

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 23, 2025

TO: Honorable Paul Bettencourt, Chair, Senate Committee on Local Government

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB208 by West (Relating to the establishment of the workforce housing capital investment fund program to fund the development of workforce housing in this state; authorizing a fee.), **As Introduced**

The fiscal implications of the bill cannot be determined because the amount and timing of legislative appropriations and other amounts that the Workforce Housing Capital Investment Fund Program would consist of and the amount and timing of loans that would be disbursed from the fund are unknown.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would amend Chapter 2306 of Government Code to establish the Workforce Housing Capital Investment Fund as a special fund in the state treasury outside the general revenue fund. The bill would direct the Texas Department of Housing and Community Affairs (TDHCA) to contract with a nonprofit housing organization to administer the Workforce Housing Capital Investment Fund Program. The bill would require TDHCA to provide money from the fund to the program administrator to make zero-interest loans to program recipients to pay the costs associated with the development and construction of workforce, single-family housing projects primarily for households that earn between 30 and 80 percent of the area median income. Based on information provided by TDHCA, it is assumed any costs or duties associated with administering the program could be absorbed within existing resources. Because the amounts and timing of legislative appropriations and other authorized revenue sources that would comprise the fund are unknown, the fiscal implications of the bill cannot be determined. The bill would take effect on September 1, 2025.

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

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

Source Agencies: 304 Comptroller of Public Accounts, 332 Department of Housing and Community Affairs

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