

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

February 17, 2005

TO: Honorable Ray Allen, Chair, House Committee on County Affairs

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB647 by Krusee (Relating to the issuance of obligations for public improvements.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would add to the definition of "eligible project" for which obligations may be issued for public improvements, a project for which there exists authorized but unissued obligations payable from ad valorem taxes without approval by the voters of the issuer.

The bill would add to the definition of "issuer" for the issuance of obligations for public improvements, a county that on the date of issuance of obligations has outstanding indebtedness of at least \$100 million secured by and payable from the county's ad valorem taxes and the outstanding long-term indebtedness of which is rated by a nationally recognized rating agency of securities issued by local governments in one of the four highest rating categories for a long-term obligation.

The bill would take effect immediately if it receives a two-thirds vote in each house; otherwise, it would take effect September 1, 2005.

Local Government Impact

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

Source Agencies:

LBB Staff: JOB, DLBa