

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 24, 2013

TO: Honorable Dennis Bonnen, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB815 by Davis, Sarah (Relating to sunset review of certain municipal management districts.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 375 of the Special District Local Laws Code to require a municipal management district in a county with a population of 3.3 million or more to undergo a Sunset review by the Sunset Advisory Commission (SAC), but would not abolish the authority. The SAC would conduct the review eight years after the legislation creating a district passes and would apply only to districts created on or after September 1, 2013. The SAC would determine the costs for the Sunset review and the Harris County districts would be required to promptly reimburse SAC for the costs of the review. Based on the applicability criteria, the provisions would only apply to districts in Harris County.

The SAC indicated the provisions of the bill would not have a significant fiscal impact to the Sunset Commission. The SAC would not have to conduct a review required by the bill during the next five fiscal years. Any impact beyond that timeframe cannot be estimated at this time, since it is unknown how many of these districts the Legislature will create in the future. The Sunset Commission would likely charge between approximately \$50,000 to \$250,000 for a review of one of these districts, depending on the time and number of analysts required to complete a review.

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: 116 Sunset Advisory Commission

LBB Staff: UP, KKR, SD, TP, MW