

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 5, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3207 by Heflin (Relating to repaying the economic stabilization fund for any appropriations made from the fund for the state fiscal year ending August 31, 2003; making an appropriation.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3207, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2005.

Appropriations:

Fiscal Year	Appropriation out of <i>GENERAL REVENUE FUND</i> 1
2004	\$0
2005	\$0
2006	\$500,000,000

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	(\$500,000,000)
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable Revenue Gain/(Loss) from <i>Economic Stabilization Fund</i>
2004	\$0	\$0
2005	\$0	\$0
2006	(\$500,000,000)	\$513,125,000
2007	\$0	\$17,959,000
2008	\$0	\$18,588,000

Fiscal Analysis

The bill would appropriate from the general revenue fund to the Economic Stabilization Fund for the fiscal 2006-07 biennium an amount equal to any appropriations made from the Economic Stabilization Fund in for fiscal 2003.

The Comptroller of Public Account analysis of the bill contains the following note: "Current practice, and possibly the Texas Constitution, prohibits the appropriation of funds across biennia; only appropriations within one budget cycle are authorized."

Methodology

For the purpose of illustration, the estimates are based on the House Bill 7, as engrossed, which would appropriate \$500,000,000 from the Economic Stabilization Fund in fiscal year 2003. This appropriation number may change as the bill moves through the legislative process. (House Bill 7, as engrossed, appropriates a total of \$795,000,000 from the Economic Stabilization Fund.) The Legislative Budget Board fiscal note on House Bill 7 assumes the \$295,000,000 appropriation to the Texas Enterprise Fund would be effective in fiscal year 2004 because legislation establishing the fund creates the fund effective September 1, 2003. This estimate assumes that a valid appropriation for the 2006-07 fiscal biennium can be made in the Seventy-eighth Legislature, Regular Session.

This estimate assumes that the transfer from the general revenue fund to the Economic Stabilization Fund would occur in fiscal year 2006. This estimate includes gains of interest earnings in the Economic Stabilization Fund.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff:

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