

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**March 29, 2009**

**TO:** Honorable Chris Harris, Chair, Senate Committee on Economic Development

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

**IN RE: SB1743** by Hinojosa (Relating to the use of money from the Texas Enterprise Fund to recruit and retain automotive manufacturing facilities.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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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