

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 31, 2003

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Tom Craddick, Speaker of the House, House of Representatives

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1771 by Brimer (Relating to economic development programs and funding.), **Conference Committee Report**

No significant fiscal implication to the State is anticipated.

The bill requires the executive director of the Department of Economic Development (TDED) or its successor to work with the legislature and state agencies to identify grants and programs at all levels of government and to maximize access to federal funds for economic development. It also establishes a seven member Advisory Board or Economic Development Stakeholders to assist TDED in collecting and disseminating information in identifying grants and programs.

In addition, the provisions of the bill establish a new Texas Enterprise Fund (TEF) dedicated account in the General Revenue Fund to be used for economic development, infrastructure development, community development, job training programs, and business incentives. The provisions of the bill allow the Governor to enter into a written agreement with the entity receiving the grant specifying that certain criteria are met before money is granted from the fund.

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

Local Government Impact

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

Source Agencies: 301 Office of the Governor, 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 480 Texas Department of Economic Development, 551 Department of Agriculture

LBB Staff: JK, JRO, GO, RT, DE