

**LEGISLATIVE BUDGET BOARD**  
Austin, Texas

**FISCAL NOTE, 78TH LEGISLATURE 3rd CALLED SESSION -2003**

**September 17, 2003**

**TO:** Honorable Teel Bivins, Chair, Senate Committee on Finance

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE:** SB5 by Bivins (Relating to the transfer or performance of the functions of certain state agencies to promote efficiency, equitable use of revenue, or uniformity in regard to those functions.), **As Introduced**

**Estimated Two -year Net Impact to General Revenue Related Funds** for SB5, As Introduced: an impact of \$0 through the biennium ending August 31, 2005.

The bill would make an appropriation.

**Appropriations:**

Fiscal Year	Appropriation out of STATE HIGHWAY FUND 6
2004	\$3,741,068
2005	\$3,660,494

**General Revenue -Related Funds, Five -Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

**All Funds, Five -Year Impact:**

Fiscal Year	Probable Revenue Gain from STATE HIGHWAY FUND 6	Probable (Cost) from STATE HIGHWAY FUND 6	Probable Revenue Gain/(Loss) from DEPT INS OPERATING ACCT 36	Probable Savings/ (Cost) from OVERSIGHT WORKERS' COMP 5016
2004	\$3,741,068	(\$3,741,068)	\$2,586,570	(\$2,586,570)
2005	\$3,660,494	(\$3,660,494)	\$0	\$0
2006	\$3,660,494	(\$3,660,494)	\$0	\$0
2007	\$3,660,494	(\$3,660,494)	\$0	\$0
2008	\$3,660,494	(\$3,660,494)	\$0	\$0

Fiscal Year	Change in Number of State Employees from FY2003
2004	39.0
2005	39.0
2006	39.0
2007	39.0
2008	39.0

## Fiscal Analysis

The bill would amend various state and local government budgetary and fiscal management statutes. For the purposes of this fiscal note, only those bill provisions having a fiscal impact are discussed.

Article 1 would abolish the State Aircraft Pooling Board and transfer the function to the Texas Department of Transportation (TXDOT). The article would authorize TXDOT to set rates for services at an amount sufficient to cover all costs. All related revenue would be deposited into the state highway fund. The revenue would be appropriated to TXDOT, as well as any unexpended appropriation balances for the 2002-03 biennium.

Article 2 would establish a Workers' Compensation Research program at the Texas Department of Insurance (TDI). The Research and Oversight Council on Workers' Compensation is abolished and its property and references in law are transferred to TDI. The balance of the Research and Oversight Council on Workers' Compensation Account 5016 is transferred to the Texas Department of Insurance Account 36.

## Methodology

The transfer of the Aircraft Pooling Board function to the Department of Transportation would result in additional appropriations from the state highway fund. It is assumed that related receipts from charges to other state agencies that are deposited in the state highway fund would offset these costs. The article also appropriates any State Aircraft Pooling Board unencumbered appropriation balance for fiscal 2003 to the Department of Transportation. The General Appropriations Act, 78th Legislature, Regular Session does not appropriate these balances. The amount of these balances is \$1,543,886 in appropriated receipts, not shown above. In addition, 39 full-time equivalent positions would be added to the Department of Transportation in fiscal year 2004.

The workers' compensation research would result in additional costs of \$832,396 each year. Should appropriation authority be granted, TDI is authorized to increase maintenance taxes to fund the research activities, resulting in a net fiscal impact of zero. Further, \$2,586,570 is transferred to TDI from GR Account 5016 to GR Account 36 for the purposes of conducting workers' compensation research (this is the balance of Account 5016 as of August 31, 2003). This amount would be available to TDI should appropriation authority be granted. However, in the absence of such authority, TDI indicates that they would absorb the research responsibilities within their existing budget without an increase in FTEs.

## Local Government Impact

Minimal direct fiscal implications to units of local government are anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 369 Council on Environmental Technology, 405 Department of Public Safety, 453 Workers' Compensation Commission, 454 Department of Insurance, 601 Department of Transportation, 701 Central Education Agency, 582 Commission on Environmental Quality

**LBB Staff:** JK, JO, WP, SD, GO, DLBe