

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

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

**April 7, 2019**

**TO:** Honorable Dade Phelan, Chair, House Committee on State Affairs

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

**IN RE: HJR122** by Burns (Proposing a constitutional amendment to require the legislature to provide for the reimbursement of certain political subdivisions for the implementation of laws that establish, expand, or modify a duty or activity that requires the expenditure of revenue.), **As Introduced**

**No significant fiscal implication to the State is anticipated**, other than the cost of publication.

The cost to the state for publication of the resolution is \$177,289.

The resolution would propose an amendment to the Texas Constitution. The amendment would require the Legislature provide reimbursement to certain political subdivisions for certain passed laws in one of three ways: appropriating total estimated cost; allowing political subdivisions to impose a payment to cover costs; or otherwise providing a revenue source. These requirements would not take effect unless and until the Legislature has prescribed certain procedural requirements through enabling legislation that would be enacted following adoption of the amendment by voters.

According to the Comptroller of Public Accounts (CPA), adoption of the proposed constitutional amendment alone would have no fiscal impact on the state. Any fiscal impact would depend on approval by voters of this constitutional amendment and, in addition, the passage of enabling legislation.

The proposed constitutional amendment would be submitted to the voters at an election to be held November 5, 2019. If passed, the amendment would take effect January 1, 2020.

**Local Government Impact**

According to CPA, adoption of the proposed constitutional amendment alone would have no fiscal impact to units of local government. Any fiscal impact would depend on approval by voters of this constitutional amendment and, in addition, the passage of enabling legislation.

According to the Texas Association of Counties, the fiscal impact to counties from the bill cannot be determined at this time.

According to the Texas Municipal League, the fiscal impact of the bill is unknown because it cannot be determined if reimbursement would be funded, what unfunded mandates would be

covered, and whether a city would meet the conditions required in the bill to be eligible for the reimbursement.

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

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