

“If GHG emissions from agricultural sources are regulated under the CAA, numerous farming operations that currently are not subject to the costly and time-consuming Title V permitting process would, for the first time, become covered entities. Even very small agricultural operations would meet [the CAA’s] 100-tons-per-year emissions threshold. For example, dairy facilities with over 25 cows, beef cattle operations of over 50 cattle, swine operations with over 200 hogs, and farms with over 500 acres of corn may need to get a Title V permit. It is neither efficient nor practical to require permitting and reporting of GHG emissions from farms of this size. Excluding only the 200,000 largest commercial farms, our agricultural landscape is comprised of 1.9 million farms with an average value of production of \$25,589 on 271 acres. These operations simply could not bear the regulatory compliance costs that would be involved.”¹⁷⁷

B. REVENUE FROM MINERAL INTERESTS

Since the Constitution of 1876’s enactment over one-hundred and thirty years ago, the Permanent School Fund (“PSF”) has been a significant source of funding for public schools in the State of Texas.¹⁷⁸ Today, the PSF relies upon royalty revenue from its significant oil and gas holdings to help fund education. According to financial information provided by the Governor’s Budget, Policy and Planning Office, the PSF earned more than \$380 million in royalty and bonus payments from its mineral interests last year, alone. During the same period, the PSF provided more than \$700 million in funding to Texas public schools.¹⁷⁹

The State also relies on mineral interests to fund higher education. The Permanent University Fund (“PUF”), which exclusively benefits the University of Texas System and Texas A&M University System schools, earned more than \$300 million from its oil and gas holdings last year. In the previous five years, earnings exceed \$1.4 billion. Texas A&M is also the beneficiary of its own Special Mineral Fund—which earned more than \$15.5 million in the last five years.

There are multiple other ways that the State of Texas benefits from oil and gas royalties. The Parks & Wildlife Department’s State Parks fund earned more than \$24 million from oil and gas-related revenues in the last five years. During the same period, the Texas Department of Transportation’s State Highway Fund earned over \$20 million. Altogether, the State of Texas has earned over \$3.6 billion from its mineral interests in the last five years.

¹⁷⁷ Letter from Hon. Ed Schafer, Secretary of the U.S. Department of Agriculture, Hon. Carlos Gutierrez, Secretary of the U.S. Department of Commerce, Hon. Mary E. Peters, U.S. Secretary of Transportation, and Hon. Samuel W. Bodman, to Hon. Susan Dudley, Administrator, Office of Information & Regulatory Affairs, Office of Management & Budget (July 9, 2008), *available at* <http://www.epa.gov/climatechange/emissions/downloads/ANPRPreamble4.pdf> (last visited Feb. 16, 2010).

¹⁷⁸ Handbook of Texas Online, Permanent School Fund *available at* (last visited Feb. 16, 2010).

¹⁷⁹ Texas Education Agency, Texas Permanent School Fund Annual Report, December, 2009 at 4, *available at* <http://ritter.tea.state.tx.us/psf/PSFAR09.pdf> (last visited Feb. 16, 2010).