

**Texas A&M Engineering Experiment Station
Summary of Budget Recommendations - Senate**

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Method of Financing	2024-25 Base	2026-27 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$93,345,165	\$73,396,256	(\$19,948,909)	(21.4%)
GR Dedicated Funds	\$842,767	\$842,767	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$94,187,932</i>	<i>\$74,239,023</i>	<i>(\$19,948,909)</i>	<i>(21.2%)</i>
Federal Funds	\$326,797,681	\$336,633,970	\$9,836,289	3.0%
Other	\$168,819,131	\$140,190,501	(\$28,628,630)	(17.0%)
All Funds	\$589,804,744	\$551,063,494	(\$38,741,250)	(6.6%)

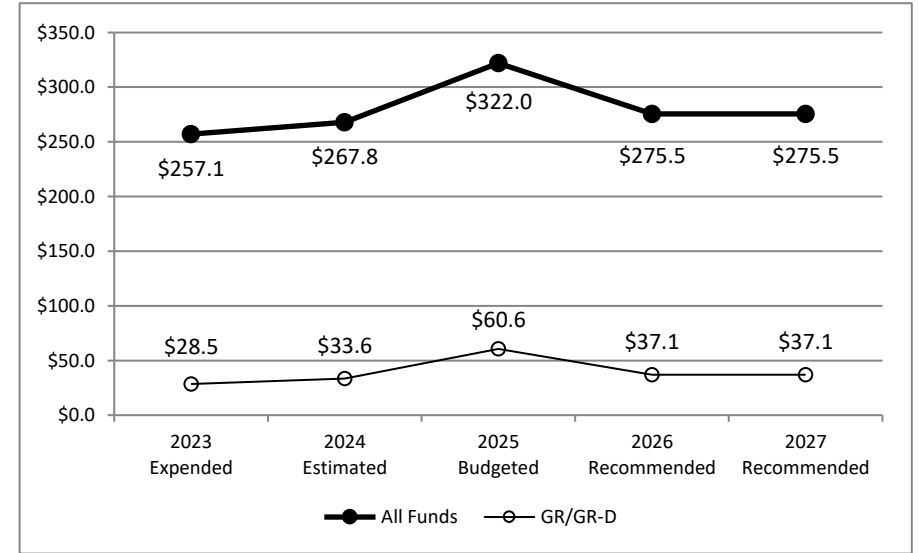
	FY 2025 Budgeted	FY 2027 Recommended	Biennial Change	Percent Change
FTEs	1,031.9	842.4	(189.5)	(18.4%)

Agency Budget and Policy Issues and/or Highlights

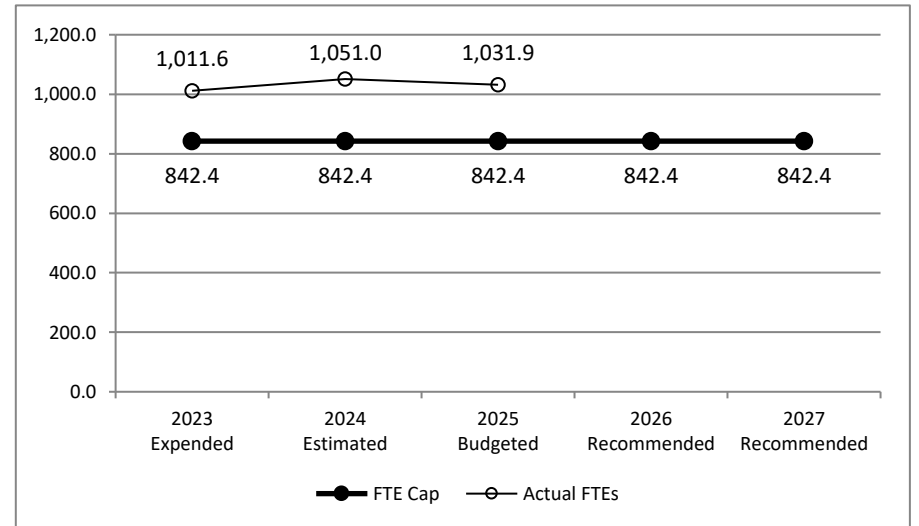
Texas A&M Engineering Experiment Station (TEES) conducts research, provides continuing education, and develops technology to assist industry and the engineering workforce. TEES performs engineering and technology research on water, defense, energy, manufacturing, and the environment across the state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

The bill pattern for this agency (2026-27 Recommended) represents an estimated 95.4% of the agency's estimated total available funds for the 2026-27 biennium.

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



**Texas A&M Engineering Experiment Station
Summary of Funding Changes and Recommendations - Senate**

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>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>						
A) Increase of \$2,047,720 in General Revenue for infrastructure support strategy due to updated infrastructure support formula.	\$2.0	\$0.0	\$0.0	\$0.0	\$2.0	B.1.2
B) Increase of \$9,000,000 in General Revenue and a reduction of \$26,400,000 in Other Funds for the Center for Microdevices and Systems.	\$9.0	\$0.0	\$0.0	(\$26.4)	(\$17.4)	A.1.1, A.3.2
C) Increase of \$1,631 in General Revenue according to the amortization schedule for debt service payments for the Center for Infrastructure Renewal.	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	B.1.3
D) Reduction of \$30,000,000 in General Revenue due to removal of one-time funding for a hypersonic wind tunnel.	(\$30.0)	\$0.0	\$0.0	\$0.0	(\$30.0)	A.1.1
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>						
E) Increase in funding to biennialize the statewide salary adjustments included in the 2024-25 appropriations.	\$4.0	\$0.0	\$0.0	\$0.0	\$4.0	A.1.1, A.2.1, A.3.1, B.1.1
F) Reduction of \$5,000,000 in General Revenue due to the removal of RAMI Hub funding that will be transferred to the Texas A&M Engineering Extension Service in 2026-27.	(\$5.0)	\$0.0	\$0.0	\$0.0	(\$5.0)	A.3.1
G) Increase of \$9,836,289 in Federal Funds due to net growth in federally funded sponsored research grants.	\$0.0	\$0.0	\$9.8	\$0.0	\$9.8	A.1.1, A.3.1, C.1.1
H) Increase of \$57,046 in Interagency Contracts.	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1	A.1.1
I) Increase of \$365,197 in Indirect Cost Recovery due to anticipated growth in federally and industry sponsored research.	\$0.0	\$0.0	\$0.0	\$0.4	\$0.4	Multiple Strategies
J) Reduction of \$2,650,873 in Other Funds due to reflect agency projection of industry sponsored project revenue.	\$0.0	\$0.0	\$0.0	(\$2.7)	(\$2.7)	Multiple Strategies
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)	(\$20.0)	\$0.0	\$9.8	(\$28.6)	(\$38.8)	As Listed

**Texas A&M Engineering Experiment Station
Summary of Funding Changes and Recommendations - Senate**

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>SIGNIFICANT & OTHER Funding Increases</i>	\$15.0	\$0.0	\$9.8	\$0.5	\$16.3	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>	(\$35.0)	\$0.0	\$0.0	(\$29.1)	(\$55.1)	As Listed

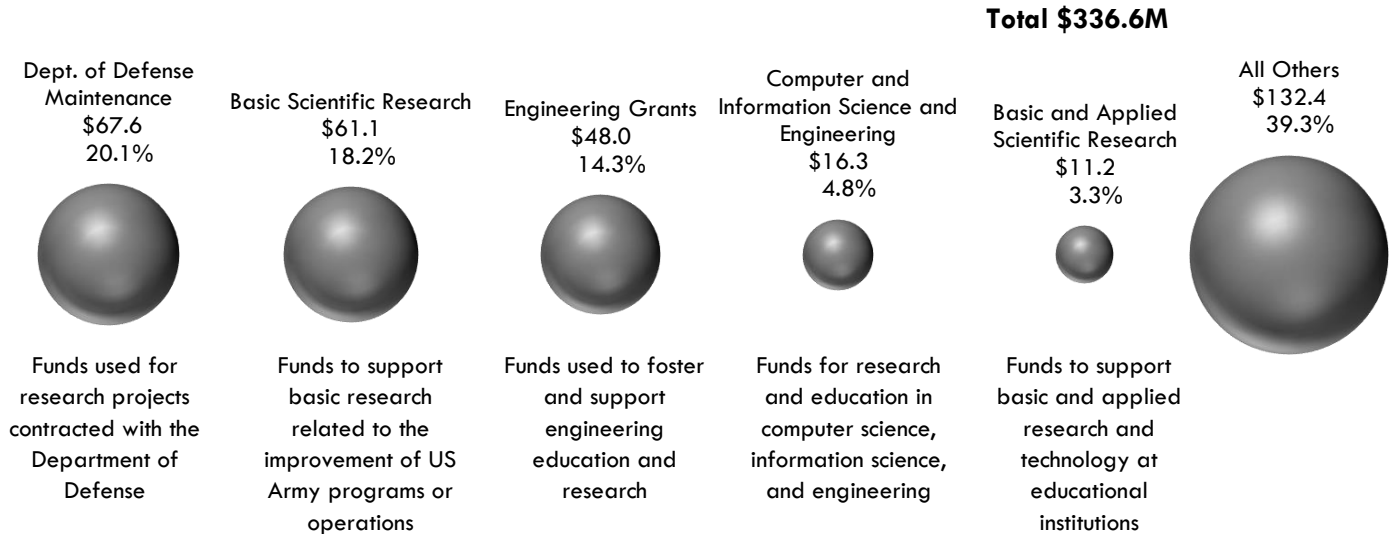
NOTE: Totals may not sum due to rounding.

**Texas A&M Engineering Experiment Station
Selected Fiscal and Policy Issues - Senate**

1. **Infrastructure Support.** Funding to Texas A&M System agencies for Infrastructure Support Inside Brazos County is calculated using the General Academic Institutions' Infrastructure Support formula rate. Currently, the infrastructure support funds included in the recommendations for inside Brazos County are calculated using the 2026-27 Texas A&M University formula rate, multiplied by the agencies' fiscal 2023 predicted square footage.
2. **Debt Service.** The Eighty-fourth Legislature, 2015, found that there was a demonstrated need for transportation infrastructure renewal, in accordance with Texas Constitution, Article VII, Section 18(i). To address this need, the Texas A&M Engineering Experiment Station (TEES) was appropriated \$5.0 million in General Revenue in fiscal year 2017 for the construction of the Center of Infrastructure Renewal (CIR), a joint infrastructure-based initiative between TEES and the Texas A&M Transportation Institute. Since the 2016-2017 biennium, the Legislature has historically appropriated General Revenue to pay debt service for the CIR facility. **Recommendations include \$9.6 million in General Revenue for debt service, which is an increase of \$1,631 from the 2024-25 biennium.**
3. **Center for Microdevices and Systems.** The Eighty-eighth Legislature, 2023, appropriated \$26.4 million in General Revenue in Senate Bill 30 to the Texas A&M University (TAMU) System for the purpose of establishing the Center for Microdevices and Systems. Funding for the Center for Microdevices and Systems was subawarded from TAMU System to TEES in the 2024-25 biennium (Other Funds) and was transferred to TEES' 2026-27 budget structure (General Revenue). Funding is intended to develop a workforce training program, provide prototyping services to small- and medium-sized businesses in Texas, and expand the AggieFab Nanofabrication Facility. TEES' 2026-27 GR/GR-D Limit includes \$26.4 million for the Center for Microdevices and Systems; however, TEES identified \$17.4 million of those funds as one-time costs and is requesting \$9.0 million for the 2026-27 biennium to support ongoing costs. **Recommendations include \$9.0 million in General Revenue for ongoing support for the Center for Microdevices and Systems.**
4. **Hypersonic Wind Tunnel.** The Eighty-eighth Legislature, 2023, appropriated \$30.0 million in General Revenue in fiscal year for a hypersonic wind tunnel and associated research capacity to advance hypersonic research. TEES intends to construct the hypersonic wind tunnel at the TAMU RELLIS Campus in Bryan, Texas. TEES has completed the architectural design of the project and will seek approval for the project construction at the November 2024 meeting of the TAMU Board of Regents. Upon approval by the Board of Regents, the agency expects project construction to begin in December 2024 and to continue until April 2026. Due to the timeline of the project, TEES anticipates a need to carryforward approximately \$5.0 to \$7.0 million in unexpended balances into the 2026-27 biennia and has requested a new rider to grant such authority. **This rider request is included in recommendations for 2026-27.**

Texas A&M Engineering Experiment Station

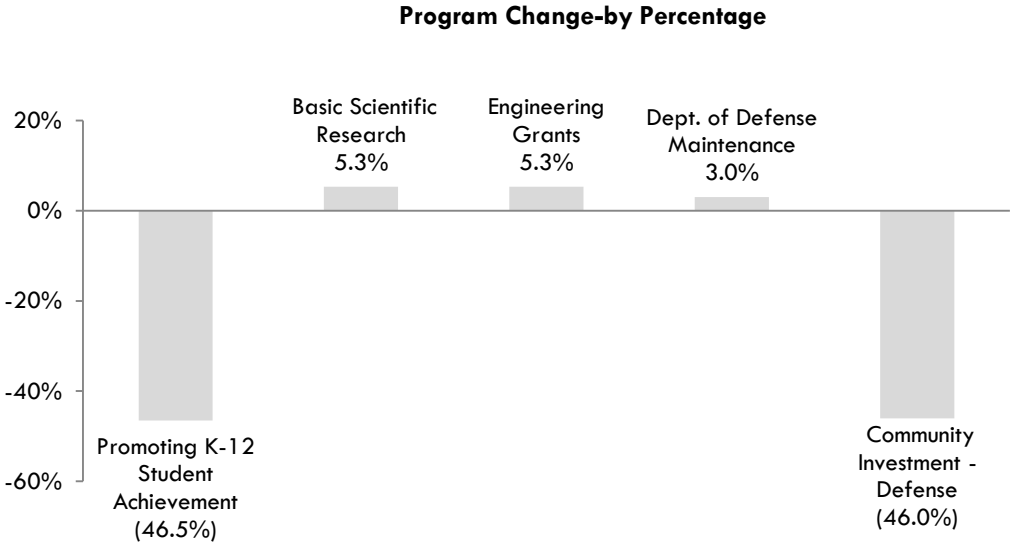
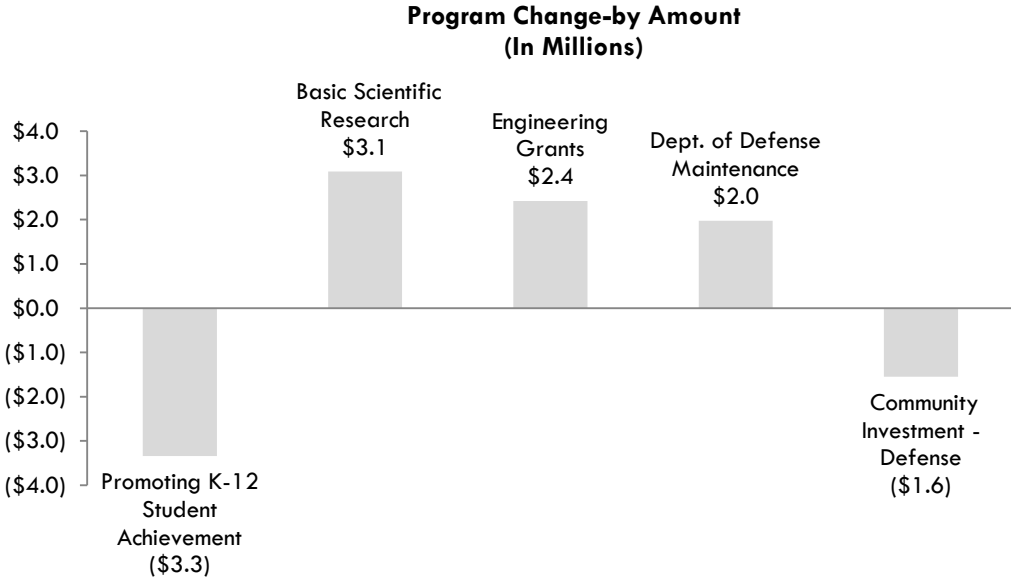
Summary of Federal Funds (2026-27) - Senate



Selected Federal Fiscal and Policy Issues

1. Federal funds estimates for 2026-27 show an increase of \$9.8 million over the 2024-25 biennium. This is driven primarily by increases in the Basic Scientific Research Grant, Engineering Grants, and DOD Maintenance Grant, among others.
2. The increases are partially offset by decreases in other grants, such as the K-12 Student Achievement and Community Investment - Defense grants.

Programs with Significant Federal Funding Changes from 2024-25



**Texas A&M Engineering Experiment Station
Rider Highlights - Senate**

Modification of Existing Riders

The following riders include recommendations to make conforming changes such as updating fiscal years and estimated amounts and ensuring statutory citations are consistent: Rider 2, Offshore Technology Research Center; Rider 3, Nuclear Engineering and Secure Manufacturing; Rider 4, Debt Service for the Center for Infrastructure Renewal; Rider 5, NASA Programs; and Rider 6, Capstone Design Projects.

New Riders

7. **Hypersonic Wind Tunnel Unexpended Balances.** Rider grants unexpended balance authority for hypersonic wind tunnel funds appropriated in 2024-25.

Deleted Riders

8. **Rio Grande Valley Advanced Manufacturing Innovation Hub.** Delete rider from the Texas A&M Engineering Experiment Station's bill pattern and add to the Texas A&M Engineering Extension Service's bill pattern to reflect the agencies' fiscal year 2026-27 budget structures.
9. **Hypersonic Wind Tunnel.** Rider is no longer required, as it was associated with one-time funding.

**Texas A&M Engineering Experiment Station
Items Not Included in Recommendations - Senate**

		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)	Texas IGNITE: Innovative Growth in Next-gen AI Technology Ecosystems. Funding would establish artificial intelligence initiatives to enhance computational materials science, autonomous robotics, healthcare, energy, other cyber-physical systems, and workforce development.	\$130,000,000	\$130,000,000	10.0	Yes	No	\$10,000,000
TOTAL Items Not Included in Recommendations		\$130,000,000	\$130,000,000	10.0			\$10,000,000

**Texas A&M Engineering Experiment Station
Appendices - Senate**

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* Appendix is not included - no significant information to report

**Texas A&M Engineering Experiment Station
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
RESEARCH PROGRAMS A.1.1	\$477,828,146	\$455,527,139	(\$22,301,007)	(4.7%)	Recommendations include: <ul style="list-style-type: none"> • \$1,341,086 increase in General Revenue to biennialize the statewide salary adjustments included in the 2024-25 appropriations; • \$30,000,000 reduction in General Revenue due to the removal of one-time funding for a hypersonic wind tunnel; • \$9,480,268 reduction in General Revenue due to reallocation to Strategy B.1.2; • \$16,269,847 increase in Federal Funds due to expected growth in federally funded sponsored research grants; • \$57,046 increase in Interagency Contracts; • \$26,400,000 reduction in Other Funds due to removal of one-time funding for the Center for Microdevices and Systems, offset by agency allocation of industry sponsored contracts of \$21,031,817; and • \$4,879,465 increase in Indirect Cost Recovery due to agency allocation of federally funded sponsored research grants.
TECHNOLOGY TRANSFER A.2.1	\$2,241,867	\$2,423,446	\$181,579	8.1%	Recommendations include \$159,565 increase in General Revenue to biennialize the statewide salary adjustments included in the 2024-25 appropriations and a \$22,014 increase in Other Funds.
WORKFORCE DEVELOPMENT A.3.1	\$43,076,743	\$30,174,238	(\$12,902,505)	(30.0%)	Recommendations include: <ul style="list-style-type: none"> • \$5,000,000 reduction in General Revenue due to the removal of RAMI Hub funding in the 2026-27 biennium; • \$639,382 increase in General Revenue to biennialize the statewide salary adjustments included in the 2024-25 appropriations; • \$6,807,630 reduction in Federal Funds due to a reallocation to other programs as a result of an expected increase in federal awards in Strategy A.1.1; • \$162,396 reduction in Other Funds due to agency allocation of industry sponsored project revenue; and • \$1,571,861 reduction in agency allocation of Indirect Cost Recovery.
CENTER FOR MICRODEVICES AND SYSTEMS A.3.2	\$0	\$9,000,000	\$9,000,000	100.0%	Recommendations include an increase in General Revenue for ongoing support for the Center for Microdevices and Systems.
Total, Goal A, ENGINEERING RESEARCH	\$523,146,756	\$497,124,823	(\$26,021,933)	(5.0%)	

**Texas A&M Engineering Experiment Station
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
INDIRECT ADMINISTRATION B.1.1	\$15,985,257	\$17,161,296	\$1,176,039	7.4%	Recommendations include: <ul style="list-style-type: none"> • \$1,861,707 increase in General Revenue to biennialize the statewide salary adjustments included in the 2024-25 appropriations; • \$811,138 reduction in Other Funds due to agency allocation of industry sponsored projects; and • \$125,470 increase in Indirect Cost Recovery due to agency allocation of industry sponsored research.
INFRASTRUCTURE SUPPORT B.1.2	\$31,180,515	\$16,354,990	(\$14,825,525)	(47.5%)	Recommendations include: <ul style="list-style-type: none"> • \$2,047,720 increase in General Revenue due to updated infrastructure formula calculation; • \$9,480,268 increase in General Revenue due to a reallocation from Strategy A.1.1; • \$23,232,739 reduction in Other Funds due to agency allocation across strategies; and • \$3,120,774 reduction in Indirect Cost Recovery due to agency allocation across strategies.
CENTER FOR INFRASTRUCTURE RENEWAL B.1.3	\$9,599,214	\$9,600,845	\$1,631	0.0%	Recommendations include an increase in General Revenue per the amortization schedule for debt service payments.
Total, Goal B, INDIRECT ADMINISTRATION	\$56,764,986	\$43,117,131	(\$13,647,855)	(24.0%)	
STAFF GROUP INSURANCE C.1.1	\$9,893,002	\$10,821,540	\$928,538	9.4%	Recommendations include: <ul style="list-style-type: none"> • \$374,072 increase in Federal Funds due to growth in federally funded sponsored research grants; • \$501,569 increase in Other Funds due to agency allocation of industry sponsored research; and • \$52,897 increase in Indirect Cost Recovery due to agency allocation of federally and industry sponsored research.
Total, Goal C, STAFF BENEFITS	\$9,893,002	\$10,821,540	\$928,538	9.4%	
Grand Total, All Strategies	\$589,804,744	\$551,063,494	(\$38,741,250)	(6.6%)	

Texas A&M Engineering Experiment Station
Summary of Federal Funds - Senate
(Dollar amounts in Millions)

Program	Est 2024	Bud 2025	Rec 2026	Rec 2027	2024-25 Base	2026-27 Rec	2026-27 Rec % Total	Recommended Over/(Under) Base	% Change from Base
Dept. of Defense Maintenance	\$32.5	\$33.1	\$33.8	\$33.8	\$65.6	\$67.6	20.1%	\$2.0	3.0%
Basic Scientific Research	\$29.0	\$29.1	\$30.6	\$30.6	\$58.0	\$61.1	18.2%	\$3.1	5.3%
Engineering Grants	\$22.7	\$22.8	\$24.0	\$24.0	\$45.6	\$48.0	14.3%	\$2.4	5.3%
Computer and Information Science and Engineering	\$7.7	\$7.8	\$8.2	\$8.2	\$15.5	\$16.3	4.8%	\$0.8	5.2%
Basic and Applied Scientific Research	\$5.3	\$5.3	\$5.6	\$5.6	\$10.6	\$11.2	3.3%	\$0.6	5.3%
Research and Technology Development	\$4.5	\$4.5	\$4.7	\$4.7	\$9.0	\$9.5	2.8%	\$0.5	5.3%
Advanced Research Projects Agency - Energy Financial Assistance Program	\$4.4	\$4.4	\$4.6	\$4.6	\$8.8	\$9.3	2.7%	\$0.5	5.3%
Mathematical and Physical Sciences	\$3.6	\$3.6	\$3.8	\$3.8	\$7.1	\$7.5	2.2%	\$0.4	5.3%
Biomedical Research and Research Training	\$3.4	\$3.4	\$3.6	\$3.6	\$6.8	\$7.2	2.1%	\$0.4	5.3%
Air Force Defense Research Sciences	\$3.3	\$3.3	\$3.5	\$3.5	\$6.7	\$7.0	2.1%	\$0.4	5.4%
Nuclear Energy Research, Development and Demonstration	\$3.3	\$3.3	\$3.5	\$3.5	\$6.6	\$6.9	2.1%	\$0.4	5.3%
Office of Integrated Activities	\$3.1	\$3.1	\$3.2	\$3.2	\$6.1	\$6.4	1.9%	\$0.3	5.3%
Renewable Energy Research and Development	\$2.5	\$2.5	\$2.6	\$2.6	\$4.9	\$5.2	1.5%	\$0.3	5.4%
Basic, Applied, and Advanced Research in Science and Engineering	\$2.4	\$2.4	\$2.5	\$2.5	\$4.7	\$5.0	1.5%	\$0.3	5.3%
Aerospace Education Services Program	\$2.3	\$2.3	\$2.4	\$2.4	\$4.6	\$4.9	1.4%	\$0.2	5.3%
Biomedical Imaging Research	\$1.9	\$1.9	\$2.0	\$2.0	\$3.9	\$4.1	1.2%	\$0.2	5.4%
All Other Grants ¹	\$30.0	\$32.2	\$29.7	\$29.7	\$62.2	\$59.5	17.7%	(\$2.7)	(4.4%)
TOTAL:	\$161.8	\$165.0	\$168.3	\$168.3	\$326.8	\$336.6	100.0%	\$9.8	3.0%

¹All Other Grants include federal grants related to research and development programs.

Note: Totals may not sum due to rounding.

**Texas A&M Engineering Experiment Station
FTE Highlights - Senate**

Full-Time-Equivalent Positions	Expended 2023	Estimated 2024	Budgeted 2025	Recommended 2026	Recommended 2027
Cap	842.4	842.4	842.4	842.4	842.4
Actual/Budgeted	1,011.6	1,051.0	1,031.9	NA	NA

Notes:

a) Actual FTEs for FY 2024 reflect the amount reported by the State Auditor's Office.