

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

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**  
**Revision 1**

**February 15, 2007**

**TO:** Honorable Wayne Smith, Chair, House Committee on County Affairs

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

**IN RE: HJR61** by Smith, Wayne (Proposing a constitutional amendment allowing a state mandate imposed on a county to have effect only if the state provides for payment to the county of the cost of the mandate.), **As Introduced**

<p>The cost to the state for publication of the resolution is \$77,468. Costs associated with implementing the provisions of the resolution, if it is adopted by the voters, would vary.</p>
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The resolution proposes a constitutional amendment that, unless the state provides funding to cover the costs of a mandate, would prevent a state mandate on a county from taking effect, whether the mandate is through legislation or agency rule. If the resolution passes, the provisions of the amendment would apply only to mandates adopted on or after January 1, 2008.

The resolution provides exceptions to the prohibition. The state would be authorized to impose mandates without providing funding if the mandate (1) is imposed to comply with a requirement of the Texas constitution, federal law, or a court order; (2) is approved by the voters of the state at a general election; (3) is a statute enacted by a record vote of two-thirds of the members elected in each legislative house that expressly provides that the mandate is not subject to the proposed Section 67, Article III, Texas Constitution; or (4) would in the aggregate cause counties to incur costs that exceed \$1 million (as estimated by the Comptroller of Public Accounts).

The proposed amendment would be submitted to the voters at an election to be held November 6, 2007.

The initial cost to the state if the resolution passes would be for publication costs, as indicated in the box above. If the amendment is adopted by the voters, the state would be required, with certain exceptions, to fund all mandates placed on counties by the state unless those mandates meet the criteria for one of the four exceptions. This would result in additional costs to the state that would vary, depending on what the requirements might be and how many such mandates there might be.

**Local Government Impact**

If the resolution passes and the voters adopt the constitutional amendment, counties would experience a future savings of up to \$1 million in the aggregate for any mandates for which the state provides funding (if evenly divided among the 254 counties, the savings would be \$3,937 per county). However, for mandates that are excepted from the requirement for state funding, counties would experience a cost that would vary by county depending on the requirements associated with the mandate.

**Source Agencies:**

**LBB Staff:** JOB, JB, DB