



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

November 18, 2015

Ursula Parks, Director
Legislative Budget Board
1501 North Congress, 5th Floor
Austin, Texas 78701

Kara Belew, Director
Governor's Office of Budget, Planning and Policy
1100 San Jacinto, 4th Floor
Austin, Texas 78701

Dear Ms. Parks and Ms. Belew:

Please consider this letter a formal request for the restoration of appropriation transfer authority for the Texas Department of Agriculture (TDA).

As you know, at the recommendation of the Legislative Budget Board (LBB), the Texas Legislature designated as full cost recovery many of the licensing and regulatory programs administered by TDA that protect Texas consumers and agriculture suppliers. To ensure full cost recovery was implemented, the agency's bill pattern no longer includes authority to move funds between programs within the department. This budgeting tool provided critical flexibility in managing the cost recovery revenue stream.

TDA is in the process of adjusting its fee schedule to collect the revenue necessary to comply with the Legislature's cost recovery mandate while continuing to provide important statutorily required services to Texans. These critical services include food quality inspections, fuel pump inspections and criminal background checks on pest control technicians.

Pursuant to the General Appropriations Act Art. IX, §14.01, state agencies have discretionary authority to transfer up to 20 percent between appropriation lines during the fiscal year, and may request from the Office of the Governor and the Legislative Budget Board, authority to transfer more than 20 percent.

However, our bill pattern includes the following language in Rider 4:

Notwithstanding provisions relating to appropriation transfers contained in Article IX, Sec. 14.01, Appropriation Transfers of this Act, Texas Department of Agriculture (TDA) may not transfer amounts identified for cost recovery programs in Rider 28, Appropriations Limited to Revenue Collections: Cost Recovery Programs between strategies nor may TDA transfer appropriations from non-related programs into cost recovery programs.

A plain language reading of this section leads me to believe that the Legislature did not give TDA discretionary transfer authority. Further, I am concerned that the LBB and Governor's Office cannot authorize it under Section 14.01, and that a verbal assurance by LBB staff now may not be adequate if the need to transfer arises in the future. A grant of transfer authority will remove this revenue management insecurity for the biennium, and allow TDA to work with the LBB and Governor's Office in the strategic planning process on an alignment of strategies and performance measures to more effectively recover program costs.

When I took the oath of office as Commissioner of Agriculture, I entered into a contract with the people of Texas that I take very seriously. My administration's mission is to promote and serve our state's great agricultural industry and to protect the wellbeing of those who make it great – Texas families. The restoration of appropriation transfer authority – which TDA also requested during the 84th Legislative Session – would provide TDA with flexibility in budgeting as it works to implement a fee schedule that benefits Texas agriculture producers and Texas consumers, and meet the agency's responsibilities as determined by the Texas Legislature and outlined in state statute.

Please do not hesitate to contact me with any questions about this request. I look forward to your quick response on this matter so TDA can continue its important work for the people and agricultural industry of Texas.

Sincerely,



Sid Miller
Commissioner