

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 19, 2007

TO: Honorable Rick Hardcastle, Chair, House Committee on Energy Resources

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

IN RE: HB3385 by Chisum (Relating to the use of certain state money for costs related to the relocation to the city of Austin, Texas, of the Interstate Oil and Gas Compact commission and for the support of that commission.) , **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3385, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2009.

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
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from COASTAL PROTECTION ACCT 27
2008	(\$100,000)
2009	(\$80,000)
2010	(\$80,000)
2011	(\$80,000)
2012	(\$80,000)

Fiscal Analysis

The bill would allow the General Land Office to use the General Revenue-Dedicated Coastal Protection Account No. 27 to pay for the relocation and support of the Interstate Oil and Gas Compact Commission (IOGCC) if the IOGCC would relocate to Austin on or after September 1, 2007. The amount to be disbursed for such costs could not exceed \$500,000.

Methodology

This estimate assumes that the IOGCC would move from its current headquarters in Oklahoma to Austin in fiscal year 2008. It would require office space for its current 10 FTEs. Assuming that each employee will require 200 square feet of office space, a total of 2,000 square feet of office space will

be required.

The GLO reports that the 2006 rate of office space in Austin's central business district was \$27.74 per square foot per year. Office space for the IOGCC would therefore cost an estimated \$55,480 per year. Miscellaneous expenses, including utilities, furnishing, etc. are estimated at \$44,520 for fiscal year 2008, and \$24,520 in subsequent fiscal years.

If the IOGCC would not choose to relocate, there would be no fiscal impact to the state.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 305 General Land Office and Veterans' Land Board, 455 Railroad Commission

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