

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

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

**April 1, 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 automotive manufacturing facilities.), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would authorize municipalities, a development corporation authorized to be created by the municipality, or both, to be eligible to receive grants from the Texas Enterprise Fund to recruit automotive manufacturing facilities. A municipality, including all of the municipality's related development corporations, would be limited to receiving grants not to exceed \$50 million in one fiscal year. The bill would take effect 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 or development corporation created by the 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 combined in a fiscal year.

**Source Agencies:** 301 Office of the Governor

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