

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 3, 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: SB1321 by Staples (Relating to the creation and operation of a Texas Certified Retirement Community Program.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1321, As Introduced: an impact of \$0 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 | \$0 |
| 2007 | \$0 |
| 2008 | \$0 |
| 2009 | \$0 |
| 2010 | \$0 |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE FUND 1</i> | Probable Savings/(Cost) from <i>GENERAL REVENUE FUND 1</i> | Change in Number of State Employees from FY 2005 |
|-------------|--|--|---|
| 2006 | \$79,059 | (\$79,059) | 1.0 |
| 2007 | \$61,966 | (\$61,966) | 1.0 |
| 2008 | \$61,966 | (\$61,966) | 1.0 |
| 2009 | \$61,966 | (\$61,966) | 1.0 |
| 2010 | \$61,966 | (\$61,966) | 1.0 |

Fiscal Analysis

The bill requires the Texas Department of Agriculture (TDA) to establish a Texas Certified Retirement Community program to encourage retirees and potential retirees to make their homes in Texas communities. The bill stipulates that TDA provide services to approved communities such as assistance in the training of local staff and volunteers, ongoing guidance in marketing, inclusion in the state's national advertising and public relations campaigns, and a progress assessment on maintaining and improving a community's desirability as a home for retirees. The bill also requires any community that requests to be a Texas Certified Retirement Community to submit an application and a fee of \$5,000 to TDA . This fee revenue would be used to administer the program.

Methodology

The cost to administer this program includes the salary of a program coordinator as well as minimal administrative costs in the first year of the program for a total of \$79,059 in fiscal year 2006 and \$61,966 in subsequent fiscal years.

TDA anticipates that approximately 15 to 20 communities will apply each fiscal year generating sufficient revenue to offset estimated TDA administrative costs.

Local Government Impact

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

Source Agencies: 539 Department of Aging and Disability Services, 551 Department of Agriculture

LBB Staff: JOB, JRO, ZS, JF