

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 12, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3084 by Larson (Relating to the identification of and funding for interregional water projects.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3084, As Introduced : a negative impact of (\$2,550,162) 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>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$1,287,650)
2023	(\$1,262,512)
2024	(\$262,512)
2025	(\$262,512)
2026	(\$262,512)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$1,287,650)	2.0
2023	(\$1,262,512)	2.0
2024	(\$262,512)	2.0
2025	(\$262,512)	2.0
2026	(\$262,512)	2.0

Fiscal Analysis

The bill would amend the Water Code regarding the Interregional Planning Council (IPC). The bill would require members of the IPC to serve at the pleasure of the Texas Water Development Board (TWDB) rather than serving until the next State Water Plan (SWP) is adopted. The bill would require the members of the IPC to select a presiding officer. The bill would task the IPC the following new responsibilities: identifying and proposing SWP water projects that involve multiple water planning areas; developing proposals for innovative funding mechanisms for those projects; and preparing a report that includes these types of projects and funding methods.

The bill would take effect September 1, 2021.

Methodology

Based on information provided by TWDB, this analysis assumes the agency would need to contract with a technical consultant to support the IPC in identifying potential projects, evaluating up to ten of those projects, and proposing some portion of those ten projects, using the same level of planning technical evaluations as is required for other projects in the SWP. The cost of the consulting would be \$200,000 per project, for a total of \$1,000,000 in fiscal year 2022 and \$1,000,000 in fiscal year 2023.

Also based on information provided by TWDB, this analysis also assumes the agency would need 2.0 FTEs to implement the provisions of the bill: 1.0 Engineer V (salary \$111,795) and 1.0 Planner V (salary \$83,298). These FTEs would provide information necessary to evaluate State Water Plan projects, develop the necessary scope and guidance as well as manage the technical consulting contract, and evaluate the work in line with technical evaluation requirements for inclusion in the SWP. Costs associated with this FTEs would be \$287,650 in fiscal year 2022 and \$262,512 each subsequent year.

Local Government Impact

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

Source Agencies: 580 Water Development Board

LBB Staff: JMc, AJL, MW, PBO