

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 25, 2013

TO: Honorable John Davis, Chair, House Committee on Economic & Small Business Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2181 by Stephenson (Relating to authorizing development corporations to finance projects to support primary job training facilities and programs at certain educational institutions.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would add Section 501.1021 to Chapter 501 of the Local Government Code relating to job training facilities and programs at certain educational institutions. The bill would provide that a project includes expenditures to support job training facilities, programs or equipment at a public junior college, public technical institute, or a high school located in a corporation's authorizing municipality; and a public junior college whose service area includes any portion of a corporation's authorizing municipality. A development corporation could wholly or partially fund job training facilities and programs at educational institutions.

The bill would amend Subchapter D of the Local Government Code to specify projects to support primary job training facilities and programs at certain educational institutions that Type A and Type B economic development corporations could undertake; and would authorize the use of sales and use tax revenue to fund the newly authorized projects if a municipality holds an election and the proposition is approved by a majority of the registered voters in the election.

The Texas Education Agency (TEA) indicated the bill would have no direct fiscal implications for the Foundation School Program or the operations of the TEA.

The Comptroller of Public Accounts indicated the bill would have no state revenue implications and no effect on the state's cash flow.

The Office of the Attorney General (OAG) anticipates no additional workload as a result of the passage of the bill and no fiscal impact to the OAG.

The bill would take effect immediately if it receives a vote of two-thirds of all members elected to each house. If the bill does not receive the votes required to pass, the bill would take effect September 1, 2013.

Local Government Impact

According to the Texas Municipal League, no fiscal impact to cities is anticipated.

No significant administrative costs are anticipated for school districts voluntarily entering into agreements for job training programs funded in part or in whole by a development corporation.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 701 Central Education Agency, 719 Texas State Technical College System Administration, 781 Higher Education Coordinating Board

LBB Staff: UP, RB, TP, DE, JBi