ARTICLE VI

NATURAL RESOURCES

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated natural resources agencies.

DEPARTMENT OF AGRICULTURE

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: MARKETS & PUBLIC HEALTH		
To enable Texas farmers, ranchers and agribusinesses to expand profitable markets for their agricultural products while protecting public health and our natural resources.		
Outcome (Results/Impact):		
Percent Increase from the 1996 Level in the Number of Marketing Opportunities for Texas Farmers, Ranchers and Agribusinesses	89%	92%
Percent Reduction from the 1994 Level in the Number of Pesticide-related Violations	3%	7%
Percent of Communities Assisted by TDED and TDA	85%	85%
A.1.1. Strategy: GENERATE MARKETS	$ 12,704,421	$ 7,619,000
Generate marketing opportunities for Texas farmers, ranchers and agribusinesses.		
Output (Volume):		
Number of Acres Inspected for Seed Certification	190,000	190,000
Number of Rural Communities Assisted by TDED and TDA	680	680
Rural Development Activities and Events Held by TDA and TDED	120	120
Businesses Developed as Expansion and Recruitment Prospects in Rural Texas	1,300	1,300
A.1.2. Strategy: REGULATE PESTICIDE USE	$ 6,910,909	$ 5,839,380
Regulate pesticide use through registration, certification, education and enforcement.		
Output (Volume):		
Number of Pesticide Complaint Investigations Conducted	225	225
A.1.3. Strategy: INTEGRATED PEST MANAGEMENT	$ 27,248,623	$ 26,914,473
Assist farmers with integrated pest management practices to reduce pesticide use.		
Output (Volume):		
Hours Spent Informing Producers and Surveying Cotton for Compliance with Cotton Stalk Destruction Deadlines	12,500	12,500
Number of Inspections to Verify Compliance for Organic or Other Crop Production Certification Programs	1,307	1,320
A.1.4. Strategy: CERTIFY PRODUCE	$ 265,915	$ 254,014
Certify fruits, vegetables, peanuts and nuts to enhance their marketability.		
Output (Volume):		
Number of Pounds of Fruits, Vegetables, Peanuts and Nuts Inspected (in Billions)	3.1	3.2
A.1.5. Strategy: WEATHER MODIFICATION	$ 2,483,574	$ 2,483,574
Enhance agricultural production by administering a weather modification and control grant program to allow eligible participants to change or control or attempt to change or control, by artificial methods, the natural development of atmospheric cloud forms		

or precipitation forms which occur in the troposphere.		
Total, Goal A: MARKETS & PUBLIC HEALTH	$ 49,613,442	$ 43,110,441
B. Goal: ENFORCE STANDARDS		
To protect consumers by establishing and enforcing standards for agricultural commodities.		
Outcome (Results/Impact):		
Percent of Seed Samples Found to Be in Full Compliance with State and Federal Standards	97%	97%
B.1.1. Strategy: NURSERY/FLORAL REGULATION	$ 2,303,122	$ 2,095,910
Inspect and register nursery and floral production and retail outlets.		
Output (Volume):		
Number of Nursery and Floral Establishment Inspections Conducted	11,500	11,500
B.1.2. Strategy: VERIFY SEED QUALITY	$ 2,184,843	$ 1,849,382
Verify that farmers, ranchers and home gardeners receive the quality and type of seeds desired.		
Output (Volume):		
Number of Seed Samples Analyzed	20,500	20,500
B.1.3. Strategy: AGRICULTURAL COMMODITY REGULATION	$ 1,668,061	$ 1,420,225
Regulate agricultural commodities through verification, licensing, inspection and enforcement of state standards for eggs, grain warehouses, perishables and other agricultural commodities.		
Output (Volume):		
Number of Egg Producer, Dealer, Wholesaler, and Retailer Inspections Conducted	3,500	3,500
Number of Grain Warehouse Inspections, Re-inspections and Audits Conducted	650	650
Total, Goal B: ENFORCE STANDARDS	$ 6,156,026	$ 5,365,517
C. Goal: ENSURE PROPER MEASUREMENT		
To increase the likelihood that goods offered for sale to Texas consumers are properly measured, priced and marketed.		
Outcome (Results/Impact):		
Percent of Total Weights and Measures Inspections Conducted That Are Found to Be in Full Compliance with State and Federal Standards	96%	96%
C.1.1. Strategy: INSPECT MEASURING DEVICES	$ 3,979,188	$ 3,513,258
Inspect weighing and measuring devices and remove inaccurately measured, priced or marketed goods from sale.		
Output (Volume):		
Number of Weights and Measures Inspections Conducted	123,000	123,000
D. Goal: FAIR PARK STRUCTURE RESTORATION		
Oversee structural building improvements within the Agrarian District at Fair Park.		
D.1.1. Strategy: FAIR PARK STRUCTURE RESTORATION	$ 2,474,600	$ 0
Prioritize, monitor, and manage the use of appropriated funds for structural building improvements within the Agrarian District at Fair Park.		
Grand Total, DEPARTMENT OF AGRICULTURE	$ 62,223,256	$ 51,989,216

DEPARTMENT OF AGRICULTURE
(Continued)

Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 55,419,778	$ 49,184,499
Earned Federal Funds	382,363	382,363
Subtotal, General Revenue Fund	$ 55,802,141	$ 49,566,862
General Revenue Fund - Dedicated		
GR Dedicated - Young Farmer Loan Guarantee Account No. 5002	100,000	100,000
GR Dedicated - GO TEXAN Partner Program Account No. 5051	2,060,000	60,000
Subtotal, General Revenue Fund - Dedicated	$ 2,160,000	$ 160,000
Federal Funds	1,477,394	1,477,394
Other Funds		
Farm and Ranch Finance Program Fund Account No. 575	76,632	76,991
Appropriated Receipts	2,148,000	148,000
Texas Agricultural Fund No. 683	250,089	249,969
Interagency Contracts	309,000	310,000
Subtotal, Other Funds	$ 2,783,721	$ 784,960
Total, Method of Financing	$ 62,223,256	$ 51,989,216
Number of Full-Time-Equivalent Positions (FTE):	506.5	506.5
Number of FTEs in Riders:	1.0	1.0
Schedule of Exempt Positions:		
Commissioner of Agriculture, Group 4	$92,217	$92,217
Supplemental Appropriations Made in Riders:	$ 2,667,950	$ 825,000

1. **Capital Budget.** Funds appropriated above may be expended for capital budget items as listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	2002	2003
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Computer equipment and software	$ 165,000	$ 165,000
(2) Information Systems Development	3,500,000	UB
Total, Acquisition of Information Resource Technologies	$ 3,665,000	$ 165,000 & UB
b. Transportation Items		
(1) Fleet Vehicles	350,000	350,000
Total, Transportation Items	$ 350,000	$ 350,000

c. Acquisition of Capital Equipment and Items		
(1) Octane Analyzers	40,000	40,000
Total, Acquisition of Capital Equipment and Items	$ 40,000	$ 40,000
Total, Capital Budget	$ 4,055,000	$ 555,000

2. **Appropriation of Receipts: Yardage Fees.** Fifty percent of the total amount of yardage fee revenue collected by the Texas Department of Agriculture in each fiscal year pursuant to the Agriculture Code, § 146.021, is hereby appropriated to the department for fiscal years 2002 and 2003, for the purpose of paying livestock export facility lease and maintenance expenses. The remaining 50 percent of the total yardage fee revenue collected in each fiscal year shall be transferred to the unobligated portion of the General Revenue Fund and is not subject to appropriation by this provision or by Article IX of this Act. Amounts appropriated pursuant to this provision are included above in Strategy Item A.1.1, Generate Markets, and are identified above in the Method of Finance as General Revenue in an estimated amount of $200,000 for each fiscal year.

   In addition to the amounts appropriated above, any unexpended and unobligated balances remaining as of August 31, 2001, are hereby appropriated for the same purposes for the biennium to Strategy A.1.1, Generate Markets, beginning September 1, 2001, estimated to be $42,950 in General Revenue.

3. **Appropriation: Land Donations.** The Department of Agriculture is hereby authorized to lease and/or accept the donation of land or the use of land from either governmental agencies, private firms, corporations, or individuals to be used in connection with the performance of its various responsibilities and programs.

4. **Appropriation: Publication Fees.** The department is hereby appropriated any subscription fees, royalties, advertising revenues, or charges collected for publications, services or products produced by the department, subject to any restrictions on publications fee appropriations contained elsewhere in this Act.

5. **Fee Increase Authority and Limitation.** For the purpose of implementing the intent of the Legislature, that the department collect fee amounts which offset, when feasible, the direct and indirect costs of administering its regulatory activities, the department is hereby authorized to and shall increase the fees by a percentage sufficient to offset costs associated with its regulatory activities. It is the intent of the Legislature that the cost offset percentage shall be 100 percent. The following activities are exempt from this requirement: Seed Testing, Quarantine Enforcement/Education; Piece Rate Crop Survey; Pest Management Program; Agriculture Hazard Communication Act; Boll Weevil Control Act; Predatory Management Program.

6. **Pay for Regular Compensatory Time: Livestock Export Pen Operations.** It is expressly provided that the Department of Agriculture, to the extent permitted by law, may pay FLSA nonexempt employees in classified positions who are stationed at Department of Agriculture livestock export pens for compensatory time hours on a straight-time basis when the taking of compensatory time off would be disruptive to normal working activities and other critical functions relating to livestock export pen operations.

7. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Department of Agriculture is hereby authorized to direct agency resources, and transfer such amounts appropriated above between strategy line items.

8. **Appropriation: Young Farmer Loan Guarantee Program.** Out of the Young Farmer Loan Guarantee Account No. 5002, the Texas Agricultural Finance Authority is hereby appropriated for fiscal years 2002 and 2003, all necessary amounts required to cover any defaults on loans referenced under § 58.055, Texas Agriculture Code, or for payments for the purpose of providing reduced interest rates on loans guaranteed to borrowers as authorized by § 58.052(e), Texas Agriculture Code.

9. **Appropriation: Earned Federal Funds.** The Department of Agriculture is hereby appropriated all earned federal funds received during the biennium beginning with the effective date of this Act that are in addition to those earned federal funds specified in the method of financing above.

10. **Unexpended Balances Between Fiscal Years.** Any unexpended balances as of August 31, 2002, in the appropriations made herein to the Department of Agriculture are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2002.

11. **Appropriations Limited to Revenue Collections: Octane Testing.** Included in amounts appropriated above to the Texas Department of Agriculture in Strategy C.1.1, Inspect Measuring Devices, the amount of $355,137 from the General Revenue Fund (Revenue Object Code 3015) in each fiscal year of the biennium is contingent on the collection of fees, in accordance with Article 8614, § 9, Vernon's Texas Civil Statutes, to be used solely for the purpose of administering an octane testing program.

12. **Appropriation: Fair Park Structure Restoration.** Included in amounts appropriated above to the Texas Department of Agriculture in Strategy D.1.1, Fair Park Structure Restoration, is the amount of $2,474,600 from the General Revenue Fund in fiscal year 2002 to be used solely for structural building improvements within the Agrarian District at Fair Park.

    The Legislature intends that this appropriation be contingent upon Fair Park charging no rent or additional fees/charges for the next two years (fiscal years 2002 and 2003) to the State of Texas or any state agencies for exhibition in the Agrarian District.

    The Legislature further intends that funding not be used on roads, murals, fountains, or any other park enhancements without the prior written approval of the Legislative Budget Board (LBB). The Department of Agriculture shall prioritize, monitor and manage the use of appropriated funds and submit semi-annual progress reports to the LBB and the Governor.

13. **Appropriations: License Plate Receipts.** In addition to amounts appropriated above in Strategy A.1.1, Generate Markets, there is hereby appropriated to the Department of Agriculture all balances collected prior to the effective date of this Act and revenue collected on or after September 1, 2001, from the sale of license plates as provided by VTCA, Transportation Code § 502.2761.

    Any unexpended balances as of August 31, 2002, out of the appropriations made herein are appropriated to the Department of Agriculture for the fiscal year beginning September 1, 2002.

14. **Interagency Contract: Oyster Promotions and Education.** The Texas Department of Agriculture shall enter into an interagency contract with the Texas Department of Health for oyster industry advertising and promotion efforts and to provide information, education and/or training to wholesalers, retailers, and consumers on the safe and proper handling of oysters, in accordance with VTCA, Texas Agriculture Code, § 47. Revenues received from this interagency contract in the amount of $200,000 for each fiscal year are included in amounts appropriated above in Strategy A.1.1, Generate Markets.

15. **Capital Construction of Metrology Laboratory.** The Texas Public Finance Authority may issue revenue bonds or other revenue obligations to finance a metrology laboratory project consisting of the construction of the laboratory, including the acquisition of real and personal property, construction project management and equipping the laboratory ("Project"), in accordance with Chapter 1232, Government Code, for an estimated project cost of $1.8 million. From the proceeds of the issuance and sale of such bonds or other obligations such amounts as may be necessary to fund associated costs, including the cost of issuance, reasonably required reserved funds, capitalized interest, and other administrative costs are hereby appropriated to the Texas Public Finance Authority. From the remaining proceeds of the issuance and sale of such bonds or obligations, such amounts as may be necessary to fund the costs of the Project construction for the metrology laboratory are hereby appropriated to the Texas Department of Agriculture the fiscal biennium beginning September 1, 2001.

    Included in the amounts appropriated above to the Texas Department of Agriculture in Strategy C.1.1, Inspect Measuring Devices, are amounts required in each of fiscal year 2002 and 2003 to pay lease payments to the Texas Public Finance Authority sufficient for the Authority to make debt service payments of the revenue bonds or other revenue obligations authorized in this section. The amount of the required lease payments are estimated to be $63,000 in fiscal year 2002 and $156,500 in fiscal year 2003.

    It is the intent of the Legislature that the Texas Department of Agriculture increase fees for the metrology program to recover an amount equal to the amount of the appropriations made herein for lease payments, and that the fee increase be maintained in such an amount during the term of any revenue obligations authorized herein.

16. **Contingency Appropriation: Additional Loan Volume.** Contingent upon the approval of at least 14 Texas Agricultural Finance Authority financial assistance applications within two quarters in either fiscal year 2002 or 2003, the Department of Agriculture is hereby appropriated an amount not to exceed $75,000 in fiscal year 2002 and $75,000 in fiscal year 2003 out of the Texas Agriculture Fund No. 683 and/or the Farm and Ranch Finance Program Fund Account No. 575, to Strategy A.1.1, Generate Markets, for the sole purpose of recovering costs related to loan generation, monitoring and bond issuance. Any additional appropriations made herein are appropriated from the Texas Agriculture Fund and/or the Farm and Ranch Finance Program Fund in proportion to the number and type of new financial commitments. Also contingent upon the number of Texas Agriculture Finance Authority financial assistance applications approved, the “Number of Full-time Equivalent Positions (FTE)” cap is hereby increased by one each fiscal year.

17. **Appropriation: “Go Texan” Partner Program.** Included in amounts appropriated above to the Texas Department of Agriculture in Strategy A.1.1, Generate Markets, is $2,000,000 out of the GO TEXAN Partner Program Account No. 5051 in fiscal year 2002, for the purpose of promoting Texas agricultural products. This amount consists of $2,000,000 in general revenue funds to be transferred to the “Go Texan” Partner Program Account.

    Also included in amounts appropriated above, the Texas Department of Agriculture is appropriated $2 million in Appropriated Receipts received as matching funds from program participants including gifts. All appropriations shall be transferred to the “Go Texan” Partner Program Account and are appropriated for the purpose of implementing the program.

18. **Contingency to Increase the Full-time Equivalent (FTE) Cap for New Initiatives.** Contingent upon the receipt of federal funds above those appropriated herein for programs related to surveying, controlling or eradicating invasive pests or disease, the Department of Agriculture is hereby authorized to increase its number of FTEs to the extent that federal funds are allocated for salary costs. These FTEs shall not be counted in the agency’s “Number of Full-time Equivalent Positions (FTE)” cap.

The Department of Agriculture shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, Legislative Budget Board and the Governor's Office prior to filling such positions.

19. **Appropriations Limited to Revenue Collections: Prescribed Burn Manager Certification Program.** In addition to amounts appropriated above, the Texas Department of Agriculture is hereby appropriated fees collected in accordance with § 153.048, Natural Resources Code, to be used solely for the purpose of administering a prescribed burn manager certification program.

20. **Weather Modification Grant Program.** Included in amounts appropriated above in Strategy A.1.5, Weather Modification, is the amount of $2,483,574 from the General Revenue Fund in each fiscal year of the biennium and one FTE each fiscal year to administer the weather modification grant program.

    In addition to amounts appropriated above, any unexpended balances as of August 31, 2001, related to the weather modification grant program made to the Texas Natural Resource Conservation Commission, are hereby appropriated to the Texas Department of Agriculture for the biennium beginning September 1, 2001.

    Any property, or equipment utilized in connection with the weather modification grant program, including, but not limited to, office furniture and equipment as of August 31, 2001, shall be transferred from the Texas Natural Resource Conservation Commission to the Texas Department of Agriculture.

21. **Information Systems Development.** Included in amounts appropriated above to the Department of Agriculture is $3,500,000 for the 2002–03 biennium out of the General Revenue Fund, for the sole purpose of implementing an information system which supports license processing, web based access on agency information and services, customer relationship management, and management reporting and analysis.

22. **Contingency Appropriation for House Bill 1954.** Contingent upon enactment by the Seventy-seventh Legislature, Regular Session of House Bill 1954, or similar legislation relating to the regulation and promotion of the oyster industry and authorizing the reimbursement of Texas Oyster Advisory Committee expenses, and pursuant to § 2110.004, Government Code, the Texas Oyster Advisory Committee may be reimbursed out of funds appropriated above.

    Also, contingent on the enactment of House Bill 1954 or similar legislation, the travel cap for the Texas Department of Agriculture is hereby increased by an amount not to exceed $4,300 each fiscal year for authorized travel expenditures made by or on behalf of the Texas Oyster Advisory Committee.

23. **Agricultural Sustainability Programs.** Out of funds appropriated above, the Texas Department of Agriculture may study, develop, and implement, creative technology and innovative solutions to mitigate agricultural non-point source pollution in the state from confined animal feeding operations and improve total resource management of agricultural and wildlife resources in the state.

24. **Appropriation: Targeted Salary Increase.** Notwithstanding other appropriations made by this Act related to salary increases, in addition to amounts appropriated above to the Texas Department of Agriculture, there is hereby appropriated $500,000 in fiscal year 2002 and $500,000 in fiscal year 2003 out of the General Revenue Fund for the purpose of making salary increases for select job classes.

The Texas Department of Agriculture is hereby authorized to transfer the appropriation made pursuant to this provision to the appropriate strategy items listed above.

25. **Contingency for House Bill 1086.** Contingent upon enactment of House Bill 1086, or similar legislation relating to the establishment of a grant program for the provision of surplus agricultural products to eligible recipients identified by local food banks and agencies, by the Seventy-seventh Legislature, Regular Session, the Department of Agriculture is hereby appropriated $250,000 in fiscal year 2002 and $250,000 in fiscal year 2003 out of the General Revenue Fund for the sole purpose of implementing that Act.

ANIMAL HEALTH COMMISSION

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: PROTECT/ENHANCE TEXAS ANIMAL HEALTH To protect and enhance the health of Texas animal populations, facilitating productivity and marketability while sustaining reduced human health risks.		
Outcome (Results/Impact): Percent Change in Known Prevalence of Bovine Brucellosis from the 1994 Level	(98.3)%	(99.1)%
A.1.1. Strategy: FIELD OPERATIONS To monitor, control and/or eradicate diseases and infestations through statewide field based animal health management and assurance programs.	$ 8,621,960	$ 8,598,167
Output (Volume): Number of Livestock Shipments Inspected	8,250	8,650
A.1.2. Strategy: DIAGNOSTIC/EPIDEMIOLOGICAL SUPPORT To provide epidemiological expertise, serological testing, microbiological confirmation and parasite identification services for diseases and parasitisms of regulatory importance to the animal agriculture industries in Texas.	$ 1,666,389	$ 1,680,283
Output (Volume): Number of Specimens Processed through the State/Federal Cooperative Laboratory System	2,625,000	2,625,000
A.1.3. Strategy: PROMOTE COMPLIANCE To promote voluntary compliance with legal requirements through providing education/information, and to resolve violations through effective use of legal enforcement and compliance activities.	$ 383,275	$ 383,984
Output (Volume): Number of Compliance Actions Completed	380	380
Total, Goal A: PROTECT/ENHANCE TEXAS ANIMAL HEALTH	$ 10,671,624	$ 10,662,434

B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 953,417	$ 956,828
B.1.2. Strategy: INFORMATION RESOURCES	$ 323,824	$ 325,306
B.1.3. Strategy: OTHER SUPPORT SERVICES	$ 268,825	$ 271,121
Total, Goal B: INDIRECT ADMINISTRATION	$ 1,546,066	$ 1,553,255
Grand Total, ANIMAL HEALTH COMMISSION	$ 12,217,690	$ 12,215,689
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 9,163,877	$ 9,163,876
Earned Federal Funds	121,500	121,500
Subtotal, General Revenue Fund	$ 9,285,377	$ 9,285,376
Federal Funds	2,932,313	2,930,313
Total, Method of Financing	$ 12,217,690	$ 12,215,689
Number of Full-Time-Equivalent Positions (FTE):	215.0	215.0
Number of FTEs in Riders:	7.0	7.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$87,500	$87,500
Per Diem of Board Members	2,500	2,500

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2002	2003
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Computer Equipment	$ 68,500	$ 68,500
Total, Capital Budget	$ 68,500	$ 68,500

2. **Unexpended Balance Authority: Between Fiscal Years.** The Texas Animal Health Commission is hereby authorized to carry forward and is hereby appropriated any unexpended balances from fiscal year 2002 to fiscal year 2003.

3. **Laboratory Testing.** It is the intent of the Legislature that laboratory testing for animal diseases be performed at the Texas Veterinary Medical Diagnostic Lab (TVMDL) to the extent of its capabilities, unless the Texas Animal Health Commission (TAHC) State-Federal Laboratory can perform the testing for TAHC programs more cost effectively. Furthermore, the Texas Animal Health Commission will work with TVMDL to reduce duplication and ensure that all testing is performed in Texas to the extent possible.

4. **Contingency to Increase the Full-time Equivalent (FTE) Cap for the Tuberculosis Eradication Program.** Contingent upon the receipt of Federal Funds for the tuberculosis eradication program, estimated to be $293,120 for the biennium and include above in Strategy A.1.1, Field Operations, the Animal Health Commission is hereby authorized to increase its number of FTEs to the extent that federal funds for the tuberculosis eradication program are allocated for salary costs. The "Number of Full-time Equivalent Positions (FTE)" cap is hereby increased by five FTEs each fiscal year.

   The Animal Health Commission shall report all additional FTEs authorized by ths provision to the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor's Office prior to filling such positions.

5. **Contingency to Increase the Full-time Equivalent (FTE) Cap for the Scrapie Program.** Contingent upon the receipt of Federal Funds for the scrapie program, the Animal Health Commission is hereby authorized to increase its number of FTEs to the extent that federal funds for the scrapie program are allocated for salary costs. The "Number of Full-time Equivalent Positions (FTE)" cap is hereby increased by no more than two FTEs each fiscal year.

   The Animal Health Commission shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, Legislative Budget Board and the Governor's Office prior to filling such positions.

GENERAL LAND OFFICE AND VETERANS' LAND BOARD

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: ENHANCE STATE ASSETS		
To enhance the value of state assets and the revenues they generate through prudent and innovative management of state-owned land, minerals, and other assets.		
Outcome (Results/Impact):		
Percent of Permanent School Fund Uplands Acreage Leased	76%	76%
A.1.1. Strategy: ENERGY LEASE MANAGEMENT	$ 6,613,728	$ 6,496,891
Assess the revenue potential of state lands for energy leasing; conduct aggressive energy leasing and revenue management activities; promote the sale and use of state-owned energy resources, including renewable energy resources, to maximize the revenue generated by assets; and develop strategic public-private partnerships and programs to promote economic development.		
Output (Volume):		
Average Monthly Volume of In-kind Gas Sold in Thousand Cubic Feet (MCF)	2,000,000	2,000,000
Average Monthly Volume of In-kind Oil Sold in Barrels	120,000	125,000
Amount of Revenue Detected from Audits	7,000,000	8,000,000
Amount of Revenue Detected from Reconciliations	1,000,000	1,000,000
A.1.2. Strategy: SURFACE AND COASTAL LEASING	$ 2,887,938	$ 2,889,655
Promote and conduct aggressive surface and coastal leasing activities for Permanent School Fund and state agency land, and monitor lease compliance.		

Output (Volume):		
Annual Revenue from Uplands Surface Leases	920,000	940,000
Annual Revenue from Coastal Leases	2,100,000	2,210,000
A.1.3. Strategy: ASSET MANAGEMENT	$ 3,300,473	$ 3,384,978
Evaluate Permanent School Fund and state agency land and dispose of selected tracts through sale or trade.		
Output (Volume):		
Annual Revenue from the Sale of State Land	19,977,000	4,000,000
Total, Goal A: ENHANCE STATE ASSETS	$ 12,802,139	$ 12,771,524
B. Goal: PROTECT THE ENVIRONMENT		
To improve and protect the Texas environment and promote wise use of resources while creating new markets and jobs through environmental initiatives in partnership with the public and private sectors.		
B.1.1. Strategy: COASTAL/NAT RES MANAGEMENT	$ 5,595,121	$ 5,592,739
Manage and protect coastal and other natural resources by evaluating coastal permit applications and coastal communities' compliance with applicable rules and regulations; coordinating the Texas Adopt-A-Beach Program; and promoting partnerships for the use of natural gas and recycled products.		
Output (Volume):		
Number of Coastal Cleanups Conducted	50	50
B.1.2. Strategy: OIL SPILL RESPONSE	$ 9,534,576	$ 9,560,076
Develop and implement a comprehensive oil spill prevention and response program to monitor the integrity of oil transport through Texas coastal waters and respond quickly and efficiently to oil spills.		
Output (Volume):		
Number of Oil Spill Responses	1,127	1,093
Number of Prevention Activities - Vessels	1,364	1,364
Total, Goal B: PROTECT THE ENVIRONMENT	$ 15,129,697	$ 15,152,815
C. Goal: VETERANS' LAND BOARD		
To provide Texas veterans with self supporting benefit programs that offer low interest loans for land, homes, and home improvements, and provide opportunities for long term care.		
Outcome (Results/Impact):		
Percent of Texas Veterans Reached through Outreach Efforts	19%	20%
C.1.1. Strategy: VETERANS BENEFIT PROGRAMS	$ 14,248,151	$ 14,304,779
Provide veterans with benefit information, low interest lending opportunities, efficient loan services, access to Veterans homes, and manage active loan accounts and bond funds to ensure the financial integrity of the program.		
Output (Volume):		
Number of Active Loan Accounts Maintained	38,500	38,000
Number of Delinquent Accounts Serviced	3,450	3,400
Grand Total, GENERAL LAND OFFICE AND VETERANS' LAND BOARD	$ 42,179,987	$ 42,229,118

Method of Financing:		
General Revenue Fund	$ 12,821,820	$ 12,821,820
General Revenue Fund - Dedicated		
Coastal Protection Account No. 027	9,534,576	9,560,076
Coastal Public Lands Management Fee Account No. 450	172,658	172,658
Subtotal, General Revenue Fund - Dedicated	$ 9,707,234	$ 9,732,734
Federal Funds	2,358,678	2,358,312
Other Funds		
Texas Veterans Homes Administration Fund No. 374	462,661	462,661
Veterans Land Program Administration Fund No. 522	13,785,490	13,842,118
Appropriated Receipts	2,788,131	2,663,000
Interagency Contracts	255,973	348,473
Subtotal, Other Funds	$ 17,292,255	$ 17,316,252
Total, Method of Financing	$ 42,179,987	$ 42,229,118
Number of Full-Time-Equivalent Positions (FTE):	612.0	612.0
Schedule of Exempt Positions:		
Texas Land Commissioner, Group 4	$92,217	$92,217
Supplemental Appropriations Made in Riders:	$ 45,200	$ 0

1. **Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	2002	2003
a. Construction of Buildings and Facilities		
(1) Oil Bilge Reclamation Systems	$ 130,000	$ 130,000
b. Acquisition of Information Resource Technologies		
(1) Electronic Production Reporting	75,000	75,000
(2) Disaster Recovery Project	90,000	95,000
(3) Hardware Rotation Project	227,000	227,000
(4) Aggregated Hardware Project	93,287	78,700
(5) Archives Scanning Project	300,000	300,000
(6) Clustering Project	163,700	0
(7) Teleconferencing	0	40,000
(8) Server Enhancement Project	$ 0	$ 205,000
Total, Acquisition of Information Resource Technologies	$ 948,987	$ 1,020,700
c. Transportation Items		
(1) Oil Spill Response Vehicles	125,000	125,000
(2) Boats	0	37,000
(3) Field Appraisal Vehicles	$ 0	$ 86,237
Total, Transportation Items	$ 125,000	$ 248,237

d. Acquisition of Capital Equipment and Items		
(1) Oil Spill Response Equipment	34,000	0
(2) Reference Material	$ 32,126	$ 32,126
Total, Acquisition of Capital Equipment and Items	$ 66,126	$ 32,126
Total, Capital Budget	$ 1,270,113	$ 1,431,063
Method of Financing (Capital Budget):		
General Revenue Fund	$ 445,440	$ 454,294
GR Dedicated - Coastal Protection Account No. 027	419,042	437,916
Veterans Land Program Administration Fund No. 522	405,631	538,853
Total, Method of Financing	$ 1,270,113	$ 1,431,063

2. **Per Diem: School Land Board and Veterans' Land Board.** Citizen members of the School Land Board and Veterans' Land Board may be paid per diem at a rate not to exceed the amount established elsewhere in this Act and actual expenses from funds appropriated above.

3. **Appropriation Source: Veterans' Land Program.** Included in amounts appropriated above in Strategy C.1.1, Veterans Benefits Programs, is $2,083,852 in fiscal year 2002 and $2,140,750 in fiscal year 2003 from the Veterans Land Program Administration Fund No. 522. In addition to amounts appropriated above, there is hereby appropriated from the Veterans' Land Funds, the Veterans' Housing Assistance Funds and the fund for State Veterans Homes, all amounts necessary to administer the Veterans' Land Program, Veterans' Housing Assistance Program, and the State Veterans Homes, respectively, including the amounts incurred in issuing bonds, in compensating a Housing Program Administrator, and in paying contracts for services rendered in administering the land and housing programs, as created and authorized by Article III, §§ 49b, 49b-1, and 49b-2 of the Texas Constitution, as amended.

4. **Appropriation of Receipts: Land Sales Expenses.** Pursuant to §§ 31.1571, 31.158 and 32.112, Natural Resources Code, there is hereby appropriated to the General Land Office receipts from land sales sufficient to cover the usual and customary costs of conducting real estate transactions as authorized to be retained by the General Land Office and the School Land Board.

5. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the General Land Office and Veterans' Land Board, is hereby authorized to direct agency resources, and transfer such amounts appropriated above between appropriation line items.

6. **Appropriation: Defense of Title to Permanent School Fund Land and Prosecution of Mineral Lease Claims or Cases.** Included in amounts appropriated above in Strategy A.1.1, Energy Lease Management, is $1,370,555 in fiscal year 2002 and $1,250,000 in fiscal year 2003 in Appropriated Receipts from funds recovered for the Available School Fund by the General Land Office from the prosecution of Relinquishment Act, royalty deficiency and other mineral lease claims or cases. Such funds are to be used for the defense of title to Permanent School Fund lands, and the prosecution of Relinquishment Act, royalty deficiency and other mineral lease claims or cases.

7. **Appropriation: Receipts and Account Balances for Surface Damages.** Included in the amounts appropriated above is $300,000 in fiscal year 2002 and $300,000 in fiscal year 2003

in Strategy A.1.1, Energy Lease Management in receipts collected as surface damages pursuant to §§ 52.297, 53.155, 31.051, 51.291, 51.295 and 51.296, Natural Resources Code. Such funds are appropriated for the purpose of funding conservation or reclamation projects making permanent improvements on Permanent School Fund land, and making grants to a lessee of Permanent School Fund land for these purposes, and for the purpose of purchasing easements for access to Permanent School Fund land, as authorized by § 11.079, Natural Resources Code. In addition to funds appropriated above, additional revenues received from surface damage receipts are hereby appropriated to the General Land Office for the same purposes.

8. **Appropriation: Easement Fees for Use of State-owned Riverbeds.** The General Land Office is hereby appropriated all unencumbered balances on hand as of August 31, 2001, (estimated to be $45,200 in General Revenue) and all amounts collected as easement fees for use of state-owned riverbeds pursuant to § 51.291, Natural Resources Code, or agency rules, during the biennium beginning September 1, 2001, for the removal or improvement of unauthorized structures on Permanent School Fund lands.

9. **Unexpended Balances.** Any unexpended balances as of August 31, 2002 in the appropriations made herein to the General Land Office and Veterans' Land Board are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2002.

10. **Sunset Contingency.** Funds appropriated above for fiscal year 2003 for the Coastal Coordination Council housed within the General Land Office are made contingent on the continuation of the Coastal Coordination Council by the Legislature. In the event that the Coastal Coordination Council is not continued, the funds appropriated for fiscal year 2002 or as much thereof as may be necessary are to be used to provide for the phase out of the Coastal Coordination Council operations.

11. **Veterans Home Awareness Campaign.** It is the intent of the Legislature that the General Land Office, out of funds appropriated above and pursuant to its authority under Chapter 164 of the Natural Resources Code to provide for, operate, or improve veterans homes, conduct a marketing campaign designed to attract residents to the William R. Courtney Texas State Veterans Home in Temple; the Clyde W. Cosper Texas State Veterans Home in Bonham; the Lamun-Lusk-Sanchez Texas State Veterans Home in Big Spring; and the Frank M. Tejeda Texas State Veterans Home in Floresville.

TRUSTEED PROGRAMS WITHIN THE GENERAL LAND OFFICE

	For the Years Ending August 31, 2002	For the Years Ending August 31, 2003
A. Goal: PRESERVE/PROTECT COASTAL AREAS To preserve and protect Texas beaches and coastal areas from erosion.		
Outcome (Results/Impact): Percent of Eroding Shorelines Maintained, Protected, or Restored for Gulf Beaches and Other Shorelines	15%	20%
A.1.1. Strategy: COASTAL EROSION CONTROL Develop and implement a comprehensive coastal erosion control and beach nourishment program.	$ 15,525,000	$ 15,625,000

TRUSTEED PROGRAMS WITHIN THE GENERAL LAND OFFICE
(Continued)

B. Goal: MANAGE STATE LAND		
To purchase land for the Permanent School Fund (PSF).		
B.1.1. Strategy: PURCHASE LAND FOR PSF Give high priority to the purchase of agency land identified as underutilized by the Asset Management Division.	$ 2,300,000	$ 2,300,000
Grand Total, TRUSTEED PROGRAMS WITHIN THE GENERAL LAND OFFICE	$ 17,825,000	$ 17,925,000
Method of Financing:		
General Revenue Fund	$ 6,300,000	$ 6,300,000
GR Dedicated - Coastal Protection Account No. 027	3,600,000	1,200,000
Federal Funds	3,000,000	5,000,000
Appropriated Receipts	4,925,000	5,425,000
Total, Method of Financing	$ 17,825,000	$ 17,925,000

1. **Unexpended Balances.** Included in amounts appropriated above in Strategy A.1.1, Coastal Erosion Control, are unexpended balances as of August 31, 2001, in the appropriations made to the Trusteed Program Within The General Land Office, estimated to be $2,400,000 out of Coastal Protection Account No. 027, to be used for the same purpose for the fiscal year beginning September 1, 2001. Any unexpended balances as of August 31, 2002 in the appropriations made herein to the Trusteed Program for the General Land Office are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2002.

2. **Appropriation: Shared Project Funds.** In addition to the amounts appropriated above as Appropriated Receipts, there is hereby appropriated to The General Land Office all shared project funds received in accordance with Natural Resources Code, Chapter 33, Subchapter H, § 33.603(c)(1) and § 33.604.

3. **Appropriation of Receipts: Real Property Sales.** Included in amounts appropriated above in Strategy B.1.1, Purchase Land for PSF, is $2,300,000 in fiscal year 2002 and $2,300,000 in fiscal year 2003 from receipts of land sales. In addition to amounts appropriated above, pursuant to § 51.401, Natural Resources Code, the Trusteed Program for the Management of State Land in the General Land Office is hereby appropriated all additional receipts from land sales of Permanent School Fund (PSF) property conducted by the General Land Office and all receipts from the lease of PSF land for mineral development including royalties from existing and future active mineral leases of PSF lands that are necessary to purchase fee or lesser interests in replacement real property for the use and benefit of the PSF or for the purpose of purchasing easements for access to PSF land as authorized by § 11.079, Natural Resources Code. Any of these appropriated receipts from the sale of PSF land or lease of PSF minerals which remain unexpended for more than two years are to be transferred into the PSF as required by law. The appropriation of receipts from mineral development of PSF land is contingent on the enactment by the Seventy-seventh Legislature, Regular Session, of House Bill 3558, or similar legislation relating to the sale, lease, and purchase of interest in real property for the permanent school fund.

NATURAL RESOURCE CONSERVATION COMMISSION*

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: ASSESSMENT, PERMITTING, PREVENTION To protect public health and the environment by accurately assessing environmental conditions; by preventing or minimizing the level of contaminants released to the environment through regulation and permitting of facilities or activities with potential to contribute to pollution levels; by promoting voluntary efforts to prevent pollution; and by assuring the delivery of safe drinking water to Texas citizens at affordable rates.		
Outcome (Results/Impact):		
Annual Percent of Stationary and Mobile Source Pollution Reductions in Nonattainment Areas	6%	6%
Annual Percent Reduction in Pollution Per Capita from Permitted Wastewater Facilities Discharging to the Waters of the State	.2%	.2%
Percent of Texas Surface Water Meeting or Exceeding Water Quality Standards	84%	84%
Annual Percent Reduction in Disposal of Municipal Solid Waste Per Capita	1.5%	1.5%
Annual Percent Decrease in the Toxic Releases in Texas	.5%	.5%
Percent of Texas Population Served by Public Water Systems Which Meet Drinking Water Standards	97.5%	97.5%
A.1.1. Strategy: AIR QUALITY PERMITTING Perform complete and timely reviews of applications to release pollutants into the air.	$ 12,069,227	$ 11,685,227
Output (Volume):		
Number of State and Federal New Source Review Air Quality Permit Applications Reviewed	5,600	5,600
Number of Federal Air Quality Operating Permits Issued	350	350
A.1.2. Strategy: WATER RESOURCE PERMITTING Perform complete and timely reviews of applications to utilize the state's water resources or to discharge to the state's waterways.	$ 10,259,515	$ 9,953,042
Output (Volume):		
Number of Applications to Address Water Quality Impacts Reviewed	3,393	3,393
Number of Concentrated Animal Feeding Operation (CAFO) Permits Reviewed	60	60
A.1.3. Strategy: WASTE MGT AND PERMITTING Perform complete and timely reviews of applications relating to management and disposal of municipal and industrial solid and hazardous waste.	$ 9,006,502	$ 8,546,502
Output (Volume):		
Number of Nonhazardous Waste Permit Applications Reviewed	13	13
Number of Hazardous Waste Permit Applications Reviewed	162	142
A.1.4. Strategy: AIR QUALITY ASSESSMENT AND PLANNING Reduce and prevent air pollution by monitoring and assessing air quality, developing and revising plans to address identified air quality problems, and assisting in the implementation of approaches to reduce motor vehicle emissions.	$ 36,813,199	$ 30,069,199
Output (Volume):		
Number of Point Source Air Quality Assessments	2,000	2,000
Number of Area Source Air Quality Assessments	2,000	2,000
Number of Mobile Source Air Quality Assessments	1,025	1,000
A.1.5. Strategy: WATER ASSESSMENT AND PLANNING	$ 25,493,308	$ 24,866,580

*See also House Bill 1333.

Develop plans to ensure an adequate, affordable supply of clean water by monitoring and assessing water quality and availability.		
Output (Volume):		
Number of Surface Water Assessments	52	70
Number of Groundwater Assessments	111	112
A.1.6. Strategy: WASTE ASSESSMENT AND PLANNING	$ 13,828,718	$ 13,558,318
Ensure the proper and safe disposal of pollutants by monitoring the generation, treatment and storage of waste and assessing the capacity of waste disposal facilities; and by providing financial and technical assistance to municipal solid waste planning regions for the development and implementation of solid waste reduction plans.		
Output (Volume):		
Number of Municipal Solid Waste Facility Capacity Assessments	232	236
Efficiencies:		
Average Cost Per Municipal Solid Waste Facility Capacity Assessment	115	115
A.1.7. Strategy: POLLUTION PREVENTION & RECYCLING	$ 13,392,956	$ 3,892,956
Promote voluntary pollution prevention and recycling through a combination of technical assistance and public education, and by organizing and promoting voluntary prevention initiatives.		
Output (Volume):		
Number of On-site Technical Assistance Visits	70	70
A.1.8. Strategy: LOW-LEVEL RADIOACTIVE WASTE ASSESS	$ 120,274	$ 120,274
Ensure the proper and safe disposal of low-level radioactive waste.		
A.2.1. Strategy: SAFE DRINKING WATER	$ 8,884,348	$ 8,011,107
Ensure the delivery of safe drinking water to all citizens through monitoring and oversight of drinking water sources consistent with the requirements of the Safe Drinking Water Act.		
Output (Volume):		
Number of Public Drinking Water Systems Which Meet Primary Drinking Water Standards	6,500	6,525
Number of Drinking Water Samples Collected	24,300	29,800
A.2.2. Strategy: WATER UTILITIES OVERSIGHT	$ 2,428,012	$ 2,411,912
Provide regulatory oversight of water and sewer utilities to ensure that charges to customers are necessary and cost-based and to promote and ensure adequate customer services.		
Output (Volume):		
Number of Utility Rate Reviews Performed	100	100
Total, Goal A: ASSESSMENT, PERMITTING, PREVENTION	$ 132,296,059	$ 113,115,117

B. Goal: ENFORCEMENT AND COMPLIANCE

To protect public health and the environment by administering enforcement programs that promote voluntary compliance with environmental laws and regulations while providing strict, sure and just enforcement when environmental laws are violated.

Outcome (Results/Impact):		
Percent of Inspected or Investigated Air Sites in Compliance	97%	97%
Percent of Inspected or Investigated Water Sites and Facilities in Compliance	98%	98%
Percent of Inspected or Investigated Waste Sites in Compliance	98%	98%
Percent of Identified Noncompliant Sites and Facilities for Which Appropriate Action Is Taken	85%	85%
B.1.1. Strategy: FIELD INSPECTIONS & COMPLAINTS	$ 37,397,846	$ 36,838,823
Promote compliance with environmental laws and regulations by conducting field inspections and responding to citizen complaints.		
Output (Volume):		
Number of Inspections and Investigations of Air Sites	17,000	17,000
Number of Inspections and Investigations of Water Rights Sites	34,000	34,000
Number of Inspections and Investigations of Water Sites and Facilities	8,500	8,500
Number of Inspections and Investigations of Livestock and Poultry Operation Sites	700	700
Number of Inspections and Investigations of Waste Sites	8,900	8,900
B.1.2. Strategy: ENFORCEMENT & COMPLIANCE SUPPORT	$ 9,664,534	$ 9,492,513
Maximize voluntary compliance with environmental laws and regulations by providing educational outreach and assistance to businesses and units of local government; and assure compliance with environmental laws and regulations by taking swift, sure and just enforcement actions to address violation situations.		
Output (Volume):		
Number of Air Programs Administrative Enforcement Orders Issued	210	210
Number of Water Programs Administrative Enforcement Orders Issued	360	360
Number of Waste Programs Administrative Enforcement Orders Issued	230	230
B.1.3. Strategy: OCCUPATIONAL LICENSING	$ 1,529,952	$ 1,529,952
Establish and maintain occupational professional certification programs to ensure compliance with statutes and regulations that protect public health and the environment.		
Output (Volume):		
Number of Examinations Administered	12,245	12,245
Total, Goal B: ENFORCEMENT AND COMPLIANCE	$ 48,592,332	$ 47,861,288

C. Goal: POLLUTION CLEANUP

To protect public health and the environment by identifying, assessing, and prioritizing contaminated sites, and by assuring timely and cost-effective cleanup based on good science and current risk factors.

Outcome (Results/Impact):		
Percent of Leaking Petroleum Storage Tank Sites Cleaned Up	25%	25%
Percent of Superfund Sites Cleaned Up	54.2%	56.7%
Percent of Voluntary and Brownfield Cleanup Properties Made Available for Commercial, Industrial and Community Redevelopment, or Other Economic Reuse	15%	16%

C.1.1. Strategy: STORAGE TANK ADMINISTRATION Regulate the installation and operation of underground storage tanks and administer a program to identify and remediate sites contaminated by leaking storage tanks.	$ 1,519,355	$ 514,355
Output (Volume):		
Number of Petroleum Storage Tank Self-certifications Processed	3,360	3,360
C.1.2. Strategy: STORAGE TANK CLEANUP Provide prompt and appropriate reimbursement to contractors and owners for the cost of remediating sites contaminated by leaking storage tanks.	$ 21,926,430	$ 21,926,430
Output (Volume):		
Number of Petroleum Storage Tank Reimbursement Applications Processed	1,500	1,500
Number of Petroleum Storage Tank Cleanups Completed	300	150
C.1.3. Strategy: HAZARDOUS MATERIALS CLEANUP Aggressively pursue the investigation, design and cleanup of federal and state Superfund sites; and facilitate voluntary cleanup activities at other sites and respond immediately to spills which threaten human health and the environment.	$ 36,601,706	$ 36,601,706
Output (Volume):		
Number of Voluntary and Brownfield Cleanups Completed	100	100
Number of Superfund Evaluations under Way	24	27
Number of Superfund Cleanups under Way	29	26
Number of Superfund Cleanups Completed	9	10
Total, Goal C: POLLUTION CLEANUP	$ 60,047,491	$ 59,042,491
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 18,171,519	$ 18,052,219
D.1.2. Strategy: INFORMATION RESOURCES	$ 14,073,327	$ 13,603,036
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 14,205,856	$ 14,205,857
Total, Goal D: INDIRECT ADMINISTRATION	$ 46,450,702	$ 45,861,112
Grand Total, NATURAL RESOURCE CONSERVATION COMMISSION	$ 287,386,584	$ 265,880,008
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 29,630,114	$ 24,521,873
Earned Federal Funds	3,269,235	3,111,635
Subtotal, General Revenue Fund	$ 32,899,349	$ 27,633,508
General Revenue Fund - Dedicated		
Used Oil Recycling Account No. 146	897,261	897,261
Clean Air Account No. 151	75,396,386	71,558,075
Water Resource Management Account No. 153	24,549,798	24,530,059
Watermaster Administration Account No. 158	825,563	825,090
TNRCC Occupational Licensing Account No. 468	1,063,419	1,063,419
Waste Management Account No. 549	35,534,835	33,161,351
Hazardous and Solid Waste Remediation Fee Account No. 550	31,654,972	31,641,972
Petroleum Storage Tank Remediation Account No. 655	20,732,744	20,732,744

Solid Waste Disposal Account No. 5000	20,586,324	10,986,324
Low Level Waste Account No. 088	120,274	120,274
Subtotal, General Revenue Fund - Dedicated	$ 211,361,576	$ 195,516,569
Federal Funds		
Federal Air Control Board Fund No. 102	4,301,779	4,301,779
Federal Funds	34,166,562	34,370,833
Subtotal, Federal Funds	$ 38,468,341	$ 38,672,612
Other Funds		
Appropriated Receipts	221,856	221,857
Interagency Contracts	4,435,462	3,835,462
Subtotal, Other Funds	$ 4,657,318	$ 4,057,319
Total, Method of Financing	$ 287,386,584	$ 265,880,008
Number of Full-Time-Equivalent Positions (FTE):	2,962.5	2,950.0
Number of FTEs in Riders:	73.0	90.0
Schedule of Exempt Positions:		
Commissioner, Group 5	$107,500	$107,500
Commissioner, Group 5	(2) 105,000	(2) 105,000
Executive Director, Group 5	132,000	132,000
Supplemental Appropriations Made in Riders:	$ 103,914,162	$ 99,551,621

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2002	2003
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Building Renovations	$ 241,500	$ 260,000
b. Acquisition of Information Resource Technologies		
(1) Growth and Expansion of Information Technology Infrastructure	4,965,000	2,625,000
(2) Replace Personal Computers for the Agency	2,142,623	1,798,987
(3) Senate Bill 1 Water Availability Modeling	1,600,000	1,600,000
(4) Drinking Water Source Contamination Mapping	500,000	0
(5) State of Texas Air Reporting System Data Conversion	500,000	250,000
(6) Office of Waste/Office of Water Resource Management Database Enhancement	750,000	0
(7) Central Registry Information System	1,850,000	1,850,000
(8) Consolidated Compliance and Enforcement Data System Enhancements	$ 1,250,000	$ 810,000
Total, Acquisition of Information Resource Technologies	$ 13,557,623	$ 8,933,987

c. Transportation Items		
(1) Replacement Vehicles for Agency Fleet	$ 519,181	$ 462,181
d. Acquisition of Capital Equipment and Items		
(1) Growth and Maintenance of Air Monitoring Network	2,313,900	1,903,900
(2) Waste Remediation Equipment for Petroleum Storage Tanks	$ 62,000	$ 137,000
Total, Acquisition of Capital Equipment and Items	$ 2,375,900	$ 2,040,900
Total, Capital Budget	$ 16,694,204	$ 11,697,068
Method of Financing (Capital Budget):		
General Revenue Fund		
General Revenue Fund	$ 4,236,150	$ 2,747,150
Earned Federal Funds	186,450	28,850
Subtotal, General Revenue Fund	$ 4,422,600	$ 2,776,000
General Revenue Fund - Dedicated		
Used Oil Recycling Account No. 146	26,569	26,569
Clean Air Account No. 151	6,961,589	5,173,768
Water Resource Management Account No. 153	447,222	430,982
TNRCC Occupational Licensing Account No. 468	46,160	46,160
Waste Management Account No. 549	4,141,565	3,033,090
Hazardous and Solid Waste Remediation Fee Account No. 550	86,499	148,499
Subtotal, General Revenue Fund - Dedicated	$ 11,709,604	$ 8,859,068
Federal Funds	62,000	62,000
Interagency Contracts	500,000	0
Total, Method of Financing	$ 16,694,204	$ 11,697,068

2. **Contingency Cash Flow.** If the Legislative Budget Board and Governor determine after review of relevant information that cash flow difficulties will occur as a result of the appropriations made above, the board and Governor may authorize the Texas Natural Resource Conservation Commission (TNRCC) to temporarily expend general revenue funds for the purpose of meeting the temporary cash flow needs of TNRCC, limited to the amounts appropriated above. The transfer of funds shall be repaid to the General Revenue Fund by the end of the fiscal year in which the funds were transferred under procedures and standards established by the Comptroller of Public Accounts.

3. **Authorization: Aircraft Chartering.** Notwithstanding any other provision of this Act, the Texas Natural Resource Conservation Commission is authorized to spend appropriated funds for the chartering of aircraft for the purposes of monitoring environmental quality, and the enforcement of environmental and water rights laws of the State.

4. **Waste Facility Application Fees.** Amounts appropriated above, out of the Waste Management Account No. 549, include and shall not exceed $75,000 in each fiscal year of the biennium from permit application fees assessed by the agency for industrial solid waste and hazardous waste facilities as authorized by Health and Safety Code § 361.137.

5. **Authorization: Water and Air Program Fee Rates and Revenue Appropriation.** To provide for the recovery of costs of processing applications, the following fee rate is established

pursuant to Subchapter E, Chapter 316, Government Code, to be effective during the biennium covered by this Act.

The maximum rate for the fees authorized under § 5.235(b) and § 5.235(c), Water Code, shall be $2,000.

The maximum rate for fees authorized under § 382.062 of the Health and Safety Code shall be $80,000.

6. **Appropriations Limited to Revenue Collections: Automobile Emission Inspections.** Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy item A.1.4, Air Quality Assessment and Planning, is $1,400,000 in each year of the biennium for the operation of the vehicle emissions inspection and maintenance program pursuant to Section 382.037, Health and Safety Code and Executive Order GWB96-1. These funds are for the purpose of developing, administering, evaluating, and maintaining the vehicle emissions inspection and maintenance program, including federally required reporting measures to demonstrate compliance with applicable federal and state laws.

   In addition to the amounts appropriated above, to implement mandatory changes in the vehicle emissions inspection and maintenance program, an additional $76,000 in automobile inspections fee revenues is appropriated to the Natural Resource Conservation Commission in fiscal year 2002 and an additional $228,200 is appropriated in fiscal year 2003 out of the Clean Air Account No. 151.

   In addition, if additional counties are brought into the vehicle emissions inspection and maintenance program, 20 percent of revenues generated from the vehicle emissions and inspections fee in the additional counties in each fiscal year 2002 and 2003 are hereby appropriated to the agency for the purpose of developing, administering, evaluating and maintaining the vehicle emissions inspection and maintenance program in the additional counties.

   It is the intent of the Legislature that 20 percent of the fees authorized and generated by the operation of the vehicle emissions inspection and maintenance program cover, at a minimum, the costs of the appropriations made above, as well as the "Other direct and indirect costs" associated with the program, appropriated elsewhere in this Act. "Other direct and indirect costs" for the vehicle emissions inspection and maintenance program are estimated to be $139,350 for fiscal year 2002 and $148,219 for fiscal year 2003. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

7. **Local Air Pollution Grants Allocation.** Included in the amounts appropriated above an amount not less than $2,800,000 out of the Clean Air Account No. 151 in Strategy A.1.4, Air Quality Assessment and Planning, in each year of the biennium shall be utilized to fund grants or cooperative agreements with eligible local air pollution programs under § 382.0622, Health and Safety Code. It is provided, however, that the combined federal and state share of the funding for any such local air pollution programs shall not exceed 67 percent of the total allocation to the programs, with the local share being based on the local dollars allocated pursuant to maintenance-of-effort requirements for federal air pollution grants.

8. **Fee Revenue: Pollution Control Equipment Exemptions.** Pursuant to § 11.31, Tax Code, included in amounts appropriated above out of the General Revenue Fund in Strategy A.1.7, Pollution Prevention and Recycling, is $133,600 each fiscal year from fee revenue

collected beginning with the effective date of this Act for the purpose of determining whether pollution control equipment is exempt from taxation.

In addition to amounts appropriated above, any amounts collected by the Texas Natural Resource Conservation Commission pursuant to Tax Code, § 11.31 on or after September 1, 2001, in excess of $133,600 in each fiscal year of the biennium are hereby appropriated to the agency.

9. **Authorization: Operating Fund.** The Texas Natural Resource Conservation Commission (TNRCC) is hereby authorized to make transfers from any appropriation made to TNRCC into a single account in the General Revenue Fund known as the "Texas Natural Resource Conservation Commission Operating Fund" for the purpose of making expenditures for which appropriations were made in this Act. After the expenditures have been made from the fund and as soon as the proper strategies have been identified, TNRCC shall process adjustments to the Comptroller in summary accounts to facilitate accurate cost allocations; provided, however, that each special account and fund shall be used for the purposes as now described by law and nothing shall be done to jeopardize or divert the special accounts and funds or any portion thereof including federal aid.

10. **Water Resource Fees.** Included in amounts appropriated above out of the Water Resource Management Account No. 153, is $3,488,709 each fiscal year from fees collected pursuant to the provisions of Health and Safety Code, Chapter 341, for the biennium beginning with the effective date of this Act, for the purpose of implementing the provisions of that statute and the Federal Safe Drinking Water Act.

11. **On-site Sewage Disposal System Fees.** Included in amounts appropriated above out of the Water Resource Management Account No. 153, in Strategy A.1.2, Water Resource Permitting, is $739,472 in fiscal year 2002 and $708,322 in fiscal year 2003 from estimated revenues assessed and collected pursuant to Chapter 366, Subchapters D and E, Health and Safety Code, for the purpose of administration of programs for the regulation and management of on-site sewage disposal systems.

    In addition to amounts appropriated above, any amounts collected by the Texas Natural Resource Conservation Commission pursuant to Health and Safety Code, Chapter 366, Subchapters D and E on or after September 1, 2001, in excess of $739,472 in fiscal year 2002 and $708,322 in fiscal year 2003 are hereby appropriated to the agency.

12. **Reimbursement of Advisory Committee Members.** Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members out of funds appropriated above is limited to the following advisory committees:

    Irrigators Advisory Council
    Small Business Compliance Advisory Panel
    Waste Reduction Advisory Committee
    Municipal Solid Waste Management and Resource Recovery Advisory Council

13. **Appropriation: Near Non-Attainment Area Air Quality Planning.** Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.4, Air Quality Assessment and Planning, is $5,075,000 for the biennium for air quality planning activities in areas considered to be near non-attainment for the ozone standard under the federal Clean Air Act Amendments of 1990, which include Austin, Corpus Christi, Longview-Tyler-Marshall, San Antonio, and Victoria. These activities may include identifying, inventorying, and monitoring of current pollution levels; modeling future pollution levels; and the identification and quantification of potential pollution reduction through voluntary controls. The areas receiving funds shall coordinate with the Texas Natural Resource Conservation Commission to ensure that these

activities are consistent with agency monitoring, inventory and modeling approaches and infrastructure.

Any unexpended balances from this appropriation as of August 31, 2002, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2002.

For cash flow purposes, the Natural Resource Conservation Commission may utilize General Revenue Funds in an amount not to exceed $2 million for the 2002–03 biennium, pending repayment through receipts and balances to the Clean Air Account No. 151. The General Revenue amounts shall be utilized to conduct air quality planning activities in areas considered to be near non-attainment for the ozone standard. Any unencumbered balances remaining in the Clean Air Account No. 151 on August 31, 2003, shall be used to repay amounts transferred from the General Revenue Fund. Any transfers or repayments shall be made in accordance with procedures established by the Comptroller.

14. **Appropriations Limited to Revenue Collections: Occupational Licensing.** It is the intent of the Legislature that fees, fines and other miscellaneous revenues deposited to the TNRCC Occupational Licensing Account No. 468 as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above for strategy item B.1.3, Occupational Licensing, as well as the "Other direct and indirect costs" associated with this strategy, appropriated elsewhere in this Act. "Other direct and indirect costs" for strategy item B.1.3, Occupational Licensing, are estimated to be $300,020 for fiscal year 2002 and $317,408 for fiscal year 2003. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

15. **Bosque River Water Quality Monitoring.** Out of funds appropriated above in Strategy A.1.5, Water Assessment and Planning, the Texas Natural Resource Conservation Commission shall conduct water quality monitoring of the Bosque River.

16. **Contingency Appropriation: Fee Appropriation for Watermaster Offices.** In addition to amounts appropriated above out of the Watermaster Administration Account No. 158 in Strategy A.1.2, Water Resource Permitting, there is hereby appropriated all revenue collected by the Texas Natural Resource Conservation Commission (TNRCC) from additional fees generated pursuant to § 11.329 of the Water Code due to the implementation of increased fee rates at the Rio Grande and South Texas watermaster offices, and due to new watermaster offices created on or after September 1, 2001, by petition of the affected water rights holders (estimated to be $92,725 each year of the biennium).

    Any unexpended balances from this appropriation as of August 31, 2002, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2002.

17. **Contract with the State Office of Administrative Hearings.** Included in the amounts appropriated above is $938,860 in fiscal year 2002 and $938,860 in fiscal year 2003 to cover the cost of contracting with the State Office of Administrative Hearings for funding the Natural Resources Division for the purpose of conducting administrative hearings and for related expenses. The Texas Natural Resource Conservation Commission (TNRCC) and the State Office of Administrative Hearings may not enter into a contract for an amount less than the amounts specified herein. If the State Office of Administrative Hearings determines, at the end of each fiscal year, that the amount paid under the contract exceeds the necessary funding, it shall refund the difference to TNRCC. If the State Office of Administrative Hearings determines that the amounts are insufficient to fund the Natural Resources Division, the State Office of Administrative Hearings may enter into negotiations with TNRCC in order to renegotiate the interagency contract to provide additional funds for administrative hearings. The

State Office of Administrative Hearings is not appropriated any state funds from such renegotiated contracts until it gives written notice to the Legislative Budget Board and the Governor, together with written permission of the agency.

18. **Recovered Costs and Responsible Party Payments.** In addition to the amounts appropriated elsewhere in this Act and in Strategy C.1.3, Hazardous Materials Cleanup, the Texas Natural Resource Conservation Commission is hereby appropriated for the biennium, beginning with the effective date of this Act, all payments from judgements, settlements and responsible party payments deposited to the credit of Hazardous and Solid Waste Remediation Account No. 550 for the fiscal year ending August 31, 2001, (estimated to be $100,000) and all similar revenues collected during the 2002–03 biennium. The funds shall only be used for investigation, assessment, remediation operation or maintenance performed at the contaminated site for which such funds have been contributed to the Account.

    Any payments received from a site that requires no further remediation may be spent on any hazardous waste remediation activity in Strategy C.1.3, Hazardous Materials Cleanup.

19. **Agency Coordination.** The Texas Department of Transportation and the Texas Natural Resource Conservation Commission shall coordinate their efforts on the acquisition and potential uses of crumb rubber and shredded tire pieces in the various phases of highway construction. The Texas Department of Transportation and the Texas Natural Resource Conservation Commission shall provide to the appropriate Legislative Committees a report on their progress by January 1 of each fiscal year.

20. **Environmental Hotline.** Out of amounts appropriated above in Strategy A.1.4, Air Quality Assessment and Planning, the Texas Natural Resource Conservation Commission shall maintain a state toll-free telephone line to receive reports concerning violations or suspected violations of environmental laws, in conjunction with the Smoking Vehicle Hotline.

21. **Costs Recovered for Petroleum Storage Tank Remediation.** In addition to the amounts appropriated elsewhere in this Act and in Strategy C.1.2, Storage Tank Cleanup, the Texas Natural Resource Conservation Commission is hereby appropriated for the biennium beginning with the effective date of this Act all payments received from responsible parties as reimbursements and deposited to the Petroleum Storage Tank Remediation Account No. 655 for the costs of investigation, remediation, operation, or maintenance of leaking petroleum storage tank sites (estimated to be $100,000 in each fiscal year of the biennium).

22. **Certification of Section 404 Permits.** Except for the review of a federal permit or license by the state that is required in order to maintain delegation of a federal program or to comply with a requirement of federal law, none of the funds appropriated above may be expended by the Commission for the purpose of certification of a federal permit issued by the U.S. Army Corps of Engineers under § 404 of the Clean Water Act.

23. **Texas Parks and Wildlife Environmental Special Investigations Unit.** Included in amounts appropriated above in Strategy B.1.2, Enforcement and Compliance Support, is $250,000 out of Waste Management Account No. 549 for each fiscal year of the biennium for the purpose of supporting the Texas Parks and Wildlife Department's Environmental Special Investigations Unit to enforce state and federal laws on illegal dumping. This appropriation is contingent on a memorandum of understanding and an interagency transfer of the funds between the Texas Parks and Wildlife Department and the Texas Natural Resource Conservation Commission to jointly administer the program. Any unexpended balance of this appropriation from fiscal year 2002 is appropriated for the same purpose for fiscal year 2003.

24. **Air Pollution/Haze Study.** Out of amounts appropriated above, the Texas Natural Resource Conservation Commission shall conduct a study of the air pollution/haze problem along the Texas/Mexico border, with particular emphasis on the air pollution/haze in Big Bend National Park. The study should include the causes of pollution/haze, the effects of such pollution/haze, as well as any potential short-term and long-term remedies. The study should be concluded and the commission shall begin implementation of the study prior to January 1, 2003.

25. **Appropriation Irrigator Fees.** Included in amounts appropriated above out of the Occupational Licensing Account No. 468 in Strategy B.1.3, Occupational Licensing, is $120,300 in each fiscal year of the biennium from estimated revenues assessed and collected pursuant to Water Code, Chapter 34, for the purpose of the licensing and regulating irrigators. In addition to amounts appropriated above, any amounts collected by the Texas Natural Resource Conservation Commission pursuant to Water Code, Chapter 34, on or after September 1, 2001, in excess of $120,300 each fiscal year (estimated to be $100,000 each fiscal year) are hereby appropriated to the agency for the same purposes.

26. **Appropriations Limited to Available Balances and Revenue Collections.** Amounts appropriated herein out of the Clean Air Account No. 151 to the Texas Natural Resource Conservation Commission shall consist of unencumbered and unobligated balances in the Account as of August 31, 2001, and fee revenue collected on or after September 1, 2001.

27. **Agency to Pursue Federal Funding for the Rio Grande Water Availability Modeling Project.** It is the intent of the Legislature that the Natural Resource Conservation Commission pursue every available source of federal funding to support the Rio Grande Water Availability Modeling Project in fiscal years 2002 and 2003. In the event that the agency receives federal funding for the Rio Grande Water Availability Project, then the amount of General Revenue to be expended on the project (estimated to be $1,600,000 in each fiscal year of the biennium) shall be reduced by the amount of federal funds received for the project. An amount of General Revenue equal to the amount of federal funds received for the Rio Grande Water Availability Project shall be expended to develop and implement Total Maximum Daily Loads (TMDLs).

28. **Federal Funds and Capital Budget Expenditures.** To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Texas Natural Resource Conservation Commission (TNRCC) is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of ths Act, “Limitations on Expenditures - Capital Budget”, when federal funds are received in excess of amounts identified in the agency’s Capital Budget Rider and such funds are federally designated solely for the purchase of specific capital items. TNRCC shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds, of the amount received and items to be purchased.

29. **Waste Tire Recycling.** It is the intent of the Legislature that the Natural Resource Conservation Commission communicate and work with electric utilities and other industries located in Bexar, Cameron, Comal, El Paso, and Hidalgo Counties to encourage the use of tire-derived fuel.

30. **Appropriation: Operating Permit Fees.** In calculating the amount of the fee to be collected under § 382.0621, Health and Safety Code, the commission shall include upset and maintenance emissions in the total emissions for each source.

    In addition to amounts appropriated above, there is hereby appropriated to the commission all fee revenue collected from upset and maintenance emissions (estimated to be $1.1 million in each fiscal year of the biennium). These funds shall be used for enforcement and monitoring activities in Strategy A.1.1, Air Quality Permitting; Strategy A.1.4, Air Quality Assessment and Planning; and Strategy B.1.2, Enforcement and Compliance Support.

31. **Leon Watershed and North Bosque Watershed Monitoring:** Out of funds appropriated above, the Commission shall produce and report a list of the physical locations and numbers of cattle for all state-permitted milk-producing Concentrated Animal Feeding Operations (CAFOs) in the Leon River Watershed and the North Bosque Watershed, as well as a map showing their locations on the watershed with respect to the river and its tributary creeks. The Commission also shall produce and report a list of all pending applications for CAFO permits in the Leon River Watershed and the North Bosque Watershed. The Commission also shall, out of funds appropriated above, activate water quality monitoring sites in the Leon River Watershed and the North Bosque Watershed, collect samples above those sites on a quarterly basis, and report the results of that monitoring on a quarterly basis. Samples collected from Leon River Watershed and North Bosque Watershed's water quality monitoring sites shall be analyzed, at a minimum, for Nitrogen-Nitrite + Nitrate, Orthophosphate-Phosphorous, Dissolved Oxygen, Chloride, Sulfate, Sodium, Potassium, Magnesium, Calcium, total suspended solids, E. Coli, temperature, conductivity, pH, total phosphorous, and total dissolved solids. The Commission shall report all required information to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, each member of the House Committee on Appropriations, each member of the Senate Committee on Finance, each member of the House Committee on Natural Resources and each member of the Senate Committee on Natural Resources.

32. **Appropriation: Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act.** Included in amounts appropriated above in Strategy A.1.4, Air Assessment and Planning, is $4,000,000 in fiscal year 2002 for research to obtain the data and information to refine and enhance any model used to demonstrate attainment with the National Ambient Air Quality Standard (NAAQS) for ozone under the Federal Clean Air Act. These funds may also be used to collect data and for modeling to demonstrate attainment with the National Ambient Air Quality Standard for Ozone. The Natural Resource Conservation Commission may contract as necessary to carry out these activities.

    Any unexpended balances remaining in this appropriation on August 31, 2002 are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2002.

33. **Grants for Removal of Solid Waste.** Included in the amounts appropriated above in Strategy A.1.6, Waste Assessment and Planning, is $100,000 out of the Solid Waste Disposal Account No. 5000 in fiscal year 2002 for the purpose of awarding grants to local governments for the removal of solid waste.

    Any unexpended balance remaining in this appropriation as of August 31, 2002, is hereby appropriated to the agency for the same purposes in the fiscal year beginning September 1, 2002.

34. **Waste Tires.** Out of amounts appropriated above, the Texas Natural Resource Conservation Commission shall enforce statutory requirements relating to waste, scrap, or used tires. It is the intent of the Legislature that all reasonable steps be taken to minimize the illegal storage, transport, or disposal of waste or scrap tires. The commission shall audit or otherwise monitor businesses that sell, transport, or store such tires and identify illegal or improper activities as well as study methods for achieving a greater level of compliance for tire disposal within the State of Texas. The commission also shall seek opportunities for coordination with other agencies, such as the Comptroller of Public Accounts, through interagency agreements or contracts. Cooperating agencies would use routine contracts with taxpayers during audits or other activity to obtain copies of tire manifests or other information relating to tire transport or storage in accordance with Health and Safety Code, § 361.112. Such agreements should provide that the cooperating agency transmit such records to the commission for review and analysis and should be designed to have minimal costs for the cooperating agency. The commission shall submit a report not later than December 1, 2002, to the Legislative Budget Board and the Governor detailing their efforts and findings in accordance with this provision.

35. **Waste Tire Disposal Grants.** Included in the amounts appropriated above in Strategy A.1.7, Pollution Prevention and Recycling, is $7,500,000 in fiscal year 2002 out of the Solid Waste Disposal Account No. 5000 to be used to make grants for the disposal of waste tires and scrap tire. In selecting grant recipients, the Natural Resource Conservation Commission shall give preference to proposals that involve recycling the material and result in local job creation. In addition, grant recipients shall agree that any environmental threat of fire associated with waste tires and scrap tires will be eliminated within one year of the effective date of such grants.

    Any unexpended balance remaining in this appropriation on August 31, 2002, is hereby appropriated to the Natural Resource Conservation Commission for the same purposes for the fiscal year beginning September 1, 2002.

36. **Grants for Tire-derived Fuels.** Included in the amounts appropriated above to the Natural Resource Conservation Commission in Strategy A.1.7, Pollution Prevention and Recycling, is $2,000,000 in fiscal year 2002 out of the Solid Waste Disposal Account No. 5000 for the purpose of awarding grants to support the use of tire-derived fuel. These grants are to be used to implement the settlement of lawsuits related to the State Implementation Plans (SIPs) for air quality.

    Any unexpended balance remaining in this appropriation as of August 31, 2002, is hereby appropriated to the agency for the same purposes in the fiscal year beginning September 1, 2001.

37. **Disposition of Former Low-level Radioactive Waste Site.** Not later than September 1, 2002, the Natural Resource Conservation Commission and the General Land Office shall transfer to the Board of Regents of the Texas State University System for use by Sul Ross State University the real property described by § 402.0921, Health and Safety Code, as that section existed immediately before August 31, 2001.

    The Commission shall transfer the property by an appropriate instrument of transfer that requires Sul Ross State University to use the property in a manner that primarily promotes a governmental and educational purpose. The instrument of transfer also shall require that upon a decision by the Board of Regents of the Texas State University System to dispose of such property, the property shall revert to the General Land Office, and that all proceeds from the sale of such property shall be deposited to the credit of the General Revenue Fund.

38. **Appropriation: Targeted Salary Increase.** Notwithstanding other appropriations made by this Act relating to salary increases, in addition to amounts appropriated above to the Natural Resource Conservation Commission, there is hereby appropriated $650,000 in fiscal year 2002 and $1,300,000 in fiscal year 2003 out of the General Revenue Fund for the purpose of making salary increases for select job classes.

    The Natural Resource Conservation Commission is hereby authorized to transfer the appropriation made pursuant to this provision to the appropriate strategy items listed above.

39. **Contingency Appropriation: House Bill 2912.** Contingent upon passage of House Bill 2912, or similar legislation relating to the continuation and functions of the Natural Resource Conservation Commission, the following changes shall be made to the appropriations to the Natural Resource Conservation Commission for the 2002–03 biennium:

    Petroleum Storage Tank Remediation. Contingent upon the enactment of legislation providing for the reinstatement and extension of the petroleum product delivery fee and in addition to amounts appropriated above, the Natural Resource Conservation Commission is hereby appropriated revenues deposited to the Petroleum Storage Tank Reimbursement Account No. 655 on or after September 1, 2001 in an amount not to exceed $88,654,673 in fiscal

year 2002 and $71,382,311 in fiscal year 2003 for Petroleum Storage Remediation activities. These amounts are appropriated to Strategy C.1. 2, Storage Tank Cleanup.

The following incremental and cumulative changes to key measure targets reflect funding levels contingent upon enactment of House Bill 2912 or similar legislation providing for the reinstatement and extension of the petroleum product delivery fee:

	2002	2003
Percent of Leaking Petroleum Storage Tank Sites Cleaned Up (cumulative)	80%	85%
Number of Petroleum Storage Tank Self-certifications Processed (incremental)	11,140	11,140
Number of Petroleum Storage Tank Cleanups Completed (incremental)	720	1,890

Petroleum Storage Tank Remediation Fund Restrictions. Out of funds appropriated above in Strategy C.1.1, Storage Tank Administration, not more than $1,005,000 in fiscal year 2002 may be allocated from the Waste Management Account No. 549, out of funds transferred from the Petroleum Storage Tank Remediation (PSTR) Account No. 655, in accordance with Water Code § 26.3573(d)-(e). Furthermore, the Texas Natural Resource Conservation Commission shall not transfer funds from the PSTR Account from Strategy C.1.2, Storage Tank Cleanup to any other strategy.

In addition, contingent upon the enactment of legislation providing for the reinstatement and extension of the petroleum product delivery fee and in addition to amounts appropriated above, the Natural Resource Conservation Commission is hereby appropriated revenues transferred and deposited to the Waste Management Account No. 549 from the Petroleum Storage Tank Remediation Account No. 655, in accordance with Water Code § 26.3573 (d)-(e) in an amount not to exceed $8,288,994 in fiscal year 2002 and $11,396,115 in fiscal year 2003. These amounts are hereby appropriated to Strategy C.1.1, Storage Tank Administration. Additionally, contingent upon the enactment of legislation providing for the reinstatement and extension of the petroleum product delivery fee, the "Number of Full-Time Equivalent Positions (FTE)" figure indicated above is hereby increased by 69 in fiscal year 2002 and by 86 in fiscal year 2003 for storage tank administration activities in Strategy C.1.1, Storage Tank Administration.

For the purposes of implementing activities supported in Strategy C.1.1, Storage Tank Administration, the agency is exempt from provisions in Article IX, § 6.14 (c) (4) relating to the inclusion of temporary or contract workers in the calculation of the number of FTEs employed by a state agency.

Reallocation of Revenue and Balances for Certain Accounts. Contingent upon the passage of legislation relating to funding flexibility for the Texas Natural Resources Conservation Commission by the Seventy-seventh Legislature and notwithstanding provisions relating to Appropriation Transfers within in the General Appropriations Act, the agency is hereby authorized to reallocate not more than seven percent of the All Funds amount identified in the Method of Finance above from the following accounts (consisting of revenues and balances) to be used for purposes identified in the above strategies.

Clean Air Account Fund Account No. 151
Water Resource Management Account No. 153
Waste Management Account No. 549
Solid Waste Disposal Fee Account No. 5000
Hazardous and Solid Waste Remediation Fee Account No. 550
Used Oil Recycling No. 146
Occupational Licensing No. 468
Watermasters Administration No. 158

The Commission shall notify the Governor and the Legislative Budget Board of any decision to reallocate funds between accounts prior to any such reallocations.

Sludge Land Application Permitting Program. Contingent upon legislation requiring persons to obtain permits from the Natural Resource Conservation Commission for the land application of sludge, the Commission is hereby appropriated sludge permit fee revenues not to exceed $122,770 in fiscal year 2002 and $96,270 in fiscal year 2003 out of the Waste Management Account No. 549.

In addition, the "Number of Full-Time Equivalent Positions (FTE)" figure indicated above is hereby increased by one in each fiscal year of the biennium.

Pollution of Aquifers Study. It is the intent of the Legislature that the Texas Natural Resource Conservation Commission, pursuant to its authority under Chapter 26 of the Water Code, study the problems caused by petroleum storage tanks located above aquifer recharge zones, with particular emphasis on the spillage of benzene, toluene, and MBTE into the Trinity aquifer. It is the intent of the Legislature that the study:

a. include the causes of pollution by petroleum storage tank system, the health and safety effects of inadequate containment systems, and short-term and long-term solutions and remedies;
b. should be concluded by not later than January 1, 2002, with a written report on the study made available to all members of the Legislature by that date; and
c. cost not more than $100,000 and be funded out of other amounts appropriated to the commission by this Act.

* 40. **Contingency Appropriation: Senate Bill 1541.** Contingent upon passage of Senate Bill 1541, or similar legislation relating to the permanent management of low-level radioactive waste, by the Seventy-seventh Legislature, Regular Session, the Natural Resource Conservation Commission is hereby appropriated any fee revenues generated to the Low-level Radioactive Waste Account No. 88 as a result of the bill's enactment (estimated to be $1,245,000 for the 2002–03 biennium). This appropriation shall be used to implement the provisions of the bill.

** 41. **Contingency Appropriation: Senate Bill 2134.** Contingent upon passage of House Bill 2134 by the Seventy-seventh Legislature, Regular Session, or similar legislation establishing a Low-Income Vehicle Repair Assistance, Retrofit and Accelerated Vehicle Retirement Grant program, the Natural Resource Conservation Commission is hereby appropriated fee revenues not to exceed $186,365 in fiscal year 2002 and $162,365 in fiscal year 2003 out of the Clean Air Account No. 151 for administrative costs for the program established by the bill. In addition, the Natural Resource Conservation Commission is hereby appropriated fee revenues not to exceed $3,197,635 in fiscal year 2002 and $13,593,635 in fiscal year 2003 out of the Clean Air Account No. 151 to be used to provide funding to counties for low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement programs according to the provisions of the bill. This appropriation is contingent upon the agency generating sufficient new fee revenues as a result of the bill's enactment.

In addition, the "Number of Full-Time Equivalent Positions (FTE)" figure above is hereby increased by three in each fiscal year of the biennium.

42. **Sunset Contingency.** Funds appropriated above for fiscal year 2003 for the Natural Resource Conservation Commission are made contingent on the continuation of the Natural Resource Conservation Commission by the Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2002 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

*Senate Bill 1541 did not pass.
**Should read "House Bill 2134."

PARKS AND WILDLIFE DEPARTMENT

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: OUTDOOR RECREATION		
To strengthen traditional services for core constituents such as hunters, anglers, park visitors, and other outdoor enthusiasts by improving habitat and access to outdoor areas, and maintaining quality and safety.		
Outcome (Results/Impact):		
Percent of Maintenance Needs Met	100%	100%
Percent of Repair Needs Met	50%	55%
A.1.1. Strategy: PUBLIC HUNTING AND FISHING	$ 22,723,758	$ 22,823,759
Provide public hunting and public fishing opportunities by acquiring, improving, and providing access to public fisheries, wildlife and their habitat.		
Output (Volume):		
Number of Fingerlings Stocked (in Millions)	44	44
Acres of Public Hunting Lands Provided	1,434,000	1,434,000
A.2.1. Strategy: OPERATE STATE PARKS	$ 49,509,323	$ 49,509,323
Plan for proper use and operate existing state parks and wildlife management areas safely and cost effectively.		
Output (Volume):		
Number of State Parks in Operation	120	119
A.2.2. Strategy: CAPITAL PROGRAMS	$ 16,319,300	$ 53,385,610
Implement capital improvement, major repair, and cultural and natural resource management programs for existing facilities; and acquire identified priority natural, cultural, and recreational resources and develop according to a site management plan.		
Output (Volume):		
Number of Repair/Conservation Projects Completed	450	510
Total, Goal A: OUTDOOR RECREATION	$ 88,552,381	$ 125,718,692
B. Goal: REACH NEW CONSTITUENCIES		
To broaden efforts to reach new constituencies through natural and cultural resource education, outreach programs, and by increasing recreational opportunities.		
Outcome (Results/Impact):		
Annual Percent Change in Opportunities Provided for Youth, Minorities, and the Physically Challenged	5%	5%
B.1.1. Strategy: PUBLIC AWARENESS AND OUTREACH	$ 12,550,742	$ 12,752,741
Design and implement outreach programs which effectively communicate the agency's natural and cultural resource conservation messages while expanding fishing, hunting, and wildlife viewing opportunities for targeted user groups.		
Output (Volume):		
Number of Students Trained in Hunter Education	39,000	40,000
Number of Students Trained in Boater Education	10,000	11,000
B.1.2. Strategy: LOCAL PARKS	$ 25,469,851	$ 24,469,852
Provide grants and technical assistance to strengthen the ability of local governments to provide indoor and outdoor recreation opportunities.		

PARKS AND WILDLIFE DEPARTMENT
(Continued)

Output (Volume):		
Number of Grant Assisted Projects Completed	65	65
Total, Goal B: REACH NEW CONSTITUENCIES	$ 38,020,593	$ 37,222,593
C. Goal: RESOURCE PROTECTION		
To protect fish and wildlife resources and their habitat and manage the natural and cultural heritage of Texas.		
Outcome (Results/Impact):		
Percent of Fish and Wildlife Kills or Pollution Cases Resolved Successfully	92%	92%
Percent of Private Land Acreage in Texas Managed to Enhance Wildlife	7.7%	7.8%
C.1.1. Strategy: LAW ENFORCEMENT	$ 35,402,366	$ 35,402,366
Supervise the users of natural resources in Texas and ensure public safety on state waterways.		
Output (Volume):		
Miles Patrolled in Vehicles (in Millions)	11.3	11.4
Hours Patrolled in Boats	125,000	125,000
Number of Criminal Environmental Investigations under Way	30	35
C.2.1. Strategy: MANAGE FISH AND WILDLIFE	$ 27,444,347	$ 27,444,347
Conserve and manage Texas fish, wildlife, and plant resources.		
Output (Volume):		
Number of Pollution and Fish Kill Complaints Investigated	315	325
Number of Active Management Agreements with Landowners	2,800	2,900
Number of Commercial Fishing Licenses Purchased	271	224
Total, Goal C: RESOURCE PROTECTION	$ 62,846,713	$ 62,846,713
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 7,505,882	$ 7,505,882
D.1.2. Strategy: INFORMATION RESOURCES	$ 5,780,397	$ 5,780,397
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 2,466,077	$ 2,466,077
Total, Goal D: INDIRECT ADMINISTRATION	$ 15,752,356	$ 15,752,356
Grand Total, PARKS AND WILDLIFE DEPARTMENT	$ 205,172,043	$ 241,540,354
Method of Financing:		
General Revenue Fund	$ 13,143,860	$ 11,980,710
Sporting Goods Tax - State Parks	15,500,000	15,500,000
Sporting Goods Tax - Local Parks	15,500,000	15,500,000
Capital Account, Fund No. 403	1,000,000	1,000,000
Unclaimed Refunds of Motorboat Fuel Tax	14,340,000	14,340,000
Boat and Boat Motor Sales and Use Tax	5,000,000	5,600,000
Subtotal, General Revenue Fund	$ 64,483,860	$ 63,920,710
General Revenue Fund - Dedicated		
Game, Fish and Water Safety Account No. 009	76,450,903	76,752,903
State Parks Account No. 064	20,002,258	20,002,257
Texas Local Parks, Recreation and Open Space Account No. 467	4,947,165	4,947,166
Non-Game and Endangered Species Conservation Account No. 506	35,927	35,928
Artificial Reef Account No. 679	100,000	100,000
Texas Parks and Wildlife Capital Account No. 5004	241,688	241,688
Shrimp License Buy Back Account No. 5023	192,000	192,000
Subtotal, General Revenue Fund - Dedicated	$ 101,969,941	$ 102,271,942

Federal Funds	31,748,846	31,698,306
Other Funds		
Appropriated Receipts	6,369,396	6,369,396
Interagency Contracts	250,000	250,000
Bond Proceeds - General Obligation Bonds	0	36,680,000
Bond Proceeds - Revenue Bonds	350,000	350,000
Subtotal, Other Funds	$ 6,969,396	$ 43,649,396
Total, Method of Financing	$ 205,172,043	$ 241,540,354
Number of Full-Time-Equivalent Positions (FTE):	3,035.5	3,035.5
Schedule of Exempt Positions:		
Executive Director, Group 5	$115,000	$115,000
Per Diem of Commission Members	5,400	5,400
Supplemental Appropriations Made in Riders:	$ 21,020,875	$ 6,022,203

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2002	2003
a. Acquisition of Land and Other Real Property		
(1) Habitat Acquisition	$ 1,800,000	$ 1,800,000
b. Construction of Buildings and Facilities		
(1) Construction and Major Repairs	$ 11,964,314	$ 49,030,624
c. Acquisition of Information Resource Technologies		
(1) Mainframe upgrades, microcomputers, and other equipment	$ 1,681,395	$ 1,681,395
d. Transportation Items		
(1) Purchase of Vehicles	$ 4,251,979	$ 4,251,979
e. Acquisition of Capital Equipment and Items		
(1) Office, field, marine and lab equipment	$ 1,461,300	$ 1,461,300
Total, Capital Budget	$ 21,158,988	$ 58,225,298
Method of Financing (Capital Budget):		
General Revenue Fund	$ 7,343,378	$ 7,780,228
General Revenue Fund - Dedicated		
Game, Fish and Water Safety Account No. 009	9,310,061	9,310,061
State Parks Account No. 064	388,529	388,529
Artificial Reef Account No. 679	100,000	100,000
Texas Parks and Wildlife Capital Account No. 5004	473,000	473,000
Subtotal, General Revenue Fund - Dedicated	$ 10,271,590	$ 10,271,590

Federal Funds	3,544,020	3,493,480
Bond Proceeds - General Obligation Bonds	0	36,680,000
Total, Method of Financing	$ 21,158,988	$ 58,225,298

2. **Appropriation: Texas Park Development Bonds Interest and Sinking Receipts.** There are hereby appropriated all Texas Park Development Bonds Interest and Sinking Receipts pursuant to and for the purposes as set out by the provisions of Section 49-e, Article III, Texas Constitution and Parks and Wildlife Code, Chapter 21.

3. **Appropriation: Escrow Accounts.** In addition to amounts appropriated above in Strategy A.1.1, Public Hunting and Fishing, Strategy A.2.2, Capital Programs, and Strategy C.2.1, Manage Fish and Wildlife, any unexpended balances as of August 31, 2001, and any revenue received during this biennium (estimated to be $900,000 each fiscal year in Game, Fish, and Water Safety, Account No. 9, and $50,000 each fiscal year in Lifetime License Endowment, Account No. 54), consisting of either principal or interest, from trust or escrow accounts set up to benefit the Parks and Wildlife Department are hereby appropriated.

4. **Authorization: Purchase of Evidence.** From the amounts appropriated above, the Parks and Wildlife Department is hereby authorized to establish a cash fund, for the purchase of evidence and/or information and surveillance deemed necessary by the department for enforcement of laws under the Parks and Wildlife Code.

5. **Authorization: Acceptance of Payment with Goods and Services.** The Parks and Wildlife Department is hereby authorized to accept goods and/or services in lieu of cash for sales of products or rights on the department's public land areas. These goods and services may be on the same public land area as the product or right sold or any other public land area. In order to procure the goods and services in the amounts needed that equal the value of products or rights sold, an escrow bank account may be utilized.

6. **Commissioned Peace Officer Compensation.** The Executive Director of the Parks and Wildlife Department may not provide for the compensation of a state-commissioned peace officer at a rate less than the rate paid by any other state agency to a state-commissioned peace officer performing similar duties.

7. **Outreach Programs.** Out of amounts appropriated above in Strategy B.1.2, Local Parks, the Parks and Wildlife Department shall continue partnership projects by contracting a total of $1,250,000 each fiscal year of the 2002–03 biennium in partnership programs for underserved populations.

8. **Appropriation: Unexpended Balance for Construction Projects.** The Department is hereby appropriated for each fiscal year of the biennium beginning with the effective date of this Act, any unexpended balances from appropriations previously made for construction, repair, acquisition, and renovation projects in House Bill No. 1, Acts of the Seventy-fifth Legislature, Regular Session and House Bill No. 1, Acts of the Seventy-sixth Legislature, Regular Session for the purposes that these appropriations were originally made (estimated to be $14,879,671). Any unexpended balances remaining in such appropriation items at August 31, 2002, are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2002. Any appropriation made in this Act to the Parks and Wildlife Department for construction and improvement projects shall include labor and all necessary costs involved in the project. It is provided, however, that the Parks and Wildlife Department shall have information available at the close of each fiscal year showing the progress and costs involved in the expenditure of such appropriation items.

9. **Construction and Land Owner Incentive Grants.** Funds appropriated for local parks that are utilized for grants awarded for local park construction projects in excess of $25,000 and landowner incentive grants shall be treated as construction appropriations for the purpose of determining the life of the appropriation under the provisions of § 403.071, Government Code. It is provided, however, that the Texas Parks and Wildlife Department shall provide the Governor and the Legislative Budget Board a status report at the close of each fiscal year showing the progress and costs for any grant for local park construction projects and landowner incentive grants not completed within two years of the date the grant was awarded.

10. **State Parks, Community Concerns, and Inmate Labor.** The Parks and Wildlife Department is directed to give priority to community concerns regarding state parks, and may use inmates from the Texas Department of Criminal Justice to provide labor for park development and repair, and to provide labor for cleanup at beaches within state parks.

11. **Fund Transfer Authority.** The Parks and Wildlife Department is hereby authorized to transfer funds between any funds/accounts authorized by the Parks and Wildlife Code in order to alleviate cash flow problems during the biennium. All funds transferred must be returned to the original fund/account before the end of the biennium.

12. **Clothing Provision.** It is the intent of the Legislature that no funds may be expended to provide a clothing or cleaning allowance to any non-uniformed personnel. The Department may continue to expend funds for a cleaning allowance not to exceed $500 per year.

13. **Lease Payments.** Included in amounts appropriated above in Strategy A.2.2, Capital Programs, are lease payments of $5,134,688 in fiscal year 2002 and $5,571,538 in fiscal year 2003 out of the General Revenue Fund which shall be transferred to the Texas Public Finance Authority for debt service payments on revenue bonds or other revenue obligations as authorized by § 13.0045, Parks and Wildlife Code.

14. **Appropriation: State-owned Housing Authorized.** Employees designated by the department at each state park, wildlife management area and hatchery are authorized to live in state-owned housing at a rate determined by the department. Other department employees may live in state-owned housing as set forth in Article IX, § 9.09, State Owned Housing – Recover Housing Costs. It is provided, however, that the Parks and Wildlife Department shall report biennally to the Legislative Budget Board and the Governor, the race, gender, and ethnicity, position title and classification, and salary of employees that reside in state-owned housing.

    In addition to amounts appropriated above in Strategy A.1.1, Public Hunting and Fishing, and Strategy A.2.1, Operate State Parks, rental income collected from employee housing (estimated to be $209,000 in Appropriated Receipts each fiscal year) is hereby appropriated for maintenance of employee housing.

15. **Indoor Recreation Facilities.** Included in the amounts appropriated above in Strategy B.1.2, Local Parks, is $2,000,000 which consists of interest earnings accrued as of August 31, 2001, and earned through the biennium ending August 31, 2003, in the Texas Parks and Recreation and Parks Account No. 467. This amount shall be used to fund local grants for the development of indoor recreation facilities. Any unexpended balance of such appropriations on August 31, 2002, is appropriated for the same purpose for the fiscal year beginning September 1, 2002.

16. **Sunset Contingency.** Funds appropriated above for fiscal year 2003 for the Parks and Wildlife Department are made contingent on the continuation of the Parks and Wildlife Department by the Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2002 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

17. **Boat and Boat Motor Sales and Use Tax.** Amounts appropriated above to the Parks and Wildlife Department include $10,600,000 for the biennium out of Boat and Boat Motor Sales and Use Tax receipts in the General Revenue Fund. This amount is in addition to General Revenue appropriations from the Sporting Goods Sales Tax receipts which totals $64,000,000 for the biennium. Total funding from these two sources is $74,600,000 for the biennium.

18. **Appropriation: License Plate Receipts.** In addition to amounts appropriated above in Strategy A.2.1, Operate State Parks, and Strategy C.2.1, Manage Fish and Wildlife, there is hereby appropriated to the Parks and Wildlife Department all balances collected prior to the effective date of this Act (estimated to be $87,000 in Big Bend National Park, Account No. 5030 and $32,000 in Waterfowl and Wetland Conservation License Plates, Account No. 5057) and revenue collected on or after September 1, 2001 (estimated to be $104,000 in Big Bend National Park, Account No. 5030 and $64,000 in Waterfowl and Wetland Conservation License Plates, Account No. 5057 for the biennium) from the sale of license plates as provided by the Texas Department of Transportation Code §§ 502.295 and 502.303.

    Any unexpended balances as of August 31, 2002, out of the appropriations made herein are appropriated to the Parks and Wildlife Department for the fiscal year beginning September 1, 2002.

19. **Limitation on Out-of-State Travel.** None of the funds appropriated above to the Parks and Wildlife Department may be expended for travel outside the state of Texas if such expenditures cause total out-of-state travel expenditures during each fiscal year to exceed an amount equal to 75 percent of out-of-state travel expenditures for the fiscal year ending August 31, 2000.

20. **Radio Systems**. The Parks and Wildlife Department is required to report on functional radio system interoperability with the Department of Public Safety by department law enforcement district by January 15, 2002. If interoperability has not been achieved for 50 percent of the radio system by that date, then appropriations to Strategy D.1.1, Central Administration, from Game, Fish and Water Safety Account No. 9 shall be reduced by $250,000 in fiscal year 2002 and in fiscal year 2003. If interoperability has not been achieved for 85 percent of the radio system by January 15, 2003, appropriations to Strategy D.1.1, Central Administration, from Game, Fish and Water Safety Account No. 009 shall be reduced by an additional $250,000 in fiscal year 2002 and in fiscal year 2003. All funds reduced from Strategy D.1.1, Central Administration, are to be separately accounted for by the Parks and Wildlife Department, and used to purchase and/or otherwise acquire radio system equipment and improvements for game wardens.

21. **Appropriation: Land Sale Proceeds.** In addition to amounts appropriated above, the Parks and Wildlife Department is hereby appropriated all proceeds collected on or after September 1, 2001, and any balances as of August 31, 2001, from the sale of land (estimated to be $300,000 in Appropriated Receipts). In accordance with Parks and Wildlife Code § 13.009, the proceeds may only be used to improve or acquire other real property dedicated to the same purpose for which the land sold was dedicated.

22. **Commercial Fishery License Fees.** It is the intent of the Legislature that the Parks and Wildlife Department shall adjust rates charged for licenses in each of the Commercial Fishery Programs accordingly as to provide funds necessary to recoup all department costs associated with the management of each program. In making the fee determination, the department should consider the commercial value of the licenses and the amount needed to recoup department costs associated with management of the respective commercial fishery as outlined in the State Auditor Report No. 01-011.

23. **Appropriation of Receipts out of General Revenue-dedicated Accounts.** The Parks and Wildlife Department is hereby appropriated any revenues, including concession revenues, deposited to an account of the Department for the biennium beginning September 1,

2001 (not to exceed $8,763,174 out of Game, Fish and Water Safety Account No. 9; all revenue collections in State Parks Account No. 64 during the 2002-03 biennium that exceed $1,209,080; estimated to be $291,856 out of Texas Parks and Wildlife Capital Account No. 5004; estimated to be $189,377 out of Artificial Reef Account No. 679; and, estimated to be $14,000 out of Shrimp License Buyback Account No. 5023). The Department is specifically authorized to expend these funds for purposes authorized by the Parks and Wildlife Code. However, the Department is authorized to expend these funds only to the extent that such expenditures comply with limitations established for salary, travel and capital expenditures, employment levels and other provisions contained in Article IX of this Act. Prior to expending any revenue collections to State Parks Account No. 64, the Parks and Wildlife Department shall report the purpose and amounts of the expenditure to the Legislative Budget Board and the Governor.

24. **Local Parks.** Out of amounts appropriated above in Strategy B.1.2, Local Parks, $500,000 is to be used to establish a one to one matching grant to a park located in Region 4 for the development of a local park; not more than $200,000 per fiscal year is to be used to provide a one-time grant to the Meteor Crater Site for operating costs; and not more than $250,000 per fiscal year shall be used to construct park and trail systems along the Rio Grande, beginning with the most highly populated area and those parks and trails that serve the greatest number of visitors. Any unexpended balances in funds allocated for construction of park and trail systems along the Rio Grande River as of August 31, 2002 are appropriated for the same purpose for the fiscal year beginning September 1, 2002. The grants will be subject to criteria developed by the Department for the purpose of awarding these grants.

25. **Park Restoration.** Out of funds appropriated above in Strategy B.1.2, Local Parks, the department shall allocate $1,000,000 for a one-time grant to the City of Houston for the purpose of completing park restoration projects at Hermann Park.

26. **Establish or Restore Services at State Parks.** Included in amounts appropriated above in Strategy A.2.1, Operate State Parks, is $5.0 million (an amount not to exceed $4,232,459 from the General Revenue Fund and $767,541 from State Parks Account No. 064) and 81.5 full-time-equivalent positions in fiscal years 2002 and 2003, to open or establish services at seven parks or facilities, including the Franklin Mountains Tram, Chinati Mountains, Devil's Sinkhole, Lake Casa Blanca, Fort Boggy, Government Canyon, Lake Tawakoni, and the World Birding Center Headquarters; to add education and outreach staff at state parks; and to fund critical staffing and equipment needs in the state parks system. These funds shall be allocated as follows:

Park/Facility	Amount Per Fiscal Year	Number of Positions
World Birding Centers (construction begins December 2001; Bentsen–Rio Grande State Park already open)	$637,567	24.50 FTEs
Wyler Aerial Tramway (opened March 2001)	$241,305	5.9 FTEs
Chinati Mountains State Natural Area (opens September 2001)	$125,136	2.0 FTEs
Lake Casa Blanca (September 2001)	$167,631	3.0 FTEs
Lake Tawakoni (September 2001)	$23,452	1.0 FTE

El Paso State Parks Complex (opens May 2001)	$72,504	2.0 FTEs
Government Canyon (construction begins December 2002)	$181,753	8 FTEs
Devil's Sinkhole State Natural Area (facility already open)	$77,598	1 FTE
Fort Boggy State Park (opens September 2001)	$65,232	2 FTEs
Operating funds for existing state parks	$1,407,695	
Equipment replacement	$580,000	
Parks field staff and regional interpreters (positions advertised September 2001)	$1,420,127	32 FTEs

27. **Reporting Requirements: Capital Equipment.** The department shall submit a report semiannually to the Legislative Budget Board and the Governor which documents all leases, purchases, donations, or acquisitions of major capital items. The capital equipment itemized in the report shall include, at a minimum, boats, motors, and other water safety equipment; vehicles; computers; and radio equipment. The report shall identify which strategy within the agency's budget is the source of funding for the item; the method of finance for the item; the cost or value of the item; the date the item was acquired; and the law enforcement district and region or state park to which the item has been delivered.

28. **Reporting Requirements: Full-Time Equivalent Positions.** The department shall submit a monthly report to the Legislative Budget Board and the Governor which lists the number of authorized, budgeted, and filled positions in Strategy C.1.1, Law Enforcement. The report must include the classification of each position.

29. **Reporting Requirements: Game Warden Academies.** The department shall submit an annual plan to ensure the fulfilment of the agency's FTEs for Game Wardens. The department shall submit a report to the Legislative Budget Board and the Governor within 30 days of the completion of a Game Warden Academy which lists the total number of applicants, the number selected to attend the academy, and the number who successfully complete the academy. The report shall include the race, ethnicity, gender, prior law enforcement experience, and educational background of all applicants; the applicants selected to attend the academy; the graduates of the academy; and those graduates who accepted positions with the agency.

30. **Contingency Appropriation for House Joint Resolution 97 and House Bill 3064.** Included in amounts appropriated Strategy A.2.2, Capital Programs in fiscal year 2003 is $36,680,000 in general obligation bond proceeds for infrastructure repair, maintenance, and other projects which is contingent on approval of House Joint Resolution 97 or similar legislation by the Seventy-seventh Legislature, Regular Session, and Texas voters in November 2001, and the adoption of House Bill 3064 or similar legislation by the Seventy-seventh Legislature, Regular Session. The Parks and Wildlife Department is directed to seek other funding sources, including federal grant funds and contributions from private philanthropic organizations, to construct a Visitor Center at the Levi Jordan Plantation Site.

31. **Lake Fort Parker Aquatic Ecosystem Restoration Project.** The Parks and Wildlife Department shall apply for a grant from the US Department of Interior of $300,000 per fiscal year to complete the Corps of Engineers Restoration Plan for the Lake Fort Parker Ecosystem Restoration Project. Matching funds are the responsibility of local governments and may not come from state or other federal sources.

32. **Lake Casa Blanca Dredging Project.** The Parks and Wildlife Department shall apply for a grant of $900,000 from the US Department of Interior to complete the Lake Casa Blanca Dredging Project. Matching funds are the responsibility of Webb County and may not come from state or other federal sources.

RAILROAD COMMISSION

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: ENVIRONMENTAL PROTECTION		
Assure that Texas fossil fuel energy production, storage and delivery is conducted to minimize harmful effects on the state's environment and to preserve natural resources.		
Outcome (Results/Impact):		
Percentage of Oil and Gas Facility Inspections That Identify Environmental Violations	26%	27%
Percentage of Known Non-compliant Wells Plugged with the Use of State Funds	3.2%	3.1%
A.1.1. Strategy: MONITORING AND INSPECTIONS	$ 11,902,668	$ 11,810,216
Assure that permitted activities comply with applicable state and federal regulations through field inspections, witnessing tests, monitoring reports, processing applications and enforcement actions.		
Output (Volume):		
Number of Oil and Gas Facility Inspections Performed	106,000	107,000
Number of Oil and Gas Environmental Permit Applications and Reports Processed	73,800	73,100
Efficiencies:		
Average Number of Oil and Gas Facility Inspections Performed Per Inspector	1,300	1,325
A.2.1. Strategy: REMEDIATION, RECLAMATION & PLUGGING	$ 23,014,715	$ 12,728,136
Protect public health and the environment by identifying, assessing and prioritizing wells, sites or mine lands that require the use of state funds for remediation or reclamation and provide assistance for operator initiated corrective actions.		
Output (Volume):		
Number of Wells Plugged with the Use of State Funds	790	735
Number of Pollution Sites Investigated, Assessed or Cleaned up with the Use of State Funds	168	168
Total, Goal A: ENVIRONMENTAL PROTECTION	$ 34,917,383	$ 24,538,352

B. Goal: SAFETY PROGRAMS		
Advance safety in the delivery and use of Texas petroleum products and in the operation of the Texas Rail System through training, monitoring and enforcement.		
Outcome (Results/Impact):		
Average Number of Pipeline Safety Violations Per Equivalent Mile of Pipe Identified through Inspections	3	3
B.1.1. Strategy: PIPELINE AND LP GAS SAFETY	$ 3,869,572	$ 3,867,922
Ensure the safe operation of pipelines and LPG/CNG/LNG businesses through licensing and permitting, field inspections, accident investigations and emergency response.		
Output (Volume):		
Number of Pipeline and LP Gas Safety Inspections Performed	18,300	18,500
B.1.2. Strategy: RAIL SAFETY	$ 1,188,836	$ 1,190,734
Ensure safety through inspections of railroad facilities, equipment, and operations; and public education on rail grade crossings.		
Output (Volume):		
Number of Rail Units Inspected	49,000	49,000
Total, Goal B: SAFETY PROGRAMS	$ 5,058,408	$ 5,058,656
C. Goal: ENERGY RESOURCES		
Support the development, management and use of Texas' oil and gas energy resources to protect correlative rights, provide equal and fair energy access to all entities, ensure fair gas utility rates, and promote research and education on the use of alternative fuels.		
Outcome (Results/Impact):		
Percent of Oil and Gas Wells That Are Active	74%	75%
Percent of Total United States Onshore Gas Coming from Texas	36%	36%
Percent of Total United States Onshore Oil Coming from Texas	27%	27%
C.1.1. Strategy: ENERGY RESOURCE DEVELOPMENT	$ 3,706,483	$ 3,705,366
Protect correlative rights and prevent waste while maximizing opportunities for the development of oil and gas resources through well site permitting, production allowables, production rule reviews and exception processing.		
Output (Volume):		
Number of Wells Monitored	353,000	352,000
C.2.1. Strategy: GAS UTILITY COMPLIANCE	$ 1,532,648	$ 1,532,685
Oversee natural gas utility rates structures that promote safe, efficient, and reliable supply at a reasonable cost and audit regulated gas utilities to ensure compliance with rate structures and submission of Gas Utility Taxes.		
C.2.2. Strategy: PROMOTE LP GAS USAGE	$ 3,166,930	$ 2,849,004
Develop and implement research and technical services, marketing, and a public education plan to increase the use of LP gas as an alternative fuel.		
Output (Volume):		
Number of Rebate and Incentive Applications Handled	5,000	5,000
Efficiencies:		
Administrative Costs as a Percentage of Alternative Fuels Research and Education Account Fee Revenue	17.8%	17.8%
Total, Goal C: ENERGY RESOURCES	$ 8,406,061	$ 8,087,055

D. Goal: TECHNOLOGICAL ENHANCEMENTS Strive to maximize electronic government and to minimize paper transactions by developing technological enhancements that promote efficient regulatory programs and preserve and increase access to public information.		
D.1.1. Strategy: ELECTRONIC GOVERNMENT Collect, maintain, and preserve data submitted to the Commission; provide efficient public access to this information; offer regulated industries a means to conduct their business electronically rather than through paper transactions; and continue conversion of mainframe technologies to Internet-based technology.	$ 9,186,588	$ 8,137,158
Output (Volume):		
Number of Compliance Permits Filed Electronically	600	800
Grand Total, RAILROAD COMMISSION	$ 57,568,440	$ 45,821,221
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 27,519,270	$ 26,441,715
Earned Federal Funds	121,438	123,838
Subtotal, General Revenue Fund	$ 27,640,708	$ 26,565,553
General Revenue Fund - Dedicated		
Alternative Fuels Research and Education Account No. 101	2,208,851	2,208,851
Oil Field Cleanup Account No. 145	20,724,349	11,095,355
Subtotal, General Revenue Fund - Dedicated	$ 22,933,200	$ 13,304,206
Federal Funds	4,930,247	4,931,497
Other Funds		
Appropriated Receipts	825,525	761,525
Interagency Contracts	1,238,760	258,440
Subtotal, Other Funds	$ 2,064,285	$ 1,019,965
Total, Method of Financing	$ 57,568,440	$ 45,821,221
Number of Full-Time-Equivalent Positions (FTE):	788.3	784.1
Schedule of Exempt Positions:		
Railroad Commissioner, Group 4	(3) $92,217	(3) $92,217
Supplemental Appropriations Made in Riders:	$ 932,500	$ 932,500

1. **Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	2002	2003
a. Acquisition of Information Resource Technologies		
(1) Electronic Compliance and Approval Project	625,600	424,200
(2) Oil and Gas Technology Migration	1,929,234	1,040,963
(3) Information Technology Infrastructure Upgrade	$ 146,000	$ 54,855
Total, Acquisition of Information Resource Technologies	$ 2,700,834	$ 1,520,018
b. Transportation Items		
(1) Vehicle Replacements	$ 1,009,124	$ 985,874
Total, Capital Budget	$ 3,709,958	$ 2,505,892
Method of Financing (Capital Budget):		
General Revenue Fund	$ 3,209,458	$ 2,053,642
GR Dedicated - Alternative Fuels Research and Education Account No. 101	92,000	70,500
GR Dedicated - Oil Field Cleanup Account No. 145	314,000	297,000
Federal Funds	94,500	84,750
Total, Method of Financing	$ 3,709,958	$ 2,505,892

2. **Unexpended Balance and Estimated Appropriation Authority: Oil Field Cleanup Account.** Included in amounts appropriated above in Strategy A.2.1, Remediation, Reclamation, and Plugging, are balances remaining in the Oil Field Cleanup Account No. 145 as of August 31, 2001 (estimated to be $9,627,704). In addition to the amounts shown above, the Railroad Commission is hereby appropriated any additional revenues received and deposited in the Oil Field Cleanup Account No. 145 during the biennium to carry out duties authorized by Natural Resources Code, Supchapter D, Chapter 91.

3. **Appropriation: Abandoned Mine Land Funds.** The Railroad Commission is hereby appropriated both federal grant money from the US Department of Interior and interest on those funds, for the purposes authorized by Subchapter G, Chapter 134, Natural Resources Code. Unexpended balances and the earned interest therefrom shall be carried forward at the end of each fiscal year.

4. **Unexpended Balance and Estimated Appropriation Authority: Alternative Fuels Research and Education Account.** Included in amounts appropriated above in Strategy C.2.2, Promote LP Gas Usage, are balances remaining in the Alternative Fuels and Research Education Account No. 101 as of August 31, 2001 (estimated to be $0). In addition to amounts appropriated above, the Railroad Commission is hereby appropriated any additional revenues received and deposited in the Alternative Fuels and Research and Education (AFRED) Account No. 101 in accordance with Natural Resources Code, § 113.243.

5. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Texas Railroad Commission is hereby authorized to direct agency resources, and transfer such amounts appropriated above between appropriation line items.

6. **Limitation of Expenditure of State Funds.** Only funds appropriated above out of the Alternative Fuels Research and Education (AFRED) Account may be expended to administer, manage or otherwise support the propane water heater rebate program.

7. **Appropriation: Unexpended Balances Between Fiscal Years.** Any unexpended balances as of August 31, 2002, in the appropriations made herein to the Railroad Commission are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2002.

8. **Fee Appropriation: Liquid Propane (LP) Gas Licensing, Training, and Examination Renewal Fees.** Included in amounts appropriated above in Strategy C.2.2, Promote LP Gas Usage, is $268,750 in Appropriated Receipts from fees assessed and collected pursuant to Natural Resources Code, § 113.088, for the purpose of providing training to licensees and certificate holders. In addition to amounts appropriated above, any additional amounts collected by the Railroad Commission pursuant to Natural Resources Code, § 113.088, on or after September 1, 2001, are hereby appropriated to the commission for the same purpose.

9. **Appropriations Limited to Revenue Collections and Contingent Revenue: LPG/CNG/LNG Fees.** It is the intent of the Legislature that revenues collected pursuant to Natural Resources Code §§ 113.082, 113.088, 113.090, 113.093, 113.094, 113.131, 116.032, 116.034, and 116.072 and deposited to Revenue Object Codes 3035, 3245, and 3246 in the General Revenue Fund, and $60,000 each fiscal year collected pursuant to Natural Resources Code § 113.244, and deposited to Revenue Object Code 3034 in the Alternative Fuels Research and Education Account No. 101, cover, at a minimum, the cost of the appropriations made above in Strategy B.1.1, Pipeline and LP Gas Safety, for the LP Gas Program.

   This appropriation is contingent upon the Railroad Commission assessing fees sufficient to generate, during the 2002–03 biennium, revenue to cover the appropriations. The Railroad Commission, upon completion of necessary actions to assess or increase additional fees, shall furnish copies of the Railroad Commission's minutes and other information supporting the estimated revenues to be generated for the 2002–03 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

   In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

   In addition to amounts identified above, the Railroad Commission is hereby appropriated all additional revenue collected and deposited to the credit of the revenue accounts listed above for the same purposes.

10. **Sunset Contingency.** Funds appropriated above for fiscal year 2003 for the Railroad Commission are made contingent on the continuation of the Railroad Commission by the Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2002 or as much thereof as may be necessary are to be used to provide for the phase out of the agency operations.

11. **Review and Update of Naturally Occurring Radioactive Material (NORM) Regulations.** From funds appropriated, the Railroad Commission shall review and update its Naturally Occurring Radioactive Material (NORM) regulations based on the Railroad Commission's completed Oil and Gas NORM Waste Study. The regulations should specifically be designed to protect workers and the general public from airborne exposure to NORM.

12. **Review and Update of Oil Well Plugging Regulations.** From funds appropriated, the Railroad Commission shall review and update its oil well plugging regulations to insure the groundwater resources of Texas are protected.

13. **Oil and Gas Technology Migration Project.** Included in amounts appropriated above in Strategy, D.1.1, Electronic Government, is $2,189,234 from the General Revenue Fund and five full-time equivalent positions in fiscal year 2002 and $1,465,963 from the General Revenue Fund and eight full-time equivalent positions in fiscal year 2003 for the Oil and Gas Technology Migration Project. It is the intent of the Legislature that the Railroad Commission utilize the West Texas Disaster Recovery and Operations Center (WTDROC), to the maximum extent possible, in compliance with Article IX, § 6.20, of the General Appropriations Act, Seventy-seventh Legislature, Regular Session, with regard to the Oil and Gas Technology Migration Project. The Railroad Commission shall evaluate the Oil and Gas Technology Migration Project for disaster recovery, data center operations, and seat management for potential to be supplied by WTDROC. Once completed, the Railroad Commission shall send a copy of this evaluation to the Governor, Legislative Budget Board, and the Department of Information Resources.

14. **Appropriation: Targeted Salary Increase.** Notwithstanding other appropriations made by this Act related to salary increases, in addition to amounts appropriated above to the Railroad Commission, there is hereby appropriated each fiscal year of the biennium $699,375 out of the General Revenue Fund; $18,650 out of the Alternative Fuels Research and Education Account No. 101; $121,225 out of the Oil Field Cleanup Account No. 145; and $93,250 out of Federal Funds for the purpose of making salary increases for select job classes.

    The Railroad Commission is hereby authorized to transfer the appropriation made pursuant to this provision to the appropriate strategy items listed above.

TEXAS RIVER COMPACT COMMISSIONS

	For the Years Ending August 31, 2002	For the Years Ending August 31, 2003
Out of the General Revenue Fund:		
A. Goal: CANADIAN RIVER COMPACT The Canadian River Compact will ensure the delivery of Texas' equitable share of quality water from the Canadian River and its tributaries as apportioned by the Canadian River Compact.		
Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Canadian River Compact	100%	100%
A.1.1. Strategy: WATER DELIVERY ACCOUNTING Prepare and resolve the annual accounting of water stored by each compacting state.	$ 22,136	$ 22,137
B. Goal: PECOS RIVER COMPACT The Pecos River Compact will ensure delivery and maximize the availability of Texas' equitable share of quality water from the Pecos River and its tributaries as apportioned by the Pecos River Compact.		

TEXAS RIVER COMPACT COMMISSIONS
(Continued)

Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Pecos River Compact	100%	100%
B.1.1. Strategy: WATER DELIVERY ACCOUNTING Prepare and resolve the annual accounting of water deliveries to Texas by New Mexico as apportioned by the Pecos River Compact and U.S. Supreme Court Decree.	$ 127,541	$ 127,542
C. Goal: RED RIVER COMPACT The Red River Compact will ensure delivery of Texas' equitable share of quality water from the Red River and its tributaries as apportioned by the Red River Compact.		
Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Red River Compact	100%	100%
C.1.1. Strategy: WATER DELIVERY ACCOUNTING Develop and implement an annual accounting system of water deliveries to each compacting state.	$ 33,263	$ 33,264
D. Goal: RIO GRANDE COMPACT The Rio Grande River Compact will ensure delivery and maximize the availability of Texas' equitable share of quality water from the Rio Grande and its tributaries as apportioned by the Rio Grande Compact.		
Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Rio Grande Compact	100%	100%
D.1.1. Strategy: WATER DELIVERY ACCOUNTING Prepare and resolve the annual accounting of water deliveries to Texas by Colorado and New Mexico as apportioned by the Rio Grande Compact.	$ 160,740	$ 160,741
E. Goal: SABINE RIVER COMPACT The Sabine River Compact will ensure delivery of Texas' equitable share of quality water from the Sabine River and its tributaries as apportioned by the Sabine River Compact.		
Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Sabine River Compact	100%	100%
E.1.1. Strategy: WATER DELIVERY ACCOUNTING Prepare and resolve the annual accounting of water diversions by Texas and Louisiana as apportioned by the Sabine River Compact.	$ 55,788	$ 55,789
Grand Total, TEXAS RIVER COMPACT COMMISSIONS	$ 399,468	$ 399,473
Number of Full-Time-Equivalent Positions (FTE):	8.5	8.5
Schedule of Exempt Positions:		
Red River Compact Commissioner	$24,225	$24,225
Rio Grande Compact Commissioner	41,195	41,195
Sabine River Compact Commissioner	(2) 8,487	(2) 8,487
Canadian River Compact Commissioner	10,767	10,767
Pecos River Compact Commissioner	32,247	32,247

TEXAS RIVER COMPACT COMMISSIONS
(Continued)

1. **General Provisions Exemption: Working Hours and Leave.** The Red River Compact, Sabine River Compact, Canadian River Compact and Pecos River Compact Commissions are specifically exempt from compliance with the Employee Working Hours and Holidays and Employees Vacations and Leave provisions of the Government Code.

SOIL AND WATER CONSERVATION BOARD

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: PROTECT TEXAS FARM AND GRAZING LAND		
To protect and enhance the farm and grazing land of Texas by ensuring that a quality conservation program is available and being applied in all soil and water conservation districts in Texas.		
Outcome (Results/Impact):		
Percent of District Financial Needs Met by Soil and Water Conservation Board Grants	32%	32%
Percent of Soil and Water Resource Needs with Conservation Plans or Specific Programs Developed to Address Those Needs	30%	32%
A.1.1. Strategy: PROGRAM MANAGEMENT ASSISTANCE	$ 135,241	$ 135,241
Provide program expertise and technical guidance on a statewide basis in managing and directing conservation programs.		
Output (Volume):		
Number of Statewide Workshops, Training Sessions and Seminars Conducted	60	60
A.1.2. Strategy: FINANCIAL AND TECHNICAL ASSISTANCE	$ 12,433,863	$ 3,679,383
Provide soil and water conservation districts with financial and technical assistance.		
Output (Volume):		
Number of District Directors and District Employees Contacted by Field Staff	8,000	9,000
Number of Acres of Brush Treated	65,000	24,150
Total, Goal A: PROTECT TEXAS FARM AND GRAZING LAND	$ 12,569,104	$ 3,814,624
B. Goal: NONPOINT SOURCE POLLUTION ABATEMENT		
To effectively administer a program for the abatement of nonpoint source pollution caused by agricultural and silvicultural uses of the state's soil and water resources.		
Outcome (Results/Impact):		
Percent of Agricultural/Silvicultural Operations within Identified Problem Areas Having District-approved Water Quality Management Plans Developed and Certified	12.5%	13%
Percent of Agricultural and Silvicultural Operations with a Potential to Cause Nonpoint Pollution in Areas with Approved Total Maximum Daily Loads Having Certified Water Quality Management Plans	20%	26%
B.1.1. Strategy: STATEWIDE MANAGEMENT PLAN	$ 3,046,670	$ 3,048,229
Implement and update as necessary a statewide management plan for the control of agricultural and silvicultural nonpoint source water pollution.		

Output (Volume):		
Number of Agricultural/Silvicultural Nonpoint Source Site-specific Areas Evaluated for Potential Nonpoint Source Problems	5	6
B.2.1. Strategy: POLLUTION ABATEMENT PLANS Develop and implement pollution abatement plans for agriculture/silviculture operations in identified problem areas.	$ 4,132,175	$ 4,132,175
Output (Volume):		
Number of Pollution Abatement Plans Certified	1,000	1,050
Total, Goal B: NONPOINT SOURCE POLLUTION ABATEMENT	$ 7,178,845	$ 7,180,404
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 538,265	$ 538,265
Grand Total, SOIL AND WATER CONSERVATION BOARD	$ 20,286,214	$ 11,533,293
Method of Financing:		
General Revenue Fund	$ 17,408,923	$ 8,656,002
GR Dedicated - Agricultural Soil and Water Conservation Account No. 563	100,000	100,000
Federal Funds	2,777,291	2,777,291
Total, Method of Financing	$ 20,286,214	$ 11,533,293
Number of Full-Time-Equivalent Positions (FTE):	65.0	65.0
Number of FTEs in Riders:	1.0	1.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$65,000	$65,000
Per Diem of Board Members	9,000	9,000

1. **Matching Requirements.** Funds appropriated above for conservation assistance grants for Soil and Water Conservation Districts may be expended only when matched by equal amounts from sources other than state funds or earnings from state funds, not to exceed $7,500 in any district per fiscal year.

2. **Appropriation: Unexpended Balances between Biennia for Soil Conservation Districts.** Any unexpended balances in the appropriations made to the Soil Conservation Districts on August 31, 2001, are hereby appropriated to the Soil Conservation Districts for the biennium beginning with the effective date of this Act, for the purposes provided for under the soil conservation statutes.

3. **Appropriation: Unexpended Balances between Fiscal Years for the Agricultural Soil and Water Conservation Account.** Any unexpended balances in the appropriation made above out of the Agricultural Soil and Water Conservation Account No. 563 as of August 31, 2002, are hereby appropriated for fiscal year 2003 for the same purposes.

4. **Allocation of Grant Funds.** It is the intent of the legislature that an allocation of 80 percent of Technical Assistance and Subchapter H Technical Assistance Program grant funds to local soil and water conservation districts by the Soil and Water Conservation Board shall be made at the beginning of each fiscal year. The remaining 20 percent of grant funds shall be allocated by the Soil and Water Conservation Board to districts on a discretionary basis during the remainder of the fiscal year. Grant allocations are made contingent upon districts filing quarterly expenditure reports and an annual grant expenditure summary report with the Soil and Water Conservation Board.

5. **Brush Control.** Included in the amounts appropriated above in Strategy A.1.2, Financial and Technical Assistance, is $9,163,189 out of the General Revenue Fund for the biennium for the brush control program. These funds shall be transferred to Brush Control Fund No. 556 for expenditure from that Fund. Out of the total appropriation for brush control, $1,000,000 for the biennium is to be spent on brush control feasibility studies, including $500,000 to be spent on studies in the Palo Pinto Lake, Lake Brownwood, Lake Fort Phantom Hill, and Lake Arrowhead watersheds; and $500,000 to be spent on studying methods for adequately addressing future maintenance needs and identifying appropriate watershed management activities and financing mechanisms for the State Brush Control Program. All feasibility studies must include participation by the State Soil and Water Conservation Board, Texas Agricultural Extension Service, Texas Agricultural Experiment Station, and interested local entities, such as river authorities. A total of $8,163,189 for the biennium is to be used for brush control projects in the North Concho River Watershed. Any unexpended balances from this appropriation as of August 31, 2002, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2002.

   In addition to amounts appropriated above, any unexpended balances associated with the brush control program as of August 31, 2001, in Strategy A.1.2, Financial and Technical Assistance, are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2001.

6. **Appropriation: Waste Water Management Plans for Poultry Operators.** Included in amounts appropriated above in Strategy B.2.1, Pollution Abatement Plans, is $250,000 out of the General Revenue Fund in each fiscal year 2002 and 2003 for additional administrative costs associated with the preparation of waste water management plans for poultry operators.

7. **Appropriation: Manure Transportation Reimbursement Incentive.** Included in amounts appropriated above in Strategy A.1.2, Financial and Technical Assistance, is $565,863 out of the General Revenue Fund in each fiscal year 2002 and 2003 for reimbursement payments to entities transporting manure. The rate of reimbursement is estimated at an average of $2.60 per cubic yard of manure transported.

8. **Contingent Full-time-equivalent Position: Senate Bill 1339.** Contingent upon passage of Senate Bill 1339 by the Seventy-seventh Legislature, Regular Session, or similar legislation requiring owners or operators of poultry facilities to implement and maintain certified water quality management plans, the "Number of Full-Time Equivalent Positions (FTE)" figure indicated above for the Soil and Water Conservation Board is hereby increased by one in each fiscal year of the 2002–03 biennium.

   The following incremental change to a key measure target reflects FTE levels contingent upon enactment of Senate Bill 1339 or similar legislation requiring owners or operators of poultry facilities to implement and maintain certified water quality management plans:

	2002	2003
Number of Pollution Abatement Plans Certified	50	50

9. **Sunset Contingency.** Funds appropriated above for fiscal year 2003 for the Soil and Water Conservation Board are made contingent upon the continuation of the Soil and Water Conservation Board by the Legislature. In the event the agency is not continued, the funds appropriated for fiscal year 2002 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

WATER DEVELOPMENT BOARD

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: WATER RESOURCE PLANNING		
Plan and guide the conservation, orderly and cost-effective development, and best management of the state's water resources for the benefit of all Texans.		
Outcome (Results/Impact):		
Percent of Information Available to Adequately Monitor the State's Water Supplies	79.6%	79%
Percent of Future Water Demands and Supplies Adequately Identified for Texas Water User Groups	5%	42%
Percent of Texas Communities and Other Entities Receiving Technical and Financial Assistance for Water Planning and Conservation	10%	10%
A.1.1. Strategy: DATA COLLECTION	$ 3,890,786	$ 4,061,965
Operate a statewide data collection and water resources evaluation program that provides adequate information to conduct planning.		
Output (Volume):		
Number of Data Units Collected and/or Processed by Texas Water Development Board Staff in Support of Monitoring, Investigating, and Defining the State's Surface Water and Groundwater Resources	21,628	22,520
Number of Bay and Estuary and Instream Study Elements Completed	164.5	178.5
A.1.2. Strategy: LONG-RANGE WATER SUPPLY PLANNING	$ 8,205,996	$ 7,538,336
Determine water management strategies recommended to meet water demands within planning regions of the state and for the state as a whole.		
Output (Volume):		
Number of Future Water Demands and Water Management Strategy Elements Completed	562	4,025
Explanatory:		
Percent of Regional Water Planning Process Completed	14%	18%
A.1.3. Strategy: NATURAL RESOURCE INFORMATION SYSTEM	$ 2,442,732	$ 2,481,121
Operate the Texas Natural Resources Information System (TNRIS) to facilitate state agency and public access to natural resource and census data.		
Output (Volume):		
Number of Responses to Requests for TNRIS-related Information	300,000	300,000
A.1.4. Strategy: WATER RESOURCES INFORMATION	$ 1,170,199	$ 1,222,538
Integrate, process, and disseminate water resources and facility needs information.		
Output (Volume):		
Number of Responses to Requests for Water Resources Information	30,000	30,000
A.2.1. Strategy: FACILITY PLANNING	$ 3,976,959	$ 3,990,956
Provide technical and financial assistance to Texas communities and other entities as they jointly develop detailed plans for regional (multiple user) water supply, wastewater or flood protection facilities.		

Output (Volume):		
Number of Active Grants for Regional Water, Wastewater, Flood and Research Studies Funded from the Research and Planning Fund	120	120
A.2.2. Strategy: CONSERVATION ASSISTANCE	$ 588,149	$ 608,500
Provide water conservation and other technical and financial assistance to Texas communities and other entities to promote increased water use efficiency.		
Output (Volume):		
Number of Water Conservation Technical Assistance and Educational Activities Conducted by Texas Water Development Board Staff	800	800
Total, Goal A: WATER RESOURCE PLANNING	$ 20,274,821	$ 19,903,416
B. Goal: WATER PROJECT FINANCING		
Provide cost-effective financing for the development of water supply, for water quality protection, and for other water-related projects.		
Outcome (Results/Impact):		
Percent of Five-year Annualized Projected Water Supply, Water Quality Protection, and Other Water-related Infrastructure Costs Addressed by Texas Water Development Board Financial Assistance Commitments	6.6%	6.7%
Percent of Estimated Total Colonia Population Provided a Construction Funding Commitment for Water or Wastewater Services	59.68%	62.87%
B.1.1. Strategy: FINANCIAL ASSISTANCE	$ 10,763,339	$ 10,043,482
Provide financial assistance to save money for Texas communities for water supply, water quality protection, and other water-related projects.		
Output (Volume):		
Number of Financial Assistance/Loan Commitments Provided To Small Communities	63	63
B.1.2. Strategy: ECONOMICALLY DISTRESSED AREAS	$ 2,359,834	$ 2,461,116
Provide financial assistance to political subdivisions in order to provide economically distressed areas (colonia) residents access and connections to adequate water supplies and/or wastewater treatment systems and for indoor plumbing improvements.		
Output (Volume):		
Number of Economically Distressed Areas (Colonia) Construction Commitments Made	5	8
Total, Goal B: WATER PROJECT FINANCING	$ 13,123,173	$ 12,504,598
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 2,449,275	$ 2,552,878
C.1.2. Strategy: INFORMATION RESOURCES	$ 842,213	$ 875,696
C.1.3. Strategy: OTHER SUPPORT SERVICES	$ 504,197	$ 513,760
Total, Goal C: INDIRECT ADMINISTRATION	$ 3,795,685	$ 3,942,334
Grand Total, WATER DEVELOPMENT BOARD	$ 37,193,679	$ 36,350,348

Method of Financing:				
General Revenue Fund				
General Revenue Fund		$ 21,487,282		$ 20,627,178
Earned Federal Funds		663,897		663,897
Subtotal, General Revenue Fund		$ 22,151,179		$ 21,291,075
GR Dedicated - Agricultural Soil and Water Conservation Account No. 563		100,000		100,000
Federal Funds		3,944,032		3,998,261
Other Funds				
Groundwater District Loan Assistance Fund No. 363		320,000		0
Water Assistance Fund No. 480		3,583,130		3,583,130
Agricultural Trust Fund No. 562		225,425		225,425
Appropriated Receipts		6,835,229		7,117,773
Interagency Contracts		34,684		34,684
Subtotal, Other Funds		$ 10,998,468		$ 10,961,012
Total, Method of Financing		$ 37,193,679		$ 36,350,348
Number of Full-Time-Equivalent Positions (FTE):		312.5		312.5
* **Number of FTEs in Riders:**		2.0		2.0
Schedule of Exempt Positions:				
Executive Administrator, Group 4		$108,000		$108,000
Per Diem of Board Members		5,400		5,400
Supplemental Appropriations Made in Riders:		$ 12,114,212		$ 260,000

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2002	2003
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resource Technologies	$ 415,100	$ 524,156
b. Transportation Items		
(1) Purchase Vehicles	$ 120,000	$ 120,000
c. Acquisition of Capital Equipment and Items		
(1) Strategic Mapping Pool	1,268,000	1,268,000
(2) Streamflow and Groundwater Monitoring Gauges	$ 220,000	$ 220,000
Total, Acquisition of Capital Equipment and Items	$ 1,488,000	$ 1,488,000

*Inadvertently included in enrolled Bill.

d. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Other Lease Payments to the Master Lease Purchase Program	$ 108,795	$ 105,908
Total, Capital Budget	$ 2,131,895	$ 2,238,064
Method of Financing (Capital Budget):		
General Revenue Fund	$ 1,794,106	$ 1,863,975
Federal Funds	85,495	99,338
Other Funds		
Water Assistance Fund No. 480	3,000	3,000
Agricultural Trust Fund No. 562	4,455	4,455
Appropriated Receipts	238,839	261,296
Interagency Contracts	6,000	6,000
Subtotal, Other Funds	$ 252,294	$ 274,751
Total, Method of Financing	$ 2,131,895	$ 2,238,064

2. **Transfer Authorized.** Included in amounts appropriated above out of the General Revenue Fund is $9,000,000 for the biennium to be transferred to the Water Assistance Fund No. 480, for the sole purpose of making grants to regional planning groups pursuant to § 15.4061 of the Water Code. The Texas Water Development Board is authorized to transfer these funds from the Water Assistance Fund to other accounts as authorized under § 15.011 of the Water Code as needed to support the regional planning process.

3. **Safe Drinking Water Act State Revolving Fund.** Included in amounts appropriated above out of the General Revenue Fund is $8,196,208 for the biennium for the state match portion of the community/non-community water system and economically disadvantaged community accounts established under the Safe Drinking Water Act State Revolving Fund.

4. **Appropriation: Water Assistance Fund.** In addition to amounts appropriated above there is hereby appropriated for the 2002–03 biennium any revenues accruing to the Water Assistance Fund No. 480 and any balances on hand as of September 1, 2001, in the Fund (estimated to be $9,647,382).

5. **Appropriation: Water Resources Fund.** In addition to amounts appropriated above any monies deposited into the Texas Water Resources Fund No. 591, including but not limited to proceeds from revenue bond sales, investment earnings, and loan repayments, are hereby appropriated to the Board for the biennium beginning with the effective date of this Act.

6. **Appropriation: Agricultural Water Conservation Fund.** In addition to amounts appropriated above any monies deposited into the Agricultural Water Conservation Fund No. 358, including but not limited to proceeds from agricultural water conservation bond sales, investment earnings, and loan repayments, are hereby appropriated to the Board for the biennium beginning with the effective date of this Act, for use pursuant to § 50-d of Article III of the Texas Constitution and Texas Water Code, Chapter 17, Subchapter J. There are hereby appropriated such amounts as may be necessary to pay the principal and interest on such bonds that mature or become due during the biennium beginning with the effective date of this Act, pursuant to § 50-d of Article III of the Texas Constitution and Texas Water Code, Chapter 17, Subchapter J, to be transferred to the Agricultural Water Conservation Interest and Sinking Fund No. 359.

7. **Coordination with Department of Housing and Community Affairs.** The Texas Water Development Board (TWDB) and the Texas Department of Housing and Community Affairs (TDHCA) shall continue to coordinate funds out of the Economically Distressed Areas Program (EDAP) administered by the TWDB and the Colonia Fund administered by TDHCA as outlined in a Memorandum of Understanding (MOU) so as to maximize delivery of the funds and minimize administrative delay in their expenditure. At the beginning of each fiscal year of the 2002–03 biennium, the TWDB shall provide the TDHCA a list of EDAP-funded areas whose colonia residents cannot afford the cost of service lines, hook-ups, and plumbing improvements associated with being connected to an EDAP-funded system. No later than September 15, 2002, the TWDB and the TDHCA shall submit a joint report to the Legislative Budget Board that describes and analyzes the effectiveness of projects funded as a result of coordinated Colonia Fund/EDAP efforts, including an estimate of the amount each agency has saved by reduced duplication of efforts.

8. **Fee Appropriation: State Revolving Fund Program Operation.** In addition to amounts appropriated above the Texas Water Development Board is hereby appropriated all fee revenue collected for administration and operation of the State Revolving Fund (SRF) Program or additional state revolving funds created under Subchapter J, Chapter 15, Texas Water Code. All fee revenue collected pursuant to the SRF program and additional state revolving funds may be deposited into an operating fund held in the Safekeeping Trust Company. Monies in the SRF or additional SRFs operating fund, including interest, may be used only for the purposes of reimbursing expenditures from appropriations in this Act. Such reimbursement shall include both direct expenditures for salaries and other expenditures and fringe benefits. In addition, the Texas Water Development Board may transfer amounts from the operating fund to the SRF or additional SRFs for uses pursuant to the Texas Water Code, Chapter 15, Subchapter J.

9. **Appropriation: Unexpended Balances in Agricultural Soil and Water Conservation Account.** Any unexpended balances in the appropriation made above out of the Agricultural Soil and Water Conservation Account No. 563 as of August 31, 2002, are hereby appropriated for fiscal year 2003.

10. **Appropriation: Unexpended Balance Authority.** In addition to amounts appropriated above the Texas Water Development Board is hereby appropriated any unexpended balances as of August 31, 2001, from the General Revenue Fund appropriated for the Canadian River Basin Chloride Control Project (estimated to be $338,556) in Strategy A.2.1, Facility Planning. The Board is authorized to expend these funds only for their original purposes.

11. **Use of Texas Water Resources Finance Authority (TWRFA) Funds.** Included in the amounts appropriated above, $184,073 in fiscal year 2002 and $190,331 in fiscal year 2003 in Appropriated Receipts are derived from the proceeds of the sale of the Texas Water Development Board's (TWDB) bond portfolio to the Texas Water Resources Finance Authority (TWRFA). Also included in amounts appropriated above is $840,000 in Appropriated Receipts for the biennium derived from cash flows and reserved as operating costs of TWRFA and used to reimburse TWDB for administrative expenditures incurred by TWDB in administering the TWRFA portfolio.

12. **Appropriation: Unexpended Balances in the Groundwater District Loan Assistance Fund.** Any unexpended balances as of August 31, 2002, in the appropriation made above out of the Groundwater District Loan Assistance Fund No. 363 as of August 31, 2002 are hereby appropriated for fiscal year beginning September 1, 2002.

13. **Appropriation: Playa Lakes Recharge Characteristics.** Included in the amounts appropriated above in Strategy A.1.2, Long-Range Water Supply Planning, is $275,000 out of the General Revenue Fund for the fiscal year beginning September 1, 2001 for research and studies relating to increasing the aquifer recharge characteristics of the playa lakes, existing

Natural Resource Conservation Service dams, and other water retention structures across the High Plains of Texas under Water Code, §§ 16.012 and 16.015. Pursuant to Water Code, § 16.019, the Board may enter into contracts for research, permitting and other activities necessary to increase the storage capacity of such reservoirs to allow the studies to be conducted.

Any unexpended balances remaining in this appropriation on August 31, 2002 are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2002.

14. **Appropriation: Hueco Bolson Desalination Project:** Included in the amounts appropriated above in Strategy B.1.1, Financial Assistance, $1,000,000 out of the General Revenue Fund shall be transferred in fiscal year 2002 to the Water Assistance Fund No. 480 for the sole purpose of making a zero-interest loan to the El Paso Utilities for the planning and design of the Hueco Bolson Desalination Project. The loan shall be repaid over the course of 30 years. The Texas Water Development Board is authorized to transfer these funds from the Water Assistance Fund to other accounts as authorized under Section 15.011 of the Water Code as needed to support the regional planning process.

    Any unexpended balances out of this appropriation as of August 31, 2002, are hereby appropriated for the fiscal year beginning September 1, 2002, for the same purpose.

15. **Contingency Rider: Agricultural Water Conservation Bonds.** Contingent upon passage of legislation by the Seventy-seventh Legislature, Regular Session, authorizing the Water Development Board to make grants from the proceeds of Texas Agricultural Water Conservation Bonds, the Texas Water Development Board is hereby directed to enter into Interagency Contracts with the following agencies with the proceeds of such bonds:

    - $15 million is to be used for brush control cost share projects at the Soil and Water Conservation Board: and
    - $1 million is to be used for the Pecos River Ecosystem Project for saltcedar control at the Department of Agriculture.

16. **Contingency Appropriation: North Bosque Capital Improvements for TMDL Implementation.** Contingent upon passage of Senate Bill 312, or similar legislation providing authority to the Water Development Board to make grants out of the Water Assistance Fund No. 480 by specific legislative appropriation, there is hereby appropriated to the Water Development Board $1,868,274 out of the General Revenue Fund for the fiscal year beginning September 1, 2001. These funds shall be transferred to the Water Assistance Fund No. 480 and shall be used for grants to local governments in the North Bosque River watershed. The funds shall be used by the local entities to make capital improvements to wastewater treatment plants to meet requirements in implementing a Total Maximum Daily Load for the North Bosque River watershed.

    The Water Development Board shall allocate funds in this appropriation to one or more of the following entities, as determined by the Board:

    City of Clifton
    City of Hico
    City of Iredell
    City of Meridian
    City of Stephenville
    City of Valley Mills

    Any unexpended balances remaining in this appropriation on August 31, 2002 are hereby appropriated for the fiscal year beginning September 1, 2002.

17. **Appropriation: Targeted Salary Increase.** Notwithstanding other appropriations made by this Act, included in amounts appropriated above to the Water Development Board in Strategy B.1.1, Financial Assistance, is $19,177 in fiscal year 2002 and $19,178 in fiscal year 2003 out of the General Revenue Fund for the purpose of making salary increases to fund the reallocation of the financial examiner series.

18. **Contingency Appropriation: Flood Protection.** Contingent upon passage of Senate Bill 312, or similar legislation authorizing the Water Development Board to make grants out of the Water Assistance Fund No. 480, the board is hereby authorized to use funds appropriated to the Water Assistance Fund No. 480 in an amount not to exceed $200,000 to provide grant assistance for flood protection costs contingent upon a local match of at least 10 percent for areas in which the Albuquerque District of the United States Army Corps of Engineers completed a reconnaissance level of study by February 1997.

19. **Contingency Appropriation: Senate Bill 312.** Contingent upon passage of Senate Bill 312 by the Seventy-seventh Legislature, Regular Session, or similar legislation creating a Rural Community Water and Wastewater Loan Program, the Water Development Board is hereby appropriated $260,000 in each fiscal year 2002 and 2003 out balances in the Texas Water resources Finance Authority (TWRFA) Fund. These amounts may be used as loan proceeds for the Rural Community Water and Wastewater Loan Program and for administrative expenses related to the program.

20. **Sunset Contingency.** Funds appropriated above for fiscal year 2003 for the Water Development Board are made contingent upon the continuation of the Water Development Board by the Legislature. In the event the agency is not continued, the funds appropriated for fiscal year 2002 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: GEN OBLIGATION BOND DEBT SERVICE Fulfill all general obligation bond debt service payments for the Economically Distressed Areas Program (EDAP) and State Participation Program.		
A.1.1. Strategy: EDAP DEBT SERVICE Make general obligation bond debt service payments for the Economically Distressed Areas Program.	$ 10,733,525	$ 15,369,877
A.1.2. Strategy: STATE PARTICIPATION DEBT SERVICE Make general obligation bond debt service payments for the State Participation Program.	$ 6,983,143	$ 7,976,512
Total, Goal A: GEN OBLIGATION BOND DEBT SERVICE	$ 17,716,668	$ 23,346,389
Grand Total, DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS	$ 17,716,668	$ 23,346,389

DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS
(Continued)

Method of Financing:		
General Revenue Fund	$ 15,190,741	$ 19,676,041
Other Funds		
Economically Distressed Areas Bond Payment Account No. 357	1,953,605	2,345,288
State Participation Program Bond Payment Account	572,322	1,325,060
Subtotal, Other Funds	$ 2,525,927	$ 3,670,348
Total, Method of Financing	$ 17,716,668	$ 23,346,389
Supplemental Appropriations Made in Riders:	$ 0	$ 2,945,306

1. **Payment of Debt Service: Economically Distressed Areas Bonds.** All monies received by the Texas Water Development Board and deposited to the Economically Distressed Areas Bond Payment Account No. 357 are hereby appropriated for the payment of principal and interest on bonds issued to provide financial assistance for water and wastewater infrastructure through the Economically Distressed Areas Program that mature or become due during the biennium beginning with the effective date of this Act, pursuant to Sections 49-c, 49-d-7, and 49-d-8 of Article III of the Texas Constitution and Texas Water Code, Chapter 17, Subchapters C and L, including amounts issued prior to the effective date of this Act, as well as additional amounts to be issued in 2002–03, estimated to be $65.7 million. The amounts identified above in the Method of Financing as the Economically Distressed Areas Bond Payment Account No. 357 are estimated amounts to be received from repayments of loan principal and interest on such bonds that mature or become due during the biennium.

   The actual amount of funds to be paid from the General Revenue Fund shall be the total amount of debt service obligations due in each fiscal year less the amount available in the Economically Distressed Areas Bond Payment Account No. 357 for Debt Service Payments for the Economically Distressed Areas Program. The provisions contained herein shall not be construed, however, to abrogate the obligation of the State under Sections 49-c and 49-d-8 of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

2. **Payment of Debt Service: State Participation Bonds.** All monies received by the Texas Water Development Board and deposited to the State Participation Program Bond Payment Account are hereby appropriated for the payment of principal and interest on bonds issued to provide financial assistance for State Participation projects that mature or become due during the biennium beginning with the effective date of this Act, pursuant to Sections 49-c, 49-d-7, and 49-d-8 of Article III of the Texas Constitution and Texas Water Code, Chapter 17, Subchapters C and L, including amounts issued prior to the effective date of this Act, as well as additional amounts to be issued in 2002–03. The amounts identified above in the Method of Financing as the State Participation Program Bond Payment Account are estimated amounts of payments received from political subdivisions representing the purchase of the state's ownership interest in projects dedicated to the payment of principal and interest on such bonds that mature or become due during the biennium.

   The actual amount of funds to be paid from the General Revenue Fund shall be the total amount of debt service obligations due in each fiscal year less the amount available in the State Participation Program Bond Payment Account for Debt Service Payments for the State Participation Program. The provisions contained herein shall not be construed, however, to abrogate the obligation of the State under Sections 49-c and 49-d-8 of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS
(Continued)

3. **State Participation Bonds.** The Texas Water Development Board is authorized to issue and sell an amount not to exceed $35 million in state participation bonds during the 2002–03 biennium under the authority of the Texas Constitution, Article III, § 49-d-2 or 49-d-8.

4. **Contingency Appropriation: Agricultural Water Conservation Bonds.** Contingent upon passage of legislation authorizing the Water Development Board to make grants from the proceeds of Texas Agricultural Water Conservation Bonds by the Seventy-seventh Legislature, Regular Session, the Texas Water Development Board is hereby appropriated $2,945,306 out of the General Revenue Fund in fiscal year 2003 for debt service payments on Texas Agricultural Water Conservation Bonds to be issued to provide financial assistance under Texas Water Code, § 17.894(b)(2) for the following projects: $15 million in financial assistance to the Soil and Water Conservation Board for brush control projects and $1 million in financial assistance to the Department of Agriculture for saltcedar removal along the Pecos River. The provisions contained herein shall not be construed, however, to abrogate the obligation of the state under § 50-d of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Provide an actuarially sound level of funding as defined by state law. Estimated.	$ 18,857,241	$ 19,234,385
A.1.2. Strategy: GROUP INSURANCE Provide a basic health care and life insurance program for general state employees. Estimated.	$ 43,178,907	$ 48,843,369
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 62,036,148	$ 68,077,754
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 62,036,148	$ 68,077,754
Method of Financing:		
General Revenue Fund, estimated	$ 21,145,019	$ 23,301,416
General Revenue - Dedicated, estimated	30,433,606	33,356,298
Federal Funds, estimated	8,613,505	9,404,939
Other Special State Funds, estimated	1,844,018	2,015,101
Total, Method of Financing	$ 62,036,148	$ 68,077,754

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT To provide funding to the Comptroller of Public Accounts for Social Security Contributions and Benefit Replacement Pay.		
A.1.1. Strategy: STATE MATCH – EMPLOYER Provide an employer match for Social Security contributions. Estimated.	$ 23,426,969	$ 23,895,510
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Provide Benefit Replacement Pay to eligible employees. Estimated.	$ 4,882,138	$ 4,528,916
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 28,309,107	$ 28,424,426
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 28,309,107	$ 28,424,426
Method of Financing:		
General Revenue Fund, estimated	$ 9,162,397	$ 9,209,402
General Revenue - Dedicated, estimated	15,076,613	15,134,745
Federal Funds, estimated	2,992,758	2,997,776
Other Special State Funds, estimated	1,077,339	1,082,503
Total, Method of Financing	$ 28,309,107	$ 28,424,426

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2002	August 31, 2003
A. Goal: FINANCE CAPITAL PROJECTS To provide funding to the Texas Public Finance Authority for the payment of general obligation bond debt service requirements.		
A.1.1. Strategy: BOND DEBT SERVICE Make general obligation bond debt service payments in compliance with bond covenants.	$ 5,822,370	$ 7,057,755 & UB
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 5,822,370	$ 7,057,755
Method of Financing:		
General Revenue Fund	$ 1,685,887	$ 2,924,312
Current Fund Balance	4,136,483	4,133,443
Total, Method of Financing	$ 5,822,370	$ 7,057,755

LEASE PAYMENTS

	For the Years Ending August 31, 2002	For the Years Ending August 31, 2003
Out of the General Revenue Fund:		
A. Goal: FINANCE CAPITAL PROJECTS To provide funding to the General Services Commission for payment to the Texas Public Finance Authority for the payment of revenue bond debt service requirements.		
A.1.1. Strategy: LEASE PAYMENTS Make lease payments to the Texas Public Finance Authority on facilities financed through the Texas Public Finance Authority.	$ 1,095,881	$ 1,096,607 & UB
Grand Total, LEASE PAYMENTS	$ 1,095,881	$ 1,096,607

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(General Revenue)

	For the Years Ending August 31, 2002	August 31, 2003
Department of Agriculture	$ 55,802,141	$ 49,566,862
Rider Appropriations	542,950	500,000
Contingency Appropriations	250,000	250,000
Total	56,595,091	50,316,862
Animal Health Commission	9,285,377	9,285,376
General Land Office and Veterans' Land Board	12,821,820	12,821,820
Rider Appropriations	45,200	0
Total	12,867,020	12,821,820
Trusteed Programs Within the General Land Office	6,300,000	6,300,000
Natural Resource Conservation Commission	32,899,349	27,633,508
Rider Appropriations	650,000	1,300,000
Total	33,549,349	28,933,508
Parks and Wildlife Department	64,483,860	63,920,710
Rider Appropriations	500,000	0
Total	64,983,860	63,920,710
Railroad Commission	27,640,708	26,565,553
Rider Appropriations	699,375	699,375
Total	28,340,083	27,264,928
Texas River Compact Commissions	399,468	399,473
Soil and Water Conservation Board	17,408,923	8,656,002
Water Development Board	22,151,179	21,291,075
Rider Appropriations	338,556	0
Contingency Appropriations	1,868,274	0
Total	24,358,009	21,291,075
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	15,190,741	19,676,041
Contingency Appropriations	0	2,945,306
Total	15,190,741	22,621,347
Subtotal, Natural Resources	$ 269,277,921	$ 251,811,101
Retirement and Group Insurance	21,145,019	23,301,416
Social Security and Benefit Replacement Pay	9,162,397	9,209,402
Subtotal, Employee Benefits	$ 30,307,416	$ 32,510,818
Bond Debt Service Payments	1,685,887	2,924,312
Lease Payments	1,095,881	1,096,607
Subtotal, Debt Service	$ 2,781,768	$ 4,020,919
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 302,367,105	$ 288,342,838

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(General Revenue - Dedicated)

	For the Years Ending August 31, 2002	August 31, 2003
Department of Agriculture	$ 2,160,000	$ 160,000
General Land Office and Veterans' Land Board	9,707,234	9,732,734
Trusteed Programs Within the General Land Office	3,600,000	1,200,000
Natural Resource Conservation Commission	211,361,576	195,516,569
Rider Appropriations	1,568,725	1,620,925
Contingency Appropriations	101,695,437	96,630,696
Total	314,625,738	293,768,190
Parks and Wildlife Department	101,969,941	102,271,942
Rider Appropriations	7,361,875	5,663,203
Total	109,331,816	107,935,145
Railroad Commission	22,933,200	13,304,206
Rider Appropriations	139,875	139,875
Total	23,073,075	13,444,081
Soil and Water Conservation Board	100,000	100,000
Water Development Board	100,000	100,000
Subtotal, Natural Resources	$ 462,697,863	$ 426,440,150
Retirement and Group Insurance	30,433,606	33,356,298
Social Security and Benefit Replacement Pay	15,076,613	15,134,745
Subtotal, Employee Benefits	$ 45,510,219	$ 48,491,043
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 508,208,082	$ 474,931,193

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(Federal Funds)

	For the Years Ending August 31, 2002	August 31, 2003
Department of Agriculture	$ 1,477,394	$ 1,477,394
Animal Health Commission	2,932,313	2,930,313
General Land Office and Veterans' Land Board	2,358,678	2,358,312
Trusteed Programs Within the General Land Office	3,000,000	5,000,000
Natural Resource Conservation Commission	38,468,341	38,672,612
Parks and Wildlife Department	31,748,846	31,698,306
Railroad Commission	4,930,247	4,931,497
Rider Appropriations	93,250	93,250
Total	5,023,497	5,024,747
Soil and Water Conservation Board	2,777,291	2,777,291
Water Development Board	3,944,032	3,998,261
Subtotal, Natural Resources	$ 91,730,392	$ 93,937,236
Retirement and Group Insurance	8,613,505	9,404,939
Social Security and Benefit Replacement Pay	2,992,758	2,997,776
Subtotal, Employee Benefits	$ 11,606,263	$ 12,402,715
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 103,336,655	$ 106,339,951

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(Other Funds)

	For the Years Ending August 31, 2002	August 31, 2003
Department of Agriculture	$ 2,783,721	$ 784,960
Rider Appropriations	1,800,000	0
Contingency Appropriations	75,000	75,000
Total	4,658,721	859,960
General Land Office and Veterans' Land Board	17,292,255	17,316,252
Trusteed Programs Within the General Land Office	4,925,000	5,425,000
Natural Resource Conservation Commission	4,657,318	4,057,319
Parks and Wildlife Department	6,969,396	43,649,396
Rider Appropriations	13,159,000	359,000
Total	20,128,396	44,008,396
Railroad Commission	2,064,285	1,019,965
Water Development Board	10,998,468	10,961,012
Rider Appropriations	9,647,382	0
Contingency Appropriations	260,000	260,000
Total	20,905,850	11,221,012
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	2,525,927	3,670,348
Subtotal, Natural Resources	$ 77,157,752	$ 87,578,252
Retirement and Group Insurance	1,844,018	2,015,101
Social Security and Benefit Replacement Pay	1,077,339	1,082,503
Subtotal, Employee Benefits	$ 2,921,357	$ 3,097,604
Bond Debt Service Payments	4,136,483	4,133,443
Subtotal, Debt Service	$ 4,136,483	$ 4,133,443
Less Interagency Contracts	$ 6,523,879	$ 5,037,059
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 77,691,713	$ 89,772,240

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(All Funds)

	For the Years Ending August 31, 2002	August 31, 2003
Department of Agriculture	$ 62,223,256	$ 51,989,216
Rider Appropriations	2,342,950	500,000
Contingency Appropriations	325,000	325,000
Total	64,891,206	52,814,216
Animal Health Commission	12,217,690	12,215,689
General Land Office and Veterans' Land Board	42,179,987	42,229,118
Rider Appropriations	45,200	0
Total	42,225,187	42,229,118
Trusteed Programs Within the General Land Office	17,825,000	17,925,000
Natural Resource Conservation Commission	287,386,584	265,880,008
Rider Appropriations	2,218,725	2,920,925
Contingency Appropriations	101,695,437	96,630,696
Total	391,300,746	365,431,629
Parks and Wildlife Department	205,172,043	241,540,354
Rider Appropriations	21,020,875	6,022,203
Total	226,192,918	247,562,557
Railroad Commission	57,568,440	45,821,221
Rider Appropriations	932,500	932,500
Total	58,500,940	46,753,721
Texas River Compact Commissions	399,468	399,473
Soil and Water Conservation Board	20,286,214	11,533,293
Water Development Board	37,193,679	36,350,348
Rider Appropriations	9,985,938	0
Contingency Appropriations	2,128,274	260,000
Total	49,307,891	36,610,348
Debt Service Payments - Non-Self Supporting		
G.O. Water Bonds	17,716,668	23,346,389
Contingency Appropriations	0	2,945,306
Total	17,716,668	26,291,695
Subtotal, Natural Resources	$ 900,863,928	$ 859,766,739
Retirement and Group Insurance	62,036,148	68,077,754
Social Security and Benefit Replacement Pay	28,309,107	28,424,426
Subtotal, Employee Benefits	$ 90,345,255	$ 96,502,180

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(All Funds)
(Continued)

Bond Debt Service Payments	5,822,370	7,057,755
Lease Payments	1,095,881	1,096,607
Subtotal, Debt Service	$ 6,918,251	$ 8,154,362
Less Interagency Contracts	$ 6,523,879	$ 5,037,059
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 991,603,555	$ 959,386,222
Number of Full-Time-Equivalent Positions (FTE)	8,589.8	8,590.1