

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 3, 2009

TO: Honorable Mark Strama, Chair, House Committee on Technology, Economic Development & Workforce

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

IN RE: HB3409 by Gonzales (Relating to the use of money from the Texas Enterprise Fund to recruit and retain automotive manufacturing facilities.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would authorize municipalities to be eligible to receive grants from the Texas Enterprise Fund, not to exceed \$50 million in one fiscal year, to recruit or retain automotive manufacturing facilities. The bill would be effective September 1, 2009.

The Office of the Governor reports that the agency may need to seek assistance from outside legal and financial counsel with expertise in the automotive manufacturing industry when making these grant awards. It is assumed that costs associated with implementation could be absorbed within existing resources.

Local Government Impact

A municipality awarded a grant would experience a revenue gain in an amount that would depend on determination by the Office of the Governor, but not more than \$50 million in a fiscal year.

Source Agencies: 301 Office of the Governor

LBB Staff: JOB, JRO, MS, BTA, DB