

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 17, 2011

TO: Honorable Harold V. Dutton Jr., Chair, House Committee on Urban Affairs

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

IN RE: HB3606 by Kuempel (Relating to the payment of development impact fees by certain political subdivisions or governmental entities.), **As Introduced**

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| <p>No significant fiscal implication to the State is anticipated.</p> |
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The bill would amend the Local Government Code to include all political subdivisions or other governmental entities that levy or collect ad valorem taxes to be exempted from paying certain impact fees imposed under Chapter 395, unless both political subdivisions consent to the payment of fees by entering into a contract with the political subdivision that imposes the fees. Under current statute, only a school district is exempt from paying those impact fees.

Local Government Impact

There could be a significant savings to political subdivisions or other governmental entities that would no longer be required to pay certain impact fees. In addition, there could be a significant revenue loss to other political subdivisions that would otherwise have received revenue from the impact fees. The amounts would vary depending on the amount of revenue lost or the cost savings experienced by each political subdivision.

Source Agencies:

LBB Staff: JOB, KKR, TP