

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 1, 2003**

**TO:** Honorable Harvey Hilderbran, Chair, House Committee on State Cultural and Recreational Resources

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

**IN RE: HB1304** by Geren (Relating to the receipts from the sale of land by the Parks and Wildlife Department.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1304, As Introduced: a positive impact of \$9,093,406 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would require the Texas Parks and Wildlife Department to deposit revenue from the sale of parkland into the General Revenue Fund. Currently, these receipts are deposited into General Revenue-Dedicated Accounts.

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

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$6,400,000
2005	\$2,693,406
2006	\$2,693,406
2007	\$0
2008	\$0

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

Fiscal Year	Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE FUND</i> <b>1</b>	Probable Revenue Gain/ (Loss) from <i>GAME, FISH, WATER SAFETY AC</i> <b>9</b>	Probable Revenue Gain/ (Loss) from <i>STATE PARKS ACCT</i> <b>64</b>
2004	\$6,400,000	\$0	(\$6,400,000)
2005	\$2,693,406	(\$473,040)	(\$2,220,366)
2006	\$2,693,406	(\$473,040)	(\$2,220,366)
2007	\$0	\$0	\$0
2008	\$0	\$0	\$0

**Fiscal Analysis**

The gain to the General Revenue fund would be \$11.8 million over the three-year period, offset by a equal loss of revenue to two General Revenue-Dedicated funds: Game, Fish and Water Safety Account No.9, and State Parks Account No. 64. The agency reports that depositing land sale proceeds into the General Revenue Fund could result in a loss of federal funds.

## **Methodology**

Currently, receipts from the sale of land are deposited into either General Revenue-Dedicated Account No. 9 or General Revenue-Dedicated Account No. 64.

GAIN TO GR / LOSS TO 009 and 064: TPWD currently has a number of properties identified for disposition through one of the following means: (1) "State Agency Property Recommended Transactions" - Texas General Land Office September 2001 and September 2002 Reports to the Governor, (2) Approved for disposition by the Texas Parks and Wildlife Commission (Commission), or (3) Facilities recommended for transfer or sale by the TPWD "Land and Water Resources Conservation and Recreation Plan", October 2002 (L & W Plan).

The combined value of the properties (based either on current appraisal if available, or the General Land Office Real Property Evaluation Report to the Texas Parks and Wildlife Commission, September 1, 2000) identified for sale is approximately \$11.8 million. Assuming that all properties currently identified for disposition through sale would be sold over the next three-year period, the gain to the General Revenue Fund would be \$11.8 million. This would be offset by a loss of revenue in the same amount to the Game, Fish and Water Safety Account No. 9, and State Parks Account No. 64.

POTENTIAL LOSS OF FEDERAL FUNDS: Deposit of land sale proceeds into the General Revenue Fund could result in a loss of federal funding to the state. Provisions of the Sportfish and Wildlife Restoration federal aid programs prohibit diversion of hunting and fishing revenues for purposes other than administration of the state fish and wildlife agency. If lands sold were originally purchased with Account 009 funds, and proceeds from the sale of such land are deposited elsewhere, the state would become ineligible for federal aid from these sources. Such diversion could result in a loss of federal funds of approximately \$23.0 million in each year.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 802 Parks and Wildlife Department

**LBB Staff:** JK, JO, CL, MS, ZS