

**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:** **HB3162** by Davis, John (Relating to the Texas emerging technology fund.), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Government Code to: change the name of the Texas Emerging Technology Advisory Committee to the Texas Emergency Technology Fund Board (board); administratively attach the board to the office of the governor; reduce the number of members of the board from 17 to 15; alter the number of members that can be nominated by the governor, lieutenant governor, and speaker of the house of representatives, respectively; provide provisions for the nomination and compensation of board members, and the duration of their term served; require the board to develop and implement policies separating its responsibilities from those of its staff; and require and provide provisions for certain meetings to be held by the board.

The bill would: amend the eligibility requirements for Texas Emerging Technology Fund (TETF) industry participants and require certain information to be included in the TETF annual report; provide provisions for that which is to be considered confidential and that which is to be considered public information during the process of reviewing an application for a TETF grant; require for the commercialization grants awarded by the governor to be approved by the board instead of the lieutenant governor and speaker of the house of representatives; alter the composition of the TETF and its allocation of funds, including the use of funds for regional centers of innovation and commercialization; require regional centers of innovation and commercialization to make recommendations for the award of money from the TETF for commercialization grants; allow for the TETF to compensate a board designated fund manager to be hired or contracted out by the office of the governor; require the TETF fund manager to perform certain duties; and require the regional centers of innovation and commercialization to report certain information in meeting minutes.

The bill would repeal Government Code, Sections 490.054(b), 490.056(e), and 490.153(b) related to board member terms and duties and the use of the TETF on regional centers of innovation and commercialization.

The bill would provide a date of expiration for the current members of the Texas Emerging Technology Advisory Committee and the manner in which the terms of the new members of the board shall be established.

The Office of the Governor indicates there would be a minimal cost associated with implementing the provisions of the bill if the TETF fund manager and related personnel hired by the office were to be full-time equivalent employees of the state; however, the Office of the Governor indicates there would be a significant cost associated with implementing the provisions of the bill if the office were to contract out the TETF fund manager.

This bill would take on September 1, 2013.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 301 Office of the Governor

**LBB Staff:** UP, RB, EP, CK