

BILL ANALYSIS

H.B. 4031
By: Rodriguez
Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

More than 15 years ago the state legislature enacted legislation seeking to allow certain municipalities to establish homestead preservation districts and reinvestment zones with the express purpose of promoting the ability of municipalities to increase homeownership, to prevent the involuntary loss of homesteads by low- and moderate-income homeowners living in disadvantaged neighborhoods, and to protect a municipality's interest in improving economic and social conditions within disadvantaged communities by enhancing the viability of home ownership among low- and moderate-income residents in areas experiencing economic pressures. At that time, the eligibility criteria allowed for the City of Austin to qualify. However, the city has since outgrown the original eligibility requirements. H.B. 4031 seeks to update those requirements to allow Austin to remain eligible to establish homestead preservation districts and reinvestment zones.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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. 4031 amends the Local Government Code to make a municipality with a population of more than 750,000 eligible to establish homestead preservation districts and reinvestment zones if that municipality is located in a uniform state service region with fewer than 850,000 occupied housing units as determined by the most recent U.S. decennial census, rather than in a uniform state service region with fewer than 550,000 occupied housing units as is currently required. The bill establishes that a municipality eligible to establish homestead preservation districts and reinvestment zones under the bill's provisions retains that eligibility regardless of whether the municipality's population or number of occupied housing units changes and the municipality no longer meets the population requirement.

EFFECTIVE DATE

September 1, 2021.