

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 23, 2003

TO: Honorable Anna Mowery, Chair, House Committee on Land & Resource Management

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1456 by Eiland (Relating to the share of the cost of a coastal erosion study or project required to be paid by a qualified project partner under an agreement with the commissioner of the General Land Office.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Coastal Erosion Planning and Response Act (CEPRA) to change the match rate for local coastal communities from 15 percent to 25 percent for beach nourishment projects and to 40 percent for marsh restoration or bay shoreline protection projects. The bill would also provide for one large-scale Gulf shoreline beach nourishment project to be unmatched.

No significant fiscal impact is anticipated because any amounts gained by reduced state participation due to increases in local match would be used to fund the large-scale beach nourishment project which would not require a local match. The cost of the large-scale project could not exceed one-third of the total amount appropriated to the General Land Office for coastal erosion planning and response.

Local Government Impact

The imposition of the new match rates would impact local coastal communities. For example, local match for a beach nourishment project costing \$1,000,000 would increase from \$150,000 to \$250,000. For a marsh restoration or bay shoreline protection project, local match would increase from \$150,000 to \$400,000 based on a \$1,000,000 project cost. However, the one large-scale, state funded project could benefit some of the communities affected by the increased match rates.

Source Agencies: 305 General Land Office and Veterans' Land Board

LBB Staff: JK, CL, MS