LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 9, 2019

TO: Honorable Dennis Bonnen, Speaker of the House, House of Representatives

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director

Legislative Budget Board

IN RE: HB347 by King, Phil (Relating to consent annexation requirements.), As Passed 2nd House

No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code to repeal the tier system that governs certain consent annexations.

Local Government Impact

According to the Texas Municipal League (TML), the bill would eliminate unilateral annexations in 280 home rule cities some of which, TML notes, are fast growing. According to TML, the fiscal impact of the bill cannot be determined, however TML believes it would be significant in the affected cities. Additional costs to these cities would be imposed because the bill would limit their ability to manage their growth and to pay for city services due to their boundaries being frozen.

Source Agencies:

LBB Staff: WP, SD, CMa, GP, SZ