

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 25, 2003

TO: Honorable Anna Mowery, Chair, House Committee on Land & Resource Management

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2050 by Smith, Wayne (Relating to the time for processing a county building permit.),
Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code to establish a 45-day deadline for a county to grant or deny a permit application to construct or improve a building or other structure in the county, including a permit for an on-site sewage disposal system. If a county has been unable to act in this time period, it would be required to provide, within the same 45 days, written notice to the applicant of the reasons for the delay or attempt to reach an agreement with the applicant for a time certain for granting or denying the permit. The county would have 30 days after the applicant receives the notice or after an agreement has been signed regarding a time certain to grant or deny the permit, otherwise the county would be required to waive all permit fees.

The bill would take effect September 1, 2003 and would apply only to applications submitted on or after that date.

Current law does not provide deadlines for counties to respond to a permit application. A sampling of counties provided input to the Comptroller of Public Accounts for the fiscal impact of this bill.

Johnson County does not issue building permits, so the bill would have no fiscal impact on it. Hays and Liberty Counties already have a shorter turnaround time for issuing permits, so they expect no fiscal impact from this bill. Webb County, however, estimates that complying with the bill would cost the county \$115,000 a year. It would need to hire two new employees to meet the deadlines, and it would need to purchase an additional truck to make site visits more quickly than the county normally conducts them because of the vastness of the county. The county also believes that the application deadlines have the potential to allow the construction of additional substandard colonia buildings if the county does not act within the bill's deadlines, which could possibly cause additional health-related expenses to the county in the future. This analysis assumes, however, that the county would be able to reach an agreement with the applicant for a time certain if the 45-day deadline is not possible, thus reducing the negative fiscal impact.

Local Government Impact

The impact would vary by county, depending on the current practices of the county in relationship to processing building permit applications, the size of the area the county encompasses, and the success rate of the county in meeting the deadlines or establishing an agreement with the applicant for an adjusted deadline.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JK, CL, DLBa