

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**May 9, 2023**

**TO:** Honorable Trent Ashby, Chair, House Committee on Culture, Recreation & Tourism

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB1648** by Parker (Relating to the centennial parks conservation fund.), **As Engrossed**

The fiscal implications of the bill cannot be determined because the timing, availability, land value, and amount of acreage of suitable property that could be acquired; the total available balances of the Fund; and the timing and amount of funds that would be requested and approved for the creation and improvement of state parks are unknown.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

This bill would amend the Parks and Wildlife Code by adding Chapter 21-A, related to the Centennial Parks Conservation Fund ("Fund"). The bill would define the Fund as a trust held outside of the treasury by the Treasury Safekeeping Trust Company ("TSTC") and administered by the Texas Parks and Wildlife Department (TPWD) for the purpose of the creation and improvement of state parks. the administrator of the Fund. The bill would direct the TSTC to invest the fund to maintain sufficient liquidity and permit the Fund to be invested with the state treasury pool and pooled with other state assets for purposes of investment. TPWD would be required to provide cash flow forecasts to the TSTC at least once per year. TPWD would also be required to provide a report on each acquisition funding using money from the Fund within its Strategic Plans submitted under Section 2056.002 of the Government Code.

The bill would allow TPWD to request a distribution from the Fund from the TSTC to acquire property for the creation and improvement of publicly accessible state parks. The bill would require TPWD to submit a request to the Legislative Budget Board (LBB) for approval of a proposed acquisition of real property before the property is acquired. The will would consider a request submitted to the LBB as being approved on the 30th day after the date the request was submitted unless the request was either approved or disapproved before that date. The bill would specify that money from the Fund could not be used by TPWD to pay salaries; employee benefits; administration, operating, or program costs; or for maintenance or operation of state parks.

This bill would take effect January 1, 2024, contingent upon the approval of a constitutional amendment providing for the creation of the Centennial Parks Conservation Fund (Senate Joint Resolution 74 or similar constitutional amendment) by voters. The primary fiscal implications of the creation of this fund are reflected in the fiscal note for the proposed constitutional amendment.

It is assumed that costs to the LBB as a result of the bill could be absorbed using existing resources.

This analysis assumes all staffing and operational costs for TPWD associated with implementing the provisions of the bill would be funded from General Revenue-Dedicated State Parks Account No. 64 (GR-D 64). This analysis also assumes that agency costs associated with the creation and improvement of state parks could be significant depending on the timing, availability, land value, and the amount of acreage of suitable property that could be acquired; the total available balances of the Fund; and the timing and amount of funds that would be requested and approved by the LBB for this purpose. However, the fiscal implications cannot be determined because these factors are unknown.

For the purposes of analysis, TPWD provided estimated costs to carry out all necessary acquisition, planning, design, and construction requirements to achieve a rate of creating one new park every two years assuming approval would be provided, land would be identified and available to acquire, and that there would be sufficient balances in the Fund to attain that level of achievement. TPWD also assumed that workflow and project delivery would occur outside of the existing new State Park and State Natural Area development schedule for existing properties.

TPWD's estimate was based on project staffing requirements for new park development at Galveston Island State Park, Palo Pinto Mountains State Park, and Albert and Bessie Kronkosky State Natural Area, and other projects related to acquisition, planning, design and construction for new park development. The cost estimate also reflects using a hybrid approach of delivery including contract and "in-house" work to be part of the capital construction planning process. Costs also include all natural, cultural and visitor resources surveys, permits, inventories or other studies necessary to create baseline set of information to inform new park development. The estimate excludes costs for staff to operate each new park and additional program staff that would be needed for the application of buffers or conservation lands to existing parks.

To achieve a rate of creating one new park every two years under these assumptions, TPWD reports it would require 9.0 FTEs each fiscal year including an Architect, Engineer, Contract Specialist, Planner, Geographic Information Specialist, Natural Resource Specialist, Archeologist, and two Project Managers. Total costs from GR-D 64 would total \$1,189,023 in fiscal years 2024, \$1,040,705 in fiscal year 2025, and \$1,043,553 in each fiscal year in 2026 and 2027, and \$1,046,401 in fiscal year 2028. Salaries for these positions would total \$755,333 in fiscal years 2024 and 2025 and would increase to \$757,493 in each subsequent fiscal year. Travel, operating, equipment, and agency related payroll costs would total \$204,598 in fiscal year 2024, \$56,280 in fiscal year 2025, and \$56,312 in each fiscal year in 2026 and 2027, and \$56,345 in fiscal year 2028. Benefit costs would total \$229,022 each fiscal year in 2024 and 2025, and \$229,748 in each fiscal year in 2026 and 2027, and \$230,403 in fiscal year 2028.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

### **Local Government Impact**

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

**Source Agencies:** 304 Comptroller of Public Accounts, 802 Parks and Wildlife Department

**LBB Staff:** JMc, SZ, MW, EJ