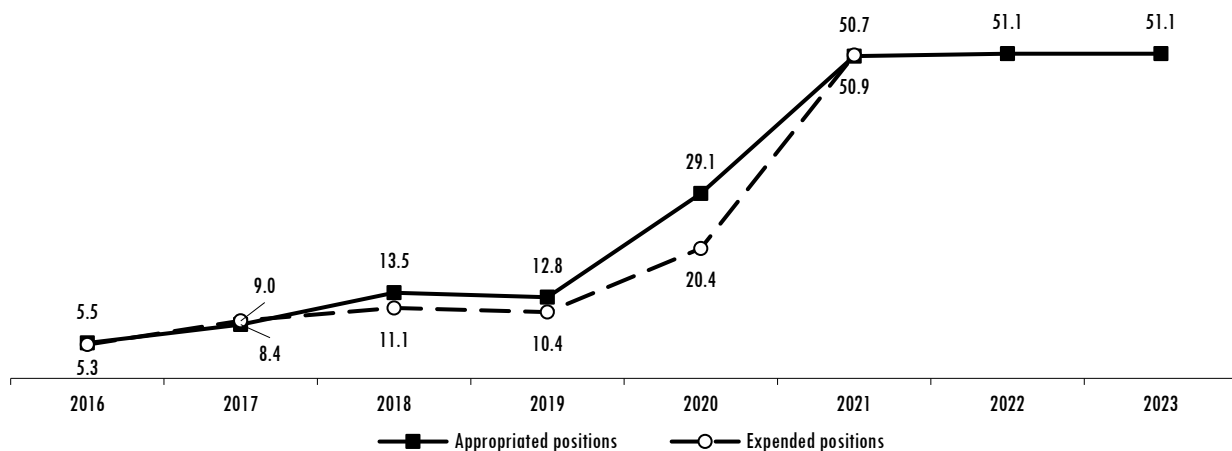
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.7	\$2.4	\$1.8	\$0.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.4	\$1.1	\$0.0	\$0.0
Other Funds	\$8.2	\$4.7	\$150.5	\$113.3
Total, All Methods of Finance	\$9.3	\$8.2	\$152.3	\$113.3

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 489 shows full-time-equivalent positions for the program. The large increase in the number of positions beginning in fiscal year 2020 results from increased demand on program resources due to the agency’s assumption of new flood-related responsibilities that year. The program staff is developing the first State Flood Plan to be submitted September 1, 2024.

FIGURE 489
STATE FLOOD PLANNING, INFORMATION, AND RESPONSE PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would have the same results as discontinuing the Floodplain Mapping program. Discontinuing the program would prevent the agency and its technical partners from performing the work necessary to produce up-to-date flood-risk maps for the entire state, approximately half of which has either no flood-risk information or data that is more than 20 years old. Because FEMA’s flood-mapping efforts tend to focus on heavily populated areas, rural areas in particular would be underserved. Areas with no flood-risk information or outdated information would not be able to conduct well-informed floodplain management activities, such as preventing development in the floodplain or supporting adequate flood warning, response, and recovery activities. Failure to adequately mitigate flood risk, which can be accomplished only with accurate and recent flood-risk data, could result in significant additional loss of life and property to these communities, ultimately increasing their flood- response and recovery costs.

Additionally, discontinuing the program would prevent the agency from providing updated flood- risk information for the regional and state flood-planning processes to support the statewide planning process. The reduction of state funding for floodplain mapping could lead to a corresponding reduction in FEMA’s CTP Program funding. FEMA’s grant funding can vary significantly each year, although Texas historically has received approximately \$500,000 to \$2.0 million annually in federal CTP Program funding.

CLEAN WATER STATE REVOLVING FUND ADMINISTRATION

The Texas Water Code, Chapter 15, Subchapters J and L

PROGRAM DESCRIPTION

The Clean Water State Revolving Fund (CWSRF) Administration Program is responsible for the administration of CWSRF. The CWSRF is a fund outside the state Treasury that was authorized in statute to provide financial assistance in accordance with the federal Water Quality Act of 1987. The CWSRF offers subsidized loans and loan forgiveness to political subdivisions

to finance wastewater projects that address compliance issues consistent with the requirements of the federal Clean Water Act. Low-cost financial assistance is provided for planning, acquisition, design, and construction of wastewater, reuse, and stormwater infrastructure. Federal capitalization grants are matched with TWDB-issued General Obligation (GO) bonds and loan repayments deposited back into the fund.

Through fiscal year 2022, approximately \$11.0 billion has been committed for CWSRF projects across Texas.

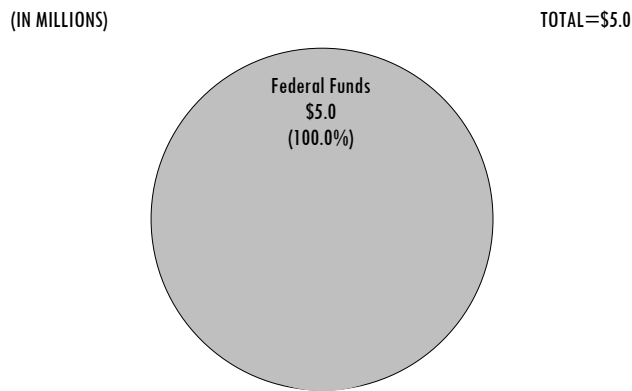
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 490 shows the program’s funding source by method of finance. The program is funded with Federal Funds for annual capitalization grants from the U.S. Environmental Protection Agency (EPA).

**FIGURE 490
CLEAN WATER STATE REVOLVING FUND ADMINISTRATION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**



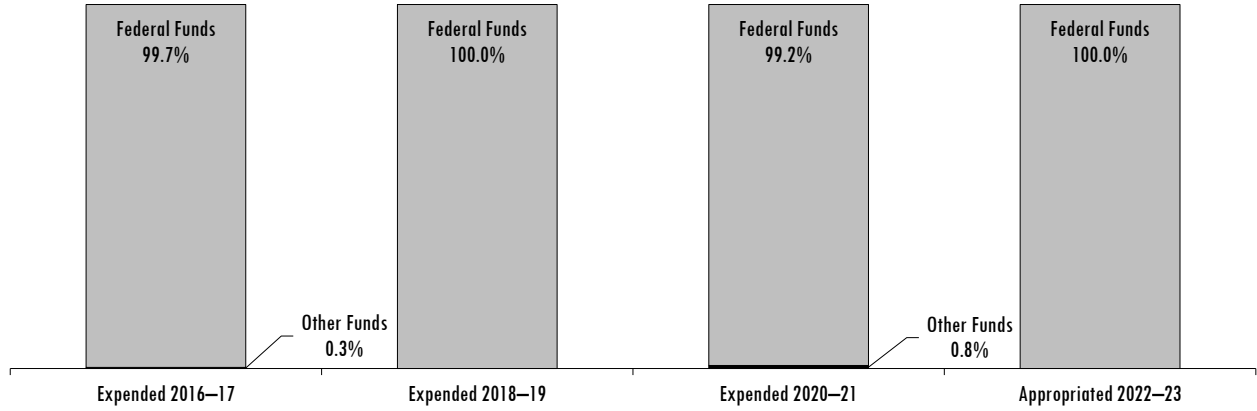
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 491 shows historical funding for the program by method of finance. The amount of funding since fiscal year 2016 has been consistent, with the program receiving similar levels of Federal Funds from the same sources during the reporting period.

**FIGURE 491
CLEAN WATER STATE REVOLVING FUND ADMINISTRATION PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$4.0	\$4.0	\$4.3	\$5.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$4.0	\$4.0	\$4.3	\$5.0

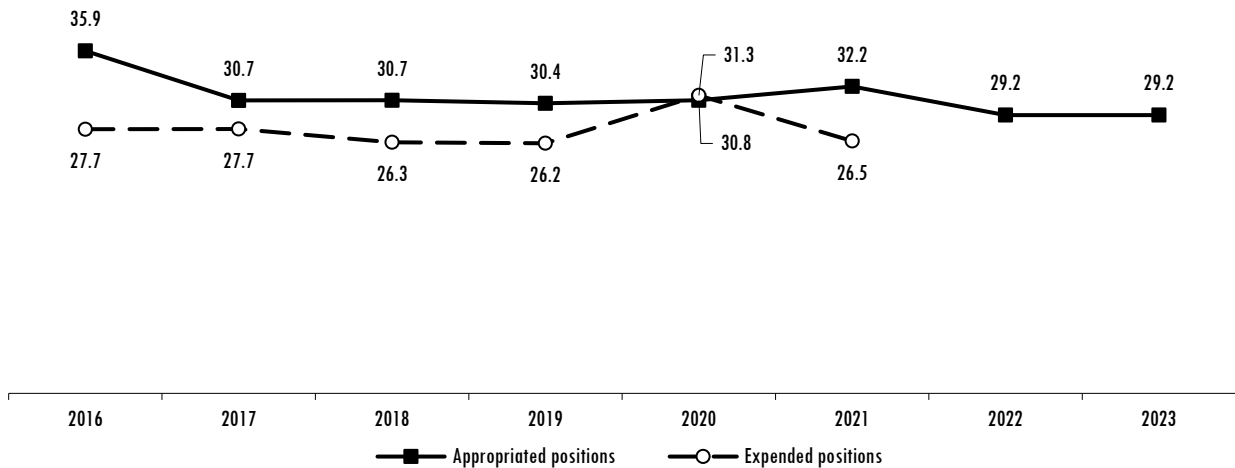
NOTES: Totals may not sum due to rounding. Other Funds amounts total less than \$11,000 for the 2016–17 biennium and less than \$35,000 for the 2020–21 biennium.

SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 492 shows FTE positions for the program. Agency management decisions and turnover have contributed to fluctuations among allocations of FTE positions despite constant funding.

FIGURE 492
CLEAN WATER STATE REVOLVING FUND ADMINISTRATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, without funding for the cost of administrating the CWSRF, no loans and grants could be administered from the CWSRF.

DRINKING WATER STATE REVOLVING FUND ADMINISTRATION

The Texas Water Code, Chapter 15, Subchapter J

PROGRAM DESCRIPTION

The Drinking Water State Revolving Fund (DWSRF) Administration Program is responsible for the administration of DWSRF. The DWSRF is a fund outside the Treasury that was authorized in statute to provide financial assistance in accordance with the Federal Safe Drinking Water Act of 1996. The DWSRF assists communities by providing below-market-rate financing and various levels of principal forgiveness for a wide range of projects that facilitate compliance with national primary drinking water standards or otherwise significantly further the health protection objectives of the Safe Drinking Water Act. Federal capitalization grants are matched with TWDB-issued GO bonds and loan repayments deposited back into the fund.

Through fiscal year 2022, approximately \$3.6 billion has been committed for DWSRF projects across Texas.

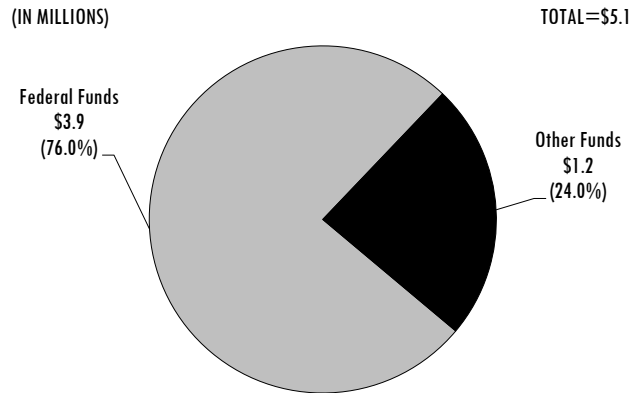
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 493 shows the program’s funding sources by method of finance. The program is funded with Federal Funds for annual capitalization grants from the EPA and Other Funds consisting of Appropriated Receipts.

FIGURE 493
DRINKING WATER STATE REVOLVING FUND ADMINISTRATION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM

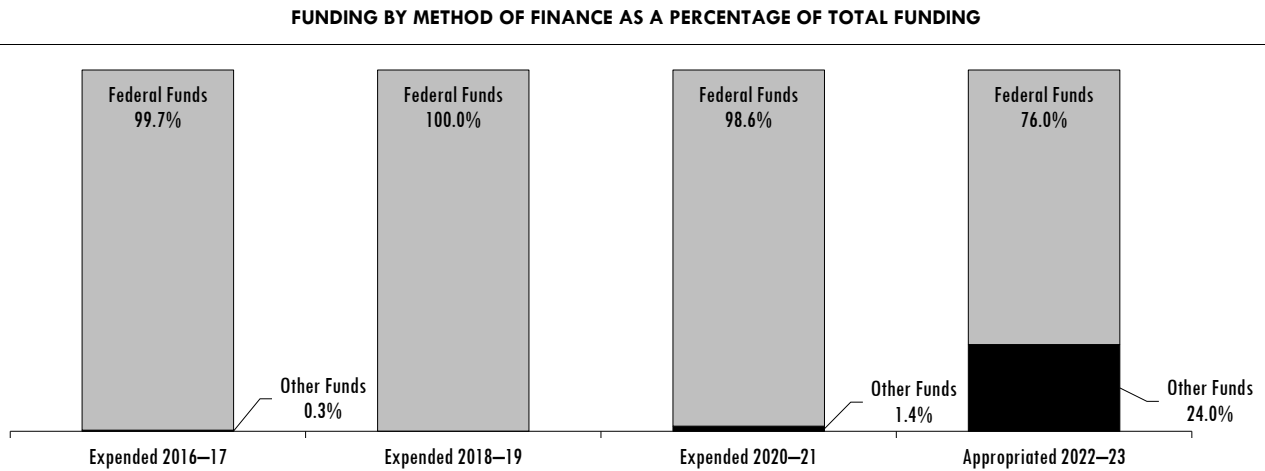


NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 494 shows historical funding for the program by method of finance. Program funding primarily has been provided through Federal Funds for annual capitalization grants from the EPA.

FIGURE 494
DRINKING WATER STATE REVOLVING FUND ADMINISTRATION PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA



(IN MILLIONS)

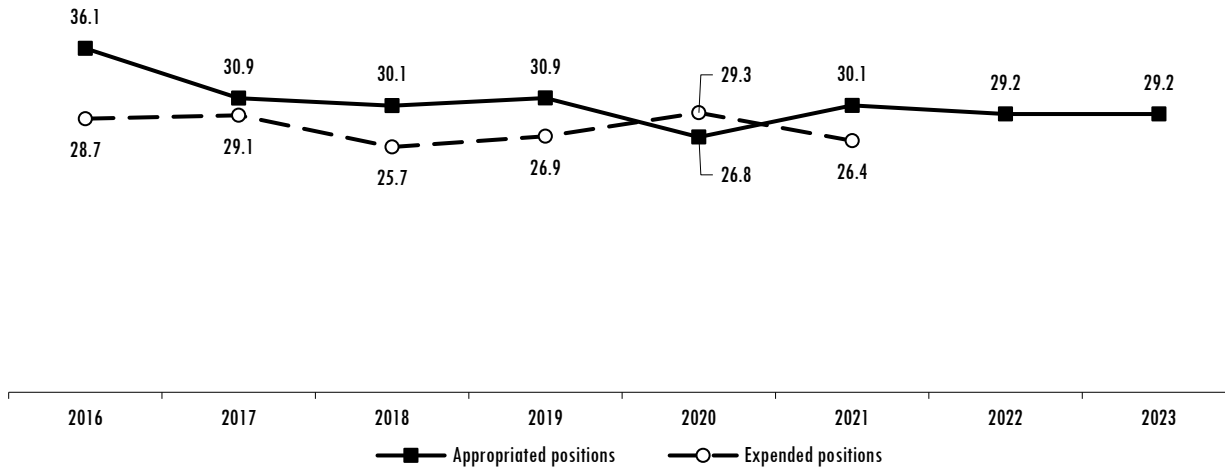
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$3.9	\$3.8	\$3.9	\$3.9
Other Funds	\$0.0	\$0.0	\$0.1	\$1.2
Total, All Methods of Finance	\$3.9	\$3.8	\$3.9	\$5.1

NOTES: Totals may not sum due to rounding. Other Funds amounts total less than \$12,000 for the 2016–17 biennium.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 495 shows FTE positions for the program. Agency management decisions and turnover have contributed to fluctuations among allocations of FTE positions.

FIGURE 495
DRINKING WATER STATE REVOLVING FUND ADMINISTRATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, without funding for the cost of administrating the DWSRF, no loans and grants could be administered from the DWSRF.

SPECIAL APPROPRIATION ACT PROJECTS

The Texas Water Code, Chapter 6

PROGRAM DESCRIPTION

The Special Appropriation Act Projects (SAAP) Program provides a service to the EPA by assisting in project management activities to improve efficiencies. The EPA provides funds to TWDB for construction management and program oversight. TWDB’s duties include attendance and participation in pre-construction conferences; comparing completion percentages and milestones with the approved project schedule; conducting interim inspections; reviewing bid documents, change orders, and reimbursement requests; and providing recommendations and construction progress reports to the EPA. TWDB has assisted the EPA with 37 projects through this program since calendar year 2006. As of February 2022, 36 have been completed.

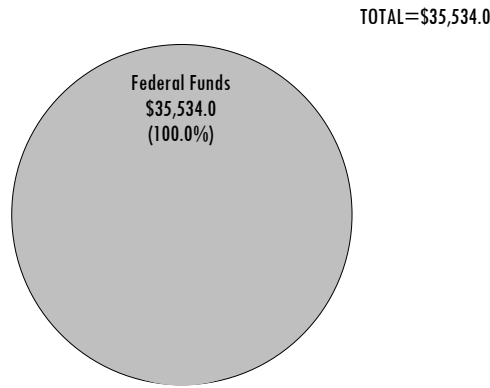
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 496 shows the program’s funding source by method of finance. The program is funded entirely with Federal Funds from EPA grants.

FIGURE 496
SPECIAL APPROPRIATION ACT PROJECTS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM

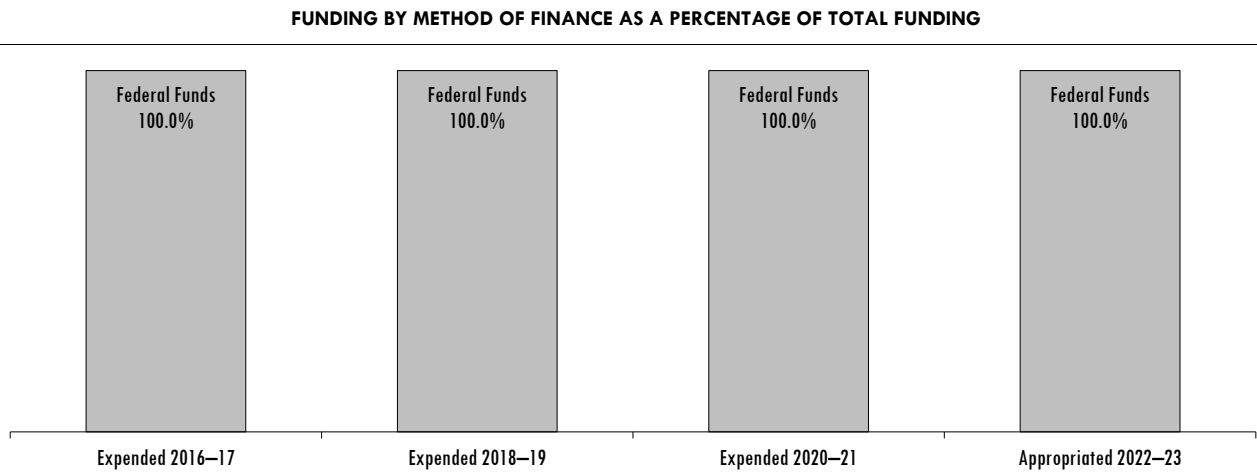


SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 497 shows historical funding for the program by method of finance. The program historically has been funded with Federal Funds from EPA grants.

FIGURE 497
SPECIAL APPROPRIATION ACT PROJECTS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA



METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0	\$0	\$0	\$0
General Revenue–Dedicated Funds	\$0	\$0	\$0	\$0
Federal Funds	\$58,104	\$15,401	\$15,566	\$35,534
Other Funds	\$0	\$0	\$0	\$0

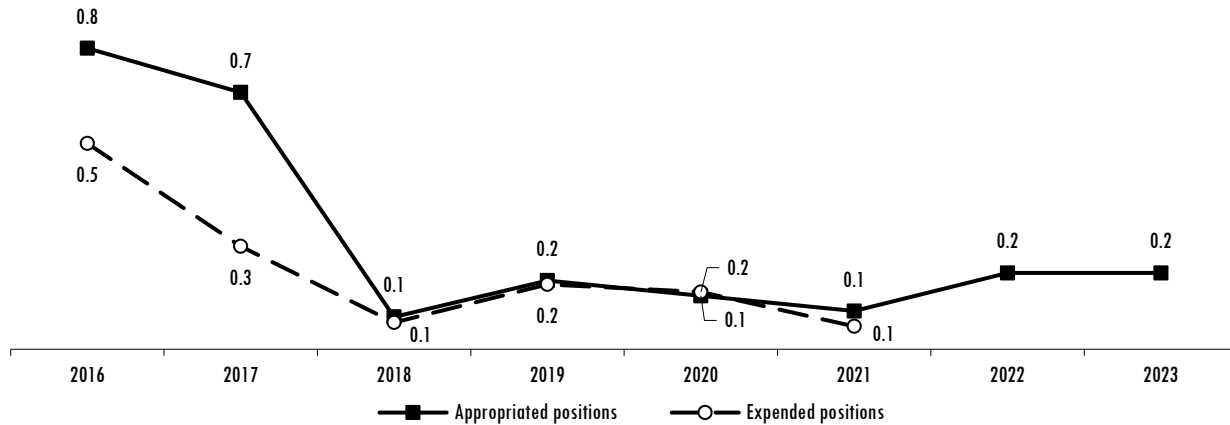
Total, All Methods of Finance **\$58,104** **\$15,401** **\$15,566** **\$35,534**

SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 498 shows FTE positions for the program.

FIGURE 498
SPECIAL APPROPRIATION ACT PROJECTS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program could be detrimental to EPA SAAP projects. The agency reports that it would reallocate FTE positions that formerly provided service through the program to perform other duties if the program were discontinued.

STATE FINANCIAL ASSISTANCE

The Texas Constitution, Article III, Sections 49-d-8, 49-d-9, 49-d-11, and 50-d; the Texas Water Code, Chapter 15, Subchapters R and Q, Chapter 16, Subchapters E and F, Chapter 17, Subchapter J, and Chapter 36, Subchapter L and Sections 17.011(c), 17.182, 17.959, 17.963, 17.968, and 17.971

PROGRAM DESCRIPTION

The State Financial Assistance Program is responsible for administering the agency’s financial assistance programs. Constitutionally authorized programs include the Texas Water Development Fund (DFund), State Participation (SP), Rural Water Assistance Fund (RWAF), and the State Water Implementation Fund for Texas (SWIFT). These programs provide loans and grants for water, wastewater, and flood-control projects throughout the state, as follows:

- DFund provides financial assistance in the form of loans for water supply, wastewater, and flood-control projects. The program enables the funding of water and wastewater projects concurrently with one commitment and closing and has broader eligibility than the Clean and Drinking Water state revolving fund programs;

- RWAF provides financial assistance to rural political subdivisions for water projects;
- the SP program enables the agency to provide funding and assume a temporary state ownership interest in a regional water, wastewater, or flood-control project when the local sponsors are unable to assume debt for an optimally sized facility. This funding encourages the optimum development of regional projects by funding excess capacity for future use. Eligible projects are planning, design, acquisition, and construction for the following activities: excess capacity of regional projects for water supply, including reservoirs, well fields, and water rights; wastewater; and flood control; and
- SWIFT funds SWP projects from initial planning to construction that are intended to ensure adequate water supplies in times of drought.

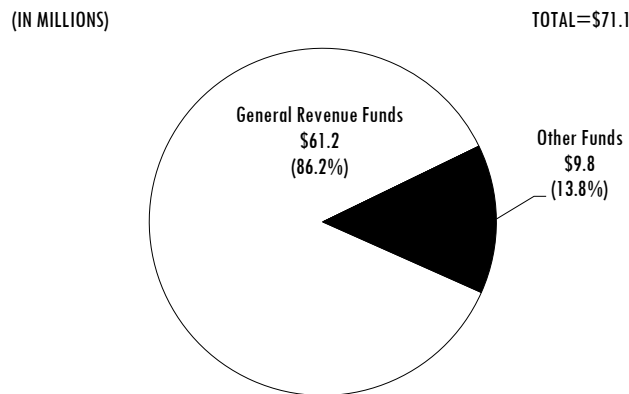
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 499 shows the program’s funding sources by method of finance. The program is funded with General Revenue Funds and Other Funds, including the Rural Water Assistance Fund. General Revenue Funds appropriations include \$50.0 million to remove accumulated siltation and sediment deposits throughout the San Jacinto River and Lake Houston.

FIGURE 499
STATE FINANCIAL ASSISTANCE PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



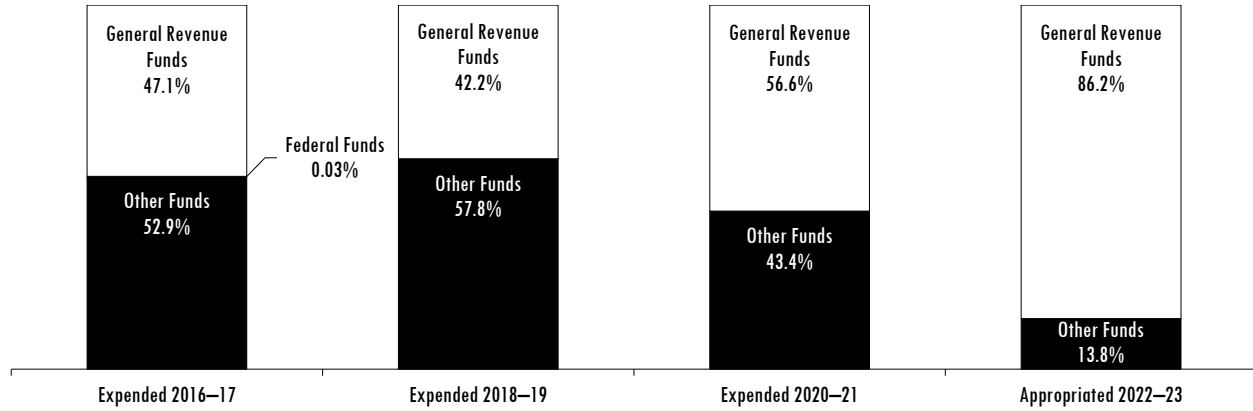
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 500 shows historical funding for the program by method of finance. Each fiscal year since 2016, the program has received General Revenue Funds and Other Funds, including the RWAF. Small amounts of Federal Funds were available in the 2016–17 biennium, along with funding from the Water Assistance Fund provided during the 2016–17 and 2018–19 biennia. Appropriated Receipts were provided during the 2018–19 and 2020–21 biennia.

FIGURE 500
STATE FINANCIAL ASSISTANCE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

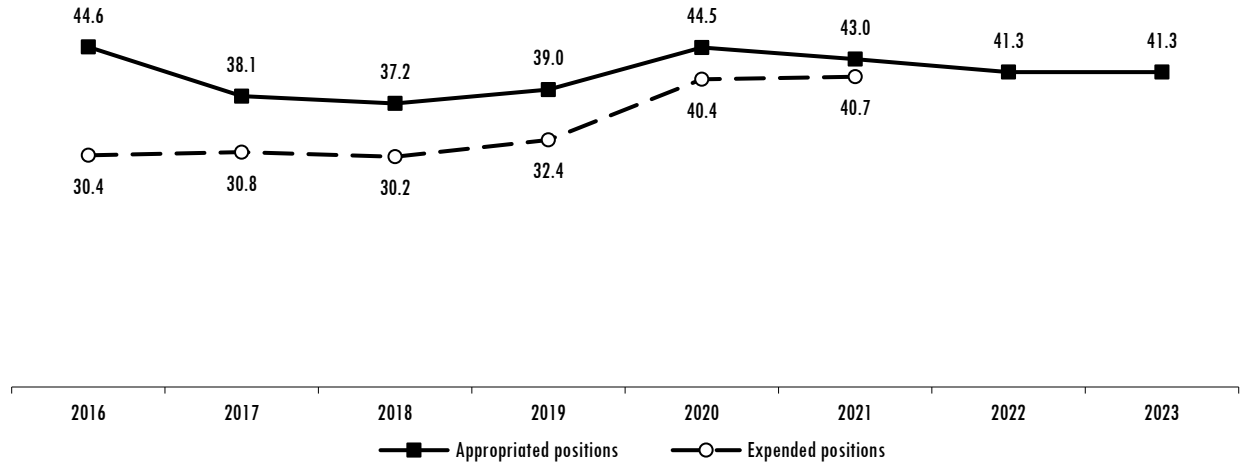
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$10.0	\$7.9	\$8.5	\$61.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$11.2	\$10.8	\$6.5	\$9.8
Total, All Methods of Finance	\$21.2	\$18.8	\$15.1	\$71.1

NOTES: Totals may not sum due to rounding. Federal Funds amounts total less than \$6,000 for the 2016–17 biennium.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 501 shows FTE positions for the program. Agency management decisions and turnover have contributed to fluctuations in the number of allocated positions during the fiscal years in the reporting period.

FIGURE 501
STATE FINANCIAL ASSISTANCE PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

Figure 502 shows the program’s performance measures. Many of the agency’s performance measures are located within this program, including measures that were removed or replaced after the 2020–21 biennium and some that were added for the 2022–23 biennium. Due to the restructuring of performance measures, some new measures may be unrelated to the measures they replaced.

FIGURE 502
STATE FINANCIAL ASSISTANCE PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Output Measures				
Number of State Participation Projects Receiving Financial Assistance (1)	Yes	0	0	N/A
Dollar Amounts of New Financial Commitments – State Water Plan (in millions) (2)	Yes	N/A	N/A	\$500.0
Dollar Amounts Committed to Implement State Plan (in millions) (3)	Yes	\$750.0	\$364.8	N/A
Number of New Financial Commitments – State Water Plan (4)	Yes	N/A	N/A	20
Number of Commitments to State Plan Project (3)	Yes	40	13	N/A
Number of New Financial Commitments – All Programs (4)	No	N/A	N/A	140
Number of Financial Assistance Commitments Made (3)	No	150	252	N/A
Number of New Financial Commitments – Rural or Disadvantaged Communities (4)	No	N/A	N/A	80

Number of Commitments to Small, Rural or Disadvantaged Community Projects (3)	No	80	107	N/A
Dollar Amounts of New Financial Commitments – All Programs (in millions) (4)	No	N/A	N/A	\$1,500.0
Total Dollar Amounts of Financial Assistance Committed (in millions) (3)	No	\$1,500.0	\$2,089.9	N/A
Dollar Amounts of New Financial Commitments – Rural or Disadvantaged Communities (in millions) (4)	No	N/A	N/A	\$200.0
Total Dollar Amounts Committed to Small, Rural, or Disadvantaged Community Projects Through Agency Programs Targeting Such Communities (in millions) (3)	No	\$200.0	\$213.6	N/A
Number of Communities with Active Financial Assistance Agreements (4)	Yes	N/A	N/A	525
Number of Communities with Financial Assistance Agreements (3)	Yes	500	578	N/A
Number of New Financial Assistance Agreements Closed or Executed – All Programs (4)	No	N/A	N/A	150
Number of New Financial Commitments – SWIFT (4)	No	N/A	N/A	7
Number of Non-EDAP Financial Assistance Agreements Closed or Executed (3)	No	150	198	N/A
Dollars of New Financial Commitments – SWIFT (in millions) (4)	Yes	N/A	N/A	\$800.0
Number of Commitments for Projects Receiving SWIRFT Funding (3)	No	7	5	N/A
Number of New Financial Commitments – State Ownership (4)	No	N/A	N/A	0
Project Costs with SWIRFT Commitments (in millions) (3)	Yes	\$800.0	\$254.2	N/A
Dollars of New Financial Commitments – State Ownership (4)	No	N/A	N/A	0
Outcome Measure				
Dollars Saved from TWDB Assistance (in millions)	No	\$1.9	\$483.7	\$320.0
Efficiency Measures				
Administrative Cost per Active Financial Assistance Agreement (1)	No	\$1,890.00	\$1,420.78	N/A
Financial Assistance Dollars Managed per FTE Position (in millions) (1)	No	\$68.1	\$15.5	N/A
Explanatory Measures				
Dollars of Financial Assistance Made Available (in millions) (1)	No	\$1,750.0	\$1,750.0	N/A
Number Receiving Water or Wastewater Service from State Ownership Investment (2)	No	1	1	1

Dollars Invested by State in Water/Wastewater Service Through State Participation (in millions)	No	\$3.0	\$29.1	\$3.0
Number of Applications Received for SWIRFT Prioritization (1)	Yes	20	9	N/A
Dollar Amounts for SWIRFT Prioritization (in millions) (1)	Yes	\$1,250.0	\$335.1	N/A

NOTES:

- (1) This measure was removed after the 2020–21 biennium.
- (2) This measure was added for the 2022–23 biennium.
- (3) This measure was replaced for the 2022–23 biennium.
- (4) This measure replaced a previous measure for the 2022–23 biennium.
- (5) SWIFT=State Water Implementation Fund for Texas; SWIRFT=State Water Implementation Revenue Fund for Texas; EDAP= Economically Distressed Areas Program; FTE=full-time-equivalent positions.

SOURCE: Texas Water Development Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

The agency reports the following consequences of discontinuing the program:

- discontinuing the DFund would eliminate an alternative source of funding that may finance water and wastewater services concurrently while avoiding any program-specific federal requirements such as those required by the Clean and Drinking Water state revolving fund programs;
- discontinuing the RWAF would eliminate funding that provides an added benefit to Nonprofit Water Supply Corporations through a sales tax exemption;
- discontinuing the SP Program would have no adverse effect because the SWIFT program has been able to meet the needs for temporary state ownership of projects recommended in the SWP; therefore, the State Participation program no longer is used for that purpose; and
- discontinuing SWIFT funding would increase the costs of providing the state’s water-supply needs identified in the SWP.

ECONOMICALLY DISTRESSED AREAS PROGRAM

The Texas Constitution, Article III, Sections 49-d-7, 49-d-8, 49-d-9, and 49-d-10; the Texas Water Code, Chapter 15, Subchapter F, Chapter 16, Subchapter J, and Chapter 17, Subchapter K

PROGRAM DESCRIPTION

The Economically Distressed Areas Program (EDAP) includes staffing functions to administer grants and loans to eligible communities to provide financial assistance for the supply of water and wastewater services to economically distressed areas where water or wastewater facilities are inadequate to meet minimum standards. EDAP applicants and projects must meet certain criteria to qualify as eligible economically distressed areas. To provide funding to these areas, voters approved a series of constitutional amendments to provide GO bond authority to the agency. TWDB sells the bonds and uses the proceeds to provide financial assistance through the EDAP program. The bond proceeds used to provide the financial assistance for communities are outside the General Appropriations Act. Voter approval of Proposition 2, November 2019, provided additional bonding authority to TWDB in amounts such that the aggregate principal amount of outstanding bonds issued does not exceed \$200.0 million at any time.

Before fiscal year 2019, voter-approved constitutional amendments in 1989 and 2007 authorized TWDB to issue \$500.0 million in GO bonds for the same purposes. This bonding authority was exhausted when the Eighty-fifth Legislature, Regular Session, 2017, appropriated funds to issue the remaining bonding authority. In addition to state funding, the federal

government provided \$300.0 million from federal fiscal years 1993 to 1999 through the federal Colonia Wastewater Treatment Assistance Program to complement the state’s EDAP program.

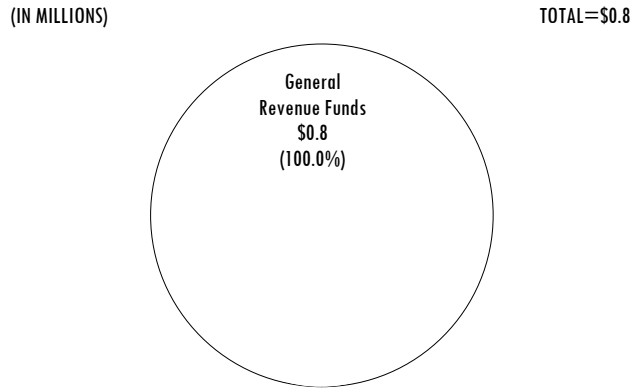
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 503 shows the program’s funding source by method of finance. The program is funded entirely with General Revenue Funds.

**FIGURE 503
ECONOMICALLY DISTRESSED AREAS PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**



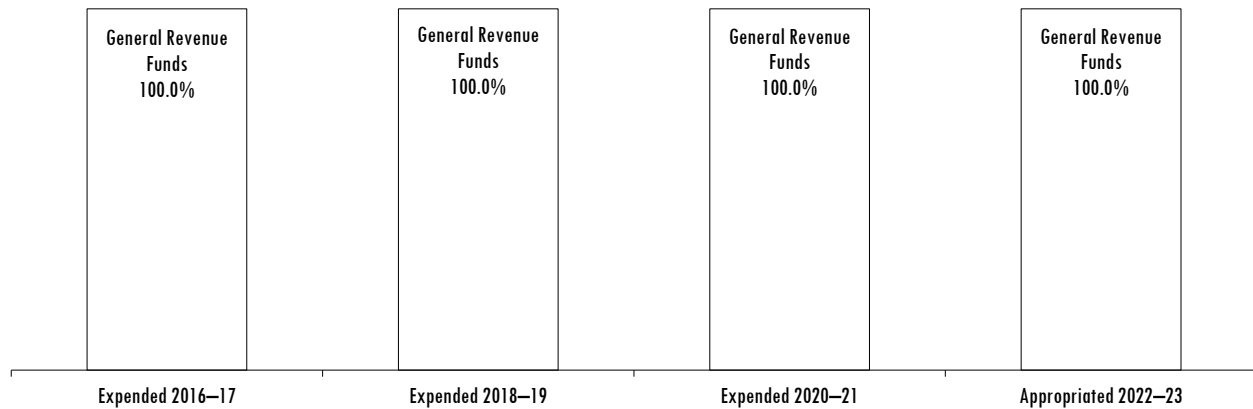
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 504 shows historical funding for the program by method of finance. Funding decreases were due to limited funds remaining in the program during the 2018–19 biennium. TWDB implemented a prioritization system and placed limitations on the amount of funding an entity could receive during state fiscal year 2018. This action preceded legislative changes enacted in fiscal year 2019.

**FIGURE 504
ECONOMICALLY DISTRESSED AREAS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

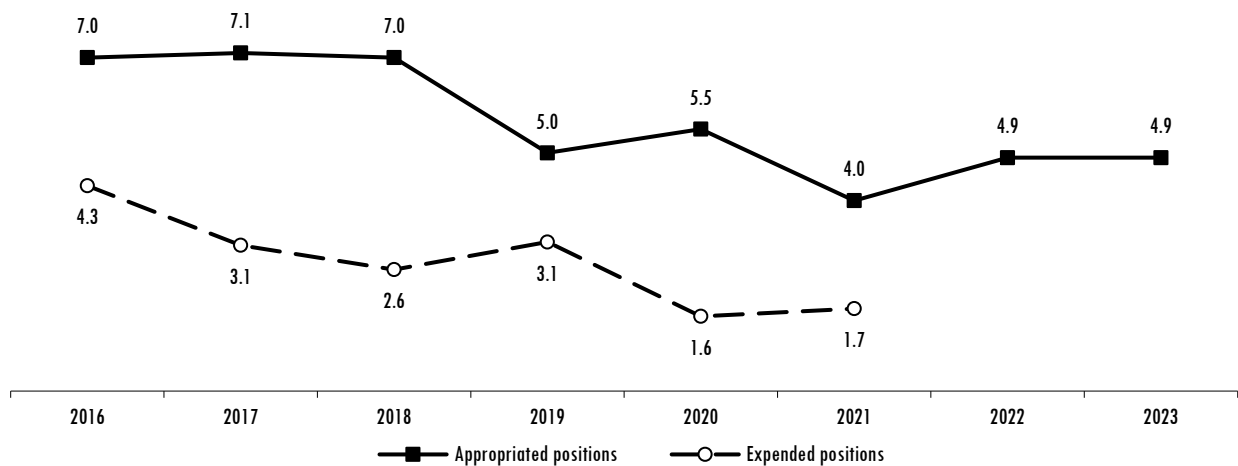
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.6	\$0.4	\$0.2	\$0.8
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$0.6	\$0.4	\$0.2	\$0.8

SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 505 shows FTE positions for the program. The decrease in the number of positions from fiscal years 2018 to 2021 was due to the limited funding remaining in the program.

FIGURE 505
ECONOMICALLY DISTRESSED AREAS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

Figure 506 shows the program’s performance measures. The performance measure Number of Economically Distressed Areas Projects That Have Completed Non-construction Activities in Planning, Acquisition, or Design was changed to Dollars of New Financial Commitments – EDAP beginning in the 2022–23 biennium.

FIGURE 506
ECONOMICALLY DISTRESSED AREAS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Completed Economically Distressed Areas Projects	Yes	163	163	165
Number of Economically Distressed Areas Loans and Grants Closed	No	0	0	2

Construction in Progress for Economically Distressed Areas Projects	No	40	39	10
Number of Economically Distressed Areas Projects That Have Completed Non-construction Activities in Planning, Acquisition, or Design	No	14	1	N/A
Dollars of New Financial Commitments – EDAP (in millions)	No	N/A	N/A	\$150.0
Economically Distressed Area Residents Provided Adequate Water Supplies or Wastewater Systems	No	366,000	332,321	385,000

NOTES:

- (1) EDAP=Economically Distressed Areas Program.
- (2) The performance measure Number of Economically Distressed Areas Projects That Have Completed Non-construction Activities in Planning, Acquisition, or Design was changed to Dollars of New Financial Commitments – EDAP beginning in the 2022–23 biennium.

SOURCE: Texas Water Development Board.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would lower the amount and degree of subsidy for providing initial service in areas without adequate water, wastewater services, or both, and would increase the cost of service for water and wastewater services in economically distressed areas.

ECONOMICALLY DISTRESSED AREAS PROGRAM DEBT SERVICE

The Texas Constitution, Article III, Section 49; the Texas Water Code, Chapter 17

PROGRAM DESCRIPTION

The EDAP Debt Service program provides GO bond debt service payments for EDAP. EDAP loan repayments are insufficient to cover debt service because most assistance is provided through grants and below-market-rate loans. Beginning in fiscal year 2019, TWDB gained the authority to issue EDAP bonds in amounts such that the aggregate principal amount of the bonds outstanding at any time does not exceed \$200.0 million.

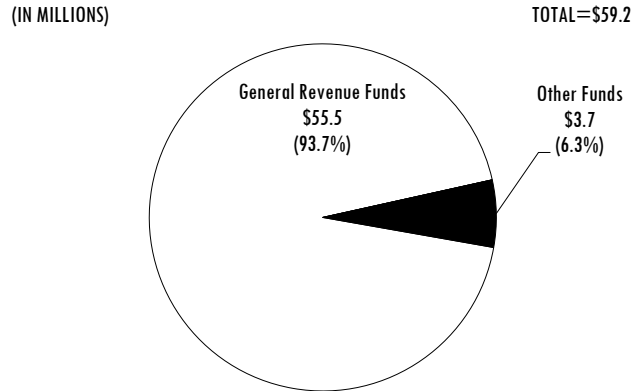
PROGRAM REVENUE

All revenues collected from EDAP bond repayments and interest are deposited to the Economically Distressed Areas Bond Payment Account and appropriated for the payment of principal and interest on EDAP bonds.

PROGRAM FUNDING

Figure 507 shows the program’s funding sources by method of finance. The program is funded with Other Funds from the EDAP Bond Payment Account, Appropriated Receipts from Texas Water Resources Finance Authority (TWRFA) proceeds (see the **Historical Funding** section), and General Revenue Funds to cover debt-service requirements fully.

**FIGURE 507
ECONOMICALLY DISTRESSED AREAS PROGRAM DEBT SERVICE FUNDING SOURCES, 2022–23 BIENNIUM**



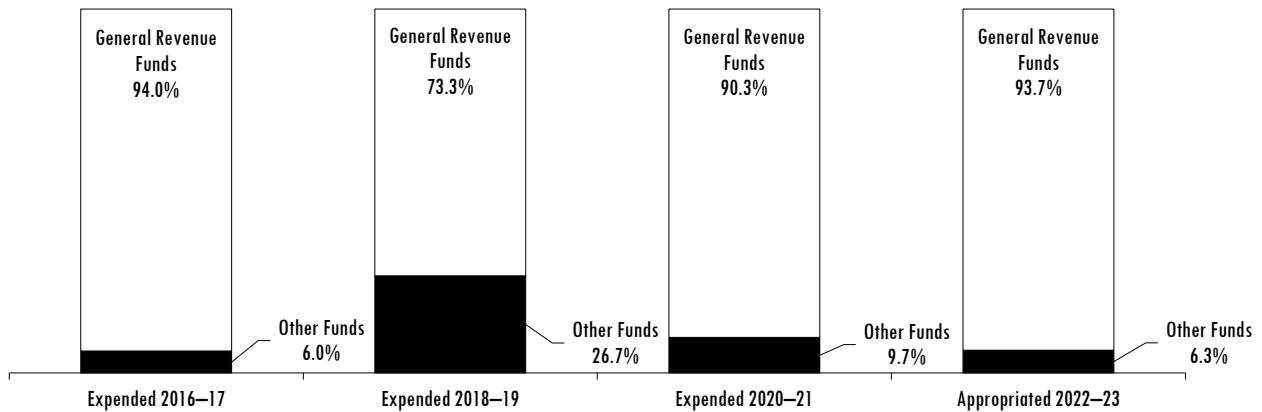
NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 508 shows historical funding for the program by method of finance. Beginning in the 2018–19 biennium, TWRFA proceeds were redirected from the Water Assistance Fund to pay for EDAP debt service. TWRFA is a former financial assistance program that no longer issues bonds, and TWDB has used TWRFA’s remaining balances to pay for ongoing agency costs. This redirection began a means of realizing an initial General Revenue Funds savings, in which occurred during the 2018–19 biennium, while spending down TWRFA remaining balances and residual debt-service payments eligible for this purpose. After the remaining TWRFA balances are spent, General Revenue Funds will be necessary to replace them to cover future debt service payments that are not covered by the EDAP Bond Payment Account.

**FIGURE 508
ECONOMICALLY DISTRESSED AREAS PROGRAM DEBT SERVICE HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$56.6	\$46.1	\$53.0	\$55.5
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0

Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$3.6	\$16.8	\$5.7	\$3.7
Total, All Methods of Finance	\$60.2	\$62.9	\$58.7	\$59.2

NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

The agency did not report any FTE positions associated with this program.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing debt-service payments administered by the program would cause the state to default to EDAP bondholders. This default would damage the state’s bond rating and its ability to attract future bond investment.

WATER INFRASTRUCTURE FUND DEBT SERVICE

The Texas Constitution, Article III, Section 49; the Texas Water Code, Chapter 17

PROGRAM DESCRIPTION

The Water Infrastructure Fund (WIF) Debt Service program consists of remaining GO bond debt-service requirements for WIF. Before the implementation of SWIFT, WIF provided reduced-interest loan rates and deferral of annual principal and interest payments for SWP projects funded through the program. WIF financed project needs and preconstruction environmental and engineering studies. WIF bonds are non-self-supporting GO bonds that require General Revenue Funds to cover debt-service requirements fully. TWDB no longer issues new bonds to support the WIF program, because projects previously funded through WIF are funded through SWIFT. According to the agency, WIF debt service is expected to become self-supporting in the 2024–25 biennium, at which point the program no longer will require General Revenue Funds to meet debt-service requirements.

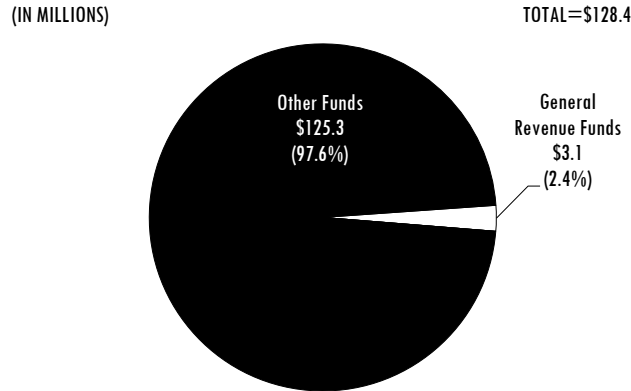
PROGRAM REVENUE

All revenues collected from WIF bond repayments and interest are deposited to the Water Infrastructure Fund and appropriated for the payment of principal and interest on WIF bonds.

PROGRAM FUNDING

Figure 509 shows the program’s funding sources by method of finance. The program is funded with Other Funds from the Water Infrastructure Fund and General Revenue Funds to cover debt-service requirements fully.

FIGURE 509
WATER INFRASTRUCTURE FUND DEBT SERVICE PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



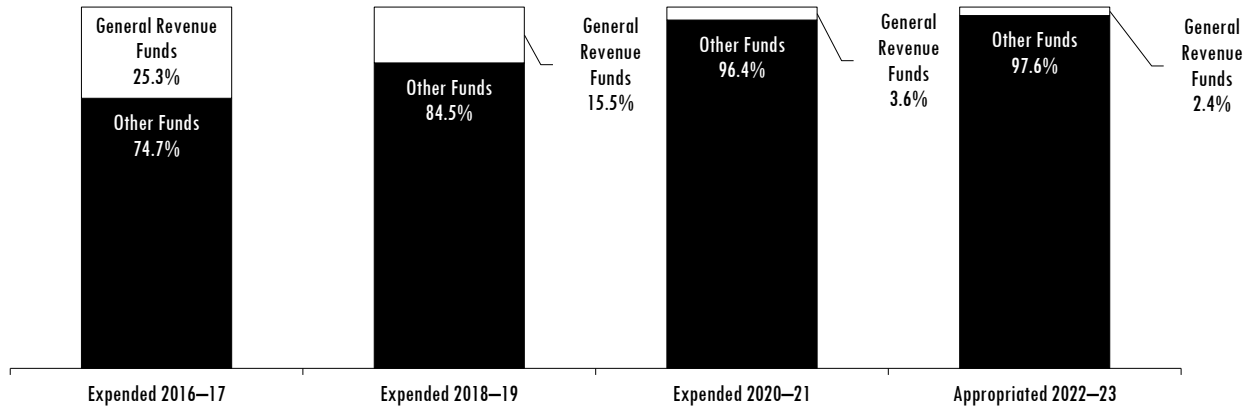
NOTE: Totals may not sum due to rounding.
 SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 510 shows historical funding for the program by method of finance. The General Revenue Funds portion of debt service for the WIF program has decreased over time due to repayments covering more of the required debt service as WIF projects become fully operational. During the 2020–21 biennium, the increase in Other Funds results from WIF repayments making additional funds available to meet debt-service requirements.

FIGURE 510
WATER INFRASTRUCTURE FUND DEBT SERVICE PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$38.2	\$23.1	\$12.0	\$3.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$113.0	\$126.2	\$319.8	\$125.3

Total, All Methods of Finance **\$151.2** **\$149.3** **\$331.8** **\$128.4**

NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

The agency did not report any FTE positions associated with this program.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing debt-service payments administered by the program would cause the state to default to WIF bondholders. This default would damage the state’s bond rating and its ability to attract future bond investment.

INDIRECT ADMINISTRATION

The Texas Water Code, Chapters 6, 15, and 16

PROGRAM DESCRIPTION

The Indirect Administration Program consists of the agency’s administrative functions to support agency operations, including the following services: information technology, facility management, audit, accounting, legal, human resources, governmental relations, communications, executive management, and fleet management and inventory.

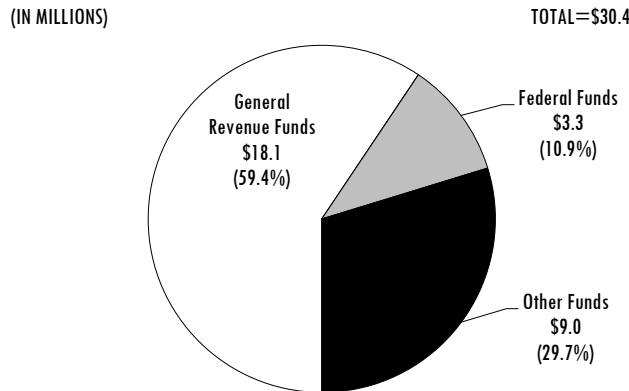
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 511 shows the program’s funding sources by method of finance. The program is funded with General Revenue Funds, Federal Funds that support operations of federally related programs, and Other Funds. Federal Funds are provided from capitalization grants to administer the CWSRF and DWSRF. Other Funds consist primarily of appropriations from the TIRF to support flood-mapping operations, and Appropriated Receipts provide a small portion.

FIGURE 511
INDIRECT ADMINISTRATION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM

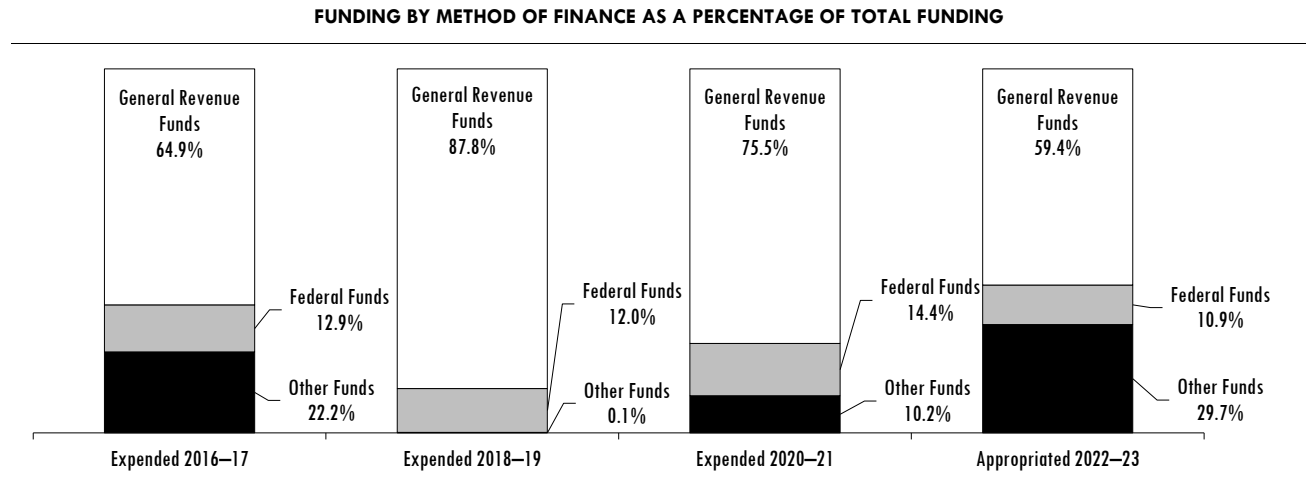


NOTE: Totals may not sum due to rounding.
SOURCE: Texas Water Development Board.

HISTORICAL FUNDING

Figure 512 shows historical funding for the program by method of finance. During the 2016–17 biennium, Other Funds were provided primarily from the Water Assistance Fund, but they were replaced by appropriations from the TIRF beginning in the 2020–21 biennium after the Water Assistance Fund was discontinued. The large increases in funding are the result of increased demand on administration due to the agency’s new flood-related responsibilities.

**FIGURE 512
INDIRECT ADMINISTRATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA**



(IN MILLIONS)

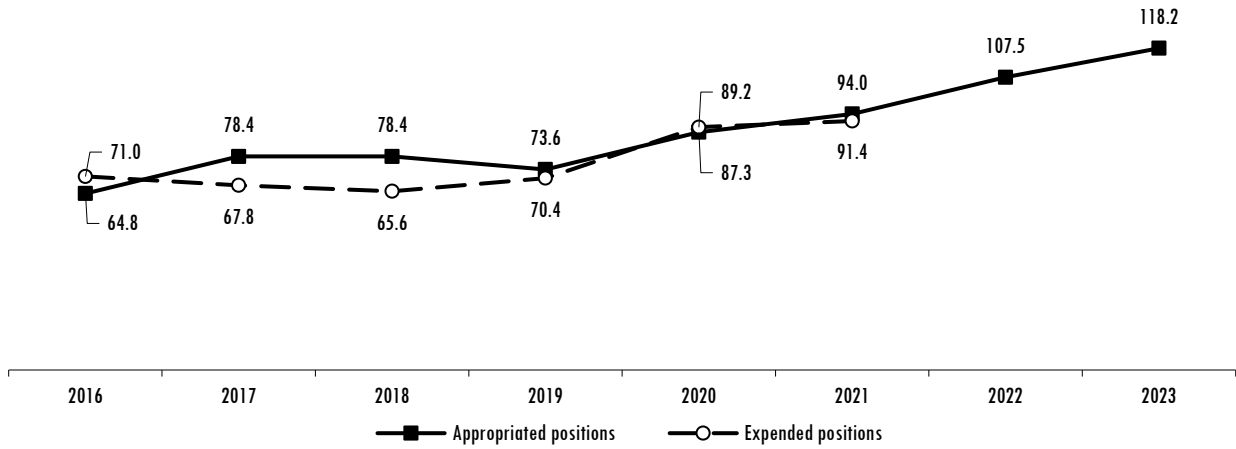
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$11.0	\$13.6	\$15.8	\$18.1
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$2.2	\$1.9	\$3.0	\$3.3
Other Funds	\$3.8	\$0.0	\$2.1	\$9.0
Total, All Methods of Finance	\$16.9	\$15.5	\$20.9	\$30.4

NOTES: Totals may not sum due to rounding. Other Funds amounts total less than \$20,000 for the 2018–19 biennium.
SOURCE: Texas Water Development Board.

FULL-TIME-EQUIVALENT POSITIONS

Figure 513 shows FTE positions for the program. The large increases in number of positions result from increased demand on direct administration due to the agency’s new flood-related responsibilities.

FIGURE 513
INDIRECT ADMINISTRATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Texas Water Development Board.

PERFORMANCE MEASURES

The agency did not report any performance measures associated with this program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

According to the agency, the current level of funding is required to provide the minimum level of service.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would result in the agency lacking the necessary staff to support agency operations.

PUBLIC UTILITY COMMISSION OF TEXAS

The Texas Utilities Code, Title 2; the Texas Water Code, Title 2, Subtitle B

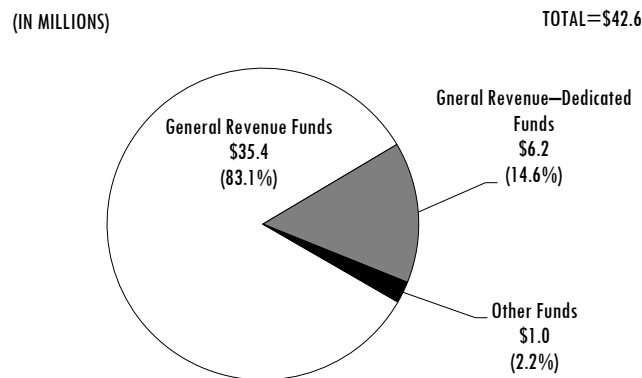
AGENCY DESCRIPTION

The Public Utility Commission of Texas (PUC) regulates the state’s electric, telecommunications, and water and wastewater utilities; implements legislation related to these industries; and offers customer assistance in resolving consumer complaints. Regulatory activities include approving and setting rates that electric, water, and telecommunications utilities charge their customers. These duties also include establishing and enforcing service requirements for these utilities. PUC is governed by five commissioners appointed by the Governor, including one chairman. In regulating the state’s electric market, PUC also oversees the Electric Reliability Council of Texas (ERCOT), a nonprofit corporation that manages the production and transfer of power through the bulk electric system that serves approximately 90.0 percent of Texans.

AGENCY FUNDING SOURCES

Figure 514 shows agency funding sources by method of finance.

FIGURE 514
PUBLIC UTILITY COMMISSION FUNDING SOURCES, 2022–23 BIENNIUM



NOTE: General Revenue–Dedicated Funds are appropriated from General Revenue–Dedicated Account No. 153, Water Resource Management, and Other Funds are appropriated from Appropriated Receipts.
SOURCE: Public Utility Commission of Texas.

Figure 515 shows a program funding overview in the agency’s program ranking order along with associated General Appropriations Act budgeting strategies, expended amounts for the 2020–21 biennium, and appropriated amounts and full-time-equivalent (FTE) positions for the 2022–23 biennium.

FIGURE 515
PUBLIC UTILITY COMMISSION PROGRAM FUNDING OVERVIEW, 2020–21 TO 2022–23 BIENNIA

RANKING	PROGRAM	STRATEGY	(IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS 2022–23
			EXPENDED 2020–21	APPROPRIATED 2022–23	
1	Electric Market Oversight	A.1.1. Market Competition	\$7.2	\$13.8	71.1
2	Electric Regulation	A.2.1. Utility Regulation	\$7.4	\$8.3	48.2
3	Water and Wastewater Regulation	A.2.1. Utility Regulation	\$5.5	\$5.8	32.0
4	Investigation and Enforcement	A.3.1. Investigation and	\$4.8	\$5.7	31.3

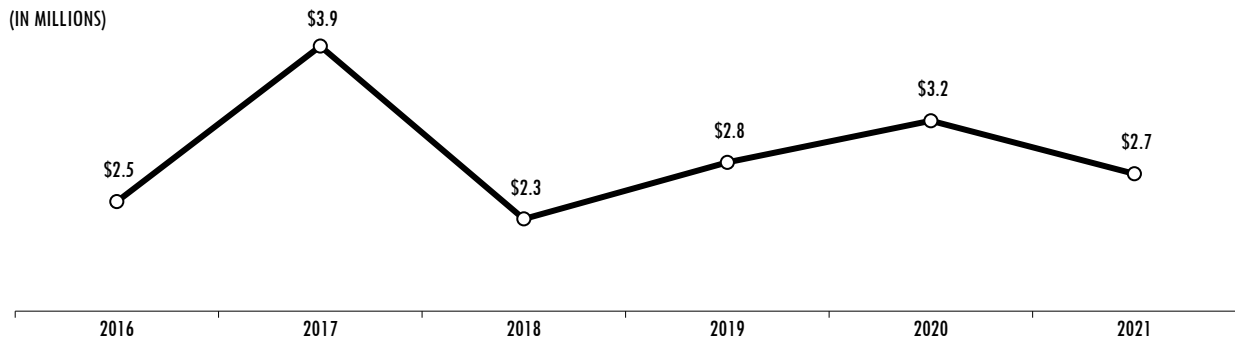
		Enforcement			
5	Customer Dispute Resolution	B.2.1. Assist Customers	\$1.9	\$2.3	14.4
6	Telecommunications Regulation	A.2.1. Utility Regulation	\$0.9	\$0.9	4.2
7	Telecommunications Market Oversight	A.1.1. Market Competition	\$1.0	\$1.0	4.2
8	Electric and Telecommunications Industry Awareness	B.1.1. Information and Education	\$2.0	\$2.5	16.5
9	Agency Administration	C.1.1. Central Administration; C.1.2. Information Resources; C.1.3. Other Support Services	\$1.8	\$2.4	12.1

NOTE: The amounts shown for full-time-equivalent positions are the budgeted levels for each fiscal year of the biennium.
 SOURCE: Public Utility Commission of Texas.

AGENCY REVENUE SOURCES

Figure 516 shows total agency revenue and totals by revenue category.

**FIGURE 516
 PUBLIC UTILITY COMMISSION TOTAL REVENUE AND REVENUE TOTALS BY REVENUE CATEGORY
 FISCAL YEARS 2016 TO 2021**



(IN MILLIONS)						
CATEGORY (1)	2016	2017	2018	2019	2020	2021
Licenses, Fees, Fines, and Penalties	\$2.5	\$3.4	\$1.2	\$2.7	\$2.5	\$0.8
Other Receipts	(\$0.1)	\$0.5	\$1.1	\$0.1	\$0.7	\$1.9 (2)
Total Revenue	\$2.5	\$3.9	\$2.3	\$2.8	\$3.2	\$2.7

NOTES:

- (1) Revenue categories consisting of totals that round to \$0.0 million are excluded. Totals may not sum due to rounding.
- (2) During fiscal year 2021, several Retail Electric Providers (REP) relinquished their REP certificates after Winter Storm Uri affected providers in Texas in February 2021. Through the revocation process of a REP certificate, PUC receives letter-of-credit deposits that are included in Other Receipts. Therefore, the total for Other Receipts shows a large increase.

SOURCE: Comptroller of Public Accounts.

FINDINGS

FINDING 1: OVERVIEW OF RECENT LEGISLATION

Winter Storm Uri precipitated a power grid event of unprecedented severity in February 2021, causing mass power outages across Texas. In response, Senate Bill 3, Eighty-seventh Legislature, Regular Session, 2021, directs power suppliers to prepare the Texas power grid for weather emergencies and power outages by increasing weatherization requirements for utilities, transmission companies, and generation facilities across the state. The 87th Legislature appropriated \$1.8 million for fiscal year 2022 and \$0.8 million for fiscal year 2023 in General Revenue Funds and 10.0 FTE positions to PUC to implement the provisions of this legislation. To address previous uncertainty regarding PUC's authority to bring utilities into compliance, Senate Bill 3 explicitly directs PUC to enforce these weatherization requirements by adopting rules for power generators and utilities. The legislation authorizes PUC to increase the maximum daily fine for utilities in the ERCOT power region to \$1.0 million per violation of certain rules relating to weather emergency preparedness.

Senate Bill 3 requires power generation resources and transmission companies to file reports of compliance with PUC. PUC and ERCOT review these self-reports. As of December 2021, PUC reported that 98.0 percent of generation resources and 100.0 percent of transmission companies filed their reports of compliance with PUC rules on time and all but one of the power generators that failed to report to PUC have completed their reporting requirements.

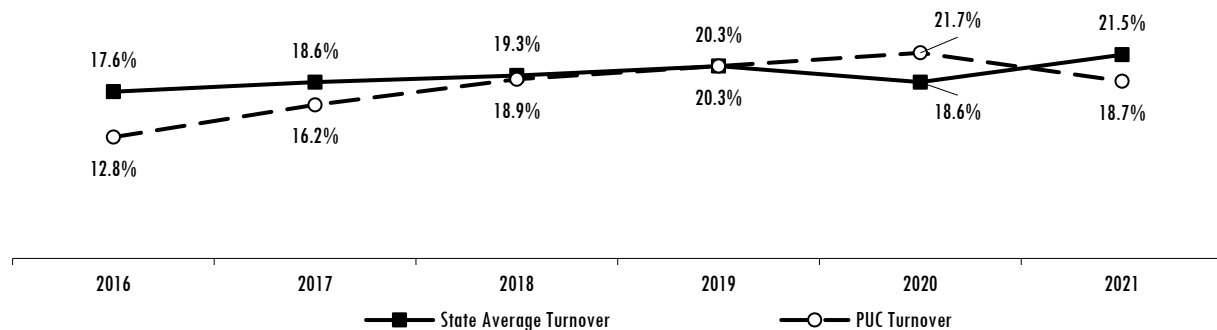
Another Senate Bill 3 provision established the Texas Electricity Supply Chain Security and Mapping Committee, composed of members from PUC, ERCOT, the Railroad Commission of Texas, and the Texas Division of Emergency Management. The committee is tasked with mapping the electricity supply chain in Texas and identifying related critical infrastructure sources. It adopted the first Electricity Supply Chain Map for Texas in April 2022, which is intended to assist state emergency management officials in pinpointing locations of critical electric and natural gas facilities during weather emergencies and disasters.

House Bill 5 and House Bill 3853, Eighty-seventh Legislature, Regular Session, 2021, are intended to facilitate the expansion of reliable broadband Internet access, particularly to unserved areas of Texas. This legislation assigns the regulation of middle-mile broadband to the Comptroller of Public Accounts, but House Bill 3853 directs PUC to adopt rules to help electric utilities work with Internet service providers to expand broadband access. Middle-mile broadband describes the part of the broadband infrastructure that does not connect directly to an end user. For example, whereas last-mile broadband connects directly to customers in low-populated towns, middle-mile access connects a town's network to major carriers in a larger metropolitan area. PUC adopted these statewide middle-mile broadband rules, which took effect April 21, 2022. The rules include several protections for ratepayers, consumers, and private property owners. These rules also require any electric utility that plans to deploy middle-mile broadband service to submit a plan for PUC's review, pursuant to the Texas Utilities Code, Chapter 43.

FINDING 2: STAFF TURNOVER

Staff retention presents one of the greatest challenges to the agency, as the loss of continuity and institutional knowledge caused by staff turnover has a detrimental effect on efficient agency operations. According to the State Auditor's Office's Annual Report on Classified Employee Turnover, the agency turnover rate, including interagency transfers, was 20.3 percent in fiscal year 2019, 21.7 percent in 2020, and 18.7 percent in 2021. PUC reports difficulties hiring qualified staff due to the small labor market for economists, market analysts, and enforcement investigators in Austin and the agency's inability to offer competitive salaries for such positions. Despite these circumstances, PUC maintained turnover at or below the statewide turnover rate during the past six years, except during fiscal year 2020, as shown in **Figure 517**. Strategies the agency has used to limit turnover and maintain optimum staffing levels include marketing the total state compensation and benefits program, as opposed to marketing salary only, and providing employee career planning assistance through training programs and continuous professional development initiatives. In addition, PUC's work requires staff that are experienced and knowledgeable about various utilities and utility-related cases. Due to the specific nature of this work, turnover at PUC may be more detrimental to agency operations than at other agencies with similar turnover rates.

FIGURE 517
STAFF TURNOVER RATES FOR THE PUBLIC UTILITY COMMISSION COMPARED TO ALL STATE AGENCIES
FISCAL YEARS 2016 TO 2021



NOTE: The percentages shown are total turnover rates, including voluntary separation, involuntary separation, and retirements.
 SOURCE: State Auditor's Office.

FINDING 3: ELECTRONIC EFFICIENCIES

In its Self-evaluation Report to the Sunset Advisory Commission, PUC reported that its new electronic filing system, released in July 2021, has produced improvements in speed and efficiency for nonconfidential filings. This system enables participants in PUC proceedings to file electronically, eliminating the need for physical copies. The agency reports progress in developing an electronic confidential document filing system to further reduce the burden and cost for stakeholders participating in PUC-related cases.

PUC reports that its Customer Protection Division's online form system helped to resolve more than 93.0 percent of the 1,186 non-juris complaints (i.e., complaints that are not under the agency's jurisdiction) received during fiscal year 2021. According to the agency, approximately 44.0 percent of these concerns relate to water, 19.0 percent relate to electric concerns, 19.0 percent relate to telecommunications concerns, and 18.0 percent regard other utility-related concerns. The Customer Protection Division operates a call center daily to help customers resolve various issues related to the utility industries, and customers also submit complaints through the agency's online system. After the call center closes, division staff work to resolve complaints submitted online, which helps the agency to resolve complaints quickly and to limit average call hold times to 50 seconds or less.

FINDING 4: TEXAS UNIVERSAL SERVICE FUND

The Texas Universal Service Fund (TUSF) supports a set of programs intended to assist Texas residents in obtaining basic telecommunications services. PUC reports that average phone bills in Texas are 30.0 percent higher than the national average. By partially reimbursing phone companies, TUSF prevents average phone bills from growing exponentially and helps to keep the cost of phone service comparable between rural and more populated areas. The TUSF includes the following main programs:

- Lifeline Service Program, which provides reduced service rates to eligible users;
- Specialized Telecommunications Assistance Program (STAP), which provides vouchers to assist disabled users in purchasing equipment such as amplified phones and speech aids;
- Relay Texas, which provides various enhancements to help customers that have hearing or speech impairments communicate more effectively;
- Audio Newspaper, which provides a free telephone service that offers audio versions of newspapers to visually impaired customers;

- Texas High Cost Universal Service Plan (THCUSP), which supports basic local telephone service provided by eligible carriers in high-cost rural areas; and
- Small and Rural Incumbent Local Exchange Company Universal Service Plan (SRILEC USP), which was established specifically to support small and rural carriers in providing similar support to THCUSP.

THCUSP and SRILEC USP account for 80.0 percent of total disbursements from the TUSF, or more than \$160.0 million annually. **Figure 518** shows TUSF disbursements for fiscal year 2020.

FIGURE 518
TEXAS UNIVERSAL SERVICE FUND DISBURSEMENTS BY PROGRAM, FISCAL YEAR 2020

PROGRAM	AMOUNT	PERCENTAGE OF TOTAL FUND
Lifeline Service Program	\$7,814,510	3.7%
Specialized Telecommunications Assistance Program	\$16,506,097	7.9%
Relay Texas	\$1,511,335	0.7%
Audio Newspaper	\$468,275	0.2%
Texas High Cost Universal Service Plan	\$86,395,290	41.2%
Small and Rural Incumbent Local Exchange Company Universal Service Plan	\$82,467,710	39.4%
Administration and Other Services	\$14,392,537	6.9%
Total	\$209,555,754	100.0%

SOURCE: Public Utility Commission of Texas.

The TUSF is funded by an assessment on telecommunications providers' voice services. During fiscal year 2019, a group of wireless service providers determined that voice service constituted much less of their service packages than estimated previously. All 19 companies in this group were affiliated with either AT&T, T-Mobile, or Windstream. This reevaluation resulted in an unanticipated shortfall in TUSF revenues; PUC reports collecting approximately \$100.0 million for the TUSF annually, but annual disbursements from the fund are approximately \$200.0 million.

In June 2020, PUC considered raising the current assessment from 3.3 percent to 6.4 percent to maintain support for all TUSF programs but elected not to increase the rate due to economic conditions related to the onset of the COVID-19 pandemic and because increasing the assessment would not have guaranteed long-term solvency. Instead, PUC developed a waterfall distribution method that established a funding priority for TUSF programs, with programs at the bottom of the distribution receiving available funding only after those with higher priority have received their disbursements. In July 2022, however, following a court ruling that required the agency to fully fund all TUSF programs and to make all disbursements required by existing TUSF orders and commitments, PUC adopted a TUSF assessment rate of 24.0 percent, which became effective August 1, 2022. According to the agency, this increase is temporary, and after outstanding obligations are fulfilled, PUC will lower the rate to a level that maintains the fund balance.

Traditional telephone services are now a smaller part of wireless service providers' packages. Increasingly, voice over Internet protocol (VoIP) providers use the Internet to provide telecommunications services, in contrast to traditional telecom service providers that are subject to the TUSF assessment because they use telephone lines. As a result, proposals have emerged to require VoIP providers to pay the TUSF assessment, which may enable the fund to recoup some of the annual losses from customers that have changed to Internet-based service plans. House Bill 2667, Eighty-seventh Legislature, 2021, Regular Session, would have amended the Texas Utilities Code, Chapter 56, to require VoIP providers to pay the TUSF assessment. The Governor vetoed House Bill 2667 on June 18, 2021, explaining that the bill would have expanded the number of people paying fees.

FINDING 4, OPTION 1: RECONSIDER REQUIRING VOIP PROVIDERS TO PAY TUSF ASSESSMENT

Option 1 would amend the Texas Utilities Code, Chapter 56 to require VoIP providers to pay the TUSF assessment. Including VoIP providers in PUC's fee assessment may enable the TUSF to recoup some of the losses incurred from customers that have changed to Internet-based service plans.

FINDING 4, OPTION 2: REEVALUATE THCUSP AND SRILEC USP DEFINITION AND QUALIFICATION

Option 2 would direct PUC to review and reassess the Texas Administrative Code, Title 16, Part 2, Chapter 26, Subchapter P, which defines eligibility for the THCUSP and the SRILEC USP programs. The rules governing TUSF do not define explicitly what a high-cost rural area is. To determine whether the current expenditures of the TUSF are reasonable, a reassessment of the eligibility criteria would assist PUC in determining which eligible telecommunications provider service areas should qualify for TUSF support. This reassessment may lead to lower demand on the TUSF and, thus, lessen the severity of the shortfall and improve the fund's subsequent solvency.

PROGRAMS

ELECTRIC MARKET OVERSIGHT

The Texas Utilities Code, Chapter 39

PROGRAM DESCRIPTION

The Electric Market Oversight Program evaluates competitive market design and operations, including resource adequacy, registration and certification of certain market participants, oversight of renewable energy and energy efficiency requirements, and identification and implementation of market improvements through contested cases and rule-making.

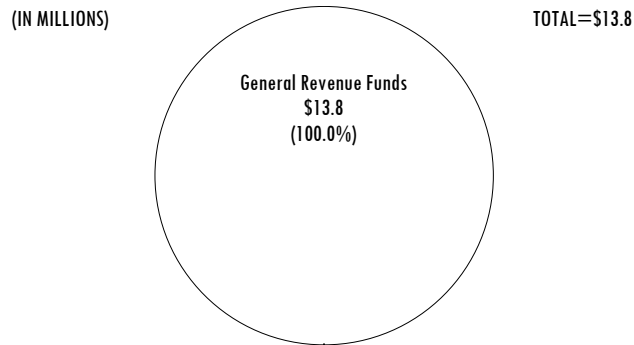
PROGRAM REVENUE

The agency did not report any revenue associated with the program.

PROGRAM FUNDING

Figure 519 shows the program’s funding source by method of finance.

**FIGURE 519
ELECTRIC MARKET OVERSIGHT PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**



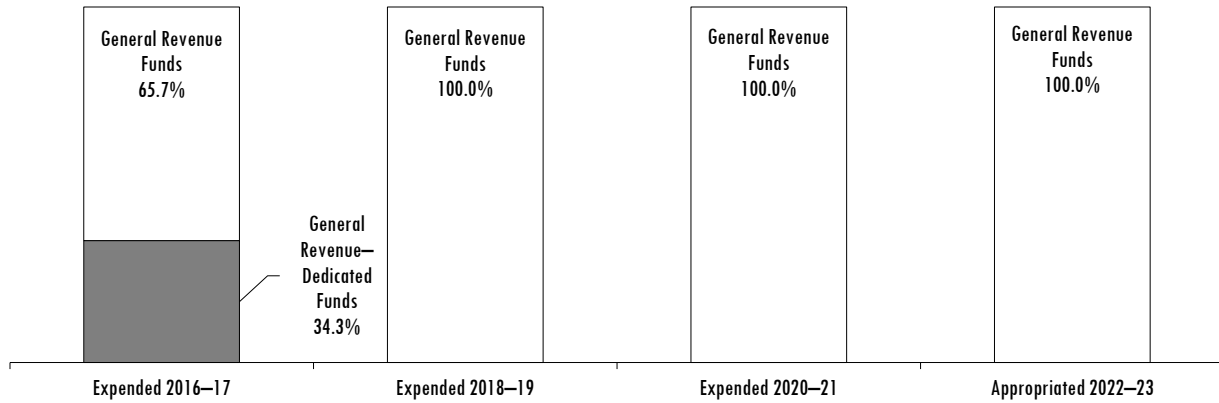
SOURCE: Public Utility Commission of Texas.

HISTORICAL FUNDING

Figure 520 shows historical funding for the program by method of finance. The program previously was appropriated funds from General Revenue–Dedicated Account No. 5100, System Benefit, through the 2016–17 biennium. House Bill 7 and House Bill 1101, Eighty-fourth Legislature, 2015, expended the remaining account balance, and the account expired September 1, 2017.

FIGURE 520
ELECTRIC MARKET OVERSIGHT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

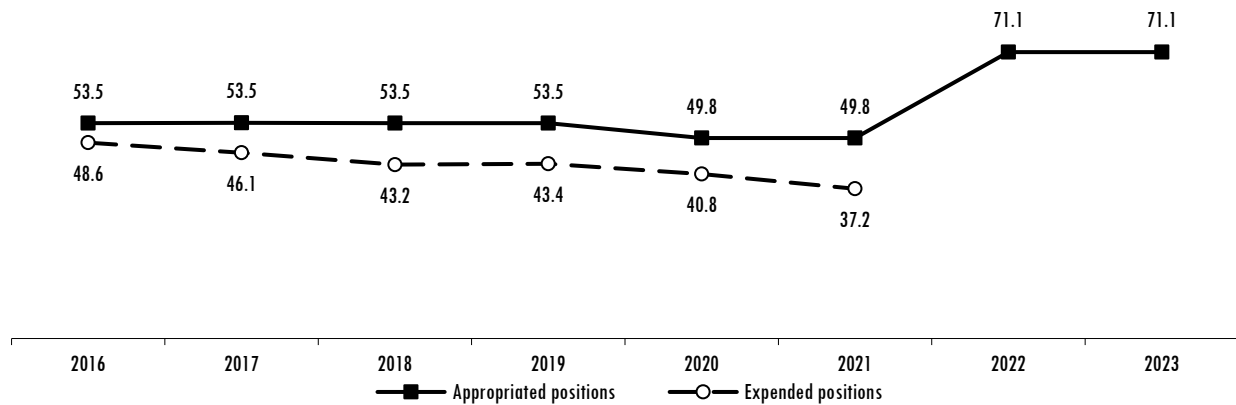
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$4.9	\$7.8	\$7.2	\$13.8
General Revenue–Dedicated Funds	\$2.6	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$7.5	\$7.8	\$7.2	\$13.8

SOURCE: Public Utility Commission of Texas.

FULL-TIME-EQUIVALENT POSITIONS

Figure 521 shows full-time-equivalent (FTE) positions for the program.

FIGURE 521
ELECTRIC MARKET OVERSIGHT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Public Utility Commission of Texas.

PERFORMANCE MEASURES

Figure 522 shows the program's performance measures. Informational measures such as Number of Power Generation Companies and Number of Aggregators are included to provide background and context for PUC's responsibilities.

The Average Annual Residential Electric Bill measure is greater than 100.0 percent because the annual average in Texas is greater than the national annual average. Stricter regulation in other states drives the national average lower, and transmission and distribution utilities in Texas may not sell directly to the consumer.

FIGURE 522
ELECTRIC MARKET OVERSIGHT PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Retail Electric Providers Registered	No	112	128	112
Number of Electric Cooperatives and Municipal Utilities Regulated for Wholesale Transmission Rate	No	37	37	37
Percentage of Statewide Electric Generating Capacity Above Peak Demand in Electric Reliability Council of Texas	No	12.0%	10.5%	12.0%
Percentage of Energy Savings due to Energy Efficiency Programs (in kWh)	No	150.0%	201.0%	150.0%
Percentage of Demand Reductions due to Energy Efficiency Programs (in kWh)	No	200.0%	255.0%	200.0%
Number of Power Generation Companies in Texas	No	359	533	359
Number of Aggregators in Texas	No	368	181	250
Number of Cases Completed Related to Competition Among Providers	Yes	350	224	350
Percentage of Residential Customers Served by more than Five Electric Providers	No	99.7%	95.0%	99.7%
Average Price of Electricity per kWh in Texas for Residential Customers as Percentage of National Average	Yes	85.0%	93.5%	85.0%
Average Price of Electricity per kWh in Texas for Commercial Customers as Percentage of National Average	No	70.0%	78.3%	70.0%
Average Price of Electricity per kWh in Texas for Industrial Customers as Percentage of National Average	No	75.0%	87.0%	75.0%
Average Annual Residential Electric Bill from Competitive Suppliers as a Percentage of National Average	Yes	115.0%	117.6%	115.0%
Average Price per kWh Offered on Power-to-choose as Percentage of National Average	Yes	70.0%	78.6%	70.0%

NOTE: kWh=kilowatt hour.
SOURCE: Public Utility Commission of Texas.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, no other state or federal agency operates a program that evaluates competitive market structure and operations, including resource adequacy; registers and certifies certain market participants; oversees renewable energy and energy efficiency requirements; and identifies and implements market improvements through contested cases and rule-making.

TELECOMMUNICATIONS MARKET OVERSIGHT

The Texas Utilities Code, Chapters 52, 54, 56, 58, 59, and 65

PROGRAM DESCRIPTION

The Telecommunications Market Oversight Program oversees the telecommunications industry, including the following areas:

- certificates of convenience and necessity, which authorize utilities to provide local exchange telephone service, basic local telecommunications service, or switched-access service within a particular service area;
- provider-of-last-resort issues, which relate to designating a utility to provide service within a particular service area;
- utility infrastructure commitments, which are agreements made by utilities regarding the infrastructure necessary to provide services that determine the level of regulation the utility will receive, ranging from fully regulated to deregulated, and the level of pricing discretion (i.e., fully regulated utilities receive less pricing discretion than partially and fully deregulated utilities);
- switched-access services, which are offerings of access to services or facilities for the origination or termination of traffic to or from exchange service customers within an area;
- Texas Universal Service Fund (TUSF) functions, which are programs intended to assist Texas residents in obtaining basic telecommunications services;
- federal arbitration, which arbitrates disputed terms in interconnection agreements between telecommunications companies and disputes between telecommunications companies that arise after they interconnect; and
- carrier-to-carrier dispute resolution, which resolves issues between carriers in interconnection negotiations.

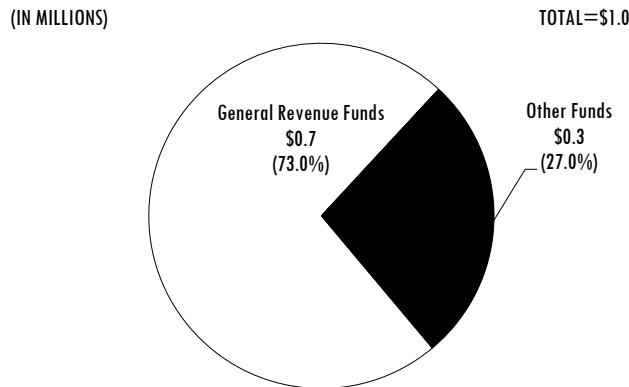
PROGRAM REVENUE

The agency did not report any revenue associated with the program.

PROGRAM FUNDING

Figure 523 shows the program’s funding sources by method of finance.

FIGURE 523
TELECOMMUNICATIONS MARKET OVERSIGHT PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM

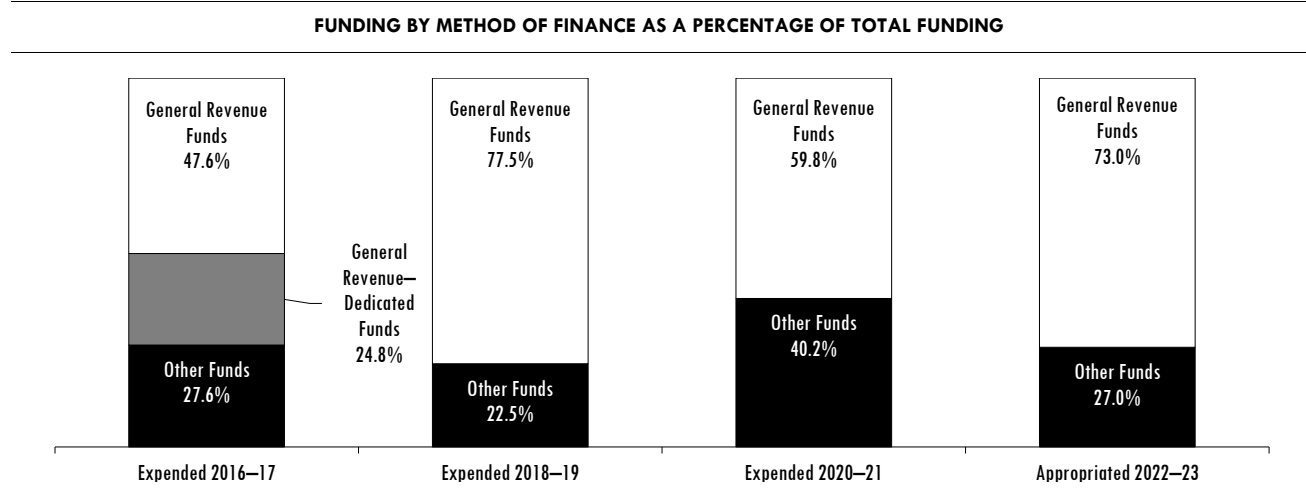


SOURCE: Public Utility Commission of Texas.

HISTORICAL FUNDING

Figure 524 shows historical funding for the program by method of finance. The program previously was appropriated funds from the General Revenue–Dedicated Account No. 5100, System Benefit, through the 2016–17 biennium. Legislation passed by the Eighty-fourth Legislature, 2015, expended the remaining account balance, and the account expired September 1, 2017.

**FIGURE 524
TELECOMMUNICATIONS MARKET OVERSIGHT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA**



(IN MILLIONS)

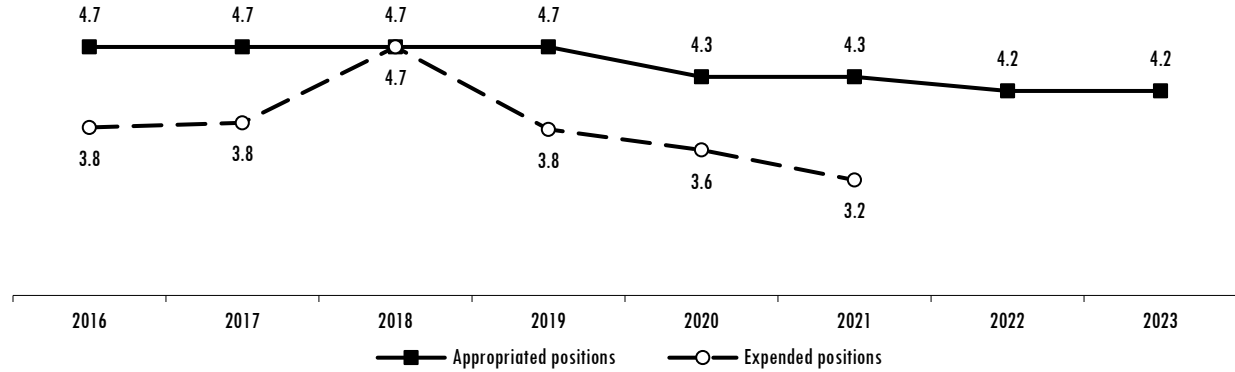
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.4	\$0.7	\$0.6	\$0.7
General Revenue–Dedicated Funds	\$0.2	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.2	\$0.2	\$0.4	\$0.3
Total, All Methods of Finance	\$0.9	\$0.9	\$1.0	\$1.0

NOTE: Totals may not sum due to rounding.
SOURCE: Public Utility Commission of Texas.

FULL-TIME-EQUIVALENT POSITIONS

Figure 525 shows FTE positions for the program.

FIGURE 525
TELECOMMUNICATIONS MARKET OVERSIGHT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Public Utility Commission of Texas.

PERFORMANCE MEASURES

Figure 526 shows the program’s performance measures. Agency performance on the first measure, Average Number of Days to Process an Application, significantly exceeded the target for fiscal year 2021 due to amended, deficient, or supplemental applications, requests for extension, or requests for additional information. The agency reports that performance on this measure is difficult to predict because it depends, in part, on applications initiated by regulated telecommunications providers for changes to certificates of operating authority or service provider certificates of operating authority.

FIGURE 526
TELECOMMUNICATIONS MARKET OVERSIGHT PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Average Number of Days to Process an Application for a Telecommunications Certificate of Operating Authority and Service Provider Certificate of Operating Authority	Yes	50	116	50
Number of Cases Completed Related to Competition Among Providers	Yes	350	224	350
Number of Applications and Amendments for Cable Franchise Certificates	No	80	87	80
Percentage of Texas Cities Served by Three or More Certificated Telecommunications Providers	Yes	75.0%	70.7%	75.0%

SOURCE: Public Utility Commission of Texas.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, no other state agency program monitors telecommunications carriers to process and administer certificates of convenience and necessity, provider-of-last-resort issues, utilities infrastructure commitments, switched- access services, TUSF functions, federal arbitration, and carrier-to-carrier dispute resolution.

ELECTRIC REGULATION

The Texas Utilities Code, Chapters 35, 36, and 37

PROGRAM DESCRIPTION

The Electric Regulation Program regulates electric rates and service quality for transmission and distribution utilities, wholesale transmission providers, and integrated utilities. The program also performs emergency response and homeland security functions and issues licenses to transmission facilities.

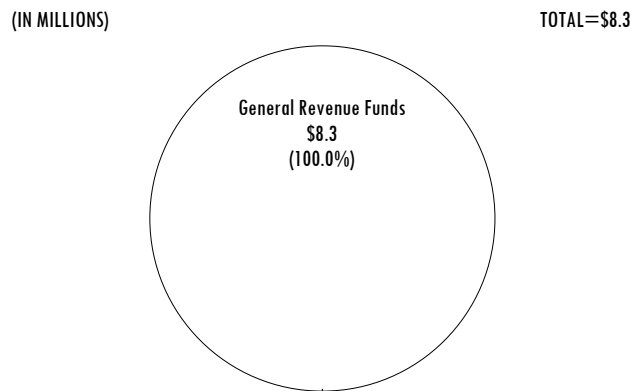
PROGRAM REVENUE

The agency did not report any revenue associated with the program.

PROGRAM FUNDING

Figure 527 shows the program’s funding source by method of finance.

**FIGURE 527
ELECTRIC REGULATION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM**



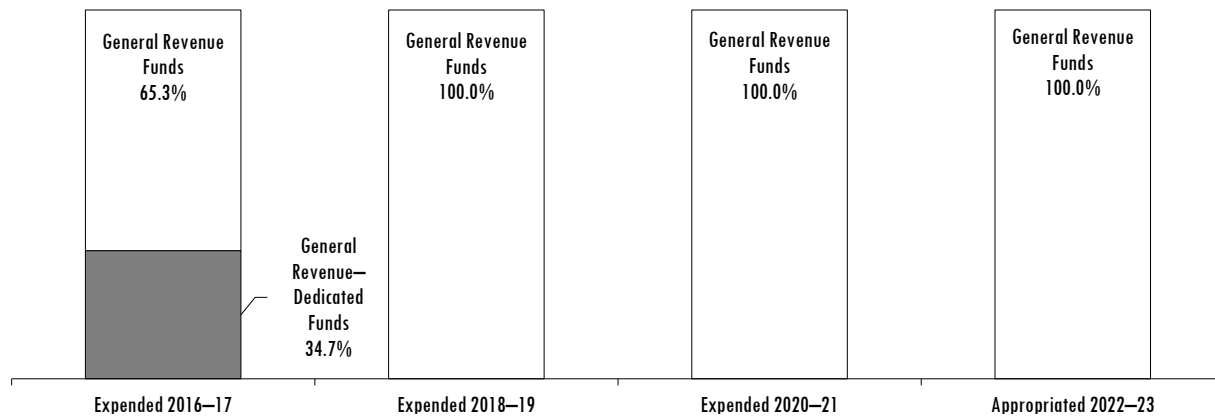
SOURCE: Public Utility Commission of Texas.

HISTORICAL FUNDING

Figure 528 shows historical funding for the program by method of finance. The program previously was appropriated funds from the General Revenue–Dedicated Account No. 5100, System Benefit, through the 2016–17 biennium. Legislation passed by the Eighty-fourth Legislature, 2015, expended the remaining account balance, and the account expired September 1, 2017.

FIGURE 528
ELECTRIC REGULATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

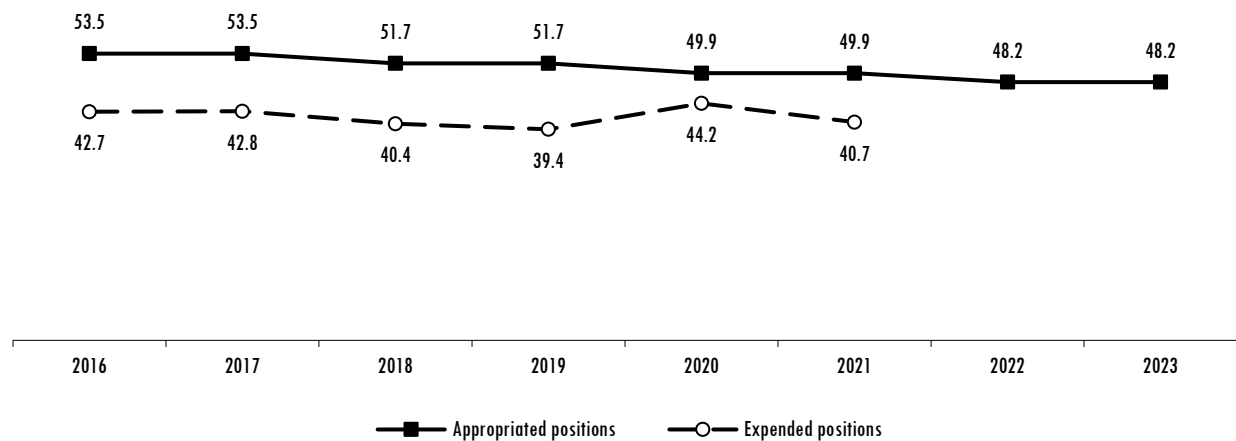
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$4.5	\$7.2	\$7.4	\$8.3
General Revenue–Dedicated Funds	\$2.4	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$6.9	\$7.2	\$7.4	\$8.3

SOURCE: Public Utility Commission of Texas.

FULL-TIME-EQUIVALENT POSITIONS

Figure 529 shows FTE positions for the program.

FIGURE 529
ELECTRIC REGULATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Public Utility Commission of Texas.

PERFORMANCE MEASURES

Figure 530 shows the program's performance measures.

FIGURE 530
ELECTRIC REGULATION PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Rate Cases Completed for Regulated Electric Utilities	Yes	65	69	65
Average Number of Days to Process a Major Rate Case for Transmission and Distribution Utilities (TDU)	Yes	200	217	200
Number of Electric Utilities Regulated	No	14	13	14
Average Price of Electricity per kWh for Residential Customers from Regulated Suppliers as Percentage of National Average	No	80.0%	85.7%	80.0%
Average Price of Electricity per kWh for Commercial Customers from Regulated Suppliers as Percentage of National Average	No	70.0%	79.5%	70.0%
Average Annual Residential Electric Bill from Regulated Suppliers as Percentage of National Average	No	97.0%	98.6%	97.0%
Percent of Electric Customers Served by TDUs Meeting Service Quality Standards	No	98.0%	97.2%	98.0%

NOTE: kWh=kilowatt hour.
SOURCE: Public Utility Commission of Texas.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, no other state agency program addresses electric utility regulation issues.

TELECOMMUNICATIONS REGULATION

The Texas Utilities Code, Chapters 55, 56, 65, and 66

PROGRAM DESCRIPTION

The Telecommunications Regulation Program provides rate regulation for local exchange providers and the deregulation of exchanges; service quality reviews of providers; and registration and certification of telecommunications entities.

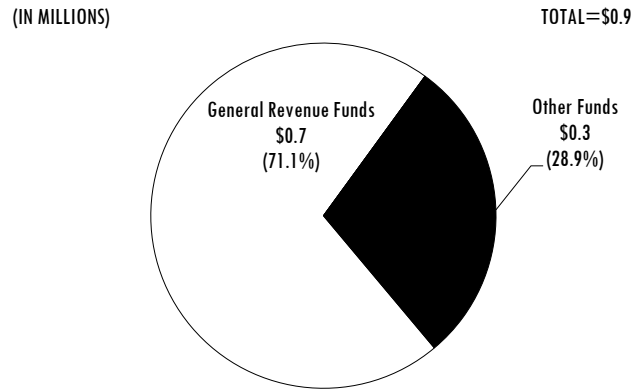
PROGRAM REVENUE

The agency did not report any revenue associated with the program.

PROGRAM FUNDING

Figure 531 shows the program's funding sources by method of finance.

FIGURE 531
TELECOMMUNICATIONS REGULATION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



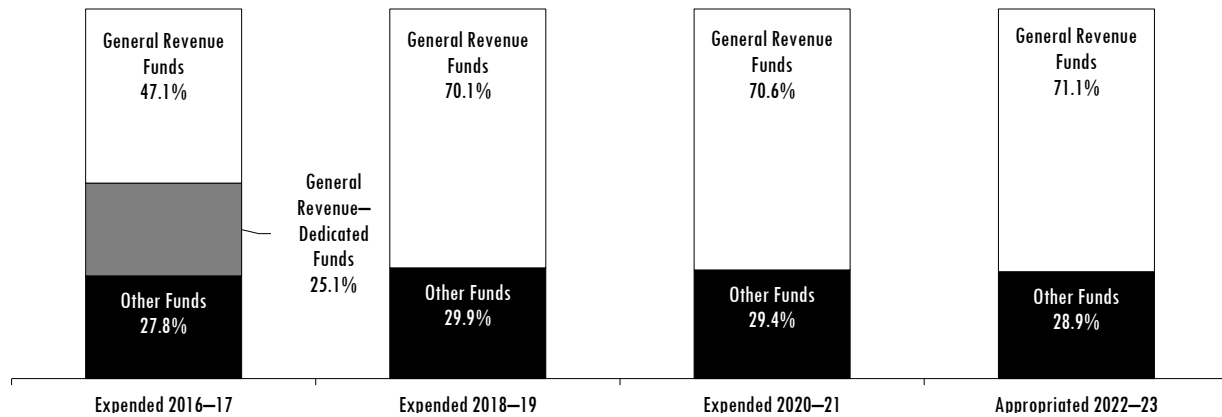
NOTE: Totals may not sum due to rounding.
SOURCE: Public Utility Commission of Texas.

HISTORICAL FUNDING

Figure 532 shows historical funding for the program by method of finance. The program previously was appropriated funds from the General Revenue–Dedicated Account No. 5100, System Benefit, through the 2016–17 biennium. Legislation passed by the Eighty-fourth Legislature, 2015, expended the remaining account balance, and the account expired September 1, 2017.

FIGURE 532
TELECOMMUNICATIONS REGULATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

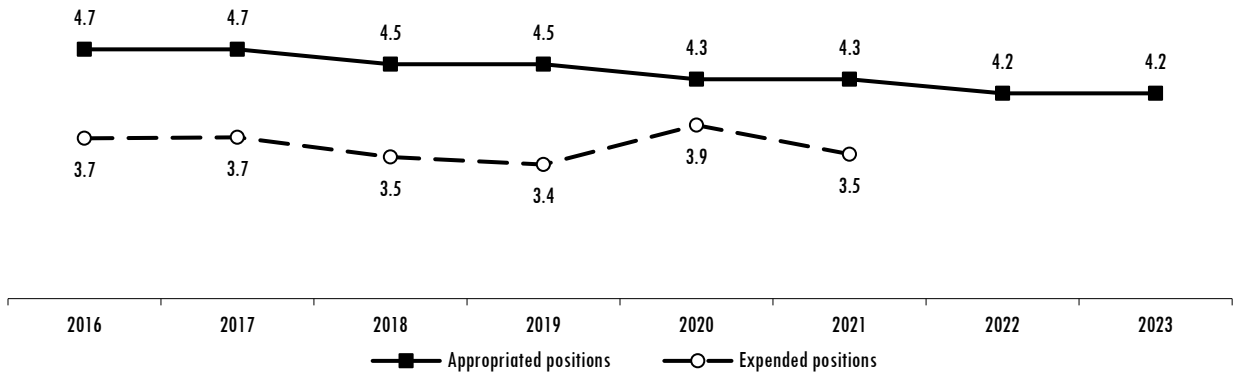
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.4	\$0.6	\$0.6	\$0.7
General Revenue–Dedicated Funds	\$0.2	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.2	\$0.3	\$0.3	\$0.3
Total, All Methods of Finance	\$0.8	\$0.9	\$0.9	\$0.9

NOTE: Totals may not sum due to rounding.
 SOURCE: Public Utility Commission of Texas.

FULL-TIME-EQUIVALENT POSITIONS

Figure 533 shows FTE positions for the program.

FIGURE 533
TELECOMMUNICATIONS REGULATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Public Utility Commission of Texas.

PERFORMANCE MEASURES

Figure 534 shows the program’s performance measures. The Average Annual Residential Telephone Bill as a Percentage of National Average measure exceeds 100.0 percent because the annual average in Texas is greater than the national annual average. Texas is one of the largest states in terms of population and geographic area, with many customers living in remote areas that are costly to reach for service providers. In addition, the two largest telephone service carriers were deregulated during the past decade, and those companies increased their rates outside of PUC regulation, further increasing averages in Texas.

FIGURE 534
TELECOMMUNICATIONS REGULATION PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Rate Cases Completed for Telecommunications Providers	Yes	10	2	10
Number of Telecommunications Service Providers Regulated	No	63	61	63
Average Annual Residential Telephone Bill as a Percentage of National Average	Yes	110.0%	131.1%	110.0%
Percentage of Subscribers Served by Exchanges Meeting Service Quality Standards	No	85.0%	50.0%	85.0%

SOURCE: Public Utility Commission of Texas.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, no other state agency operates a program to process the regulation of local exchange providers and the deregulation of exchanges; to perform service-quality reviews of providers; and to register and certify telecommunications entities.

WATER AND WASTEWATER REGULATION

The Texas Water Code, Chapters 5, 11, 12, and 13

PROGRAM DESCRIPTION

The Water and Wastewater Regulation Program provides regulation of water and wastewater rates, services, and certificates of convenience and necessity (CCN). CCNs grant the holder the exclusive right to provide retail water or wastewater utility service to an identified geographic area. Although municipalities and districts are not required to have a CCN to serve areas that are not served by another retail public utility, many choose to obtain a CCN to protect their service areas from encroachment.

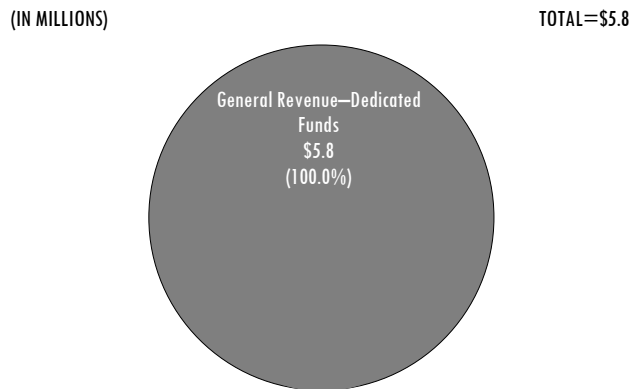
PROGRAM REVENUE

The agency did not report any revenue associated with the program.

PROGRAM FUNDING

Figure 535 shows the program’s funding source by method of finance.

FIGURE 535
WATER AND WASTEWATER REGULATION PROGRAM FUNDING SOURCE, 2022–23 BIENNIUM



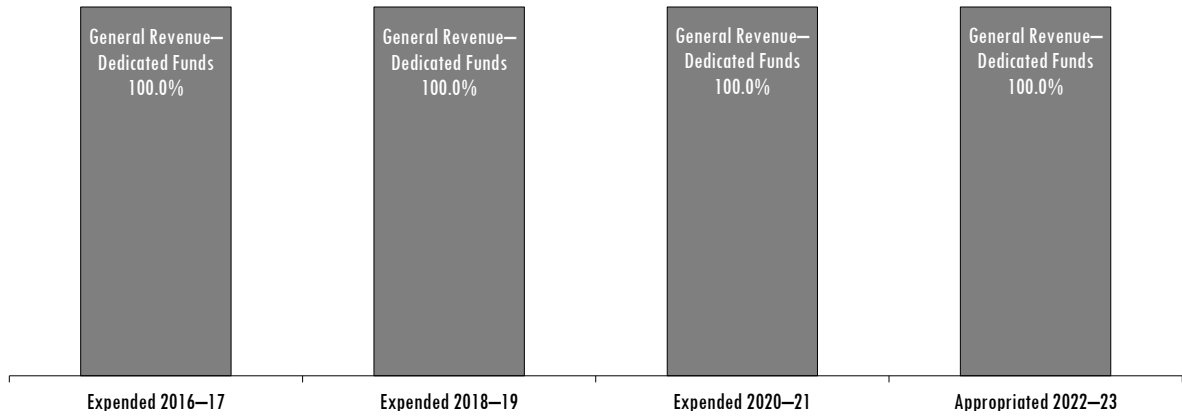
SOURCE: Public Utility Commission of Texas.

HISTORICAL FUNDING

Figure 536 shows historical funding for the program by method of finance.

FIGURE 536
WATER AND WASTEWATER REGULATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

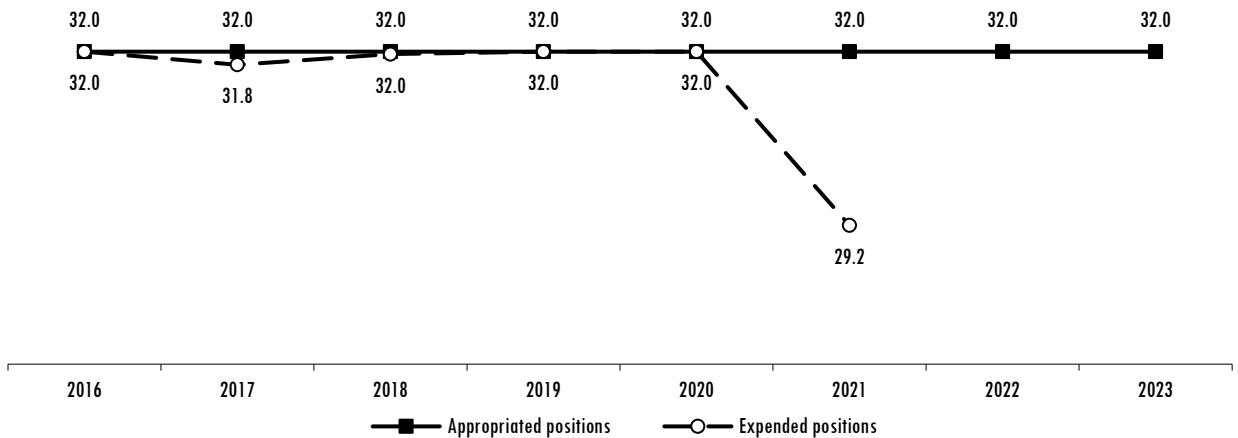
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$0.0	\$0.0	\$0.0	\$0.0
General Revenue-Dedicated Funds	\$5.3	\$5.1	\$5.5	\$5.8
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$5.3	\$5.1	\$5.5	\$5.8

SOURCE: Public Utility Commission of Texas.

FULL-TIME-EQUIVALENT POSITIONS

Figure 537 shows FTE positions for the program.

FIGURE 537
WATER AND WASTEWATER REGULATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Public Utility Commission of Texas.

PERFORMANCE MEASURES

Figure 538 shows the program’s performance measures. The program historically has performed fewer water utility rate reviews than the target. The agency anticipated receiving additional applications resulting from streamlined rate-making procedures for class C and D water utilities. However, this increase did not occur, and the performance rate remained lower than the target. The performance for the Number of CCN Applications Processed was lower than the target due to limitations during the onset of the COVID-19 pandemic.

FIGURE 538
WATER AND WASTEWATER REGULATION PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Water Utility Rate Reviews Performed	Yes	140	69	140
Number of Certificate of Convenience and Necessity Applications Processed	Yes	235	164	235
Number of Water and Sewer Utilities Regulated	No	680	627	680

SOURCE: Public Utility Commission of Texas.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, no other state agency operates a program to regulate water rates and review CCN applications. The Texas Commission on Environmental Quality has jurisdiction of the health and safety aspects of water utilities, which includes protecting water quality and quantity and addressing pressure and outage issues. PUC has jurisdiction of financial, managerial, billing, and service area issues, which include issues regarding ownership, billing, tariffs, rates, temporary rate requests, financial issues, and service areas.

INVESTIGATION AND ENFORCEMENT

The Texas Utilities Code, Chapter 15, Subchapter B

PROGRAM DESCRIPTION

The Investigation and Enforcement Program investigates possible instances of noncompliance with the Texas Utilities Code or PUC rules or orders; participates in contested case hearings; issues notices of violations; and assesses penalties when violations are found.

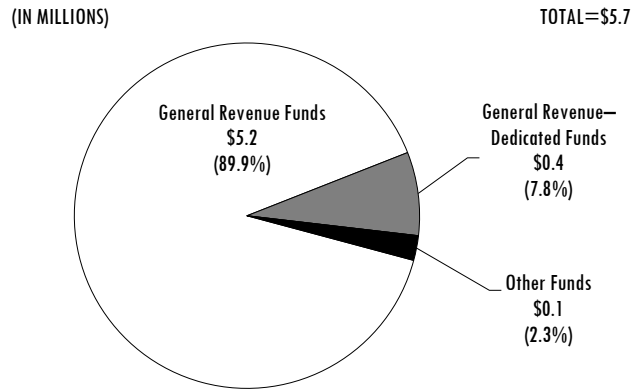
PROGRAM REVENUE

The agency did not report any revenue associated with the program.

PROGRAM FUNDING

Figure 539 shows the program’s funding sources by method of finance.

FIGURE 539
INVESTIGATION AND ENFORCEMENT PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



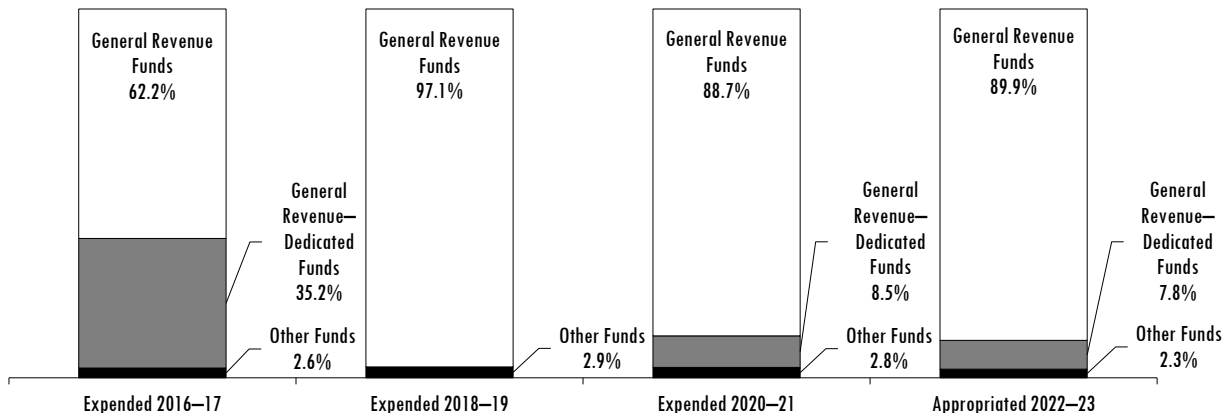
NOTE: Totals may not sum due to rounding.
SOURCE: Public Utility Commission of Texas.

HISTORICAL FUNDING

Figure 540 shows historical funding for the program by method of finance. The program previously was appropriated funds from the General Revenue–Dedicated Account No. 5100, System Benefit, through the 2016–17 biennium. Legislation passed by the Eighty-fourth Legislature, 2015, expended the remaining account balance, and the account expired September 1, 2017.

FIGURE 540
INVESTIGATION AND ENFORCEMENT PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

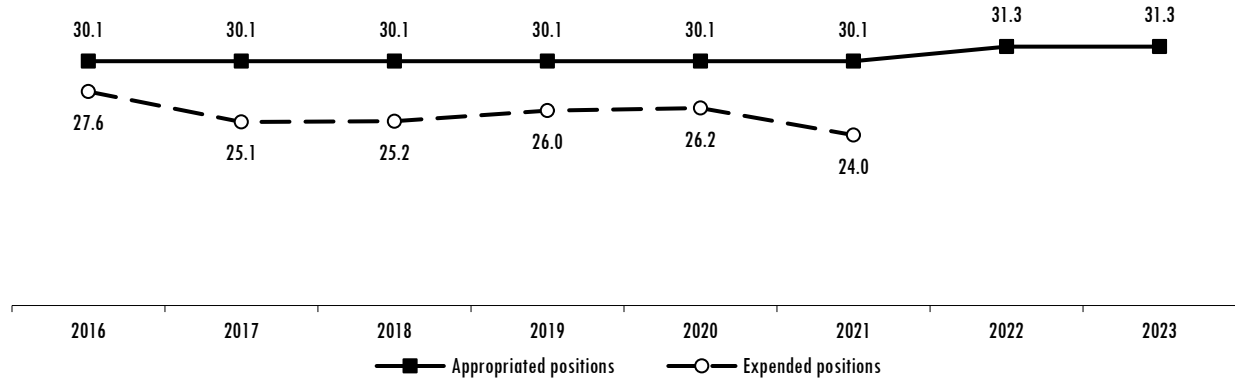
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$2.7	\$4.4	\$4.2	\$5.2
General Revenue–Dedicated Funds	\$1.5	\$0.0	\$0.4	\$0.4
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.1	\$0.1	\$0.1	\$0.1
Total, All Methods of Finance	\$4.4	\$4.6	\$4.8	\$5.7

NOTE: Totals may not sum due to rounding.
 SOURCE: Public Utility Commission of Texas.

FULL-TIME-EQUIVALENT POSITIONS

Figure 541 shows FTE positions for the program.

FIGURE 541
INVESTIGATION AND ENFORCEMENT PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Public Utility Commission of Texas.

PERFORMANCE MEASURES

Figure 542 shows the program’s performance measures. During fiscal year 2021, the Oversight and Enforcement division’s functions were reassigned to the Legal division. According to the agency, the number of investigations decreased while the Legal division received training to perform enforcement actions. Additionally, the agency redirected its focus to address the effects of Winter Storm Uri following its onset in February 2021. The agency lowered its target for the Number of Enforcement Investigations Conducted after 2021 because the agency changed its standards of enforcement investigations, no longer including minor investigations that can be resolved through an informal complaint process.

FIGURE 542
INVESTIGATION AND ENFORCEMENT PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Administrative Penalties Assessed for Violations (in millions)	No	\$5.0	\$0.6	\$5.0
Number of Enforcement Investigations Conducted	Yes	406	108	280
Percentage of Agreements with Specific Provisions for Avoiding Future Violations	No	80.0%	71.0%	80.0%

SOURCE: Public Utility Commission of Texas.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, no other state agency operates an investigation and enforcement program for electric, telecommunications, and water and wastewater utilities in Texas.

CUSTOMER DISPUTE RESOLUTION

The Texas Utilities Code, Chapters 15, 17, and 39; the Texas Water Code, Chapter 17

PROGRAM DESCRIPTION

The Customer Dispute Resolution Program assists customers in resolving disputes with electric, telecommunications, and water and wastewater providers by investigating complaints about alleged offenses, making informal decisions about whether activities comply with applicable rules and statutes, and recommending appropriate corrective actions. PUC employees investigate customer complaints relating to utilities. Resolutions may occur through an informal process that provides answers directly to customers or refers them to appropriate entities, or through a formal process involving a thorough investigation of the issues.

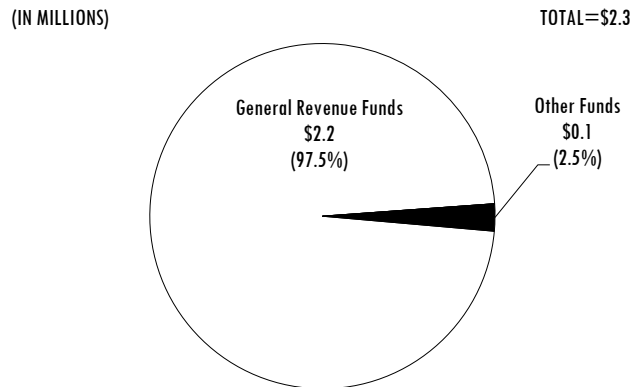
PROGRAM REVENUE

The agency did not report any revenue associated with the program.

PROGRAM FUNDING

Figure 543 shows the program’s funding sources by method of finance.

**FIGURE 543
CUSTOMER DISPUTE RESOLUTION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM**



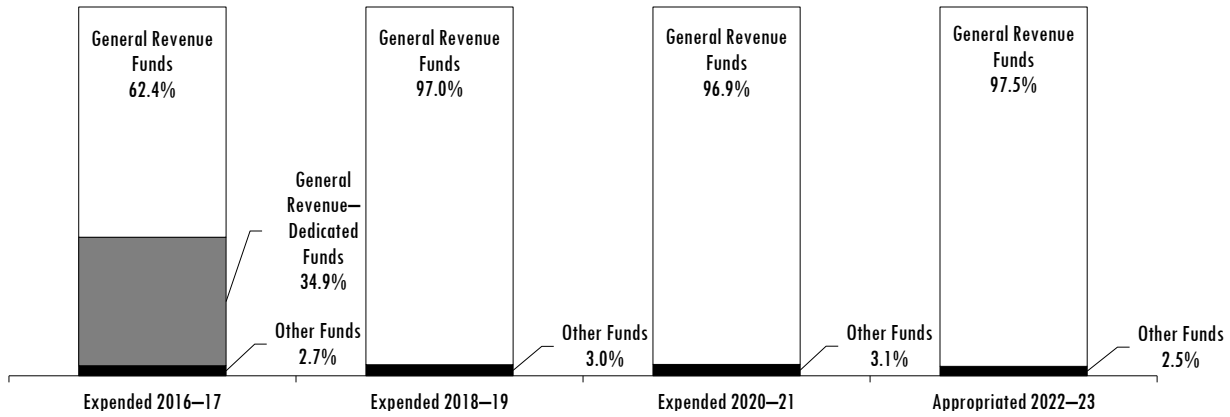
NOTE: Totals may not sum due to rounding.
SOURCE: Public Utility Commission of Texas.

HISTORICAL FUNDING

Figure 544 shows historical funding for the program by method of finance. The program previously was appropriated funds from the General Revenue–Dedicated Account No. 5100, System Benefit, through the 2016–17 biennium. Legislation passed by the Eighty-fourth Legislature, 2015, expended the remaining account balance, and the account expired September 1, 2017.

FIGURE 544
CUSTOMER DISPUTE RESOLUTION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

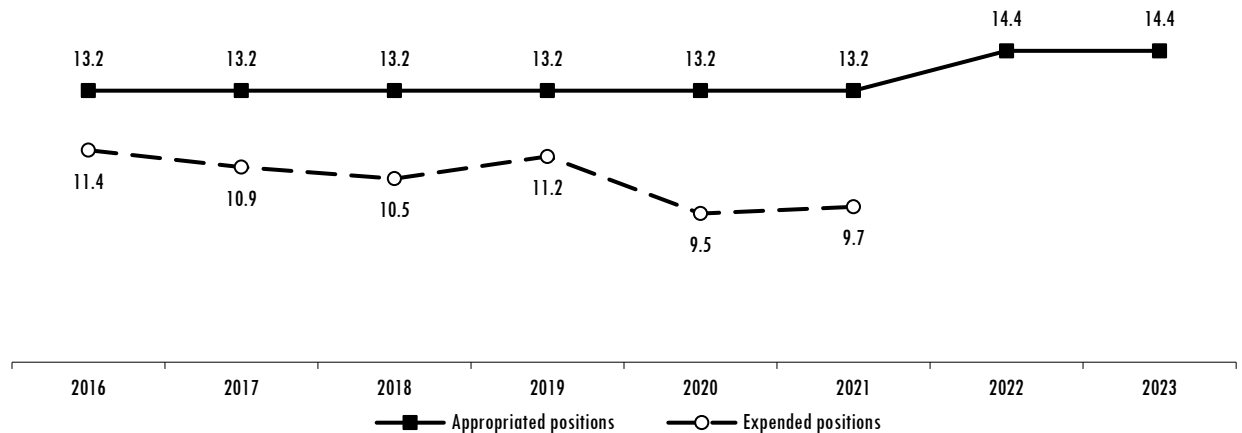
METHOD OF FINANCE	EXPENDED 2016-17	EXPENDED 2018-19	EXPENDED 2020-21	APPROPRIATED 2022-23
General Revenue Funds	\$1.1	\$1.9	\$1.8	\$2.2
General Revenue-Dedicated Funds	\$0.6	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.05	\$0.06	\$0.06	\$0.06
Total, All Methods of Finance	\$1.8	\$1.9	\$1.9	\$2.3

NOTE: Totals may not sum due to rounding.
SOURCE: Public Utility Commission of Texas.

FULL-TIME-EQUIVALENT POSITIONS

Figure 545 shows FTE positions for the program.

FIGURE 545
CUSTOMER DISPUTE RESOLUTION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Public Utility Commission of Texas.

PERFORMANCE MEASURES

Figure 546 shows the program's performance measures.

FIGURE 546
CUSTOMER DISPUTE RESOLUTION PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Customer Complaints Concluded	Yes	7,500	10,337	7,500
Average Number of Days to Conclude Customer Complaints	Yes	15	28	15
Number of Complaints Received for Unauthorized Changes in Service	No	900	545	750
Percentage Customer Complaints Resolved through Informal Resolutions Process	Yes	99.0%	99.8%	99.0%
Credits and Refunds Obtained for Customers through Complaint Resolution (in millions)	No	\$0.3	\$1.5	\$0.3

SOURCE: Public Utility Commission of Texas.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, no other state agency operates a program that fields complaints about utilities that provide electric, telecommunications, or water and wastewater service.

ELECTRIC TELECOMMUNICATIONS INDUSTRY AWARENESS

The Texas Utilities Code, Section 17.003

PROGRAM DESCRIPTION

The Electric Telecommunications Industry Awareness Program promotes awareness about changes in the electric, telecommunications, and water and wastewater markets by providing information to help customers understand their bills, issues related to service quality, and different types of rate offers. This information is available in the consumer information section of PUC's website. This program includes a call center that processes and directs customer requests from phone, email, and online complaints.

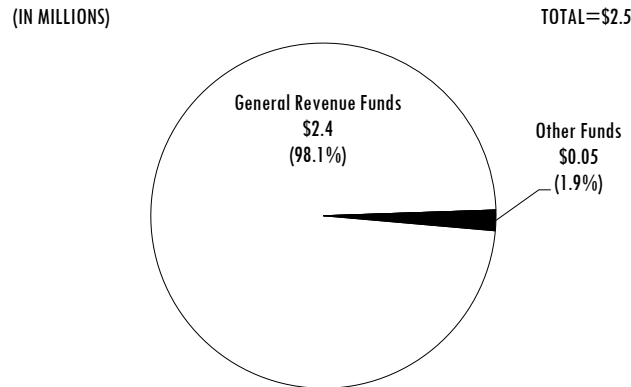
PROGRAM REVENUE

The agency did not report any revenue associated with the program.

PROGRAM FUNDING

Figure 547 shows the program's funding sources by method of finance.

FIGURE 547
ELECTRIC TELECOMMUNICATIONS INDUSTRY AWARENESS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



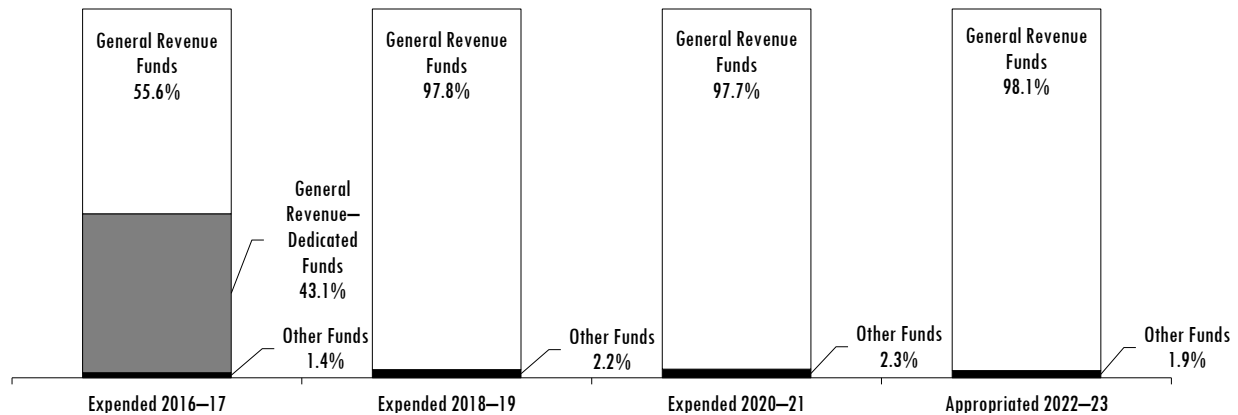
NOTE: Totals may not sum due to rounding.
 SOURCE: Public Utility Commission of Texas.

HISTORICAL FUNDING

Figure 548 shows historical funding for the program by method of finance. The program previously was appropriated funds from the General Revenue–Dedicated Account No. 5100, System Benefit, through the 2016–17 biennium. Legislation passed by the Eighty-fourth Legislature, 2015, expended the remaining account balance, and the account expired September 1, 2017.

FIGURE 548
ELECTRIC TELECOMMUNICATIONS INDUSTRY AWARENESS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

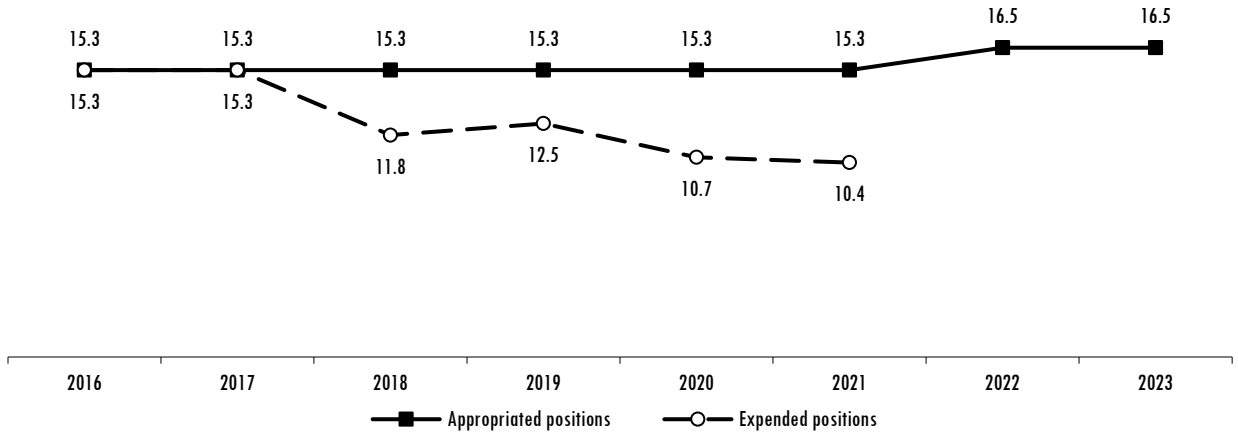
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.7	\$2.1	\$2.0	\$2.4
General Revenue–Dedicated Funds	\$1.3	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.04	\$0.05	\$0.05	\$0.05
Total, All Methods of Finance	\$3.0	\$2.2	\$2.0	\$2.5

NOTE: Totals may not sum due to rounding.
 SOURCE: Public Utility Commission of Texas.

FULL-TIME-EQUIVALENT POSITIONS

Figure 549 shows FTE positions for the program.

FIGURE 549
ELECTRIC TELECOMMUNICATIONS INDUSTRY AWARENESS PROGRAM FULL-TIME-EQUIVALENT POSITIONS
FISCAL YEARS 2016 TO 2023



SOURCE: Public Utility Commission of Texas.

PERFORMANCE MEASURES

Figure 550 shows the program’s performance measures. The measure Number of Information Requests to Which Responses Were Provided represents the total number of informational requests that PUC receives during a typical year. The targets for this measure and for Number of Website Hits to Customer Protection Page represent the agency’s estimate of how many requests or hits it will receive, both of which were significantly greater than the actual amounts for fiscal year 2021.

FIGURE 550
ELECTRIC TELECOMMUNICATIONS INDUSTRY AWARENESS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURES	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2023 TARGET
Number of Information Requests to Which Responses Were Provided	Yes	70,000	34,468	70,000
Number of Customer Information Products Distributed (in millions)	No	1.3	0.8	1.3
Percentage of Customer Information Product Distributed Electronically	Yes	95.0%	100.0%	95.0%
Number of Website Hits on Customer Protection Home Page	No	390,000	204,483	390,000
Number of Power-to-choose Website Hits (In Millions)	Yes	1.0	0.8	1.0

SOURCE: Public Utility Commission of Texas.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, no other state agency operates a program to educate utility customers and answer their questions.

AGENCY ADMINISTRATION

The Texas Utilities Code, Chapter 12, Subchapter C

PROGRAM DESCRIPTION

The Agency Administration Program provides agencywide administrative support including Fiscal Services, General Law, Human Resources, Governmental Relations, and Communications and Information Services.

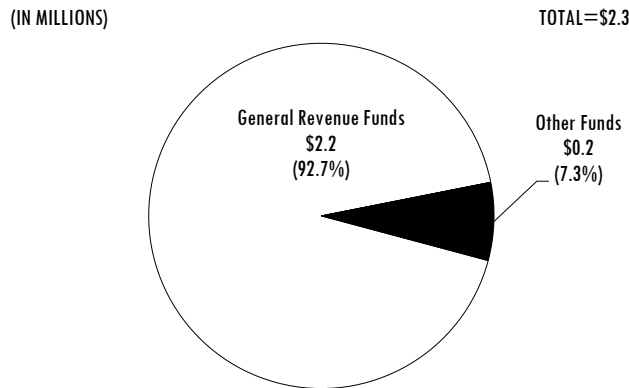
PROGRAM REVENUE

The agency did not report any revenue associated with the program.

PROGRAM FUNDING

Figure 551 shows the program’s funding sources by method of finance.

FIGURE 551
AGENCY ADMINISTRATION PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



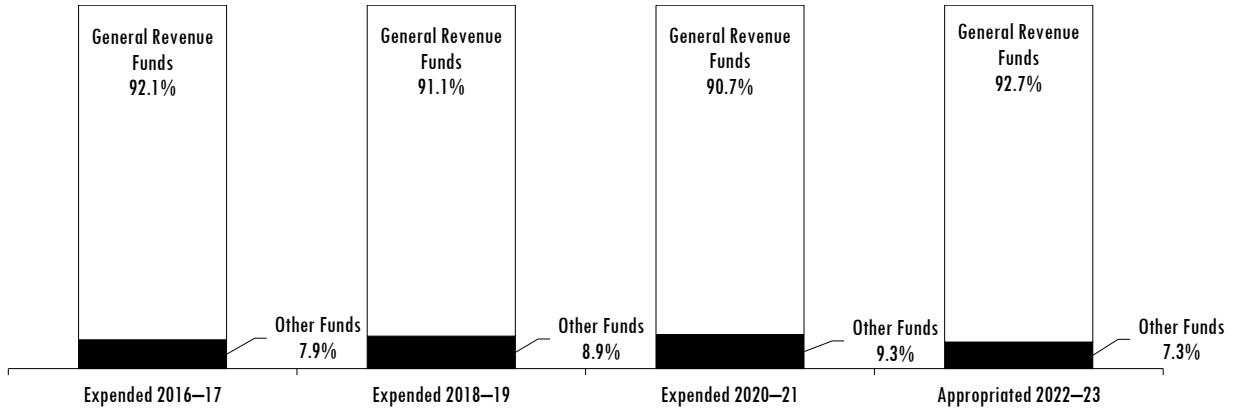
NOTE: Totals may not sum due to rounding.
SOURCE: Public Utility Commission of Texas.

HISTORICAL FUNDING

Figure 552 shows historical funding for the program by method of finance.

FIGURE 552
AGENCY ADMINISTRATION PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

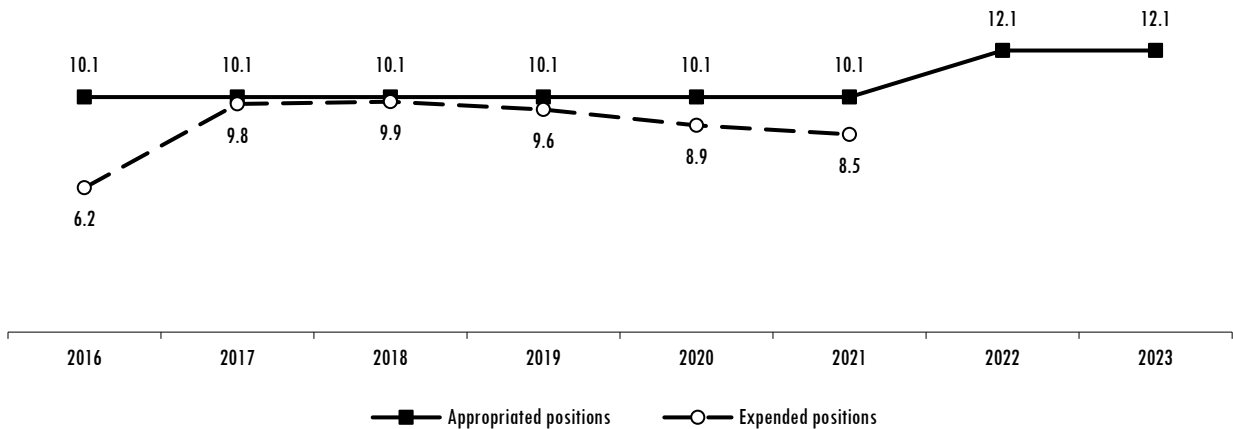
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$1.7	\$1.7	\$1.7	\$2.2
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	\$0.0
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.1	\$0.2	\$0.2	\$0.2
Total, All Methods of Finance	\$1.9	\$1.9	\$1.8	\$2.3

NOTE: Totals may not sum due to rounding.
 SOURCE: Public Utility Commission of Texas.

FULL-TIME-EQUIVALENT POSITIONS

Figure 553 shows FTE positions for the program.

FIGURE 553
AGENCY ADMINISTRATION PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Public Utility Commission of Texas.

PERFORMANCE MEASURES

The agency did not report any performance measures for the program.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, discontinuing the program would eliminate staff for information systems, central administration, and all other support services. Without this program, the agency would need to contract with other entities to perform these services to maintain operations.

OFFICE OF PUBLIC UTILITY COUNSEL

The Texas Utilities Code, Chapter 13; the Texas Water Code, Section 13.017

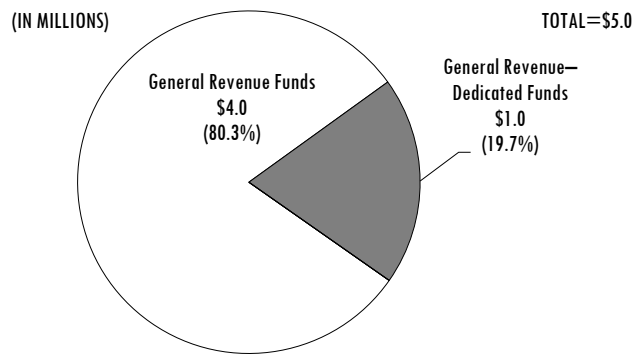
AGENCY DESCRIPTION

The Office of Public Utility Counsel (OPUC) was established in 1983 as part of the Sixty-eighth Legislature's Sunset review of the Public Utility Commission of Texas (PUC). The Legislature established OPUC to represent the interests of residential and small commercial consumers, as a class, in utility proceedings in Texas. Pursuant to its current statutory mission, OPUC represents residential and small commercial consumers, as a class and as individuals, in the electric, water, wastewater, and telecommunications utility industries in Texas.

AGENCY FUNDING SOURCES

Figure 554 shows agency funding sources by method of finance.

FIGURE 554
OFFICE OF PUBLIC UTILITY COUNSEL FUNDING SOURCES, 2022–23 BIENNIUM



SOURCE: Office of Public Utility Counsel.

Figure 555 shows a program funding overview in the agency's program ranking order along with associated General Appropriations Act budgeting strategies, expended amounts for the 2020–21 biennium, and appropriated amounts and full-time-equivalent positions for the 2022–23 biennium.

FIGURE 555
OFFICE OF PUBLIC UTILITY COUNSEL PROGRAM FUNDING OVERVIEW, 2020–21 TO 2022–23 BIENNIA

RANKING	PROGRAM	STRATEGY	(IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS 2022–23
			EXPENDED 2020–21	APPROPRIATED 2022–23	
1	Equitable Utility Rates for Residential and Small Commercial Consumers	A.1.1. Participate in Rates/Rules/Forms	\$2.3	\$3.5	18.5
2	Protect Consumer Interests in Utility Markets	B.1.1. Insurance Information	\$0.7	\$1.5	7.0

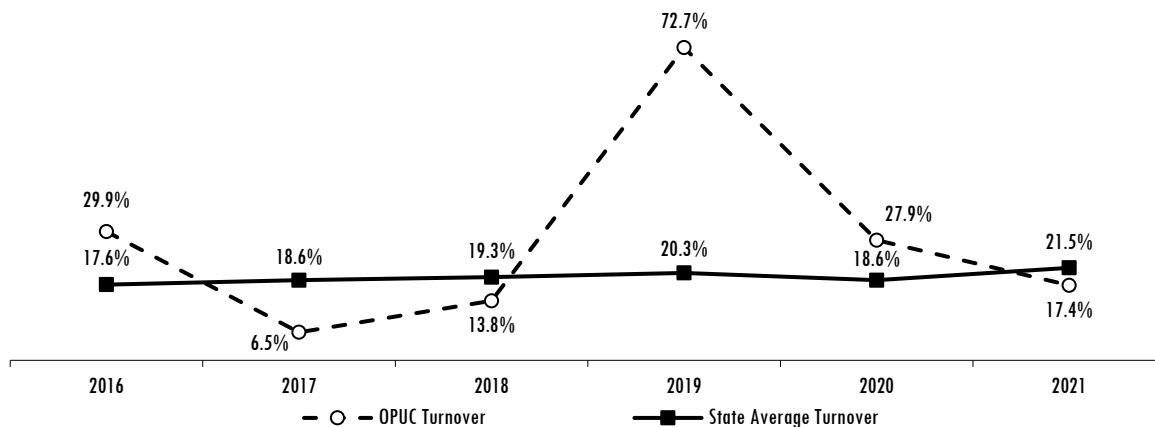
NOTE: The amounts shown for full-time-equivalent positions are the budgeted levels for each fiscal year of the biennium.
SOURCE: Office of Public Utility Counsel.

FINDINGS

FINDING 1: STAFF RETENTION ISSUES

According to OPUC, staff retention presents one of the greatest challenges to the agency, as the loss of continuity and institutional knowledge can have a detrimental effect on efficient agency operations. According to the State Auditor’s Office’s Annual Report on Classified Employee Turnover, the agency turnover rate, including interagency transfers, was 72.7 percent in fiscal year 2019 and 27.9 percent in fiscal year 2020. In fiscal year 2019, five OPUC staff transferred to another state agency, three staff left state employment, and three staff’s employment was terminated, in part related to a staff reorganization in early 2019 following the appointment of a new Public Counsel. The agency reports difficulties in hiring qualified staff members due to difficulty in offering a competitive salary and a small pool of qualified candidates that can work in the electric, water, wastewater, and telecommunications utility industries. The agency reports using several strategies to reduce its turnover, which include paying employee merit increases, offering flexible work schedules and employee trainings, and implementing recruitment strategies that include third-party sources such as social media and employment listing websites. The agency also posts open positions on websites for the State Bar of Texas and Texas law schools. According to the SAO’s Annual Report on Classified Employee Turnover for fiscal 2021, OPUC’s turnover rate decreased to 17.4 percent, which was less than the statewide average of 21.5 percent. The agency credits its retainment and recruitment strategies with helping to improve this trend. **Figure 556** shows OPUC’s annual turnover rate compared to the state’s average annual turnover rate.

FIGURE 556
OFFICE OF PUBLIC UTILITY COUNSEL STAFF TURNOVER RATE COMPARED TO STATEWIDE AVERAGE TURNOVER
FISCAL YEARS 2016 TO 2021



SOURCE: State Auditor’s Office.

Although the agency has had recent success with decreasing turnover, it consistently has been unable to fill its vacant attorney positions. OPUC reports that it requires eight attorneys to participate effectively in all the cases that concern the agency. However, OPUC currently has five attorneys on staff, including the agency’s interim public counsel. According to the agency, the main reason for these positions remaining unfilled is OPUC’s inability to offer competitive salaries compared to other state agencies and the private sector.

FINDING 2: INDIVIDUAL AND CLASS C WATER CASES

OPUC reports in its September 2021 Self Evaluation Report to the Sunset Advisory Commission, that the agency seeks to participate in certain individual cases and class C water and wastewater utility cases. This additional participation would enable OPUC to represent more individuals in certain complaints before the PUC to help ensure that residential and small commercial consumers pay reasonable rates. It also would increase the agency’s representation in class C rate filings, which apply to water and wastewater utilities with 500 to 2,299 taps or connections. The agency reports that budget limitations enable it to participate only in class A and most class B water and wastewater proceedings (10,000 or more taps and from 2,300 to 10,000 taps, respectively) before the PUC and the State Office of Administrative Hearings. The agency’s interest in these cases considers

the number of residents that are likely to be affected by water and wastewater utility cases involving the current 43 class C utilities, compared to 11 class B utilities and five class A utilities.

OPUC reports that funding constraints prevent the agency from hiring and retaining enough attorneys with the appropriate experience to handle additional caseloads.

The Legislature could consider appropriating additional funding to hire attorneys so the agency could participate in certain complaints brought by individuals and in class C water and wastewater utility cases. The cost per case varies significantly depending on the complexity and resources needed to complete each case. Some cases require OPUC to hire multiple outside expert witnesses to provide expertise in areas where agency staff has less experience; OPUC's staff may be sufficient in other cases. Considering these variables, OPUC reports that the main obstacle to participating in more cases is staffing qualified attorneys. Because class C water cases affect areas with smaller numbers of total taps and connections, providing the resources for OPUC to participate in these cases would enable it to represent residential communities across the state more effectively.

FINDING 3: CUSTOMER EDUCATION AND OUTREACH

OPUC maintains communication with retail electric providers (REP) and residential customers to provide accurate information and assistance. OPUC is a consumer representative, rather than a regulatory agency, and it collaborates with other state agencies, stakeholders, and the PUC to resolve customers' complaints. For example, OPUC collaborates with REPs and service providers to assist customers who contact OPUC with complaints about utility issues. OPUC also provides information on its website about how to file complaints, with whom to file them, and how to contact resources for assistance.

During the past two years, OPUC has expanded its customer outreach. In response to customer calls regarding widespread power outages in Texas during Winter Storm Uri in February 2021, OPUC has arranged to be listed as a consumer resource on the Governance/Ethics page of the Electric Reliability Council of Texas's (ERCOT's) website and is included in ERCOT's Energy Emergency Alert notifications. The Energy Emergency Alert notification matrix provides immediate notifications to OPUC that the agency then provides to customers. OPUC represents small commercial and residential consumers in ERCOT's Market Participant Grid Communicators meetings, which address weather events that affect utilities. Additionally, OPUC is a member of the Texas Energy Reliability Council, which was established pursuant to Senate Bill 3, Eighty-seventh Legislature, Regular Session, 2021, to disseminate information during weather emergencies and related outages. OPUC also has implemented a utility alert system with the provider Oncor and a direct link to customer care at the provider Southwestern Public Service Company to notify customers of outages and provide timely responses to customer complaints. The agency reports that it plans to expand these models to provide additional, immediate information to customers.

PROGRAMS

EQUITABLE UTILITY RATES FOR RESIDENTIAL AND SMALL COMMERCIAL CONSUMERS

The Texas Utilities Code, Chapter 13; the Texas Water Code, Section 13.017

PROGRAM DESCRIPTION

Through the Equitable Utility Rates for Residential and Small Commercial Consumers Program, OPUC represents residential and small commercial consumers as a class in electric, water, and telecommunication utility cases involving competitive and consumer protection issues affecting consumer utility rates and bills. Through the program, OPUC also represents this class in ratemaking cases before the PUC and in the ERCOT stakeholder processes.

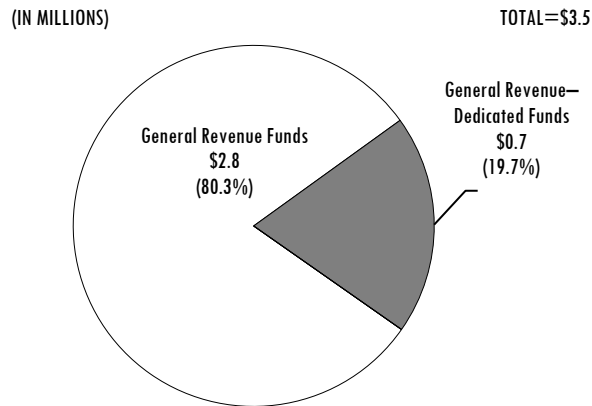
PROGRAM REVENUE

The agency did not report any revenue associated with this program.

PROGRAM FUNDING

Figure 557 shows program funding sources by method of finance.

FIGURE 557
EQUITABLE UTILITY RATES FOR RESIDENTIAL AND SMALL COMMERCIAL CONSUMERS PROGRAM FUNDING SOURCES
2022–23 BIENNIUM



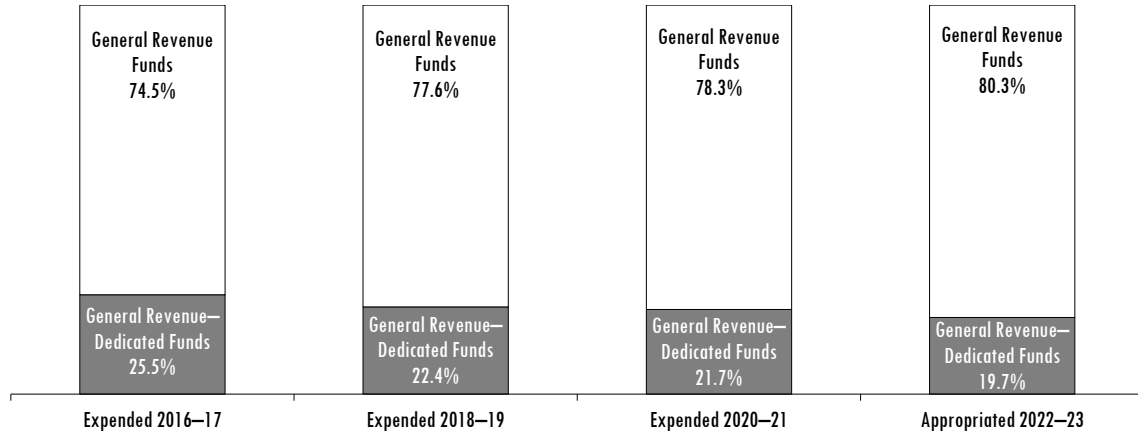
SOURCE: Office of Public Utility Counsel.

HISTORICAL FUNDING

Figure 558 shows historical funding for the program by method of finance.

FIGURE 558
EQUITABLE UTILITY RATES FOR RESIDENTIAL AND SMALL COMMERCIAL CONSUMERS PROGRAM HISTORICAL FUNDING
2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

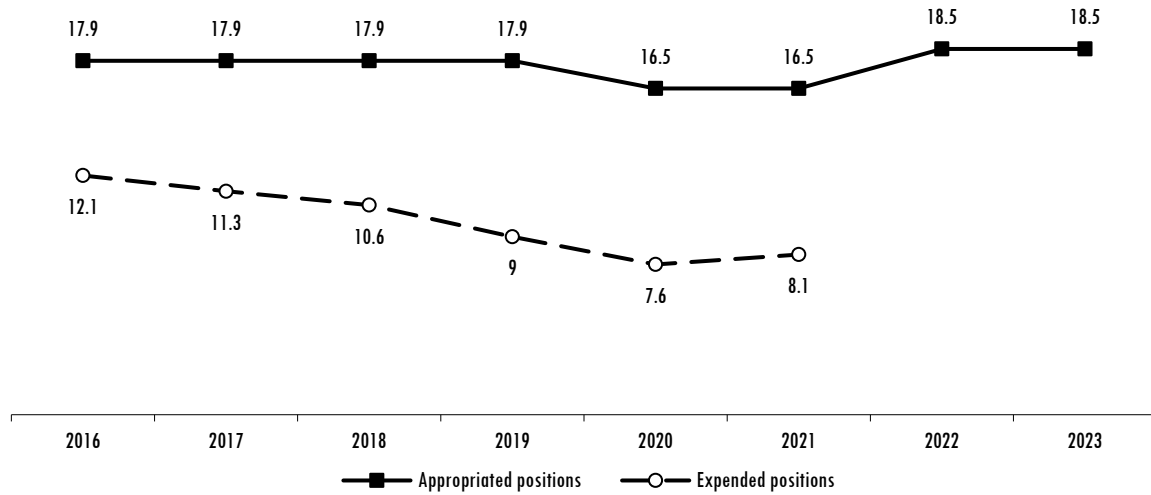
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$2.2	\$2.2	\$1.9	\$2.8
General Revenue–Dedicated Funds	\$0.6	\$0.5	\$0.5	\$0.7
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$2.8	\$2.8	\$2.3	\$3.5

NOTE: Totals may not sum due to rounding.
 SOURCE: Office of Public Utility Counsel.

FULL-TIME-EQUIVALENT POSITIONS

Figure 559 shows full-time-equivalent positions for the program.

FIGURE 559
EQUITABLE UTILITY RATES FOR RESIDENTIAL AND SMALL COMMERCIAL CONSUMERS PROGRAM FULL-TIME-EQUIVALENT POSITIONS, FISCAL YEARS 2016 TO 2023



SOURCE: Office of Public Utility Counsel.

PERFORMANCE MEASURES

Figure 560 shows the program’s performance measures.

FIGURE 560
EQUITABLE UTILITY RATES FOR RESIDENTIAL AND SMALL COMMERCIAL CONSUMERS PROGRAM PERFORMANCE MEASURES FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL PERFORMANCE	2022/2023 TARGET
Number of Utility Cases in which Office of Public Utility Counsel (OPUC) Participates	Yes	30	51	30
Number of Utility Court Cases in which OPUC Participates	No	5	2	5
Percentage of OPUC Utility Cases that are Competition-related	Yes	40.0%	41.2%	40.0%
Percentage of OPUC Utility Cases that are Resource-related	No	4.0%	17.6%	4.0%
Current Year Bill Savings / Residential/ Small / Commercial Utility Consumer (in millions)	No	\$18.0	\$173.5	\$18.0
Average Cost Per Utility Case in which OPUC Participates	Yes	\$23,302	\$15,101	\$23,302

SOURCE: Office of Public Utility Counsel.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, if the program were discontinued, the state's residential and small commercial consumers would no longer have legal and expert representation as a class in the electric, water, wastewater, and telecommunications industries in Texas, in ratemaking cases before the PUC, and in the ERCOT stakeholder processes.

PROTECT CONSUMER INTERESTS IN UTILITY MARKETS

The Texas Utilities Code, Chapter 13; the Texas Water Code, Section 13.017

PROGRAM DESCRIPTION

Through the Protect Consumer Interests in Utility Markets Program, the Office of Public Utility Counsel participates in utility projects involving competitive issues, consumer safeguards, ratemaking, or new or advanced technology and services.

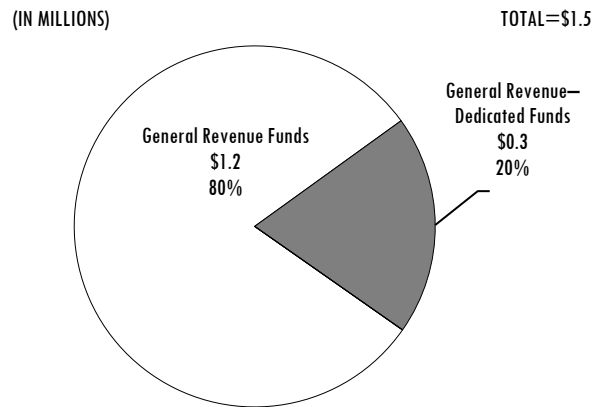
PROGRAM REVENUE

The agency did not report any revenue associated with the program.

PROGRAM FUNDING

Figure 561 shows program funding sources by method of finance.

FIGURE 561
PROTECT CONSUMER INTERESTS IN UTILITY MARKETS PROGRAM FUNDING SOURCES, 2022–23 BIENNIUM



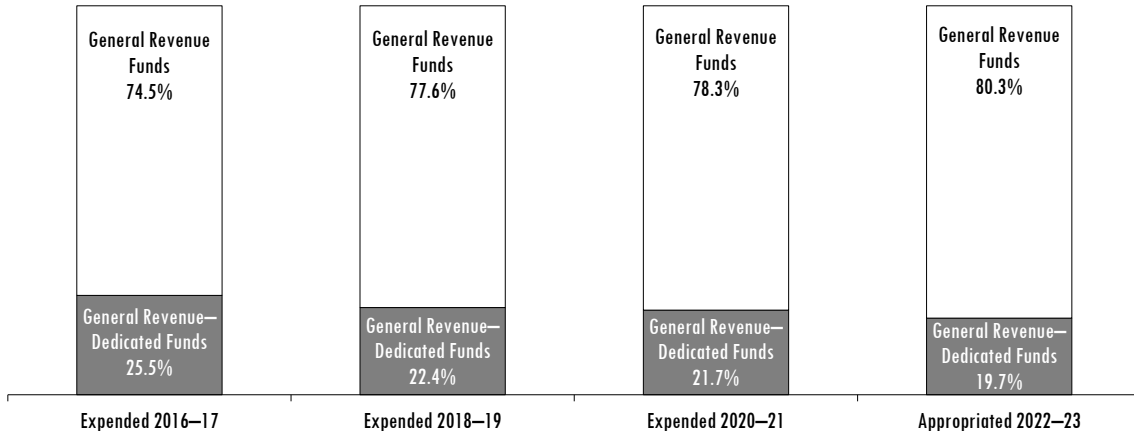
SOURCE: Office of Public Utility Counsel.

HISTORICAL FUNDING

Figure 562 shows historical funding for the program by method of finance.

FIGURE 562
PROTECT CONSUMER INTERESTS IN UTILITY MARKETS PROGRAM HISTORICAL FUNDING, 2016–17 TO 2022–23 BIENNIA

FUNDING BY METHOD OF FINANCE AS A PERCENTAGE OF TOTAL FUNDING



(IN MILLIONS)

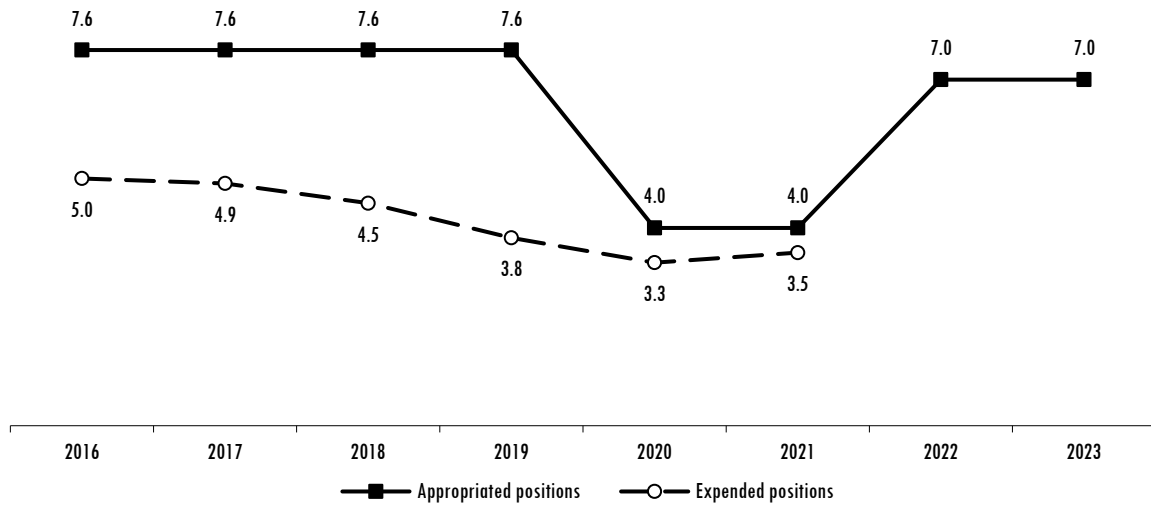
METHOD OF FINANCE	EXPENDED 2016–17	EXPENDED 2018–19	EXPENDED 2020–21	APPROPRIATED 2022–23
General Revenue Funds	\$0.7	\$0.7	\$0.6	\$1.2
General Revenue–Dedicated Funds	\$0.2	\$0.2	\$0.2	\$0.3
Federal Funds	\$0.0	\$0.0	\$0.0	\$0.0
Other Funds	\$0.0	\$0.0	\$0.0	\$0.0
Total, All Methods of Finance	\$1.0	\$0.9	\$0.7	\$1.5

NOTE: Totals may not sum due to rounding.
 SOURCE: Office of Public Utility Counsel.

FULL-TIME-EQUIVALENT POSITIONS

Figure 563 shows full-time-equivalent positions for the program.

FIGURE 563
PROTECT CONSUMER INTERESTS IN UTILITY MARKETS PROGRAM FULL-TIME-EQUIVALENT POSITIONS
2016–17 TO 2022–23 BIENNIA



SOURCE: Office of Public Utility Counsel.

PERFORMANCE MEASURES

Figure 564 shows the program’s performance measures.

FIGURE 564
PROTECT CONSUMER INTERESTS IN UTILITY MARKETS PROGRAM PERFORMANCE MEASURES, FISCAL YEAR 2021

MEASURE	KEY MEASURE	2021 TARGET	2021 ACTUAL	
			PERFORMANCE	2022/2023 TARGET
Number of Utility Projects in which Office of Public Utility Counsel (OPUC) Participates	Yes	26	28	26
Percentage of OPUC Utility Projects that are Competition-related	No	40.0%	71.4%	40.0%
Average Cost per Utility Project	No	\$13,545	\$11,044	\$13,545

SOURCE: Office of Public Utility Counsel.

EXPENDITURES REQUIRED FOR MINIMUM LEVEL OF SERVICE

The agency reported that funding amounts necessary to provide a minimum level of service are equivalent to appropriated amounts for the 2022–23 biennium.

ADVERSE EFFECT OF DISCONTINUING PROGRAM

According to the agency, if the program were discontinued, the state’s residential and small commercial consumers would no longer have representation as a class in the electric, water, wastewater, and telecommunications industries in Texas.

APPENDIX A – STATE FUNDING FOR WATER PROGRAMS

INTRODUCTION

This overview of water use in Texas and state funding for water programs updates the primer that the Legislative Budget Board submitted to the Eighty-second Legislature, 2011. This primer includes the following information:

- a high-level overview of water demand in Texas;
- a summary of state agencies that have water responsibilities and programs, including three agencies undergoing Strategic Fiscal Review in 2022;
- a summary of water rights in Texas;
- a discussion of the regional water-planning process and the resulting State Water Plan; and
- funding information regarding the financial assistance programs provided by the Texas Water Development Board for the planning, acquisition, design, and construction of water-related infrastructure and other water-quality improvements.

HIGH-LEVEL OVERVIEW OF WATER DEMAND IN TEXAS

According to the 2022 State Water Plan (SWP) adopted by the Texas Water Development Board (TWDB), the Texas population is projected to increase 73.4 percent from calendar years 2020 to 2070, from 29.7 million to 51.5 million people. Coinciding with that projected population increase, total water demand for all sectors in Texas is projected to increase by 8.8 percent, from about 17.7 million acre-feet per year in 2020 to about 19.2 million in 2070. Municipal demand is projected to increase in greater proportion and total volume during the next 50 years than any other water-use category. Agricultural irrigation demand is projected to decrease due to more efficient irrigation systems, reduced groundwater availability, and the transfer of surface water rights from agricultural to municipal users.

According to the SWP, the existing water supply is not sufficient to meet the future demand for water during times of a drought, and the state would need 6.9 million acre-feet of additional water supplies, including water saved through conservation, to meet the demand for water in 2070. The plan recommends water-management strategies, which might require the development of new water infrastructure, to increase water supply in Texas. If implemented, these strategies would provide approximately 7.7 million acre-feet per year in additional water supplies to water-user groups by 2070.

By not addressing the additional need, the state could record significant economic losses during another drought of record. By calendar year 2070, approximately four out of five Texans would face at least a moderate water shortage in their cities and residences, and approximately one-quarter of all the state's municipal water users would have less than half of the water supplies that they require to live and work.

Figure A–1 shows data from the 2022 SWP, comparing the population estimates in 10-year increments from calendar years 2020 to 2070 with estimated water demand, existing water supply, and projected needs for the corresponding years.

FIGURE A–1
STATE WATER PLAN ESTIMATED WATER DEMAND, SUPPLIES, AND PROJECTED NEEDS, CALENDAR YEARS 2020 TO 2070

(IN MILLIONS)

CATEGORY	2020	2030	2040	2050	2060	2070
Population	29.7	33.9	38.1	42.3	46.8	51.5
Water Demand (in acre-feet)	17.7	18.4	18.3	18.4	18.6	19.2
Existing Water Supply (in acre-feet)	16.7	15.5	14.7	14.2	13.9	13.8
Projected Need (in acre-feet)	3.1	4.7	5.3	5.7	6.2	6.9

NOTE: Total needs are the summation of differences between local demand and supply, and not all local supplies can be used to meet the needs of other areas. As a result, projected needs in acre-feet of water exceed the difference between demand and supply.
SOURCE: Texas Water Development Board, 2022 State Water Plan.

STATE AGENCIES THAT HAVE WATER RESPONSIBILITIES AND PROGRAMS

Four state agencies have water responsibilities and programs relating to those responsibilities: TWDB, Texas Commission on Environmental Quality (TCEQ), Texas State Soil and Water Conservation Board (TSSWCB), and Texas Parks and Wildlife Department (TPWD).

TEXAS WATER DEVELOPMENT BOARD

TWDB leads the state's efforts in securing water resources by providing information, education, and support for planning and financial assistance for the conservation and responsible development of water resources. The agency also collects and disseminates surface-water and groundwater data and is involved in regional water-planning processes.

TWDB's water resources planning programs focus on the development and periodic updating of the SWP. The agency provides planning grant funding, planning technical assistance, and modeling through the following programs: Regional Water and Wastewater Facility Planning Grants; Regional Water Planning; Innovative Water Strategies; Groundwater Availability Modeling; Groundwater Technical Assistance; and Surface Water Availability Modeling.

The planning process at TWDB is supported by the ongoing collection of basic data through the following agency programs: Bays and Estuaries; Groundwater Monitoring; Hydrosurvey; Instream Flows; and Strategic Mapping. Data collection determines the location, quantity, and quality of surface water and groundwater resources across the state. TWDB conducts localized and regional groundwater studies and prepares reports on these studies for use by individuals, municipalities, industry, and other state agencies involved in developing and managing groundwater resources.

TWDB provides technical assistance for conservation through its Water Conservation and Education Assistance program, which focuses on increasing water conservation through public outreach programs, education materials, technical assistance, and funding. TWDB staff review financial assistance applications for water conservation plans and the status and content of water-loss audits.

TWDB administers the following state and federal flood programs: State Flood Planning, Information, and Response; National Flood Insurance Program (NFIP) – Flood Mitigation Assistance and Severe Repetitive Loss Grant Program; Floodplain Mapping; and NFIP Community Assistance and Training.

TWDB provides financial assistance for building or expanding water and wastewater infrastructure throughout the state, and the agency administers the following grant and loan programs: State Financial Assistance; Clean Water State Revolving Fund (CWSRF) Administration; Drinking Water State Revolving Fund (DWSRF) Administration; Economically Distressed Areas Program (EDAP); Special Appropriation Act Projects; and Remove Siltation and Sediment Deposits at San Jacinto River and Lake Houston.

TWDB's debt-service payments programs consist of the EDAP Debt Service and Water Infrastructure Fund (WIF) Debt Service programs. Much of the state funding that the agency provides to local governments for water and wastewater projects is financed through bonds. The issuance of bonds requires debt service to repay the principal and interest. Debt service for most programs within the Water Development Fund, CWSRF, and DWSRF is recovered fully through loan repayments. However, debt service for bonds issued through EDAP and WIF is not recovered in this way. The debt service for these bonds, referred to as non-self-supporting General Obligation (GO) bonds, is not recovered entirely through loan repayments and requires General Revenue Funds to cover debt-service requirements fully. For EDAP, loan repayments are insufficient to cover debt service because most of the assistance is provided through grants and below-market-rate loans. Because loan repayments made within WIF are subsidized and may be deferred up to 10 years, they require appropriations of General Revenue Funds to meet debt-service requirements during the first years of the project.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

TCEQ is responsible for protecting the state's water quality by monitoring and evaluating water quality in lakes, streams, and groundwater and by establishing water-quality standards to protect aquatic life, human health, drinking water, and recreation. TCEQ develops and coordinates water-quality improvement strategies with other state agencies and local stakeholders. TCEQ's water-quality programs include Water Assessment and Planning; Water Quality Assessment and Planning – Total Maximum Daily Load (TMDL); Clean Rivers Program; Groundwater Protection and Management; Bays and Estuaries; Water Quality Assessment and Planning – Nonpoint Source Program; Dam Safety; and Water Quality Standards.

TCEQ has three permitting programs charged with reviewing permits and other authorizations relating to the quality and uses of the state's water. These programs are Water Resource Permitting; Watermaster Administration; and Edwards Aquifer Protection. The agency also works to ensure that streams, lakes, bays, and estuaries meet federal and state water-quality standards by issuing permits regulating wastewater and stormwater discharges.

Oversight programs for safe drinking water protect public health and the environment by implementing the federal State Drinking Water Act, ensuring the delivery of safe drinking water, providing regulation, and promoting regional water strategies. These oversight programs are Drinking Water Quality Standards and Water District Applications.

TCEQ also conducts field investigations and responds to complaints from the public through its Field Inspections and Complaint Response program. The agency maintains 16 regional offices, three satellite offices, and laboratories in Austin and Houston to monitor and assess air and water quality, investigate facilities, respond to complaints, promote voluntary compliance through education and technical assistance, and respond to emergencies such as accidental releases of chemicals into the environment.

TCEQ's River Compact Program administers and supports five signatory interstate compacts that apportion river and stream waters flowing through Texas and other states. These compacts are the Canadian River Compact, the Pecos River Compact, the Red River Compact, the Rio Grande Compact, and the Sabine River Compact. The shared mission of the Texas river compact commissions is to ensure that Texas residents receive their share of river waters as allocated by the various compact agreements. Each river compact is administered by its own commission, which includes representatives of each signatory state and one presidential appointee.

TEXAS STATE SOIL AND WATER CONSERVATION BOARD

TSSWCB coordinates with local soil and water conservation districts (SWCD) to promote the productive use of natural resources, including soil conservation projects, flood-control dam construction and maintenance, management and abatement of agricultural and silvicultural (forestry-related) nonpoint source water pollution, and water-supply enhancement.

TSSWCB provides financial, technical, and program-management assistance for the development of district conservation programs to the state's 216 local SWCDs and the public through the following programs: the Conservation Assistance Grants program; the SWCD Operations program; the Conservation Implementation Assistance Grants program; the Field Representatives program; the Soil and Water Conservation Public Education and Information program; and the SWCD Mileage and Per Diem Reimbursement program.

TSSWCB provides for the abatement of nonpoint source pollution caused by agricultural and silvicultural uses of the state's soil and water resources through three programs: the Nonpoint Source Grants program; the Water Quality Management Plan program; and the Poultry Water Quality Management Plan program. Nonpoint source pollution affects water bodies contaminated by agricultural or urban runoff flow into rivers or watersheds. TSSWCB administers all state programs for abating nonpoint source pollution and represents the state to the federal government in all matters related to agricultural and silvicultural nonpoint source pollution.

TEXAS PARKS AND WILDLIFE DEPARTMENT

TPWD is responsible for managing and conserving the state's natural and cultural resources and providing opportunities for hunting, fishing, and outdoor recreation. Water affects all aspects of the agency's mission. TPWD's Water Resources Branch coordinates the agency's involvement in water planning, water permitting, and other water-related issues and provides technical and policy expertise to the agency and external stakeholders for addressing environmental water issues.

The Coastal Fisheries Division, including the Water Resources Branch, focuses on habitat conservation and restoration and leads the agency's research, management, and interagency coordination regarding all water-related issues, including overseeing adequate instream flows for Texas' rivers and sufficient freshwater inflows for bays and estuaries.

The Texas Parks and Wildlife Code, Section 12.024, and the Texas Water Code, Section 11.147, require TCEQ to provide TPWD copies of all permit applications to store, take, or divert water. TPWD must make recommendations to TCEQ to protect fish and wildlife resources, including permit conditions, mitigation, and schedules of flow or releases. TPWD may participate in any hearing for an application, and TCEQ must consider TPWD's information, evidence, and testimony.

WATER RIGHTS IN TEXAS

The state governs the use of water and water rights in two broad categories: surface water and groundwater. TCEQ administers most of the regulation of water rights as it enforces state water regulations through the issuance of water rights permits.

GROUNDWATER RIGHTS

The Texas Water Code establishes that a landowner owns the groundwater below the surface of the land as real property. This ownership entitles landowners to drill for and pump the groundwater below the surface without causing waste or malicious drainage of other property, or negligently causing subsidence, and to have any other right recognized under common law. Local groundwater conservation districts may be established to conserve and prevent waste of groundwater. State law establishes that these districts are the preferred method of groundwater management to protect property rights while balancing the conservation and development of groundwater to meet the state's needs.

SURFACE WATER RIGHTS

Surface water in Texas is owned by the state and held in trust for the public. The Texas Water Code, Chapter 11 defines as state property the water of the ordinary flow, underflow, and tides of every flowing river, natural stream, and lake, and of every bay or arm of the Gulf of Mexico, and the stormwater, floodwater, and rainwater of every river, natural stream, canyon, ravine, depression, and watershed in Texas. The definition also includes water imported from any source outside the boundaries of Texas for use in the state and transported through the beds and banks of any navigable stream within the state or by utilizing any facilities owned or operated by the state.

The state grants the right to use this water to different public and private interests, including farmers, ranchers, cities, industries, and businesses, through TCEQ's permitting process established in the Texas Water Code. Upon completion of an application and after a required public hearing, TCEQ may grant the application only if the following conditions are met:

- the application conforms to the requirements prescribed by the Texas Water Code, Chapter 11, and is accompanied by the prescribed fee;
- unappropriated water is available in the source of supply;
- the proposed appropriation is intended for a beneficial use, does not impair existing water rights or vested rights relating to riverbank habitats, and is not detrimental to public welfare;
- the proposed appropriation considers any applicable environmental flow standards and certain applicable environmental effect assessments;
- the proposed appropriation addresses a water-supply need in a manner that is consistent with the State Water Plan and the relevant approved regional water plan for any area in which the proposed appropriation is located, unless TCEQ determines that conditions warrant waiver of this requirement; and
- the applicant has provided evidence that reasonable diligence will be used to avoid waste and achieve water conservation.

REGIONAL WATER PLANNING

The Seventy-fifth Legislature, 1997, established a stakeholder-driven, regional water-planning process and 16 regional water-planning areas. Each of the planning areas has an associated group composed of local stakeholders that are responsible for developing long-range plans intended to ensure that the state would have reliable water supplies during drought. Each planning

group is required to maintain at least one representative from each of the following 12 interests: public stakeholders, counties, municipalities, industry, agriculture, environment, small business, electric-generating utilities, river authorities, water districts, water utilities, and groundwater management areas that fall within the planning area, if applicable.

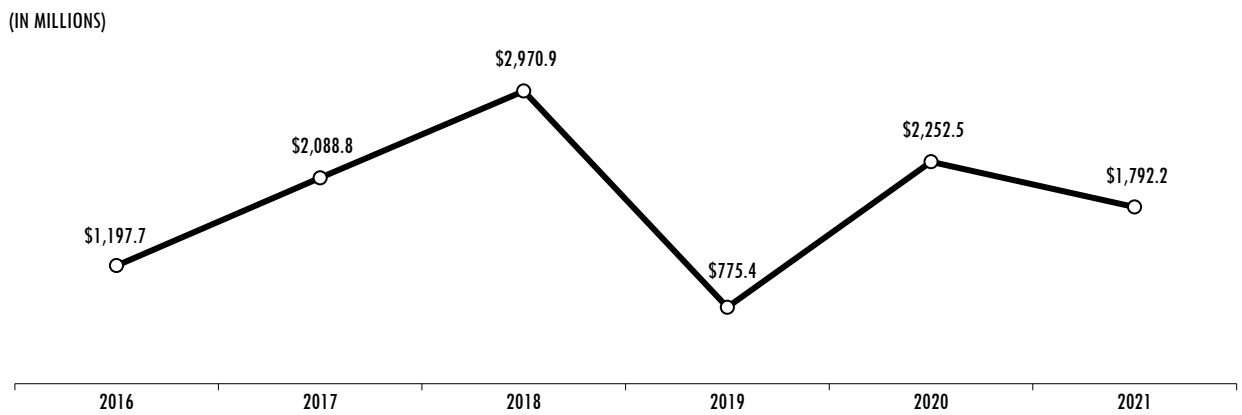
Every five years, each of the planning groups is tasked with producing long-range regional water plans intended to ensure that water needs will be met for the next 50 years during a drought. As part of this process, planning groups conduct evaluations of forecast water demands, existing supplies, potential water shortages, and feasible water management strategies for wholesale water providers and water-user groups. TWDB incorporates information and recommendations from the regional water plans into a comprehensive State Water Plan that identifies water-supply needs, recommends water management strategies and projects to address those needs, and serves as a guide for the state’s water policy.

STATE FINANCIAL ASSISTANCE PROGRAMS

TWDB administers several state and federal loan and grant programs for the planning, acquisition, design, and construction of water-related infrastructure and other water-quality improvements. TWDB financial assistance programs are funded from revenue and GO bonds, funds appropriated by the Legislature, and from federal sources, including grants from the U.S. Environmental Protection Agency (EPA). As of February 2022, TWDB has made more than 5,670 financial commitments for a total of approximately \$32.5 billion since the agency’s inception in 1957.

Figure A–2 shows the total amounts committed by TWDB financial assistance programs to qualified projects annually from fiscal years 2016 to 2021. Since fiscal year 2016, total commitments have ranged from \$775.4 million to nearly \$3.0 billion.

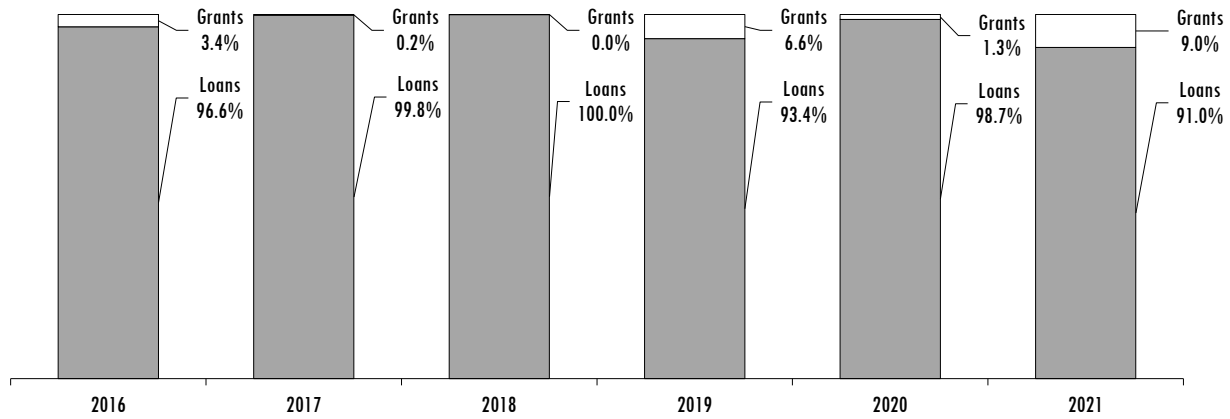
FIGURE A–2
TEXAS WATER DEVELOPMENT BOARD STATE FINANCIAL ASSISTANCE COMMITMENTS, FISCAL YEARS 2016 TO 2021



SOURCE: Texas Water Development Board.

Since fiscal year 2016, most of the financial assistance has been provided through loans rather than grant funding. **Figure A–3** shows the percentage of loan and grant funding committed by TWDB’s financial assistance programs to qualified projects annually from fiscal years 2016 to 2021. Higher rates of grant funding in fiscal years 2016 and 2019 were due to additional EDAP funding, and the increase during fiscal year 2021 was due to the implementation of the Flood Infrastructure Fund established to assist in financing drainage, flood-mitigation, and flood-control projects.

FIGURE A–3
TEXAS WATER DEVELOPMENT BOARD STATE FINANCIAL ASSISTANCE COMMITMENTS BY TYPE, FISCAL YEARS 2016 TO 2021



SOURCE: Texas Water Development Board.

TWDB is authorized to issue both constitutionally authorized GO bonds and statutorily authorized revenue bonds. **Figure A–4** shows the estimated GO and revenue bonds outstanding by financial assistance program through the end of fiscal year 2021. With the exception of EDAP, all of these programs are self-supporting, meaning they require no General Revenue Funds appropriations to cover debt-service requirements. Authorized but unissued debt is defined as debt that may be issued without further legislative action or voter approval. According to the Bond Review Board, TWDB has approximately \$6.5 billion in authorized but unissued GO bond authority as of August 31, 2021.

FIGURE A–4
ESTIMATED OUTSTANDING BOND DEBT FOR GENERAL OBLIGATION AND REVENUE BONDS, AS OF AUGUST 31, 2021

PROGRAM	BOND TYPE	ESTIMATED OUTSTANDING DEBT (IN MILLIONS)
Economically Distressed Areas Program	General Obligation	\$176.6
State Participation Program	General Obligation	\$69.8
Water Infrastructure Fund	General Obligation	\$163.8
Water Development Fund	General Obligation	\$841.2
Clean Water and Drinking Water State Revolving Funds	Revenue	\$801.0
State Water Implementation Revenue Fund for Texas	Revenue	\$6,182.1
Total		\$8,164.70

NOTE: Totals may not sum due to rounding.
 SOURCE: Bond Review Board.

AGRICULTURAL WATER CONSERVATION FUND

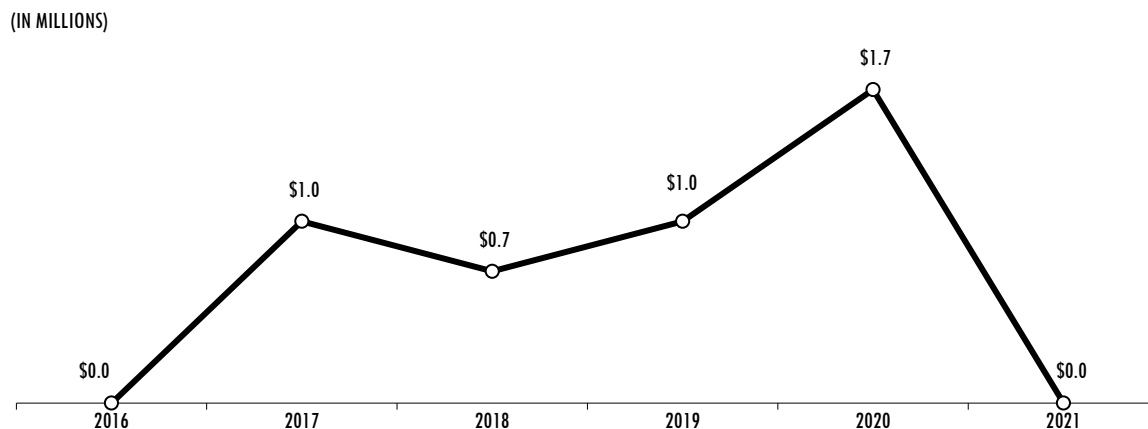
The Agricultural Water Conservation Fund is authorized by the Texas Constitution. TWDB by resolution may provide for the issuance of negotiable Texas agricultural water conservation bonds in an aggregate principal amount up to \$200.0 million. With the money in the fund, TWDB provides grants and loans through the Agricultural Water Conservation Grant and Loan programs.

The Agricultural Water Conservation Fund offers grants and loans to state agencies and eligible political subdivisions for conservation projects and programs that support agricultural irrigation conservation strategies in alignment with the State Water

Plan and that demonstrate best management practices. Eligible political subdivisions include a district or authority established pursuant to the Texas Constitution, Article III, Section 52, or Article XVI, Section 59; a municipality; a county; an institution of higher education; any interstate compact commission to which the state is a party; and any nonprofit water-supply corporation established and operating pursuant to the Texas Water Code, Chapter 67.

Figure A–5 shows the total Agricultural Water Conservation Fund amounts committed to qualified projects annually from fiscal years 2016 to 2021. Since fiscal year 2016, total commitments have ranged from \$0.0 million to \$1.7 million.

FIGURE A–5
AGRICULTURE WATER CONSERVATION FUND COMMITMENTS, FISCAL YEARS 2016 TO 2021



SOURCE: Texas Water Development Board.

CLEAN WATER STATE REVOLVING FUND

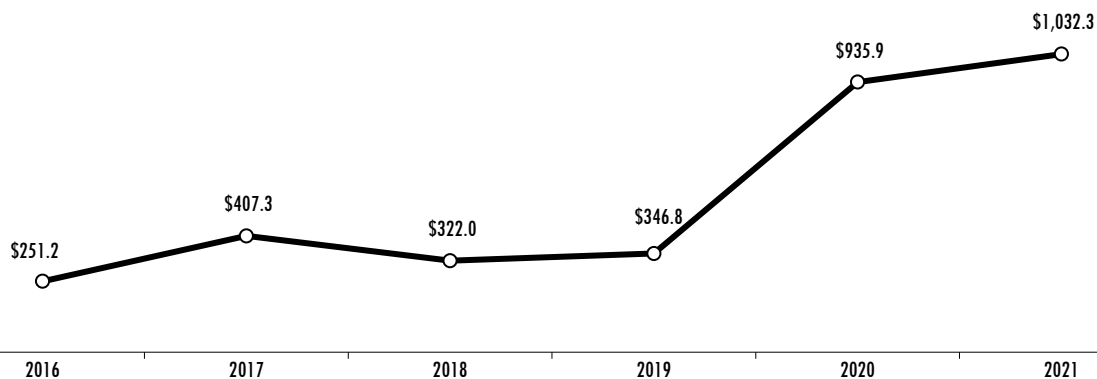
The Clean Water State Revolving Fund (CWSRF), authorized by the federal Clean Water Act, provides low-cost financial assistance through low-interest loans and principal forgiveness for planning, acquisition, design, and construction of wastewater, reuse, and stormwater infrastructure. The program is funded through a combination of federal grants, revenue bonds, and loan repayments deposited back into the revolving account. The state match required by the federal grant is provided by the Water Development Fund, which is replenished as the loans are repaid.

Eligible applicants for the CWSRF include cities, counties, districts, river authorities, designated management agencies, authorized American Indian tribal organizations, and public and private entities that propose nonpoint source or estuary management projects.

Figure A–6 shows the total CWSRF amounts committed to qualified projects annually from fiscal years 2016 to 2021. Since fiscal year 2016, total commitments have ranged from \$251.2 million to \$1.0 billion.

**FIGURE A-6
CLEAN WATER STATE REVOLVING FUND COMMITMENTS, FISCAL YEARS 2016 TO 2021**

(IN MILLIONS)



SOURCE: Texas Water Development Board.

DRINKING WATER STATE REVOLVING FUND

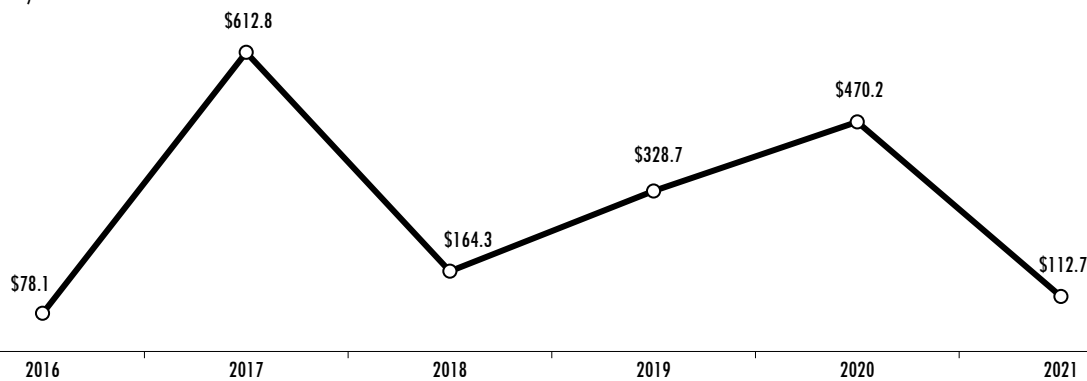
The Drinking Water State Revolving Fund (DWSRF), authorized by the federal Safe Drinking Water Act, provides low-cost financial assistance for planning, acquisition, design, and construction of water infrastructure. The loan program is funded through a combination of federal grants, revenue bonds, and loan repayments deposited back into the revolving account. The state match required by the federal grant is provided by the Water Development Fund, which is replenished as the loans are repaid.

Eligible applicants for the DWSRF include publicly and privately owned community water systems, including nonprofit water-supply corporations and nonprofit, non-community public water systems.

Figure A-7 shows the total DWSRF amounts committed to qualified projects annually from fiscal year 2016 through fiscal year 2021. Since fiscal year 2016, total commitments have ranged from \$78.1 million to \$612.8 million.

**FIGURE A-7
DRINKING WATER STATE REVOLVING FUND COMMITMENTS, FISCAL YEARS 2016 TO 2021**

(IN MILLIONS)



SOURCE: Texas Water Development Board.

ECONOMICALLY DISTRESSED AREAS PROGRAM

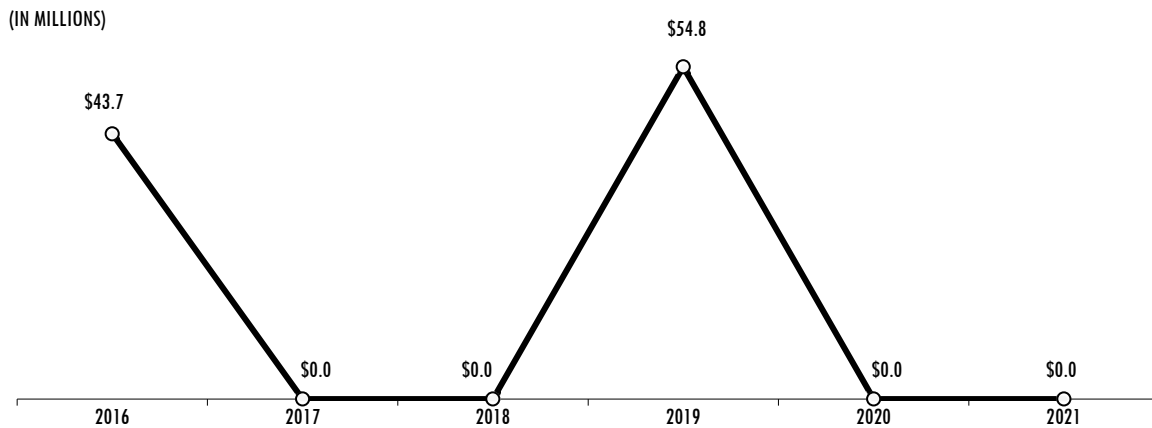
The Economically Distressed Areas Program (EDAP) provides financial assistance through grants and loans for water and wastewater projects in economically distressed areas where service is unavailable or is inadequate to meet minimum state

standards. Constitutional bonding authority is the primary mechanism for EDAP funding. In fiscal year 2019, the program had no more bonding authority; Proposition 2, November 2019, authorized TWDB to issue additional GO bonds up to \$200.0 million for EDAP projects.

Eligible EDAP applicants include all political subdivisions, including cities, counties, water districts, and nonprofit water-supply corporations. The city or county where the project is located must adopt and enforce Model Subdivision Rules to regulate subdivisions before applying for financial assistance. A project also must be implemented in an economically distressed area in which the median household income is not greater than 75.0 percent of the median state household income.

Figure A–8 shows the total EDAP amounts committed to qualified projects annually from fiscal years 2016 to 2021. Since fiscal year 2016, total commitments have ranged from \$0.0 million to \$54.8 million.

FIGURE A–8
ECONOMICALLY DISTRESSED AREAS PROGRAM COMMITMENTS, FISCAL YEARS 2016 TO 2021



SOURCE: Texas Water Development Board.

FLOOD INFRASTRUCTURE FUND

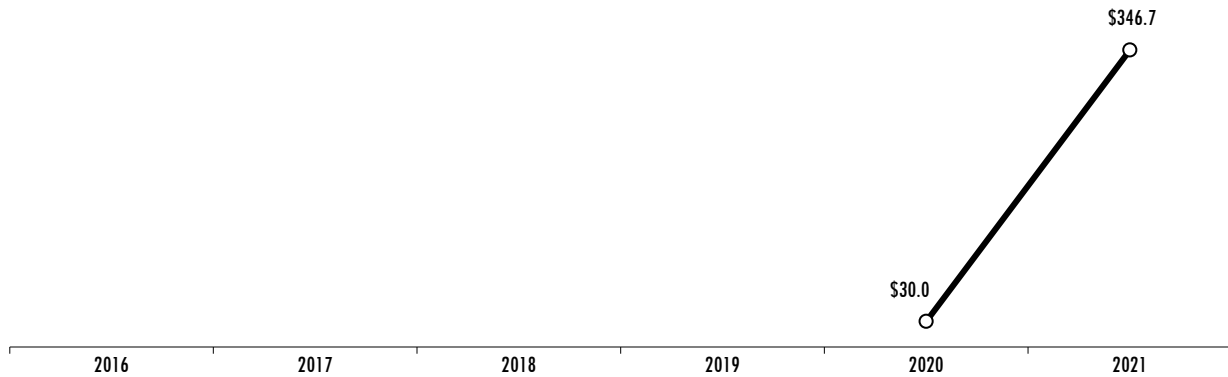
Proposition 8, November 2019, established the Flood Infrastructure Fund (FIF), and the Legislature authorized a onetime, \$793.0 million transfer from the Economic Stabilization Fund to FIF to assist in financing flood-control, drainage, and mitigation projects through loans with an interest rate of 0.0 percent and grants. After TWDB adopts an initial State Flood Plan in fiscal year 2024, the FIF may be used only to provide financing for flood projects identified in the plan.

Political subdivisions are eligible to apply for financial assistance through the FIF. These entities include cities, counties, and any district or authority pursuant to the Texas Constitution, Article III, Section 52, or Article XVI, Section 59. Eligibility specific to projects related to flood-protection planning for watersheds is extended to any other political subdivision of the state, any interstate compact commission to which the state is a party, and any nonprofit water-supply corporation established and operating pursuant to the Texas Water Code, Chapter 67.

Figure A–9 shows the total FIF amounts committed to qualified projects annually for fiscal years 2020 and 2021.

**FIGURE A–9
FLOOD INFRASTRUCTURE FUND COMMITMENTS, FISCAL YEARS 2016 TO 2021**

(IN MILLIONS)



SOURCE: Texas Water Development Board.

STATE WATER IMPLEMENTATION FUND FOR TEXAS

The State Water Implementation Fund for Texas (SWIFT) and State Water Implementation Revenue Fund for Texas (SWIRFT) were established by the Eighty-third Legislature, Regular Session, 2013, and approved by voters through a constitutional amendment adopted later that year to provide affordable, ongoing state financial assistance for projects in the State Water Plan. The SWIFT program provides low-interest loans, extended repayment terms, deferral of loan repayments, and incremental repurchase terms for projects with state ownership aspects. To be eligible for funding, a project and its associated capital costs must be included in the State Water Plan.

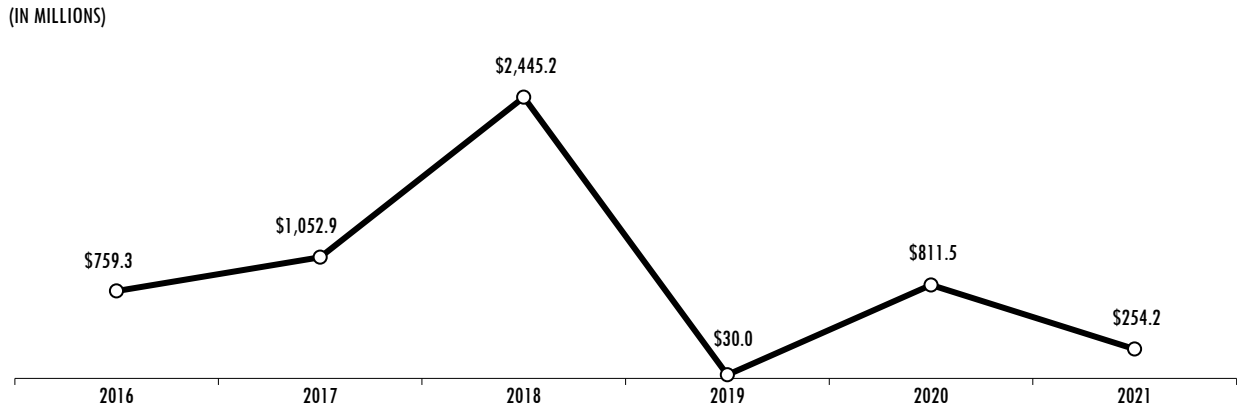
The Legislature authorized a onetime, \$2.0 billion transfer from the Economic Stabilization Fund to the SWIFT fund. Funding from the SWIFT is available to support revenue and GO bonds issued by TWDB to fund State Water Plan projects. SWIFT funding is transferred to the SWIRFT through a legal mechanism called a bond enhancement agreement. The transferred funds are used to cover the difference between the actual interest rate on the TWDB-issued SWIRFT revenue bonds and the subsidized rates and deferral options provided to the transaction participants. SWIRFT revenue bonds are secured by pledged revenues from political subdivisions’ obligation repayments and assistance accounts, which are funded with onetime transfers at closing from the SWIFT to the SWIRFT. The SWIFT fund is not pledged to the bonds issued for the SWIRFT.

Any political subdivision or nonprofit water-supply corporation with a project included in the most recently adopted State Water Plan is eligible to apply for SWIFT funding. Eligible SWIFT projects are recommended water-management strategy projects with an associated capital cost in the most recently adopted State Water Plan when abridged applications are due to TWDB for consideration. Alternative water-management-strategy projects are not eligible unless the regional and state water plans are amended to include them as recommended projects before abridged applications are due.

Eligible projects include conservation and reuse, groundwater and seawater desalination, building new pipelines, developing reservoirs and well fields, purchasing water rights, and other strategies. Only the project components specified in the plan are eligible for SWIFT financing.

Figure A–10 shows the total SWIFT amounts committed to qualified projects annually from fiscal years 2016 to 2021. Since fiscal year 2016, total commitments have ranged from \$30.0 million to \$2.4 billion.

FIGURE A-10
STATE WATER IMPLEMENTATION FUND FOR TEXAS COMMITMENTS, FISCAL YEARS 2016 TO 2021



SOURCE: Texas Water Development Board.

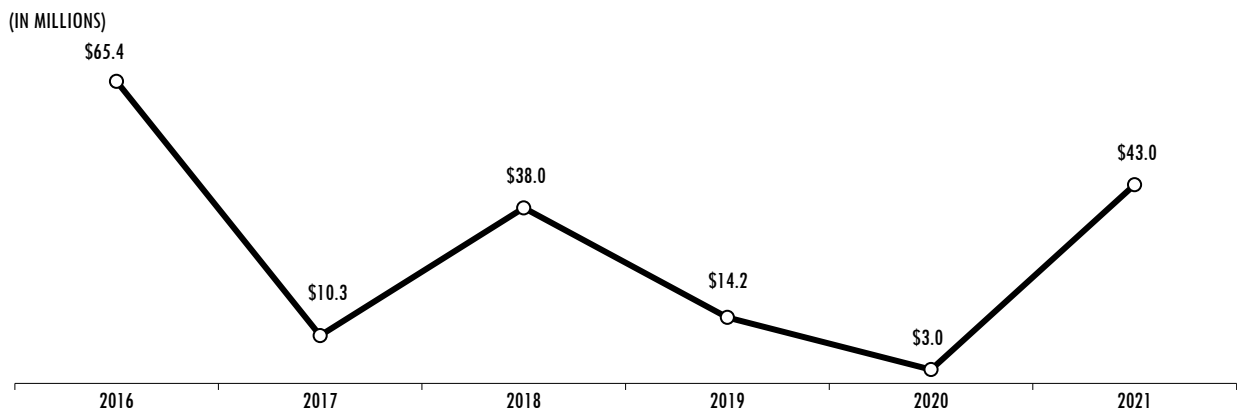
WATER DEVELOPMENT FUND

The Water Development Fund (DFund) is a state loan program that provides financing through the sale of GO bonds for the planning, design, acquisition, and construction of various types of infrastructure projects, including water-supply, conservation, water-quality enhancement, flood-control, and wastewater. The DFund also provides funding for projects with multiple eligible purposes in one loan (e.g., water and wastewater). Water-supply projects, specifically, must be consistent with the current State Water Plan, but need not be included in the plan.

Eligible DFund applicants include all political subdivisions of the state and nonprofit water-supply corporations. Additionally, any entity receiving assistance of greater than \$0.5 million is required to adopt a water-conservation and drought-contingency plan.

Figure A-11 shows the total DFund amounts committed to qualified projects annually from fiscal years 2016 to 2021. Since fiscal year 2016, total commitments have ranged from \$3.0 million to \$65.4 million.

FIGURE A-11
WATER DEVELOPMENT FUND COMMITMENTS, FISCAL YEARS 2016 TO 2021



SOURCE: Texas Water Development Board.

WATER INFRASTRUCTURE IMPROVEMENTS FOR THE NATION

The federal Water Infrastructure Improvements for the Nation (WIIN) Act addresses, supports, and improves drinking water infrastructure in the United States. The WIIN Act consists of three grant programs that address drinking water and perform the following activities: (1) provide assistance to small, underserved, and disadvantaged communities that are unable to finance projects to comply with federal drinking water regulations; (2) finance projects to reduce lead in drinking water in disadvantaged communities; and (3) assist local educational agencies in voluntary testing for lead contamination in drinking water at schools and childcare facilities.

WIIN grant programs are administered through the EPA. TWDB provides administrative support relating to the program and draws down any federal funds granted to a Texas entity that is awarded funding.

The lone commitment through the WIIN program thus far was in fiscal year 2021 for \$3.3 million.

DORMANT AND INACTIVE FINANCIAL ASSISTANCE PROGRAMS

TWDB has three active but dormant financial assistance programs, the Groundwater Conservation District Loan Program, the Rural Water Assistance Fund, and the State Participation Program. These programs are technically active in that they have available funding, but they generate little interest from eligible applicants, typically because the programs have been supplanted by another financial assistance program.

TWDB also has one inactive financial assistance program for which debt is still being serviced, the Water Infrastructure Fund. The agency no longer accepts loan applications for the program or funds new loans because the SWIFT program has supplanted its purpose to address projects in the SWP.

APPENDIX B – CONTRACT REPORTING AND COMPLIANCE

INTRODUCTION

To increase accountability and transparency, the Legislative Budget Board (LBB) maintains a database of all major contracts reported by state agencies and institutions of higher education. The General Appropriations Act and the Texas Government Code each contain several requirements for contract reporting. As part of the Strategic Fiscal Review (SFR) process, LBB staff analyzed contracts of agencies undergoing SFR and assessed compliance with the major reporting requirements. For each agency with significant contracting activity, shown in **Figure B–1**, LBB staff produced a summary report containing contracting highlights, a reporting compliance review, and an agency response.

FIGURE B–1
STRATEGIC FISCAL REVIEW AGENCIES WITH SIGNIFICANT CONTRACTING ACTIVITY, 2020–21 BIENNIUM

AGENCY	CONTRACTS REPORTED	COMBINED VALUE (IN MILLIONS)
Texas Economic Development and Tourism Office	6	\$7.3
Texas Juvenile Justice Department	13	\$23.0
Texas Commission on Environmental Quality	906	\$454.7
Texas State Soil and Water Conservation Board	156	\$185.7
Texas Water Development Board	70	\$29.3
Public Utility Commission of Texas	12	\$65.4
Office of Public Utility Counsel	4	\$0.2

SOURCE: Legislative Budget Board.

CONTRACTING HIGHLIGHTS

Each summary report highlights the following elements of the agency’s recent contracting activity:

- the method used to award contracts, including the following measures:
 - competitive – awarded through a process that enabled multiple vendors to compete for the contract;
 - sole source – utilized when only a specific vendor can provide the required good or service;
 - emergency – awarded during emergencies without following standard competitive procedures;
 - interagency agreement – used for contracts between two governmental entities; and
 - direct award – utilized when regulations require award to a particular entity; often used for grants;
- category of contracts awarded;
- the agency’s historical contracting activity; and
- the largest contracts currently active.

REPORTING COMPLIANCE REVIEW

LBB staff conducted detailed compliance reviews of the contracts reported by each agency during fiscal years 2020 and 2021. If an agency reported fewer than 50 contracts during that period, LBB staff also reviewed contracts reported since fiscal year 2016. LBB staff assessed each agency’s compliance with the following six key reporting requirements:

- **Reporting Thoroughness** – The Eighty-sixth Legislature, General Appropriations Act (GAA), 2020–21 Biennium, Article IX, Section 7.04(d), required all agencies to report contracts valued at greater than \$50,000 to the LBB contracts database. LBB staff reviewed budgets, strategic plans, and other documents to determine if each agency had reported all applicable contracts;
- **Contract Reporting Deadlines** – The 2020–21 GAA, Article IX, Section 7.04(d), required agencies to report applicable contracts to the LBB contracts database within 30 days of the contract award. LBB staff analyzed each contract to determine whether it was reported within the required timeline;
- **Contract Document Submission** – The Texas Government Code, Section 322.020(b), requires each agency to include related contract documents when reporting the contract to the database. LBB staff analyzed all contracts for proper documentation;
- **Director Certifications** – The 2020–21 GAA, Article IX, Section 7.12(d)(2)(A), required executive directors to certify that certain high-value procurements followed all applicable rules and policies. Agencies were required to include a copy of this signed certification when reporting all contracts of more than \$10.0 million and noncompetitive contracts of more than \$1.0 million. LBB staff identified the contracts requiring this certification and determined which were missing certification letters;
- **Accuracy Review** – Each contract record submitted to the contracts database must be accurate. LBB staff reviewed the details submitted to the database and compared those to the text of the contract documents to ensure that values, dates, and vendor information are correct; and
- **Reporting to the Vendor Performance Tracking System (VPTS)** – The Texas Government Code, Section 2155.089, requires agencies to submit vendor performance reports to the Comptroller of Public Accounts after completing contracts valued at more than \$25,000 with a private vendor. LBB staff identified the applicable contracts and searched the VPTS for the corresponding vendor report.

AGENCY CORRECTIVE ACTION PLAN AND MANAGEMENT RESPONSE

LBB staff contacted agencies with identified reporting deficiencies to verify their findings and request plans for correcting inaccurate information and submitting missing documentation. At this point, agencies could address any deficiencies and outline plans to improve their reporting processes.

LBB staff will continue to monitor each agency's progress and compliance.

TEXAS ECONOMIC DEVELOPMENT AND TOURISM OFFICE

CONTRACTING HIGHLIGHTS

Figure B–2 shows the Texas Economic Development and Tourism Office’s (EDT) contracting highlights for the 2020–21 biennium.

**FIGURE B–2
ECONOMIC DEVELOPMENT AND TOURISM OFFICE CONTRACTING HIGHLIGHTS, 2020–21 BIENNIUM**

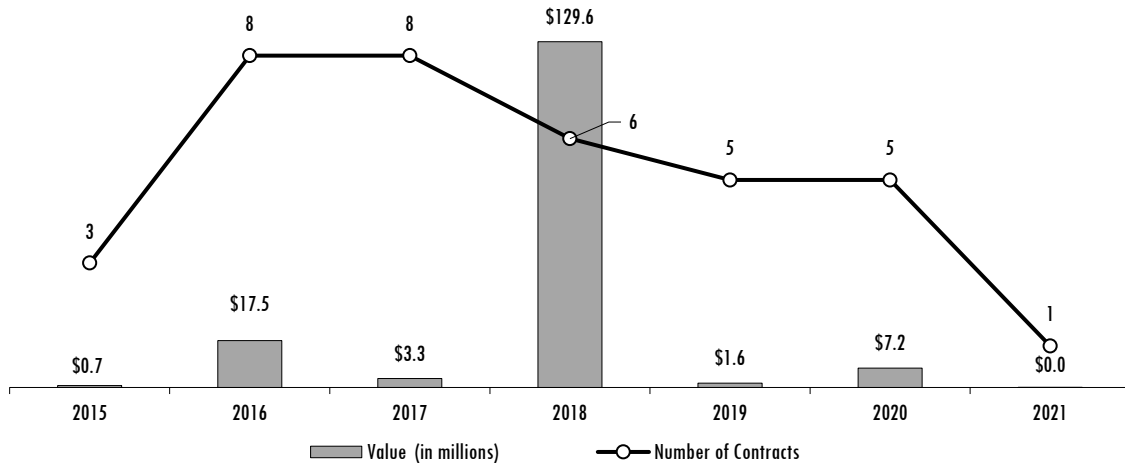
CATEGORY	CONTRACTS REPORTED	VALUE (IN MILLIONS)
Total Contracts Reported	6	\$7.3
Award Method		
Competitive Contracts	6	\$7.3
Procurement Category		
Other Services	6	\$7.3

NOTES: Amounts shown represent the total value of reported contracts awarded during the 2020–21 biennium. Amounts may include planned expenditures for subsequent years and represent the amounts contracted, which may include funds from sources other than appropriations or General Revenue Funds.

SOURCE: Legislative Budget Board.

Figure B–3 shows EDT’s contracts reported from fiscal years 2015 to 2021 and their total values.

**FIGURE B–3
VALUES OF TEXAS ECONOMIC DEVELOPMENT AND TOURISM OFFICE’S REPORTED CONTRACTS, FISCAL YEARS 2015 TO 2022**



NOTE: The increase in contract award amounts for fiscal year 2018 is due to a five-year \$128.0 million contract for comprehensive tourism advertising and marketing services. The previous contract for these services was awarded in fiscal year 2011.

SOURCE: Legislative Budget Board.

As of June 22, 2022, EDT had 10 active contracts valued at \$137.0 million. Figure B–4 shows the agency’s five largest active contracts.

FIGURE B–4
TEXAS ECONOMIC DEVELOPMENT AND TOURISM OFFICE'S FIVE LARGEST ACTIVE CONTRACTS, FISCAL YEAR 2022

CONTRACT	AWARD METHOD	VALUE (IN MILLIONS)	AWARD DATE	LENGTH	VENDOR
Tourism, Advertising, and Marketing Campaign	Competitive	\$128.0	September 8, 2017	5.0 years	Proof Advertising LLC
Tourism, Public Relations, and Marketing for U.S.	Competitive	\$4.8	October 11, 2019	2.9 years	MMGY Global LLC
Tourism, Public Relations, and Marketing for Canada	Competitive	\$1.3	October 7, 2019	2.9 years	Vox International Inc.
Tourism, Public Relations, and Marketing for Mexico	Competitive	\$1.1	November 13, 2019	2.8 years	Ad Nova Comunicación Estratégica
Advertising Effectiveness Research	Competitive	\$0.7	September 18, 2018	5.0 years	Strategic Marketing & Research Insights LLC

SOURCE: Legislative Budget Board.

REPORTING COMPLIANCE REVIEW

LBB staff reviewed all EDT contracts reported from fiscal years 2016 to 2021 and discovered the following:

- **Reporting Thoroughness** – EDT appeared to have reported all applicable contracts;
- **Contract Reporting Deadline** – EDT awarded 33 contracts, of which 22 (66.7 percent) were reported after the 30-day reporting deadline;
- **Contract Document Submission** – EDT included all required contract documents;
- **Director Certifications** – Both of the two EDT contracts that met the threshold for a certification letter (100.0 percent) were missing the letter;
- **Accuracy Review** – Of the 33 EDT contracts, three (9.1 percent) had minor reporting inaccuracies; and
- **VPTS Reports** – Of the 21 contracts that required a vendor performance report, 15 (71.4 percent) lacked the report.

AGENCY CORRECTIVE ACTION PLAN AND MANAGEMENT RESPONSE

The compliance review of EDT's contracts showed deficiencies in reporting timeliness, completing certification letters, reporting accuracy, and submitting vendor performance reports. EDT responded to comply with reporting requirements, and agency leadership expressed commitment to review the agency's processes and improve compliance.

- **Contract Reporting Deadline** – EDT provided the following management response: "The Office of the Governor (OOG) conducted a review with purchasing and contract staff to ensure a firm understanding of the requirements and process of uploading the required contracts to the LBB website. OOG management stressed the importance of uploading these contracts in a timely manner";
- **Director Certifications** – EDT submitted both missing certification letters within 10 days and provided the following management response: "The OOG implemented a process requiring certification letters to be reviewed and uploaded to the LBB by the Senior Purchaser with confirmation forwarded to the Director for review, prior to uploading to the contract file to ensure proper submission";
- **Accuracy** – EDT corrected all reporting inaccuracies and provided the following management response: "The OOG reiterated the importance of attention to detail when entering data"; and

- **VPTS Reports** – EDT submitted all missing vendor performance reports and provided the following management response: “The OOG’s Purchasing Staff continue to work with Program Staff regarding the Vendor Performance Tracking System (VPTS) and the use of the VPTS forms. Purchasing Staff will review contract closeout checklists in detail to ensure that the VPTS forms are included and uploaded.”

TEXAS JUVENILE JUSTICE DEPARTMENT

CONTRACTING HIGHLIGHTS

Figure B-5 shows the Texas Juvenile Justice Department’s (TJJD) contracting highlights for the 2020–21 biennium.

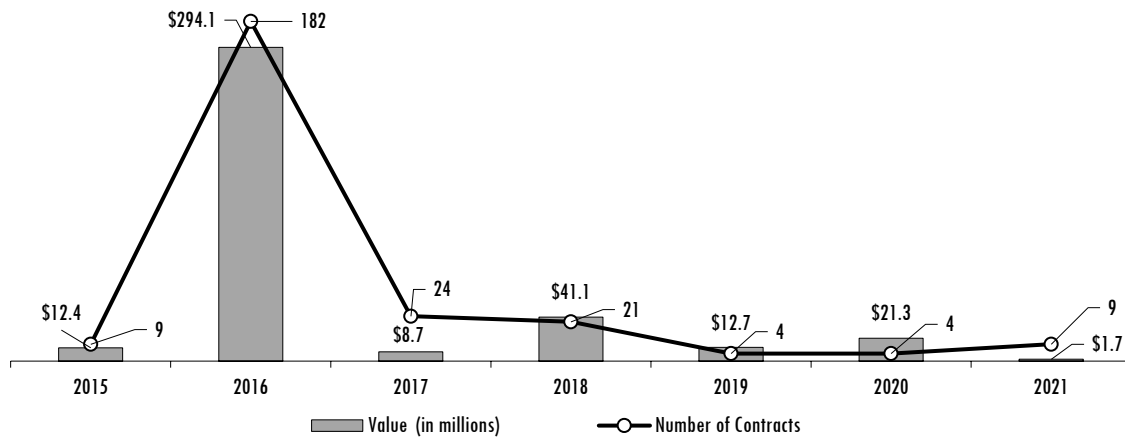
FIGURE B-5
TEXAS JUVENILE JUSTICE DEPARTMENT CONTRACTING HIGHLIGHTS, 2020–21 BIENNIUM

CATEGORY	CONTRACTS REPORTED	VALUE (IN MILLIONS)
Total Contracts Reported	13	\$23.0
Award Method		
Total Competitive Contracts	10	\$1.8
Total Noncompetitive Contracts	3	\$21.1
Interagency Agreement	3	\$21.1
Procurement Category		
Other Services	5	\$21.4
Information Technology	2	\$1.0
Lease/Rental	1	\$0.5
Construction	2	\$0.1
Consulting	3	\$0.1

NOTES: Amounts shown represent the total value of reported contracts awarded during the 2020–21 biennium. Amounts may include planned expenditures for subsequent years and represent the amounts contracted, which may include funds from sources other than appropriations or General Revenue Funds. Totals may not sum due to rounding.
SOURCE: Legislative Budget Board.

Figure B-6 shows TJJD’s contracts reported from fiscal years 2015 to 2021 and their total values.

FIGURE B-6
VALUES OF TEXAS JUVENILE JUSTICE DEPARTMENT’S REPORTED CONTRACTS, FISCAL YEARS 2015 TO 2021



NOTE: The increase in the number and amounts of contracts reported during fiscal year 2016 is due to 163 grants that were issued to county juvenile boards. More information about these grants is provided in the Reporting Compliance Review section, Reporting Thoroughness.

SOURCE: Legislative Budget Board.

As of June 22, 2022, TJJD had 24 active contracts valued at \$71.0 million. **Figure B–7** shows the agency’s largest active contracts.

FIGURE B–7
TEXAS JUVENILE JUSTICE DEPARTMENT'S FIVE LARGEST ACTIVE CONTRACTS, FISCAL YEAR 2022

CONTRACT	AWARD METHOD	VALUE (IN MILLIONS)	AWARD DATE	LENGTH	VENDOR
Medical Services for Youth	Interagency	\$20.8	September 1, 2021	2.0 years	University of Texas Medical Branch at Galveston
Secure Residential Services for Youth	Competitive	\$20.0	December 8, 2021	2.0 years	Rite of Passage Inc.
Data Center Services	Interagency	\$8.8	September 10, 2018	4.0 years	Texas Department of Information Resources
Body Camera Agreement	Competitive	\$7.7	June 8, 2018	6.0 years	Axon Enterprise Inc.
Lease – Schaeffer House	Competitive	\$3.2	January 14, 2003	20.0 years	BKI Investments LP

SOURCE: Legislative Budget Board.

REPORTING COMPLIANCE REVIEW

LBB staff reviewed all TJJD contracts reported from fiscal years 2016 to 2021 and discovered the following::

- **Reporting Thoroughness** – During the compliance review, LBB staff found evidence indicating that TJJD had awarded additional contracts, including some for residential services and grants to county juvenile boards, that met reporting thresholds but were not reported;
- **Contract Reporting Deadline** – TJJD awarded 233 contracts, of which 221 (94.8 percent) were reported after the 30-day reporting deadline;
- **Contract Document Submission** – For the contracts that were reported, TJJD included all required contract documents;
- **Director Certifications** – Of the 64 TJJD contracts meeting the certification threshold, 63 (98.4 percent) lacked certification letters;
- **Accuracy Review** – LBB staff reviewed a sample of 100 contracts for accuracy and found that nine contracts (9.0 percent) had inaccuracies in reporting; and
- **VPTS Reports** – Of the 18 contracts that required a vendor performance report, 16 (88.9 percent) lacked the report.

AGENCY CORRECTIVE ACTION PLAN AND MANAGEMENT RESPONSE

The compliance review of TJJJ's contracts showed notable deficiencies in reporting thoroughness, timeliness, completing certification letters, reporting accuracy, and submitting vendor performance reports. TJJJ took the following actions to correct deficiencies:

- **Reporting Thoroughness:**
 - Regarding unreported contracts, TJJJ reported an additional 14 contracts worth a combined \$69.9 million. However, evidence indicates that TJJJ has not reported all applicable contracts. TJJJ's website lists seven private vendors that provide residential services. Of those seven vendors, only one has an active reported contract with TJJJ; and
 - LBB staff asked the agency specifically about grants to county juvenile justice boards. The agency reported 163 of these grants worth a combined \$283.7 million for the 2016–17 biennium, but none were reported for any other biennium. TJJJ responded that the grants are not reportable based on its interpretation of the reportable contract definition in the GAA, Article IX, Section 7.04. LBB staff disagreed with that interpretation and responded that the provision specifically mentions a "grant ... interagency or interlocal grant or agreement" as a reportable contract. TJJJ has not responded to LBB's interpretation of the provision and has not reported any additional grants. LBB staff will continue monitoring TJJJ staff reporting to ensure that the agency meets its reporting requirements;
- **Contract Reporting Deadline** – TJJJ provided the following management response: "The contracts department will strive to complete this requirement, once a contract is executed, within the required timelines";
- **Director Certifications** – TJJJ submitted all identified missing certification letters;
- **Accuracy** – TJJJ corrected the identified inaccurate information; and
- **VPTS Reports** – TJJJ responded that agency staff would complete missing vendor performance reports. As of August 30, 2022, the agency has submitted none of the identified missing vendor performance reports. LBB staff will monitor TJJJ's progress in submitting these reports.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

CONTRACTING HIGHLIGHTS

Figure B–8 shows the Texas Commission on Environmental Quality’s (TCEQ) contracting highlights for the 2020–21 biennium.

FIGURE B–8
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY CONTRACTING HIGHLIGHTS, 2020–21 BIENNIUM

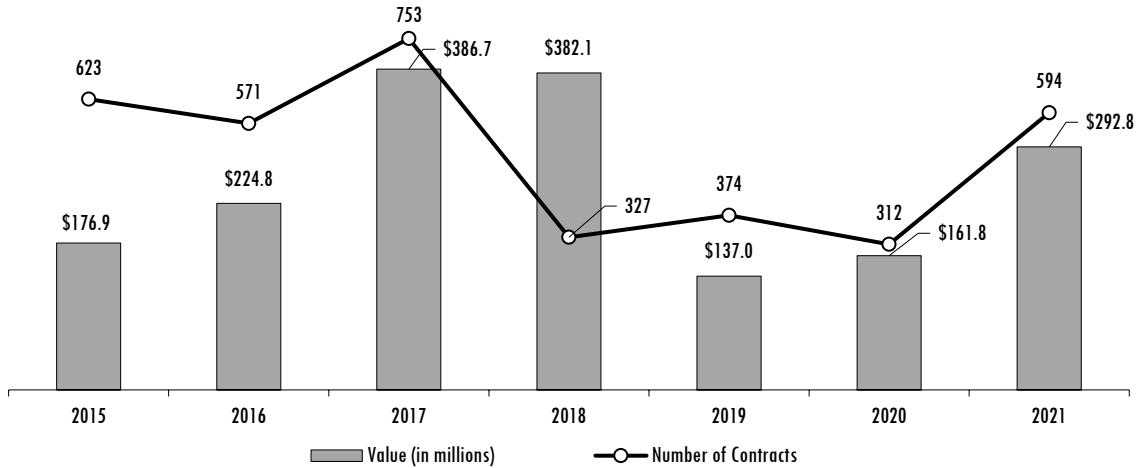
CATEGORY	CONTRACTS REPORTED	VALUE (IN MILLIONS)
Total Contracts Reported	906	\$454.7
Expenditure Contracts	902	\$441.8
Revenue-generating Contracts	4	\$12.9
Award Method		
Total Competitive Contracts	716	\$315.8
Total Noncompetitive Contracts	190	\$138.8
Interagency Agreement	175	\$137.1
Sole Source	13	\$1.6
Direct Award	2	\$0.2
Procurement Category		
Other Services	756	\$345.8
Goods	62	\$47.9
Professional Services	12	\$29.5
Information Technology	43	\$16.2
Consulting	29	\$14.0
Lease/Rental	3	\$0.6
Construction	1	\$0.6

NOTES: Amounts shown represent the total value of reported contracts awarded during the 2020–21 biennium. Amounts may include planned expenditures for subsequent years and represent the amounts contracted, which may include funds from sources other than appropriations or General Revenue Funds. Totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

Figure B–9 shows TCEQ’s contracts reported from fiscal years 2015 to 2021 and their total values.

FIGURE B–9
VALUES OF TEXAS COMMISSION ON ENVIRONMENTAL QUALITY’S REPORTED CONTRACTS, FISCAL YEARS 2015 TO 2021



SOURCE: Legislative Budget Board.

As of June 22, 2022, TCEQ had 2,938 active contracts valued at \$1,226.3 million. **Figure B–10** shows the agency’s five largest active contracts.

FIGURE B–10
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY’S FIVE LARGEST ACTIVE CONTRACTS, FISCAL YEAR 2022

CONTRACT	AWARD METHOD	VALUE (IN MILLIONS)	AWARD DATE	LENGTH	VENDOR
Texas Department of Information Resources (DIR) Shared Services	Interagency	\$85.8	July 2, 2018	5.2 years	DIR
Lease for Building F, Texas Commission on Environmental Quality Headquarters	Competitive	\$55.4	November 2, 1992	35.0 years	The Colonnade Office Center
Outside Counsel	Interagency	\$31.3	October 1, 2012	11.5 years	Somach Simmons & Dunn
Petroleum Storage Tank Engineering Services	Competitive	\$18.0	April 28, 2021	4.0 years	Wood Environment & Infrastructure Solutions Inc.
Drinking Water Compliance Sampling Services	Competitive	\$18.0	August 8, 2018	4.1 years	Antea Group

SOURCE: Legislative Budget Board.

REPORTING COMPLIANCE REVIEW

LBB staff reviewed all TCEQ contracts reported during fiscal years 2020 and 2021 and discovered the following:

- **Reporting Thoroughness** – TCEQ appeared to have reported all applicable contracts;
- **Contract Reporting Deadline** – TCEQ awarded 906 contracts, of which 70 (7.7 percent) were reported after the 30-day reporting deadline;
- **Contract Documents Submission** – One of the contracts (0.1 percent) lacked required associated contract documents;

- **Director Certifications** – TCEQ awarded seven contracts that lacked the required director certification letters;
- **Accuracy Review** – LBB staff reviewed the 100 largest TCEQ contract records for accuracy and found 11 with inaccurate contract values and two with incorrect award methods; and
- **VPTS Reports** – Of the 75 contracts that required a vendor performance report, 50 (66.7 percent) lacked the report.

AGENCY CORRECTIVE ACTION PLAN AND MANAGEMENT RESPONSE

The compliance review of TCEQ's contracts showed deficiencies in reporting timeliness, completing certification letters, and submitting vendor performance reports. TCEQ responded by providing this management response: "TCEQ is updating its processing checklists and has assigned additional personnel to perform quality control in general, all focused on improving the timeliness, completeness, and accuracy of its required submissions to the Legislative Budget Board (LBB) and the Comptroller, as well as ensuring that supporting documentation is maintained within our contracts-related files." Additionally, TCEQ corrected the following deficiencies:

- **Contract Reporting Deadline** – TCEQ committed to updating its processes to improve reporting timeliness;
- **Contract Documents** – TCEQ submitted the missing contract document to the database;
- **Director Certifications** – TCEQ submitted all seven missing certification letters;
- **Accuracy** – TCEQ corrected all 13 contracts with incorrect values and award methods. As 13.0 percent of the 100 largest contract records contained inaccuracies, LBB staff asked TCEQ to review the remaining contracts for accuracy. TCEQ anticipates completing the review by September 30, 2022. LBB staff will monitor the agency's progress; and
- **VPTS Reports** – TCEQ submitted all 50 of the missing vendor performance reports.

TEXAS STATE SOIL AND WATER CONSERVATION BOARD

CONTRACTING HIGHLIGHTS

Figure B–11 shows the Texas State Soil and Water Conservation Board’s (TSSWCB) contracting highlights for the 2020–21 biennium.

FIGURE B–11
TEXAS STATE SOIL AND WATER CONSERVATION BOARD CONTRACTING HIGHLIGHTS, 2020–21 BIENNIUM

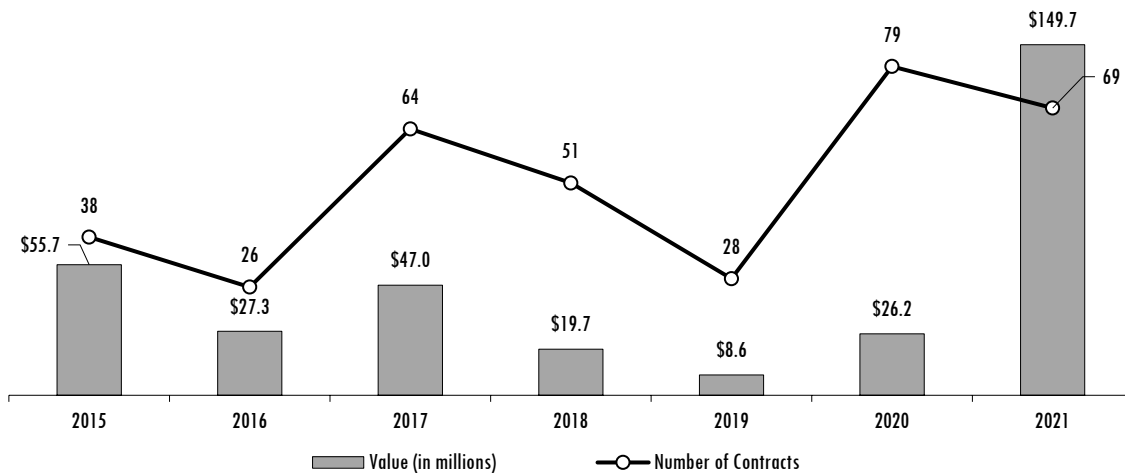
CATEGORY	CONTRACTS REPORTED	VALUE (IN MILLIONS)
Total Contracts Reported	156	\$185.7
Award Method		
Total Competitive Contracts	17	\$15.5
Total Noncompetitive Contracts	139	\$170.2
Interagency Agreement	64	\$146.0
Sole Source	75	\$24.2
Procurement Category		
Other Services	117	\$146.7
Professional Services	37	\$37.2
Information Technology	1	\$1.8
Lease/Rental	1	\$0.1

NOTES: Amounts shown represent the total value of reported contracts awarded during the 2020–21 biennium. Amounts may include planned expenditures for subsequent years and represent the amounts contracted, which may include funds from sources other than appropriations or General Revenue Funds. Totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

Figure B–12 shows TSSWCB’s contracts reported from fiscal years 2015 to 2021 and their total values.

FIGURE B–12
VALUES OF TEXAS STATE SOIL AND WATER CONSERVATION BOARD’S REPORTED CONTRACTS, FISCAL YEARS 2015 TO 2021



NOTE: Senate Bill 500, Eighty-sixth Legislature, 2019, appropriated \$150.0 million in Other Funds from the Economic Stabilization Fund for flood-control dams, contributing to an increase in fiscal year 2021.

SOURCE: Legislative Budget Board.

As of June 22, 2022, TSSWCB had 118 active contracts valued at \$170.5 million. **Figure B–13** shows the agency’s five largest active contracts.

FIGURE B–13
TEXAS STATE SOIL AND WATER CONSERVATION BOARD’S FIVE LARGEST ACTIVE CONTRACTS, FISCAL YEAR 2022

CONTRACT	AWARD METHOD	VALUE (IN MILLIONS)	AWARD DATE	LENGTH	VENDOR
Flood Control Structure Repairs, State	Interagency	\$10.2	April 19, 2021	4.0 years	Wise County Water Control and Improvement District
Flood Control Structural Repair, Cibolo Creek	Interagency	\$8.9	May 6, 2021	3.2 years	Kendall County
Flood Control Structural Repair, Chambers	Interagency	\$8.9	April 29, 2021	3.2 years	Ellis-Prairie Soil and Water Conservation District
Plum Creek Watershed Rehabilitation	Interagency	\$8.3	January 29, 2021	1.9 years	U.S. Department of Agriculture Natural Resources Conservation Service
Watershed Rehabilitation, Chambers	Interagency	\$7.7	May 6, 2021	2.7 years	Ellis-Prairie Soil and Water Conservation District

SOURCE: Legislative Budget Board.

REPORTING COMPLIANCE REVIEW

LBB staff reviewed all TSSWCB contracts reported during fiscal years 2020 and 2021 and discovered the following:

- **Reporting Thoroughness** – TSSWCB appeared to have reported all applicable contracts;
- **Contract Reporting Deadline** – TSSWCB awarded 156 contracts, of which 134 (85.9 percent) were reported after the 30-day reporting deadline;
- **Contract Document Submission** – TSSWCB included all required contract documents;
- **Director Certifications** – All 36 of TSSWCB’s contracts that met the threshold for a director certification letter lacked the required letter;
- **Accuracy Review** – Five (3.2 percent) of TSSWCB’s contracts listed an inaccurate contract award method; and
- **VPTS Reports** – All 15 contracts that required a vendor certification report lacked the report.

AGENCY CORRECTIVE ACTION PLAN AND MANAGEMENT RESPONSE

The compliance review of TSSWCB’s contracts showed deficiencies in reporting timeliness, completing certification letters, accuracy, and submitting vendor performance reports. TSSWCB responded to comply with reporting requirements, and agency leadership expressed commitment to reviewing the agency’s processes and improving compliance through the following actions:

- **Contract Reporting Deadline** – TSSWCB provided the following management response: “The TSSWCB has reviewed our internal contracting reporting processes and will be committing additional personnel to the process to ensure future reporting is timely and includes required documentation”;
- **Director Certifications** – TSSWCB submitted all 36 missing certification letters within 10 days;
- **Accuracy** – TSSWCB corrected all five contracts that had listed the incorrect award method; and
- **VPTS Reports** – As of August 30, 2022, TSSWCB has submitted 14 of the 15 missing vendor performance reports.

TEXAS WATER DEVELOPMENT BOARD

CONTRACTING HIGHLIGHTS

Figure B–14 shows the Texas Water Development Board’s (TWDB) contracting highlights for the 2020–21 biennium.

FIGURE B–14
TEXAS WATER DEVELOPMENT BOARD CONTRACTING HIGHLIGHTS, 2020–21 BIENNIUM

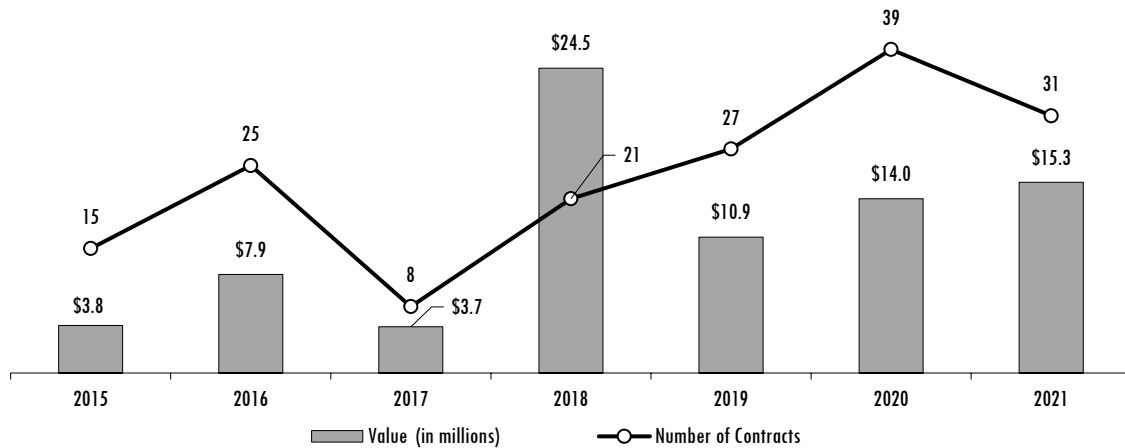
CATEGORY	CONTRACTS REPORTED	VALUE (IN MILLIONS)
Total Contracts Reported	70	\$29.3
Award Method		
Total Competitive Contracts	35	\$21.0
Total Noncompetitive Contracts	35	\$8.4
Interagency Agreement	33	\$8.0
Sole Source	2	\$0.4
Procurement Category		
Other Services	41	\$16.5
Professional Services	17	\$10.6
Consulting	6	\$1.1
Information Technology	5	\$1.0
Goods	1	\$0.2

NOTES: Amounts shown represent the total value of reported contracts awarded during the 2020–21 biennium. Amounts may include planned expenditures for subsequent years and represent the amounts contracted, which may include funds from sources other than appropriations or General Revenue Funds. Totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

Figure B–15 shows TWDB’s contracts reported from fiscal years 2015 to 2021 and their total values.

FIGURE B–15
VALUES OF TEXAS WATER DEVELOPMENT BOARD’S REPORTED CONTRACTS, FISCAL YEARS 2015 TO 2021



NOTE: Beginning in fiscal year 2018, the Texas Water Development Board received additional federal funding for flood mitigation assistance, which resulted in an increase in the number and total value of contracts awarded to help the state reduce the long-term risk of flood damage.
SOURCE: Legislative Budget Board.

As of June 22, 2022, TWDB had 52 active contracts valued at \$46.4 million. **Figure B–16** shows the agency’s five largest active contracts.

FIGURE B–16
TEXAS WATER DEVELOPMENT BOARD’S FIVE LARGEST ACTIVE CONTRACTS, FISCAL YEAR 2022

CONTRACT	AWARD METHOD	VALUE (IN MILLIONS)	AWARD DATE	LENGTH	VENDOR
Data Center Services	Interagency	\$17.9	May 1, 2012	11.0 years	Texas Department of Information Resources
Statewide Flood Modeling and Mapping Services	Competitive	\$2.5	August 31, 2021	3.0 years	Adkins North America Inc.
Mitigation Flood Prone Structure	Interagency	\$2.3	October 1, 2018	3.0 years	City of Friendswood
Statewide Flood Modeling and Mapping Services	Competitive	\$2.1	August 31, 2021	3.0 years	Stantec Consulting Services Inc.
Financial Advisor	Competitive	\$2.0	April 2, 2021	1.0 years	Hilltop Securities

SOURCE: Legislative Budget Board.

REPORTING COMPLIANCE REVIEW

LBB staff reviewed all TWDB contracts reported during fiscal years 2020 and 2021 and discovered the following:

- **Reporting Thoroughness** – TWDB appeared to have reported all applicable contracts;
- **Contract Reporting Deadline** – TWDB awarded 70 contracts, of which 44 (62.9 percent) were reported after the 30-day reporting deadline;
- **Contract Document Submission** – TWDB included all required contract documents;
- **Director Certifications** – TWDB awarded one contract that lacked the required director certification letter;
- **Accuracy Review** – TWDB did not report amendments to the LBB database for two renewed contracts; and
- **VPTS Reports** – All five contracts that required a vendor performance report lacked the report.

AGENCY CORRECTIVE ACTION PLAN AND MANAGEMENT RESPONSE

The compliance review of TWDB’s contracts showed deficiencies in reporting timeliness, completing certification letters, reporting accuracy, and submitting vendor performance reports. TWDB responded to comply with reporting requirements, and agency leadership expressed commitment to review the agency’s processes and improve compliance.

- **Contract Reporting Deadline** – TWDB provided the following management response: “[TWDB] has had significant turnover in the purchasing and contracting area and is working with team members to develop a good understanding of the reporting requirements.” TWDB anticipates staffing shortages, and the agency expects reporting delays to be alleviated with the implementation of the state Centralized Accounting and Payroll/Personnel System (CAPPS) financials module beginning September 1, 2022. LBB staff will monitor TWDB’s progress;
- **Director Certifications** – TWDB submitted the missing director certification letter within 10 days;
- **Accuracy** – TWDB corrected the two contracts that had missing amendments; and
- **VPTS Reports** – TWDB submitted all five of the missing vendor performance reports.

PUBLIC UTILITY COMMISSION OF TEXAS

CONTRACTING HIGHLIGHTS

Figure B–17 shows the Public Utility Commission’s (PUC) contracting highlights for the 2020–21 biennium.

FIGURE B–17
PUBLIC UTILITY COMMISSION CONTRACTING HIGHLIGHTS, 2020–21 BIENNIUM

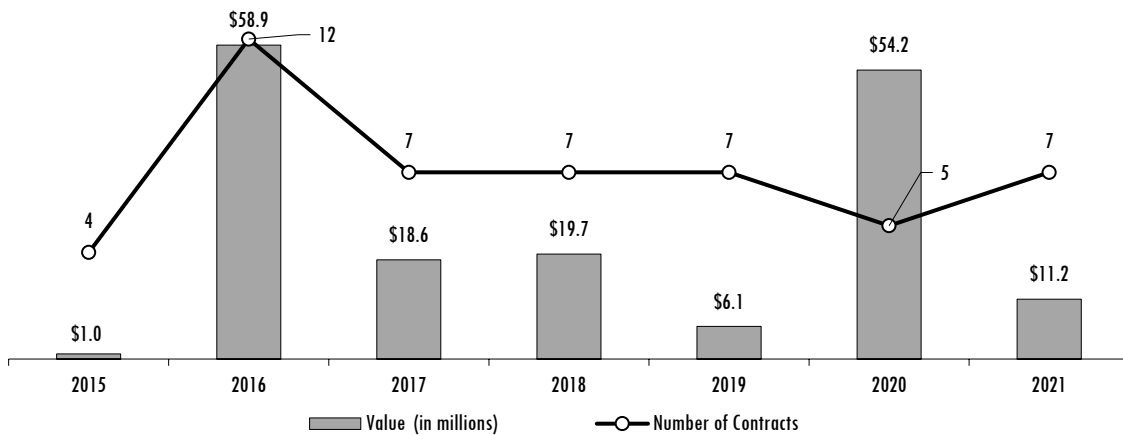
CATEGORY	CONTRACTS REPORTED	VALUE (IN MILLIONS)
Total Contracts Reported	12	\$65.4
Award Method		
Total Competitive Contracts	10	\$65.2
Total Noncompetitive Contracts	2	\$0.2
Emergency	1	\$0.1
Interagency Agreement	1	\$0.1
Procurement Category		
Information Technology	2	\$33.0
Consulting	7	\$31.8
Other Services	2	\$0.4
Lease/Rental	1	\$0.1

NOTES: Amounts shown represent the total value of reported contracts awarded during the 2020–21 biennium. Amounts may include planned expenditures for subsequent years and represent the amounts contracted, which may include funds from sources other than appropriations or General Revenue Funds. Totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

Figure B–18 shows PUC’s contracts reported from fiscal years 2015 to 2021 and their total values.

FIGURE B–18
VALUES OF PUBLIC UTILITY COMMISSION’S REPORTED CONTRACTS, FISCAL YEARS 2015 TO 2021



NOTE: The increases in the value of contracts reported during fiscal years 2016 and 2020 are due to two contracts: one for a Low-Income Discount Administrator and one for a Reliability Market Monitor for the Electric Reliability Council of Texas. These contracts, which are among the Public Utility Commission's largest contracts by value, were re-awarded during those years.
SOURCE: Legislative Budget Board.

As of June 22, 2022, PUC had 22 active contracts valued at \$90.5 million. **Figure B–19** shows the agency's five largest active contracts.

FIGURE B–19
PUBLIC UTILITY COMMISSION'S FIVE LARGEST ACTIVE CONTRACTS, FISCAL YEAR 2022

CONTRACT	AWARD METHOD	VALUE (IN MILLIONS)	AWARD DATE	LENGTH	VENDOR
Low-income Discount Administrator	Competitive	\$29.8	December 31, 2019	4.0 years	Solix Inc.
Outside Counsel to Represent PUC in Federal Proceedings	Competitive	\$18.0	February 2, 2018	4.9 years	Jennings, Strouss & Salmon PLC
Independent Market Monitor for the Electric Reliability Council of Texas (ERCOT) Region	Competitive	\$16.5	December 31, 2019	4.0 years	Potomac Economics Ltd.
Evaluation, Measurement, and Verification Program	Competitive	\$7.2	November 12, 2020	4.1 years	Tetra Tech Inc.
Reliability Market Monitor for the ERCOT Region	Competitive	\$5.4	December 31, 2019	4.0 years	Texas Reliability Entity Inc.

SOURCE: Legislative Budget Board.

REPORTING COMPLIANCE REVIEW

LBB staff reviewed all PUC contracts reported from fiscal years 2016 to 2021 and discovered the following:

- **Reporting Thoroughness** – PUC appeared to have reported all applicable contracts;
- **Contract Reporting Deadline** – PUC awarded 45 contracts, of which 24 (53.3 percent) were reported after the 30-day reporting deadline;
- **Contract Document Submission** – PUC included all required contract documents;
- **Director Certifications** – PUC included director certifications for all five of the contracts that required one;
- **Accuracy Review** – Two of PUC's 45 contracts (4.4 percent) had reporting inaccuracies; and
- **VPTS Reports** – Of the 23 contracts that required a vendor performance report, 10 (43.5 percent) were missing the report.

AGENCY CORRECTIVE ACTION PLAN AND MANAGEMENT RESPONSE

The compliance review of PUC's contracts showed deficiencies in reporting timeliness, reporting accuracy, and submitting vendor performance reports. PUC responded to comply with reporting requirements, and agency leadership expressed commitment to review the agency's processes and improve compliance.

- **Contract Reporting Deadline** – PUC provided the following management response: "The contracts section has updated their procedures to ensure that all required contracts the Commission enters into will be reported within 30 days to the LBB database. Fourteen of the 24 contracts identified were awarded in 2015 or 2016 and were input into the LBB contract system when it was discovered that previous staff had not entered them into the contract system";

- **Accuracy** – PUC corrected the inaccurate information for both contracts within five days; and
- **VPTS Reports** – PUC submitted all 10 missing vendor performance reports within 10 days and provided the following management response: “We are submitting VPTS reports for all contracts semiannually [in addition to] at the end of the contract. Additionally, the Commission will ensure if a contract is completed but the contract completion date [in the LBB database] is still in the future, we will complete an early termination with the contractor and update the LBB database.”

OFFICE OF PUBLIC UTILITY COUNSEL

CONTRACTING HIGHLIGHTS

Figure B–20 shows the Office of Public Utility Counsel’s (OPUC) contracting highlights for the 2020–21 biennium.

FIGURE B–20
OFFICE OF PUBLIC UTILITY COUNSEL CONTRACTING HIGHLIGHTS, 2020–21 BIENNIUM

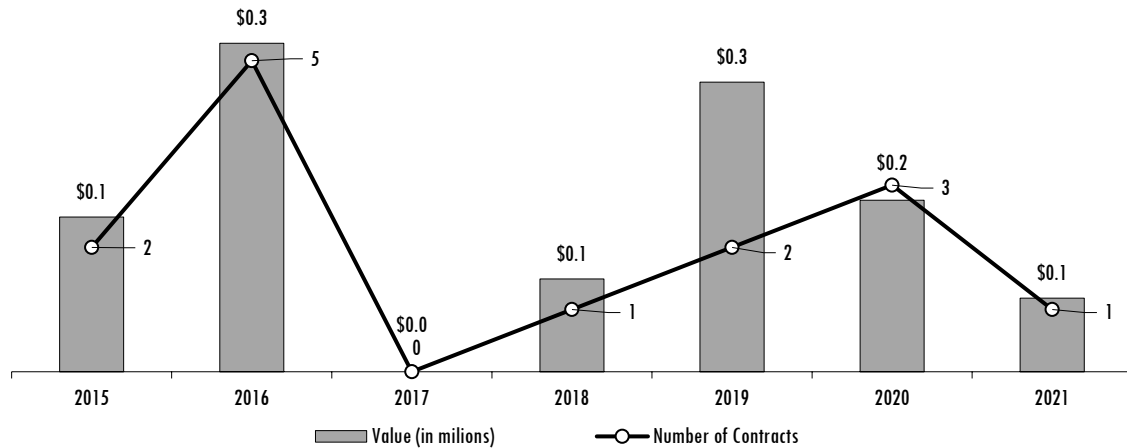
CATEGORY	CONTRACTS REPORTED	VALUE (IN MILLIONS)
Total Contracts Reported	4	\$0.2
Award Method		
Sole Source	4	\$0.2
Procurement Category		
Other Services	4	\$0.2

NOTES: Amounts shown represent the total value of reported contracts awarded during the 2020–21 biennium. Amounts may include planned expenditures for subsequent years and represent the amounts contracted, which may include funds from sources other than appropriations or General Revenue Funds.

SOURCE: Legislative Budget Board.

Figure B–21 shows OPUC’s contracts reported from fiscal years 2015 to 2021 and their total values.

FIGURE B–21
VALUES OF OFFICE OF PUBLIC UTILITY COUNSEL’S REPORTED CONTRACTS, FISCAL YEARS 2015 TO 2022



SOURCE: Legislative Budget Board.

As of June 22, 2022, OPUC had two active contracts with a total value of \$0.3 million. **Figure B–22** shows the agency’s largest active contracts.

FIGURE B–22
OFFICE OF PUBLIC UTILITY COUNSEL’S LARGEST ACTIVE CONTRACTS, FISCAL YEAR 2022

CONTRACT	AWARD METHOD	VALUE (IN MILLIONS)	AWARD DATE	LENGTH	VENDOR
End-user Information Technology Outsourcing	Competitive	\$0.2	April 29, 2019	4.3 years	KST Data Inc.
Copier Lease Agreement	Competitive	\$0.1	January 24, 2018	5.1 years	Ricoh USA Inc.

SOURCE: Legislative Budget Board.

REPORTING COMPLIANCE REVIEW

LBB staff reviewed all OPUC contracts reported from fiscal years 2016 to 2021 and discovered the following:

- **Reporting Thoroughness** – OPUC appeared to have reported all applicable contracts;
- **Contract Reporting Deadline** – OPUC awarded 12 contracts, of which eight (66.6 percent) were reported after the 30-day reporting deadline;
- **Contract Document Submission** – OPUC included all required contract documents;
- **Director Certifications** – None of OPUC’s contracts met the threshold requiring certification letters;
- **Accuracy Review** – All 12 contracts were reported accurately; and
- **VPTS Reports** – None of the 12 contracts required a vendor report.

AGENCY CORRECTIVE ACTION PLAN AND MANAGEMENT RESPONSE

The compliance review of OPUC’s contracts showed deficiencies in reporting timeliness.

- **Contract Reporting Deadline** – OPUC provided the following management response: “OPUC’s current Director of Administration was named contract manager in February 2019. Since February 2019, contracts have been reported in a timely manner. OPUC will continue to report contracts to LBB in a timely manner.” LBB staff confirmed that all contracts since February 2019 have been reported on time.