

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 8, 2013

TO: Honorable Bob Deuell, Chair, Senate Committee on Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB939 by Davis, John (Relating to the transfer of certain amounts from the employment and training investment holding fund and the training stabilization fund.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB939, As Engrossed: an impact of \$0 through the biennium ending August 31, 2015.

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
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from Employment/Trng Investment Assmnt 5128
2014	(\$13,677,000)
2015	\$0
2016	
2017	
2018	

Fiscal Analysis

The bill would amend the Labor Code relating to the transfer of certain amounts from the employment and training investment holding fund and the training stabilization fund.

Funds cannot be transferred out of the Treasury to the credit of a state agency without an appropriation. This bill does not make an appropriation, and the transfer stipulated in the bill would not take effect. The analysis below describes the bill's provisions and the amount the bill directs the Texas Workforce Commission to expend.

The bill would require the transfer of 15 percent of the amount in General Revenue (GR) Account 5128--Employment and Training Investment Holding and 15 percent of the amount in the Training Stabilization Fund to the Texas Workforce Commission (TWC) for one-time expenses related to workforce development or to the administration of Subtitle A, Title 4 of the Labor Code on the effective date of the bill. The bill would also require TWC to transfer 15 percent of the amount received to the Texas Veterans' Commission to be used to fund employment programs for veterans.

This bill would take effect September 1, 2013.

Methodology

Based on estimates from the Comptroller's 2014-15 Biennial Revenue Estimate, the September 1, 2013 GR Account 5128-Employment and Training Investment Holding balance will be \$91.2 million. Under the provisions of this bill, TWC is directed to expend 15 percent (\$13.7 million) of that balance for one-time expenses related to workforce development or to the administration of Subtitle A, Title 4 of the Labor Code, and to transfer 15 percent of that amount (\$2.1 million) to the Texas Veterans Commission. The Training Stabilization Fund referred to in this bill was created in the Treasury Safekeeping Trust Company but was not funded.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 403 Veterans Commission

LBB Staff: UP, RB, MW, NV