

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 12, 2003

TO: Honorable Glenn Lewis, Chair, House Committee on County Affairs

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1747 by West, George "Buddy" (Relating to requiring counties to regulate sexually oriented businesses.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would require a county, if petitioned to do so by a certain number of registered voters in the unincorporated area of the county, to hold an election to determine if the county should be required to regulate sexually oriented businesses in the unincorporated area of the county. Requirements for regulations if the proposition passes, are also provided in the bill.

The bill would take effect immediately if it receives a two-thirds vote in each house; otherwise, it would take effect September 1, 2003.

If petitioned, a county would at a minimum incur the costs of holding an election. If the issue passes, the county would also incur the costs of regulating sexually oriented businesses in the unincorporated areas of the county.

Two counties responded to an inquiry as to the fiscal impact of the provisions of the bill. Harris County indicated the county would incur approximately \$50,000 in additional election costs for considering the issue in an election and \$100,000 annually for regulating and enforcing the regulations. The county does not consider these to be significant amounts compared to the overall budget.

Bexar County indicates that it already regulates all sexually oriented businesses in the county and therefore would not experience a fiscal impact from implementation of the provisions of the bill.

Local Government Impact

The fiscal impact would vary by county. There would be a negative fiscal impact if a county is required to hold an election and if the county is then required to regulate sexually oriented businesses in its unincorporated areas. Whether the negative fiscal impact is significant or not would depend on the county's overall budget and what is required to regulate and enforce the regulations.

Source Agencies:

LBB Staff: JK, DLBa