

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 6, 2009

TO: Honorable Craig Estes, Chair, Senate Committee on Agriculture & Rural Affairs

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

IN RE: SB684 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 Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend statute to create the GR Account—Texas Rural Development and to require the Office of Rural Community Affairs (ORCA) to create the following programs: Rural Entrepreneurship and Business Innovation; Rural Area Regional Planning and Implementation Matching Grant; Rural Capacity and Leadership Enhancement; Rural Community Asset Study Matching Grant; Texas Rural Youth Corps; and Rural Wealth Creation and Retention.

The bill would would create a new Texas Rural Development Fund as an account in the General Revenue Fund and would specify how it would be funded and how the fund could be used. The bill would establish that sources of funding for the newly created fund would include legislative appropriations and any gifts, grants, donations, and matching funds received by ORCA .

The bill would make implementation of the program contingent on appropriation of funding by the Legislature and would require ORCA to develop rules for the program no later than March 1, 2010.

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, 781 Higher Education Coordinating Board

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