

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 78TH LEGISLATURE 3rd CALLED SESSION -2003

Revision 1

September 26, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: **HB28** by McCall (Relating to state fiscal management, including various matters related to increasing administrative efficiency in state government; making related appropriations.), **As Introduced**

Estimated Two -year Net Impact to General Revenue Related Funds for HB28, As Introduced: a negative impact of (\$66,210,034) through the biennium ending August 31, 2005.

Appropriations:

Fiscal Year	Appropriation out of	Appropriation out of	Appropriation out of	Appropriation out of
	GENERAL REVENUE FUND 1	TELECOMMUNICATIONS INFRASTRUCTURE FUND 345	TEXAS EMISSIONS REDUCTION PLAN 5071	OVERSIGHT WORKERS' COMP 5016
2004	\$66,210,034	\$2,086,025	\$3,062,248	\$64,632
2005	\$0	\$0	\$0	\$0

General Revenue -Related Funds, Five -Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2003	\$0
2004	(\$66,210,034)
2005	\$0
2006	\$0
2007	\$0

All Funds, Five -Year Impact:

Fiscal Year	Probable (Cost) from	Probable (Cost) from	Probable (Cost) from	Probable (Cost) from
	GENERAL REVENUE FUND 1	TELECOMMUNICATIONS INFRASTRUCTURE FUND 345	TEXAS EMISSIONS REDUCTION PLAN 5071	OVERSIGHT WORKERS' COMP 5016
2003	\$0	\$0	\$0	\$0
2004	(\$66,210,034)	(\$2,086,025)	(\$3,062,248)	(\$64,632)
2005	\$0	\$0	\$0	\$0
2006	\$0	\$0	\$0	\$0
2007	\$0	\$0	\$0	\$0

Fiscal Analysis

The bill would appropriate to the Comptroller of Public Accounts, from the General Revenue Fund, the amount necessary to return any available cash that was transferred to the General Revenue Fund from a fund outside the State Treasury, and to maintain the equity of the fund from which the

transfer of available cash was made. The bill would limit the appropriation for paying interest on the transferred funds to \$5 million and would require that repayment of transferred revenue be made within fourteen days of the date the transfer occurred.

The bill would also appropriate the Comptroller of Public Accounts an amount equal to the amount of appropriations from General Revenue and General Revenue - Dedicated accounts vetoed by the governor in House Bill 1, Seventy - eighth Legislature, Regular Session. The bill would amend Article IX, Section 11.28(a) of House Bill 1 to remove the reference to implementation of Article IX, Section 11.15, Contingency Appropriation Reduction and Contingency Appropriation, and add language to make the funds appropriated as currently directed by the governor and Legislative Budget Board under Chapter 317 Government Code.

The bill would add a provision affecting the 2002 property value study to provide for state values to be used in situations where the local value is determined to be invalid and the local value exceeds the state value. The amendment would also repeal Section 403.302(m), Government Code as added by the Seventy - eighth Legislature, Regular Session which provided for redistribution of state aid for 2003 -2004 lost due to recognition of higher local values for the 2002 property value study.

The bill would take effect immediately upon enactment, assuming that it received the requisite two thirds majority votes in both houses of the Legislature.

Methodology

For purposes of this estimate, it was assumed that no borrowing from outside the treasury would be necessary in the 2004 -05 biennium. The provision related to the property value study and redistribution of Foundation School aid among districts would have no net fiscal impact on the state.

Local Government Impact

The provisions related to the property value study would shift approximately \$3.8 million in revenue among school districts.

Source Agencies: 304 Comptroller of Public Accounts, 701 Central Education Agency

LBB Staff: JK, JO, WP, SD, EB, RS