

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 27, 2009

TO: Honorable David Dewhurst, Lieutenant Governor, Senate

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB2468 by Gallegos (Relating to the postemployment activities of certain local government officers in certain counties; providing a penalty.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The bill would add Section 171.011 to the Local Government Code, which would apply only to a county with a population of 3.3 million or more. Based on the population criteria, the section would apply only to Harris County.

The bill would add to the definition of "political subdivision" under Chapter 172, Local Government Code, to include a county, municipality, special district, school district, junior college district, housing authority, or other political subdivision of any other state. Current statute applies to those listed entities within the State of Texas only. Chapter 172 is the Texas Political Subdivision Employees Uniform Group Benefits Act.

Local Government Impact

Because Section 171.011 of 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.

It is assumed that the change in definition under Chapter 172 could result in political subdivisions of other states seeking to participate through an interlocal agreement or directly through a risk pool in a group health insurance program offered through a Texas political subdivision or risk pool. It is assumed that the addition of political subdivisions from outside the state would not have a fiscal impact on Texas units of local government. Fiscal impact on a group health insurance program administered by or through a Texas political subdivision or on a local risk pool would be covered by payments/contributions from participating political subdivisions in accordance with established terms of participation.

Source Agencies:

LBB Staff: JOB, DB, KJG