

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 1, 2015

TO: Honorable Drew Darby, Chair, House Committee on Energy Resources
FROM: Ursula Parks, Director, Legislative Budget Board
IN RE: **HB2932** by Anchia (Relating to a study and report by the Bureau of Economic Geology on land shifting), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2932, As Introduced: a negative impact of (\$3,471,800) through the biennium ending August 31, 2017.

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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	(\$2,471,800)
2017	(\$1,000,000)
2018	(\$1,000,000)
2019	(\$1,000,000)
2020	(\$1,000,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund	Change in Number of State Employees from FY 2015
2016	(\$2,471,800)	5.5
2017	(\$1,000,000)	5.5
2018	(\$1,000,000)	5.5
2019	(\$1,000,000)	5.5
2020	(\$1,000,000)	5.5

Fiscal Analysis

The bill would require the Bureau of Economic Geology at The University of Texas at Austin to conduct study to examine earthquakes and land shifting in the State of Texas. The Bureau of Economic Geology would be required to submit the results of the study to the Governor and the standing legislative committees with primary jurisdiction over state finance, public safety and urban affairs no later than December 1st of even numbered years.

Methodology

Based on information provided by The University of Texas at Austin, the study would require the purchase and installation of seismic equipment, at an estimated cost of \$1,471,800 in fiscal year 2016. These costs would include a network of 22 seismograph stations capable of detecting and locating earthquakes and funding to augment the existing 16 stations that currently operate in the state.

The University of Texas at Austin has estimated that \$1,000,000 per year, beginning in fiscal year 2016, would be needed for personnel and maintenance costs to implement provisions of the bill. These costs include 5.5 FTEs, which include 1 Senior Scientist, 3 Seismic Analysts and 1.5 Student Analysts at a cost for salaries and benefits of \$583,830 per year. The remaining costs include other operating expenses connected to the maintenance of the sensors and travel expenses.

Local Government Impact

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

Source Agencies: 582 Commission on Environmental Quality, 720 The University of Texas System Administration

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