

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 25, 2011

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

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

IN RE: HJR56 by Solomons (Proposing a constitutional amendment to restrict the power of the legislature to mandate requirements on local governments.), **Committee Report 1st House, Substituted**

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 \$105,495.

The resolution proposes a constitutional amendment to Article III of the Texas Constitution to prohibit a law enacted by the legislature on or after January 1, 2012 that requires a local government to establish, expand, or modify a duty or activity that requires the expenditure of revenue by the local government from becoming effective unless the legislature appropriates or otherwise provides for the payment or reimbursement from a source other than the revenue of the local government.

The proposed amendment would be submitted to voters at an election to be held November 8, 2011.

Local Government Impact

According to the Texas Association of Counties (TAC), the costs to counties associated with the provisions of the bill are not anticipated to be significant. In addition, it is impossible to determine what, if any, savings counties may have although it is likely that cumulative savings would be significant. Because of the effective date, the fiscal impact would likely not occur until September 1, 2012 when most legislation passed would become effective.

There would be a fiscal impact to local governments associated with an election; however, those costs would vary by locality and are not anticipated to be significant.

Based on costs reported to the Secretary of State in 2010 by a sampling of counties, municipalities, and special districts, the average cost incurred by a local governmental entity for an election held is \$1.98 per registered voter.

Source Agencies:

LBB Staff: JOB, TP, KJG, JB