

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

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

**March 24, 2009**

**TO:** Honorable Rene Oliveira, Chair, House Committee on Ways & Means

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

**IN RE: HJR57** by McReynolds (Proposing a constitutional amendment to authorize a hospital district to establish an ad valorem tax freeze on residence homesteads of disabled or elderly persons and their surviving spouses.), **As Introduced**

**No fiscal implication to the State is anticipated**, other than the cost of publication.

The cost to the state for publication of the resolution is \$90,882.

The resolution would require that a proposed amendment to the Texas Constitution be placed on the ballot at an election to be held on November 3, 2009. The amendment to the constitution would authorize a hospital district to establish an ad valorem tax freeze on the residence homesteads of disabled or elderly persons and their surviving spouse.

**Local Government Impact**

Adding the proposed amendment to the election ballot would not have a direct fiscal impact for units of local government. Fiscal impact as a result of approval by the voters and implementation by a district would depend on the number of homesteads affected and the property tax value of those homesteads, and whether a district were to choose to provide the tax freeze. For example, according to the El Paso County Hospital District, if that district were to choose to implement the described tax freeze, the district would experience \$2.8 million in revenue loss over a five-year period from fiscal year 2010 through 2014. However, the Harris County Hospital District already provides a tax freeze as described and would therefore experience no fiscal impact.

**Source Agencies:**

**LBB Staff:** JOB, MN, SD, DB