

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 6, 2011

TO: Honorable Eddie Lucio Jr., Chair, Senate Committee on International Relations & Trade

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

IN RE: SB825 by Lucio (Relating to the provision of affordable housing in colonias, rural communities, and small municipalities.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB825, Committee Report 1st House, Substituted: a positive impact of \$816,100 through the biennium ending August 31, 2013.

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
2012	\$387,550
2013	\$428,550
2014	\$0
2015	\$0
2016	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings from General Revenue Fund 1
2012	\$387,550
2013	\$428,550
2014	\$0
2015	\$0
2016	\$0

Fiscal Analysis

The bill would amend the Government Code relating to the provision of affordable housing in colonias, rural communities, and small municipalities. The bill designates the Texas Department of Housing and Community Affairs (TDHCA) as the state's colonia initiatives coordinator. The power to designate the coordinator moves from the Governor to TDHCA. Enactment of this bill would effectively end the Secretary of State's coordination role in the colonia initiative. Under provisions of this bill reporting duties are transferred to TDHCA.

The bill would take effect September 1, 2011.

Methodology

For the purpose of this analysis, the Secretary of State assumes that moving the coordination role from the Secretary of State to TDHCA would reduce expenditures to the agency by \$387,550 in fiscal year 2012 and by \$428,550 in fiscal year 2013.

Based on the analysis of the Texas Department of Housing and Community Affairs, Texas Commission on Environmental Quality, Texas AgriLife Extension Service, Texas Department of Rural Affairs, Department of State Health Services, Health and Human Services Commission, Water Development Board, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 307 Secretary of State, 332 Department of Housing and Community Affairs, 357 Texas Department of Rural Affairs, 529 Health and Human Services Commission, 537 State Health Services, Department of, 555 Texas AgriLife Extension Service, 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: JOB, KM, MW, NV, BTA, KKR