

By: Baxter

H.B. No. 2266

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the authority of municipalities to enact a requirement
3 that establishes the sales price for certain housing units or
4 residential lots.

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

6 SECTION 1. Subchapter Z, Chapter 214, Local Government
7 Code, is amended by adding Section 214.904 to read as follows:

8 Sec. 214.904. PROHIBITION OF CERTAIN MUNICIPAL
9 REQUIREMENTS REGARDING SALES OF HOUSING UNITS OR RESIDENTIAL LOTS.

10 (a) A municipality may not adopt a requirement in any form,
11 including through an ordinance or regulation or as a condition for
12 granting a building permit, that establishes a maximum sales price
13 for a privately produced housing unit or residential building lot.

14 (b) This section does not affect any authority of a
15 municipality to create or implement an incentive, contract
16 commitment, density bonus, or other voluntary program designed to
17 increase the supply of moderate or lower cost housing units.

18 (c) This section does not apply to a requirement adopted by
19 a municipality:

20 (1) for an area as a part of a development agreement
21 entered into before September 1, 2005; or

22 (2) under the provisions of Chapter 373A for a
23 homestead preservation district.

24 (d) This section does not apply to property that is part of

1 an urban land bank demonstration program under Chapter 379C.

2 (e) This section does not preclude a municipality from
3 establishing development criteria as a condition for receipt of a
4 tax credit or other incentive or for the purpose of preventing
5 gentrification.

6 SECTION 2. This Act takes effect September 1, 2005.