

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 29, 2003

TO: Honorable Talmadge Heflin, Chair, House Committee on Appropriations

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3441 by Pickett (Relating to statutory authority to reduce appropriations made by the legislature to certain governmental entities.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3441, As Introduced: a positive impact of \$44,795,753 through the biennium ending August 31, 2005.

Estimated savings should be compared to funding levels sufficient to conform to current policies and law. Estimated savings should not be compared to agency "building block" funding requests.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$22,284,394
2005	\$22,511,359
2006	\$22,473,000
2007	\$22,511,359
2008	\$22,473,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings from GENERAL REVENUE FUND 1	Probable Savings from GR DEDICATED ACCOUNTS 994	Probable Savings from FEDERAL FUNDS 555	Probable Savings from STATE HIGHWAY FUND 6
2004	\$22,284,394	\$1,318,000	\$5,496,813	\$5,156,920
2005	\$22,511,359	\$1,318,000	\$5,496,813	\$5,156,920
2006	\$22,473,000	\$1,318,000	\$5,496,813	\$5,156,920
2007	\$22,511,359	\$1,318,000	\$5,496,813	\$5,156,920
2008	\$22,473,000	\$1,318,000	\$5,496,813	\$5,156,920

Fiscal Year	Probable Savings from OTHER SPECIAL STATE FUNDS 998	Change in Number of State Employees from FY 2003
2004	\$210,180	1.0
2005	\$210,180	1.0
2006	\$210,180	1.0
2007	\$210,180	1.0
2008	\$210,180	1.0

Fiscal Analysis

The bill would require certain Article I agencies to reduce or eliminate expenditures as follows: Employee Retirement System (benefit design changes); Ethics Commission (electronic filing and required notices); Commission on Human Rights (increase federal funds); Pension Review Board (technical assistance and issuance of actuarial impact statements).

Methodology

Employee Retirement System -- Benefit design changes would result in savings of \$70.7 million in All Funds, of which \$45.0 million is General Revenue.

Ethics Commission -- Increased costs of \$215,606 in 2004 and \$27,000 each fiscal year thereafter, including 1 FTE.

Commission on Human Rights -- Increased collection and expenditure of Federal Funds of \$668,087 each fiscal year .

Pension Review Board -- Savings of \$38,359 in General Revenue Funds in 2005 and 2007 relating to technical assistance and the issuance of actuarial impact statements.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 327 Employees Retirement System, 338 Pension Review Board, 344 Commission on Human Rights, 356 Texas Ethics Commission

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