

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 16, 2007

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

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

IN RE: SB1676 by Hegar (Relating to the sunset review of certain river authorities.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1676, 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 <i>GENERAL REVENUE FUND 1</i>	Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE FUND 1</i>	Change in Number of State Employees from FY 2007
2008	(\$189,886)	\$189,886	3.0
2009	(\$185,636)	\$185,636	3.0
2010	\$0	\$0	0.0
2011	\$0	\$0	0.0
2012	\$0	\$0	0.0

Fiscal Analysis

The bill would amend Chapter 222, Water Code, to require the Sunset Advisory Commission (commission) to conduct a review of the Lower Colorado River Authority (LCRA) as though it were a state agency scheduled to be abolished September 1, 2009; however, the LCRA could not be abolished under provisions of the bill. The LCRA would be required to pay the costs incurred by the commission upon receipt of a statement from the commission.

The bill would take effect immediately if it were to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Methodology

The review would be conducted during the 2008–2009 biennium. According to the Sunset Advisory Commission, the agency would need three additional full-time equivalents to conduct the review at a cost of \$185,636 per year. The agency would also incur travel costs of \$4,000 because the Lower Colorado River Authority has locations throughout central and south central Texas. Production costs totaling \$250 would be incurred to print and distribute reports containing the recommendations on the authority. The estimate assumes that all travel and report production would occur in fiscal year 2008. Staff, travel, and production costs are estimated based on historical costs related to similar-sized reviews.

Local Government Impact

At a minimum, the LCRA would incur the cost of reimbursing the Sunset Advisory Commission, which is estimated to total \$375,522 over the 2008–09 biennium.

Source Agencies: 116 Sunset Advisory Commission

LBB Staff: JOB, WK, MS, DB