

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 9, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1390 by Davis (Relating to an audit by the state auditor of the Texas Enterprise Fund.),
As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for SB1390, As Introduced: a negative impact of (\$537,688) 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	(\$537,688)
2015	\$0
2016	\$0
2017	\$0
2018	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2013
2014	(\$537,688)	3.8
2015	\$0	0.0
2016	\$0	0.0
2017	\$0	0.0
2018	\$0	0.0

Fiscal Analysis

The bill would require the State Auditor to conduct an audit to determine the efficiency and effectiveness of the Texas Enterprise Fund established under Section 481.078, Government Code. The bill would establish minimum requirements for the audit and would require the State Auditor to prepare and file the audit report under parameters established in the bill with the Lieutenant

Governor, the Speaker of the House of Representatives, and the presiding officer of each standing committee of the Senate and the House of Representatives having primary jurisdiction over fiscal matters.

The bill would take effect September 1, 2013, and would expire September 1, 2015.

Methodology

Based on information provided by the State Auditor's Office (SAO), it is assumed that an economy and efficiency audit would be conducted for the Texas Enterprise Fund in fiscal year 2014. It is also assumed that 6,000 hours would be required to perform the audit; that the audit would require travel costs; and that an additional 3.8 Full Time Equivalents (FTEs) for Auditor positions would be necessary in fiscal year 2014 to implement the provisions of the bill. Costs reflected above totaling \$537,688 include salaries, travel, benefits, and other operating expenses that would be paid from the General Revenue Fund.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 308 State Auditor's Office

LBB Staff: UP, RB, MW