

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 28, 2003

**TO:** Honorable Tom Craddick, Speaker of the House, House of Representatives

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB43** by Chisum (Relating to the funding of and the making of grants by the Texas Council on Environmental Technology.), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB43, As Passed 2nd House: an impact of \$0 through the biennium ending August 31, 2005.

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
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from ENVIRONMENTAL RESEARCH 5072
2004	\$63,257
2005	\$63,257
2006	\$63,257
2007	\$63,257
2008	\$63,257

Fiscal Analysis

The bill would direct the Council on Environmental Technology (TCET) to compete for and manage federal grants and funds from other sources and to enter into public-private partnerships to facilitate development of environmental technology infrastructure in Texas.

This bill also would allow the TCET to collect a fee from a grant recipient under the new technology research and development program. The fee amount should not exceed 5 percent of the amount of the grant. The fees collected, together with gifts, grants, donations, and money from other sources would be deposited to the Environmental Research Account in the general revenue fund.

The bill would require a TCET member to disclose employment or ownership of an entity that applied for a grant. The member could not vote on, or otherwise participate in, the awarding of the grant.

Should the member not comply with the requirement, the entity would not be eligible for the grant.

**Methodology**

The estimate assumes that the Council on Environmental Technology would assess the five percent fee authorized by the bill on all grants. Based on expected available grant funding in 2004 of \$1.3 million, it is anticipated that \$63,257 each year in new revenues would be generated to the credit of the Environmental Research Account to reimburse the agency for administrative costs. It is expected that this would result in an additional \$63,257 available for grant funding each year. It is not expected that the agency's overall administrative budget would increase, since there is a statutory limit of \$250,000 for TCET administrative costs.

As a result of the bill's passage, some state institutions of higher education with employees serving as members of the Council on Environmental Technology could become eligible to receive council grant funds. Such additional funding is not expected to be significant.

This estimate does not assume that the TCET would receive significant additional Federal Funding as a result of the bill's passage because the bill does not appear to add functions to the agency for which available Federal Funds exist.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 369 Council on Environmental Technology, 582 Commission on Environmental Quality  
**LBB Staff:** JK, SD, CL, TL