

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 13, 2009

TO: Honorable Yvonne Davis, Chair, House Committee on Urban Affairs

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

IN RE: HB2315 by Patrick (Relating to authorizing municipalities to assess fees on vacant commercial buildings.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would add Subchapter H to Chapter 214, Local Government Code, to authorize a municipality, by ordinance, to assess a fee on a vacant commercial building. The bill establishes the fee levels based on period of time a building is vacant, ranging from \$500 to \$2,000. Fees collected could be used only to abate a violation of a municipal ordinance regarding a nuisance condition or minimum standard for use and occupancy of a vacant commercial building or a building on property that contains a vacant commercial building. The bill would not apply to a commercial building owned by a governmental entity.

The bill would authorize a municipality to obtain a lien against the property on which a fee is assessed unless the property is designated as homestead property.

Local Government Impact

Any revenue gain would depend on the number of vacant commercial buildings that exist within a municipality, how long the building has been vacant, and a municipality's success in collecting the fees. It is uncertain whether revenue gains would offset costs for implementing provisions.

Source Agencies:

LBB Staff: JOB, DB