

1-1 By: West S.B. No. 1129
 1-2 (In the Senate - Filed February 26, 2019; March 7, 2019,
 1-3 read first time and referred to Committee on Intergovernmental
 1-4 Relations; April 15, 2019, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 7, Nays 0;
 1-6 April 15, 2019, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 1129 By: Menéndez

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the operation of certain urban land bank demonstration
 1-20 programs.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Sections 379C.009(b), (b-1), and (b-2), Local
 1-23 Government Code, are amended to read as follows:

1-24 (b) Except as provided by Subsection (b-1), the land bank
 1-25 must sell a property to a qualified participating developer within
 1-26 the eight-year [~~four-year~~] period following the date of acquisition
 1-27 for the purpose of construction of affordable housing for sale or
 1-28 rent to low income households.

1-29 (b-1) Before the completion of the eight-year [~~four-year~~]
 1-30 period described by Subsection (b), the land bank may, subject to
 1-31 Section 379C.0106:

1-32 (1) transfer property that the land bank determines is
 1-33 not appropriate for residential development to the taxing units
 1-34 described by Subsection (b-2) [~~(b)~~]; or

1-35 (2) sell property described by Subdivision (1) to a
 1-36 political subdivision or a nonprofit organization.

1-37 (b-2) If after eight [~~four~~] years a qualified participating
 1-38 developer has not purchased the property, the property shall be
 1-39 transferred from the land bank to the taxing units who were parties
 1-40 to the judgment for disposition as otherwise allowed under the law.

1-41 SECTION 2. Section 379C.010(c), Local Government Code, is
 1-42 amended to read as follows:

1-43 (c) If property is developed for rental housing, the deed
 1-44 restrictions must be for a period of not less than 15 years and must
 1-45 require that:

1-46 (1) 40 [~~100~~] percent of the rental units be occupied by
 1-47 households with incomes not greater than 60 percent of area median
 1-48 family income, based on gross household income, adjusted for
 1-49 household size, for the metropolitan statistical area in which the
 1-50 municipality is located, as determined annually by the United
 1-51 States Department of Housing and Urban Development;

1-52 (2) 30 [~~40~~] percent of the units be occupied by
 1-53 households with incomes not greater than 50 percent of area median
 1-54 family income, based on gross household income, adjusted for
 1-55 household size, for the metropolitan statistical area in which the
 1-56 municipality is located, as determined annually by the United
 1-57 States Department of Housing and Urban Development; or

1-58 (3) 20 percent of the units be occupied by households
 1-59 with incomes not greater than 30 percent of area median family
 1-60 income, based on gross household income, adjusted for household

2-1 size, for the metropolitan statistical area in which the
2-2 municipality is located, as determined annually by the United
2-3 States Department of Housing and Urban Development.

2-4 SECTION 3. Section 379C.014(c), Local Government Code, is
2-5 amended to read as follows:

2-6 (c) A sale under this section within the eight-year
2-7 [~~four-year~~] period following the date of acquisition of the
2-8 property by the land bank is for a public purpose and satisfies the
2-9 requirement under Section 379C.009(b) that the property be sold
2-10 within the eight-year [~~four-year~~] period to a qualified
2-11 participating developer.

2-12 SECTION 4. Chapter 379C, Local Government Code, is amended
2-13 by adding Section 379C.016 to read as follows:

2-14 Sec. 379C.016. ALLOCATION AND USE OF AD VALOREM TAXES
2-15 COLLECTED ON PROPERTY DEVELOPED UNDER PROGRAM. An interlocal
2-16 agreement under Section 379C.008(a)(4) may provide that, for the
2-17 first five calendar years occurring after the date of completion of
2-18 the development of a property acquired by a qualified participating
2-19 developer under this chapter, 50 percent of the ad valorem taxes
2-20 collected on the property must be deposited to the credit of the
2-21 land bank for the use of the program.

2-22 SECTION 5. Section 379C.010(c), Local Government Code, as
2-23 amended by this Act, applies only to property purchased from a land
2-24 bank by a qualified participating developer on or after the
2-25 effective date of this Act.

2-26 SECTION 6. This Act takes effect September 1, 2019.

2-27 * * * * *