

BILL ANALYSIS

Senate Research Center
78R16154 MXM-F

C.S.H.B. 2295
By: Thompson (Ellis, Rodney)
Intergovernmental Relations
5/18/2003
Committee Report (Substituted)

DIGEST AND PURPOSE

Chapter 212 of the Local Government Code is entitled *Municipal Regulation of Subdivisions and Property Development*. It contains the fundamental statutes regarding the approval of subdivision plats, developer participation contracts, moratoriums, and other miscellaneous provisions. Under current law, cities with a population of 5,000 or more may contract with developers for public improvements (excluding buildings) without a need to comply with bidding procedures. Participation by the city in these contracts is prohibited from exceeding 30 percent of the total price. The developer is responsible for construction. C.S.H.B. 2295 requires a contract to establish the level of participation so as not to exceed 30 percent of the total price in municipalities with a population less than 1.8 million. This bill authorizes participation not to exceed 70 percent in municipalities with populations of 1.8 million or more.

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 212.072, Local Government Code, by amending Subsection (b) and adding Subsections (c) and (d), as follows:

(b) Provides that the contract:

(1) is required to establish the limit of participation by the municipality at a level not to exceed 30 percent of the total contract price, if the municipality has a population of less than 1.8 million; or

(2) authorizes participation by a municipality at a level not to exceed 70 percent of the total contract price, if the municipality has a population of 1.8 million or more.

(c) Creates this subsection from existing text.

(d) Provides that the municipality is liable only for the agreed payment of its share of the contract, which is required to be determined in advance either as a lump sum or as a factor or percentage of the total actual cost as determined by municipal ordinance.

SECTION 2. Effective date: upon passage or September 1, 2003.