

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 19, 2017**

**TO:** Honorable Angie Chen Button, Chair, House Committee on Economic & Small Business Development

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

**IN RE: HB3874** by Martinez, "Mando" (Relating to the use of state money to pay certain payments, including debt service payments, for public-private partnership projects.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill relates to the use of state money for certain public-private partnership projects.

The bill would amend Chapter 2267 of the Government Code, regarding public and private facilities and infrastructure, under which governmental entities have the power to develop or operate a qualifying development project. The bill would authorize a governmental entity to use state money to pay a lease payment, a service payment, a user fee, or debt service directly related to certain qualifying development projects.

The bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, the bill would take effect September 1, 2017.

The Comptroller of Public Accounts and the Texas Facilities Commission indicate that the bill would have no fiscal impact on the State.

The Public Finance Authority indicates with regards to bond debt service, that there could be a cost to the State to the extent that state funds are appropriated to pay debt service related to a qualifying project.

## **Local Government Impact**

The Public Finance Authority indicates that the fiscal impact to local government cannot be determined. However, to the extent that state money is appropriated and used for a qualifying project, there could be an equivalent cost savings to local units of government that would otherwise incur such costs.

According to the Texas Association of Counties, the bill would have no fiscal impact on counties.

**Source Agencies:** 303 Facilities Commission, 304 Comptroller of Public Accounts, 347 Public Finance Authority

**LBB Staff:** UP, CL, JPU, DRE, JGA