

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 20, 2013**

**TO:** Honorable John Davis, Chair, House Committee on Economic & Small Business Development

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1982** by Murphy (Relating to the enterprise zone program.), **Committee Report 1st House, Substituted**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend Section 2303.004 of the Government Code to remove the one million population criteria in which the governing body of a county would be authorized to nominate an enterprise project or activity of a qualified business that is located within the jurisdiction of a municipality located in the county.

The bill would require a county to enter into an interlocal agreement with a municipality before designation of an enterprise project and would establish the conditions of the agreement. A county would be authorized to use the maximum number of designations permitted under Section 2303.406 (d) during any biennium. The bill would allow an enterprise project to be split into two half designations and would establish that the maximum refund may not exceed \$125,000 in each state fiscal year.

According to the Comptroller of Public Accounts, although the bill would increase the number of enterprise project designations that could be made by a county within the jurisdiction of a municipality, and would permit enterprise zone project designations to be split into half designations, the total number of full designations and the benefits available would not be increased. Therefore, no significant revenue implications are anticipated.

According to the Office of the Governor, no fiscal implication is anticipated.

**Local Government Impact**

The fiscal impact would vary depending on whether a county chose to use the maximum number of designations, but it is not anticipated to be significant.

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

**LBB Staff:** UP, RB, TP, AG