

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**April 18, 2005**

**TO:** Honorable Mary Denny, Chair, House Committee on Elections

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

**IN RE: HB1210** by Gattis (Relating to the amount spent by a political subdivision on a project supported by bonds approved at an election.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would prohibit a county, municipality, or other political subdivision that undertakes a project supported by bonds from spending more on the project than the amount stated in the proposition that was submitted in the election unless a subsequent election is held in which the voters approve the additional spending or the additional source of revenue was stated in the original proposition. The bill would take effect September 1, 2005 and would apply only to an expenditure made for a project on or after that date regardless of when the bonds supporting the project were issued or approved.

**Local Government Impact**

If a local government entity has begun or begins a bond-supported project prior to September 1, 2005 and needs to spend an amount above the approved bond amount after the effective date of the bill, the entity would incur the cost of conducting an election to seek voter approval for additional expenditures. Based on data reported to the Secretary of State by a large sampling of local government entities in 2004, the statewide average cost per registered voter for conducting an election is \$1.29. The cost of an election would vary by local government entity.

If a local government entity were to seek bond approval for projects after September 1, 2005, there would be no fiscal impact if the initial proposition includes an additional source of revenue for the project if additional spending becomes necessary; otherwise, any future elections related to the project would create the costs listed above.

**Source Agencies:**

**LBB Staff:** JOB, DLBa