

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 28, 2009

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

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

IN RE: SB696 by Ellis (Relating to the lease of certain state parking facilities to other persons.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for SB696, Committee Report 1st House, Substituted: a positive impact of \$1,421,004 through the biennium ending August 31, 2011.

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
2010	\$707,926
2011	\$713,078
2012	\$712,962
2013	\$712,962
2014	\$712,962

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2009
2010	(\$63,050)	\$770,976	1.0
2011	(\$57,898)	\$770,976	1.0
2012	(\$58,014)	\$770,976	1.0
2013	(\$58,014)	\$770,976	1.0
2014	(\$58,014)	\$770,976	1.0

Fiscal Analysis

The bill would implement recommendations in the report, "Optimize the Use of State Parking Facilities," in the LBB *Government Effectiveness and Efficiency Report* submitted to the Eighty-First Texas Legislature, 2009.

The bill would expand the Texas Facilities Commission's (TFC) authority related to the operations of state-owned parking lots and garages. The bill would authorize the Commission to lease individual excess parking spaces in Austin to individuals. The bill would also authorize the Commission to lease an entire parking facility, or a significant part of a facility, to an institution of higher education or local government in Austin. The bill would direct revenue received from the leasing operations to be deposited to the general revenue fund. The bill would require the Commission to report biennially on the effectiveness of these lease operations.

Methodology

The LBB estimates that implementing the provisions of the bill would result in revenue of \$772,000 per year. This estimate is based on leasing 40 percent of the estimated currently available excess parking spaces in the Capitol Complex to individuals at \$50 per month. Because the exact implementation (number of parking spaces to be leased and the contract lease rate to be applied) is currently unknown, the Comptroller of Public Accounts cannot provide a certifiable revenue estimate at this time. Changes in the implementation of the program from the assumptions made above will alter projected revenue.

The implementation of a program to lease specific parking spaces to individuals would require the Texas Facilities Commission (TFC) to hire an additional employee due to the quantity of leases involved. The additional employee would cost \$63,000 of General Revenue Funds in fiscal year 2010 and \$58,000 of General Revenue Funds in fiscal year 2011, for a biennial cost of \$121,000. The TFC could manage the lease of entire parking facilities, or segments of parking facilities, with existing resources due to the limited number of opportunities.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 303 Facilities Commission, 304 Comptroller of Public Accounts, 347 Public Finance Authority

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