

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

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Method of Financing	2022-23 Base	2024-25 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$21,346,358	\$22,260,687	\$914,329	4.3%
GR Dedicated Funds	\$94,497,926	\$97,510,263	\$3,012,337	3.2%
<i>Total GR-Related Funds</i>	<i>\$115,844,284</i>	<i>\$119,770,950</i>	<i>\$3,926,666</i>	<i>3.4%</i>
Federal Funds	\$8,295,019	\$8,307,878	\$12,859	0.2%
Other	\$3,182,520	\$964,950	(\$2,217,570)	(69.7%)
All Funds	\$127,321,823	\$129,043,778	\$1,721,955	1.4%

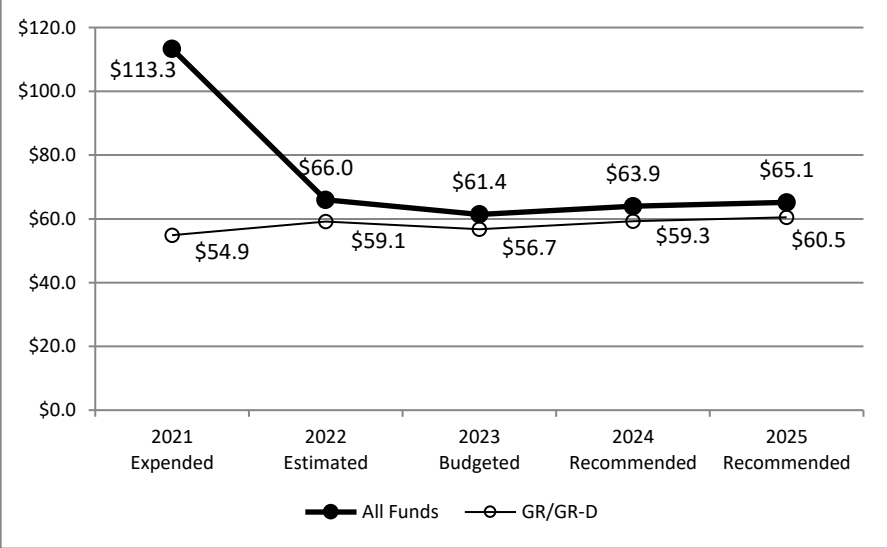
	FY 2023 Budgeted	FY 2025 Recommended	Biennial Change	Percent Change
FTEs	501.1	501.1	0.0	0.0%

Agency Budget and Policy Issues and/or Highlights

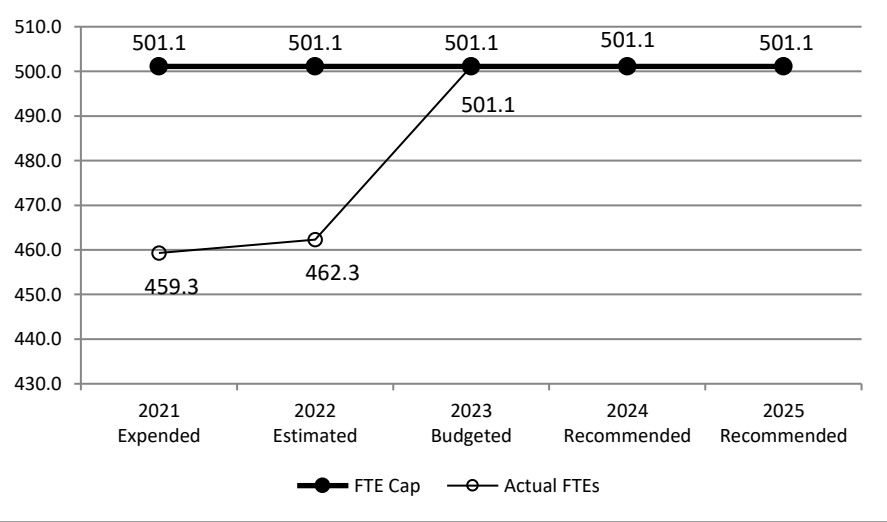
Texas A&M Forest Service (TFS) provides wildfire prevention, detection, and suppression services and administers the statewide Texas Wildfire Protection Plan. TFS also assists during all-hazard emergencies such as flooding, ice storms, tornados, and hurricanes. TFS is involved in forestry leadership activities, such as providing technical assistance and information to Texas forest landowners and performing resource assessments for the timber industries, and conducts applied research on forest insects and diseases.

The bill pattern for this agency (2024-25 Recommended) represents an estimated 83.4% of the agency's estimated total available funds for the 2024-25 biennium.

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



Texas A&M Forest Service
Summary of Funding Changes and Recommendations - House

Section 2

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 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)	Reduction of \$7,557 in General Revenue due to an updated infrastructure support formula calculation.	(\$0.0)	\$0.0	\$0.0	\$0.0	(\$0.0)	C.1.2
B)	Increase of \$2,500,000 in GR-D Account 36 due to recommended funds for aviation suppression costs no longer covered under federal agreement. See Section 3 for more details.	\$0.0	\$2.5	\$0.0	\$0.0	\$2.5	B.1.1
C)	Reduction of \$2,167,715 due to a supplemental appropriation from the Economic Stabilization Fund for wildfire and natural disaster response, carried forward into fiscal year 2022.	\$0.0	\$0.0	\$0.0	(\$2.2)	(\$2.2)	B.1.4
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
D)	Increase of \$3,491,141 in All Funds due to statewide salary adjustments, including \$921,886 in General Revenue and \$2,569,255 in General Revenue-Dedicated Funds.	\$0.9	\$2.6	\$0.0	\$0.0	\$3.5	E.1.1
E)	Reduction of \$2,056,918 in GR-D Account 36 for vehicle purchase funds, with the intention of including such funds in a supplemental appropriations bill.	\$0.0	(\$2.1)	\$0.0	\$0.0	(\$2.1)	B.1.1
F)	Increase of \$12,859 in available Federal Funds across strategies.	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	A.1.1, A.1.2, A.1.3, B.1.1, D.1.1
G)	Reduction of \$32,188 in appropriated receipts.	\$0.0	\$0.0	\$0.0	(\$0.0)	(\$0.0)	A.1.1, D.1.1
H)	Reduction of \$17,668 in license plate funds.	\$0.0	\$0.0	\$0.0	(\$0.0)	(\$0.0)	A.1.2, B.1.1
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		\$0.9	\$3.0	\$0.0	(\$2.2)	\$1.7	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$0.9	\$5.1	\$0.0	\$0.0	\$6.0	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		\$0.0	(\$2.1)	\$0.0	(\$2.2)	(\$4.3)	As Listed

NOTE: Totals may not sum due to rounding.

Texas A&M Forest Service
Selected Fiscal and Policy Issues - House

- 1. **Infrastructure Support.** Funding to Texas A&M System agencies for Infrastructure Support Within Brazos County is calculated using the General Academic Institutions’ Infrastructure Support formula rate. Texas A&M System agricultural agencies (including TFS) also receive funding for Infrastructure Support Outside Brazos County as a sum-certain appropriation. Currently, the infrastructure support funds included in the recommendations for within Brazos County are at the 2024-25 Texas A&M University rate multiplied by the agencies’ fiscal 2021 predicted square footage. Calculations will be updated based on Texas Higher Education Coordinating Board data, which is anticipated later this year.
- 2. **Supplemental Appropriations Bill Request.** Texas A&M Forest Service (TFS) reports that fiscal years 2021 and 2022 have been active years for the agency to be called upon to respond to various all-hazard incidents (e.g., wildfires, floods, tornados, winter storms, and hurricanes). While final billing for emergency responses from the U.S. Forest Service and reimbursements from the Federal Emergency Management Agency (FEMA) have not yet been received, TFS estimates \$100 million will be needed in a Supplemental Appropriations Bill to cover anticipated bills.
- 3. **Aviation Suppression Costs.** TFS maintains a federal agreement with the U.S. Forest Service (USFS), under the authority of the Stafford Act, that has generally allowed certain suppression aircraft support costs, such as flame retardant, to be paid by USFS and later billed to TFS. This typically gives the agency time to request those funds in its supplemental appropriations bill request to the legislature or to receive reimbursements from FEMA, if costs are eligible. The following chart shows the historical cost to TFS for flame retardant, some of which was subsequently shifted to state supplemental appropriations and some of which was reimbursed by FEMA:

Biennium	Retardant Cost
2014-15	\$54,506
2016-17	\$2,622,166
2018-19	\$6,251,476
2020-21	\$570,680

TFS has expanded retardant loading stations at multiple airports to address the increased geographic areas at risk of wildfire and limited availability of loading stations; however, the USFS recently has not approved paying for the retardant used at some TFS loading stations. In these circumstances, the agency must pay for retardant at the time it is received – rather than deferring payment until state funds or FEMA reimbursement is received – leading to cash flow issues for the agency. TFS is requesting funds to cover aviation suppression costs that cannot be deferred under the federal agreement. \$2.5 million in General Revenue-Dedicated Account 36 is included in recommendations for fiscal year 2024-25 for that purpose.

**Texas A&M Forest Service
Rider Highlights - House**

Modification of Existing Riders

7. Rural Volunteer Fire Department Assistance Program (Texas Wildfire Protection Plan). This rider directs the use of funds appropriated from the General Revenue-Dedicated Volunteer Fire Department Assistance Account No. 5064 and requires the Texas A&M Forest Service to submit a report to the legislature regarding expenditures of all grants under the program. Recommendations include modification of report requirements to better align with language in statute.

New Riders

8. Carryforward Authority for Supply Chain Delays. TFS is requesting a new rider to allow the agency to carry forward any obligated, but unexpended, balances from appropriations for fiscal years 2021 and 2022 for grants to fire departments for the purchase of vehicles and equipment to fiscal years 2023 and 2024. This UB authority would provide the agency with more time to fully expend the funds, outside the two-fiscal-year lapse date, as the purchase of vehicles and equipment has been adversely affected by supply chain delays. This rider is included in recommendations.
9. Aviation Support. Recommendations include creating a new rider to direct the use of \$1.25 million each fiscal year out of the General Revenue-Dedicated Texas Department of Insurance Operating Account to be used for aviation suppression support costs, including flame retardant, that cannot be deferred under federal agreement. See Section 3 for more details.

Texas A&M Forest Service
Items Not Included in Recommendations - House

		2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
		GR & GR-D	All Funds	FTEs			
Agency Rider Requests Not Included							
A)	TFS is requesting deletion of a portion of Rider 6, Rural Volunteer Fire Department Assistance Program (Wildfire Protection Plan), to remove a requirement to provide for specific training for handling industrial emergency incidents and response involving ammonium nitrate used as fertilizer. The request would also remove references to a report requirement and use of funds that are laid out in statute.						
Agency Exceptional Items Not Included (in agency priority order)							
1)	Keeping Texas Prepared: Emergency Response Capability. The agency is requesting funds to add 100 fire and emergency response positions; improve current pay level of employees; add or replace suppression equipment; and fund aviation support costs that can no longer be deferred under federal agreement. \$2.5 million of the original request (for aviation suppression costs) is included in recommendations. See Section 3 for details.	\$28,900,000	\$28,900,000	100.0	No	Yes	\$28,900,000
2)	Keeping Texas Prepared: Local Firefighting Capacity. The agency is requesting \$4 million in GR-D Account 36 funds to increase the number of Texas Intrastate Fire Mutual Aid System Grants and \$13.4 million in GR-D Account 5064 funds to increase the number of Volunteer Fire Department Grants.	\$17,399,855	\$17,399,855	0.0	No	No	\$17,228,740
TOTAL Items Not Included in Recommendations		\$46,299,855	\$46,299,855	100.0			\$46,128,740

Texas A&M Forest Service
Appendices - House

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* Appendix is not included - no significant information to report

Texas A&M Forest Service
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
FORESTRY LEADERSHIP A.1.1	\$11,938,252	\$11,930,058	(\$8,194)	(0.1%)	Recommendations include: <ul style="list-style-type: none"> • \$16,087 reduction in Federal Funds for forest inventory and analysis and forest stewardship; • \$32,159 reduction in Appropriated Receipts for Timber Management Program; and • \$40,052 increase in General Revenue due to a reallocation between strategies to meet operational needs.
FOREST / TREE RESOURCES ENHANCEMENT A.1.2	\$3,488,067	\$3,400,164	(\$87,903)	(2.5%)	Recommendations include: <ul style="list-style-type: none"> • \$86,400 reduction in Federal Funds for urban forestry; • \$3,381 reduction in urban forestry license plate funds; and • \$1,878 increase in General Revenue due to a reallocation between strategies.
FOREST INSECTS AND DISEASES A.1.3	\$1,749,650	\$1,900,946	\$151,296	8.6%	Recommendations include a \$111,225 increase in Federal Funds for forest health and \$40,071 increase in General Revenue due to a reallocation between strategies.
Total, Goal A, DEVELOP FOREST RESOURCES	\$17,175,969	\$17,231,168	\$55,199	0.3%	
TWPP - TFS OPERATIONS B.1.1	\$57,216,403	\$58,224,076	\$1,007,673	1.8%	Recommendations include: <ul style="list-style-type: none"> • \$2,056,918 reduction in GR-D Account 36 due to a one-time vehicle purchase appropriation not included in recommendations; • \$2,500,000 increase in GR-D Account 36 due to recommended funds for aviation support costs no longer included in a federal agreement; • \$19,155 increase in Federal Funds for state fire assistance and community fire protection; • \$14,287 reduction in Smokey Bear license plate funds; and • \$144,814 increase in General Revenue and \$414,909 increase in General Revenue-Dedicated funds due to a reallocation between strategies.
TWPP - VFD GRANTS B.1.2	\$39,295,772	\$39,119,394	(\$176,378)	(0.4%)	Recommendations include a reduction in General Revenue-Dedicated funds due to reallocation between strategies.
TWPP - TIFMAS GRANTS B.1.3	\$2,000,000	\$2,000,000	\$0	0.0%	

Texas A&M Forest Service					
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS					
Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
WILDFIRE EMERGENCY FUNDS B.1.4	\$2,167,715	\$0	(\$2,167,715)	(100.0%)	Reduction due to use of remaining supplemental funding provided by HB 2, 87th Legislature, Regular Session, for wildfire and natural disaster response.
Total, Goal B, PROTECT FOREST RESOURCES	\$100,679,890	\$99,343,470	(\$1,336,420)	(1.3%)	
INDIRECT ADMINISTRATION C.1.1	\$3,923,369	\$3,946,980	\$23,611	0.6%	Recommendations include: <ul style="list-style-type: none">• \$125,259 increase in General Revenue;• \$152,764 reduction in GR-D Account 36; and• \$51,116 increase in GR-D Account 5064 due to a reallocation between strategies.
INFRASTRUCTURE SUPPORT IN BRAZOS CO C.1.2	\$768,749	\$279,801	(\$488,948)	(63.6%)	Recommendations include: <ul style="list-style-type: none">• \$7,557 reduction in General Revenue due to the updated infrastructure support formula;• \$342,085 reduction in General Revenue to due a reallocation between strategies; and• \$139,306 reduction in GR-D Account 36 due to reallocation between strategies.
INFRASTRUCT SUPP OUTSIDE BRAZOS CO C.1.3	\$2,075,038	\$2,067,472	(\$7,566)	(0.4%)	Recommendations include a \$9,989 reduction in General Revenue, offset by a \$2,423 increase in GR-D Account 36 due to a reallocation between strategies.
Total, Goal C, INDIRECT ADMINISTRATION	\$6,767,156	\$6,294,253	(\$472,903)	(7.0%)	
STAFF GROUP INSURANCE D.1.1	\$2,698,808	\$2,683,746	(\$15,062)	(0.6%)	Recommendations include a \$15,033 reduction in Federal Funds and a \$29 reduction in Appropriated Receipts.
Total, Goal D, STAFF BENEFITS	\$2,698,808	\$2,683,746	(\$15,062)	(0.6%)	
SALARY ADJUSTMENTS E.1.1	\$0	\$3,491,141	\$3,491,141	100.0%	Recommendations include an increase of \$921,886 in General Revenue, \$2,137,601 in GR-D Account 36, \$430,157 in GR-D Account 5064, and \$1,497 in GR-D Account 5066 due to statewide salary adjustments.
Total, Goal E, SALARY ADJUSTMENTS	\$0	\$3,491,141	\$3,491,141	100.0%	
Grand Total, All Strategies	\$127,321,823	\$129,043,778	\$1,721,955	1.4%	

Texas A&M Forest Service
FTE Highlights - House

Full-Time-Equivalent Positions	Expended 2021	Estimated 2022	Budgeted 2023	Recommended 2024	Recommended 2025
Cap	501.1	501.1	501.1	501.1	501.1
Actual/Budgeted	459.3	462.3	501.1	NA	NA

Notes:

a) Actual FTEs for FY 2022 reflect the amount reported by the State Auditor's Office.