

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**May 3, 2009**

**TO:** Honorable Veronica Gonzales, Chair, House Committee on Border & Intergovernmental Affairs

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

**IN RE: SB1398** by West (Relating to the requirement by a municipality of a license or permit to occupy or lease a dwelling unit.), **Committee Report 2nd House, Substituted**

**No fiscal implication to the State is anticipated.**

The bill would prohibit a municipality from requiring a tenant to acquire a license or permit issued by the municipality as a condition for occupying or leasing an individual dwelling unit in a single-family, duplex, or multifamily structure. The bill would allow a municipality to require a license or permit for the nonresidential use of a dwelling unit.

**Local Government Impact**

There would be no fiscal impact to a municipality unless a municipality has such a policy in place, in which case the municipality would experience a revenue loss. The amount of loss would depend on the number of licenses or permits that otherwise would have been issued, but is not expected to be significant.

**Source Agencies:**

**LBB Staff:** JOB, CL, DB, TP