

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

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

**April 10, 2011**

**TO:** Honorable Veronica Gonzales, Chair, House Committee on Border & Intergovernmental Affairs

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

**IN RE: HB3717** by Guillen (Relating to fees for emergency first response service provided by certain counties.), **As Introduced**

**Depending upon the number of counties within 50 miles of the Texas-Mexico border that imposed each of the three new fees and set the rates at the highest allowable amounts, there would be an indeterminate revenue gain to the State.**

The bill would amend the Health and Safety Code to authorize the commissioners court of a county located with 50 miles of an international border to impose certain local emergency service fees. A county commissioners court could establish a fee of not to exceed 50 cents per month for each local exchange access line or equivalent local exchange access line; each wireless telecommunications connections; and two percent of the purchase price of each prepaid wireless telecommunications service purchased. The local emergency service fees would be in addition to the 9-1-1 emergency service fees and would be required to be imposed and collected in the same manner and at the same time. A county may use money received from the fees to provide for and equip first responders, or to be used or pledged as security for bonds or other obligations issued by a county for first responder purposes.

The Comptroller of Public Accounts (CPA) would be required to deposit the fees in trust in the separate suspense account of the county in which the fees were collected. The Comptroller would also be required to manage the trust account, and to semi-annually distribute trust funds and interest on fee revenues. The Comptroller would also be required to adopt necessary rules for the administration, payment, collection, remittance, and enforcement of such fees as defined by the provisions.

According to the analysis of CPA, the exact fiscal impact cannot be determined. However, if each applicable county within 50 miles of the Texas-Mexico board imposed each of the three new fees and set the rates at the highest allowable amounts, the total annual collections would be an estimated \$13 million. CPA estimated there would be a one-time technology cost of \$578,000 in fiscal year 2012 for a new account system setup, programming and security controls; and administrative costs of \$705,000 for contracting seasonal employees to implement the new fees requiring semi-annual allocation.

**Local Government Impact**

There could be a significant revenue gain to an applicable county, but the amounts would vary depending on whether the county imposed all three fees at the maximum allowable rate. It is assumed that each applicable county would impose each of the three new fees and set the rates at the maximum allowable rate.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JOB, KM, TP, LCO