

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 6, 2021

TO: Honorable Robert Nichols, Chair, Senate Committee on Transportation

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1371 by Guerra (relating to the continuation of the Trade Agricultural Inspection Grant Program.),
Committee Report 2nd House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB1371, Committee Report 2nd House, Substituted : a negative impact of (\$500,000) through the biennium ending August 31, 2023.

The Texas Department of Agriculture is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Texas Department of Agriculture may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

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:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2022	(\$250,000)
2023	(\$250,000)
2024	(\$225,000)
2025	\$0
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from General Revenue Fund 1
2022	(\$250,000)
2023	(\$250,000)
2024	(\$225,000)
2025	\$0
2026	\$0

Fiscal Analysis

This bill would amend the Agriculture Code to reauthorize the Agricultural Inspection Grant Program until September 1, 2025. This program allows the Texas Department of Agriculture (TDA) to provide a grant to a

non-profit organization of up to \$725,000 for the duration of the grant program, using either funds appropriated for this purpose or funds received as a gift, grant or donation, for the purpose of reducing wait times for agricultural inspections of vehicles along the Texas-Mexico border.

This bill would take effect September 1, 2021 unless it receives a two-thirds majority vote of each chamber in which case the bill would take effect immediately.

Methodology

Based on information provided by TDA, this analysis assumes the agency would need \$250,000 each year of the 2022-23 biennium in General Revenue for the grant and \$225,000 in fiscal year 2024 to fully utilize all available grant funding authority up to the \$725,000 cap on total grant awards pursuant to Agriculture Code, Section 12.050 (i). Also based on information provided by TDA, duties and responsibilities associated with implementing the provisions of the bill, apart from the cost of the funds to be granted, could be accomplished with existing resources.

Local Government Impact

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

Source Agencies: 551 Department of Agriculture

LBB Staff: JMc, AAL, MW, GDZ, AJL