LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 29, 2009

TO: Honorable Veronica Gonzales, Chair, House Committee on Border & Intergovernmental Affairs

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

IN RE: **HB4067** by Gonzales (Relating to the creation of the Bureau for Economic Development of the Border Region.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4067, As Introduced: a negative impact of ($832,814) through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	($440,407)
2011	($392,407)
2012	($392,407)
2013	($392,407)
2014	($392,407)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from *General Revenue Fund* 1	Change in Number of State Employees from FY 2009
2010	($440,407)	6.0
2011	($392,407)	6.0
2012	($392,407)	6.0
2013	($392,407)	6.0
2014	($392,407)	6.0

Fiscal Analysis

The bill would create a nine member Bureau for Economic Development of the Border Region. Members would be appointed by the Governor, Lieutenant Governor, Speaker of the House of Representatives, Secretary of State, and would include ex officio members consisting of the Chairs from the House Committee on Border and Intergovernmental Affairs, and the Senate Committee relating to border affairs. Members would be eligible for reimbursement of actual expenses incurred relating to duties of the bureau. The bureau would provide advice on the economic development in the border region and provide reports to the legislature. These reports and advice would consist of economic development opportunities, uses of economic development funds, opportunities to improve trade across the international border, consultation with the Governor's Office, and establishment of infrastructure projects to assist multiple counties in the border region.

The bill would be effective September 1, 2009.

Methodology

Although the bill does not provide authority for the bureau to hire staff, it is assumed that members would need to employ or contract out a staff of six to carryout the provisions of the bill at a cost of $267,642 in salaries and wages and $76,465 in benefits out of General Revenue. In addition, one-time costs of $48,000 for equipment such as computers, desk, and telephones in fiscal year 2010 and on-going costs including travel, rent, and other operating of $42,000 per fiscal year would be needed. It is also assumed that reimbursements of expenses for the bureau appointees of $6,300 per fiscal year would be needed.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor

LBB Staff: JOB, CL, MS, BTA