

## **BILL ANALYSIS**

Senate Research Center

H.B. 2544  
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Intergovernmental Relations  
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Engrossed

### **DIGEST AND PURPOSE**

Current law enables political subdivisions to acquire and convey land or real property interest to an entity for the development of low-income or moderate-income housing, and to convey land for less than its fair market value if conveyance of the land would serve a public purpose. However, the current statute is unclear as to whether all political subdivisions including counties and school districts are able to participate in such transactions. H.B. 2644 clarifies that all political subdivisions are authorized to sell land at less than fair market value to an entity for the development of low-income to moderate-income housing. This bill also prohibits a municipality, unless the municipality obtains the written approval of the governing body of the county in which the property to be acquired is located, from exercising the right of eminent domain to acquire certain public or private property.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 251.001, Local Government Code, by adding Subsection (c) to prohibit a municipality, unless the municipality obtains the written approval of the governing body of the county in which the property to be acquired is located, from exercising the right of eminent domain under Subsection (a) to acquire certain public or private property.

SECTION 2. Amends Section 272.001(g), Local Government Code, to replace the text "municipality" with "political subdivision."

SECTION 3. Provides that the change in law made by Section 251.001(c), Local Government Code, as added by this Act, applies only to a municipality that files a petition under Chapter 21, Property Code, to acquire property by eminent domain on or after the effective date of this Act. Provides that a municipality that files a petition before the effective date of this Act is governed by the law in effect when the petition was filed, and the former law is continued in effect for that purpose.

SECTION 4. Effective date: upon passage or September 1, 2001.