

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 7, 2003

TO: Honorable Rodney Ellis, Chair, Senate Committee on Government Organization

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB915 by Fraser (Relating to the method and source of funding for the State Aircraft Pooling Board.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB915, Committee Report 1st House, Substituted: a positive impact of \$1,400,000 through the biennium ending August 31, 2005.

This bill would amend the Government Code to alter the method and source of funding for the State Aircraft Pooling Board (SAPB) and change the specifications of membership for board members and board employees. The board's annual report would no longer have to be in the form or follow the timeline provided in the General Appropriations Act.

This bill would take effect September 1, 2003.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$1,400,000
2005	\$0
2006	\$1,400,000
2007	\$0
2008	\$1,400,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1
2004	\$1,400,000
2005	\$0
2006	\$1,400,000
2007	\$0
2008	\$1,400,000

Fiscal Analysis

This bill would mandate that the SAPB not receive any appropriations from the state and be required to pay for all expenses of the SAPB from funds received under Section 2205.040, Government Code, which requires the SAPB to adopt rates sufficient to recover all direct costs for services provided. In addition, this bill would create a special account in the General Revenue Fund where funds would be deposited to pay for current obligations for aircraft and other capital equipment financed under the Texas Public Finance Authority's master lease purchase program.

Funds may not leave the General Revenue Fund without an appropriation by the Legislature, per Article 8, Section 6 of the Texas Constitution. Therefore, per the language of this bill, the SAPB could not utilize the funds deposited into the special General Revenue Account. For the purposes of this fiscal note, the SAPB would pay its other obligations, including salaries to employees, out of funds held outside the state treasury. The agency currently has approximately 41.5 FTEs.

This analysis also assumes that there would be no significant cost to the Comptroller of Public Accounts for creating a special account in the General Revenue Fund.

Methodology

A savings of \$1.4 million in General Revenue in the first year of each biennium would be realized from the elimination of the agency's capital budget for aircraft replacement.

Technology

This bill would have no technology impact.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 303 Building and Procurement Commission, 304 Comptroller of Public Accounts, 342 Aircraft Pooling Board, 347 Public Finance Authority

LBB Staff: JK, GO, MS, JM, JO