

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**March 4, 2019**

**TO:** Honorable Lyle Larson, Chair, House Committee on Natural Resources

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
 Legislative Budget Board

**IN RE: HB478** by Phelan (Relating to the funding of flood planning, mitigation, and infrastructure projects.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB478, As Introduced: a negative impact of (\$326,624) through the biennium ending August 31, 2021.

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
2020	(\$174,271)
2021	(\$152,353)
2022	(\$152,353)
2023	(\$152,353)
2024	(\$152,353)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2019
2020	(\$174,271)	2.0
2021	(\$152,353)	2.0
2022	(\$152,353)	2.0
2023	(\$152,353)	2.0
2024	(\$152,353)	2.0

## **Fiscal Analysis**

The bill would amend the Water Code to broaden the scope of flood planning projects; would create a new revolving fund called the Flood Infrastructure Fund; would designate the Texas Water Development Board (TWDB) to act as the information clearinghouse for state and federal programs involving flood planning, mitigation, and control; and would authorize river authorities to obtain funding from the Flood Infrastructure Fund.

The Flood Infrastructure Fund would be held in the state treasury outside of the General Revenue Fund and would be administered by TWDB to assist in the financing of drainage, flood mitigation, and flood control projects. The fund would consist of appropriations from the Legislature, proceeds of general obligation bonds, repayments from loans made from the fund, and proceeds from the sale of political subdivision bonds or obligations held in the fund. TWDB would be tasked with reviewing applications for financial assistance for the fund.

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 within or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

This bill would take effect September 1, 2019.

## **Methodology**

The analysis assumes that funding would be made available for the Flood Infrastructure Fund, but does not assume an amount. Based on information provided by TWDB, an additional 2.0 FTEs would be necessary to administer the fund and to serve the purpose of acting as an information clearinghouse for state and federal flood programs. Both FTEs would be classified as Program Specialist III with individual salaries of \$55,602. Salary and benefits for both FTEs would be \$152,353 per year. Additional one-time costs associated with the FTEs in 2020 would total \$21,918.

## **Local Government Impact**

There may be costs associated with voluntary applications made for financial assistance, however, this analysis assumes those costs would not be significant.

**Source Agencies:** 304 Comptroller of Public Accounts, 580 Water Development Board, 582 Commission on Environmental Quality

**LBB Staff:** WP, SZ, MW, PBO, AF, PM