

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 24, 2015

TO: Honorable Tracy O. King, Chair, House Committee on Agriculture & Livestock

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB979 by Guerra (Relating to a grant program to reduce wait times for agricultural inspections of vehicles at ports of entry along the Texas-Mexico border.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB979, As Introduced: a negative impact of (\$725,000) through the biennium ending August 31, 2017.

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
2016	(\$425,000)
2017	(\$300,000)
2018	(\$300,000)
2019	(\$300,000)
2020	(\$300,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1
2016	(\$425,000)
2017	(\$300,000)
2018	(\$300,000)
2019	(\$300,000)
2020	(\$300,000)

Fiscal Analysis

The bill would amend the Agricultural Code to authorize the Texas Department of Agriculture (TDA) to use appropriated funds for a Border Agricultural Inspection Grant Program. After a request for proposals, TDA would award a grant to a nonprofit organization that TDA determines would promote agricultural processing in Texas by reducing wait times for agricultural inspections at ports of entry along the Texas-Mexico border.

The bill would restrict the use of grant money to paying for only those activities directly related to the purpose of the grant program. It would authorize a grant recipient to use grant funds to reimburse a federal agency that, at the request of the grant recipient, provides additional border agricultural inspectors or pays overtime to border agricultural inspectors at ports of entry on the Texas-Mexico border.

The bill would take effect September 1, 2015.

Methodology

TDA reports it conducted a feasibility study of the proposed grant program and determined appropriate funding levels would be grant awards of \$425,000 in fiscal year 2016 and \$300,000 in fiscal year 2017 and each year thereafter from General Revenue. Assuming that reimbursing a federal inspector costs \$125 per hour, amounts granted would provide for an additional 3,400 inspection hours in fiscal year 2016 and 2,400 inspection hours in fiscal year 2017.

This analysis assumes that costs associated with administering and monitoring the new grant program could be reasonably absorbed within TDA's existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 551 Department of Agriculture, 601 Department of Transportation

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