

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 22, 2015

TO: Honorable Jim Keffer, Chair, House Committee on Natural Resources

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3340 by Bohac (Relating to the designation, functions, accreditation, and continuing education of floodplain administrators; adding provisions subject to a civil or criminal penalty.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3340, As Introduced: a negative impact of (\$564,934) through the biennium ending August 31, 2017.

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
2016	(\$316,867)
2017	(\$248,067)
2018	(\$248,067)
2019	(\$248,067)
2020	(\$248,067)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Floodplain Management</i>	Probable Savings/(Cost) from <i>Cities and Counties</i>	Probable Revenue Gain/(Loss) from <i>Cities and Counties</i>
2016	(\$316,867)	(\$855,000)	(\$855,000)	\$855,000
2017	(\$248,067)	(\$555,000)	(\$555,000)	\$555,000
2018	(\$248,067)	(\$555,000)	(\$555,000)	\$555,000
2019	(\$248,067)	(\$555,000)	(\$555,000)	\$555,000
2020	(\$248,067)	(\$555,000)	(\$555,000)	\$555,000

Fiscal Year	Change in Number of State Employees from FY 2015
2016	2.0
2017	2.0
2018	2.0
2019	2.0
2020	2.0

Fiscal Analysis

The bill would require each city and county to designate a floodplain administrator (FPA). The bill would require the FPA to be certified by the Texas Water Development Board (TWDB). TWDB would also be responsible for developing accreditation standards as well as training and/or continuing education (CE) requirements. In addition, the bill would allow TWDB to reimburse cities and counties for costs incurred in complying with the accreditation and continuing education or training requirements for floodplain administrators established by the bill using proceeds from the Floodplain Management Account (Other Funds).

The legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2015.

Methodology

The TWDB would incur costs in establishing accreditation criteria and determining which cities and counties do not have an accredited FPA. Additionally, TWDB would have to establish training requirements and ensure training to meet the continuing education requirement of six hours on an annual basis for approximately 1,470 FPAs throughout the state. TWDB would need to adopt rules to implement and enforce the accreditation and CE requirements.

This estimate assumes that TWDB would require 2.0 additional FTEs to implement the provisions of the bill. In the first year of implementation, the agency would incur start-up costs including the acquisition of laptops, projectors, and other training equipment and materials. Administrative costs to the agency are estimated at \$316,867 in fiscal year 2016 and \$248,067 in future years. Although the bill provides for TWDB to use the Floodplain Management Account to reimburse cities and counties for costs in complying with the requirements established by the bill, the bill does not provide authority to use that account for related TWDB administrative costs. Thus, this estimate assumes those costs would be paid out of the General Revenue Fund, as shown in the table above.

The TWDB estimates that costs to cities and counties statewide for training would total \$855,000 in fiscal year 2016 and \$555,000 in future fiscal years. This estimate assumes that the agency would receive an appropriation out of the Floodplain Management Account to provide the authorized reimbursements.

Local Government Impact

Cities and counties would incur costs in meeting the bill's training requirements for FPAs. TWDB estimates the statewide cost at \$855,000 in fiscal year 2016 and \$555,000 in future fiscal years. This estimate assumes that cities and counties would receive reimbursement for these costs from TWDB out of the Floodplain Management Account, thus the net fiscal impact to local governments would be neutral, as shown in the table above.

El Paso County reported no fiscal impact is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 580 Water Development Board

LBB Staff: UP, SZ, MW, EK, TL