

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 5, 2009**

**TO:** Honorable John Carona, Chair, Senate Committee on Transportation & Homeland Security

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

**IN RE: SB2095** by Wentworth (Relating to requiring a boater education course for certain operators of vessels.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB2095, As Introduced: a positive impact of \$1,143,500 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	\$1,000,000
2011	\$143,500
2012	\$143,500
2013	\$143,500
2014	\$143,500

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Revenue Gain from <i>General Revenue Fund</i> 1	Probable (Cost) from <i>General Revenue Fund</i> 1	Probable (Cost) from <i>Game, Fish, Water Safety Ac</i> 9	Change in Number of State Employees from FY 2009
2010	\$5,000,000	(\$4,000,000)	(\$335,169)	2.0
2011	\$350,000	(\$206,500)	(\$208,459)	2.0
2012	\$350,000	(\$206,500)	(\$209,076)	2.0
2013	\$350,000	(\$206,500)	(\$209,076)	2.0
2014	\$350,000	(\$206,500)	(\$209,693)	2.0

**Fiscal Analysis**

The bill would amend the Parks and Wildlife Code relating to requiring a boater education course for certain operators of vessels. The bill would require all persons operating a motorboat or personal watercraft to successfully complete a boater education course, effective September 1, 2009.

Total estimated revenue to the Texas Parks and Wildlife Department (TPWD) is \$6,400,000 for fiscal years 2010 through 2015, and total estimated costs are \$5,997,473 for the same period with an overall net gain of \$402,521 for fiscal years 2010 to 2014.

## Methodology

Currently, individuals 18 years of age or older are exempted from boater education requirements. This bill would remove the age exemption so all ages operating a motorboat or personal watercraft would require the boater education.

This analysis assumes there will be an additional 500,000 persons in fiscal year 2010 as existing registered boaters comply with the new requirements. In fiscal year 2011 and each year thereafter, it is estimated that an additional 35,000 would be registering for the class. Both the Internet and live classroom fee is \$13 with the Internet provider/volunteer keeping \$3 and \$10 going to the agency. TPWD would gain additional revenue of \$5,000,000 in fiscal year 2010 and \$350,000 in fiscal year 2011 and each fiscal year thereafter from General Revenue, for a total revenue gain of \$6,400,000 for the period of fiscal year 2010 to 2014. (Note that because the Parks and Wildlife Code, Sec. 31.108 does not state where the \$10 examination course fees are deposited, the Comptroller deposits these fees to the credit of General Revenue, rather than the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9.)

TPWD currently has an agreement with a company that administers Internet and home study boater education courses. TPWD remits a service fee of \$10 to the Internet provider for each boater education participant. It is estimated that approximately 80 percent of the additional 500,000 boater education participants in fiscal year 2010 will use this Internet provider, for an estimated cost of \$4,000,000 (400,000 persons x \$10) from General Revenue. After the initial rush for certification, it is estimated that 60 percent will take the online course in fiscal year 2011 and each year thereafter, for an estimated annual cost of \$206,500 (20,650 persons x \$10).

There would be additional full-time-equivalent position (FTE) costs, contract and equipment costs, and other operating expenses in the amount of \$335,169 in fiscal year 2010 and \$208,459 in fiscal year 2011, with similar costs each year thereafter from the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9, which is described below:

TPWD indicates the boater education program currently relies on two field staffers and one administrative staffer at Austin headquarters. To meet the additional demand for boater education courses, TPWD would need an additional two FTEs (each paid \$37,244 with \$21,281 in benefits in fiscal year 2010 with similar costs each year thereafter) to provide additional volunteer instructors and student courses across the state. The FTEs' specific duties would include water safety presentations, in-service training of instructors, media presentations, communications, and management of volunteer trainers.

Other ongoing costs include travel (\$4,190 each fiscal year) and operating expenses (\$118,500 in fiscal year 2010 and \$68,500 in fiscal year 2011 and each year thereafter) for supplies, fuel, and course location rental. One-time startup expenses of \$76,710 in fiscal year 2010 include costs for trucks, boats, boat trailers, and other equipment needed for the new FTEs to travel where needed providing boater education courses. Additionally, four part-time independent contractors would be needed to assist the two new FTEs (two contractors per FTE). These contractors would be required to assist staff with student and instructor courses as well as other administrative and outreach functions associated with boater education at a cost of \$40,000 in fiscal year 2010 and each year thereafter.

## Local Government Impact

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 802 Parks and Wildlife Department

**LBB Staff:** JOB, KJG, ZS, TB