



Summary of the 85th Legislative Session & First Called Special Session

The 85th Legislative Session was one of the most successful sessions in TAB history. This session yielded numerous pro-active policies that will greatly benefit the home building industry in Texas. Over the course of 140 days, TAB tracked, monitored, and participated in the movement of over 1,500 legislative bills while productively working with the Governor, Lieutenant Governor, Speaker of the House, 181 state legislators and numerous state agencies. All six TAB Priority Bills and 35 TAB supported bills passed this session. Just as importantly, every bill that TAB opposed was either defeated or amended in TAB's favor. The association's active involvement at the Capitol influenced the passage of bills that will help maintain housing affordability, preserve private property rights, and reduce onerous regulations.

PASSED – Regular Legislative Session

Prohibition on Linkage Fees - HB 1449 by Rep. Ron Simmons / Sen. Jane Nelson

- Amends the Local Government Code to prohibit a political subdivision from adopting or enforcing any measure that imposes a linkage fee on new construction of any type for the purpose of offsetting the cost or rent of any unit of residential housing.
- Includes zoning, subdivisions, site plans, and building permits associated with new construction.
- Exempts property tax abatement programs and voluntary density bonus programs for multifamily and commercial projects from the bill.
- Effective as of 5/29/17.

Attorney's Fees for Vested Rights - HB 1704 by Rep. John Kuempel / Sen. Joan Huffman

- Strengthens vested property rights by providing that a court may award court costs and attorney's fees to the prevailing party in vested rights actions.
- Effective on 9/1/17.

County Code Enforcement Bill - HB 2040 by Rep. Phil King / Sen. Robert Nichols

- Closes a loophole in the county's enforcement of building code mandates by allowing use of current enforcement authority if a builder does not provide notice that the home shows compliance with the code.
- Provides an affirmative defense against a Class C misdemeanor if the owner was not able to get the proper paperwork from a third-party building inspector.
- Effective 9/1/17.

CTE Insurance Coverage Bill - HB 639 by Rep. Charles 'Doc' Anderson / Sen. Jose Menendez

- Allows school districts to purchase accident, liability or automobile insurance coverage to protect businesses and students participating in career or technology (CTE) training programs.
- Provides immunity from liability for participating public school students.
- Effective 5/26/17.

Military Notice – HB 890 by Rep. Charlie Geren / Sen. Craig Estes

- Requires a notice to be included in the Texas Real Estate Commission (TREC) Seller's Disclosure form when a property is located near military bases.
- The notice would disclose that the property may be located near a military installation and may be affected by high noise or compatible use zones.
- Effective on 9/1/17.

PASSED – First Called Special Session

Tree Credit Bill - HB 7 by Rep. Dade Phelan / Sen. Lois Kolkhorst

- Requires cities that impose tree mitigation fees for tree removal to give property owners credits for trees planted.
- Allows for a 100% credit for a homeowner's existing residence, 50% credit for all residential construction and development (including multifamily), and 40% credit on all other commercial.
- Prohibits cities from imposing tree mitigation fees on homeowners if the tree is 10 inches or less or if the tree is dead, diseased or poses a threat to persons or property.
- Prohibits cities from restricting the removal of trees if dead, diseased or a threat to persons or property.
- Allows trees to be planted on a mutually agreed upon location by the city and the property owner.
- Sets a minimum diameter of two inches for the planting of a new tree.
- Effective on 12/1/17.

Annexation - SB 6 by Sen. Donna Campbell / Rep. Dan Huberty

- Requires cities with a population of 500,000 or more to receive voter approval before annexing new areas.
- Smaller cities/counties could opt in, allowing citizens in those areas the chance to vote.
- **TAB successfully amended the bill allowing for the recovery of attorney's fees for challenges to illegal annexation.**
- Creates a five-mile buffer around military bases, but the bill still calls for certain elections in those areas.
- Effective on 12/1/17.

DEFEATED - Anti-Housing Bills

Mechanic's, Contractor's or Material Man's Lien "Re-write"

- TAB successfully defeated a bill that would have resulted in a significant shift from the basic principles of the Texas lien laws as those laws have operated for the past century.
- In essence, the bill would have shifted lien obligations to property owners who would have faced potentially unlimited personal liability.

Installation of residential fire sprinkler systems

- Current law, as passed in 2009, prohibits cities from mandating fire sprinklers in new one or two-family homes.
- Would have allowed cities with less than 500,000 in population to hold an election to allow the city to mandate residential fire sprinklers.

City zoning outside of city limits

- TAB defeated an amendment to a municipal annexation bill that would have allowed cities to regulate land use, including zoning authority, within 5 miles of a military base, without providing city services.

Increased county authority

- TAB defeated an onerous bill that would have authorized counties of 100,000 in population or more, and counties adjacent to them, zoning authority, other land use authority, and building standard oversight.

Mandatory Workers Compensation Bills

- TAB worked hard to ensure burdensome provisions regarding mandatory workers compensation did not place unnecessary regulation and mandates on the home building industry.

*This is an abbreviated list of bills from the 85th Legislative Session. For a comprehensive list of bills and additional session wrap-up materials, please visit www.TexasBuilders.org and read the September 2017 issue of *Texas Builder* magazine.

The Texas Association of Builders is honored to serve and represent the nearly 10,000 builder, remodeler, developer, and associate members in Texas.