

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 10, 2019

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

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

IN RE: SB8 by Perry (Relating to state and regional flood planning.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB8, As Introduced: a negative impact of (\$43,304,818) 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	(\$7,475,841)
2021	(\$35,828,977)
2022	(\$43,317,674)
2023	(\$43,323,824)
2024	(\$43,314,557)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund	Change in Number of State Employees from FY 2019
	1	
2020	(\$7,475,841)	22.0
2021	(\$35,828,977)	36.0
2022	(\$43,317,674)	37.0
2023	(\$43,323,824)	40.0
2024	(\$43,314,557)	40.0

Fiscal Analysis

The bill would require the Texas Water Development Board (TWDB) to prepare and adopt a comprehensive state flood plan before September 1, 2024, and every five years thereafter. The plan would be required to provide for flood preparation and response, to guide state and local flood control policy, and, if possible, to contribute to water development. The plan would incorporate regional flood plans submitted by flood planning groups established by the bill.

The plan would be required to include an evaluation of the condition and adequacy of flood control infrastructure on a regional basis, a ranked statewide list of ongoing and proposed flood control and mitigation projects and strategies, an analysis of flood control projects included in the previous state flood plans, an analysis of development in the 100-year floodplain, and legislative recommendations to facilitate flood control planning and project construction.

The bill would require TWDB to coordinate with the Texas Commission on Environmental Quality (TCEQ), the Texas Department of Agriculture (TDA), the General Land Office (GLO), the Texas Parks and Wildlife Department (TPWD), the Texas Division of Emergency Management (TDEM), and the State Soil and Water Conservation Board (SSWCB) to adopt related guidance principles, to be reviewed at least every five years.

The bill would require TWDB, as part of a regional flood planning process, to designate flood planning regions corresponding to each river basin, to provide technical assistance to flood planning groups, and to adopt guidance principles for regional flood plans. TWDB would have the authority to divide river basins to avoid impracticably large areas for efficient planning. TWDB would designate representatives from each flood planning region to serve in the initial planning group. The initial group would subsequently be allowed to designate additional members. A representative from TWDB, TCEQ, GLO, TPWD, SSWCB, and TDEM would serve as a member of each flood planning group.

The bill would require SSWCB every ten years to develop a dam repair and maintenance plan, to be delivered to TWDB. SSWCB would be required to deliver an annual report to TWDB describing progress made on items listed in the plan.

The bill would establish the State Flood Plan Implementation Advisory Committee, comprised of state agency personnel and members of the legislature, to review the state flood plan and rules adopted by TWDB. The committee would be dissolved on September 1, 2021.

The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house, or on September 1, 2019.

Methodology

Planning Grants:

This analysis assumes TWDB would issue planning grants to regional flood planning groups who are required by the bill to submit flood plans. To prepare those flood plans, regional groups would use grant funding to hire contractors and engineering firms to conduct studies, write reports, and perform in depth modeling specific to each region's flood planning area. This information would be used by the regional groups to develop flood mitigation and recovery plans that would be incorporated into the final report each group submits to TWDB. TWDB estimates the grants would be \$245,000 in fiscal year 2020 as the program ramps up and \$20,592,809 in fiscal year 2021 as full planning implementation begins. Planning costs would continue at \$20,477,904 in fiscal year

2022; \$20,394,591 in fiscal year 2023; and \$20,396,056 in fiscal year 2024.

Administrative Costs:

TWDB estimates that additional staff would be required to accomplish the provisions of the bill. Beginning in fiscal year 2020, this includes 1.0 Director III at \$113,022 per year, 1.0 Administrative Assistant IV at \$41,876 per year, 2.0 Manager IV at \$83,298 per FTE per year, 1.0 Planner IV at \$72,789 per year, 2.0 Data Base Administrator IV at \$77,862 per FTE per year, 1.0 Director II at \$102,747 per year, 1.0 Administrative Assistant III at \$37,348 per year, 3.0 Engineer VI at \$93,406 per FTE per year, 3.0 Engineer IV at \$77,862 per FTE per year, 1.0 Natural Resource Specialist III at \$55,602, 2.0 Systems Analyst VI at \$93,406 per FTE per year, 1.0 Contract Specialist III at \$55,602 per year, 1.0 Budget Analyst III at \$63,616 per year, 1.0 Accountant V at \$63,616 per year, and 1.0 Attorney III at \$72,789 per year. Beginning in fiscal year 2021, the agency would require an additional 3.0 Planner II at \$55,602 per FTE per year, 1.0 Programmer V at \$83,298 per year, 4.0 Engineering Specialist VI at \$68,407 per FTE per year, 2.0 Hydrologist II at \$55,602 per FTE per year, 2.0 Geographic Information Specialist I at \$51,985 per FTE per year, 1.0 Natural Resource Specialist III at \$55,602, and 1.0 Contract Specialist III at \$55,602 per year. Additional staff would also be required outside the 2020-21 biennium. Costs related to additional FTEs are \$2,542,216 in fiscal year 2020 and \$3,604,579.

Based on the analysis provided by TWDB, additional office space would be required for the new FTEs. Rental space in fiscal year 2020 for 22.0 FTEs would require \$121,000 and in fiscal year 2021 for 36.0 FTEs would be \$204,840. Rental costs would increase to \$217,930 in fiscal year 22 with 37.0 FTEs; \$243,800 in fiscal year 23 with 40.0 FTEs; and \$252,200 in fiscal year 24 with 40.0 FTEs.

TWDB estimates that it would incur operating costs for travel, supplies for data collection stations, and other specialized equipment. The agency estimates it would need three trucks and three boats to carry out the necessary planning activities statewide. The agency would need to conduct floodplain mapping for every watershed in Texas. These combined operational costs total \$4,567,625 in fiscal year 2020; \$11,426,749 in fiscal year 2021; \$19,084,491 in fiscal year 2022; \$18,900,456 in fiscal year 2023; and \$18,914,201 in fiscal year 2024.

Based on the analysis of TCEQ, GLO, TPWD, SSWCB, and TDEM, additional responsibilities and duties associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

Technology

Included in the agency's costs are 2.0 Data Base Administrator IV at \$77,862 per FTE per year, 2.0 Systems Analyst VI at \$93,406 per FTE per year, and 2.0 Geographic Information Specialist I at \$51,985 per FTE per year. Specialized equipment in the amount of \$245,000 in fiscal year 2020 and \$109,000 in fiscal year 2021 is also included.

Local Government Impact

The bill would require local representation from groups within proposed flood planning regions, which may include counties and municipalities, among others. According to the Southeast Texas Groundwater Conservation District, the fiscal impact would vary depending on the resources of the affected entities and requirements of the proposed advisory committee. According to the Texas Association of Counties, the bill would provide long-term benefits to counties. The fiscal impact to local government entities cannot be determined at this time.

Source Agencies: 300 Trusted Programs Within the Office of the Governor, 305 General Land Office and Veterans' Land Board, 551 Department of Agriculture, 580 Water Development Board, 582 Commission on Environmental Quality, 592 Soil and Water Conservation Board, 802 Parks and Wildlife Department

LBB Staff: WP, SZ, MW, PBO, RC, GDz, AF, PM