

**Commission on Environmental Quality  
Summary of Budget Recommendations - House**

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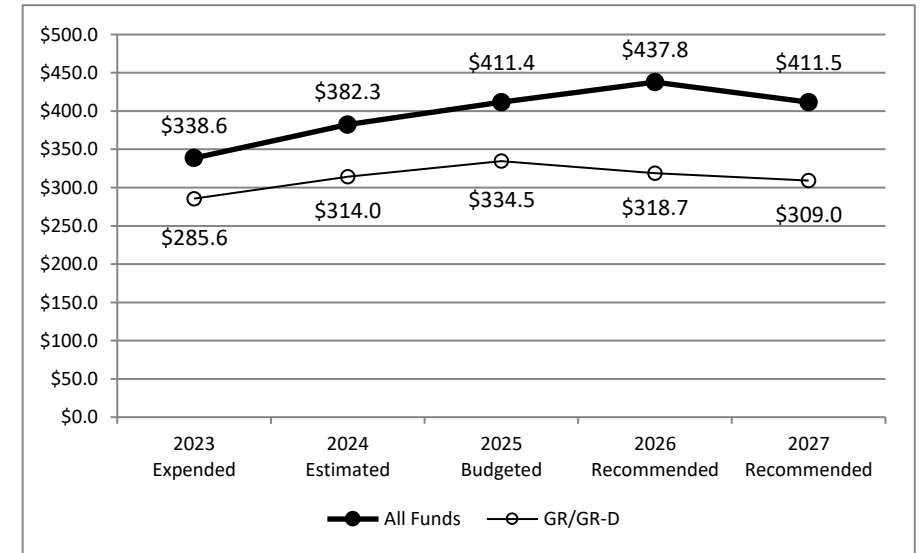
Kelly Keel, Executive Director

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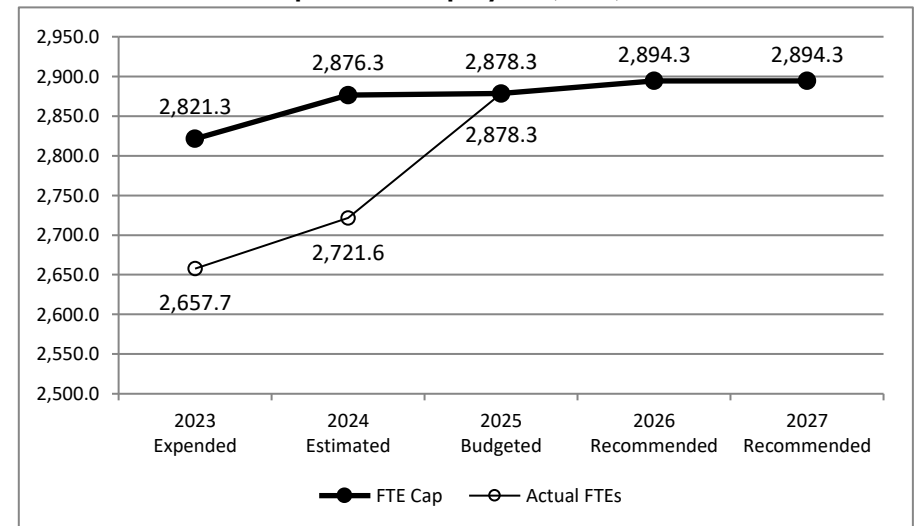
<b>Method of Financing</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change (\$)</b>	<b>Biennial Change (%)</b>
General Revenue Funds	\$49,953,362	\$41,508,212	(\$8,445,150)	(16.9%)
GR Dedicated Funds	\$598,601,904	\$586,184,843	(\$12,417,061)	(2.1%)
<i>Total GR-Related Funds</i>	<i>\$648,555,266</i>	<i>\$627,693,055</i>	<i>(\$20,862,211)</i>	<i>(3.2%)</i>
Federal Funds	\$112,420,408	\$181,484,679	\$69,064,271	61.4%
Other	\$32,764,158	\$40,110,416	\$7,346,258	22.4%
<b>All Funds</b>	<b>\$793,739,832</b>	<b>\$849,288,150</b>	<b>\$55,548,318</b>	<b>7.0%</b>

	<b>FY 2025 Budgeted</b>	<b>FY 2027 Recommended</b>	<b>Biennial Change</b>	<b>Percent Change</b>
FTEs	2,878.3	2,894.3	16.0	0.6%

**Historical Funding Levels (Millions)**



**Historical Full-Time-Equivalent Employees (FTEs)**



The bill pattern for this agency (2026-27 Recommended) represents an estimated 52.4% of the agency's estimated total available funds for the 2026-27 biennium.

**Commission on Environmental Quality  
Summary of Funding Changes and Recommendations - House**

Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A	
<b><i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i></b>							
A)	An increase in Federal Funds through the United States Department of Energy for the new Texas Voluntary Marginal Conventional Well Plugging Program (TxMCW) (See also, Selected Fiscal and Policy Issues #8).	\$0.0	\$0.0	\$64.8	\$0.0	\$64.8	A.1.1
B)	A net increase of \$11.2 million in Federal Funds for federal programs supplemented with Infrastructure Investment and Jobs Act (IIJA) funding consisting of: (a) A net increase of \$11.4 million for the National Dam Safety Program; (b) A net increase of \$0.7 million for the Water Quality Management Planning program; and (c) A net decrease of \$0.9 million for the National Estuary Program. (See also, Selected Fiscal and Policy Issues #8).	\$0.0	\$0.0	\$11.2	\$0.0	\$11.2	A.1.2
C)	A decrease in General Revenue-Dedicated Hazardous and Solid Waste Remediation Fee Account No. 550 for the removal of one-time costs including: (a) \$5.0 million for Superfund site cleanups and remediation payments; (b) \$3.8 million appropriated in Senate Bill 30 (SB 30), Eighty-eighth Legislature, Regular Session, 2023, for hazardous and solid waste remediation; (c) \$0.6 million associated with various one-time costs for website enhancements; (d) \$0.5 million associated with improving public records access; and (e) \$0.3 million for superfund site cost recovery fees. (See also, Selected Fiscal and Policy Issues #1).	\$0.0	(\$10.2)	\$0.0	\$0.0	(\$10.2)	D.1.2, F.1.1, F.1.2
D)	An increase in Leaking Water Wells Fund No. 308 (LWWF) for increased appropriations to continue administering the Leaking Water Wells program and to issue grants from the LWWF (See also, Selected Fiscal and Policy Issues #5 and Rider Highlights, New Riders #30).	\$0.0	\$0.0	\$0.0	\$8.8	\$8.8	A.1.2
E)	An increase in General Revenue-Dedicated Texas Emissions Reduction Plan (TERP) Account No. 5071 (TERP Account) for cashflow needs in the 2026-27 biennium. Amounts are reimbursed from the TERP Trust No. 1201 (outside of the treasury) to the TERP Account (inside the treasury), after sufficient revenue has been collected and deposited resulting in a lapse of unused authority due to the reimbursement (See also, Selected Fiscal and Policy Issues #3).	\$0.0	\$1.4	\$0.0	\$0.0	\$1.4	A.1.1

**Commission on Environmental Quality  
Summary of Funding Changes and Recommendations - House**

Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A	
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
F)	A decrease in General Revenue and various General Revenue-Dedicated Funds for the removal of one-time expenditures including: (a) \$0.9 million in various General Revenue-Dedicated Funds appropriated in SB 30 for vehicle replacements; (b) \$1.4 million in various General Revenue-Dedicated Funds for administrative-related or capital costs associated with the implementation of Senate Bill 1397, Eighty-eighth Legislature, Regular Session, 2023, provisions (Sunset Bill); (c) \$7.8 million in General Revenue (\$0.6 million) and various General Revenue-Dedicated Funds (\$7.2 million) for various information technology projects (excluding related Account No. 550 decreases listed above) including: \$4.4 million for website enhancements, \$3.1 million for improving public records access, and \$0.3 million to update compliance history ratings. (d) \$0.1 million in General Revenue-Dedicated Water Resource Management Account No. 153 for high hazard dam inspections; (e) \$10.0 million in General Revenue Funds for Rio Grande litigation; (f) \$1.5 million in General Revenue-Dedicated Water Resource Management Account No. 153 for federal lead and copper rule revision implementation; and (g) \$0.1 million in various General Revenue-Dedicated Funds for unexpended balances carried forward from the 2024-25 biennium and unanticipated fee revenue increases that are not anticipated to continue.	(\$10.6)	(\$11.2)	\$0.0	\$0.0	(\$21.8)	A.1.1, A.1.2, A.1.3, A.2.1, A.2.2, A.2.3, A.2.4, B.1.1, C.1.1, C.1.2, C.1.3, E.1.4, F.1.1, F.1.2, F.1.3
G)	An increase in General Revenue and various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations.	\$2.2	\$7.5	\$0.0	\$0.0	\$9.7	A.1.1, A.1.2, A.1.3, A.2.1, A.2.2, A.2.3, A.2.4, A.3.1, B.1.1, C.1.1, C.1.2, C.1.3, D.1.1, D.1.2, E.1.4, F.1.1, F.1.2, F.1.3

**Commission on Environmental Quality  
Summary of Funding Changes and Recommendations - House**

<b>Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 Base Spending Level (in millions)</b>		<b>General Revenue</b>	<b>GR-Dedicated</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>All Funds</b>	<b>Strategy in Appendix A</b>
H)	A net decrease in Federal Funds not specified above primarily due to expiring grants for various programs.	\$0.0	\$0.0	(\$6.9)	\$0.0	(\$6.9)	A.1.1, A.1.2, A.1.3, A.2.2, A.2.3, B.1.1, C.1.1, C.1.2, C.1.3, D.1.1, D.1.2
I)	A net decrease of \$1.4 million in Other Funds not specified above primarily due to various Appropriated Receipts (\$0.7 million) and Interagency Contracts (\$0.8 million) that are not anticipated to continue in the 2026-27 biennium.	\$0.0	\$0.0	\$0.0	(\$1.4)	(\$1.4)	A.1.1, A.2.2, B.1.1, C.1.1, C.1.2, C.1.3, D.1.2, F.1.1
<b>TOTAL SIGNIFICANT &amp; OTHER Funding Changes and Recommendations (in millions)</b>		<b>(\$8.4)</b>	<b>(\$12.5)</b>	<b>\$69.1</b>	<b>\$7.4</b>	<b>\$55.6</b>	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Increases</i>		\$2.2	\$8.9	\$76.0	\$8.8	\$95.9	As Listed
<i>SIGNIFICANT &amp; OTHER Funding Decreases</i>		(\$10.6)	(\$21.4)	(\$6.9)	(\$1.4)	(\$40.3)	As Listed

NOTE: Totals may not sum due to rounding.

**Commission on Environmental Quality  
Selected Fiscal and Policy Issues - House**

1. **Remediation Activities** – Recommendations include \$56.2 million in General Revenue-Dedicated Hazardous and Solid Waste Remediation Fee Account No. 550 (Account No. 550) and no appropriations from General Revenue-Dedicated Environmental Radiation & Perpetual Care Account No. 5158 (Account No. 5158). This is a net decrease of \$11.1 million, consisting of a net decrease of \$8.1 million in Account No. 550 and a decrease of \$3.0 million in Account No. 5158 from the 2024-25 biennium spending levels, for remediation-related activities.

General Revenue-Dedicated Hazardous and Solid Waste Remediation Fee Account No. 550 (Account No. 550)

Recommendations continue authority in Rider 24, Appropriations and Unexpended Balances from Cost Recovery for Site Remediation and Cleanups, for the agency to carry forward any unobligated and unexpended balances remaining in appropriations made from Account No. 550 from the prior biennium that were received from responsible parties through cost recovery repayment fees for site remediation and cleanups. Recommendations also continue to require that these funds be used for the same purpose during the biennium. Additionally, recommendations continue authority to appropriate any new revenue deposited to the credit of Account No. 550 from cost recovery fees assessed during the biennium (estimated to be \$0) for site remediation and cleanups. The intent of the rider provides the agency with access to cost recovery fee revenue assessed during the biennium for site remediation and cleanups in response to events and findings occurring during the biennium. The net decrease of \$8.1 million in Account No. 550 is due primarily to the utilization of rider authorities mentioned above, and the removal of additional revenue that was collected and utilized during the 2024-25 biennium as one-time expenditures. Included within one-time funding removed was funding from Senate Bill 30, Eighty-eighth Legislature, Regular Session, 2023, which appropriated \$3.8 million from Account No. 550 for remediation of a closed battery facility site that was effective in 2023. According to the agency, it is expected that work on that specific site will be complete and the supplemental funding will be fully expended in fiscal year 2025. The decreases (totaling \$10.2 million) were offset by increases from reallocations (\$1.8 million) and increases to provide funding to biennialize the statewide salary adjustments included in 2024-25 appropriations (\$0.3 million), to reach the net decrease of \$8.1 million in Account No. 550. Remediation activities from Account No. 550 in the 2026-27 biennium are expected to maintain similar activity levels to the 2024-25 biennium. According to the Comptroller of Public Accounts (CPA) Biennial Revenue Estimate (BRE) for the 2026-27 biennium, after fiscal year 2025 Account No. 550 will have an estimated ending balance of \$38.6 million and generate an estimated \$71.5 million in revenue during the 2026-27 biennium.

General Revenue-Dedicated Environmental Radiation & Perpetual Care Account No. 5158 (Account No. 5158)

Recommendations include no appropriations from Account No. 5158 in alignment with the agency's request. According to the agency, a cleanup of a site in Live Oak County, Texas is complete and the Nuclear Regulatory Commission has released the site for unrestricted use. The previous funding was reallocated across strategies and primarily to address maintenance costs for access to public records and website usability enhancements. No appropriations are provided for specific site cleanups, however, revenue received above the BRE is appropriated to the agency for other cleanup activities as necessary. Recommendations modify Rider 14, Environmental Radiation and Perpetual Care, to reflect the change in appropriations and retain appropriation authority to access revenues received in excess of the BRE. According to the BRE for the 2026-27 biennium, after fiscal year 2025 Account No. 5158 will have an estimated ending balance of \$17.9 million and generate an estimated \$6.7 million in revenue during the 2026-27 biennium (See also, Rider Highlights, Modification of Existing Riders #14).

2. **Aboveground Storage Vessels Safety (ASVS) Program** – Recommendations include \$0.7 million in General Revenue Funds and 5.0 FTE positions to continue administration and development of the ASVS program. This is an increase of \$0.1 million from the 2024-25 biennium spending levels due to the onboarding of FTE positions during this time. From the 2022-23 biennium to the 2024-25 biennium the FTE positions allocated to this program increased from 2.0 to 5.0 as intended.

Senate Bill 900, Eighty-seventh Legislature, 2021, directed the agency to establish and administer a new Performance Standards for Safety at Storage Vessels (PSSSV) program, which the agency refers to as the current ASVS program. In response to recent chemical accidents occurring in the state, the purpose of the legislation was to develop a program that would create and enforce safety requirements around storage vessels to: protect the environment, particularly ground and surface water resources, mitigate potential safety hazards, and minimize impacts in the event of accidents or natural disasters. Federal statutes and regulations also inform the developed safety standards and ensure that existing and new vessels include all critical safety measures. The legislation required owners and operators of vessels to certify their compliance status by registering in the program with the Texas Commission on Environmental Quality (TCEQ) no later than September 1, 2027, and for new vessels brought into service after this date to certify compliance and register within thirty days following the start of their operations. TCEQ is required to conduct on-site inspections of the registered and certified facilities at least once every five years to determine compliance. The legislation also created the new General Revenue-Dedicated Performance Standards for Safety at Storage Vessels Program Account No. 5194 (Account No. 5194) and required the agency to establish certification fees in amounts sufficient to cover program costs for deposit to the account.

The program is estimated to result in the registration, licensing, and regulation of approximately 36,000 vessels. Vessel owners and operators are expected to begin registering in the program in fiscal year 2027 before the September 1, 2027 deadline. The initial cost estimate anticipated a ramp-up period funded with General Revenue Funds prior to Account No. 5194 revenue collections beginning to occur in fiscal year 2027. After that time, it was expected that program costs would be funded from fees deposited to Account No. 5194. TCEQ developed program rules and a fee structure prior to September 1, 2023, and continues to prepare the program for an anticipated increase in activity in fiscal year 2027. Pursuant to changes since the initial cost estimate, the agency has provided an updated cost estimate based on the following information:

1.) The agency estimates the need for more supervisory staff (6.0 FTEs) in fiscal year 2026 before investigators and other employees begin in fiscal year 2027. Also, updated agency estimates include FTE changes for a greater proportion of administrative staff including changes to job classifications and a decrease in FTEs from 70.0 to 63.0. Additionally, instead of reaching a fully staffed program by fiscal year 2027, these estimates anticipate hiring the final 20.0 FTE positions in fiscal year 2028.

2.) The agency anticipates collecting fee revenue beginning the second quarter of fiscal year 2028, which would result in fee revenue not accumulating to a level sufficient to fully fund the program from Account No. 5194 until late fiscal year 2028 or the beginning of fiscal year 2029. Based on the agency’s estimates, General Revenue Funds would be needed to continue funding the program during the 2026-27 biennium. The table below shows the fiscal note cost estimates based on information provided by the agency in 2021 compared to the agency’s current cost estimates finalized in the Fall of 2024.

**Aboveground Storage Vessels Safety (ASVS) Program Cost Estimates**

Fiscal Year	General Revenue Est. Costs		GR-D No. 5194 Est. Revenues		GR-D No. 5194 Est. Costs		FTE Estimates		
	Fiscal Note	Current Exp/Est	Fiscal Note	Current Exp/Est	Fiscal Note	Current Exp/Est	Fiscal Note	Current Exp/Est	FTE Diff.
2022	(\$176,072)	(\$118,946)	\$0	\$0	\$0	\$0	2.0	2.0	N/A
2023	(\$174,072)	(\$74,571)	\$0	\$0	\$0	\$0	2.0	2.0	N/A
2024	(\$406,817)	(\$274,486)	\$0	\$0	\$0	\$0	5.0	5.0	N/A
2025	(\$403,817)	(\$336,413)	\$0	\$0	\$0	\$0	5.0	5.0	N/A
2026	(\$403,817)	(\$792,424)	\$0	\$0	\$0	\$0	5.0	11.0	+ 6.0
2027	\$0	(\$4,475,301)	\$6,297,593	\$0	(\$6,297,593)	\$0	70.0	43.0	- 27.0
2028	N/A	(\$6,259,102)	N/A	\$9,700,000	N/A	(\$6,259,102)	N/A	63.0	- 7.0
2029	N/A	\$0	N/A	\$8,800,000	N/A	(\$5,768,702)	N/A	63.0	- 7.0

Source: Commission on Environmental Quality

Note: Fiscal note amounts include benefit costs.

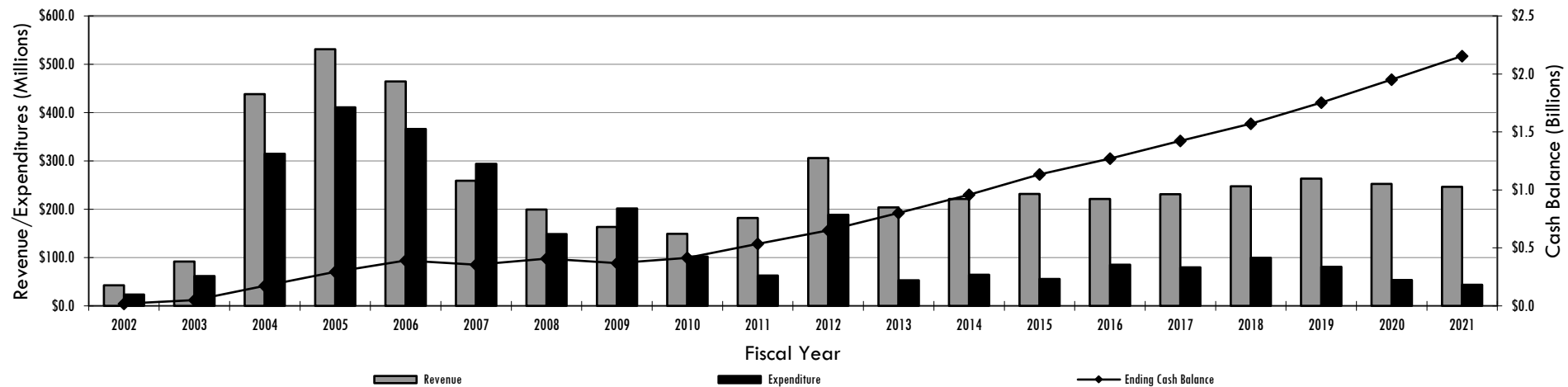
Note: Fiscal years 2022-23 include expenditures, and fiscal year 2024-25 amounts are estimated.

While the agency anticipates that additional funding and FTEs would be needed to continue the program ramp-up, no exceptional item has been requested by the agency.

- Texas Emissions Reduction Plan (TERP)** – Recommendations include \$1.4 million in General Revenue-Dedicated Texas Emissions Reduction Plan (TERP) Account No. 5071 (TERP Account) for cash flow purposes to fund start up administrative costs of the TERP program at the beginning of the 2026-27 biennium. The program is administered through the TERP Trust Fund No. 1201 (TERP Fund), an other fund outside of the treasury. The cash flow amounts permit the agency to administer the program from the TERP Account while revenue is collected in the TERP Fund and then requires the agency to reimburse the TERP Account for the cash flow amounts utilized (up to \$1.4 million). TERP Fund balances reset after required transfers at the end of each biennium, therefore a cash flow is needed to cover a brief period at the start of a biennium as TERP Fund revenues are collected.

The TERP program and the General Revenue-Dedicated TERP Account, within the treasury, were established in 2001 to improve air quality in the state with the goal of meeting National Ambient Air Quality Standards established by the U.S. Environmental Protection Agency pursuant to the federal Clean Air Act. Until fiscal year 2022, the TERP Account was funded by various fees and surcharges on the following activities: the sale, lease, and storage of off-road diesel equipment; the sale or lease of pre-1997 diesel vehicles; registration of truck tractors and commercial motor vehicles; a portion of vehicle certificate title fees; commercial motor vehicle safety inspections; and emissions used as part of an emission reduction program to offset the requirements of commission TCEQ rules relating to control of air pollution of nitrogen oxides (NOx), which are gas emissions regulated by the agency. TERP program appropriations and expenditures from the TERP Account were historically less than revenues collected each fiscal year, which has resulted in a significant positive fund balance. According to the Comptroller’s fiscal year 2024 Annual Cash Report, the fiscal year 2024 ending cash balance in the TERP Account totaled \$2.0 billion. The figure below shows revenue, expenditure, and fund balance data for the TERP account through fiscal year 2021, before the program began being administered from the TERP Fund in fiscal year 2022.

**Revenue, Expenditures, and Fund Balance of the General Revenue-Dedicated Account No. 5071, Texas Emissions Reduction Plan, Fiscal Years 2002 to 2021**



Source: Comptroller of Public Accounts

House Bill 3745, Eighty-sixth Legislature, Regular Session, 2019, established the TERP Fund. The legislation redirected fees and surcharges previously deposited to the TERP Account to the new TERP Fund beginning in fiscal year 2022 and authorized TCEQ to expend all revenues collected and deposited to the TERP Fund. Before the legislation took effect in fiscal year 2022, House Bill 4472, Eighty-seventh Legislature, Regular Session, 2021, further modified the TERP program by requiring the transfer of at least 35.0 percent of revenues deposited to the TERP Fund to the State Highway Fund (SHF) for use by the Texas Department of Transportation (TxDOT) to support congestion mitigation and air quality (CMAQ) improvement transportation projects in nonattainment areas. Funds remaining after the required transfer to the SHF are available for TERP program spending. In addition, the legislation redirects any unexpended and unobligated amounts remaining in the TERP Fund to be transferred to the SHF at the end of each biennium rather than to the TERP Account. HB 4472 also requires TxDOT to provide an annual report to TCEQ detailing all planned and active CMAQ improvement projects in nonattainment areas that have received or may receive funding.

Grant subprograms within the TERP program are bound to allocations set in Health and Safety Code, Section 386.252. House Bill 4885, Eighty-eighth Legislature, Regular Session, 2023, modified the allocations and included a change to the allocation for administrative expenses from a maximum of \$16.0 million to a percentage-based maximum of no more than 15.0 percent of the TERP Fund. House Bill 4932, Eighty-eighth Legislature, 2023, required the agency to estimate the amount of foreign emissions at federal air quality sites in Texas nonattainment areas and create a recommendation to the Commission on whether to revise the State Implementation Plan (SIP) to account for those foreign emissions. According to the agency, an increase in FTEs and other administrative and technical costs will be funded from the TERP Fund to meet the provisions of the bill. The agency funds TERP administrative costs and FTEs from outside the treasury. The table below shows TERP program expenditures and transfers to TxDOT for CMAQ purposes during the 2022-23 biennium, following the shift of the program being administered from the TERP Fund. While program expenditures typically occur more in the second fiscal year of a biennium as programs ramp-up, according to the agency’s most recent biennial report, fiscal year 2024 expenditures total \$45.4 million and transfers to the State Highway Fund No. 6 (SHF) at TxDOT total \$101.5 million.

**Texas Emissions Reduction Plan: Program Expenditures**

Program Expenditures	Fiscal Year 2022	Fiscal Year 2023
Administration	\$11,118,406	\$13,717,406
Regional Air Monitoring	\$3,000,000	\$2,473,543
Emission Reduction Incentive [DERI]	\$0	\$82,674,786
Texas Clean School Bus	\$4,480,691	\$11,172,351
Texas Natural Gas Vehicle Grant Program	\$0	\$53,641
Alternative Fueling Facilities Program	\$0	\$291,593
Health Effects Study	\$138,025	\$49,877
Air Quality Research	\$750,000	\$694,618
Energy Systems Laboratory Contract	\$216,000	\$216,000
Light Duty Motor Vehicle Purchase or Lease Incentive	\$2,034,973	\$3,034,150
Seaport & Railyard Emissions Reduction Program [SPRY]	\$5,026,980	\$3,642,454
Government Alternative Fueling Fleet [GAFF]	\$0	\$960,000
TERP Research for Demonstrations to EPA	\$1,920,095	\$881,021
<b>Total</b>	<b>\$28,685,170</b>	<b>\$119,861,440</b>

Source: Commission on Environmental Quality

**Texas Emissions Reduction Plan: Transfers to SHF at Texas Department of Transportation**

Month	Fiscal Year 2022	Fiscal Year 2023
September	\$0	\$7,458,823
October	\$2,868,428	\$8,983,728
November	\$12,123,325	\$6,454,286
December	\$13,061,944	\$6,710,372
January	\$7,726,333	\$9,070,768
February	\$5,688,105	\$6,495,179
March	\$6,380,345	\$7,246,493
April	\$10,286,212	\$9,967,379
May	\$7,313,158	\$7,401,888
June	\$7,007,961	\$8,006,417
July	\$8,804,936	\$9,932,951
August	\$7,325,758	\$7,793,378
End of Biennium Transfer	\$0	\$68,048
<b>Total</b>	<b>\$88,586,506</b>	<b>\$95,589,710</b>

Source: Commission on Environmental Quality

Recommendations maintain language in Rider 19, Texas Emissions Reduction Plan (TERP) Cash Flow Contingency, which requires the agency to reimburse an amount equivalent to the amount borrowed (up to \$1.4 million) from the TERP Account using TERP Fund revenues. No modifications to the rider language or to change the cash flow limit amount are being requested at this time (See also, Rider Highlights, Modification of Existing Riders #19).



4. **Rio Grande Litigation** – Recommendations include \$0.4 million in General Revenue Funds in Strategy E.1.4, Rio Grande River Compact, for administration of the compact in alignment with the agency’s request. This amount does not include funding for Rio Grande litigation purposes. This is a net decrease of \$10.1 million primarily due to \$10.0 million being removed as a one-time cost from appropriations previously provided for litigation expenses which were not anticipated to be needed for the 2026-27 biennium. However, recent case decisions (discussed in further detail below) may require additional litigation. According to the agency, additional funding would be necessary if the case goes to mediation or to trial. After that decision is finalized and a more accurate timeline is known, the agency intends to follow up with a request based on a more accurate cost estimate.

Texas initially filed a complaint with the Supreme Court in 2013 alleging that New Mexico violated the 1938 Rio Grande Compact by permitting water wells along the Rio Grande River. The Supreme Court appointed a new Special Master in April 2018 to make recommendations to the Court and a Case Management Plan Order was issued by the Special Master in September 2018. Discovery for the case began that same month with an original completion date of May 2020. However, the COVID-19 Pandemic led to the Special Master ruling extending the deadline to August 2020 and extended the anticipated trial date to begin in either May or June of 2021. After that, New Mexico filed an additional 50 depositions and the United States filed an additional 20 depositions which resulted in increased litigation expenses for the Commission. Expenditures made for Rio Grande litigation purposes since the 2012–13 biennium and those estimated through the end of the 2024–25 biennium total \$41.9 million. The table below shows litigation expenses to date since the 2012-13 biennium.

**Rio Grande Litigation Expenses**

Biennium	Amount
2012-13	\$1,500,189
2014-15	\$4,393,110
2016-17	\$2,747,527
2018-19	\$6,795,498
2020-21	\$9,470,268
2022-23	\$6,089,132
2024-25 (Estimated)	\$10,479,773
<b>Total</b>	<b>\$41,875,643</b>

Source: Commission on Environmental Quality

On November 3, 2022, the Texas Attorney General’s Office announced that an agreement between New Mexico and Colorado had been reached. The settlement changed the way water allocated between Texas and New Mexico is tracked, counted, and delivered. The federal government objected to the agreement on the grounds that it has its own claims against New Mexico and that the settlement is inconsistent with federal law among other arguments. The states then requested that the Special Master and U.S. Supreme Court approve the settlement over the federal government’s objection. The U.S. Supreme Court began hearing oral arguments on March 20, 2023, and the states’ settlement was ultimately denied on June 21, 2024. According to the agency, if the settlement would have been approved no monetary damages would have been anticipated to be awarded. Since the settlement was not approved, the case could go to trial, and the agency anticipates that it would request an unknown monetary settlement or additional water as an injunctive relief.

Next steps and potential on-going costs are being determined following the denied settlement. An outside counsel continues to represent the agency, and the Office of Attorney General is not involved in the litigation or assuming any litigation costs. According to the agency, parties have recently been engaged in determining if upcoming mediation will result in a resolution or a trial at a later date. A mediation is occurring in February 2025, and if unsuccessful, a scheduling order for a trial would likely occur later in fiscal year 2025.

Recommendations amend Rider 25, Litigation Expenses for the Rio Grande Compact Commission, to remove language requiring the agency to provide a quarterly report due to the associated funds being removed as a one-time expenditure but retain language expressing legislative intent that all costs related to the litigation be recovered and deposited to the General Revenue Fund. The rider retains unexpended balance authority between biennia for litigation appropriations, so any unobligated and unexpended funds at the end of fiscal year 2025 may be carried into the 2026-27 biennium. An estimate of this potential amount is not known at this time (See also, Rider Highlights, Modification of Existing Riders #25).

5. **Leaking Water Wells Fund (LWWF)** – Recommendations include \$9.4 million in Other Funds, from the Leaking Water Wells Fund No. 308 (LWWF), and 2.0 FTE positions to administer the Leaking Water Wells program. This is an increase of \$8.8 million from the 2024-25 biennium spending levels due to the full balance of the LWWF being appropriated to the agency to issue grants from. Of the \$9.4 million appropriations from the LWWF, \$8.8 million is provided to issue grants and \$0.6 million is provided for continued administrative expenses.

House Bill 4256, Eighty-eighth legislature, 2023, established the Leaking Water Wells program and LWWF to provide grants to offset the cost of plugging leaking water wells in groundwater conservation districts within Pecos County. Based on information provided by the agency prior to the enactment of the legislation, it was assumed that the agency would require 2.0 FTE positions (a Grant Specialist IV and a Geoscientist IV) to administer the program and that \$0.4 million of the initial administrative costs would be used to develop a new information technology system to monitor and track the grant program. The agency was not able to determine the number of eligible wells that would need plugging and the cost for plugging one or more wells at the time the initial cost estimate was made which resulted in costs for those purposes being excluded in the analysis. The Legislature appropriated \$10.0 million in General Revenue Funds to the agency to deposit into the LWWF to capitalize the fund contingent on enactment of the legislation. Subsequently, \$0.6 million was appropriated from the LWWF for the administrative expenses to start-up the program and no appropriations were made for providing grants.

After assessing its Information Technology (IT) systems for the program the agency determined it could utilize its existing IT systems to track grants associated with the program. The agency reports no expenditures from the LWWF for fiscal year 2024 and carrying forward the unexpended appropriation authority into fiscal year 2025. The agency reports and anticipates filling the 2.0 FTE positions for the program and expending the entire appropriation from the LWWF for the 2024-25 biennium in fiscal year 2025. The agency is still in the process of rule development which is expected to conclude in June 2025. Shortly after this is completed, the program would be equipped to begin issuing grants in the 2026-27 biennium.

Recommendations add a new rider specifying the aforementioned appropriations from the LWWF for administrative and grant purposes. The rider also provides unexpended balance authority between biennia for the LWWF, so any unobligated and unexpended funds at the end of fiscal year 2025 may be carried into the 2026-27 biennium. An estimate of this potential amount is not known at this time, although the agency expects to carry forward some amount from the \$0.6 million in the 2024-25 biennium appropriations (See also, Rider Highlights, New Riders #30).

6. **Emergency Response** – The agency has emergency management responsibilities to respond to natural disasters, spills, and other environmental emergencies or situations. State and local entities increasingly rely on TCEQ to provide first-responder emergency assistance during disasters such as hurricanes, industrial accidents, and chemical spills that may contaminate air and water systems. According to the agency, it does not have adequate funding to fulfill this first-responder role, which results in the diversion of agency resources from state and federally mandated inspections or investigations when events occur. Many significant emergency events require agency staff to conduct extensive air monitoring using handheld instruments to generate data critical to protecting the public from potentially harmful chemicals or hazardous materials. The Eighty-seventh Legislature, Regular Session, 2021, approved the agency's exceptional item request for an additional \$1.0 million in All Funds to increase support for emergency response efforts, from \$0.3 million to \$1.3 million. The 2026-27 GAA, Article IX, Section 14.04, Disaster Related Transfer Authority, authorizes the Office of the Governor (OOG) and the Legislative Budget Board (LBB) to transfer appropriations between agencies to fund activities related to a declared disaster. Because many of the smaller, industrial emergency events are not declared disaster events, funds may be unavailable for transfer to cover expenditures.

Recommendations do not include agency requested new riders related to emergency response duties. The first requested rider would authorize standby and overtime pay for staff performing emergency response duties and specifies the permitted compensation rates. The second requested rider would allow the agency to purchase and provide meals for staff present during emergency or disaster response activities, requiring that the OOG and LBB are notified of such purchases within forty-five days (See also, Items Not Included in Recommendations #10 and #11).

General Revenue-Dedicated Waste Management Account No. 549 (Account No. 549)

Recommendations include \$111.0 million in Account No. 549 which is an increase of \$14.7 million from 2024-25 biennium spending levels. Account No. 549 collects revenue from various sources, with the largest source of revenue being the Municipal Solid Waste Disposal Fee (also known as the Tipping Fee). This fee is assessed on all solid waste disposed in the state based on weight and/or volume paid by municipalities and waste-management business operating municipal waste facilities. Statue previously split a percentage of the tipping fee between Account No. 549 and the other agency-administered General Revenue-Dedicated Solid Waste Disposal Account No. 5000 (Account No. 5000). Prior to the 2024-25 biennium, expenditures were outpacing revenues in Account No. 549, and the balance was anticipated to become depleted as soon as fiscal year 2026. To forestall the depletion of Account No. 549 balances, House Bill 3461, Eighty-eighth Legislature, Regular Session, 2023 (the funds consolidation bill), consolidated Account No. 5000 into Account No. 549. According to the Comptroller's fiscal year 2024 Annual Cash Report, the consolidation resulted in a transfer of \$145.2 million into Account No. 549 from the remaining fund balance of Account No. 5000, and the fiscal year 2024 ending cash balance in Account No. 549 totaled \$157.9 million. Activities previously addressed through both accounts are now entirely paid from Account No. 549. While the account consolidation stabilized Account No. 549 balances in the short-term, future revenue and expenditure activity will determine if the account is sustainable in the long-term. According to the BRE for the 2026-27 biennium, after fiscal year 2025 Account No. 549 will have an estimated ending balance of \$155.3 million and generate an estimated \$102.3 million in revenue during the 2026-27 biennium.

On October 7, 2024, the OOG authorized the use of \$50.0 million from Account No. 549 for emergency response related to Hurricane Beryl recovery and cleanup activities, which would commence in fiscal year 2025. The \$50.0 million would assist local governments with debris removal in East and Southeast Texas. The impact to the Account No. 549 balance is unknown at this time and dependent upon amounts utilized for emergency response activities.

7. **Resources and Ecosystem Sustainability, Tourist Opportunities, and Revived Economies (RESTORE) of the Gulf Coast States Act Program** – Recommendations continue to fund administration of the RESTORE program through Strategy A.1.2, Water Resource Assessment and Planning. Administrative expenditures related to the RESTORE program are captured within agency expenditures, while other RESTORE program expenditures related to grant awards occur outside of the treasury (discussed in further detail below) and are not captured within the budget (but are reported on regularly by the agency and Comptroller's Office). Since 2014, staffing size to administer the program has grown from 1.0 FTE to 14.0 FTEs. Support for RESTORE program administration has fluctuated dependent on available staff and resources that dedicate divided time between RESTORE and other agency programs. According to the agency, many positions supporting the RESTORE program have been funded from salary savings, and even so, these positions aren't exclusively dedicated to administering the RESTORE program. In response, the agency is requesting additional staff to administer the RESTORE program to create dedicated and on-going resources to manage the program.

The Federal RESTORE Act was passed in 2012 in response to the Deepwater Horizon oil spill in 2010. Entities involved in the incident are responsible for paying administrative and civil penalties which are deposited to the Federal Gulf Coast Restoration Trust Fund (GCRTF), and the RESTORE Act outlines the use of funds to improve, protect, and restore the Gulf Coast region. Impacted states have access to portions of the GCRTF, which is primarily used to administer grants for eligible projects, which broadly impact the Gulf Coast region. As deposits to the GCRTF are made, Texas' allocations are received in the state RESTORE Act Trust Fund No. 930 (Fund No. 930), an other fund held outside of the treasury with the Comptroller. TCEQ was appointed by the Office of the Governor to be the state agency designated with administering the program.

RESTORE program funding is divided into five buckets, each of which has specific uses for Gulf Coast-related projects. The figure below shows the allocation of fees deposited to the GCRTF and subsequent allocations made to individual states. Additionally, Texas' amounts awarded and "untapped" from each funding bucket are displayed in the figure (bucket 4 is administered by the National Oceanic and Atmospheric Administration [NOAA] and is inaccessible to states). Federal Funds are deposited to Texas' Fund No. 930 and are expended upon completion of certain project phases and reimbursement submittals. Deposits remain in the fund until expended. The last deposits to the GCRTF will occur in 2032, and states will then have ten years to close out projects. According to the agency, the request for dedicated staff and resources will enable more of the accumulated and unexpended balance of Fund No. 930 to be spent, and for future deposits to be more efficiently expended.

**RESTORE Program Component Allocations**

Program Component	Direct Component (1)	Comprehensive Component (2)	Spill Impact Component (3)	NOAA RESTORE Act Science Program (4)	Center of Excellence Research Grants Program (5)
Administering Federal Entity	Treasury	Gulf Coast Ecosystem Restoration Council	Gulf Coast Ecosystem Restoration Council	NOAA	Treasury
Description	35% equally divided among the five Gulf Cost states for economic restoration, development, and tourism promotion	30% + interest earned from Trust Fund investments for restoration activities under the Comprehensive Plan	30% divided among the five Gulf Coast states according to a formula to implement state expenditure plans, which require Council approval	2.5% + interest earned from Trust Fund investments for a science, observation, monitoring, and technology program	2.5% + interest earned from Trust Fund investments for research on the Gulf Coast region
Texas Expended	\$104,023,032	\$44,867,500	\$16,802,503	N/A	\$22,751,647
Texas Available Balance	\$120,153,262	\$9,509,707	\$56,221,552	N/A	\$7,737,806

Source: Commission on Environmental Quality

Recommendations do not include \$1.7 million in General Revenue Funds and 10.0 FTEs as dedicated staff to administer the RESTORE program. According to the agency, federal requirements prohibit staff from being funded from Fund No. 930 while working on grant applications and can only reimburse some staff costs after the processing of applications. Specific uses of General Revenue-Dedicated Funds would also render them unable to administer the program, which is why General Revenue Funds are being requested as the method of finance to support these administrative and staff costs (See also, Items Not Included in Recommendations #7).

- 8. **Significant Federally Funded Programs** – Recommendations include \$97.5 million in Federal Funds across four federally funded programs. This is an increase of \$76.0 million from the 2024-25 biennium spending levels across the four programs, primarily due to an increase of \$64.8 million for the new Texas Voluntary Marginal Conventional Well Plugging Program (TxMCW). The additional net increase of \$11.2 million is highlighted across three programs being supplemented with federal Infrastructure Investment and Jobs Act (IIJA) funding in the 2026-27 biennium.

As a result of the federal Methane Emissions Reduction Program (MERP) included in the Inflation Reduction Act (IRA) in 2023, the federal Department of Energy (DOE) received grant funding to administer to states for mitigating emissions from marginal conventional wells which differs from other programs that address abandoned or orphaned wells. Marginal conventional wells are defined as low oil and gas production sites with average combined oil and gas production of less than fifteen barrels of oil equivalent per day. In many cases, marginal wells are owned by small operators with ten or less employees.

The agency is currently in the process of developing the TxMCW program and hiring staff with the intent that all positions will be funded entirely with Federal Funds. The agency expects additional program guidance and opportunities to become available beginning in January 2025 and will finalize a well prioritization plan and methane measurement requirements to determine project eligibilities and prioritization. The agency was awarded \$134.1 million to provide as grants over the life of the program from fiscal years 2025 through 2028. Of the total awarded, recommendations include \$64.8 million for the 2026-27 biennium.

Three programs supplemented with IIJA funding include: the National Dam Safety program, the Water Quality Management Planning program, and the National Estuary program. IIJA funding is expected to end after the 2026-27 biennium, therefore program funding may return to pre-IIJA levels in the future. The National Dam Safety program experienced significant funding increases in fiscal year 2025. According to the agency, it is unclear if similar funding levels will be sustained beyond the 2026-27 biennium. The National Estuary program experienced a net decrease in funding due to increased funding provided in the 2024-25 biennium that is expected to decrease slightly, but still above standard pre-IIJA levels for the 2026-27 biennium. The net funding changes by program are highlighted below.

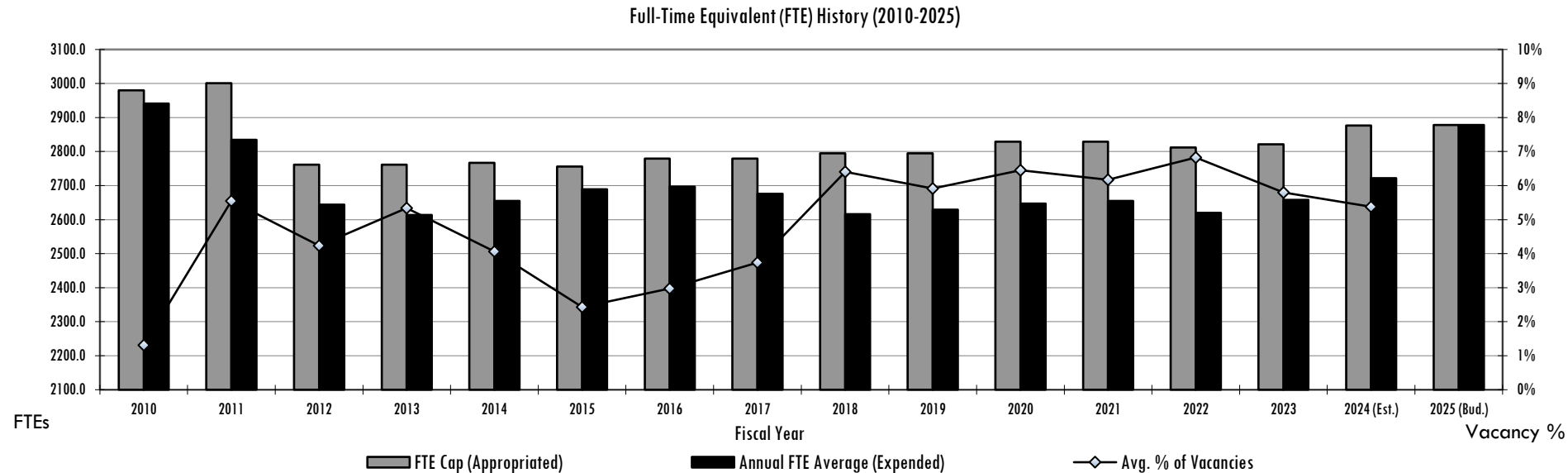
**Federal Programs with Infrastructure Investment and Jobs Act (IIJA) Funding (in millions)**

Program	2024-25 Spending Levels	2026-27 Recommended	2024-25 to 2026-27 Differences
National Dam Safety Program	\$14.9	\$26.3	\$11.4
Water Quality Management Planning Program	\$2.5	\$3.2	\$0.7
National Estuary Program	\$4.1	\$3.2	(\$0.9)

Source: Commission on Environmental Quality

9. **Agency Resources and Staffing** – Recommendations include a Full-Time Equivalent (FTE) cap of 2,894.3 positions for each fiscal year of the 2026-27 biennium, which is an increase of 16.0 FTEs from 2024-25 appropriated FTE cap levels. According to the agency, increased federal requirements in addition to growth across the state and a need for more public engagement opportunities are the basis for its requests related to additional resources and staffing (See also, Items Not Included in Recommendations #1, #2, and #4).

The agency is also requesting \$39.5 million in All Funds for salary increases and retention efforts to address staffing needs (See also, Items Not Included in Recommendations #2). According to the agency, the funding is intended to bring several position classifications to the midpoint of state salary ranges, which will assist in the recruitment and retention of specific classifications that have fallen behind this average. \$7.0 million of this amount would be used for promotion and retention purposes. In the 2022-23 biennium, the agency received \$5.8 million in General Revenue-Dedicated funding for targeted salary increases for 35 mission critical positions identified by the agency. In the 2024-25 biennium the agency also received an additional \$23.6 million in General Revenue-Dedicated funding for targeted salary increases for the 35 mission critical positions identified by the agency. Additionally, the agency also received \$29.4 million in All Funds during the 2024-25 biennium to implement the five percent statewide salary increases, and an additional \$9.7 million in All Funds in the 2026-27 base limit calculation to biennialize the statewide salary adjustment amounts. The agency has also requested modifications to the exempt position classifications of the Executive Director and Commissioner positions to address pay compression (See also, Items Not Included in Recommendations #2 and #6). The figure below shows historical agency staffing and vacancy levels.



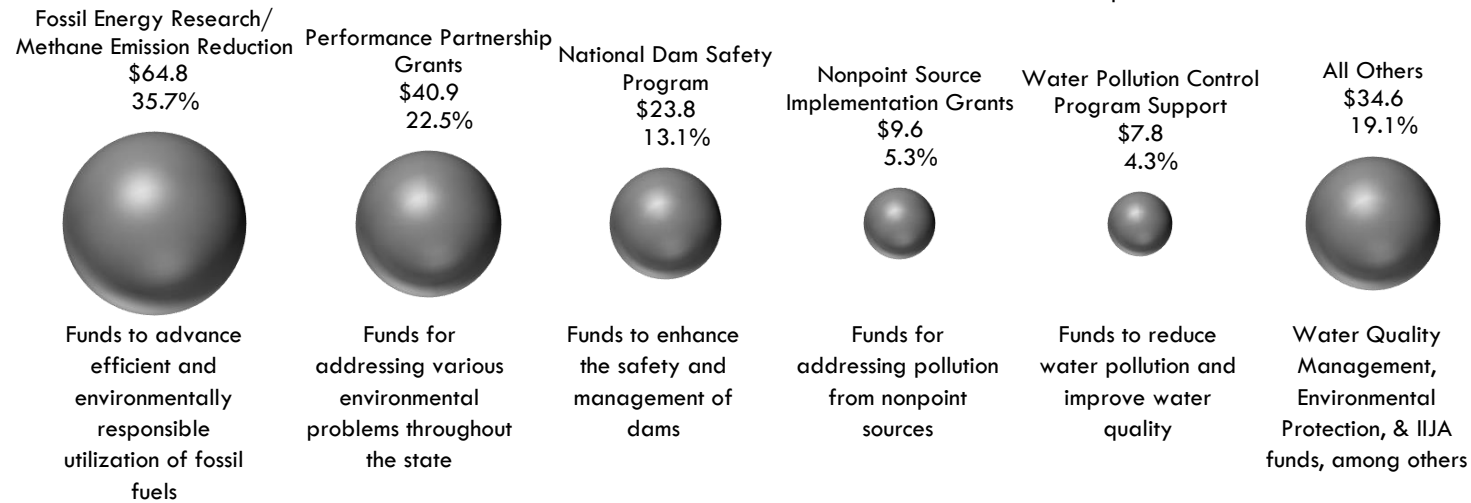
Source: State Auditor's Office

Recommendations do not include items covered above related to additional resources, salaries, and staffing.

Recommendations include an informational listing in Article IX, Section 17.15(b), reflecting cross-article appropriations for information technology projects being appropriated in the supplemental appropriations bill, which includes \$17.7 million in All Funds and 16.0 FTEs to address cybersecurity and modernization and \$24.3 million to address Data Center Services (DCS) cost increases for TCEQ. Additionally, recommendations include another informational listing in Article IX, Section 17.15(e), reflecting cross-article appropriations for motor vehicle purchases being appropriated in the supplemental appropriations bill, which includes \$1.1 million in various General Revenue-Dedicated Funds for TCEQ.

**Commission on Environmental Quality**  
 Summary of Federal Funds (2026-27) - House

**Total \$181.5M**

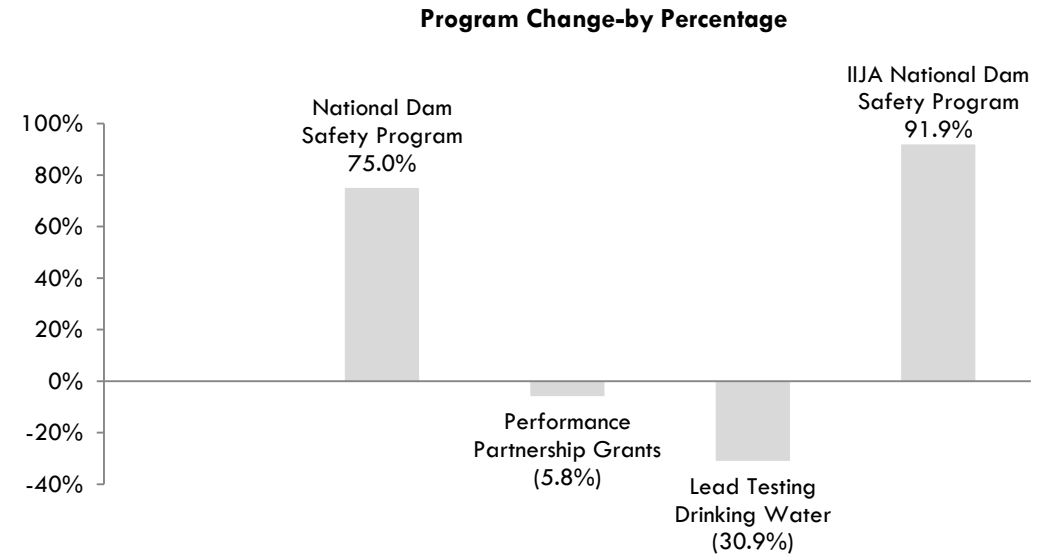
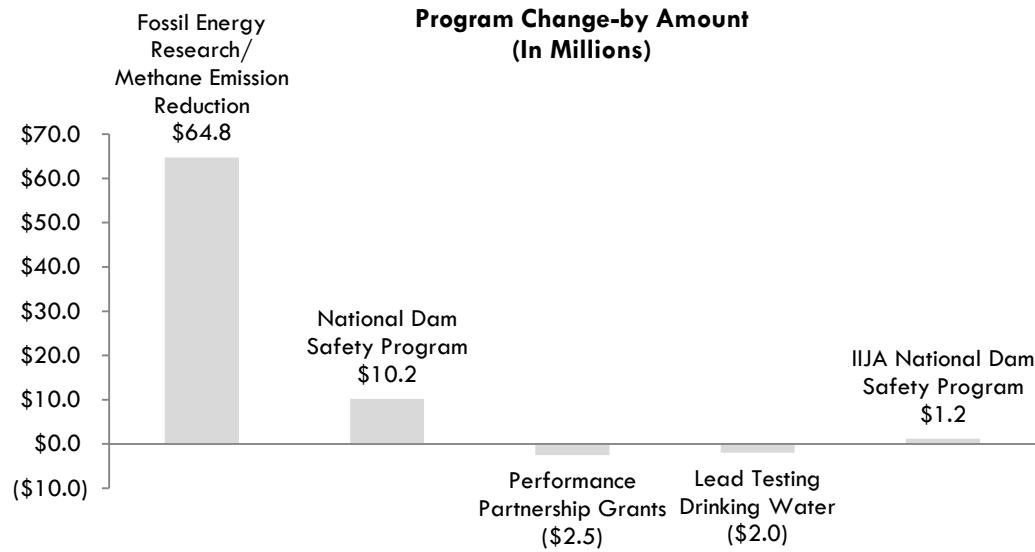


**Selected Federal Fiscal and Policy Issues**

Federal funds would increase by \$69.1 million from 2024-25 to 2026-27, primarily due to an increase of \$64.8 million in Fossil Energy Research/Methane Emission Reduction grants.

Fossil Energy Research/Methane Emission Reduction funds increased as this is a new program established by the Inflation Reduction Act (IRA).

Programs with Significant Federal Funding Changes from 2024-25



**Commission on Environmental Quality  
Rider Highlights - House**

**Modification of Existing Riders**

The following riders include recommendations to remove obsolete language, make conforming changes such as updating fiscal years and amounts to reflect funding recommendations, and clarify deadlines:

Rider 2, Capital Budget;  
 Rider 5, Fee Revenue: Pollution Control Equipment Exemptions;  
 Rider 8, Texas Parks and Wildlife Environmental Special Investigations Unit;  
 Rider 10, Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act;  
 Rider 11, Reallocation of Revenue and Balances for Certain Accounts;  
 Rider 12, Appropriations Limited to Revenue Collections: Vehicle Emission Inspections;  
 Rider 13, Administration Costs for the Texas River Compact Commissions;  
 Rider 15, Nuisance Surveys for the Economically Distressed Areas Program;  
 Rider 17, Unexpended Balance Authority within the Biennium;  
 Rider 18, Authorization: Water and Air Program Fee Rates;  
 Rider 19, Texas Emissions Reduction Plan (TERP) Cash Flow Contingency; (See also, Selected Fiscal and Policy Issues #3)  
 Rider 20, Contingency Appropriation: Revenue from Increased Fee Rates at Watermaster Offices;  
 Rider 24, Appropriations and Unexpended Balances: Cost Recovery for Site Remediation and Cleanups; (See also, Selected Fiscal and Policy Issues #1)  
 Rider 26, Barnett Shale Permit By Rule Study; and  
 Rider 27, Expedited Processing of Permit Applications.

7. **Air Quality Planning.** Recommendations modify the rider to add El Paso County to the informational listing of counties that are not designated as being in “nonattainment.”
14. **Environmental Radiation and Perpetual Care.** Recommendations modify the rider to remove previous subsection (a), as appropriations from Strategy A.3.1, Radioactive Materials Management, and from the General Revenue-Dedicated Environmental Radiation and Perpetual Care Account No. 5158, are not included in the agency bill pattern in accordance with the agency’s request, due to completion of a site cleanup in Live Oak County, Texas. Recommendations retain previous subsection (b) of the rider to appropriate any revenue received in Account No. 5158 above the Biennial Revenue Estimate for use for other cleanup activities as necessary (See also, Selected Fiscal and Policy Issues #1).
25. **Litigation Expenses for the Rio Grande Compact Commission.** Recommendations modify the rider to delete previous subsection (b) to reflect the removal of funding for litigation expenses and the associated quarterly reporting requirement. Recommendations retain other subsections that remain applicable as the litigation has not yet reached a final resolution (See also, Selected Fiscal and Policy Issues #4).

**New Riders**

30. **Leaking Water Wells Program.** Recommendations add a new rider specifying appropriations from the Leaking Water Wells Fund No. 308 (LWWF) and providing access to the available balances of the LWWF. Subsection (a) specifies the amounts appropriated for administrative costs to manage the Leaking Water Wells Program and the amounts appropriated to issue grants from the LWWF. Subsection (b) provides unobligated and unexpended balances authority between biennia for any 2024-25 LWWF appropriations into the 2026-27 biennium (See also, Selected Fiscal and Policy Issues #5).

**Deleted Riders**

30. **Sunset Contingency.** Recommendations delete the rider. The sunset commission review process is complete and the agency was continued through sunset legislation.
31. **Study on Uranium Deposits in this State.** Recommendations delete the rider. The agency completed the study as directed by December 1, 2024.
32. **Contingency for House Bill 4256.** Recommendations delete the rider. The agency utilized the contingency appropriations to establish and begin administering the new Leaking Water Wells program and fulfilled the purpose of the rider (See also, Selected Fiscal and Policy Issues #5).



**Commission on Environmental Quality  
Items Not Included in Recommendations - House**

	2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
	GR & GR-D	All Funds	FTEs			

**Agency Exceptional Items Not Included (in agency priority order)**

1)	<b>Enhance Permitting, Compliance and Public Engagement:</b> General Revenue Funds (\$0.9 million) and various General Revenue-Dedicated Funds (\$26.9 million) with 115.0 FTE positions across various strategies and programs to address increasing responsibilities due to increasing demands with Texas' growth and expanding federal requirements (See also, Selected Fiscal and Policy Issues #9).	\$26,290,536	\$26,290,536	115.0	No	Yes	\$24,407,958
2)	<b>Salary Increase and Retention Efforts:</b> General Revenue Funds (\$1.0 million) and various General Revenue-Dedicated Funds (\$38.5 million) for salary increases to raise the average salary of several targeted positions to the midpoint of specific salary ranges. Within the request, \$7.0 million is to be used for promotion and retention purposes (See also, Selected Fiscal and Policy Issues #9).	\$39,501,584	\$39,501,584	0.0	No	No	\$39,501,582
3)	<b>Produced Water:</b> Various General Revenue-Dedicated Funds and 39.0 FTEs to create a new and dedicated program to further enhance knowledge of produced water and assist with the processing of water quality applications for produced water, in response to recent increased statewide interest, studying, testing, and usage of produced water.	\$6,736,931	\$6,736,931	39.0	No	No	\$6,943,520
4)	<b>Administrative Support:</b> General Revenue Funds (\$1.2 million) and various General Revenue-Dedicated Funds (\$2.8 million) to provide 12.0 FTE positions supporting administrative functions of the agency. The request also includes funding to address lease costs, security, and office space issues at the following regional offices: Amarillo, Beaumont, Lubbock, San Angelo, and Stephenville (See also, Selected Fiscal and Policy Issues #9).	\$4,057,224	\$4,057,224	12.0	No	Yes	\$4,387,864
5)	<b>RESTORE the Texas Coast:</b> General Revenue Funds to provide 10.0 FTE positions that would manage the RESTORE program which funds various projects to improve the Texas coast. The staff would assist with managing new federal RESTORE funds to increase the efficiency of the program and lead to the implementation of more projects (See also, Selected Fiscal and Policy Issues #7).	\$1,713,820	\$1,713,820	10.0	No	No	\$1,663,820

**Commission on Environmental Quality  
Items Not Included in Recommendations - House**

		2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
		GR & GR-D	All Funds	FTEs			
6)	<p><b>Exempt Positions:</b> Requests related to exempt position changes (authority only) including the following:</p> <ul style="list-style-type: none"> <li>- Change the Executive Director grouping from 8 to 9;</li> <li>- Increase the Executive Director cap listed from \$257,858 to \$296,537;</li> <li>- Add the Executive Director to the Art. IX, Sec. 3.04(b)(3) Scheduled Exempt Positions listing;</li> <li>- Change the Commissioner (and Chair) position groupings from 7 to 8; and</li> <li>- Increase the Commissioner (and Chair) cap listed from \$230,000 to \$264,500</li> </ul> <p>(See also, Selected Fiscal and Policy Issues #9).</p>	\$0	\$0	0.0	No	No	\$0
7)	<p><b>Technical Corrections for Account Reallocations:</b> Requests to reallocate funds between various General Revenue-Dedicated Accounts to correct errors in the initial request. The reallocations would redistribute the funds to be realigned with the 2024-25 biennium spending levels by method of finance.</p>	\$0	\$0	0.0	No	No	\$0
8)	<p><b>New Rider: Use of Funds for Meals during an Emergency or Disaster Response Activities:</b> Add a new rider to allow the agency to purchase and provide meals for staff present during emergency or disaster response activities, requiring that the Governor's Office and Legislative Budget Board are notified of such purchases within forty-five days (See also, Selected Fiscal and Policy Issues #6).</p>	\$0	\$0	0.0	No	No	\$0
9)	<p><b>New Rider: Emergency Response On-Call (Standby) and Overtime Pay Standby Pay:</b> Add a new rider that authorizes standby and overtime pay for staff performing emergency response duties and specifies the permitted compensation rates (See also, Selected Fiscal and Policy Issues #6).</p>	\$0	\$0	0.0	No	No	\$0

**Commission on Environmental Quality  
Items Not Included in Recommendations - House**

		2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
		GR & GR-D	All Funds	FTEs			
10)	<b>New Rider: Invalidated Federal Regulations:</b> Add a new rider that requires the agency to notify the Comptroller of Public Accounts, Governor, and Legislative Budget Board, if certain federal regulations become legally invalidated, and to report to those entities the potential fiscal impact if the agency is no longer required to be in compliance with such regulations.	\$0	\$0	0.0	No	No	\$0
<b>TOTAL Items Not Included in Recommendations</b>		<b>\$78,300,095</b>	<b>\$78,300,095</b>	<b>176.0</b>			<b>\$76,904,744</b>

**Commission on Environmental Quality  
Appendices - House**

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**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
AIR QUALITY ASSESSMENT AND PLANNING A.1.1	\$88,696,840	\$149,934,362	\$61,237,522	69.0%	<p>Recommendations include a net increase in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$64.8 million in Federal Funds to award grants for the new Texas Marginal Conventional Well Plugging Program;</li> <li>b) an increase of \$1.4 million in General Revenue-Dedicated Texas Emissions Reduction Plan (TERP) Account No. 5071 (TERP Account) for TERP cash flow purposes between the TERP Account and TERP Trust No. 1201 (outside the treasury);</li> <li>c) an increase of \$0.7 million in various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>d) an increase of \$48,534 in General Revenue-Dedicated Clean Air Account No. 151 (Account No. 151) for agency internship program purposes;</li> <li>e) a decrease of \$0.2 million in Appropriated Receipts due to anticipated decreases in reimbursements from previous disaster recovery activities;</li> <li>f) a decrease of \$0.2 million in various General Revenue-Dedicated Funds for the removal of one-time costs;</li> <li>g) a decrease of \$0.9 million in Federal Funds due primarily to decreases from expending residual COVID relief funding (\$0.4 million) and expiring grants for various programs (\$0.5 million); and</li> <li>h) a decrease of \$4.3 million in General Revenue and various General Revenue-Dedicated Funds to reallocate between funds and strategies to meet agency priorities.</li> </ul>

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
WATER ASSESSMENT AND PLANNING A.1.2	\$92,172,834	\$111,704,192	\$19,531,358	21.2%	<p>Recommendations include a net increase in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$11.2 million in Federal Funds for federal programs supplemented with Infrastructure Investment and Jobs Act (IIJA) funding;</li> <li>b) an increase of \$8.8 million in Leaking Water Wells Fund No. 308 (LWWF) to provide access to issue grants from the remaining LWWF balance;</li> <li>c) an increase of \$0.9 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities;</li> <li>d) an increase of \$0.6 million in General Revenue and various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>e) a decrease of \$0.5 million in various General Revenue-Dedicated Funds for the removal of one-time costs; and</li> <li>f) a decrease of \$1.5 million in Federal Funds due primarily to expiring grants for various programs.</li> </ul>

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
WASTE ASSESSMENT AND PLANNING A.1.3	\$13,882,890	\$13,369,620	(\$513,270)	(3.7%)	<p>Recommendations include a net decrease in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$28,243 in various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>b) an increase of \$22,297 in various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities;</li> <li>c) a decrease of \$0.1 million in General Revenue-Dedicated Waste Management Account No. 549 (Account No. 549) for the removal of one-time costs; and</li> <li>d) a decrease of \$0.5 million in Federal Funds due primarily to expiring grants for various programs.</li> </ul>
AIR QUALITY PERMITTING A.2.1	\$39,918,644	\$39,926,240	\$7,596	0.0%	<p>Recommendations include a net increase in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$0.7 million in various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>b) an increase of \$0.1 million in various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities; and</li> <li>c) a decrease of \$0.8 million in various General Revenue-Dedicated Funds for the removal of one-time costs.</li> </ul>

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
WATER RESOURCE PERMITTING A.2.2	\$31,668,585	\$31,622,598	(\$45,987)	(0.1%)	<p>Recommendations include a net decrease in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$0.8 million in General Revenue and various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>b) an increase of \$0.1 in General Revenue-Dedicated Water Resource Management Account No. 153 (Account No. 153) for agency internship program purposes;</li> <li>c) a decrease of \$34,500 in Appropriated Receipts due to anticipated decreases in reimbursements from cost recovery activities;</li> <li>d) a decrease of \$0.1 million in Federal Funds due primarily to expiring grants for various programs;</li> <li>e) a decrease of \$0.3 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities; and</li> <li>f) a decrease of \$0.5 million in General Revenue-Dedicated Account No. 153 for the removal of one-time costs.</li> </ul>



**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
WASTE MANAGEMENT AND PERMITTING A.2.3	\$25,082,768	\$24,404,613	(\$678,155)	(2.7%)	<p>Recommendations include a net decrease in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$0.3 million in General Revenue-Dedicated Account No. 549 to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>b) an increase of \$0.1 in General Revenue-Dedicated Account No. 549 for agency internship program purposes;</li> <li>c) a decrease of \$24,547 in Federal Funds due primarily to expiring grants for various programs;</li> <li>d) a decrease of \$0.5 million in General Revenue-Dedicated Account No. 549 for the removal of one-time costs; and</li> <li>e) a decrease of \$0.6 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities.</li> </ul>
OCCUPATIONAL LICENSING A.2.4	\$3,197,956	\$3,204,915	\$6,959	0.2%	<p>Recommendations include a net increase in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$0.1 million in General Revenue-Dedicated Texas Commission on Environmental Quality Occupational Licensing Account No. 468 (Account No. 468) to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>b) a decrease of \$17,873 million in General Revenue-Dedicated Account No. 468 reallocated between funds and strategies to meet agency priorities; and</li> <li>c) a decrease of \$0.1 million in General Revenue-Dedicated Account No. 468 for the removal of one-time costs.</li> </ul>

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
RADIOACTIVE MATERIALS MGMT A.3.1	\$9,879,739	\$6,902,575	(\$2,977,164)	(30.1%)	Recommendations include a net decrease in All Funds resulting from:  a) an increase of \$0.3 million in General Revenue and various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations; and  b) a decrease of \$3.3 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities. This primarily consists of a \$3.0 million decrease in General Revenue-Dedicated Environmental Radiation and Perpetual Care Account No. 5158 (Account No. 5158) being reallocated due to specific site clean-ups becoming complete and Account No. 5158 appropriations not being needed for the 2026-27 biennium.
<b>Total, Goal A, ASSESSMENT, PLANNING AND PERMITTING</b>	<b>\$304,500,256</b>	<b>\$381,069,115</b>	<b>\$76,568,859</b>	<b>25.1%</b>	

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
SAFE DRINKING WATER B.1.1	\$67,415,113	\$62,897,641	(\$4,517,472)	(6.7%)	<p>Recommendations include a net decrease in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$0.6 million in General Revenue and various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>b) an increase of \$0.2 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities;</li> <li>c) a decrease of \$0.8 million in Interagency Contracts due to anticipated decreases in the Drinking Water State Revolving Fund grant programs;</li> <li>d) a decrease of \$1.5 million in General Revenue-Dedicated Account No. 153 for the removal of one-time costs; and</li> <li>e) a decrease of \$2.9 million in Federal Funds due primarily to expiring grants for various programs.</li> </ul>
<b>Total, Goal B, DRINKING WATER</b>	<b>\$67,415,113</b>	<b>\$62,897,641</b>	<b>(\$4,517,472)</b>	<b>(6.7%)</b>	

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
FIELD INSPECTIONS & COMPLAINTS C.1.1	\$125,197,326	\$126,854,573	\$1,657,247	1.3%	<p>Recommendations include a net increase in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$2.6 million in General Revenue and various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>b) an increase of \$0.7 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities;</li> <li>c) an increase of \$0.1 million in Interagency Contracts due to anticipated increases in existing agreements;</li> <li>d) a decrease of \$0.4 million in various General Revenue-Dedicated Funds for the removal of one-time costs;</li> <li>e) a decrease of \$0.4 million in Appropriated Receipts due to anticipated decreases in miscellaneous reimbursements; and</li> <li>f) a decrease of \$0.8 million in Federal Funds due primarily to expiring grants for various programs.</li> </ul>

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
ENFORCEMENT & COMPLIANCE SUPPORT C.1.2	\$39,252,759	\$40,185,867	\$933,108	2.4%	<p>Recommendations include a net increase in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$1.6 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities;</li> <li>b) an increase of \$0.5 million in various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>c) a decrease of \$31,573 in Interagency Contracts due to anticipated increases in existing agreements;</li> <li>d) a decrease of \$0.1 million in Federal Funds due primarily to expiring grants for various programs; and</li> <li>e) a decrease of \$1.0 million in General Revenue and various General Revenue-Dedicated Funds for the removal of one-time costs.</li> </ul>

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
POLLUTION PREVENTION RECYCLING C.1.3	\$7,071,349	\$7,411,434	\$340,085	4.8%	<p>Recommendations include a net increase in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$0.3 million in Federal Funds due primarily to increasing grants for various programs;</li> <li>b) an increase of \$0.1 million in various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>c) a decrease of \$3,428 in License Plate Trust Fund No. 802 due to one-time receipt collections;</li> <li>d) a decrease of \$7,500 in Appropriated Receipts due to anticipated decreases in miscellaneous reimbursements; and</li> <li>e) a decrease of \$25,156 in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities.</li> </ul>
<b>Total, Goal C, ENFORCEMENT AND COMPLIANCE SUPPORT</b>	<b>\$171,521,434</b>	<b>\$174,451,874</b>	<b>\$2,930,440</b>	<b>1.7%</b>	

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
STORAGE TANK ADMIN & CLEANUP D.1.1	\$36,423,125	\$37,487,861	\$1,064,736	2.9%	<p>Recommendations include a net increase in All Funds resulting from:</p> <ul style="list-style-type: none"> <li>a) an increase of \$0.9 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities.</li> <li>b) an increase of \$0.2 million in General Revenue-Dedicated Petroleum Storage Tank Remediation Account No. 655 (Account No. 655) to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</li> <li>c) an increase of \$33,962 in General Revenue-Dedicated Account No. 655 for agency internship program purposes; and</li> <li>d) a decrease of \$38,699 in Federal Funds due primarily to expiring grants for various programs.</li> </ul>

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
HAZARDOUS MATERIALS CLEANUP D.1.2	\$61,269,598	\$53,422,056	(\$7,847,542)	(12.8%)	<p>Recommendations include a net decrease in All Funds resulting from:</p> <p>a) an increase of \$1.5 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities;</p> <p>b) an increase of \$0.2 million in various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;</p> <p>c) an increase of \$2,541 in Interagency Contracts due to anticipated increases in existing agreements;</p> <p>d) a decrease of \$0.3 million in Federal Funds due primarily to expiring grants for various programs; and</p> <p>e) a decrease of \$9.3 million in General Revenue-Dedicated Hazardous and Solid Waste Remediation Fees Account No. 550 (Account No. 550) for the removal of one-time costs.</p>
<b>Total, Goal D, POLLUTION CLEANUP</b>	<b>\$97,692,723</b>	<b>\$90,909,917</b>	<b>(\$6,782,806)</b>	<b>(6.9%)</b>	
CANADIAN RIVER COMPACT E.1.1	\$33,838	\$33,838	\$0	0.0%	Recommendations include no funding changes and maintain the 2024-25 biennium spending levels.
PECOS RIVER COMPACT E.1.2	\$273,300	\$273,300	\$0	0.0%	Recommendations include no funding changes and maintain the 2024-25 biennium spending levels.
RED RIVER COMPACT E.1.3	\$71,078	\$71,078	\$0	0.0%	Recommendations include no funding changes and maintain the 2024-25 biennium spending levels.



**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
RIO GRANDE RIVER COMPACT E.1.4	\$10,493,976	\$419,084	(\$10,074,892)	(96.0%)	Recommendations include a net decrease in All Funds resulting from:  a) an increase of \$0.1 million in General Revenue Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;  b) a decrease of \$0.2 million in General Revenue Funds reallocated between funds and strategies to meet agency priorities; and  c) a decrease of \$10.0 million in General Revenue Funds for the removal of one-time costs related to Rio Grande Litigation.
SABINE RIVER COMPACT E.1.5	\$124,222	\$124,222	\$0	0.0%	Recommendations include no funding changes and maintain the 2024-25 biennium spending levels.
<b>Total, Goal E, RIVER COMPACT COMMISSIONS</b>	<b>\$10,996,414</b>	<b>\$921,522</b>	<b>(\$10,074,892)</b>	<b>(91.6%)</b>	
CENTRAL ADMINISTRATION F.1.1	\$57,991,997	\$59,557,578	\$1,565,581	2.7%	Recommendations include a net increase in All Funds resulting from:  a) an increase of \$1.5 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities;  b) an increase of \$1.3 million in General Revenue and various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;  c) a decrease of \$30,000 in Appropriated Receipts due to anticipated decreases in miscellaneous reimbursements; and  d) a decrease of \$1.2 million in various General Revenue-Dedicated Funds for the removal of one-time costs.

**Commission on Environmental Quality  
Funding Changes and Recommendations by Strategy - House - ALL FUNDS**

<b>Strategy/Goal</b>	<b>2024-25 Base</b>	<b>2026-27 Recommended</b>	<b>Biennial Change</b>	<b>% Change</b>	<b>Comments</b>
INFORMATION RESOURCES F.1.2	\$64,237,132	\$60,549,503	(\$3,687,629)	(5.7%)	Recommendations include a net decrease in All Funds resulting from:  a) an increase of \$1.6 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities;  b) an increase of \$0.4 million in various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations; and  c) a decrease of \$5.7 million in General Revenue and various General Revenue-Dedicated Funds for the removal of one-time costs.
OTHER SUPPORT SERVICES F.1.3	\$19,384,763	\$18,931,000	(\$453,763)	(2.3%)	Recommendations include a net decrease in All Funds resulting from:  a) an increase of \$0.2 million in General Revenue and various General Revenue-Dedicated Funds to biennialize the statewide salary adjustments included in the 2024-25 appropriations;  b) a decrease of \$0.2 million in various General Revenue-Dedicated Funds for the removal of one-time costs; and  c) a decrease of \$0.4 million in General Revenue and various General Revenue-Dedicated Funds reallocated between funds and strategies to meet agency priorities.
<b>Total, Goal F, INDIRECT ADMINISTRATION</b>	<b>\$141,613,892</b>	<b>\$139,038,081</b>	<b>(\$2,575,811)</b>	<b>(1.8%)</b>	
<b>Grand Total, All Strategies</b>	<b>\$793,739,832</b>	<b>\$849,288,150</b>	<b>\$55,548,318</b>	<b>7.0%</b>	

**Commission on Environmental Quality  
Summary of Federal Funds - House  
(Dollar amounts in Millions)**

Appendix B

<b>Program</b>	<b>Est 2024</b>	<b>Bud 2025</b>	<b>Rec 2026</b>	<b>Rec 2027</b>	<b>2024-25 Base</b>	<b>2026-27 Rec</b>	<b>2026-27 Rec % Total</b>	<b>Recommended Over/(Under) Base</b>	<b>% Change from Base</b>
Fossil Energy Research/Methane Emission Reduction	\$0.0	\$0.0	\$32.4	\$32.4	\$0.0	\$64.8	35.7%	\$64.8	N/A
Performance Partnership Grants	\$23.2	\$20.3	\$20.7	\$20.2	\$43.4	\$40.9	22.5%	(\$2.5)	(5.8%)
National Dam Safety Program	\$0.8	\$12.8	\$12.2	\$11.6	\$13.6	\$23.8	13.1%	\$10.2	75.0%
Nonpoint Source Implementation Grants	\$4.4	\$4.7	\$4.6	\$5.1	\$9.1	\$9.6	5.3%	\$0.5	5.7%
Water Pollution Control State and Interstate Program Support	\$4.1	\$4.5	\$4.1	\$3.7	\$8.6	\$7.8	4.3%	(\$0.8)	(9.2%)
Leaking Underground Storage Tank Trust Fund	\$2.3	\$2.3	\$2.3	\$2.3	\$4.6	\$4.5	2.5%	(\$0.1)	(1.4%)
Lead Testing in School and Childcare Program	\$2.4	\$4.0	\$4.3	\$0.1	\$6.4	\$4.4	2.4%	(\$2.0)	(30.9%)
Homeland Security Biowatch Program	\$2.6	\$2.1	\$2.1	\$2.1	\$4.7	\$4.1	2.3%	(\$0.6)	(12.2%)
Surveys, Studies, Invest, Demos, Related Clean Air Act (CAA)	\$2.3	\$1.7	\$1.7	\$1.7	\$4.0	\$3.4	1.9%	(\$0.6)	(14.6%)
IIJA Water Quality Management Planning	\$0.9	\$1.2	\$1.5	\$1.2	\$2.1	\$2.7	1.5%	\$0.6	29.9%
IIJA National Dam Safety Program	\$0.1	\$1.2	\$1.2	\$1.2	\$1.3	\$2.5	1.4%	\$1.2	91.9%
State Underground Storage Tanks Program	\$1.4	\$1.4	\$1.2	\$1.2	\$2.8	\$2.5	1.4%	(\$0.3)	(10.8%)
Climate Pollution Reduction Grants	\$0.3	\$1.5	\$1.5	\$1.0	\$1.8	\$2.5	1.4%	\$0.7	40.4%
IIJA National Estuary Program	\$1.8	\$0.9	\$0.9	\$0.9	\$2.7	\$1.8	1.0%	(\$0.9)	(31.9%)
State Clean Diesel Grant Program	\$1.5	\$0.0	\$1.5	\$0.0	\$1.5	\$1.5	0.8%	\$0.0	0.0%
All Other Grants	\$3.5	\$2.5	\$2.4	\$2.3	\$6.1	\$4.8	2.6%	(\$1.3)	(21.2%)
<b>TOTAL:</b>	<b>\$51.5</b>	<b>\$60.9</b>	<b>\$94.6</b>	<b>\$86.9</b>	<b>\$112.4</b>	<b>\$181.5</b>	<b>100.0%</b>	<b>\$69.1</b>	<b>61.4%</b>

All Other Grants: Water Quality and Environmental Management, Superfund State Grants, Solid Waste Infrastructure, and COVID-19 Surveys Grants, among others.

**Commission on Environmental Quality  
FTE Highlights - House**

<b>Full-Time-Equivalent Positions</b>	<b>Expended 2023</b>	<b>Estimated 2024</b>	<b>Budgeted 2025</b>	<b>Recommended 2026</b>	<b>Recommended 2027</b>
Cap	2,821.3	2,876.3	2,878.3	2,894.3	2,894.3
Actual/Budgeted	2,657.7	2,721.6	2,878.3	NA	NA
<b>Schedule of Exempt Positions (Cap)</b>					
Executive Director, Group 8	\$223,277	\$245,579	\$257,858	\$257,858	\$257,858
Commissioner (Chair), Group 7	\$201,000	\$225,000	\$230,000	\$230,000	\$230,000
Commissioner, Group 7	(2) \$201,000	(2) \$225,000	(2) \$230,000	(2) \$230,000	(2) \$230,000
Red River Compact Commissioner	\$24,831	\$24,831	\$24,831	\$24,831	\$24,831
Rio Grande Compact Commissioner	\$42,225	\$42,225	\$42,225	\$42,225	\$42,225
Sabine River Compact Commissioner	\$9,007	\$9,007	\$9,007	\$9,007	\$9,007
Sabine River Compact Commissioner	\$8,699	\$8,699	\$8,699	\$8,699	\$8,699
Canadian River Compact Commissioner	\$11,036	\$11,036	\$11,036	\$11,036	\$11,036
Pecos River Compact Commissioner	\$33,053	\$33,053	\$33,053	\$33,053	\$33,053

Notes:

a) According to the State Auditor's Office, the fiscal year 2024 FTE average was 2,721.6.

b) Effective January 1, 2024, the salary for all Commissioner positions was authorized to be increased to a rate matching the listed schedule of exempt position cap amounts of \$225,000 in fiscal year 2024 and \$230,000 in fiscal year 2025.

c) The market average for the Executive Director position is \$256,066 as determined by the State Auditor's Office Report on Executive Compensation at State Agencies (Report 25-702, October 2024).