

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 28, 2009

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

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

IN RE: SB1667 by Estes (Relating to the creation and administration of the rural veterinarian loan repayment program.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1667, As Introduced: a negative impact of (\$1,678,278) 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	(\$839,139)
2011	(\$839,139)
2012	(\$839,139)
2013	(\$839,139)
2014	(\$839,139)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2009
2010	(\$839,139)	1.0
2011	(\$839,139)	1.0
2012	(\$839,139)	1.0
2013	(\$839,139)	1.0
2014	(\$839,139)	1.0

Fiscal Analysis

The bill would amend the Government Code to create a rural veterinarian loan repayment program in the Office of Rural Community Affairs (ORCA). The bill would require ORCA to adopt rules to implement this program. The bill would establish that the program would be funded through legislative appropriations, grants, gifts, and donations from any public or private source.

If the bill receives a two-thirds vote from each house, then the bill would take effect immediately. If the necessary vote is not received, then the bill would take effect on September 1, 2009.

Methodology

This analysis is based on the assumption of a legislative appropriation totaling \$1.68 million for the

biennium.

Based on information provided by ORCA, it is assumed that the program would provide loan repayments up to \$35,000 per year for up to four years per participating veterinarian. This analysis assumes a total amount of loan repayments of \$750,000 each fiscal year. The agency would require 1 FTE each year to implement the provisions of the bill. Each fiscal year, the costs would include \$48,500 in salary and other personnel costs of \$10,925, travel costs of \$9,000, professional fees and services of \$6,786, and utilities, rent, and other operating expenses of \$13,928.

Technology

No significant technology impact is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 357 Office of Rural Community Affairs

LBB Staff: JOB, WK, MW, CH