

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 12, 2015

TO: Honorable Joe Deshotel, Chair, House Committee on Land & Resource Management

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2879 by González, Mary (Relating to a study by the General Land Office regarding the feasibility of creating a mechanism by which a governmental entity could acquire small parcels of real property in an area and convey them to a developer in order to ensure the property is developed in compliance with model subdivision rules.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2879, As Introduced: a negative impact of (\$100,000) through the biennium ending August 31, 2017.

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
2016	(\$100,000)
2017	\$0
2018	\$0
2019	\$0
2020	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2016	(\$100,000)
2017	\$0
2018	\$0
2019	\$0
2020	\$0

Fiscal Analysis

The bill would require the General Land Office to prepare and submit a study regarding the feasibility of creating a mechanism by which a governmental entity could acquire small parcels of real property in an area and convey them to a developer in order to ensure the property is developed in compliance with model subdivision rules. The issue of fractured ownership of land parcels and the desire to combine individually owned tracts to form a more cohesive parcel better suited to commercial development is a long standing issue in the industry.

The bill would take immediate effect if the bill receives two-thirds the vote of all members in both houses. Otherwise, the bill would take effect September 1, 2015.

Methodology

The General Land Office indicates that even with that agency's expertise it would have to contract professional and legal services to vet the various business and legal considerations or requirements at a minimum cost of \$100,000 in fiscal year 2016. That amount for a localized study has been reflected in the table above.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 305 General Land Office and Veterans' Land Board

LBB Staff: UP, SZ, MW, TB