

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 18, 2007

TO: Honorable David Swinford, Chair, House Committee on State Affairs

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

IN RE: HB3874 by Menendez (Relating to the issuance of private activity bonds.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would provide amendments to Section 1372 of the Government Code regarding changes to definitions and responsibilities of the Private Activity Bond Program. The bill would provide that the \$5,000 multifamily application fee per applicant, currently collected by the Bond Review Board, be divided into two fees with \$1,000 payable to the Bond Review Board and \$4,000 payable the Texas Department of Housing and Community Affairs.

The bill makes no appropriation to the Bond Review Board or the Texas Department of Housing and Community Affairs and it is assumed that the multifamily application fees will be deposited into the General Revenue fund.

The bill takes effect September 1, 2007 and changes to the Private Activity Bond Program apply only to a reservation of state ceiling granted on or after January 1, 2008.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs, 352 Bond Review Board

LBB Staff: JOB, KJG, JW