

BILL ANALYSIS

H.B. 2757
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Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties have raised concerns regarding the prohibition against a municipality placing a lien on a homestead property, even when the municipality incurs expenses to abate a substandard building, and they contend that as a result municipalities may be left in an unprotected position. The parties further contend that structures declared substandard and dangerous must be secured, repaired, or demolished for the safety of the neighboring structures, in addition to ensuring that the neighborhood does not become a blighted area. They note that the municipality must act regardless of whether the substandard structure is located on a homestead property and that the money spent on abating a substandard building on homestead property rarely is recovered. The parties believe that providing municipalities with the authority to place a valid lien on a homestead property will allow the proceeds of the sale of any homestead to return previously spent public funds and that the placing of such a lien may motivate property owners to address the substandard structure themselves. H.B. 2757, in conjunction with H.J.R. 123, seeks to authorize a municipality to place a lien on homestead property for expenses incurred addressing a substandard building on the homestead property.

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

H.B. 2757 amends the Local Government Code to remove the exemptions for a homestead property as protected by the Texas Constitution from the following provisions:

- a provision authorizing a municipality, if it incurs expenses in vacating, securing, removing, or demolishing a substandard building or relocating the occupants, to assess the expenses on and have a lien against the property on which the building was located;
- a provision requiring a municipality to impose a lien against the land on which the substandard building stands or stood to secure the payment of the repair, removal, or demolition expenses or a civil penalty assessed against the property owner;
- a provision authorizing a municipality, if it incurs expenses under statutory provisions governing the municipal regulation of swimming pool enclosures, to assess the expenses on and have a lien against the property on which the swimming pool or the enclosure or fence is situated.

EFFECTIVE DATE

January 1, 2014, if the constitutional amendment authorizing the foreclosure of a lien against homestead property for costs incurred by a municipality to vacate, secure, repair, remove, or demolish a dangerous structure on the homestead property is approved by the voters.