

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 10, 2017

TO: Honorable Charles Perry, Chair, Senate Committee on Agriculture, Water & Rural Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3781** by Phelan (Relating to the uses of the lifetime license endowment account by the Parks and Wildlife Department.), **As Engrossed**

The bill would have a negative, but indeterminate, fiscal impact to the state due to unknown spending reductions to the principal balance of the General Revenue-Dedicated Lifetime License Endowment Account No. 544 resulting in reductions in interest revenue.

The bill would amend the Parks and Wildlife Code relating to the allowable uses of the General Revenue-Dedicated Lifetime License Endowment Account No. 544 (Fund 544). The bill would broaden the allowable uses of the account to the purpose of managing the fish and wildlife resources of the state, including capital improvements and capital expenditures for transportation and information technology items. The bill would also authorize appropriations from the corpus of the account and require a minimum principal balance of no less than \$20,000,000. The bill would prohibit appropriations from Fund 544 for salaries and wages or payroll-related benefits. Under current law, appropriations are limited to accrued interest only; appropriations cannot be made from the principal corpus of the fund. Appropriations for the 2016-17 biennium totaled \$125,000 each fiscal year.

Based upon information provided by the Comptroller of Public Accounts, the bill would have a negative, but indeterminate, fiscal impact to the state due to unknown reductions in revenue interest and the principal balance of Fund 544. The Comptroller's 2018-19 Biennial Revenue Estimate anticipates the 2017 Fund 544 ending balance to total \$28,248,000, and accrued interest revenue to the account during the 2018-19 biennium to total \$878,000.

This 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 in, with, or outside of the Treasury, or create a dedicated revenue source. Legislative policy, implemented as Government Code 403.095, 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.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 802 Parks and Wildlife Department
LBB Staff: UP, SZ, MWI