**BILL ANALYSIS**

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| Senate Research Center | S.B. 15 |
|  | By: Bettencourt et al. |
|  | Local Government |
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|  | As Filed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Texas' median home price dropped during the last year from $349,900 to $331,000 thanks to pandemic and economic pressures; however, houses are considered "affordable" when priced below $300,000. As the state's population continues to grow, Texas continues to experience a shortage of affordable housing stock.

A significant contributor to the lack of affordable housing stock in Texas is the price of the land on which residential dwellings are built—it comprises almost one-quarter of the sales price of a single-family home.

In some Texas cities, builders are platting lots exactly at lot-size minimums, indicating that some lot size regulations are forcing some developers to build on larger lots, regardless of market demand. Larger lot sizes require increased investment in the construction of new housing. In many cities, municipal ordinances requiring residential lots be of a minimum size restrict potential housing development opportunities, contributing to a reduction in the potential housing stock.

S.B. 15 seeks to address these issues by prohibiting municipalities with a population of 90,000, wholly or partly located in a county with a population of 300,000 or more, from requiring residential lots to be larger than 1,400 square feet or for density regulations to require density less than 31.1 units per acre.

For lots under 4,000 square feet, the bill prevents cities from requiring building regulations like setbacks, height, and bulk, which inhibit housing construction on lots smaller than 4,000 sqft.

In order to help ensure that existing neighborhood characteristics will not be impacted by the bill, S.B. 15 includes a provision to ensure the bill's provisions only apply to unmapped and non-platted land larger than five acres.

Under S.B. 15, HOA requirements, deed restrictions, historic preservation requirements, sewer and water requirements necessary for neighborhoods, building code requirements, and flooding requirements are not impacted.

As proposed, S.B. 15 amends current law relating to size and density requirements for residential lots in certain municipalities and authorizes a fee.

**RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 211, Local Government Code, by adding Subchapter D, as follows:

SUBCHAPTER D. RESIDENTIAL ZONING LIMITATIONS IN CERTAIN MUNICIPALITIES

Sec. 211.051. DEFINITIONS. Defines "housing organization" and "small lot."

Sec. 211.052. APPLICABILITY. (a) Provides that this subchapter applies only to a municipality that has a population of more than 90,000 and is wholly or partly located in a county with a population of more than 300,000.

(b) Provides that this subchapter does not apply to a one-mile radius from the perimeter of a campus that includes a law enforcement training center in a county that has a population of 2,600,000 or more but less than 2,700,000.

Sec. 211.053. CONSTRUCTION OF SUBCHAPTER. Prohibits this subchapter from being construed to affect requirements directly related to the use and occupancy of residential units leased for a term of less than 30 days or flooding, sewer facilities, or well water located on an individual residential lot and serving only that lot.

Sec. 211.054. CERTAIN DWELLING UNIT LOT SIZE REQUIREMENTS PROHIBITED. (a) Provides that this section applies only to a tract of land that will be platted and located in an area zoned for single-family homes, is five acres or more, and has no recorded map or plat.

(b) Prohibits a municipality from adopting or enforcing an ordinance, rule, or other measure that requires a residential lot to be larger than 1,400 square feet, wider than 20 feet, deeper than 60 feet, or, if regulating the density of dwelling units on a residential lot, a ratio of dwelling units per acre that results in fewer than 31.1 units per acre.

Sec. 211.055. SMALL LOTS. (a) Prohibits a municipality from adopting or enforcing an ordinance, rule, or other measure that requires a small lot to have certain structural features or zoning restrictions.

(b) Authorizes a municipality to require, with respect to a small lot, the sharing of a driveway with another lot or permitting fees equivalent to the permitting fees charged for the development of a lot the use of which is restricted to a single-family residence.

Sec. 211.056. NO EFFECT ON OTHER ZONING AUTHORITY. Provides that this subchapter does not prohibit a municipality from imposing restrictions that are applicable to all similarly situated lots or subdivisions, including requiring all subdivisions or all small lots to fully mitigate stormwater runoff.

Sec. 211.057. NO EFFECT ON HOMEOWNERS' ASSOCIATIONS AND OTHER PRIVATE AGREEMENTS. Provides that this subchapter does not prohibit property owners from enforcing rules or deed restrictions imposed by a homeowners' association or by other private agreement.

Sec. 211.058. ACTION. (a) Authorizes a person adversely affected or aggrieved by a municipality's violation of this subchapter or a housing organization to bring an action against the municipality or an officer or employee of the municipality in the officer's or employee's official capacity for relief described by Subsection (c).

(b) Requires a claimant to bring an action under this section in a county in which the real property that is the subject of the action is wholly or partly located.

(c) Authorizes a court, in an action brought under this section, to enter a declaratory judgment under Chapter 37 (Definition), Civil Practice and Remedies Code; issue a writ of mandamus compelling a defendant officer or employee to comply with this subchapter; issue an injunction preventing the defendant from violating this subchapter; and award damages to the claimant for economic losses caused by the defendant's violation of this subchapter if the claimant is a person affected or aggrieved by the violation that is the basis for the action.

(d) Requires a court to award reasonable attorney's fees and court costs incurred in bringing an action under this section to a prevailing claimant.

(e) Provides that governmental immunity of a municipality to suit and from liability is waived to the extent of liability created by this section. Provides that official immunity of a municipal officer or employee is waived to the extent of liability created by this section.

(f) Provides that the 15th Court of Appeals has exclusive intermediate appellate jurisdiction over an appeal or original proceeding arising from an action brought under this section.

SECTION 2. Effective date: September 1, 2025.