

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 26, 2007

TO: Honorable David Swinford, Chair, House 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 Introduced**

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 would also provide that the Office of the Attorney General is authorized to 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