

By: Bettencourt

S.B. No. 1883

A BILL TO BE ENTITLED

AN ACT

relating to the approval of land use assumptions, capital improvement plans, and impact fees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 395.043, Local Government Code, is amended to read as follows:

Sec. 395.043. INFORMATION ABOUT LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENTS PLAN AVAILABLE TO PUBLIC. At least 60 days ~~On or~~ before the date of the first publication of the notice of the hearing on the land use assumptions and capital improvements plan, the political subdivision shall make available to the public its land use assumptions, the time period of the projections, and a description of the capital improvement facilities that may be proposed.

SECTION 2. Section 395.051(a), Local Government Code, is amended to read as follows:

(a) The political subdivision, within 30 days after the date of the public hearing on the imposition of an impact fee, shall approve or disapprove the imposition of an impact fee. Approval of the imposition of an impact fee by a political subdivision requires an affirmative vote of two-thirds of the members of the governing body of the political subdivision.

SECTION 3. Subchapter C, Chapter 395, Local Government Code, is amended by adding Section 395.0515 to read as follows:

1 Sec. 395.0515. LIMITATION ON IMPACT FEE INCREASE. A
2 political subdivision may not increase the amount of an impact fee
3 for three years from the later of the date the fee was adopted or
4 most recently increased, if applicable.

5 SECTION 4. Section 395.053, Local Government Code, is
6 amended to read as follows:

7 Sec. 395.053. HEARING ON UPDATED LAND USE ASSUMPTIONS AND
8 CAPITAL IMPROVEMENTS PLAN. The governing body of the political
9 subdivision shall, within 120 ~~[60]~~ days after the date it receives
10 the update of the land use assumptions and the capital improvements
11 plan, adopt an order setting a public hearing to discuss and review
12 the update and shall determine whether to amend the plan.

13 SECTION 5. Section 395.054, Local Government Code, is
14 amended to read as follows:

15 Sec. 395.054. HEARING ON AMENDMENTS TO LAND USE
16 ASSUMPTIONS, CAPITAL IMPROVEMENTS PLAN, OR IMPACT FEE. A public
17 hearing must be held by the governing body of the political
18 subdivision to discuss the proposed ordinance, order, or resolution
19 amending land use assumptions, the capital improvements plan, or
20 the impact fee. At least 60 days ~~[On or]~~ before the date of the
21 first publication of the notice of the hearing on the amendments,
22 the land use assumptions and the capital improvements plan,
23 including the amount of any proposed amended impact fee per service
24 unit, shall be made available to the public.

25 SECTION 6. Section 395.058(b), Local Government Code, is
26 amended to read as follows:

27 (b) The advisory committee is composed of not less than five

1 members who shall be appointed by a majority vote of the governing
 2 body of the political subdivision. Not less than 50 [40] percent of
 3 the membership of the advisory committee must be representatives of
 4 the real estate, development, or building industries who are not
 5 employees or officials of a political subdivision or governmental
 6 entity. ~~[If the political subdivision has a planning and zoning~~
 7 ~~commission, the commission may act as the advisory committee if the~~
 8 ~~commission includes at least one representative of the real estate,~~
 9 ~~development, or building industry who is not an employee or~~
 10 ~~official of a political subdivision or governmental entity. If no~~
 11 ~~such representative is a member of the planning and zoning~~
 12 ~~commission, the commission may still act as the advisory committee~~
 13 ~~if at least one such representative is appointed by the political~~
 14 ~~subdivision as an ad hoc voting member of the planning and zoning~~
 15 ~~commission when it acts as the advisory committee.]~~ If the impact
 16 fee is to be applied in the extraterritorial jurisdiction of the
 17 political subdivision, the membership must include a
 18 representative from that area.

19 SECTION 7. Sections [395.043](#) and [395.054](#), Local Government
 20 Code, as amended by this Act, apply only to a land use assumption,
 21 capital improvement plan, or impact fee that is the subject of a
 22 public hearing required to be held by Section [395.042](#) or [395.053](#) of
 23 that code, as applicable, that is held on or after the 90th day
 24 after the effective date of this Act. A land use assumption,
 25 capital improvement plan, or impact fee subject to a public hearing
 26 that is held before the 90th day after the effective date of this
 27 Act is governed by the law in effect immediately before the

1 effective date of this Act, and the former law is continued in
2 effect for that purpose.

3 SECTION 8. Section 395.051(a), Local Government Code, as
4 amended by this Act, applies only to the approval of the imposition
5 of an impact fee on or after the effective date of this Act.

6 SECTION 9. Section 395.0515, Local Government Code, as
7 added by this Act, applies only to the increase of the amount of an
8 impact fee that is adopted on or after the effective date of this
9 Act.

10 SECTION 10. This Act takes effect September 1, 2025.