

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 2, 2011

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

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

IN RE: **HB4** by Pitts (relating to making supplemental appropriations and giving direction and adjustment authority regarding appropriations.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4, Committee Report 2nd House, Substituted: a positive impact of \$405,377,695 through the biennium ending August 31, 2013.

Appropriations:

Fiscal Year	Appropriation out of General Revenue Fund 1	Appropriation out of General Revenue Dedicated Accounts	Appropriation out of State Textbook Fund 3	Appropriation out of Foundation School Fund 193
2011	(\$913,008,669)	(\$172,297,805)	(\$10,000,000)	\$549,242,300
2012	\$0	\$0	\$0	\$0

Fiscal Year	Appropriation out of Judicial Fund 573	Appropriation out of Federal Funds 555	Appropriation out of Economic Stabilization Fund 599
2011	\$6,507,836	(\$4,319,216)	\$3,248,247,540
2012	\$0	\$0	\$0

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2011	\$405,377,695
2012	\$0
2013	\$0
2014	\$0
2015	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/ (Cost) from General Revenue Fund 1	Probable Savings/ (Cost) from General Revenue Dedicated Accounts	Probable Savings/ (Cost) from State Textbook Fund 3	Probable Savings/ (Cost) from Foundation School Fund 193
2011	\$913,008,669	\$172,297,805	\$10,000,000	(\$549,242,300)
2012	\$0	\$0	\$0	\$0
2013	\$0	\$0	\$0	\$0
2014	\$0	\$0	\$0	\$0
2015	\$0	\$0	\$0	\$0

Fiscal Year	Probable Savings/ (Cost) from Judicial Fund 573	Probable Savings/ (Cost) from Federal Funds 555	Probable Revenue Gain/(Loss) from General Revenue Fund 1	Probable (Cost) from Economic Stabilization Fund 599
2011	(\$6,507,836)	\$4,319,216	\$31,611,326	(\$3,248,247,540)
2012	\$0	\$0	\$0	\$0
2013	\$0	\$0	\$0	\$0
2014	\$0	\$0	\$0	\$0
2015	\$0	\$0	\$0	\$0

Fiscal Analysis

The bill would reduce fiscal year 2011 appropriations from General Revenue Fund No. 1 by \$913,008,669.

The bill would reduce the Texas Education Agency fiscal 2011 appropriation from State Textbook Fund No. 3 by \$10,000,000. It would also reduce the agency’s fiscal 2011 appropriation from Foundation School Fund No. 193 by \$50,757,700. The bill, however, appropriates \$600,000,000 from Foundation School Fund No. 193 to the agency for a two-year period beginning from the effective date of the bill; the net Foundation School Fund appropriation would be \$549,242,300.

The bill would appropriate \$3.2 billion out of the Economic Stabilization Fund.

The bill would appropriate \$6,507,836 from Judicial Fund No. 573 to Judiciary Section, Comptroller’s Department for fiscal 2011.

The bill would reduce the Department of Assistive and Rehabilitative Services fiscal 2011 appropriations for Federal Funds for Temporary Assistance to Needy Families by \$4,319,216.

The bill would authorize the Texas Education Agency to use \$184 million remaining in the fiscal year 2011 appropriation out of the State Textbook Fund No. 3 to purchase continuing contracts materials.

The bill would result in a revenue gain of \$31.6 million, consisting of \$10.0 million from Major Events Trust Fund; \$4.3 million from balances out of accounts for the Department of Information Resources; and \$17.3 million in a suspense account related to settlement proceeds.

Methodology

The amounts represented above are in addition to previously appropriated amounts for the state fiscal biennium ending August 31, 2011. The supplemental appropriations would be effective for the two-year period beginning with the effective date of the bill.

Local Government Impact

Appropriations reductions would result in negative fiscal implications to units of local government to the extent the reductions affect agency grants to those units of government. Appropriations increases

to the Foundation School Program would ensure full funding of formula entitlements to school districts in fiscal year 2011.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KK, ER, MS, JT, SD