

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 29, 2003

TO: Honorable Tom Craddick, Speaker of the House, House of Representatives

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2947 by Casteel (Relating to state agency decentralization of services.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

If a state agency were to determine that a service/program provided by the agency should be decentralized to a multicounty region, the bill would require the state agency to use a state planning region or combination of regions for the decentralization. The bill would take effect September 1, 2003.

A sampling of state agencies were contacted regarding the fiscal impact of the bill and 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, 501 Department of Health, 529 Health and Human Services Commission, 582 Commission on Environmental Quality

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