

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 25, 2013**

**TO:** Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** SB1375 by Hinojosa (Relating to a study and report by the Sunset Advisory Commission of self-directed semi-independent status of state agencies.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1375, Committee Report 1st House, Substituted: a negative impact of (\$76,656) 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2014	(\$76,656)
2015	\$0
2016	\$0
2017	\$0
2018	\$0

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
2014	(\$76,656)
2015	\$0
2016	\$0
2017	\$0
2018	\$0

**Fiscal Analysis**

The bill would require the Sunset Commission to conduct a study, in consultation with the Legislative Budget Board, and issue a report regarding the self-directed, semi-independent

(SDSI) status of state agencies. The bill would require the report to address several issues, including: (1) the criteria and process for determining whether an agency should be given SDSI status and whether that status should be revoked; (2) measures to ensure adequate oversight of SDSI agencies; and (3) appropriations issues related to an agency's transition to or from SDSI status. The bill would require the Sunset Commission to submit the report to the Governor, Lieutenant Governor, and each member of the legislature not later than August 31, 2014.

The bill would take effect immediately upon a two-thirds vote of all members in both chambers; otherwise, the bill would take effect September 1, 2013.

### **Methodology**

According to the Sunset Commission, a review or study conducted by the Sunset Commission costs approximately \$9,852 per analyst assigned to a team, per month required to conduct a review. This cost includes salaries and benefits of staff working on the review as well as overhead expenses, such as executive management, administrative staff time, and report production costs.

Based on information provided by the Sunset Commission, the report required by the provisions of the bill would require two full-time staff to conduct a four month review, resulting in a total cost of \$76,656 in fiscal year 2014.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 116 Sunset Advisory Commission

**LBB Staff:** UP, CL, MW, ED