

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 10, 2007

TO: Honorable Craig Estes, Chair, Senate Committee on S/C on Ag., Rural Affairs & Coastal Resources

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

IN RE: SB1497 by Zaffirini (Relating to a competitive grant pilot program for certain small retailers of fresh produce.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill creates a competitive two-year pilot grant program administered by the Texas Department of Agriculture (TDA) for small retailers of fresh produce in certain low-income communities. These grant funds would be used to train employees on the proper storage and marketing of fresh produce; to develop marketing materials; and to obtain refrigeration units for the storage of fresh produce. The bill also requires TDA to evaluate the performance and operation of the program, and to report to the legislature on the continuation, elimination or expansion of the pilot program.

TDA anticipates needing one additional FTE to set up the two-year pilot program, review the applications, track the outcome, and prepare and submit the required reports, for a total cost of \$51,303 a fiscal year. TDA also anticipates some travel and professional service costs associated with the promotion of the pilot program.

For purposes of this fiscal note it is assumed that the maximum amount of a grant would be \$12,500 and that TDA would provide 10 grants a fiscal year for a total of \$125,000 a fiscal year.

It is anticipated that all of these costs can be absorbed within existing agency resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 551 Department of Agriculture

LBB Staff: JOB, WK, ZS, JF