

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 17, 2003

TO: Honorable Norma Chavez, Chair, House Committee on Border and International Affairs

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3297 by Chavez (Relating to the powers and duties of the Office of Rural and Border Community Affairs and creating a foundation to finance border health programs.),
Committee Report 1st House, Substituted

No significant fiscal implication to the State is anticipated.

The provisions of the bill would rename the Office of Rural Community Affairs to the Office of Rural and Boarder Community Affairs (ORBCA) and add the border region to the role and focus of ORBCA's activities.

The bill would create the Border Foundation as a nonprofit entity operating independently of any state agency or political subdivision of the state. It would require the Office of Border Health (OBH) under the Texas Department of Health to establish a five-member board of directors for the Border Foundation. The executive committee of the OBH would appoint directors and would designate two members for terms expiring February 1, 2005, two members for terms expiring February 1, 2007, and one member for a term expiring February 1, 2009.

The provisions of the bill would exempt all income, property, and other assets of the Border Foundation from state and local taxation. The provisions would require the Office of Border Health to create the Border Foundation not later than June 1, 2004. According to the Comptroller, the fiscal implications of the tax exemption would not be expected to be significant.

Based on the analysis of the Department of Health and ORCA, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

The bill would take effect September 1, 2003.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 357 Office of Rural Community Affairs, 501 Department of Health

LBB Staff: JK, EB, RT, DE