

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 15, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1382 by Armbrister (Relating to the continuation of certain professional and occupational licensing boards as self-directed and semi-independent agencies.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1382, As Introduced: a negative impact of (\$3,168,218) 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.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$1,584,109)
2005	(\$1,584,109)
2006	(\$1,584,109)
2007	(\$1,584,109)
2008	(\$1,584,109)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1	Probable Savings/ (Cost) from GENERAL REVENUE FUND 1	Probable Revenue Gain/(Loss) from OTHER FUNDS 997	Probable Savings/ (Cost) from OTHER FUNDS 997
2004	(\$8,802,000)	\$7,217,891	\$1,208,294	(\$26,766)
2005	(\$8,802,000)	\$7,217,891	\$1,208,294	(\$26,766)
2006	(\$8,802,000)	\$7,217,891	\$1,208,294	(\$26,766)
2007	(\$8,802,000)	\$7,217,891	\$1,208,294	(\$26,766)
2008	(\$8,802,000)	\$7,217,891	\$1,208,294	(\$26,766)

Fiscal Year	Change in Number of State Employees from FY 2003
2004	(83.0)
2005	(83.0)
2006	(83.0)
2007	(83.0)
2008	(83.0)

Fiscal Analysis

The bill would extend the Self-Directed Semi-Independent Agency Project Act until September 1, 2015.

The bill would take effect September 1, 2003.

Methodology

The bill would extend the Self-Directed Semi-Independent Agency Project Act until September 1, 2015 reversing current law that would bring the Board of Public Accountancy, the Board of Architectural Examiners and the Board of Professional Engineers back into the state Treasury and under the Legislative appropriations process.

Using the Comptroller's biennial revenue estimate for 2004-05 and assuming an appropriation level for the three agencies based on an average of the current recommendations from both houses of the Legislature, it is estimated the bill would result in a General Revenue loss of \$1.4 million per year.

The State Auditor estimates the continuing cost of audit work required by the Act would be approximately \$95,520 per year for the three agencies and require one additional FTE. It is assumed the agencies would pay for the audit services out of fees collected.

The General Services Commission estimates it would collect \$179,563 per year in rent from the three agencies.

It is assumed the agencies would continue to contract with the Employees Retirement Service for employee benefits and the General Services Commission for building services.

An estimated \$1.8 million in assets would not be returned to the state from the project agencies.

Local Government Impact

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

- Source Agencies:**
- 116 Sunset Advisory Commission, 303 Building and Procurement Commission, 304 Comptroller of Public Accounts, 308 State Auditor's Office, 327 Employees Retirement System, 457 Board of Public Accountancy, 459 Board of Architectural Examiners, 460 Board of Professional Engineers
- LBB Staff:**
- JK, WP, GO, RT