

COMMISSION ON ENVIRONMENTAL QUALITY
(Continued)

3. **Authorization: Aircraft Chartering.** Notwithstanding any other provision of this Act, the Texas Commission on Environmental Quality is authorized to spend appropriated funds for the chartering of aircraft for the purposes of monitoring environmental quality and the enforcement of environmental and water rights laws of the State.
4. **Local Air Pollution Grants Allocation.** Out of the amounts appropriated above, no less than \$2,658,228 in each fiscal year out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, shall be utilized to fund grants or cooperative agreements with eligible local air pollution programs under Health and Safety Code, §382.0622. The combined federal and state share of the funding for any such local air pollution programs shall not exceed 67 percent of the total allocation to the programs, with the local share being based on the local dollars allocated pursuant to maintenance-of-effort requirements for federal air pollution grants.
5. **Fee Revenue: Pollution Control Equipment Exemptions.** Amounts appropriated above include \$229,424 each fiscal year from fee revenue collected pursuant to Tax Code, §11.31, beginning with the effective date of this Act out of the General Revenue Fund in Strategy C.1.3, Pollution Prevention, Recycling, and Innovative Programs, for the purpose of determining whether pollution control equipment is exempt from taxation.

In addition to amounts appropriated above, any amounts collected by the Texas Commission on Environmental Quality pursuant to Tax Code, §11.31 on or after September 1, 2017, in excess of \$229,424 in each fiscal year of the biennium are appropriated to the agency.

6. **Authorization: Operating Fund.** The Texas Commission on Environmental Quality (TCEQ) is authorized to make transfers from any appropriation made to TCEQ into a single account in the General Revenue Fund known as the "Texas Commission on Environmental Quality Operating Fund" for the purpose of making expenditures for which appropriations were made in this Act. After the expenditures have been made from the fund and as soon as the proper strategies have been identified, TCEQ shall process adjustments to the Comptroller in summary accounts to facilitate accurate cost allocations; provided, however, that each special account and fund shall be used for the purposes in current law and nothing shall be done to jeopardize or divert the special accounts and funds or any portion thereof including federal aid.
7. **Air Quality Planning.¹** ~~Amounts appropriated above include \$6,000,500 for the biennium out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, for air quality planning activities to reduce ozone in areas not designated as nonattainment areas during the 2016-17 biennium and as approved by the Texas Commission on Environmental Quality (TCEQ). These areas may include Waco, El Paso, Beaumont, Austin, Corpus Christi, Granbury, Killeen Temple, Longview Tyler Marshall, San Antonio, and Victoria. These activities may be carried out through interlocal agreements and may include: identifying, inventorying, and monitoring of pollution levels; modeling pollution levels; and the identification, quantification, implementation of appropriate locally enforceable pollution reduction controls; and the submission of work plans to be submitted to the TCEQ. The TCEQ shall allocate \$350,000 to each area and the remaining funds to each area based on population in excess of 350,000. The grant recipients shall channel the funds to those projects most useful for the State Implementation Plan (SIP).~~
8. **Contract with the State Office of Administrative Hearings.** Amounts appropriated above include \$816,000 in each fiscal year of the biennium to cover the cost of contracting with the State Office of Administrative Hearings (SOAH) for funding SOAH's Natural Resources Division for the purpose of conducting administrative hearings and for related expenses. The Texas Commission on Environmental Quality (TCEQ) and the SOAH may not enter into a contract for an amount less than the amounts specified. If the SOAH determines, at the end of each fiscal year, that the amount paid under the contract exceeds the necessary funding, it shall refund the difference to TCEQ. If the SOAH determines that the amounts are insufficient to fund the Natural Resources Division, the SOAH may enter into negotiations with TCEQ in order to renegotiate the interagency contract to provide additional funds for administrative hearings. The SOAH is not appropriated any state funds from such renegotiated contracts until it gives written notice to the Legislative Budget Board and the Governor, together with written permission of the agency.
9. **Texas Parks and Wildlife Environmental Special Investigations Unit.** Amounts appropriated above include \$225,000 each fiscal year out of the Waste Management Account No. 549 in Strategy C.1.2, Enforcement and Compliance Support, for the purpose of supporting the Texas Parks and Wildlife Department's Environmental Special Investigations Unit to enforce state and