

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 2, 2003

TO: Honorable Rodney Ellis, Chair, Senate Committee on Government Organization

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB426 by Christian (Relating to the adoption of state agency rules that impose certain costs on local governments or persons.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 2001, Government Code, to prohibit state agencies from adopting rules that would impose additional costs on local governments for enforcing or administering the rule or a rule that would likely result in costs to persons required to comply with the rule, unless the rule(s) are specifically authorized by the legislature with those costs or are required to comply with a federal law or regulation.

The bill would take effect September 1, 2003 and would apply only to rules proposed by a state agency for which notice is given under Section 2001.023, Government Code, on or after December 1, 2003.

State agencies might have to assume responsibility for what otherwise may have been required of local governments, and therefore any associated costs; however, it is anticipated that agencies would make adjustments so that the agency could absorb costs using existing resources.

Local Government Impact

Local governments would be protected from additional costs, although to what extent would depend on what a state agency may have otherwise required of the local governments.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JK, GO, RR, JB, DLBa