

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 18, 2017

TO: Honorable Abel Herrero, Chair, House Committee on Land & Resource Management

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2512 by González, Mary (Relating to 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.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2512, As Introduced: a negative impact of (\$150,000) through the biennium ending August 31, 2019.

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
2018	(\$150,000)
2019	\$0
2020	\$0
2021	\$0
2022	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
2018	(\$150,000)
2019	\$0
2020	\$0
2021	\$0
2022	\$0

Fiscal Analysis

The bill would require the General Land Office (GLO), in cooperation with the Secretary of State, the commissioners court of the county, and the colonia ombudsperson in the county, to conduct a feasibility study of creating a mechanism by which a governmental entity could acquire small parcels of land and convey them to a developer in order to ensure the property is developed in compliance with model subdivision rules. The bill would establish requirements for the study and would require GLO to examine small parcels of land only in a county along the international border that has a population greater than 800,000.

GLO would be required to provide the report to the Legislature by December 1, 2018. The bill would take immediate effect upon receiving a two-thirds the vote of all members in both houses. Otherwise, the bill would take effect September 1, 2017.

Methodology

According to the 2010 Census, one county has a population greater than 800,000 along the border with Mexico.

Based on information provided by GLO, contracting for professional and legal services to vet the various business and legal considerations or requirements would cost a minimum of \$150,000 in General Revenue. This analysis assumes the full amount of these costs would be incurred in fiscal year 2018 due to the report submission date required by the bill. This analysis also assumes that any work required of GLO beyond the contract for professional services could be accomplished using the agency's existing resources.

The Secretary of State has indicated it could implement the provisions of the bill using existing resources.

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, 307 Secretary of State

LBB Staff: UP, PBO, ASa, SZ, MW