

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 11, 2007

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

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

IN RE: SB1485 by Lucio (Relating to the establishment of the Texas Rural Development Fund and to the establishment, operation, and funding of certain programs for rural economic development.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend Government Code to create the Texas Rural Development Fund; the bill would require the Office of Rural Community Affairs (ORCA) to establish the Rural Entrepreneurship and Business Innovation Program, the Rural Area Regional Planning and Implementation Matching Grant Program, the Rural Capacity and Leadership Enhancement Program, the Rural Community Asset Study Matching Grant Program, the Texas Rural Youth Corps Program, and the Rural Wealth Creation and Retention Program.

The bill would make the implementation of the programs contingent on appropriation of funding by the legislature.

Based on information provided by ORCA and the Comptroller of Public Accounts, it is assumed that any additional costs related to the duties and responsibilities associated with implementing the provisions of the bill could be covered by utilizing existing resources.

The bill would take effect immediately if it receives a vote of two-thirds of all members elected to each house; otherwise the bill would take effect September 1, 2007.

The legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 357 Office of Rural Community Affairs

LBB Staff: JOB, JRO, CT, AH