

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 27, 2019**

**TO:** Honorable Tom Craddick, Chair, House Committee on Land & Resource Management

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

**IN RE: HB957** by Miller (Relating to the use of sales tax revenue collected under certain contracts.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill amends Chapter 54 of the Water Code relating to the use of municipal sales and use tax revenue collected in certain municipal utility districts.

Section 54.605 would be added to require that a municipality with a population of one million or more that is included in the Harris-Galveston Subsidence District must use for the purposes of drainage or road projects at least 50 percent of its share of municipal sale and use tax revenue collected within a municipal utility district located in a county with a population of 550,000 or more and included in the Harris-Galveston Subsidence district or the Fort Bend Subsidence district.

The bill would take effect September 1, 2019.

The bill would have no state revenue implications.

**Local Government Impact**

Harris County does not anticipate a fiscal impact to the county.

According to the City of Houston, the bill would obligate the City to utilize 50% of the shared sales tax revenue to fund drainage or road projects within the district or within 5 miles of the district. This totals approximately \$29.5 million of sales tax revenue received from districts in FY 2018.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** WP, SZ, SD, KK, LCO, AF