

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 6, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1675 by Fraser (Relating to the administration of state-federal relations and federal formula grant programs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1675, As Introduced: a positive impact of \$112,070 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	\$56,035
2005	\$56,035
2006	\$56,035
2007	\$56,035
2008	\$56,035

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings from GENERAL REVENUE FUND 1
2004	\$56,035
2005	\$56,035
2006	\$56,035
2007	\$56,035
2008	\$56,035

The bill would amend Chapter 751 of the Government Code to transfer the functions of the Office of State-Federal Relations (OSFR) to the Office of the Governor. The OSFR would operate as a trustee program within the Office of the Governor.

Fiscal Analysis

The bill would result in a probable savings to General Revenue of \$56,035 per year (including \$10,423 of employee retirement, OASI and group insurance) during the period FY 2004 through FY 2009. The bill would also result in the reduction of one FTE from 2004-2005.

Methodology

The probably savings associated with the bill would occur through the reduction of one FTE associated with indirect administration of the Washington, D.C. office. Elimination of salary, benefits and operating costs associated with the position would result in reduced expenditures. There may be additional expenditure reductions through the elimination of equipment rental costs in the OSFR's Austin office.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 333 Office of State-Federal Relations

LBB Staff: JK, RR, MS, RG