

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 31, 2015

TO: Honorable Robert Nichols, Chair, Senate Committee on Transportation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1184 by Huffines (Relating to an audit of regional mobility authorities conducted by the state auditor.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1184, As Introduced: a negative impact of (\$2,908,704) 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	(\$2,908,704)
2017	\$0
2018	\$0
2019	\$0
2020	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2015
2016	(\$2,908,704)	19.7
2017	\$0	0.0
2018	\$0	0.0
2019	\$0	0.0
2020	\$0	0.0

Fiscal Analysis

The bill would require the State Auditor to conduct an audit of each regional mobility authority (RMA) governed by Chapter 370, Transportation Code. It would require the State Auditor to develop an audit plan and establish audit scope and objectives as required by the bill. The bill would also require the State Auditor to file a report with the Lieutenant Governor, the Speaker of

the House, and with the presiding officer of each standing committee of the Senate and House of Representatives having primary jurisdiction over transportation no later than November 1, 2016.

The bill would take effect September 1, 2015 and would expire September 1, 2017.

Methodology

This analysis assumes the nine RMAs currently existing would be the only RMAs in existence through September 1, 2017 and that each RMA would be audited as required by the bill.

Based on information provided by the State Auditor's Office (SAO), it is assumed that each RMA will have five projects requiring review; eight of the nine audits will require travel; a financial-related audit would be conducted for each RMA to meet the requirements of the bill; each audit would require 3,500 hours to complete; the SAO's 2014 billing rate of \$90 per hour would be used to determine the costs for the audits; 19.7 auditor positions would be required to complete the work; and that the audits would be completed within fiscal year 2016.

The SAO estimates \$2,908,704 in General Revenue would be necessary to perform the audits with 19.7 auditor positions. This amount includes the costs for salaries, benefits, travel, and other operating costs.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 308 State Auditor's Office

LBB Staff: UP, AG, MW, EK