

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 22, 2025

TO: Honorable Phil King, Chair, Senate Committee on Economic Development

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB209 by West (Relating to the creation of the Texas technology and innovation program.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB209, As Introduced: a negative impact of (\$1,909,059) through the biennium ending August 31, 2027. There would be an indeterminate cost related to the grant program authorized by the bill which would be dependent on the number of grant applications and appropriations made for this 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>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2026	(\$1,015,679)
2027	(\$893,380)
2028	(\$932,477)
2029	(\$896,738)
2030	(\$936,000)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$1,015,679)	6.5
2027	(\$893,380)	6.5
2028	(\$932,477)	6.5
2029	(\$896,738)	6.5
2030	(\$936,000)	6.5

Fiscal Analysis

The bill would amend the Government Code to establish the Texas Technology and Innovation Program (Program) to foster job creation and economic development by matching or supplementing federal funding received by businesses through the Small Business Innovation Research and Small Business Technology Transfer programs. The Office of the Governor (OOG) would establish and administer the Program. The Program would provide grants to certain businesses pertaining to specified requirements of each phase of the federal funding process.

Methodology

It is anticipated the OOG will need an additional 6.5 FTEs to support the Texas Technology and Innovation Program. The following positions are needed: 1 Manager IV, 3 Program Specialist V, 1 Compliance Analyst II, 0.5 Programmer IV, 0.5 General Counsel III, 0.5 Accountant IV. The total estimate for FTE-related and other operating costs in the 2026-27 biennium associated with the Program is anticipated to be \$1,737,490.

The OOG also indicates additional office space would be needed to support the additional staff. It is anticipated that the additional space would result in a two-year cost of \$21,209, assuming the space is leased.

Technology

The OOG indicates the cost to build and maintain the loan and grant management portal would be \$117,600 in fiscal year 2026 with a total cost of \$258,800 over the fiscal years 2026-2030.

Local Government Impact

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

Source Agencies: 300 Trusteed Programs Within the Office of the Governor, 304 Comptroller of Public Accounts

LBB Staff: JMc, RStu, LCO, KCu, NV