

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 27, 2013

TO: Honorable Linda Harper-Brown, Chair, House Committee on Government Efficiency & Reform

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1675** by Bonnen, Dennis (Relating to governmental entities subject to the sunset review process.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1675, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2015.

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
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>Appropriated Receipts</i> 666	Probable Revenue Gain/(Loss) from <i>Appropriated Receipts</i> 666	Change in Number of State Employees from FY 2013
2014	(\$296,961)	\$296,961	3.0
2015	(\$30,663)	\$30,663	3.0
2016	\$0	\$0	0.0
2017	\$0	\$0	0.0
2018	\$0	\$0	0.0

Fiscal Analysis

The bill would amend various Codes and Acts relating to governmental entities subject to the sunset review. The bill would require sunset reviews and establish sunset dates for the University

Interscholastic League, the Clear Lake City Water Authority, and the Sulphur River Basin Authority. The bill would require these entities to pay the Sunset Advisory Commission for the cost of performing the required reviews.

The bill would also change previously established sunset dates for certain entities. The bill would change the sunset date for the Department of Transportation to September 1, 2017. The bill would change the sunset date to September 1, 2019 for the Regional Education Service Centers and the Texas State Board of Public Accountancy. The bill would change the sunset date to September 1, 2021 for the Texas Invasive Species Coordinating Committee, the Texas Council on Purchasing from People with Disabilities, the Division of Workers' Compensation of the Texas Department of Insurance, and the Office of Injured Employee Counsel. The bill would require the Early Childhood Health and Nutrition Interagency Council sunset review to be conducted with the review for the Department of Agriculture.

The bill would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise, the bill would take effect September 1, 2013.

Methodology

For the purposes of this analysis, it is assumed that reviews for the University Interscholastic League, the Clear Lake City Water Authority, and the Sulphur River Basin Authority reviews would be in addition to other projects scheduled for fiscal years 2014-15 and as such would require an additional three Full-Time-Equivalent positions in each of those years. In addition, this analysis is based on costs realized by the Sunset Advisory Commission for the 2012-13 special purpose review of the Port of Houston Authority. Based on that information, it is assumed that costs of \$9,582 would be realized per analyst assigned to a review team for each month required to conduct a review. This amount includes the costs for salaries, benefits, and other operating costs necessary for staff to conduct these reviews. Travel costs are reflected separately below for fiscal year 2014 for each individual project as they vary depending on location. This analysis also assumes that approximately 90 percent of the review time for each project would be required in fiscal year 2014 and the remaining 10 percent would be required in fiscal year 2015.

Based on information provided by the Sunset Advisory Commission, it is assumed that three analysts would be necessary for the University Interscholastic League review which would require six months with travel costs of \$10,000. Total costs for this project would total \$165,228 in fiscal year 2014 and \$17,248 in fiscal year 2015. Regarding the Clear Lake City Water Authority, it is assumed that two analysts would be necessary for the review which would last 4 months with travel costs of \$6,000. Total costs for this project would be \$74,990 in fiscal year 2014 and \$7,666 in fiscal year 2015. Regarding the Sulphur River Basin Authority, it is assumed that two analysts would be necessary for the review which would last 3 months with travel costs of \$5,000. Total costs for this project would total \$56,743 in fiscal year 2014 and \$5,749 in fiscal year 2015. These costs and revenues from payments to the Sunset Advisory Commission as a reimbursement for the special reviews are reflected as Appropriated Receipts in the table above.

This analysis assumes there would be no fiscal impact to the state for changing previously established sunset dates for other entities included in the bill.

Local Government Impact

This analysis assumes the Clear Lake City Water Authority would need to reimburse the Sunset Advisory Commission for the cost of conducting a special review and those costs would be

\$74,990 in fiscal year 2014 and \$7,666 in fiscal year 2015. Similarly, it is also assumed that the Sulphur River Basin Authority would realize reimbursement costs of \$56,743 in fiscal year 2014 and \$5,749 in fiscal year 2015 for the same purpose.

Source Agencies: 116 Sunset Advisory Commission, 720 The University of Texas System Administration

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