

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**May 3, 2011**

**TO:** Honorable Bill Callegari, Chair, House Committee on Government Efficiency & Reform

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

**IN RE: HB2404** by Madden ( Relating to the imposition of a privilege fee for state-owned housing provided to certain state employees by a state agency.), **Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would require the General Land Office (GLO) to determine, not later than September 1 of each year, the fair market rental value of certain state-owned housing provided to a state employee by a state agency, and it would require the GLO notify the agencies of the fair market rental value. The requirement would not apply to the Governor's Mansion, the State Capitol, or state employee dormitory housing. The bill also would not apply to the real property of an institution of higher education; the real property that is part of a fund created or specifically authorized by the constitution of this state and that is administered by or with the assistance of the land office; the real property of the Employees Retirement System of Texas; and the real property of the Teacher Retirement System of Texas.

The bill would require state agencies that do not recover 100 percent of the determined fair market rental value of the housing to require, as a condition of occupancy, that the employee remit a monthly privilege fee to the school district in which the state-owned housing is located. The fee would be 20 percent of the difference between the fair market rental value of the housing and the amount paid for the housing, if any, by the employee.

The bill's passage is not expected to result in significant costs to state agencies.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated. The amount of revenue realized by individual school districts under the bill would be expected to vary widely depending upon specific local circumstances.

**Source Agencies:** 304 Comptroller of Public Accounts, 305 General Land Office and Veterans' Land Board, 694 Youth Commission, 696 Department of Criminal Justice, 802 Parks and Wildlife Department

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