

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 26, 2025

TO: Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB103 by Troxclair (Relating to the creation and maintenance of a database of taxing unit bond, tax, and bond-related project information; providing a civil penalty.), As Passed 2nd House

Estimated Two-year Net Impact to General Revenue Related Funds for HB103, As Passed 2nd House: a negative impact of (\$1,258,000) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2026	(\$1,169,000)
2027	(\$89,000)
2028	(\$89,000)
2029	(\$89,000)
2030	(\$89,000)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$1,169,000)	1.0
2027	(\$89,000)	1.0
2028	(\$89,000)	1.0
2029	(\$89,000)	1.0
2030	(\$89,000)	1.0

Fiscal Analysis

The bill would require the Comptroller, in coordination with the Bond Review Board, to develop and maintain a database that includes current and historical information regarding taxes imposed and bonds issued. The database would include ballot language for bonds; projected tax rates for debt service; an estimate of the minimum dollar amount required to be spent annually for debt service resulting from the issuance of a bond; election results for bond approvals; lists of funded projects and accounting for bond proceeds; and tax rate changes resulting from issued bonds. The database would also track election results on tax rate election under Chapter 26 of the Tax Code; proposed or approved maintenance tax rates for school districts; and ballot language for school district maintenance taxes under Section 45.003(d) of the Education Code. The database

would, further, provide report generation by geographic area and a function for updates or corrections to the data.

The bill would require taxing units to provide required data to the Comptroller by specified timelines. The Comptroller would be required to develop the database, and the Department of Information Resources would be required to create a link to the database on its Internet website identified in the bill, by January 1, 2026. The Comptroller would be authorized to contract with a third party for database development and maintenance. Public access to the database would be free of charge. The Comptroller could adopt rules to implement this database. The Comptroller would be required to consult and coordinate with the Bond Review Board and Texas Education Agency to adopt rules to implement a single data source entry method for a taxing unit to provide the required information to the Comptroller.

The bill provides for a civil penalty. If a taxing unit fails to provide required information, the Comptroller must issue a written notice outlining the missing information; and the taxing unit would have 30 days to comply before the taxing unit would be subject to a \$1,000 civil penalty. The Texas Attorney General would be authorized to bring action to collect the penalty. A taxing unit may defend against a penalty by demonstrating it provided all non-exempt or non-confidential data.

Methodology

As the incidence of non-compliance warranting an imposition of a \$1,000 civil penalty is unknown, the fiscal impact cannot be estimated.

Administrative costs include staffing costs related to hiring one (1) Program Specialist IV FTE to assist with facilitating outreach and data collection. This bill also requires the Data Analysis and Transparency division to adopt procedures, rules, and enforce compliance.

Technology

The administrative cost includes technology costs of \$1,080,000 in fiscal year 2026 to implement the provisions of this bill. An estimated 7,200 programming hours would be required to develop the new database, implement noncompliance payments from taxing units and collect data to share publicly.

Local Government Impact

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As the incidence of non-compliance warranting an imposition of a \$1,000 civil penalty is unknown, the fiscal impact cannot be estimated.

Source Agencies: 304 Comptroller of Public Accounts, 352 Bond Review Board

LBB Staff: JMc, KK, SD, BRI, SZ