

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 7, 2017

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1387** by Meyer (Relating to the membership, powers, and duties of the Sunset Advisory Commission.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code to increase the number of public members on the Sunset Advisory Commission (SAC) from two to five. The agency estimates there would be minimal costs associated with increasing the number of public members on the SAC.

The bill would require agencies with 200 or more Full-Time-Equivalent (FTE) positions to be subject to a Sunset review once every eight years and agencies with less than 200 FTEs every 10 years, a reduction from the current law 12 year cycle.

No significant fiscal implications are anticipated with a shorter review cycle being implemented from fiscal years 2018-25. Approximately 25 percent of the agencies reviewed by SAC each cycle employ more than 200 FTEs. Based on SAC's analysis and a fiscal year 2017 appropriation of \$2,330,876, reviewing these agencies every eight years instead of every 12 years would require additional staff and related costs beginning in 2026 of \$582,719 for staff, administrative support, travel, and other operating expenses due to review work beginning two years prior to an agency's Sunset date. In addition, SAC estimates that reviewing all agencies with fewer than 200 FTEs every 10 years instead of every 12 years would add two additional agency reviews to the Sunset schedule every year beginning in 2028 based on a full schedule for 2027 and subsequent legislative sessions. This would require additional staff and related costs for these reviews that could range from \$84,496 to \$316,860 depending on the agencies that would be under review at the time.

Local Government Impact

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

Source Agencies: 116 Sunset Advisory Commission

LBB Staff: UP, AG, MW