

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 17, 2023

TO: Honorable Todd Hunter, Chair, House Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB2018 by Flores (Relating to prohibitions on camping in a public place.), **As Engrossed**

The fiscal implications of the bill cannot be determined due to the number of potential violating entities, the amount spent on law enforcement in those entities, and any interest earnings being unknown.

The bill would require the Office of the Attorney General (OAG) to issue a written declaration that a local entity that failed to take certain action to address complaints regarding public camping within a prescribed period is a "violating local entity." The bill would authorize the OAG and the Department of Public Safety (DPS) to enforce the prohibition against public camping and to recover any costs associated with enforcement actions that occur within the boundaries of a violating local entity from that entity. The bill would require the OAG and DPS to report to the Comptroller of Public Accounts (CPA) the amount spent taking those enforcement actions in each violating local entity.

The bill would prohibit the CPA from sending a violating local entity its share of municipal or county sales and use tax revenue without deducting the amount of money reported to the CPA by the OAG and DPS. The bill would require the CPA to credit that deducted amount to the General Revenue Fund and would authorize its appropriation to the OAG and DPS.

The bill would also prohibit a local entity from permitting camping by homeless individuals on a property designated for that purpose until the Texas Department of Housing and Community Affairs (TDHCA) has approved a plan for the property under current law.

According to the CPA, should there be violating entities, the bill could result in an increase in the balance of the Local Sales and Use Tax Trust Fund Account 0882 as some municipal and/or county sales tax revenues would not be allocated in the usual manner, but remain in trust for some period. The additional balance could result in an indeterminate amount of interest earnings deposited to General Revenue. In addition, and prior to allocation, some municipal and/or county sales tax would be retained for the amount spent on law enforcement in the violating entities, also to be deposited to General Revenue.

According to the OAG and TDCHA, any administrative costs could be reasonably absorbed using existing resources.

According to DPS, the impact on the agency is dependent on the number of violating entities but is presumed to be significant enough to require additional resources, including shipping or sea containers for the storage of personal property, at a cost of approximately \$5,000 each, and additional staffing to prevent decreases in law enforcement service levels in other areas of the state.

As the number of potential violating entities, the amount spent on law enforcement in those entities, and any interest earnings are unknown, the fiscal implications of the bill cannot be determined.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

There could be an impact on certain local entities related to developing a process for a person to file a complaint regarding public camping. If a local entity is found to be in violation of the provisions of the bill, there would be a loss of municipal or county sales and use tax revenue equal to the amount reported spent by the OAG or DPS on law enforcement services in the entity.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 332 Department of Housing and Community Affairs, 405 Department of Public Safety

LBB Staff: JMc, SMAT, CMA, NTh, AF