

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 5, 2009

TO: Honorable Chris Harris, Chair, Senate Committee on Economic Development

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

IN RE: SB1952 by Jackson, Mike (Relating to the authorization of certain municipalities and counties to issue public securities for the financing of permanent improvements for use by an institution of higher education.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Government Code to authorize certain municipalities that have entered into an agreement with an institution of higher education relating to the provision of educational services within the municipality by the institution to issue public securities for the financing of permanent improvements for use by the institution. The municipalities would be authorized to impose an ad valorem tax to pay the principal and interest on those securities and to provide a sinking fund. The municipalities would also be authorized to pledge any portion of the revenues received in connection with the agreement to secure payment of any portion of the public securities.

Local Government Impact

The fiscal impact to an applicable municipality would depend on the projects undertaken and public securities issued.

Source Agencies: 781 Higher Education Coordinating Board

LBB Staff: JOB, JRO, DB