

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

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

**April 2, 2019**

**TO:** Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

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

**IN RE:** SB855 by Fallon (Relating to information a municipality may consider in determining the amount of certain building permit and inspection fees.), **Committee Report 1st House, Substituted**

**No fiscal implication to the State is anticipated.**

The bill would amend the Local Government Code to prohibit municipalities from considering certain measures of the valuation of a dwelling when determining building and inspection fees and would prohibit certain disclosures as a condition of obtaining a permit.

**Local Government Impact**

According to the Texas Municipal League (TML), the bill would prohibit cities from using the value of the cost of construction to determine the cost of a building permit. This approach is the standard method that cities use to determine permit costs, because the amount of construction costs generally equate with the complexity of plans under review. TML cannot determine what method would be employed by cities to assess permit fees if the construction cost method were no longer available, therefore the fiscal implication of the bill to cities cannot be determined.

**Source Agencies:**

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