

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 24, 2013

TO: Honorable Juan Hinojosa, Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1551 by Lucio (Relating to the provision of affordable housing and other services in the Lower Rio Grande Valley.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1551, As Introduced: a negative impact of (\$226,994) 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	(\$117,162)
2015	(\$109,832)
2016	(\$54,916)
2017	(\$54,916)
2018	(\$54,916)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2013
2014	(\$117,162)	2.0
2015	(\$109,832)	2.0
2016	(\$54,916)	1.0
2017	(\$54,916)	1.0
2018	(\$54,916)	1.0

Fiscal Analysis

The bill would amend the Labor Code relating to the provision of affordable housing and other services in the Lower Rio Grande Valley.

The bill requires the Secretary of State (SOS) to enter into an agreement with the Lower Rio Grande Valley Development Council to assign colonia ombudspersons currently working in the region to cooperate with the council to carry out the purposes, activities, and plans under the provisions of the bill. The bill requires the colonia ombudspersons to support the council by producing, updating, and maintaining an accurate publicly available database of colonias that documents the availability, conditions, and adequacy of housing and public services in those colonias, including streetlights, storm drainage, garbage collection, public transportation, roads sidewalks, distance to the schools that serve the colonia, commute times for students to those schools, and distance to essential services, including hospitals and grocery stores. In addition, the bill will require the ombudspersons, in coordination with the Lower Rio Grande Valley Development Council, to review compliance of the current model subdivision rules in colonias and new developments plus survey the effectiveness of the rules by reviewing health and safety conditions in the subdivisions.

This bill would take effect September 1, 2013.

Methodology

This analysis assumes the SOS would need two additional Full-Time Equivalents (FTEs) in fiscal years 2014-2015 and one FTE in fiscal years 2016-2018 to implement the provisions of the bill. Salary and benefits for two ombudsman in fiscal years 2014-15 is estimated at \$103,792 each fiscal year. Other operating expenses are estimated at \$13,370 in fiscal year 2014 and \$6,040 in fiscal year 2015. Salary, benefits and other operating expenses are estimated at \$54,916 in fiscal years 2016-2018.

Based on information provided by the Texas Workforce Commission, the Department of Housing and Community Affairs, the Office of the Attorney General and the Water Development Board, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 302 Office of the Attorney General, 307 Secretary of State, 320 Texas Workforce Commission, 332 Department of Housing and Community Affairs, 405 Department of Public Safety, 473 Public Utility Commission of Texas, 551 Department of Agriculture, 580 Water Development Board, 601 Department of Transportation

LBB Staff: UP, KKR, MW, NV, CK