

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 20, 2017

TO: Honorable Craig Estes, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB822** by Estes (Relating to the transfer of certain property from The University of Texas System to the Parks and Wildlife Department.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB822, As Introduced: a negative impact of (\$829,440) through the biennium ending August 31, 2019.

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
2018	(\$331,776)
2019	(\$497,664)
2020	(\$597,197)
2021	(\$597,197)
2022	(\$597,197)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>State Parks Acct</i> 64
2018	(\$331,776)	\$331,776
2019	(\$497,664)	\$497,664
2020	(\$597,197)	\$597,197
2021	(\$597,197)	\$597,197
2022	(\$597,197)	\$597,197

Fiscal Analysis

The bill would require the University of Texas System (UT) to transfer a certain 141.4 acre tract of land in the City of Austin to the Parks and Wildlife Department (TPWD) no later than December 31, 2017. The bill would require the property be used only for a public golf course. If TPWD did not use the property as a public golf course, the bill would require the property revert back to UT. The bill would exempt this transfer from requirements that the General Land Office administer certain transactions involving real property owned by the state.

The bill would take effect immediately upon receiving a two-thirds majority vote of the members in both houses; otherwise it would take effect on September 1, 2017.

Methodology

UT currently leases the property to the City of Austin at a rate of \$497,664 each fiscal year, with the proceeds from the lease deposited to the General Revenue Fund. The existing contract continues through 2019. This analysis assumes that the property would be transferred at the deadline, resulting in eight months of revenue loss to General Revenue and eight months of revenue gain to the General Revenue-Dedicated State Parks Account No. 64 for 2018, and the full amount of the current agreement in 2019. Based upon information provided by TPWD, this analysis assumes that a new agreement with the City of Austin would total \$597,197 each fiscal year through 2022. This analysis also assumes that the terms of the current lease agreement would be identical to the current agreement and that TPWD would not be responsible for any expenses for operations, maintenance, or capital improvements of the golf course.

Local Government Impact

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

Source Agencies: 720 The University of Texas System Administration, 802 Parks and Wildlife Department

LBB Staff: UP, SZ, MWI