

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 7, 2013

TO: Honorable Kevin Eltife, Chair, Senate Committee on Administration

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB156 by West (Relating to achievement benchmarks in fiscal notes and to legislative review of those benchmarks.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB156, As Introduced: a negative impact of (\$235,000) 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	(\$235,000)
2016	\$0
2017	(\$235,000)
2018	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund	Change in Number of State Employees from FY 2013
	1	
2014	\$0	0.0
2015	(\$235,000)	5.0
2016	\$0	0.0
2017	(\$235,000)	5.0
2018	\$0	0.0

Fiscal Analysis

The bill would require the Legislative Budget Board (LBB) to include in a fiscal note on a bill that authorizes or requires the expenditure or diversion of state funds or that authorizes or provides for a tax preference a set of reasonable benchmarks to measure whether and to what extent a bill's

purpose has been achieved. The LBB is to coordinate with the primary author to set reasonable benchmarks.

Before the third regular legislative session, the LBB shall evaluate whether the benchmarks have been met and report to the Lt. Governor, Speaker of the House, the Senate Finance Committee and either the House Appropriations Committee or the House Appropriations Committee whether the benchmarks have been met for each bill.

The Senate Finance Committee together with the House Appropriations Committee shall review the affected statutes of the bills whose benchmarks have not been met and determine whether additional expenditures or diversions should be made to fund the bill, whether a tax preference should be continued or whether the statutes should be amended or repealed.

After submitting their report, the LBB shall notify the primary author of the bill which benchmarks have not been met and which statutes will be reviewed by the committees.

Methodology

The LBB would require an additional five FTEs in each session year to perform the functions required by the bill at an average cost of \$47,000 per FTE. This assumes 10 additional individuals working during the legislative session. Beginning with the year before the first year that the LBB is required to report to the Legislature (2020), FTEs would also be required in the even numbered years to produce the report.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, KK, SD