

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 6, 2021

TO: Honorable Richard Peña Raymond, Chair, House Committee on Defense & Veterans' Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2825 by Bonnen (Relating to certain transactions involving real property located near military bases.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require financial institutions and title insurance company to determine if an applicant for a loan for real property located within 25 nautical miles of the boundaries of a military base is a scrutinized company under Section 2270.0001(9) of the Government Code, before being approved. The bill would require that if the financial institution or title insurance company finds the applicant to be a scrutinized company, the financial institution would have to provide notice to the seller or lessor of the real property. Financial institutions and title insurance companies would be required to submit a report to the Texas Military Preparedness Commission that identifies all loans and title insurance contracts entered into with scrutinized companies by December 31 of each year.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

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

Source Agencies: 300 Trusteed Programs - Gov, 304 Comptroller of Public Accounts, 401 Military Department, 451 Department of Banking, 469 Credit Union Department

LBB Staff: JMc, SLE, LCO, HGR