

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 4, 2007

TO: Honorable Kevin Bailey, Chair, House Committee on Urban Affairs

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

IN RE: HB3079 by Hilderbran (Relating to the development of unrelated infrastructure on certain venue projects.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would add Subchapter L to Chapter 334, Local Government Code, to restrict the development of unrelated infrastructure on municipal projects involving arenas, stadiums, and other venues for sports and community events unless authorized by the voters in a municipal election. The bill specifies the procedures for an election, and procedures for enforcement of the statutory requirements by the district or county attorney, attorney general, taxpayers, and neighbors. The bill would authorize recovery of attorney's fees and costs in any enforcement action. The bill contains a provision waiving municipal sovereign immunity.

Subchapter L would apply only to a home-rule municipality with a population of less than 1.9 million that owns a water and an electric utility, each of which is governed by a board of trustees not composed exclusively of members of the municipality's governing body, thereby excluding the City of Houston from applicability.

The bill would also add Section 26.006 to Chapter 26 of the Parks and Wildlife Code to apply the provisions of Subchapter L, Local Government Code, to construction, operation, or maintenance of unrelated infrastructure on property that is part of an approved venue project and designated or used as a park, recreation area, scientific area, wildlife refuge, or historic site.

The bill would take effect immediately if it were to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Although the bill would authorize enforcement by the Office of the Attorney General (OAG), such enforcement is discretionary. The OAG presumes that any enforcement for violations would likely be conducted by the district or county attorney, taxpayers, or neighbors. Because the bill authorizes the recovery of attorney's fees and costs in any enforcement action, the OAG assumes there would be no fiscal impact to the agency if it were to take enforcement actions.

Local Government Impact

The fiscal impact to a municipality in which projects may have already begun and are the subject of litigation would depend on the discretion of the court in its final judgment. The fiscal impact regarding projects not already begun would vary and would include election costs. The loss of sovereign immunity for the purposes of provisions within the bill could result in a negative fiscal impact that would vary depending on court decisions.

Source Agencies: 302 Office of the Attorney General

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