

Section 1

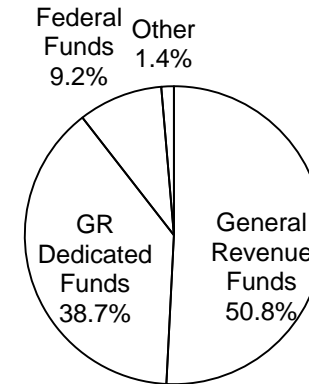
**Texas A&M Forest Service
Summary of Recommendations - House**

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Tom G. Boggus, Director

Daniel Estrada, LBB Analyst

Method of Financing	2012-13 Base	2014-15 Recommended	Biennial Change	% Change
General Revenue Funds	\$312,367,443	\$37,985,816	(\$274,381,627)	(87.8%)
GR Dedicated Funds	\$30,912,000	\$28,910,666	(\$2,001,334)	(6.5%)
<i>Total GR-Related Funds</i>	<i>\$343,279,443</i>	<i>\$66,896,482</i>	<i>(\$276,382,961)</i>	<i>(80.5%)</i>
Federal Funds	\$6,910,218	\$6,852,336	(\$57,882)	(0.8%)
Other	\$1,085,804	\$1,017,604	(\$68,200)	(6.3%)
All Funds	\$351,275,465	\$74,766,422	(\$276,509,043)	(78.7%)

RECOMMENDED FUNDING
BY METHOD OF FINANCING



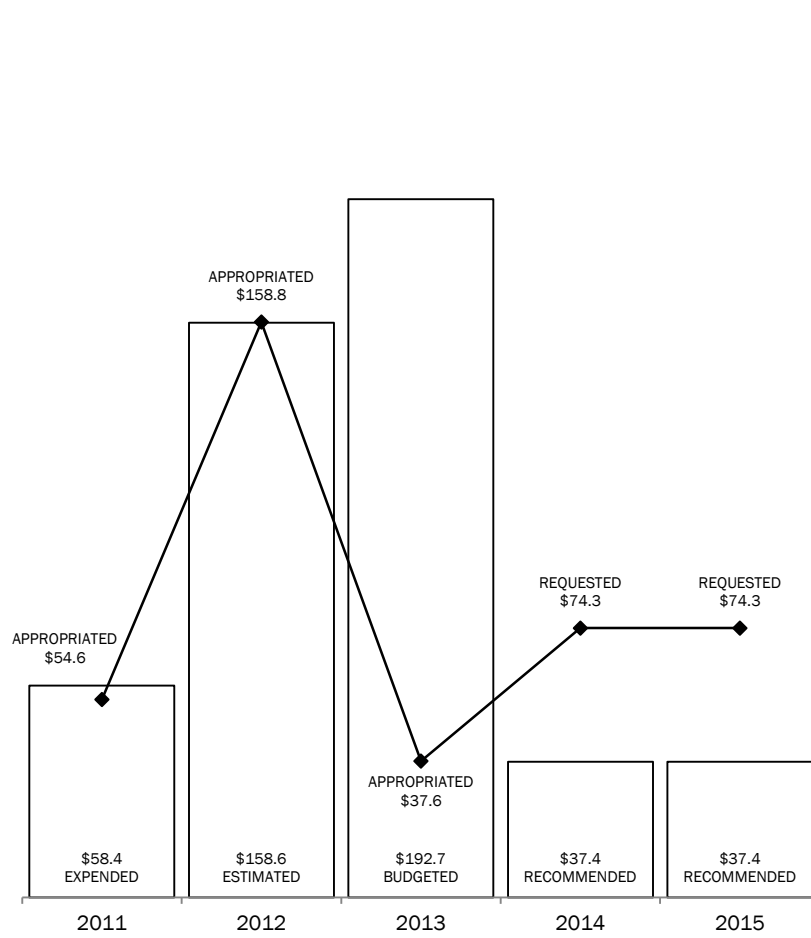
	FY 2013 Budgeted	FY 2015 Recommended	Biennial Change	% Change
FTEs	458.2	458.2	0.0	0.0%

The bill pattern for this agency (2014-15 Recommended) represents an estimated 80.9% of the agency's estimated total available funds for the 2014-15 biennium.

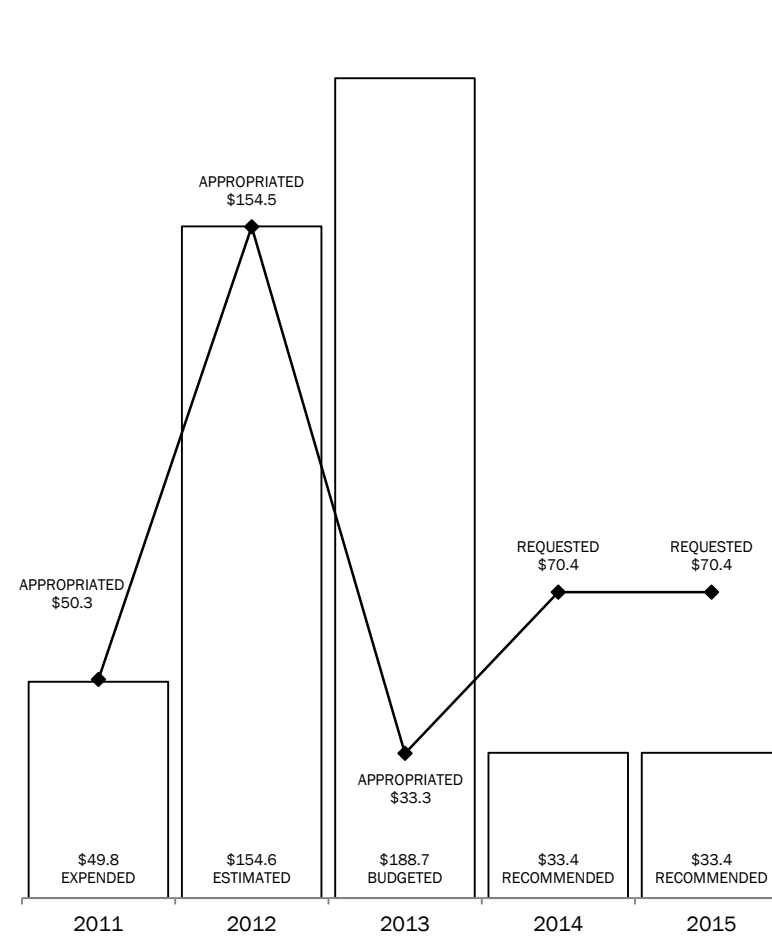
Section 1
Texas A&M Forest Service
 2014-2015 BIENNIUM
 IN MILLIONS

TOTAL= \$74.8 MILLION

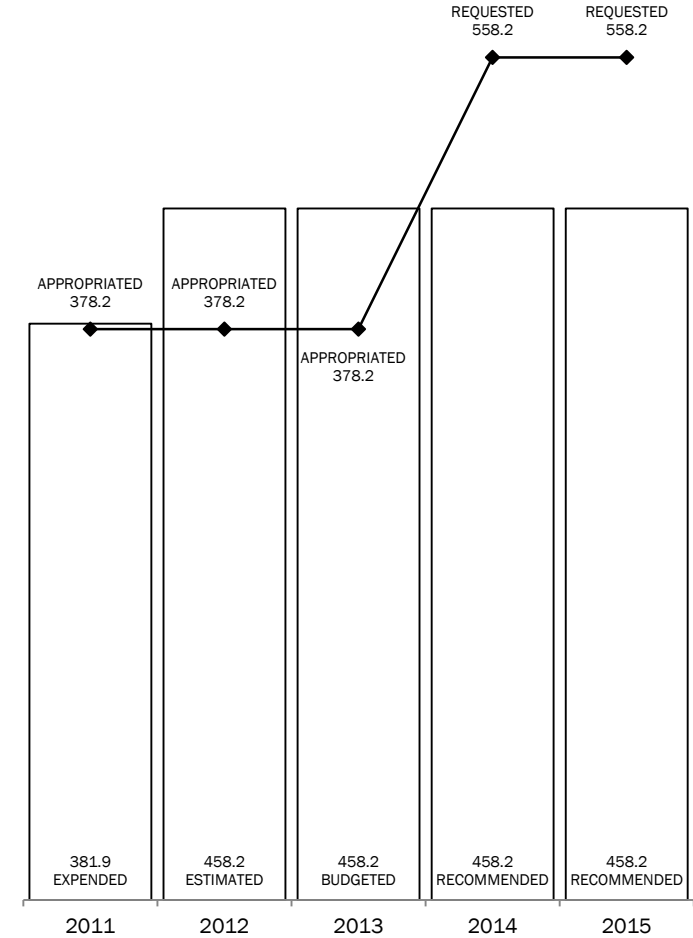
ALL FUNDS



**GENERAL REVENUE AND
 GENERAL REVENUE-DEDICATED FUNDS**



FULL-TIME-EQUIVALENT POSITIONS



Section 2

**Texas A&M Forest Service
Summary of Recommendations - House, By Method of Finance -- ALL FUNDS**

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
WILDFIRE AND EMERGENCY PROGRAM A.1.1	\$50,480,376	\$50,250,702	(\$229,674)	(0.5%)	<p>The recommendations include a net decrease of \$0.2 million in All Funds.</p> <p>The recommendations include a \$1.8 million increase in General Revenue:</p> <ul style="list-style-type: none"> • \$2 million increase in Insurance Companies Maintenance Tax Revenue (8042) from funds transferred to the GR-Dedicated Volunteer Fire Department Assistance Account (5064) related to the transfer of the Texas Commission on Fire Protection grants program, and • \$0.2 million decrease in General Revenue due to a reallocation to other strategies. <p>The recommendations include a \$2 million decrease in GR-Dedicated Volunteer Fire Department Assistance Account (5064) funds because of a transfer of Insurance Companies Maintenance Tax Revenue related to the transfer of the Texas Commission on Fire Protection grants program.</p>
WILDFIRE EMERGENCY FUNDS A.1.2	\$276,385,179	\$0	(\$276,385,179)	(100.0%)	<p>The recommendations include a decrease of \$276.4 million in General Revenue. It includes a \$121 million decrease in General Revenue from one-time emergency appropriations from House Bill 4 (\$81 million), 82nd Legislature, and Senate Bill 2 (\$40 million), 82nd Legislature, 1st Called Session, for wildfire costs. It also includes a \$155.4 million decrease from anticipated funding in 2013 from the Supplement Bill, 83rd Legislature for wildfire costs. Recommendations include adding a new strategy to distinguish emergency supplemental funds from ongoing agency operations.</p>
FOREST INSECTS AND DISEASES A.1.3	\$1,387,151	\$1,549,076	\$161,925	11.7%	
FORESTRY LEADERSHIP A.2.1	\$10,889,259	\$10,919,604	\$30,345	0.3%	
ENVIRONMENTAL ENHANCEMENT A.2.2	\$2,976,923	\$3,103,750	\$126,827	4.3%	
Total, Goal A, DEVELOP FOREST RESOURCES	\$342,118,888	\$65,823,132	(\$276,295,756)	(80.8%)	

Section 2

Texas A&M Forest Service
Summary of Recommendations - House, By Method of Finance -- ALL FUNDS

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
STAFF GROUP INSURANCE B.1.1	\$2,958,801	\$2,920,162	(\$38,639)	(1.3%)	
WORKERS' COMP INSURANCE B.1.2	\$245,243	\$246,268	\$1,025	0.4%	
UNEMPLOYMENT INSURANCE B.1.3	\$4,876	\$5,192	\$316	6.5%	
OASI B.1.4	\$448,727	\$459,964	\$11,237	2.5%	
HAZARDOUS DUTY PAY B.1.5	\$32,930	\$31,460	(\$1,470)	(4.5%)	
Total, Goal B, STAFF BENEFITS	\$3,690,577	\$3,663,046	(\$27,531)	(0.7%)	
INDIRECT ADMINISTRATION C.1.1	\$3,492,666	\$3,580,604	\$87,938	2.5%	
INFRASTRUCTURE SUPPORT IN BRAZOS CO C.1.2	\$515,935	\$233,826	(\$282,109)	(54.7%)	The recommendations reflect an increase of \$3,552 in infrastructure funding tied to the General Revenue Infrastructure rate at Texas A&M University and a \$285,661 General Revenue reallocation to other strategies.
INFRASTRUCT SUPP OUTSIDE BRAZOS CO C.1.3	\$1,457,399	\$1,465,814	\$8,415	0.6%	
Total, Goal C, INDIRECT ADMINISTRATION	\$5,466,000	\$5,280,244	(\$185,756)	(3.4%)	
Grand Total, All Strategies	\$351,275,465	\$74,766,422	(\$276,509,043)	(78.7%)	

Section 2

Texas A&M Forest Service
Summary of Recommendations - House, By Method of Finance -- GENERAL REVENUE FUNDS

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
WILDFIRE AND EMERGENCY PROGRAM A.1.1	\$20,872,637	\$22,647,646	\$1,775,009	8.5%	The recommendations include a net increase of \$1.8 million in General Revenue: •\$2 million increase in General Revenue Insurance Companies Maintenance Tax Revenue (8042) because of the transfer of funds to the GR-Dedicated Volunteer Fire Department Assistance Account (5064). The administration of the fire department emergency program was transferred from the Texas Commission on Fire Protection. A new rider was added to conform to current practice of allowing the transfer of Insurance Companies Maintenance Tax Revenue (8042) to the Volunteer Fire Department Assistance Account (5064), and •\$0.2 million decrease due to a reallocation to Indirect Administration.
WILDFIRE EMERGENCY FUNDS A.1.2	\$276,385,179	\$0	(\$276,385,179)	(100.0%)	The recommendations include a reduction of \$276.4 million that includes a \$121 million decrease in General Revenue from one-time emergency appropriations from House Bill 4 (\$81 million), 82nd Legislature, and Senate Bill 2 (\$40 million), 82nd Legislature, 1st Called Session, for wildfire costs. It also includes \$155.4 million reduction from anticipated funding in the 2013 Supplement Bill, 83rd Legislature. Recommendations include adding a new strategy to distinguish emergency supplemental funds from ongoing agency operations.
FOREST INSECTS AND DISEASES A.1.3	\$986,694	\$1,134,746	\$148,052	15.0%	
FORESTRY LEADERSHIP A.2.1	\$7,753,362	\$7,836,070	\$82,708	1.1%	
ENVIRONMENTAL ENHANCEMENT A.2.2	\$1,041,946	\$1,248,800	\$206,854	19.9%	
Total, Goal A, DEVELOP FOREST RESOURCES	\$307,039,818	\$32,867,262	(\$274,172,556)	(89.3%)	
STAFF GROUP INSURANCE B.1.1	\$283,483	\$295,166	\$11,683	4.1%	
WORKERS' COMP INSURANCE B.1.2	\$203,638	\$203,638	\$0	0.0%	
UNEMPLOYMENT INSURANCE B.1.3	\$0	\$0	\$0	0.0%	
OASI B.1.4	\$0	\$0	\$0	0.0%	
HAZARDOUS DUTY PAY B.1.5	\$32,930	\$31,460	(\$1,470)	(4.5%)	
Total, Goal B, STAFF BENEFITS	\$520,051	\$530,264	\$10,213	2.0%	

Section 2

Texas A&M Forest Service
Summary of Recommendations - House, By Method of Finance -- GENERAL REVENUE FUNDS

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
INDIRECT ADMINISTRATION C.1.1	\$2,834,942	\$2,889,352	\$54,410	1.9%	
INFRASTRUCTURE SUPPORT IN BRAZOS CO C.1.2	\$515,935	\$233,826	(\$282,109)	(54.7%)	The recommendations reflect an increase of \$3,552 in infrastructure funding tied to the General Revenue Infrastructure rate at Texas A&M University and a \$285,661 General Revenue reallocation to other strategies.
INFRASTRUCT SUPP OUTSIDE BRAZOS CO C.1.3	\$1,456,697	\$1,465,112	\$8,415	0.6%	
Total, Goal C, INDIRECT ADMINISTRATION	\$4,807,574	\$4,588,290	(\$219,284)	(4.6%)	
Grand Total, All Strategies	\$312,367,443	\$37,985,816	(\$274,381,627)	(87.8%)	

Section 2

Texas A&M Forest Service
Summary of Recommendations - House, By Method of Finance -- GR DEDICATED

Strategy/Goal	2012-13 Base	2014-15 Recommended	Biennial Change	% Change	Comments
WILDFIRE AND EMERGENCY PROGRAM A.1.1	\$28,226,078	\$26,191,978	(\$2,034,100)	(7.2%)	The recommendations include a \$2 million decrease in GR-Dedicated Volunteer Fire Department Assistance Account funds (5064) because of a transfer of General Revenue Insurance Companies Maintenance Tax Revenue (8042) into the account in 2012-13. The Texas Commission of Fire Protection grants program that provides firefighting training was transferred to the agency.
WILDFIRE EMERGENCY FUNDS A.1.2	\$0	\$0	\$0	0.0%	
FOREST INSECTS AND DISEASES A.1.3	\$0	\$0	\$0	0.0%	
FORESTRY LEADERSHIP A.2.1	\$0	\$0	\$0	0.0%	
ENVIRONMENTAL ENHANCEMENT A.2.2	\$12,000	\$10,666	(\$1,334)	(11.1%)	
Total, Goal A, DEVELOP FOREST RESOURCES	\$28,238,078	\$26,202,644	(\$2,035,434)	(7.2%)	
STAFF GROUP INSURANCE B.1.1	\$1,744,561	\$1,743,818	(\$743)	(0.0%)	
WORKERS' COMP INSURANCE B.1.2	\$25,766	\$25,766	\$0	0.0%	
UNEMPLOYMENT INSURANCE B.1.3	\$0	\$0	\$0	0.0%	
OASI B.1.4	\$277,142	\$277,142	\$0	0.0%	
HAZARDOUS DUTY PAY B.1.5	\$0	\$0	\$0	0.0%	
Total, Goal B, STAFF BENEFITS	\$2,047,469	\$2,046,726	(\$743)	(0.0%)	
INDIRECT ADMINISTRATION C.1.1	\$626,453	\$661,296	\$34,843	5.6%	
INFRASTRUCTURE SUPPORT IN BRAZOS CO C.1.2	\$0	\$0	\$0	0.0%	
INFRASTRUCT SUPP OUTSIDE BRAZOS CO C.1.3	\$0	\$0	\$0	0.0%	
Total, Goal C, INDIRECT ADMINISTRATION	\$626,453	\$661,296	\$34,843	5.6%	
Grand Total, All Strategies	\$30,912,000	\$28,910,666	(\$2,001,334)	(6.5%)	

Section 3

Texas A&M Forest Service Selected Fiscal and Policy Issues

1. The recommendations align with Section 51 of the Special Provisions Relating Only to State Agencies of Higher Education. It provides that funding at Texas A&M System agencies for infrastructure support inside Brazos County using the Texas A&M University General Revenue Infrastructure Support rate.
2. The recommendations include adding a new Wildfire Emergency Funds Strategy to distinguish the agency's operations from emergency supplemental funds for wildfire costs.
3. Included in the 2012-13 base is anticipated funding of \$155.4 million in General Revenue in the 2013 Supplemental Bill, 83rd Legislature for outstanding wildfire costs. As of January 2013, the agency has updated its estimate to \$161.1 million in accumulated balances for the state's portion of wildfire costs. In addition, the agency is also requesting the estimated \$43.1 million from anticipated Federal Emergency Management Agency's (FEMA) reimbursements for a total of \$204.1 million. The agency is concerned with possible lower reimbursement amounts from FEMA which could cause the state to have longer outstanding balances and could incur interest and penalties on those balances. The \$155.4 million is in addition to the \$121 million appropriated during the 82nd Legislature, Regular Session, and 82nd Legislature, 1st Called Session for a total of \$276.4 million for one-time wildfire costs in 2012-13.

Section 4

**Texas Forest Service (TFS)
Performance Review and Policy Report Highlights**

Reports & Recommendations	Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

Section 5

Texas A&M Forest Service Rider Highlights

5. **Urban Forestry License Plate Fund.** Appropriation of License Plate Receipts. Amend the rider to update estimated amounts for Urban Forestry License Plates revenue.
7. **Sunset Contingency.** Delete the rider because the agency was continued by Senate Bill 646, 82nd Legislature, Regular Session.
- New 6. **Texas Intrastate Fire Mutual Aid System Grants.** Add new rider to conform to current practice of allowing the transfer of Insurance Companies Maintenance Tax revenue to the Volunteer Fire Department Assistance Account No. 5064.

Section 6

**Texas A&M Forest Service
Items not Included in Recommendations**

	2014-15 Biennial Total	
	GR & GR- Dedicated	All Funds
In Agency Priority Order		
1. Grants - Rural Volunteer Fire Department Assistance Program (Wildfire Protection Plan) Assists volunteer fire departments with equipment and training needs by building their capacity to respond to fires locally. The additional funding for the rural volunteer fire department grants would restore the \$32.5 million reduction during the 82nd legislature.	\$ 32,600,000	\$ 32,600,000
2. Operations - Wildfire Protection Plan Provides additional resources to mitigate wildfire costs with a quicker response time and minimize the costs of obtaining federal resources. The funding will position 90 firefighters across the state and they will also provide assessments and monitoring, mitigation, prevention, reduction of risk, planning, preparedness and local capacity building. 100 FTEs	\$ 27,200,000	\$ 27,200,000
3. Texas Wildfire Protection Plan - TIFMAS Grants Assists participating fire departments in acquiring fire engines, protective gear, and training in order to respond to statewide emergencies such as hurricanes and wildfires.	\$ 2,000,000	\$ 2,000,000
Total, Items Not Included in the Recommendations	\$ 61,800,000	\$ 61,800,000

Rider Changes Not Included in the Recommendations

3. **Overtime Payments, Contingency**, The agency is requesting to modify the rider to allow for the provisions contained in Rider 5, Overtime Payments, Contingency for exempt employees.
4. **Texas Wildfire Protection Plan**. The agency is requesting to delete the rider because the Insurance Companies Maintenance Tax revenue has been appropriated for other purposes above the \$6,825,000 listed in the rider.