

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 26, 2007

TO: Honorable Helen Giddings, Chair, House Committee on Business & Industry

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

IN RE: HB2277 by Chisum (Relating to delivery of certain unclaimed money to a rural scholarship fund.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2277, As Introduced: a negative impact of (\$3,200,000) through the biennium ending August 31, 2009.
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General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$1,500,000)
2009	(\$1,700,000)
2010	(\$1,700,000)
2011	(\$1,700,000)
2012	(\$1,700,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1
2008	(\$1,500,000)
2009	(\$1,700,000)
2010	(\$1,700,000)
2011	(\$1,700,000)
2012	(\$1,700,000)

Fiscal Analysis

The bill would amend Section 74 of the Property Code to remove the \$400,000 cap on the amount of money that could be transferred by all local telephone exchange companies to a rural scholarship fund.

The bill would take effect September 1, 2007.

Methodology

According to the Comptroller of Public Accounts, the provisions of the bill lift the \$400,000 cap on transferred amounts to rural scholarship programs and, in doing so, lift the corresponding cap on the amount that could be transferred to the urban scholarship programs as well. The Comptroller states that with the cap removal, all local telephone exchanges could increase scholarship money and no longer remit these unclaimed funds to the Comptroller for deposit to the General Revenue Fund.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, JRO, SD, EB