

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 25, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

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

IN RE: SB1369 by West (Relating to the boundaries and financing of a public improvement district.),
As Introduced

No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code to modify the definition of the boundaries and the financing of a public improvement district (district). A district could consist of a definable boundary encompassing contiguous properties or consist of noncontiguous properties that have a common land use or other common characteristics. The bill also would authorize the cost of an improvement to be assessed as a percentage of sales or receipts.

Local Government Impact

Based on the analysis by the City of Fort Worth (only Tarrant County) Housing and Economic Development Public Improvement District, districts would experience a moderate increase in administrative costs on the part of the municipality by including more areas, contiguous and noncontiguous, in the district's area. In addition, there would be additional costs for an increase in the collection fee charged by the county based on the number of accounts in each district. However, a district would be authorized to assess the cost of an improvement which would result in the reimbursement of administrative costs and additional revenue. Overall, the city did not anticipate a significant fiscal impact to implement the provisions of the bill.

The City of Grand Prairie reported there would be no fiscal impact to implement the provisions of the bill.

Source Agencies:

LBB Staff: JOB, KKR, TP