

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 25, 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: HB958 by Miller (Relating to the release and inclusion of extraterritorial jurisdiction by a municipality involving certain areas.), **As Introduced**

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| No fiscal implication to the State is anticipated. |
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The bill would amend the Local Government Code to authorize a mechanism by which a majority of registered voters in certain areas may petition to be removed from a municipality's extraterritorial jurisdiction (ETJ).

Local Government Impact

According to Harris County, the bill would have no fiscal impact.

According to the City of Houston, it is not possible to quantify future lost revenue to the City upon the release of territory from the ETJ without knowing what would be built on the property and when. To the extent that construction is residential housing, the ad valorem taxes the city could lose would be offset by the cost of providing service to the area. Losses from sales tax on commercial property would depend on the size and type of business in the released portion of the ETJ and would vary greatly.

Source Agencies:

LBB Staff: WP, SZ, SD, GP