

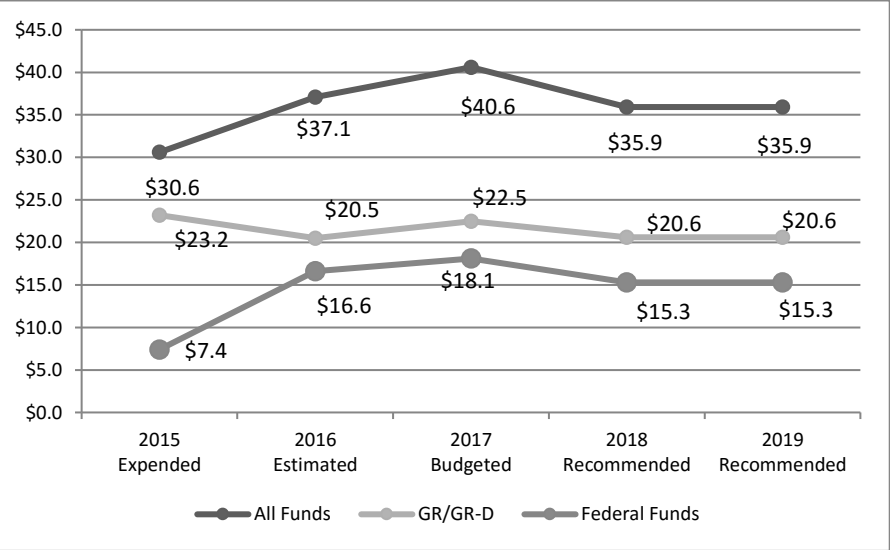
Soil and Water Conservation Board
Summary of Recommendations - House

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Rex Isom, Executive Director
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Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$42,914,064	\$41,197,502	(\$1,716,562)	(4.0%)
GR Dedicated Funds	\$0	\$0	\$0	0.0%
Total GR-Related Funds	\$42,914,064	\$41,197,502	(\$1,716,562)	(4.0%)
Federal Funds	\$34,699,323	\$30,607,546	(\$4,091,777)	(11.8%)
Other	\$100,011	\$0	(\$100,011)	(100.0%)
All Funds	\$77,713,398	\$71,805,048	(\$5,908,350)	(7.6%)

	FY 2017 Budgeted	FY 2019 Recommended	Biennial Change	Percent Change
FTEs	72.1	72.1	0.0	0.0%

Historical Funding Levels (Millions)



The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

Soil and Water Conservation Board
Summary of Funding Changes and Recommendations - House

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
A)	General Revenue funding decreases for grants to local soil and water conservation districts pursuant to the 4 percent reduction.	(\$1.7)	\$0.0	\$0.0	\$0.0	(\$1.7)	A.2.1, B.1.1, B.1.2, C.1.1
B)	Reduction in Federal Funds from various sources for nonpoint source implementation grants, wildlife restoration grants, range land restoration projects, and funding for Carrizo cane eradication not expected to continue in 2018-19.	\$0.0	\$0.0	(\$4.1)	\$0.0	(\$4.1)	A.1.1, B.1.1,B.1.2, C.1.1
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
C)	One-time Appropriated Receipts funding for completion of a grant project for Gulf Coast Restoration.	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$0.1)	B.1.1, D.1.1
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		(\$1.7)	\$0.0	(\$4.1)	(\$0.1)	(\$5.9)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		(\$1.7)	\$0.0	(\$4.1)	(\$0.1)	(\$5.9)	As Listed

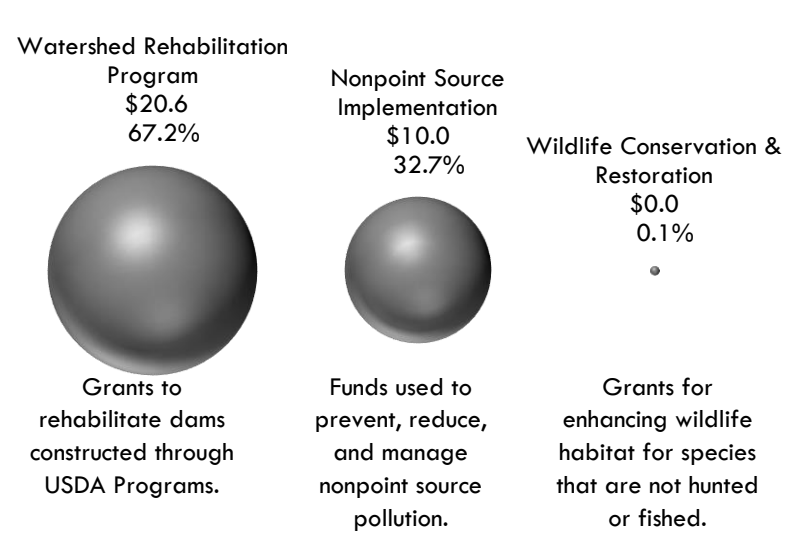
**Soil and Water Conservation Board
Selected Fiscal and Policy Issues - House**

1. **Grants Funding.** Recommendations do not include \$1.7 million in General Revenue funding for grants to local soil and water conservation districts (SWCDs) that the agency included in its 4 percent reduction. Grant funding was reduced in programmatic areas: flood control dams, nonpoint source pollution abatement, and water supply enhancement. Approximately 80 percent of the agency's total funding is for grants to local SWCDs. These reductions will likely result in delaying projects requested by local SWCDs. See also Items Not Included in the Recommendations - House, Item 1.
2. **Federal Funding Adjustment.** Recommendations include an increase of \$10.0 million above the agency's base request for Watershed Rehabilitation Program (WRP) funding. The agency's Legislative Appropriations Request reduced WRP funding in FY 2019 by \$10.0 million as a result of projecting a 97 percent decrease in WRP grant award expenditures in FY 2019. Historically, the agency has received WRP funds in fiscal years 2014-16. Recommendations assume level funding for this program for fiscal years 2018 and 2019.

Recommendations from all Federal Funds sources total \$30.6 million, which is a decrease of \$4.1 million from the 2016-17 level. These reductions include funding from nonpoint source implementation grants, wildlife restoration grants, range land restoration projects, and funding for Carrizo cane eradication not anticipated to continue in 2018-19. See also Summary of Federal Funds (2018 – 19) – House.

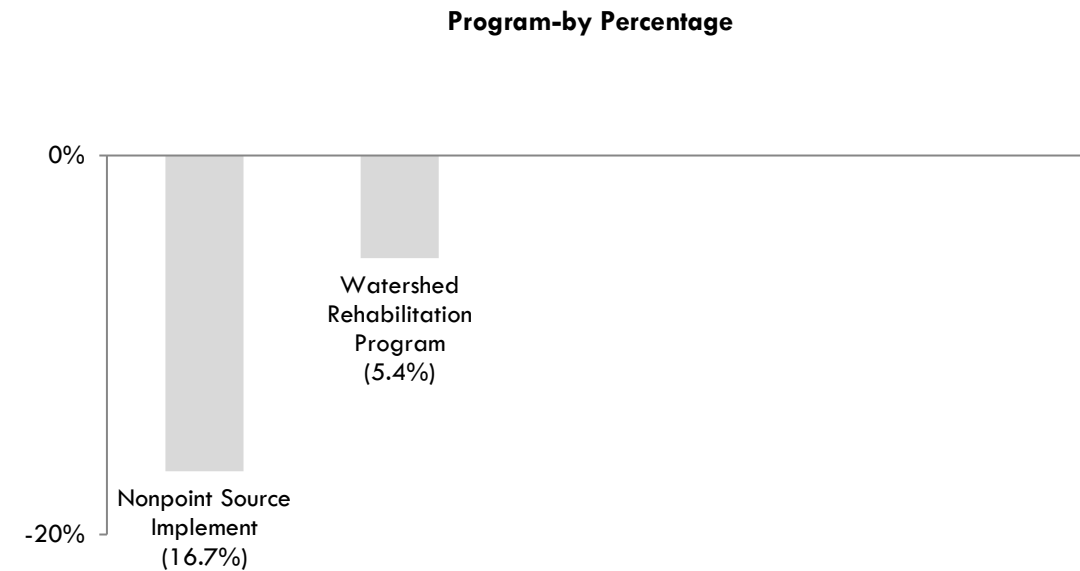
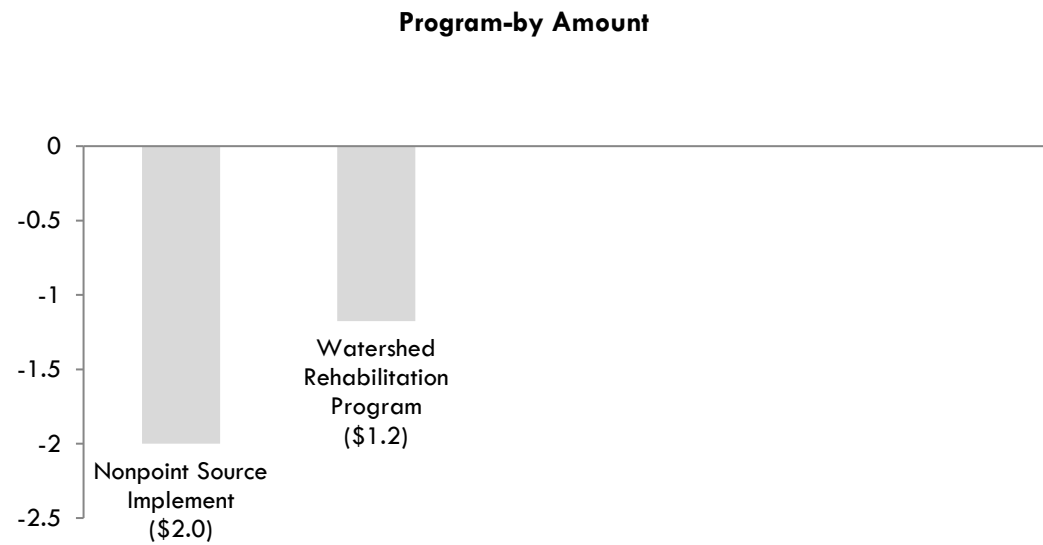
3. **Carrizo Cane Eradication.** Recommendations do not include funding specifically for the eradication of Carrizo cane. The agency is requesting \$3.0 million in General Revenue funding and 2.0 FTEs for the Rio Grande Carrizo Cane Eradication Program under the requirements of SB 1734, Eighty-fourth Legislature, Regular Session. The fiscal note for the legislation estimated a cost of \$9.8 million based on funding proposals considered by the budget committees during the session and the Governor's recommendation in a like amount. No appropriations were made for this purpose in 2016-17. The agency received a federal grant in 2016-17 totaling \$189,500 from the Department of Justice for the program that is not anticipated to be available in 2018-19. See also Items Not Included in the Recommendations - House, Item 2.

Soil and Water Conservation Board
Summary of Federal Funds (2018 - 19) - House



Selected Federal Fiscal and Policy Issues
1. The agency's Legislative Appropriations Request reduced Watershed Rehabilitation Program (WRP) funding in FY 2019 by \$10 million.
LBB recommendations assume level funding for this program for fiscal years 2018-19 and increase the agency's Federal Funds request by \$10 million in FY 2019 for the WRP.

Programs with Significant Federal Funding Changes from 2016 - 17



**Soil and Water Conservation Board
Rider Highlights - House**

Modification of Existing Riders

8. **Appropriation: Flood Control Dam Operation, Maintenance, and Structural Repair.** Recommendations remove authority for the agency to carry forward unexpended balances across biennia. Authority to carry forward unexpended balances within the biennium is retained.

**Soil and Water Conservation Board
Items Not Included in Recommendations - House**

Section 5

	2018-19 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items - In Agency Priority Order

1)	General Revenue funding for grants to local soil and water conservation districts that were reduced for the 4 percent biennial reduction. See also Selected Fiscal and Policy Issues - House, Item 1.	\$1,716,562	\$1,716,562	0.0	No	Yes	\$1,716,562
2)	General Revenue funding and FTE positions to manage the Rio Grande Carrizo Cane Eradication Program by contracting for the eradication of the cane through the use of biological, chemical, and mechanical control methods. See also Selected Fiscal and Policy Issues - House, Item 3.	\$3,000,000	\$3,000,000	2.0	No	Yes	\$3,000,000
3)	Authority to increase the salary of the Executive Director from \$136,651 each year to \$150,000 each year. This would require reclassification from Salary Group 3 to Group 4.	\$0	\$0	0.0	No	No	\$0

TOTAL Items Not Included in Recommendations	\$4,716,562	\$4,716,562	2				\$4,716,562
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**Soil and Water Conservation Board
Appendices - House**

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Soil and Water Conservation Board
Funding Changes and Recommendations - House, by Strategy -- ALL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
PROGRAM MANAGEMENT & ASSISTANCE A.1.1	\$11,554,268	\$11,239,268	(\$315,000)	(2.7%)	Recommendations include a decrease due to completion of a Federal Funds grant project.
FLOOD CONTROL DAMS A.2.1	\$36,558,685	\$34,542,196	(\$2,016,489)	(5.5%)	Recommendations include a reduction of \$1,176,489 from Federal Funds for watershed rehabilitation and emergency watershed protection projects; \$840,000 from General Revenue for the 4 percent reduction.
Total, Goal A, SOIL & WATER CONSERVATION ASSIST.	\$48,112,953	\$45,781,464	(\$2,331,489)	(4.8%)	
STATEWIDE MANAGEMENT PLAN B.1.1	\$14,500,000	\$12,014,210	(\$2,485,790)	(17.1%)	Recommendations include a decrease of Federal Funds totaling \$2,265,790 for nonpoint source implementation grants and wildlife conservation and restoration grants; \$120,000 from General Revenue for the 4 percent reduction; and \$100,000 from Appropriated Receipts for completion of a grant project for Gulf Coast restoration.
POLLUTION ABATEMENT PLAN B.1.2	\$8,230,766	\$7,629,206	(\$601,560)	(7.3%)	Recommendations include reductions of \$456,562 from General Revenue to comply with 96 percent General Revenue limit; and \$144,998 from Federal Funds for completion of a project titled West Texas Range Land Restoration.
Total, Goal B, NONPOINT SOURCE POLLUTION ABATEMENT	\$22,730,766	\$19,643,416	(\$3,087,350)	(13.6%)	
WATER CONSERVATION AND ENHANCEMENT C.1.1	\$5,480,650	\$4,991,150	(\$489,500)	(8.9%)	Recommendations include a decrease of \$300,000 from General Revenue to comply with the 96 percent General Revenue limit; and \$189,500 from Federal Funds for a Justice Assistance Grant related to Carrizo cane eradication.
Total, Goal C, WATER SUPPLY ENHANCEMENT	\$5,480,650	\$4,991,150	(\$489,500)	(8.9%)	
INDIRECT ADMINISTRATION D.1.1	\$1,389,029	\$1,389,018	(\$11)	(0.0%)	Recommendations include a reduction from Appropriated Receipts for records request fees.
Total, Goal D, INDIRECT ADMINISTRATION	\$1,389,029	\$1,389,018	(\$11)	(0.0%)	

Soil and Water Conservation Board
Funding Changes and Recommendations - House, by Strategy -- ALL FUNDS

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
Grand Total, All Strategies	\$77,713,398	\$71,805,048	(\$5,908,350)	(7.6%)	

**Soil and Water Conservation Board
Summary of Federal Funds - House
(Dollar amounts in Millions)**

Appendix B

Program	Est 2016	Bud 2017	Rec 2018	Rec 2019	2016-17 Base	2018-19 Rec	2018-19 Rec % Total	Recommended Over/(Under) Base	% Change from Base
Watershed Rehabilitation Program	\$10.0	\$11.8	\$10.3	\$10.3	\$21.7	\$20.6	67.2%	(\$1.2)	(5.4%)
Nonpoint Source Implementation Grants	\$6.0	\$6.0	\$5.0	\$5.0	\$12.0	\$10.0	32.7%	(\$2.0)	(16.7%)
Wildlife Conservation and Restoration	\$0.2	\$0.2	\$0.0	\$0.0	\$0.3	\$0.0	0.1%	(\$0.3)	(88.6%)
Environmental Quality Incentives Program	\$0.5	\$0.0	\$0.0	\$0.0	\$0.5	\$0.0	0.0%	(\$0.5)	(100.0%)
Edward Byrne Memorial Justice Assistance Grant	\$0.0	\$0.2	\$0.0	\$0.0	\$0.2	\$0.0	0.0%	(\$0.2)	(100.0%)
TOTAL:	\$16.6	\$18.1	\$15.3	\$15.3	\$34.7	\$30.6	100.0%	(\$4.1)	(11.8%)

Soil and Water Conservation Board
FTE Highlights - House

Full-Time-Equivalent Positions	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
Cap	72.1	72.1	72.1	72.1	72.1
Actual/Budgeted	70.8	71.3	72.1	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 3	\$108,444	\$136,651	\$136,651	\$136,651	\$136,651

**Soil and Water Conservation Board
Performance Measure Highlights - House**

	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
<ul style="list-style-type: none"> Number of Flood Control Dam Repair Grants Awarded 	4	1	4	3	3
<i>Measure Explanation: This measure reflects the number of flood control dam repair grants awarded to dam sponsors for the repair, or major maintenance, on an earthen dam. The measure does not capture rehabilitation grants, which are used to change the hazard rating of a structure.</i>					
<ul style="list-style-type: none"> Number of Pollution Abatement Plans Certified 	354	254	154	137	137
<i>Measure Explanation: Pollution Abatement Plans demonstrate a need of a water quality management plan and areas of emphasis for the agency. This measure reflects the number of plans developed and certified to satisfy compliance with the state's water quality standards.</i>					
<ul style="list-style-type: none"> Number of Acres of Brush Treated 	23,191	41,208	29,638	27,247	27,247
<i>Measure Explanation: The Water Supply Enhancement Program aims to increase the available water supply by removing plant life that is particularly burdensome on water resources. These plants typically include prickly pear cactus, mesquite, juniper, salt cedar, and others that are likely to reduce available water supply through evapotranspiration. The agency typically contracts with local brush control specialists to remove noxious brush from private lands whose owners request to participate in the program. The acreage treated through the Rio Grande Carrizo Cane Eradication Program is also reflected in this measure.</i>					
<ul style="list-style-type: none"> Percentage of District Financial Needs Met by Conservation Board Grants 	61.8%	59.7%	61.3%	61.0%	61.0%
<i>Measure Explanation: Local soil and water conservation districts (SWCDs) are local units of government without taxing authority. This measure reflects the average percentage of the combined requests of all 216 SWCDs that are funded by grants from the agency. Other sources of funding for SWCDs include federal grants and private donations.</i>					

Soil and Water Conservation Board
Summary of Ten Percent Biennial Base Reduction Options - House

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill?
			GR & GR-D	All Funds	FTEs			
1)	Reduction in Program Grants	The Texas State Soil and Water Conservation Board annual operating budget is program and grant driven with approximately 80% of the budget directed for program and pass - through grants. The proposed reductions for program and pass - through grants are: 1) Soil and Water Conservation Assistance Grants reduced by \$59,996 per year. 2) Flood Control Operation, Maintenance, and Structural Repair Grants reduced by \$948,000 per year. 3) Water Quality Management Plan Grants reduced by \$516,482. 4) Water Supply Enhancement Grants reduced by \$339,000 per year. 5) State Non point Source Grants reduced by \$134,000 per year.	\$3,994,956	\$3,994,956		\$3,521,142	Multiple Programs	No
2)	Reduction in Travel	Reduction in projected travel expenses corresponding from a reduction in program grants at the level of \$1,997,478 per year.	\$74,076	\$74,076		\$0	9%	No
3)	Reduction in Operating Expenses	Reduction in projected operating expenses corresponding from a reduction in program grants at the level of \$1,997,478 per year.	\$50,718	\$50,718		\$0	9%	No
TOTAL, 10% Reduction Options			\$4,119,750	\$4,119,750		\$3,521,142		