

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 29, 2021

TO: Honorable Jeff Leach, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2387 by Sherman, Sr. (Relating to suits to collect past due property owners' association assessments.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Property Code to require lawsuits to collect residential property owners' associations assessments and interest and late fees on past-due assessments to be filed in justice courts.

The bill would provide for the award of attorney's fees, costs, penalties for bad faith conduct, attorney's fees and costs accrued on appeal, and alternate dispute resolution. Under the bill's provisions, a lien a property owners' association may impose on, or foreclose upon, a property for unpaid assessments must be based upon a judgment issued in accordance with the process established by the bill.

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 fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Admin

LBB Staff: JMc, SLE, BH, AF