

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 10, 2005

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

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

IN RE: HB1835 by Talton (Relating to the apportionment of municipal infrastructure costs in regard to certain property development projects.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would establish that if a municipality requires as a condition of approval for a property development project that the developer bear a portion of the costs of municipal infrastructure improvements by the making of dedications, the payment of fees, and/or the payment of construction costs, that the developer's portion of the costs may not exceed the amount required for the improvements that are approximately proportionate to the proposed development as approved by a licensed professional engineer retained by the municipality.

Provisions of the bill would allow a developer to appeal the determination of proportionate costs to a county or district court of the county within 30 days of the final determination by the governing body. The prevailing party in an appeal in court would be entitled to applicable costs and to reasonable attorney's fees, including expert witness fees.

The bill would take effect immediately if it receives the required two-thirds vote in each house; otherwise, it would take effect September 1, 2005. The bill would apply only to a project approved on or after the effective date.

Local Government Impact

If a developer were to appeal in court the municipality's cost proportion determination and if the developer prevailed, the municipality would incur costs associated with defending itself in court and would incur a financial loss in paying the developer's legal costs.

Source Agencies:

LBB Staff: JOB, DLBa