

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 19, 2011

TO: Honorable Harold V. Dutton Jr., Chair, House Committee on Urban Affairs

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

IN RE: HB2224 by Davis, Yvonne (Relating to reporting of certain information regarding foreclosure sales of residential real property.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2224, As Introduced: a negative impact of (\$169,538) through the biennium ending August 31, 2013.

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
2012	(\$100,519)
2013	(\$69,019)
2014	(\$69,019)
2015	(\$69,019)
2016	(\$69,019)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2011
2012	(\$100,519)	1.0
2013	(\$69,019)	1.0
2014	(\$69,019)	1.0
2015	(\$69,019)	1.0
2016	(\$69,019)	1.0

Fiscal Analysis

The bill would amend the Government Code relating to reporting of certain information regarding foreclosure sales of residential real property. The bill directs the Texas Department of Housing and Community Affairs (TDHCA) board to create a form to be filed by mortgage services with county clerks in order to collect property-level information on mortgage defaults and foreclosures, as well as identifying the procedure for which the county clerks must submit the information to the TDHCA. The bill also directs TDHCA to submit a report with the above information, no later than January 1st of each year to the Governor, Lieutenant Governor, Speaker, and Attorney General. Under provisions of the bill, TDHCA is also directed to make the data and the report available online.

This bill would take effect September 1, 2011.

Methodology

According to the analysis by TDHCA, the agency estimates additional costs would be incurred in order to implement the provisions of this bill. According to TDHCA, an Information Specialist II, operating costs and capital budget funding and authority would be required to implement the system for collecting foreclosure sales data and displaying the data on TDHCAs website. The total impact for fiscal year 2012 is \$45,455/year (Salaries/Wages) + 12,664 (Benefits) + \$1,500 (Computer Equipment) + \$37,500 (Capital Budget) + \$3,400 (Operating Expenses) = \$100,519. The total impact for fiscal year 2013 - 2016 is 45,455/year (Salaries/Wages) + 12,664 (Benefits) + \$7,500 (Capital Budget) + \$3,400 (Operating Expenses) = \$69,019.

Technology

TDHCA estimates one-time technology costs of \$37,500 in FY 2012 and \$7,500 in fiscal years 2013-16. Costs are associated with the development and maintenance of a web-based data collection system.

Local Government Impact

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

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: JOB, KKR, MW, NV