

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 1, 2003

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2466 by Hartnett (Relating to the costs of reviewing a development project that must be approved by certain municipalities.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would prohibit a municipality with a population of 25,000 or more from requiring a developer or a third party to pay the legal fees the municipality incurs when reviewing a development project that requires the municipality's approval. The bill would take effect September 1, 2003.

Municipalities of various populations over 25,000 and different locations statewide provided information about the fiscal impact if the provisions of the bill were to be implemented. The responses were varied, depending on current practices, whether the municipality has in-house legal staff, whether the municipality does or does not require the developer or a third party to pay legal fees associated with the review, and if the municipality normally has to hire a person with professional expertise to conduct the review. Some municipalities stated that there would be no fiscal impact, others estimated an insignificant impact.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JK, DLBa