

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 12, 2017

TO: Honorable Angie Chen Button, Chair, House Committee on Economic & Small Business Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3172 by Button (Relating to the establishment of an electronic information and application system for state incentives for economic development purposes.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would add new Chapter 2301 to the Government Code to establish an electronic economic development incentives information and application system (system). The bill would require the Department of Information Resources (DIR) to develop through the state electronic internet portal a website for use by businesses that are considering relocating to or expanding in Texas to receive information relating to state monetary and tax incentives for which they may qualify. The bill specifies that the website include an interactive tool which would allow a business to determine its eligibility for any state incentive. The bill specifies that, when feasible, the website would provide a single application that the business would use to apply for all state incentives for which it may be eligible and for that application to be submitted to each state agency that offers the incentives. The bill would specify that the application would not be used for a state tax incentive for which the business, or a transaction involving the business, qualifies for by operation of law.

The bill would require DIR, in coordination with the Comptroller of Public Accounts, the Governor's Texas Economic Development and Tourism Office, and the Texas Workforce Commission to direct, coordinate, and assist state agencies in establishing and using a common application and reporting system and in establishing and using a process for improving interagency data sharing and for improving applications received for incentives.

The bill would make a conforming amendment to Chapter 303, Labor Code.

The Comptroller, Office of the Governor, and Texas Workforce Commission indicate any costs to implement the provisions of the bill could be absorbed within existing resources. DIR indicates that existing staff would design and build the application system. As such, this analysis assumes that the cost would be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 300 Trusted Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 313 Department of Information Resources, 320 Texas Workforce Commission

LBB Staff: UP, CL, NV, LCO