LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 14, 2015

TO: Honorable Doug Miller, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB613 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 requires the Sunset Commission to conduct reviews of municipal management districts created in Harris County eight years after legislation creating a district passes. The requirement would only apply to districts created on or after September 1, 2015. The bill would not subject these districts to abolishment. The bill also requires the districts to pay the cost of the reviews.

The bill would have no significant fiscal impact to the Sunset Commission. The Commission would not have to conduct a review required by this 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 \$80,000 to \$300,000 for a review of one of these districts, depending on the time and number of analysts required to complete a review.

Local Government Impact

Any municipal management districts created by the Legislature in Harris County on or after September 1, 2015 would be required to pay the cost of a Sunset review eight years after its creation. The cost of such a review would vary depending on the size and complexity of the district.

Source Agencies: 116 Sunset Advisory Commission

LBB Staff: UP, KVe, SD, MW