

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 9, 2007

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

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

IN RE: HB3856 by Gallego (Relating to an optional checkoff fee on fishing licenses for the benefit of the Texas Water Trust.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3856, As Introduced: a negative impact of (\$211,818) 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 | (\$228,409) |
| 2009 | \$16,591 |
| 2010 | \$16,591 |
| 2011 | \$16,591 |
| 2012 | \$16,591 |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1 | Probable Savings/(Cost) from GENERAL REVENUE FUND 1 |
|-------------|--|---|
| 2008 | \$16,591 | (\$245,000) |
| 2009 | \$16,591 | \$0 |
| 2010 | \$16,591 | \$0 |
| 2011 | \$16,591 | \$0 |
| 2012 | \$16,591 | \$0 |

Fiscal Analysis

The bill would amend the Parks and Wildlife Code to authorize an optional fee (minimum \$5) on fishing licenses for the benefit of the Texas Water Trust. The fee would be deposited to the credit of the General Revenue Fund for the use of Texas Water Development Board to acquire water rights from willing sellers. The bill would take effect September 1, 2007.

Methodology

According to the Texas Parks and Wildlife Department (TPWD), since all department licenses are issued through an electronic system that currently cannot accept optional fee amounts, extensive reprogramming will be required by the third-party vendor. The estimated cost to reprogram the system is \$245,000 for 2,500 hours by the third-party vendor. It is assumed this cost will come from the

General Revenue Fund because TPWD reports use of the Game, Fish and Water Safety Account No. 9 for this purpose could result in diversion criticism by the US Department of Interior and the potential loss of \$28.0 million per year in federal funds the State receives for sportfish restoration and other wildlife and fishery purposes.

This estimate assumes 0.25% of fishing customers would pay the optional fee and generate approximately \$19,565 in revenues per year, which would be reduced by \$2,974 in transaction fees, for a total of \$16,591 in revenue per year to the General Revenue Fund.

Local Government Impact

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

Source Agencies: 802 Parks and Wildlife Department

LBB Staff: JOB, WK, ZS, TB