

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 28, 2005

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Tom Craddick, Speaker of the House, House of Representatives

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

IN RE: SB1273 by Jackson, Mike (Relating to the establishment of the Texas farm and ranch lands conservation program.), **Conference Committee Report**

No significant fiscal implication to the State is anticipated.

The bill creates the Texas Farm and Ranch Lands Program within the General Land Office (GLO), to be governed by a council of 10 members. The bills also creates a new General Revenue-Dedicated Account within the General Revenue Fund, the Texas Farm and Ranch Lands Conservation Fund, to fund the purchase of agricultural conservation easements through grants to qualified landowners. Revenue sources to the fund would consist of public or private gifts, grants, donations, or contributions, and other sources, including federal and state mitigation and bond proceeds. This new General Revenue-Dedicated Account would be subject to funds consolidation review by the current Legislature. The GLO will provide administrative support to the council as funds for administration of the program become available.

The bill also requires that the GLO provide certain information regarding each property subject to easements associated with this legislation to the Texas Department of Transportation.

The GLO anticipates being able to absorb any new administrative costs within existing resources. The agency anticipates that the grants to purchase easements can be funded with federal funds. The U.S. Department of Agriculture and the Environmental Protection Agency currently operate programs that award grant funds for the purchase of conservation easements to state and local governments. The Council could apply for these federal funds on the behalf of the State of Texas. At this time, the GLO cannot estimate the total amount of funding that may become available or the number of grants that the council would be able to award.

Local Government Impact

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

Source Agencies: 305 General Land Office and Veterans' Land Board, 551 Department of Agriculture

LBB Staff: JOB, WK, ZS, JF