

BILL ANALYSIS

C.S.H.B. 1449
By: Simmons
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that fees levied on new construction by political subdivisions significantly increase the cost of new housing and other construction across Texas. These parties also contend that it is in the state's best interest to limit regulatory burdens on the housing industry in order to increase housing affordability for all Texans. C.S.H.B. 1449 seeks to address this issue by prohibiting a political subdivision from adopting or enforcing a regulation that imposes certain fees, charges, or demands on new construction.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1449 amends the Local Government Code to prohibit a political subdivision from adopting or enforcing a regulation that imposes, directly or indirectly, a fee, charge, or demand on new construction for the purposes of offsetting the cost or rent of any unit of residential housing. This prohibition expressly does not apply to a residential density bonus program in which a zoning waiver is issued for a voluntary fee payment or the voluntary provision of affordable housing or other defined public benefit. The bill nullifies and voids a regulation adopted by a political subdivision that conflicts with the bill's provisions.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1449 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. The legislature finds that:
(1) fees and exactions imposed by political

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Same as introduced version.

subdivisions to fund subsidized housing materially increase the cost of housing construction and other forms of construction in the state; and

(2) it is in the state's interest to incentivize housing affordability for Texas residents by circumscribing regulatory burdens imposed on the housing industry by political subdivisions.

SECTION 2. Chapter 250, Local Government Code, is amended by adding Section 250.008 to read as follows:

Sec. 250.008. LINKAGE FEES PROHIBITED. (a) A political subdivision may not adopt or enforce an ordinance, order, policy, or other measure that imposes, directly or indirectly, a fee or other charge on new construction for the purposes of offsetting the cost or rent of any unit of residential housing.

(b) Subsection (a) does not affect the authority of a political subdivision to impose a fee for granting an exemption or waiver from a zoning-related height restriction on a structure.

No equivalent provision.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

SECTION 2. Chapter 250, Local Government Code, is amended by adding Section 250.008 to read as follows:

Sec. 250.008. LINKAGE FEES PROHIBITED. (a) A political subdivision may not adopt or enforce a charter provision, ordinance, order, or other regulation that imposes, directly or indirectly, a fee, charge, or demand on new construction for the purposes of offsetting the cost or rent of any unit of residential housing.

(b) This section does not apply to:

(1) a residential density bonus program in which a zoning waiver is issued for a voluntary fee payment; or

(2) the voluntary provision of affordable housing or other defined public benefit.

(c) A charter provision, ordinance, order, or other regulation adopted by a political subdivision that conflicts with this section is null and void.

SECTION 3. The change in law made by this Act does not apply to an agreement relating to providing subsidized housing entered into before the effective date of this Act.

SECTION 4. Same as introduced version.