

BILL ANALYSIS

C.S.H.B. 3057
By: Callegari
Land & Resource Management
Committee Report (Substituted)

BACKGROUND AND PURPOSE

State law provides that certain governmental entities may exercise the right of eminent domain to cure the problems of urban slum and blight. The statutory definitions for slum and blighted areas are arguably inappropriately broad and imprecise, and conducive to subjective interpretations where any material defect on a property may render it eligible for condemnation.

The purpose of C.S.H.B. 3057 is to redefine the definitions regarding slum and blight and to require that a property meet certain, specific conditions before it may be considered eligible for condemnation on grounds of blight.

RULEMAKING AUTHORITY

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

ANALYSIS

This bill strikes the definitions of "blighted area" and "slum area" from Chapter 374 of the Local Government Code and makes conforming changes. This bill re-defines blighted area as any property (instead of an area) that meets at least two prescribed conditions, under certain other conditions, and is conducive to certain hazards. The bill provides that the governing body of municipality must designate properties as blighted on a property-by-property basis, and makes conforming changes. A municipality cannot designate a property as blighted unless it has furnished notice regarding the blight condition to the property owner or, if the owner cannot be identified, posted notice regarding the condition on the applicable property. In addition, a municipality cannot designate a property as blighted if the owner takes reasonable measures to remedy the blight condition, or for aesthetic reasons.

This bill provides that a municipality's blight designation is valid for two years, and may be renewed for another two years if the municipality finds that the blighted condition persists. The municipality may remove its blight determination if the property owner has remedied the blight condition.

This bill allows a municipality to condemn contiguous, blighted properties that are owned by the same individual.

This bill repeals Section 374.003(19), Local Government Code, and Section 374.016, Local Government Code, which are conforming changes to the repeal of the definition of "slum area".

This bill provides for an effective date of the Act (upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007).

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The Committee Substitute does not include the definition of "public use" that was included in the Original. Furthermore, unlike the Original, the Committee Substitute does not repeal Chapter 251, Local Government Code relating to municipalities' power of eminent domain.

The Committee Substitute amends the definition of "blighted area" to remove references to inadequate light, air, and ventilation. The Committee Substitute also does not include the definitional provision that a blighted area is one where the maintenance is below certain standards for one year.

The Committee Substitute adds provisions requiring that municipalities designate properties as blighted on a property-by-property basis. The Committee Substitute requires that notice be provided regarding a blight designation, and that a municipality cannot designate a property as blighted if the owner has cured the condition or for aesthetic reasons. The Committee Substitute adds that a blight designation is valid for two years, and may be extended for another two years. The Committee Substitute also provides that a municipality may condemn contiguous, blighted properties that are owned by the same individual.