

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 18, 2009

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

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

IN RE: HB4094 by Davis, Yvonne (Relating to state and municipal actions to ensure compliance with fair housing requirements.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4094, As Introduced: a negative impact of (\$132,070) through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	(\$66,785)
2011	(\$65,285)
2012	(\$65,785)
2013	(\$66,785)
2014	(\$65,285)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2009
2010	(\$66,785)	1.0
2011	(\$65,285)	1.0
2012	(\$65,785)	1.0
2013	(\$66,785)	1.0
2014	(\$65,285)	1.0

Fiscal Analysis

The bill would amend the Property Code relating to state and municipal actions to ensure compliance with fair housing requirements.

The bill would create a Governor's Fair Housing Advisory Council of which the executive director of the Texas Department of Housing and Community Affairs (TDHCA) would serve as the presiding officer. The bill directs the Council to review the design and delivery of state programs to ensure the affirmative furthering of fair housing. Specifically, the Council must (1) propose revisions to existing programs and activities; (2) develop pilot programs and activities; and (3) propose new programs and activities. In support of the Council's goals, TDHCA would be required to provide assistance to all state agencies in the formulation of policies to affirmatively further fair housing goals and to provide information and guidance on affirmative administration of housing and urban development programs

and the protection of fair housing rights. TDHCA must also develop memorandums of understanding with other state agencies to further fair housing and develop an annual report describing the progress of TDHCA and other state agencies in carrying out responsibilities detailed.

The bill would take effect immediately upon receiving a two-thirds majority vote in each house. If the bill does not receive a two-thirds vote in each house, it would take effect September 1, 2009.

Methodology

For the purposes of this analysis, TDHCA estimates it would need to hire 1 FTE (Planner IV at \$50,000 per year, with benefits totaling \$14,285 per year) who specializes in Fair Housing. This FTE would provide support to the Council in reviewing the design and delivery of state programs, proposing revisions to programs, developing pilot programs, and proposing new programs and activities. The FTE would be responsible for providing assistance to all state agencies in their development of fair housing policies and in their efforts to affirmatively further fair housing. As municipalities must also comply with this requirement, the FTE would likely provide technical assistance to those administering state funds and be responsible for developing the required memorandums of understanding and annual report. Other operating expenses are factored into the agency's analysis at \$1,000 each year.

Technology

TDHCA estimates computer equipment costs for the additional FTE would total \$1,500 in fiscal year 2010 and fiscal year 2013.

Local Government Impact

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

Source Agencies: 301 Office of the Governor, 332 Department of Housing and Community Affairs

LBB Staff: JOB, NV, TP, DB, MW