

Texas A&M System Agencies Summary - House

There are eight agencies under the Texas A&M University System that share a broad statewide mission encompassing research, teaching, and public service. Unlike institutions of higher education, these agencies do not have students and do not receive tuition. Below are the four agriculture-related agencies and three engineering-related agencies, not including the Texas Division of Emergency Management (TDEM), which is also an agency within the system.

Texas A&M AgriLife Research: AgriLife Research conducts research in agricultural, environmental, and life sciences, and administers programs for honeybee regulation, feed and fertilizer control service, and Advancing Health Through Agriculture.

Texas A&M AgriLife Extension Service: AgriLife Extension provides educational and training programs through a network of county extension agents across the state. The program areas include agriculture and natural resources, family and community health, and youth and leadership development. The agency also provides wildlife and insect management services.

Texas A&M Forest Service (TFS): TFS provides wildfire prevention, detection, and suppression service and administers the statewide Texas Wildfire Protection Plan. TFS also assists during all-hazard emergencies such as flooding and hurricanes. TFS provides technical assistance to forest landowners, performs resource assessments for the timber industry, and conducts applied research on forest insects and diseases.

Texas A&M Veterinary Medical Diagnostic Laboratory (TVMDL): TVMDL provides fee-based veterinary medical diagnostic services, which contribute to an animal and zoonotic disease surveillance system, and performs drug tests for pari-mutuel racing animals and livestock shows. The agency also oversees the state Brucellosis Regulatory Testing Laboratory.

Texas A&M Engineering Experiment Station (TEES): The Texas A&M Engineering Experiment Station conducts research, provides continuing education, and develops technology to assist industry and the engineering workforce. TEES performs engineering and technology research on water, defense, energy, manufacturing, and the environment across the state of Texas.

Texas A&M Engineering Extension Service (TEEX): The Texas A&M Engineering Extension Service provides workforce training programs and technical assistance for first responders to enhance public safety and security. TEEX also provides emergency response, search, and rescue operations statewide through Texas A&M Task Force 1 and Texas Task Force 2.

Texas A&M Transportation Institute (TTI): The Texas A&M Transportation Institute identifies and solves transportation problems through research and testing. TTI also develops and implements new technologies for current and future transportation needs and works closely with the Texas Department of Transportation.

Total Summary of Budget Recommendations and Explanation of Changes

	GR and GR-D Funds (millions)			All Funds (millions)		
	2022-23 Base	2024-25 Recommended	Biennial Change	2022-23 Base	2024-25 Recommended	Biennial Change
AgriLife Research	\$128.1	\$141.9	\$13.9 (+10.8%)	\$161.9	\$175.8	\$13.9 (+8.6%)
AgriLife Extension	\$97.5	\$108.4	\$10.9 (+11.1%)	\$150.5	\$161.4	\$10.8 (+7.2%)
TFS	\$115.8	\$119.8	\$3.9 (+3.4%)	\$127.3	\$129.0	\$1.7 (+1.4%)
TVMDL	\$18.5	\$20.2	\$1.7 (+9.4%)	\$48.0	\$50.9	\$2.8 (+5.9%)
TEES	\$58.9	\$69.1	\$10.2 (+17.3%)	\$370.6	\$384.0	\$13.3 (+3.6%)
TEEX	\$16.6	\$22.6	\$6.0 (+36.2%)	\$183.7	\$195.4	\$11.7 (+6.4%)
TTI	\$14.3	\$21.9	\$7.6 (+53.0%)	\$143.4	\$155.2	\$11.7 (+8.2%)
TOTAL	\$449.8	\$503.9	\$54.1 (+12.0%)	\$1,185.6	\$1,251.6	\$66.1 (+5.6%)

Totals may not sum due to rounding

Funding changes between the 2022-23 base and 2024-25 recommended levels include:

- **All agencies:** Increase of \$55,565,316 in All Funds for statewide salary adjustments, including \$52,996,061 in General Revenue Funds and \$2,569,255 in General Revenue-Dedicated Funds.
- **TFS:** Decrease of \$2,056,918 in General Revenue-Dedicated Account 36 due to the removal of vehicle purchase funds, with the intent to add such funds to a supplemental appropriations bill.
- **TVMDL:** Increase of \$1,097,563 in Other Funds due to increased diagnostic lab and drug testing fee revenue.
- **TEES:** A net \$2,500,000 reduction in General Revenue due to one-time funding for TEES’s collaboration with Army Futures Command in the previous biennium and the conclusion of state funding for the Rio Grande Valley Advanced Manufacturing Innovation Hub (see Agency-Specific Issues and Recommendations for details), offset by an increase in funding for the Aerospace Scholars Program;
- **TEEX:** Increase of \$3,284,790 in Federal Funds and \$2,420,187 in Other Funds due to the return to historic service levels after a reduction in services in the previous biennium resulting from COVID-19; and
- **TTI:** Increase of \$930,063 in Federal Funds and \$3,202,414 in Other Funds due to growth in contracted research from federal, private, state, local, and other sponsors.

Other significant funding changes are discussed on the next page.

Cross-Agency Issues and Recommendations

1. Infrastructure Support. Funding for Infrastructure Support Within Brazos County is calculated using the General Academic Institutions' Infrastructure Support formula rate. The infrastructure support funds included in recommendations for within Brazos County are at the 2024-25 Texas A&M University infrastructure rate, multiplied by the agencies' fiscal 2021 predicted square footage. Recommended General Revenue Funds for infrastructure support for 2024-25 totals \$35,480,089. Compared to the 2022-23 base, funding increased by \$1,139,372, including:

- A reduction of \$27,011 for AgriLife Research;
- A reduction of \$85,682 for AgriLife Extension;
- A reduction of \$7,557 for TFS;
- An increase of \$187,751 for TVMDL;
- An increase of \$1,070,498 for TEES;
- A reduction of \$117,271 for TEEX; and
- An increase of \$118,643 for TTI.

Agency-Specific Issues and Recommendations

1. Texas A&M AgriLife Extension - Experimental Use Program for Feral Hog Abatement. AgriLife Extension received \$250,000 in each fiscal year of the 2022-23 biennium to implement an experimental use program to advise the Texas Department of Agriculture (TDA) regarding pesticide products containing warfarin used to control feral hogs. AgriLife Extension will submit a report on the program's results to the legislature and TDA by August 31, 2023. Recommendations do not include ongoing funding for the program in the 2024-25 biennium, after AgriLife Extension submits its report and the TDA determines whether the use of a pesticide product containing warfarin is safe and effective.

2. TFS - Supplemental Appropriations Bill Request. 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. TFS - Aviation Suppression Costs. TFS maintains a federal agreement with the U.S. Forest Service (USFS) 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. 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.

4. TVMDL - Debt service. TVMDL is not eligible for bond financing supported by the Permanent University Fund because it was created separately from the Texas A&M System and joined the System after the Texas Constitution was amended to include six of the other agencies. The Legislature has historically appropriated General Revenue to pay debt service for TVMDL's capital projects. Recommendations include \$5.9 million in General Revenue for debt service for the agency's College Station and Canyon laboratories, which is an increase of \$3,250 from the 2022-23 biennium.

5. TEES – RGV Advanced Manufacturing Innovation (RAMI) Hub. In the Eighty-seventh Legislature, Regular Session, 2021, TEES received \$5 million in General Revenue each fiscal year for the RAMI Hub for the purpose of engaging with the Brownsville Navigation District, TEEX, and other regional partners to establish and operate an advanced manufacturing innovation hub in the Lower Rio Grande Valley to provide workforce development for skills in-demand by the advanced manufacturing sector. TEES requested ongoing appropriations of \$10 million for the RAMI Hub for the 2024-25 biennium in the agency's base request. Recommendations include \$5 million for fiscal year 2024, based on the initial budget plan, which indicated that the hub could generate revenue for ongoing operating costs.

Rider Highlights

Modification of Existing Riders:

- TFS Rider 7. Rural Volunteer Fire Department Assistance Program (Texas Wildfire Protection Plan). Recommendations include modification of reporting requirements to better align with language in statute.
- TVMDL Rider 5. Contingency for Senate Bill 705. Recommendations include modifying a contingency rider to continue to direct the use of funds for the agency to fulfill its role as the state's regulatory animal health lab.
- TEES Rider 8. Rio Grande Valley Advanced Manufacturing Innovation Hub. Recommendations include modifying this rider to reflect the funds appropriated for 2024-25 and providing authority to carry any unexpended balances from funds appropriated in fiscal year 2024 to fiscal year 2025 to account for supply chain delays.

Deleted Riders:

- AgriLife Extension Rider 8. Experimental Use Program for Feral Hog Abatement.
- AgriLife Extension Rider 12. Grape Crush Report. Onetime report.

- TTI Rider 5. Contingency for Senate Bill 1907. Recommendations include deleting this rider, as the agency expects to complete the reporting requirements and the related statute expires January 1, 2023.

New Riders:

- TFS Rider 7. 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.
- TFS Rider 8. Aviation Support. Recommendations include a new rider directing the use of funds for aviation support costs, including flame retardant, that cannot be deferred under federal agreement.

Requests Not Included in Recommendations

Exceptional Items Not Included:

Agency	Exceptional Item	GR & GR-D 24-25	All Funds 24-25	FTEs
AgriLife Research	1. Increasing Research Capability	\$15,000,000	\$15,000,000	30.0
	2. Rebuilding Vernon Center After Tornado	\$15,000,000	\$15,000,000	-
AgriLife Extension	1. Expanding the Extension Agent Network*	\$32,296,206	\$32,296,206	54.0
	2. Rural Student Access Initiative	\$6,565,915	\$6,565,915	33.0
TFS	1. Emergency Response Capability* - \$2.5 million of this request was included in recommendations (see Agency-Specific Issues and Recommendations #3).	\$28,900,000	\$28,900,000	100.0
	2. Local Firefighting Capacity – Grants*	\$17,399,855	\$17,399,855	-
TVMDL	1. Disease Threats*	\$4,930,000	\$4,930,000	11.0
TEES	1. Supporting Energy Sector Resiliency	\$10,000,000	\$10,000,000	18.0
	2. Domestic Semiconductor Manufacturing	\$26,400,000	\$26,400,000	15.0
TEEX	1. Education, Response, Recruitment, and Retention*	\$26,000,000	\$26,000,000	7.0
TTI	1. Keeping Up with Traffic Growth	\$4,500,000	\$4,500,000	8.0
TOTAL		\$187,489,024	\$187,489,024	276.0

*Four service agencies are jointly asking for an increase in base funding to maintain services, labeled “Keeping Texas Prepared” for disasters and emergency situations.