

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 9, 2011

TO: Honorable Mike Jackson, Chair, Senate Committee on Economic Development

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

IN RE: SB1175 by Jackson (Relating to the Texas Enterprise Fund and the Texas emerging technology fund.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

This bill would amend the Government Code regarding the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 and the General Revenue-Dedicated Emerging Technology Fund Account No. 5124 and provides terms and conditions under which grants and awards from the Accounts are considered disapproved by the Lieutenant Governor or the Speaker of the House.

The bill would also amend statute and require an annual report regarding awards made under the accounts and provide for the valuation of investments and reporting to require the Governor to annually determine the value of the equity position taken by the Governor in companies receiving awards using a methodology developed in consultation with the Comptroller and State Auditor's Office and consistent with generally accepted accounting practices. The bill would require certain information from an entity recommended for an award and provide for the disclosure of certain information for entities considered for, receiving or having received, an award from the account. In addition, the bill would amend provisions regarding members of the Texas Emerging Technology Advisory Committee. The bill would add new Subchapter J to allow the Governor to allocate money appropriated to the General Revenue-Dedicated Emerging Technology Fund Account No. 5124 as grants to public or private institutions of higher education for strategic research initiative programs.

The bill would amend the Labor Code regarding transfer of money from the Unemployment Compensation Fund and prohibit the transfer of any amounts to the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 and would direct 100 percent of the amount as computed under Section to 204.061 of the labor Code to the Skills Development Fund.

It is anticipated that any additional costs associated with implementation of the legislation could be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 320 Texas Workforce Commission

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