

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 4, 2005

TO: Honorable Allan Ritter, Chair, House Committee on Economic Development

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 Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1747, As Introduced: a negative impact of (\$208,962) 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	(\$104,481)
2007	(\$104,481)
2008	(\$104,481)
2009	(\$104,481)
2010	(\$104,481)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1	Change in Number of State Employees from FY 2005
2006	(\$104,481)	1.0
2007	(\$104,481)	1.0
2008	(\$104,481)	1.0
2009	(\$104,481)	1.0
2010	(\$104,481)	1.0

Fiscal Analysis

The bill would create the Texas Entrepreneurship Network (TEN) that would be administered by the Office of Rural Community Affairs (ORCA). 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 related to entrepreneurship centers, training and entrepreneurship developers, curriculum development, infrastructure, data management, research, technology and economic development research centers. The bill would require deposits to the credit of the fund to include any amounts appropriated by the legislature, or gifts, grants, and other donations from the

public and private universities and all other public and private entities.

The bill would establish the Texas Center for Rural Entrepreneurship that would be required to create an advisory board.

The bill would create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. Therefore, the fund, account, or revenue dedication included in this bill 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 ORCA, 1 Full-Time-Equivalent position (Program Specialist III) would be required for the administration of the fund and network activities at a salary cost of \$37,332 each year. Benefit costs for the position would be \$11,102 each year. It is also assumed that an additional cost of \$56,047 for other personnel costs, professional fees and services, consumables, and travel would be realized each year as well.

Local Government Impact

No fiscal implication to units of local government is anticipated.

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

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