

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 7, 2015**

**TO:** Honorable Joe Deshotel, Chair, House Committee on Land & Resource Management

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB3876** by Workman (relating to the issuance of local permits by a regulatory agency of a political subdivision; limiting the amount of a fee.), **Committee Report 1st House, Substituted**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Local Government Code relating to the issuance of local permits by a regulatory agency and limiting the amount of a fee. The bill would create additional liability for a permit applicant's attorney's fees and costs and mediation fees. The bill would require mediation on the request of a permit applicant regarding an agency's determination that the chapter does not apply to the applicant's project. The bill prescribes requirements of the mediation including: the chief administrative law judge to appoint a mediator from a list maintained by the State Office of Administrative Hearings, a mediator is entitled to fees, and an authorized representative of each party must be present during the mediation. The bill specifies that Chapter 154, Civil Practice and Remedies Code, governs the mediation unless it conflicts with the specific provisions in the chapter. The bill would require a fee imposed by a regulatory agency to review application for determination of the applicability of the chapter to not exceed \$250.

The Office of Court Administration reported no significant fiscal impact to the state court system is anticipated.

The Office of Attorney General anticipates any legal work resulting from the passage of this bill could be reasonably absorbed within current resources.

**Local Government Impact**

There could be costs and revenue loss to local entities due to the provisions of the bill. The costs would depend if a political subdivision was found to have violated the chapter and the amount of the applicant's fees and the cost of mediation. The revenue loss would depend on the application fee of each regulatory agency, the number of applicants, and the size of the regulatory agency's jurisdiction.

The City of San Antonio reported \$87,000 in revenue loss for Fiscal Year (FY) 2016-2018 due to loss of application fees.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 302 Office of

the Attorney General, 701 Central Education Agency

**LBB Staff:** UP, SZ, SD, EK, JBi