

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 1, 2015

TO: Honorable Garnet Coleman, Chair, House Committee on County Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2977** by Coleman (Relating to county powers, duties, and services; providing penalties; imposing fees.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Government Code to require the Texas Commission on Jail Standards (TCJS) to conduct a study of county jails to investigate the impact homelessness has on the county jail population, and prepare and deliver a report to certain officials.

The bill would require the Health and Human Services Commission (HHSC) to apply for a modification of or amendment to the Medicaid Waiver, if feasible, to leverage the use of county funds to maximize federal matching funds to counties to provide additional funding for indigent health care services. HHSC would be required to solicit input and use intergovernmental transfers and other procedures to maximize federal matching funds.

The bill would amend the Local Government Code regarding the regulatory authority of subdivisions by certain counties and municipalities, and would establish procedures and requirements for land development; building permits and fees; municipal and county ordinance authority; and injunctions. The bill would create a Class C misdemeanor offense for a violation of an ordinance that would be punishable by a fine of not more than \$500. Each county would be required to submit a report to TCJS with the number of confined homeless individuals. The commissioners court of a county with any population could, on petition of the land owners in a proposed district, create a county development district.

The bill would amend Chapter 13 of the Water Code to allow the commissioners court of a county authorized to intervene under Section 13.871, to engage rate consultants or other experts to conduct investigations and represent the governing body, and assist with litigation on water and sewer utility ratemaking procedures. The water and sewer utility would be required to reimburse the governing body or the commissioners court for reasonable costs of services and recover expenses through rates with interest. A regulatory authority would be required to hold a hearing upon receipt of a complaint. A county may intervene in a rate proceeding on behalf of water rate payers in unincorporated areas of the county.

The bill takes effect September 1, 2013.

The Texas Commission on Jail Standards (TCJS) anticipates any additional work for TCJS resulting from the passage of the bill could be reasonably absorbed within current resources.

The bill would require HHSC to apply to amend the Medicaid Texas Healthcare Transformation and Quality Improvement Program 1115 demonstration waiver. In addition, the Department of State Health Services would need to amend the County Indigent Health Care Program rules, should the waiver amendment be approved. HHSC estimates there would be no significant cost to apply to amend the waiver or to amend rules. To the extent that HHSC is able to maximize federal funds under a waiver program, there could be significant increased revenues to counties, but there would be no impact to state funds.

Local Government Impact

According to the analysis by HHSC, to the extent that HHSC is able to maximize federal funds under a waiver program, there could be increased revenues to counties; however, the amounts would vary by county.

Costs associated with enforcement and prosecution could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal impact. No significant fiscal implication to units of local government is anticipated.

Source Agencies: 409 Commission on Jail Standards, 529 Health and Human Services Commission

LBB Staff: UP, KVe, SD, EK, CH, JN, KKR