

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 19, 2021

TO: Honorable Bryan Hughes, Chair, Senate Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2179 by Moody (Relating to trusts.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Property Code to modify conditions under which homestead property may be placed in, or transferred to, a trust for use as a homestead by either the beneficiaries of the trust or the settlors of the trust and still retain homestead protection from creditors. The bill would provide that the status of a beneficiary of certain trusts does not change to settlor if the beneficiary holds a testamentary general power of appointment as that term is defined by a section of the federal Internal Revenue Code.

Based on information provided by the Office of Court Administration, no significant fiscal impact to the state court system is anticipated as a result from implementing the provisions of the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Admin

LBB Staff: JMc, SMAT, SLE, BH, MW