

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 10, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB840 by Hughes (Relating to certain municipal and county regulation of certain multifamily and mixed-use residential development projects and conversion of certain commercial buildings to mixed-use and multifamily residential occupancy.), **As Introduced**

No significant fiscal implication to the State is anticipated.

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

Provisions of the bill reducing restrictions on mixed-use and multi-family residential developments could have an impact on taxable property values and the related costs to the state through the operation of the school finance formula. However, the impact is unlikely to be significant.

Local Government Impact

There could be an impact on municipalities that are currently regulating mixed-used and multifamily developments in ways that would be prohibited by the bill.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: JMc, SZ, BC, CWi, BRI, CMA