

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 10, 2007

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

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

IN RE: HB1720 by McReynolds (Relating to the counties eligible to create a county assistance district that may impose a sales and use tax.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would repeal Section 387.002, Local Government Code, to remove the criteria for determining eligibility of a county to create a county assistance district that may impose a sales and use tax, thus authorizing all counties to create a district. In addition, the bill would add firefighting and fire prevention services to the functions a district would be authorized to perform. Various administrative requirements of the county commissioners court calling an election to establish a district would be added. An election regarding establishing a district would not be allowed in an area in which the combined tax rate of all local sales and use taxes imposed, including the rate to be imposed by a district, would exceed 2 percent.

Local Government Impact

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

Source Agencies:

LBB Staff: JOB, CT, DB