

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION
Revision 1

May 3, 2007

TO: Honorable Joe Deshotel, Chair, House Committee on Economic Development

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

IN RE: HB1467 by Deshotel (Relating to reservations of the state ceiling and priority carryforward classifications for certain projects under the private activity bond allocation program.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill adds the Texas Economic Development Bank as an issuer in Sub-ceiling 6 “all other” category. Current statute provides that whenever more than one issuer in a certain category (described by Government Code, Section 1372.022) requests a reservation of the state ceiling for the next program year before October 20, the Bond Review Board (Board) shall grant requests in an order determined by lot. The bill provides that the Board shall give priority to requests from the Texas Economic Development Bank over all other issuers making requests for reservations.

The bill exempts the Texas Economic Development Bank from the \$50 million carryforward limit for projects that the Texas Economic Development and Tourism Office determines meet the criteria for funding from the Texas Enterprise Fund. It is estimated that the Texas Economic Development and Tourism Office can accomplish the requirements of the bill using existing resources. Therefore, no significant fiscal impact to the state is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 352 Bond Review Board

LBB Staff: JOB, JRO, SMi, JW