

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 4, 2005

TO: Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB1747 by Keffer, Jim (Relating to the creation of and funding for the Texas Entrepreneurship Network.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1747, As Engrossed: a negative impact of (\$203,025) through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	(\$104,059)
2007	(\$98,966)
2008	(\$98,966)
2009	(\$98,966)
2010	(\$98,966)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1	Change in Number of State Employees from FY 2005
2006	(\$104,059)	1.0
2007	(\$98,966)	1.0
2008	(\$98,966)	1.0
2009	(\$98,966)	1.0
2010	(\$98,966)	1.0

Fiscal Analysis

The bill would create the Texas Entrepreneurship Network (TEN), which would be operated by the Texas Center for Rural Entrepreneurship through an agreement with the Texas Department of Agriculture (TDA). In addition, the bill requires the Center to establish an advisory board to guide and advise the operations of the TEN.

The bill would require the TEN to work locally, regionally, and statewide with educators, agencies, organizations, networks, businesses, economic developers, consultants, communities, researchers, or other persons to develop and support strategies to assist entrepreneurs and improve the environment for entrepreneurial development in the state.

The bill would create the Texas Entrepreneurship Network Fund as a dedicated account in the General

Revenue Fund for purposes of programs related to local entrepreneurship centers, training and developers, curriculum development, infrastructure, data management and research, technology and economic development research centers, and network administrative costs. The bill requires that the fund be administered by the TDA. Deposits to the fund shall include legislative appropriations, and gifts, grants and donations, including gifts and grants from public and private universities and public and private entities.

The bill would create a dedicated account in the General Revenue Fund, and as such would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2005.

Methodology

Based on the analysis provided by TDA, one full-time equivalent position as well as minimal administrative costs would be required to administer the fund and network activities at a total cost of \$104,095 in fiscal year 2006 and \$98,966 each fiscal year thereafter.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 551 Department of Agriculture, 320 Texas Workforce Commission, 357 Office of Rural Community Affairs, 720 The University of Texas System Administration, 733 Texas Tech University

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