

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

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 7, 2011**

**TO:** Honorable Harvey Hilderbran, Chair, House Committee on Ways & Means

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

**IN RE: HB3438** by Raymond (Relating to an election to authorize a sales and use tax adopted by certain municipalities to finance sports and community venues to be used for economic development purposes.), **As Introduced**

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| <b>No fiscal implication to the State is anticipated.</b> |
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The bill would amend the Local Government Code relating to an election to authorize a sales and use tax adopted by certain municipalities to finance sports and community venues to be used for economic development purposes. The bill would apply only to a municipality with a population of more than 200,000 that borders the United Mexican States that has adopted a sales and use tax to finance an approved venue project under Chapter 334; as of September 1, 2011, has outstanding bonds or other obligations of the municipality that are payable wholly or partly from money in the venue project fund derived from a sales and use tax, including any refunding bonds or other obligations; and has not begun construction of the venue and related infrastructure as of September 1, 2011. Based on the applicability criteria, the bill would apply only to the City of Laredo.

The bill would require the governing body of a municipality, not later than the 10th day after the date of the canvass of an election in which the voters approve the conversion of a sales and use tax imposed under Chapter 334 for use by the Type B corporation, to notify the Comptroller of the results of the election; and provide for the transfer of the money the municipality deposited in the venue project fund under Section 334.042 that is derived from a sales and use tax for the use of the Type B corporation.

Based on the analysis of the Comptroller of Public Accounts (CPA), the bill would have no revenue or fiscal implications for the state, and there would no administrative costs to CPA.

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JOB, KK, TP