

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

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

**May 4, 2005**

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

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

**IN RE: HB1606** by Thompson (Relating to the level of municipal participation in contracts with developers for public improvements.), **As Engrossed**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would authorize that for a municipality with a population of 1.8 million or more, a contract with developers for public improvements may allow participation of the municipality at a level not to exceed 70 percent of the total contract price.

Under current statute, the maximum limit on the level at which any municipality may participate in such a contract is 30 percent of the total contract price. Existing statutory requirements would still apply to municipalities with a population of less than 1.8 million. According to the 2000 federal census, only the City of Houston has a population of more than 1.8 million; therefore, the bill would apply only to Houston.

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JOB, DLBa