

By: Bernal

H.B. No. 3691

A BILL TO BE ENTITLED

AN ACT

relating to the eligibility of certain municipalities to establish
homestead preservation districts and reinvestment zones.

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

SECTION 1. Section 373A.003, Local Government Code, is
amended to read as follows:

Sec. 373A.003. APPLICABILITY OF CHAPTER. (a) Except as
provided by Subsection (b), this ~~[This]~~ chapter applies to a
municipality with a population of more than 750,000 ~~[that is
located in a uniform state service region with fewer than 550,000
occupied housing units as determined by the most recent United
States decennial census]~~.

(b) Subchapter E does not ~~[Subchapters A, B, C, and D]~~ apply
to any municipality with a population of 1.18 million or more which
is located predominantly in a county that has a total area of less
than 1,000 square miles and has adopted an urban land bank
demonstration program under Chapter 379C, Local Government Code.

SECTION 2. Sections 373A.052(a) and (b), Local Government
Code, are amended to read as follows:

(a) To be designated as a district within a municipality
described by Section 373A.003(a) under this subchapter, an area
must be composed of census tracts forming a spatially compact area
with:

- (1) fewer than 75,000 residents;

1 (2) an overall poverty rate of at least 25 percent
2 ~~[that is at least two times the poverty rate for the entire~~
3 ~~municipality]~~; and

4 (3) in each census tract within the area, a median
5 family income that is less than 80 percent of the median family
6 income for the entire municipality.

7 (b) To be designated as a district within a municipality
8 described by Section 373A.003(b) under this subchapter, an area
9 must be composed of census tracts forming a spatially compact area
10 contiguous to a central business district and with:

11 (1) fewer than 75,000 residents;

12 (2) a median family income that is less than \$30,000
13 according to the last decennial census; and

14 (3) an overall poverty rate of at least 25 percent
15 ~~[that is at least two times the poverty rate for the entire~~
16 ~~municipality]~~.

17 SECTION 3. This Act takes effect September 1, 2017.