

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 6, 2019

TO: Honorable John Zerwas, Chair, House Committee on Appropriations

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB634 by Buckley (Relating to the applicability of the law governing the provision of state aid to certain local governments disproportionately affected by the granting of ad valorem tax relief to disabled veterans.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Section 140.011, Local Government Code, to redefine "local government" for purposes of determining eligibility for the granting of state aid to certain local governments disproportionately affected by the granting of ad valorem tax relief to 100 percent or totally disabled veterans or their surviving spouses, also referred to as disabled veteran assistance payments. Under current law, a "local government" includes a municipality adjacent to a U.S. military installation and a county in which a U.S. military installation is wholly or partly located. The bill would revise a qualifying municipality to include those located wholly or partly in affected counties.

This analysis assumes there would be no significant fiscal impact to the state. The appropriations to the Comptroller of Public Accounts' Fiscal Programs include funding for disabled veteran assistance payments to qualifying local governments. The funding, which includes \$3,250,000 in General Revenue in each fiscal year of the 2018-19 biennium, would be allocated among potentially more recipients of the disabled veteran assistance payments.

Local Government Impact

In fiscal year 2018, two counties and two cities were recipients of the disabled veteran assistance payments: Bell County, Coryell County, City of Killeen, and City of Copperas Cove. The bill would potentially increase the number of recipients of the assistance payments. Assuming current state funding levels of \$3,250,000 in General Revenue in each fiscal year for the assistance payments, the four current recipients of the assistance payments would receive a reduced allocation of the payments while any new local government would experience a revenue gain.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: WP, KK, NV, LCO, AF