

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 11, 2003

TO: Honorable Teel Bivins, Chair, Senate Committee on Finance

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1279 by Armbrister (Relating to technical changes to taxes and fees administered by the comptroller of public accounts.), **As Introduced**

The fiscal implications to the State would depend on the timing of borrowing and amounts borrowed from sources outside the treasury.

The bill would authorize the Comptroller to borrow certain funds managed by or in the custody of the Comptroller, including funds held outside the state treasury. The borrowing would be done in order to prevent temporary cash flow deficiencies in the general revenue fund.

The bill would appropriate to the Comptroller from the general revenue fund for fiscal year 2003 amounts necessary to return the transferred cash and maintain the equity of funds from which transfers are made in fiscal year 2003. The bill would also appropriate to the Comptroller from the general revenue fund for the 2004-05 biennium amounts necessary to return the transferred cash and maintain the equity of funds from which transfers are made in the 2004-05 biennium. Regardless of the period such funds are borrowed, interest is credited to the funds as if the borrowing did not take place.

If the Comptroller submits a revenue estimate while cash transferred under this provision is in the general revenue fund, the Comptroller is required to indicate that the transferred revenue is not available for appropriation.

Local Government Impact

It is possible that some of the money borrowed from outside the treasury would be local government revenue such as local government sales tax revenue. The bill appropriates general revenue to repay the borrowing in fiscal year 2003 and fiscal years 2004 and 2005. After fiscal 2005, the impact on local governments would depend on legislative appropriations to repay any amounts borrowed from local governments funds held by the Comptroller.

Source Agencies: 304 Comptroller of Public Accounts, 454 Department of Insurance

LBB Staff: JK, JO, SD, WP, RS