

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 22, 2005

TO: Honorable Harvey Hilderbran, Chair, House Committee on Culture, Recreation, & Tourism

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB2025 by Hilderbran (Relating to the transfer of jurisdiction over the Fleet Admiral Chester W. Nimitz Memorial Naval Museum and other historical sites from the Parks and Wildlife Department to the Texas Historical Commission.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2025, As Introduced: a negative impact of (\$1,436,643) through the biennium ending August 31, 2007.

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 |
|-------------|--|
| 2006 | (\$326,894) |
| 2007 | (\$1,109,749) |
| 2008 | (\$1,170,792) |
| 2009 | (\$1,173,643) |
| 2010 | (\$1,174,305) |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Revenue (Loss) from <i>STATE PARKS ACCT</i> 64 | Probable Savings from <i>STATE PARKS ACCT</i> 64 | Probable (Cost) from <i>GENERAL REVENUE</i> <i>FUND</i> 1 | Probable Revenue Gain from <i>New General Revenue</i> <i>Dedicated</i> |
|-------------|---|---|---|---|
| 2006 | (\$346,000) | \$672,894 | (\$326,894) | \$346,000 |
| 2007 | (\$416,000) | \$801,599 | (\$1,109,749) | \$416,000 |
| 2008 | (\$416,000) | \$803,292 | (\$1,170,792) | \$416,000 |
| 2009 | (\$416,000) | \$802,344 | (\$1,173,643) | \$416,000 |
| 2010 | (\$416,000) | \$805,256 | (\$1,174,305) | \$416,000 |

| Fiscal Year | Probable (Cost) from <i>New General Revenue</i> <i>Dedicated</i> | Probable (Cost) from <i>BOND PROCEEDS-</i> <i>REV BONDS</i> 781 |
|-------------|--|---|
| 2006 | (\$672,864) | (\$9,000,000) |
| 2007 | (\$1,525,749) | \$0 |
| 2008 | (\$1,586,792) | \$0 |
| 2009 | (\$1,589,643) | \$0 |
| 2010 | (\$1,590,305) | \$0 |

Fiscal Analysis

The bill would amend Government Code and Parks and Wildlife Code to transfer jurisdiction of the Fleet Admiral Chester W. Nimitz Memorial Naval Museum to the Historical Commission from the Parks and Wildlife Department. It would also create a dedicated account in the General Revenue Fund for funds deposited into the account for the Nimitz museum and for appropriations to the Historical Commission for preservation, operation, or maintenance of the museum.

Methodology

This analysis assumes the transfer of costs associated with 18 FTEs, operations, and travel related to the Nimitz museum from the Texas Parks and Wildlife Department and the Texas Historical Commission. The revenue transfer is reflected as a probable loss of revenue from State Parks Account No. 64 and a probable revenue gain to the new General Revenue-Dedicated account. The transfer of costs are reflected as a probable savings to State Parks Account No. 64 and a probable cost to the new General Revenue-Dedicated account. The estimated cost to the new General Revenue-Dedicated account also includes the debt service on Revenue Bond proceeds issued prior to fiscal year 2006 and new debt service paid annually (beginning in fiscal year 2007) on \$9 million in Revenue Bond proceeds that this analysis assumes will be issued in their entirety in fiscal year 2006.

The estimated cost to the General Revenue Fund reflects the transfer of funds out the General Revenue Fund to the new General Revenue-Dedicated account and accounts for the difference between the estimated revenue gain and cost to the new General Revenue-Dedicated account.

There are \$750,000 in unissued General Obligation Bond proceeds that would be transferred to the Historical Commission from the Texas Parks and Wildlife Department if they are appropriated. The result would be an additional cost of \$154,521 to the General Revenue Fund for debt service payments.

This analysis assumes that bill takes effect September 1, 2005. The cost estimate for the first year assumes the transfer of jurisdiction over the Nimitz museum takes effect November 1, 2005. If the bill were to take effect immediately, no significant costs or gain is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 802 Parks and Wildlife Department, 808 Historical Commission

LBB Staff: JOB, WK, TB, NR