

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 8, 2025

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB2260** by Cook (relating to the disclosure and posting of certain information regarding multifamily residential developments that receive certain tax exemptions and the eligibility of those developments to receive those exemptions.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB2260, Committee Report 1st House, Substituted: a negative impact of (\$178,206) through the biennium ending August 31, 2027.

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> | <i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i> |
|--------------------|---------------------------------------------------------------------------------|
| 2026               | (\$90,478)                                                                      |
| 2027               | (\$87,728)                                                                      |
| 2028               | (\$87,728)                                                                      |
| 2029               | (\$87,728)                                                                      |
| 2030               | (\$87,728)                                                                      |

All Funds, Five-Year Impact:

| <i>Fiscal Year</i> | <i>Probable Savings/(Cost) from General Revenue Fund 1</i> | <i>Change in Number of State Employees from FY 2025</i> |
|--------------------|------------------------------------------------------------|---------------------------------------------------------|
| 2026               | (\$90,478)                                                 | 1.0                                                     |
| 2027               | (\$87,728)                                                 | 1.0                                                     |
| 2028               | (\$87,728)                                                 | 1.0                                                     |
| 2029               | (\$87,728)                                                 | 1.0                                                     |
| 2030               | (\$87,728)                                                 | 1.0                                                     |

Fiscal Analysis

The bill would amend Government Code and Local Government Code to require certain developments receiving certain tax exemptions to submit an annual report to the appraisal district for the county in which the development is located. The bill would require the Texas Department of Housing and Community Affairs (TDHCA) to receive reports from appraisal districts, compile information in the reports into data sets, and collaborate with the Department of Information Resources (DIR) to post the data sets on the Texas Open Data Portal. The bill would also require TDHCA to submit an annual report to the Legislature that includes a summary of the data sets.

The bill would take effect on September 1, 2025.

### **Methodology**

Based on analysis by TDHCA, the agency would require 1.0 additional FTE to implement the bill's provisions. An additional Auditor II FTE position would: gather, analyze, and compile data submitted by appraisal districts; collaborate with developers to remedy data errors and omissions; collaborate with DIR to ensure the data sets are posted on the Texas Open Data Portal; and develop and monitor program policies and procedures. This FTE would have an annual salary of \$66,255 and benefits of \$19,824, and would require annual expenditures of \$1,650 for miscellaneous operating expenses.

### **Technology**

According to TDHCA, the agency would require \$2,750 in one-time costs in fiscal year 2026 for software and hardware for the additional FTE.

### **Local Government Impact**

The appraisal districts that the bill would require to report to TDHCA may incur costs associated with the receipt, verification, and submission of the annual disclosure form that would be submitted by developers and owners.

**Source Agencies:** 332 Department of Housing and Community Affairs

**LBB Staff:** JMc, SZ, GDZ, DPE