

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 20, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1841 by Walle (Relating to landlord and tenant dispute information reported by justice courts to the Texas Judicial Council and made accessible to the public.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1841, As Introduced : a negative impact of (\$6,000,000) through the biennium ending August 31, 2025.

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:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2024	(\$4,000,000)
2025	(\$2,000,000)
2026	(\$2,000,000)
2027	(\$2,000,000)
2028	(\$2,000,000)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1
2024	(\$4,000,000)
2025	(\$2,000,000)
2026	(\$2,000,000)
2027	(\$2,000,000)
2028	(\$2,000,000)

Fiscal Analysis

The bill would amend the Government Code related to landlord/tenant dispute information reported by justice courts to the Texas Judicial Council.

The bill would require justice courts to report by category each case filed in court involving a dispute between a landlord and tenant under Property Code Chapter 24 or Title 8. The bill would require the Office of Court Administration to publish information, searchable by date and jurisdiction, on its website related to cases filed in justice courts, which must include certain details about each case.

The bill would take effect September 1, 2023.

Methodology

Costs reflected in the table above are based on the analysis provided by the Office of Court Administration (OCA).

This analysis assumes OCA would need to replace its Court Activity Reporting Database, a legacy information technology system that currently only allows for aggregate data collection, to capture the data required by the bill. To address cybersecurity vulnerabilities and to allow courts to report data in near-real time, the new system would be a vendor-hosted, cloud-based system. OCA estimates the cost for the new system to be \$6,000,000 in General Revenue in the 2024-25 biennium including \$4,000,000 in fiscal year 2024 and \$2,000,000 in fiscal year 2025. OCA also estimates that \$2,000,000 each subsequent year would be necessary for maintaining the system.

Technology

OCA anticipates a cost of \$4,000,000 in fiscal year 2024 and \$2,000,000 in fiscal year 2025 to acquire the necessary information resource technologies to collect, store, and process case-level data as required by the bill. This includes the vendor-hosted, cloud-based system to allow each court to report data, and business intelligence platforms to manipulate the data to answer policy questions by the Judicial Council and the Legislature. OCA also estimates that \$2,000,000 each subsequent year would be necessary for maintaining the system.

Local Government Impact

The bill would require justice courts to submit certain landlord-tenant data to the Judicial Council. While there may be a cost to local governments to provide the data required due to modification of court case management systems, OCA anticipates that most court case management contracts with vendors include provisions that do not require payment when there are state-mandated reporting changes. The cost will vary by jurisdiction due to these differences by county.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council

LBB Staff: JMc, KDw, MW, BH