

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

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**May 19, 2003**

**TO:** Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB2295** by Thompson (Relating to the level of municipal participation in contracts with developers for public improvements. ), **Committee Report 2nd House, Substituted**

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

The bill would amend the Local Government Code to change from 30 percent to 70 percent the level of participation by a municipality not to be exceeded when a municipality enters into a contract with a developer of a subdivision or land to construct public improvements, if the municipality has a population of 1.8 million or more. The bill would take effect immediately if it receives a two-thirds vote in each house; otherwise, it would take effect September 1, 2003.

Under current statute, the 30 percent maximum level of participation applies to all municipalities. The proposed change in statute to raise the maximum would apply only to a municipality with a population of 1.8 million or more. Only the City of Houston has a population of 1.8 million or more.

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JK, DLBa