

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

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 18, 2009**

**TO:** Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

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

**IN RE: HB3001** by Homer (Relating to the consideration of longevity and cost of living in setting the salaries for certain municipal employees.), **As Engrossed**

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

The bill would amend Chapter 141, Local Government Code, to authorize certain types of municipalities to consider longevity and cost of living when setting the salary of a municipal employee.

**Local Government Impact**

It is assumed that taking into consideration longevity and cost of living when determining a salary would result in a higher salary. It is also assumed that a municipality would set salaries using these factors only if the municipality had sufficient resources to absorb the costs. The fiscal impact would vary by municipality, depending on decisions made by the municipality, the number of employees, longevity of the employees, and the current cost of living in the geographical area.

**Source Agencies:**

**LBB Staff:** JOB, DB