

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 27, 2003

TO: Honorable David Swinford, Chair, House Committee on Government Reform

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB651 by Pitts (Relating to the creation of a savings incentive program for state agencies.),
Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated.

The bill does not make an appropriation but may serve as the basis for an appropriation.

This bill implements the Comptroller's *e-Texas* recommendation GG-17, Create Budget Incentives for State Agencies. Currently, remaining funds lapse to the General Revenue Fund. This bill attempts to reduce the historical trend of agencies spending down their appropriations at the end of a fiscal year so they don't lapse. The bill would allow one half of those funds to be dedicated to the lapsing agencies up to the two percent limit. However, this will not affect the total dollar amount of general revenue available for certification unless the dedicated lapses are subsequently appropriated.

Other types of funds, such as general revenue-dedicated and federal funds, are not considered in this bill.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 353 Texas Incentive and Productivity Commission

LBB Staff: JK, JO, GO, SJS, RS, WP