

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: SB1412 by Lucio (Relating to authorizing industrial development corporations to undertake projects in connection with educational facilities and learning centers.), **As Introduced**

<p>No fiscal implication to the State is anticipated.</p>
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The bill would amend the Development Corporation Act of 1979 (the Act) found in Article 5190.6, Vernon's Texas Civil Statutes, to expand the definition of the term "project" to include educational facilities and learning centers. The bill would authorize a development corporation to undertake a project in connection with educational facilities that create or retain primary jobs. A 4B development corporation would be authorized to undertake a project in connection with learning centers.

The Comptroller of Public Accounts reports that while the number of development corporations created by counties and cities statewide is unknown, city corporations created under Sections 4A and 4B of the Act are required to file an annual report with the Comptroller. For fiscal 2004, there were 517 cities with a 4A and/or 4B development corporation(s). Because it is not known as to how many development corporations would choose to undertake a project that involves educational facilities that create or retain primary jobs or the scope of any project, the fiscal impact on local governments cannot be estimated.

The bill would take effect September 1, 2005.

Local Government Impact

The impact to local governments would depend on how many development corporations would choose to undertake projects that involve certain educational facilities.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, JRO, WP, EB