

## LEGISLATIVE BUDGET BOARD

Austin, Texas

### FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 1, 2003

**TO:** Honorable Bill Ratliff, Chair, Senate Committee on State Affairs

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

**IN RE: HB2947** by Casteel (Relating to cost control and accountability in the decentralization of state programs and services.), **As Engrossed**

**No significant fiscal implication to the State is anticipated.**

The bill would require state agencies that decentralize programs or services to public entities or nonprofit organizations in a region or regions to consult with the governing bodies of regional planning commissions established by counties and municipalities in such regions. The bill would take effect immediately if it receives a two-thirds vote in each house; otherwise, it would take effect September 1, 2003.

Several state agencies that operate programs or services statewide were contacted regarding the fiscal impact of the provisions of the bill. Of those contacted, the Texas Commission on Environmental Quality is currently the only one operating a decentralized grants program, the Regional Solid Waste Grants Program, which provides solid waste management grants to regional planning commissions. The agency estimates that operational changes established by implementation of the bill could be absorbed within the agency's existing resources.

Other agencies indicated that should they eventually decentralize programs or services as noted in the bill, there would be no significant fiscal impact.

Regional planning commissions and their association were also contacted regarding the fiscal impact of the bill. According to the Texas Association of Regional Councils, planning commissions already have most of the infrastructure established for operating programs and services, which, if decentralized by state agencies in a shared-cost approach, would provide a savings to the state by not having to establish regional offices and providing for the staff, equipment, and associated costs that go with establishing a new structure.

Additionally, the Texoma Council of Governments identified a savings for the regional planning commissions (also known as Councils of Governments, or COGs). The Texoma COG stated that there are many duplicative actions required of COGs, such as report requirements. The COG estimates that through decentralization efforts and coordination, some of the redundant requirements would be alleviated for a small annual savings.

#### Local Government Impact

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 302 Office of the Attorney General, 320 Texas Workforce Commission, 332 Department of Housing and Community Affairs, 477 Commission on State Emergency Communications, 501 Department of Health, 529 Health and Human Services Commission, 582 Commission on Environmental Quality

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