

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 8, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3983 by González, Mary (relating to the Global Agricultural Innovation Institute program administered by the Department of Agriculture.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3983, Committee Report 1st House, Substituted: a negative impact of (\$2,000,000) 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	(\$1,000,000)
2017	(\$1,000,000)
2018	(\$1,000,000)
2019	(\$1,000,000)
2020	(\$1,000,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain from <i>New General Revenue Dedicated - Global Agricultural Initiative Institute Account</i>	Probable Savings/(Cost) from <i>New General Revenue Dedicated - Global Agricultural Initiative Institute Account</i>
2016	(\$1,000,000)	\$1,000,000	(\$1,000,000)
2017	(\$1,000,000)	\$1,000,000	(\$1,000,000)
2018	(\$1,000,000)	\$1,000,000	(\$1,000,000)
2019	(\$1,000,000)	\$1,000,000	(\$1,000,000)
2020	(\$1,000,000)	\$1,000,000	(\$1,000,000)

Fiscal Analysis

The bill would amend the Agriculture Code to create the Global Agricultural Initiative Institute. The bill would create a 20 member Global Agricultural Initiative Institute Council that would include the Commissioner of the Texas Department of Agriculture (TDA) and 19 appointed members, including eight from an institution of higher education. The bill would direct TDA to provide the council with administrative services, and TDA would be authorized to create the Global Agricultural Initiative program to make grants for purposes of the program.

The bill would create the Global Agricultural Initiative Institute Account in the General Revenue Fund. The account would be composed of gifts, grants, and donations as well as other money required by law to be deposited in the account. Money in the account could only be appropriated to TDA for purposes of the program. Earnings from money in the account would be credited to the account.

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.

The bill would take effect September 1, 2015.

Methodology

TDA indicates that it can provide administrative services to the new council and administer and monitor a new grant program disbursing \$1 million annually within the agency's existing resources.

Amounts in this fiscal note reflect grant awards of \$1 million each fiscal year in a General Revenue appropriation to the new Global Agricultural Initiative Institute Account. Should the program become self-supporting in future years, there would no longer be a need for General Revenue transfers to support a grant program.

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, 720 The University of Texas System Administration

LBB Staff: UP, TB, SZ, MW