

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 2, 2017

TO: Honorable Jane Nelson, Chair, Senate Committee on Finance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SJR51 by Estes (proposing a constitutional amendment authorizing the legislature to provide that the eligibility of open-space land for ad valorem taxation on the basis of its productive capacity does not end because an oil and gas lessee begins conducting oil and gas operations on the land if the land otherwise continues to be devoted to farm, ranch, or wildlife management purposes or timber production.), **Committee Report 1st House, Substituted**

The resolution alone would have no fiscal implication to the State, other than the cost of publication. Any additional fiscal implication would be attributable to the corresponding enabling legislation.

The cost to the State for publication of the resolution is \$114,369.

The resolution would propose an amendment to Section 1-d-1(a), Article VIII, of the Texas Constitution, regarding taxation of certain open-space land, to authorize the Legislature to provide that the eligibility of open-space land for taxation on the basis of its productive capacity does not end because a lessee under an oil and gas lease begins conducting oil and gas operations on the land if the land otherwise continues to be devoted to specified agricultural, timber production, or wildlife management purposes.

Adoption of the proposed constitutional amendment alone would have no fiscal impact on the state or units of local government other than the cost of publication. Any additional fiscal impact would depend on the corresponding enabling legislation.

The cost to the state for publication of the resolution is \$114,369.

The proposed amendment would be submitted to voters at an election to be held November 7, 2017.

Local Government Impact

The proposed constitutional amendment alone would have no fiscal implication to units of local government. Any fiscal implication would be attributable to the corresponding enabling legislation.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, SJS