

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 13, 2009

TO: Honorable Joe Deshotel, Chair, House Committee on Business & Industry

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

IN RE: HB4620 by Deshotel (Relating to the rights and responsibilities of residential landlords and tenants.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would add Section 24.0071 to the Property Code to require a county court or a county court at law in which an appeal of an eviction suit is filed to appoint counsel to attend to the cause of certain parties. Reasonable attorney's fees and expenses of appointed counsel shall be taxed by the court in any manner the court considers fair and just and paid by the county in which the suit is filed. The court would be required to provide for a method of service of written notice on the parties to an eviction suit of the right to an appointment of counsel on perfection of appeal on approval of a pauper's affidavit.

The bill would also add Chapter 247 to the Local Government Code to prohibit a political subdivision from requiring landlords to refuse to lease to a tenant based solely on their immigration status or to inquire about immigration status.

Local Government Impact

The fiscal impact related to Section 24.0071 would vary by county based on the number of appeals of an eviction suit filed.

The Montgomery County Auditor's Office estimates there would be approximately 40 applicable cases in fiscal year 2010 at a cost of \$8,000 per case, for a total cost to the county of \$320,000. The county assumes there would be an annual increase of 25 percent in the number of cases, and therefore in the cost to the county, reaching a total cost of \$792,000 by fiscal year 2014.

In Williamson County, the county clerk reports there were 25 eviction cases on appeal from Justice of the Peace courts in fiscal year 2008, and 20 of those had a pauper's affidavit. Based on that number and expected increases, the county clerk estimates costs to the county of approximately \$5,000 each year.

Although the Hays County Court at Law did not report estimated dollar amounts, the court anticipates the costs would have a moderate (between 1 percent and 9 percent) impact on its budget. The county clerk's office in Washington County estimated a minimal negative fiscal impact, and the county clerk's office in Comal County reported that in at least 17 years, there have been no appeals on eviction suits filed.

The fiscal impact of Chapter 247 would depend on whether a political subdivision has implemented such a requirement. If a political subdivision has implemented a requirement of this nature, that entity may incur an insignificant fiscal impact related to notifying landlords that the requirement has been rescinded. If no such requirement has been implemented, a local government entity would have no fiscal impact related to Chapter 247.

Source Agencies:

LBB Staff: JOB, JRO, DB