

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 19, 2003

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB403 by Madla (Relating to the designation of enterprise zones and enterprise projects.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for SB403, Committee Report 1st House, Substituted: a positive impact of \$54,000 through the biennium ending August 31, 2005.
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General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$27,000
2005	\$27,000
2006	\$27,000
2007	\$27,000
2008	\$27,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1
2004	\$27,000
2005	\$27,000
2006	\$27,000
2007	\$27,000
2008	\$27,000

Fiscal Analysis

The provisions of the bill would require the Texas Department of Economic Development to review and either deny, approve, or return an application creating an enterprise zone for deficiency within 60 days of receipt of the application. The provisions of the bill would also allow an increase in the fee for amending an enterprise zone boundary from \$500 to \$1,000 for each amendment. The bill would take effect September 1, 2003 and would only apply to applications submitted on or after that date, except changes to Section 2303.406 would apply to applications filed on or after January 1, 2002.

Methodology

The Department of Economic Development does not anticipate any costs associated with the applicants submitting electronic maps for the department's review. The department indicates the increase in fees would generate \$27,000 per fiscal year based on the history of 54 applicants annually at an increase of \$500 per application.

Local Government Impact

No significant fiscal implication to most units of local government is anticipated. Local government entities would be able to absorb the costs of the maps in electronic format and the \$500 increase in application fees unless, as is the case in less populated areas, the government entity does not already have equipment and software for generating electronic maps.

Source Agencies: 304 Comptroller Of Public Accounts, 480 Texas Department Of Economic Development

LBB Staff: JK, DLBa, RT, DE, KG