

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 20, 2007

TO: Honorable Kevin Bailey, Chair, House Committee on Urban Affairs

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

IN RE: HB2175 by Deshotel (Relating to the operation of urban land bank demonstration programs by certain municipalities.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Section 379C.002, Local Government Code, to change the applicability of Chapter 379C, Urban Land Bank Demonstration Program, authorizing an increased number of municipalities to participate in the program.

Local Government Impact

Under the statute, the governing body of a municipality may adopt an urban land bank demonstration program in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale for purposes of affordable housing development as provided by Chapter 379C. The governing body of a municipality that adopts an urban land bank demonstration program is required to establish or approve a land bank for the purpose of acquiring, holding, and transferring unimproved real property under this chapter.

The fiscal impact would vary by municipality, depending on whether the municipality chooses to establish an urban land bank demonstration program and the amount of property involved. It is anticipated that the fiscal implications would not be significant.

Source Agencies:

LBB Staff: JOB, DB