

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 5, 2011

TO: Honorable Bill Callegari, Chair, House Committee on Government Efficiency & Reform

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

IN RE: HB1982 by Callegari (Relating to transferring the Texas Department of Rural Affairs to the Office of Rural Affairs within the Department of Agriculture, abolishing the board of the Texas Department of Rural Affairs, and establishing an advisory council.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1982, Committee Report 1st House, Substituted: a positive impact of \$1,233,578 through the biennium ending August 31, 2013.

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
2012	\$616,789
2013	\$616,789
2014	\$616,789
2015	\$616,789
2016	\$616,789

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2011
2012	\$616,789	(9.0)
2013	\$616,789	(9.0)
2014	\$616,789	(9.0)
2015	\$616,789	(9.0)
2016	\$616,789	(9.0)

Fiscal Analysis

The bill would amend the Government Code to transfer the Texas Department of Rural Affairs (TDRA) and all of its functions to the Office of Rural Affairs within the Department of Agriculture (TDA) on September 1, 2011. The bill would create the Texas Rural Health and Economic Development Advisory Council.

Methodology

This analysis assumes that the bill would achieve certain administrative savings by transferring TDRA to TDA. These savings are estimated to include \$454,392 out of the General Revenue Fund and 5.0

FTEs in each fiscal year. These amounts include \$164,482 out of the General Revenue Fund and 2.0 FTEs from the Rural Policy and Research strategy in each fiscal year, \$211,297 out of the General Revenue Fund and 2.0 FTEs out of Central Administration in each fiscal year, and \$78,613 out of the General Revenue Fund and 1.0 FTE from Information Resources in each fiscal year.

In addition to these administrative savings, it is assumed that \$162,397 out of the General Revenue Fund and 4.0 FTEs could be saved by eliminating certain rural offices of TDRA. It is assumed that any federal funds, which would be saved by eliminating certain offices of TDRA would be used for additional grants.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 357 Texas Department of Rural Affairs, 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts, 551 Department of Agriculture

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