

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 12, 2017**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB1449** by Simmons (Relating to prohibiting local governments from imposing certain fees on new construction.), **Committee Report 2nd House, Substituted**

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

The bill would amend the Local Government Code to prohibit a political subdivision from imposing, directly or indirectly, a fee on new construction for the purposes of offsetting the cost or rent of any unit of residential housing. Exempts existing residential density bonus programs in which a zoning waiver concerning height or square footage is issued for a voluntary fee payment. Exempts certain existing property tax abatement programs. Nullifies existing charter provisions, ordinances, orders, or other regulations in conflict with this bill. The provisions of the bill do not apply to agreements entered into before the effective date of the bill.

According to the Department of Housing and Community Affairs and the Department of Licensing and Regulation, no fiscal implication to the state is anticipated.

The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house. If the bill does not receive the vote necessary for immediate effect, it would take effect September 1, 2017.

**Local Government Impact**

According to the Department of Housing and Community Affairs and the Department of Licensing and Regulation, no fiscal implication to local government is anticipated.

According to the Texas Municipal League, no fiscal implication to municipalities is anticipated.

**Source Agencies:** 332 Department of Housing and Community Affairs, 452 Department of Licensing and Regulation

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