

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**May 5, 2003**

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

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: SB1937** by Armbrister (Relating to the apportionment of municipal infrastructure costs to developers. ), **Committee Report 1st House, Substituted**

**No fiscal implication to the State is anticipated.**

If a municipality requires as a condition of approval for a development project that the developer bear a portion of the costs of municipal infrastructure improvements, the provisions of the bill would limit the developer's portion of the costs to no more than the amount directly attributable to the proposed development as certified by a certified licensed professional engineer retained by the municipality.

The bill would take effect immediately if it receives a two-thirds vote in each house; otherwise, it would take effect September 1, 2003 and would apply only to municipal approval of a development project that occurs on or after the effective date.

The municipality would incur the costs of retaining a professional engineer. A municipality that requires payment by a developer for infrastructure costs associated with a project would experience a fiscal impact that differs from what is experienced under current statute if the municipality had been charging more than the limit that would be set by the bill.

**Local Government Impact**

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

**Source Agencies:**

**LBB Staff:**

JK, DLBa