

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**April 4, 2005**

**TO:** Honorable John Carona, Chair, Senate Committee on S/C on Emerging Technologies & Economic Dev.

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

**IN RE: SB831** by Shapiro (Relating to the creation of programs and funding for emerging technology industries.), **As Introduced**

<b>Estimated Two-year Net Impact to General Revenue Related Funds</b> for SB831, As Introduced: an impact of \$0 through the biennium ending August 31, 2007.
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**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	\$0
2007	\$0
2008	\$0
2009	\$0
2010	\$0

**All Funds, Five-Year Impact:**

Fiscal Year	Probable (Cost) from <i>ECONOMIC STABILIZATION FUND</i> 599	Probable Revenue Gain from <i>Texas Emerging Technology Fund</i>
2006	(\$300,000,000)	\$300,000,000
2007	\$0	\$0
2008	\$0	\$0
2009	\$0	\$0
2010	\$0	\$0

**Fiscal Analysis**

The bill creates the Texas Emerging Technology Committee composed of 17 members appointed by the governor. The bill requires that staff and funding for the committee be provided by the Office of the Governor, the Texas Higher Education Coordinating Board, the Texas Education Agency, the Texas Workforce Commission, other public entities, and gifts, grants, and donations.

The bill creates the Texas Emerging Technology Fund as a dedicated account in the general revenue fund.

The bill requires that 50 percent of the money appropriated to the Texas Emerging Technology Fund be used for incentives for private or nonprofit entities to collaborate with public or private institutions of higher education on emerging technology projects.

The bill requires that 25 percent of the money appropriated to the Texas Emerging Technology Fund

be used to match funding from research sponsors. The bill requires that 25 percent of the money appropriated to the Texas Emerging Technology Fund be used to acquire new or enhance existing research superiority at public institutions of higher education. The bill provides that the governor may reallocate money from one component of the fund to another component with prior approval of the lieutenant governor and speaker of the house of representatives.

### **Methodology**

The Office of the Governor has requested \$300 million be transferred from the Economic Stabilization Fund to the new Texas Emerging Technology Fund in fiscal year 2006.

### **Local Government Impact**

A public entity may incur expenses for staffing and funding if the governor prescribes a representative of a public entity as a member of the Texas Emerging Technology Committee.

**Source Agencies:** 301 Office of the Governor, 304 Comptroller of Public Accounts, 320 Texas Workforce Commission

**LBB Staff:** JOB, JRO, MS, SMi, KJG