

1-1 By: Thompson (Senate Sponsor - Ellis) H.B. No. 1606
1-2 (In the Senate - Received from the House May 2, 2005;
1-3 May 3, 2005, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 16, 2005, reported favorably, as
1-5 amended, by the following vote: Yeas 5, Nays 0; May 16, 2005, sent
1-6 to printer.)

1-7 COMMITTEE AMENDMENT NO. 1 By: Deuell

1-8 Amend H.B. No. 1606 on page 1, between lines 34 and 35 by inserting
1-9 the following:

1-10 "(3) In addition, if the municipality has a population of
1-11 1.8 million or more, the municipality may participate at a level not
1-12 to exceed 100 percent of the total contract price for all required
1-13 drainage improvements related to the development and construction
1-14 of affordable housing. Under this subsection, affordable housing
1-15 is defined as housing which is equal to or less than the median
1-16 sales price, as determined by the Real Estate Center at Texas A&M
1-17 University, of a home in the Metropolitan Statistical Area (MSA) in
1-18 which the municipality is located."

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to the level of municipal participation in contracts with
1-22 developers for public improvements.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 212.072, Local Government Code, is
1-25 amended by amending Subsection (b) and adding Subsections (c) and
1-26 (d) to read as follows:

1-27 (b) The contract:

1-28 (1) must establish the limit of participation by the
1-29 municipality at a level not to exceed 30 percent of the total
1-30 contract price, if the municipality has a population of less than
1-31 1.8 million; or

1-32 (2) may allow participation by a municipality at a
1-33 level not to exceed 70 percent of the total contract price, if the
1-34 municipality has a population of 1.8 million or more.

1-35 (c) In addition, the contract may also allow participation
1-36 by the municipality at a level not to exceed 100 percent of the
1-37 total cost for any oversizing of improvements required by the
1-38 municipality, including but not limited to increased capacity of
1-39 improvements to anticipate other future development in the area.

1-40 (d) The municipality is liable only for the agreed payment
1-41 of its share of the contract, which shall be determined in advance
1-42 either as a lump sum or as a factor or percentage of the total actual
1-43 cost as determined by municipal ordinance.

1-44 SECTION 2. This Act takes effect immediately if it receives
1-45 a vote of two-thirds of all the members elected to each house, as
1-46 provided by Section 39, Article III, Texas Constitution. If this
1-47 Act does not receive the vote necessary for immediate effect, this
1-48 Act takes effect September 1, 2005.

1-49 * * * * *