

BILL ANALYSIS

H.B. 1606
By: Thompson
Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law, a municipality with a population of 5,000 or greater may contract outside of the competitive sealed bidding process with a developer of a subdivision or land in the municipality to construct public improvements. The contract may require the municipality to bear more than 30 percent of the total contract price.

H.B. 1606 would increase the permissible level of municipal participation to 70 percent of the total contract price in municipalities with a population of 1.8 million or more.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

Amends Section 212.072(b), Local Government Code, to increase the level of allowable municipal participation in a developer contract for public improvements from 30 percent to 70 percent of the total contract price in municipalities with a population of 1.8 million or more.

EFFECTIVE DATE

This Act takes effect September 1, 2005 or immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution.