

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 3919
By: Thierry et al. (Whitmire)
Intergovernmental Relations
5/18/2017
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.H.B. 3919 amends the Local Government Code to extend the applicability of statutory provisions governing homestead preservation districts and reinvestment zones to a municipality with a population of two million or more. The bill requires an area, to be designated as a homestead preservation district within such a municipality, to be composed of census tracts forming a spatially compact area and requires the governing body of the municipality to make findings by resolution that low income and moderate income homeowners within the area are at risk of losing their homesteads through displacement, the area will benefit from the inclusion of low income households, and the designation will serve one or more applicable purposes.

C.S.H.B. 3919 repeals exemption from mandatory housing set-asides for homes built in Homestead Preservation Districts in the City of Houston only. It clarifies that mandatory housing set-asides may only be utilized in Homestead Preservation Districts in the City of Austin.

C.S.H.B. 3919 amends current law relating to the eligibility of certain municipalities to establish homestead preservation districts and reinvestment zones and to certain regulatory prohibitions applicable in those districts and zones.

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 214.905, Local Government Code, by adding Subsection (b-1), as follows:

(b-1) Provides that Subsection (b)(2) (relating to this section not affecting any authority of a municipality to adopt certain requirements regarding homestead preservation districts) does not apply to a municipality described by Section 373A.003(a)(2) in relation to a requirement described by Subsection (a) (relating to prohibiting a municipality from adopting certain requirements for granting a building permit) that is proposed for an area served under the provisions of Chapter 373A (Homestead Preservation Districts and Reinvestment Zones).

SECTION 2. Amends Section 373A.002, Local Government Code, by amending Subdivision (3-a) and adding Subdivision (3-b), to define "low income household" and make a nonsubstantive change.

SECTION 3. Amends Section 373A.003(a), Local Government Code, as follows:

(a) Provides that this applies to:

(1) a municipality with a population of more than 750,000 that is located in a uniform state service region with fewer than 550,000 occupied housing units as determined by the most recent United States decennial census; and

(2) a municipality with a population of two million or more.

SECTION 4. Amends Section 373A.052, Local Government Code, by amending Subsection (a) and adding Subsection (a-1), as follows:

(a) Requires an area to be designated as a district within a municipality described by Section 373A.003(a)(1), rather than 373A.003(a), under this subchapter (General Powers and Duties), to be composed of census tracts forming a spatially compact area that meets certain population and certain poverty rates criteria.

(a-1) Provides that to be designated as a district within a municipality described by Section 373A.003(a)(2) under this subchapter an area is required to be composed of census tracts forming a spatially compact area and the governing body of the municipality is required to make certain findings.

SECTION 5. Repealer: Section 373A.203(6) (relating to defining "low income household"), Local Government Code.

SECTION 6. Effective date: September 1, 2017.