

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 25, 2007

TO: Honorable Tom Craddick, Speaker of the House, House of Representatives

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

IN RE: HB735 by Straus (Relating to the discontinuation of the Telecommunications Infrastructure Fund.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB735, As Passed 2nd House: a negative impact of (\$176,000,000) through the biennium ending August 31, 2009.

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
2008	\$0
2009	(\$176,000,000)
2010	(\$211,754,000)
2011	(\$212,325,000)
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1
2008	\$0
2009	(\$176,000,000)
2010	(\$211,754,000)
2011	(\$212,325,000)
2012	\$0

Fiscal Analysis

The bill would repeal Chapter 57, Subchapter C of the Utilities Code, abolishing the Telecommunications Infrastructure Fund (TIF) assessment upon the calendar quarter ending September 30, 2008. The bill also would abolish statutory requirements of funding TIF programs and make conforming changes.

Methodology

The bill's fiscal impact is based on the Comptroller's 2008-09 Biennial Revenue Estimate (BRE).

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 313 Department of Information Resources, 701 Central Education Agency

LBB Staff: JOB, CT, JRO, UP, JGM, SD