

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 12, 2019

TO: Honorable Dade Phelan, Chair, House Committee on State Affairs

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

IN RE: HB1680 by Paddie (Relating to the sunset review process and certain governmental entities subject to that process.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1680, As Introduced: an impact of \$0 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	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Appropriated Receipts 666	Probable Revenue Gain/(Loss) from Appropriated Receipts 666
2020	\$105,536	(\$105,536)
2021	\$11,920	(\$11,920)
2022	\$262,637	(\$262,637)
2023	\$30,805	(\$30,805)
2024	(\$275,767)	\$275,767

Fiscal Analysis

The bill would change sunset dates for the following to September 1, 2021:

- 1) Texas A&M Forest Service
- 2) Teachers Retirement System of Texas board of trustees
- 3) Cancer Prevention and Research Institute
- 4) Texas Racing Commission

The bill would change sunset dates for the following to September 1, 2023:

- 1) Health and Human Services Commission, Office of Inspector General
- 2) Texas Invasive Species Coordinating Committee
- 3) Texas Juvenile Justice Board and Texas Juvenile Justice Department
- 4) Texas Department of Insurance, Division of Workers Compensation
- 5) Office of Injured Employee Council
- 6) Upper Guadalupe River Authority

The bill would change sunset dates for the following to September 1, 2025:

- 1) State Commission on Judicial Conduct
- 2) Judicial Branch Certification Commission
- 3) Texas Board of Criminal Justice and Texas department of Criminal Justice
- 4) Department of Information Resources
- 5) Angelina and Neches River Authority
- 6) Lower Neches River Authority
- 7) Public Utility Commission of Texas
- 8) Office of Public Utility Council
- 9) Trinity River Authority of Texas

The bill would change sunset dates for the following to September 1, 2027:

- 1) Texas Education Agency
- 2) Expanded Learning Opportunities Council
- 3) Texas Civil Commitment Office
- 4) Texas Facilities Commission
- 5) Maternal Mortality
- 6) Public Health and Funding Policy Committee
- 7) Perinatal Advisory Council
- 8) Department of State Health Services
- 9) Department of Family and Protective Services
- 10) Texas Workforce Commission, State of Use Program
- 11) Sabine River Authority of Texas

The bill would change sunset dates for the following to September 1, 2029:

- 1) Texas Emergency Services Retirement System

The bill would remove the following from sunset review:

- 1) Regional Education Service Centers
- 2) Evaluation of State Procurement System
- 3) Texas Comptroller of Public Accounts, State Use Program
- 4) Intermunicipal Commuter Rail Districts

The bill clarifies that the reviews of the Health and Human Services Commission (HHSC), Department of State Health Services (DSHS), and Department of Family and Protective Services (DFPS) will be limited-scope reviews in 2023, and changes the date of the special-purpose review

of the HHSC Office of Inspector General from 2021 to 2023 to coincide with the limited-scope review of HHSC, DSHS, and DFPS.

The bill also specifies that the Legislature can place entities, not just state agencies, under Sunset review, that the Sunset Commission is a legislative agency, that the commission's public members appointed by the Speaker and Lieutenant Governor act on behalf of the Legislature, and requires Sunset Commission staff to perform legislative services to support the passage of Sunset legislation.

Methodology

River authorities are statutorily required to pay for costs incurred by the Sunset Advisory Commission (SAC) in performing reviews of the authorities. The bill would rearrange certain river authority sunset dates, but would not add any new river authorities to the schedule. This would result in a reallocation of costs and offsetting revenue gains as Appropriated Receipts between biennia for changes made to the review schedule.

The costs and savings reflect SAC anticipated costs of \$9,905 per analyst for each month required to conduct a review. This amount includes the costs for salaries, benefits, and other operating costs necessary for staff to conduct these reviews. Travel costs are calculated for each river authority individually, are based on current reimbursement amounts and estimated number of trips, and include fuel costs for vehicle travel. This analysis assumes the following for review changes made by the bill:

- 1) Costs would be realized from three analyst positions conducting an eight month combined review of the Upper Guadalupe, Bandera County, San Antonio, and the Lavaca-Navidad River Authorities. Total costs for this project would be \$223,584 in fiscal year 2022 and \$24,972 in fiscal year 2023. The Upper Guadalupe River Authority would be combined with other river authorities set for review in 2023. Only the Upper Guadalupe River Authority is included because the other sunset dates were not changed by the bill. Upper Guadalupe River Authority costs and revenue offsets include \$32,015 in fiscal year 2022 and \$3,696 in fiscal year 2023. These costs were reallocated from the 2020-21 biennium.
- 2) Costs would be realized from two analyst positions conducting a six month combined review of the Angelina and Neches River Authority and Lower Neches Valley Authority. Total costs for this project would be \$111,384 in fiscal year 2024 and \$12,486 in fiscal year 2025. These costs would be reallocated from other fiscal years and would be offset by a corresponding revenue gain. Costs include the following:
 - a) Angelina and Neches River Authority costs and revenue offsets include \$35,658 in fiscal year 2024 and \$6,167 in fiscal year 2025. These costs were reallocated from the 2022-2023 biennium.
 - b) Lower Neches Valley Authority costs and revenue offsets include \$73,521 in fiscal year 2024 and \$8,224 in fiscal year 2025. These costs were reallocated from the 2020-2021 biennium.
- 3) Costs would be realized from three analyst positions conducting a six month review of the Trinity River Authority. Total costs for this project would be \$184,717 in fiscal year 2024 and \$18,129 in fiscal year 2025. These costs were reallocated from the 2022-2023 biennium.
- 4) Costs would be realized from two analyst positions conducting a five month review of the Sabine River Authority. Total costs for this project would be \$92,406 in fiscal year 2026 and \$10,205 in fiscal year 2027. These costs were reallocated from the 2022-2023 biennium.

Based on information provided by the SAC, this analysis assumes there would be no fiscal impact to the state for changing the other previously established sunset dates or the removal of the sunset dates for agencies listed above.

Local Government Impact

River authorities with revised sunset dates would realize costs for sunset reviews in newly scheduled years and savings from reviews not completed in fiscal years under current law.

Source Agencies: 116 Sunset Advisory Commission

LBB Staff: WP, CMa, SD, MMF