

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 29, 2021

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB713 by Buckingham (Relating to the sunset review process and certain governmental entities subject to that process.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for SB713, Conference Committee Report : an impact of \$0 through the biennium ending August 31, 2023.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	\$0
2023	\$0
2024	\$0
2025	\$0
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings from Appropriated Receipts 666</i>	<i>Probable (Cost) from Appropriated Receipts 666</i>
2022	\$94,196	(\$94,196)
2023	\$10,466	(\$10,466)
2024	\$0	\$0
2025	\$0	\$0
2026	\$0	\$0

Fiscal Analysis

The bill would adjust the Sunset dates of several agencies, including the Texas Commission of Licensing and Regulation, the Texas Department of Licensing and Regulation, the Texas Commission on Law Enforcement, and the Texas Racing Commission, and include reviews of the San Jacinto River Authority and the Texas Real Estate Commission, including the Appraiser Licensing and Certification Board. The bill would also authorize the governor to designate another state agency to administer any law previously administered by an agency abolished through the Sunset process.

The bill would not have a fiscal impact on the Sunset Advisory Commission, as it does not receive appropriations related to the inclusion of regular state agencies in the Sunset review schedule, though some entities such as river authorities and self-directed, semi-independent agencies are required to pay for the cost

of their reviews.

Methodology

The Sunset Advisory Commission would incur costs for fiscal years 2022-2023 for the review of the San Jacinto River Authority, which would be offset by the San Jacinto River Authority paying for the review. The cost to conduct the review would be \$94,196 in fiscal year 2022 and \$10,466 in fiscal year 2023. The San Jacinto River Authority generates its own revenue through water and wastewater sales, issuing permits for structures on Lake Conroe, and/or other means. The authority does not receive appropriations from General Revenue.

The Texas Real Estate Commission and Appraiser and Appraisal Licensing and Certification Board would undergo Sunset review in fiscal years 2030-2031. The Sunset Advisory Commission would incur costs for fiscal years 2030-31, which would be offset by the agency paying for its review. The cost to conduct the review would be \$90,630 in fiscal year 2030 and \$10,070 in fiscal year 2031. The Real Estate Commission, which includes the Appraiser and Licensing and Certification Board, is a self-directed, semi-independent agency that does not receive General Revenue Funds. The agency's funding is primarily from fees on the real estate industry.

According to the Sunset Advisory Commission, for agencies abolished through the Sunset process, the provision that would allow for the governor to transfer the administration of such agencies' statutes would not result in a cost to the state, but could require continuing existing costs previously incurred by the abolished state agencies, depending on the specific situation.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission

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