

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 17, 2005

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

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

IN RE: HJR53 by Smith, Todd (Proposing a constitutional amendment allowing certain state mandates imposed on a county to have effect only if the state provides for the payment to the county of the cost of the mandate.), **As Introduced**

No fiscal implication to the State is anticipated, other than the cost of publication; the cost to the state for publication of the resolution is \$66,497.

By itself, there is no fiscal implication to the joint resolution. However, there is the potential for the state to incur other costs, up to \$1 million per mandate on the counties, should the resolution be adopted by the voters.

The resolution would require that a constitutional amendment relating to funding of mandates placed on counties by the legislature or a state agency be included on the ballot at an election to be held November 8, 2005.

If the voters were to adopt the resolution, the state would be required to appropriate or otherwise provide for payment or reimbursement to a county for the costs the county would incur in complying with a state mandate adopted on or after January 1, 2006. However, there would be certain circumstances in which the statute would not apply, such as if the legislature or a legislative agency estimates the aggregated costs to be incurred by the counties in complying with a mandate would exceed \$1 million in a state fiscal year.

Local Government Impact

Although there would be no fiscal implication to units of local government under existing statutes, any future legislation that would otherwise have imposed a cost to units of local government could result in a savings to local government entities. The potential savings resulting from future legislation that would have been otherwise unfunded cannot be determined. Because of the possible exceptions to requirements that the state provide funding, counties could also still incur new costs that cannot be determined.

Source Agencies:

LBB Staff: JOB, WP, DLBa