

## **BILL ANALYSIS**

Senate Research Center  
85R30038 SCL-F

C.S.H.B. 1449  
By: Simmons et al. (Nelson)  
Business & Commerce  
5/11/2017  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

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. H.B. 1449 addresses this issue by prohibiting a political subdivision from adopting or enforcing a regulation that imposes certain fees, charges, or demands on new construction. (Original Author's / Sponsor's Statement of Intent)

C.S.H.B. 1449 amends current law relating to prohibiting local governments from imposing certain fees on new construction.

### **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. Sets forth legislative findings.

SECTION 2. Amends Chapter 250, Local Government Code, by adding Section 250.008, as follows:

Sec. 250.008. **LINKAGE FEES PROHIBITED.** (a) Prohibits a political subdivision from adopting or enforcing a charter provision, ordinance, order, or other regulation that imposes, directly or indirectly, a fee on new construction for the purposes of offsetting the cost or rent of any unit of residential housing.

(b) Provides that, for purposes of this section, a fee is imposed indirectly on new construction if a charter provision, ordinance, order, or other regulation allows acceptance by the political subdivision of a fee on new construction, and new construction includes zoning, subdivisions, site plans, and building permits associated with new construction.

(c) Provides that this section does not apply to a certain affordable housing and property tax abatement program or an ordinance, order, or other similar measure in effect on January 1, 2017, that allows voluntary payment of a fee to a political subdivision in connection with the issuance of a zoning waiver related to new construction that allows a multifamily residential or commercial structure to exceed height or square footage limitations.

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

SECTION 3. Provides that 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. Effective date: upon passage or September 1, 2017.