

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

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

**April 9, 2007**

**TO:** Honorable Rob Eissler, Chair, House Committee on Public Education

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

**IN RE: HB3226** by Branch (Relating to the equalization of property wealth in certain school districts.), **As Introduced**

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

This bill would have the potential to create a loss of recapture revenue to the state in the event that the final recapture owed by qualifying districts is higher than estimated and exceeds the amount of state aid the district is eligible to receive under Section 42.2516. For the purposes of this fiscal note, it is assumed that actual recapture payments and state aid hold harmless amounts for qualifying districts would not differ significantly from estimates.

**Local Government Impact**

The bill would have the potential to allow certain qualifying districts to retain additional local revenue, to the extent that the final recapture payments are higher than estimated and exceed final state aid hold harmless amounts.

**Source Agencies:** 701 Central Education Agency

**LBB Staff:** JOB, JSp, UP, JGM