

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 4, 2009

TO: Honorable Garnet Coleman, Chair, House Committee on County Affairs

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

IN RE: HB3776 by Gallego (Relating to a fee imposed on foreclosure filings to fund civil legal services to indigent Texans.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3776, As Introduced: an impact of \$0 through the biennium ending August 31, 2011.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>Basic Civil Legal Services Account , Judicial Fund 573</i>
2010	\$15,744,000
2011	\$17,948,000
2012	\$17,051,000
2013	\$16,198,000
2014	\$15,388,000

Fiscal Analysis

The bill would amend Chapter 118 of the Local Government Code, regarding fees charged by county officers.

The bill would require a county clerk to collect a fee of \$150 for the filing of the first page of a foreclosure notice filed pursuant to Section 51.002(b)(2) of the Property Code. The county treasurer would remit fee collections to the Comptroller of Public Accounts for deposit to the Basic Civil Legal Services Fund of the Supreme Court.

The bill would take effect immediately if it receives the required two-thirds vote in each house; otherwise, it would take effect September 1, 2009.

Methodology

The comptroller provided information based on calendar year 2008 foreclosure filings, which was obtained through a survey of certain county clerks' offices, and those results were extrapolated to an estimated statewide total. Estimated filings were adjusted to reflect the expectation of the current foreclosure pattern continuing into fiscal 2010, then receding, and adjusted for a September 1, 2009 effective date and projected through fiscal 2014.

Local Government Impact

There would be no revenue gain to the counties because the full \$150 collected would be submitted to the Comptroller of Public Accounts. There would be administrative costs for collecting the extra fee, maintaining separate records, and making quarterly submissions.

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, DB