

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 2, 2003

TO: Honorable Jim Keffer, Chair, House Committee on Economic Development

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3323 by Keffer, Jim (Relating to the creation of the Texas Enterprise Fund.), As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB3323, As Introduced: an impact of \$0 through the biennium ending August 31, 2005.

Appropriations:

Fiscal Year	Appropriation out of <i>ECON STABILIZATION FUND</i> 8065
2004	\$390,000,000
2005	\$0

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 <i>ECON STABILIZATION</i> <i>FUND</i> 8065	Probable Revenue Gain/ (Loss) from <i>New General Revenue</i> <i>Dedicated - Texas Enterprise</i> <i>Fund</i>	Probable (Cost) from <i>New General Revenue</i> <i>Dedicated - Texas Enterprise</i> <i>Fund</i>
2004	(\$390,000,000)	\$390,000,000	(\$195,000,000)
2005	\$0	\$0	(\$195,000,000)
2006	\$0	\$0	\$0
2007	\$0	\$0	\$0
2008	\$0	\$0	\$0

Fiscal Analysis

The provisions of the bill allow the Governor to make grants from the new Texas Enterprise Fund (TEF). The TEF may be used for economic development, infrastructure development, community development, job training, and business incentives.

Methodology

The provisions of the bill deposit \$390,000,000 into the new General Revenue Dedicated - Texas Enterprise Fund from the Economic Stabilization Fund. It is assumed that the funds deposited in the fund would be expended in fiscal year 2004 and fiscal year 2005.

The bill takes effect September 1, 2003.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 480 Texas Department of Economic Development

LBB Staff: JK, JO, JRO, WP, DE