

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 29, 2021

TO: Honorable Tracy O. King, Chair, House Committee on Natural Resources

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2350 by Zwiener (Relating to financial assistance provided to political subdivisions by the Texas Water Development Board for nature-based water quality enhancement projects.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2350, As Introduced : a negative impact of (\$985,945) through the biennium ending August 31, 2023.

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:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2022	(\$524,395)
2023	(\$461,550)
2024	(\$461,550)
2025	(\$461,550)
2026	(\$461,550)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable (Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2021
2022	(\$524,395)	5.0
2023	(\$461,550)	5.0
2024	(\$461,550)	5.0
2025	(\$461,550)	5.0
2026	(\$461,550)	5.0

Fiscal Analysis

The bill would amend the Water Code to require the Texas Water Development Board (TWDB) to establish and administer the Water Resource Restoration Program, through which nature-based water quality enhancement projects could be bundled with State Revolving Fund (SRF) projects, with financing structured so that the total cost to the applicant of both projects would be no more than the SRF project alone. Political subdivisions would be eligible to apply for funding under the program. Any additional state revolving fund established under the Texas Water Assistance Program could be used to provide financial assistance for projects. TWDB would be required to develop rules necessary to implement the Water Resource Restoration Program by September 1, 2022.

The bill would be effective September 1, 2021.

Methodology

Based on information provided by TWDB, it is assumed that an additional 5.0 FTEs: 1.0 Program Specialist V with an annual salary of \$63,616, 1.0 Engineer II with an annual salary of \$72,789, 1.0 Financial Analyst III with an annual salary of \$77,862, 1.0 Natural Resources Specialist III with an annual salary of \$55,602, and 1.0 Attorney II with an annual salary of \$72,789 would be needed to implement the provisions of the bill. Salary, benefits, and other costs associated with these FTEs would be \$524,395 in fiscal year 2022, and \$461,550 each subsequent year.

Local Government Impact

According to the City of Houston, no significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 580 Water Development Board

LBB Staff: JMc, AJL, MW, PBO