

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

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**May 14, 2007**

**TO:** Honorable Robert Duncan, Chair, Senate Committee on State Affairs

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

**IN RE: HB2323** by Goolsby (Relating to imposing a civil penalty on a political subdivision that spends the proceeds of an impact fee for a purpose other than the purpose for which the fee was imposed.), **As Engrossed**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Local Government Code and provides that a political subdivision that spends funds from an impact fee in violation of the purpose for which the impact fee was imposed, is liable for a civil penalty of 20 percent of the amount of funds spent. The bill also would require that the Office of the Attorney General sue to collect the penalty. It is assumed that any additional costs associated with implementation of provisions of the bill could be absorbed within existing state resources.

**Local Government Impact**

Costs to political subdivisions would depend on the number of violations and the collected amount of the impact fee.

**Source Agencies:** 302 Office of the Attorney General, 304 Comptroller of Public Accounts

**LBB Staff:** JOB, KJG, JM