

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 1, 2007

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on International Relations & Trade

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

IN RE: HB2212 by Guillen (Relating to the authority to consolidate municipalities.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 61, Local Government Code, to authorize certain municipalities to consolidate under one government as provided in the chapter.

Under current statute, municipalities may consolidate only if they are continuous in the same county. The proposed change in statute would also authorize two noncontiguous municipalities located in the same county to consolidate if the distance between each is less than 2.5 miles and each is located within one mile of an international boundary.

Local Government Impact

It is assumed that eligible municipalities would consolidate only if the governing bodies determined the benefits would outweigh any costs. If eligible municipalities were to choose to consolidate, there would be savings as resources and services are combined and some costs from changing administrative procedures, signage, letterhead, and other related identifying materials.

Source Agencies:

LBB Staff: JOB, CL, DB