

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 17, 2017

TO: Honorable Carol Alvarado, Chair, House Committee on Urban Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2551 by Parker (Relating to regulation of short-term rentals by municipalities and counties.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code to prohibit a municipality or county from adopting or enforcing an ordinance or regulation that expressly or effectively prohibits the use of property as a short-term rental. The municipality or county may adopt ordinances or regulations to address fire and building codes, health and sanitation, traffic control, and solid or hazardous waste and pollution control.

According to the Comptroller of Public Accounts, the bill would have no fiscal implication to the state.

The bill would take effect September 1, 2017.

Local Government Impact

According to Travis County, no fiscal impact is anticipated from the provisions of the bill.

According to the City of Corpus Christi, there could be costs to bill, collect, and audit funds associated with these rentals. The City is unable to accurately estimate these costs as they depend on the number of private homes in the short-term rental pool.

Source Agencies: 304 Comptroller of Public Accounts, 332 Department of Housing and Community Affairs

LBB Staff: UP, JGA, GG, GP, CL, BM