

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 8, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3135 by Olivo (Relating to the regulation of fireworks by certain counties; providing a criminal penalty.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3135, As Introduced: a negative impact of (\$618,000) through the biennium ending August 31, 2005.

The bill would authorize a county with a population of 3.3 million or more and counties that surround a county with that population to prohibit or otherwise regulate the sale, possession, or use of fireworks in any part of the unincorporated area of the county. Procedures to follow in association with adopting regulations or prohibition are included 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.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$309,000)
2005	(\$309,000)
2006	(\$309,000)
2007	(\$309,000)
2008	(\$309,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1	Probable Revenue Gain/(Loss) from <i>RURAL VOLUNTEER FIRE DEPT INS</i> 5066
2004	(\$309,000)	(\$99,000)
2005	(\$309,000)	(\$99,000)
2006	(\$309,000)	(\$99,000)
2007	(\$309,000)	(\$99,000)
2008	(\$309,000)	(\$99,000)

Fiscal Analysis

The population bracket applies to Harris County and, therefore, its surrounding counties: Brazoria, Chambers, Fort Bend, Galveston, Liberty, Montgomery, and Waller. The Comptroller of Public Accounts estimates a potential annual loss of sales tax revenue of \$99,000 from General Revenue Account 5066—Rural Volunteer Fire Department Insurance and \$309,000 from General Revenue Fund 0001. The affected counties would also lose sales tax revenue.

Methodology

The Comptroller's estimate assumes all affected counties would prohibit the sale of fireworks in any part of the unincorporated areas, and that the state revenue loss would be 20 percent aggregated for the sales tax revenue in the affected counties.

Local Government Impact

The loss in sales tax revenue, if a county chooses to prohibit the sale of fireworks, would vary, depending on the amount of fireworks typically sold in the unincorporated areas of the particular county, but it is expected to be an insignificant loss.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JK, DLBa