

BILL SUMMARY
2nd Session of the 60th Legislature

Bill No.:	HB 3985
Version:	POLREC
Request Number:	16311
Author:	Rep. Caldwell (Trey)
Date:	2/25/2026
Impact:	Please see previous summary of this measure

Research Analysis

The policy committee recommendation for HB 3985 allows property owners in municipalities with populations over 130,000 to submit compensation claims if a local government fails to address public nuisances or enforce laws against:

- Illegal public camping;
- Obstructing public thoroughfares;
- Loitering;
- Panhandling;
- Public urination or defecation;
- Public consumption of alcohol;
- Possession or use of illegal substances; or
- Shoplifting.

Property owners can claim compensation for mitigation expenses or a decrease in the property's fair market value due to these issues, with the latter capped at the amount of primary property taxes paid to the local government in the previous tax year. Local governments must respond to claims within 30 days. Property owners may file a lawsuit for rejected or unanswered claims, and they can only receive repayment once per calendar year. The measure does not apply to case-by-case prosecutorial discretion decisions, acts of executive clemency, or federally mandated actions.

Prepared By: Autumn Mathews, House Research Staff

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: House Fiscal Staff

Other Considerations

None.