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## FISCAL IMPACT REPORT

SPONSOR:  M.P. Garcia  DATE TYPED:  3/3/03  HB  823

SHORT TITLE:  Establish Foreign Trade Zones  SB

ANALYST:  Collard

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$100.0		See Narrative	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

Responses Received From  
Economic Development Department

### SUMMARY

#### Synopsis of Bill

House Bill 823 appropriates \$100,000 from the general fund to the Economic Development Department for the purpose of assisting the boards of trustees of land grants in establishing foreign trade zones.

### FISCAL IMPLICATIONS

The appropriation of \$100.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY04 shall revert to the general fund.

### ADMINISTRATIVE IMPLICATIONS

The Economic Development Department indicates moderate administrative implications to assist with establishing foreign trade zones and notes the bill does not mention any resources or plans by which to manage this program, making the Economic Development Department's exact role unclear.

**OTHER SUBSTANTIVE ISSUES**

The bill appears to refer to the “boards of trustees of land grants” as several individual boards; however, it is unclear whether the intent of the bill is for the department to work with the individual boards, or to work with an oversight board of trustees of land grants.

The Economic Development Department is extremely interested in this cooperative agreement; however, the department indicates more definition is needed in the bill to define the partnership between the department and the boards of trustees of land grants and to clearly define what the department’s role will be in the partnership. If the role is prominent, it is possible an additional permanent FTE will be needed to carry out the bill.

**KBC/sb**