



313 E. 12th St., Ste. 210, Austin, TX 78701 ■ (800) 252-3625 ■ (512) 476-6346 ■ www.TexasBuilders.org

Major Legislative Accomplishments – 86th Legislative Session

Builder/Developer-Specific Legislation Promoted and Supported by TAB:

HB 852 (Rep. Holland/Sen. Fallon) - Building Permit Fees – Prohibits municipalities from using the valuation or construction cost of a residential dwelling to determine the amount of permit or inspection fees charged. HB 852 also prevents municipalities from requiring disclosure of information related to the valuation or construction cost of a residential dwelling as a condition for obtaining a building permit, unless required for FEMA National Flood Insurance Program participation. *Signed into law by the Gov., effective immediately.*

HB 1743 (Rep. Tracy King/Sen. Creighton) - Reducing Agriculture Roll-Back Tax – Lowers the number of years that the agriculture roll-back (or claw back) tax is due from five years to three years and lowers the interest rate owed on those back taxes from 7% to 5%. HB 1743 provides significant and lasting property tax relief (estimated by the Legislative Budget Board to be a savings of almost \$500 million over the next ten years to Texas property owners). Significantly reduces the burden of the agriculture exemption roll-back tax on Texas landowners, builders, developers, businesses and, most importantly, future homebuyers and renters. *Signed into law by the Gov., effective September 1, 2019.*

HB 2439 (Rep. Phelan/Sen. Buckingham) - Prohibition on Governmental Product Mandates – Prohibits cities and other governmental entities from using building codes or other local ordinance powers to mandate vendor driven and product specific mandates in construction, which result in the direct or indirect prohibition of other products approved by national codes and standards. Exempts historic buildings, certain government funded housing and disaster recovery programs, and certain lighting to meet dark sky ordinances. *Signed into law by the Gov., effective September 1, 2019.*

HB 3167 (Rep. Oliverson/Sen. Hughes) – Consistent Development Permit and Plat/Plan Review Timelines – Provides certain 30-day timelines for city/county review of development plats and plans. Allows governments to make objections but requires that any subsequent disapprovals be limited to those issues brought up in the original disapproval. Allows developers to optionally follow other city procedures that have a more expedited process than the new timelines created by the statute. *Signed into law by the Gov., effective September 1, 2019.*

HB 1 (Rep. Zerwas/Sen. Nelson) – Fully Fund TSTC – TAB was the only trade association to testify before the Senate Finance Committee and to meet with all members of the HB 1 (2020-2021 State Budget) conference committee to express support for fully funding Texas State Technical College (TSTC). Because of these efforts, TSTC will receive \$199.4 million in funding, an increase of \$33.3 million (20% increase for this biennium). In addition to advocating for the increase in funding for the college system, TAB worked hard to successfully support TSTC’s request to receive \$2.2 million to fund dual credit classes, which are offered at over 100 school districts across the state. *Signed into law by the Gov., effective September 1, 2019.*



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Other Significant Legislative Accomplishments of the 86th Legislature Supported by TAB:

HJR 4 (Rep. Phelan/Sen. Creighton)/SB 7 (Sen. Creighton/Rep. Phelan)/SB 8 (Sen. Perry/Rep. Larson) – Flood Infrastructure Planning and Funding – TAB supported the proposed constitutional amendment and enabling legislation that will create the Flood Infrastructure Fund in the state treasury outside the general revenue fund. The fund will be administered by the Texas Water Development Board (TWDB) to assist in financing drainage, flood mitigation, and flood control projects including: planning and design; work to obtain regulatory approval; or construction of flood and drainage infrastructure. SB 7 also establishes a second fund, the Texas Infrastructure Resiliency Fund that will use state money to help local communities with matching funds needed for projects eligible for partial federal funding. It also creates the Hurricane Harvey Account that will help local communities draw down federal funds for flood projects related to that storm. SB 8 requires the TWDB to prepare and adopt a comprehensive state flood plan before September 1, 2024, and every five years thereafter. The plan is required to provide for flood preparation and response, to guide state and local flood control policy and, if possible, to contribute to water development. The plan will incorporate regional flood plans submitted by flood planning groups established by the bill. *SB 7 and SB 8 signed into law by the Gov. HJR 4 will be submitted to the voters on the November 5, 2019 ballot.*

SB 2 (Sen. Bettencourt/Rep. Burrows) – Property Tax Reform and Transparency Act – TAB supported the comprehensive property tax reform and transparency legislation that will provide meaningful property tax and appraisal process relief. Our association successfully worked to make sure legislative changes in this bill did not negatively affect MUDs and other special districts used by the Texas development community to fund infrastructure. In addition to a host of appraisal process and protest reforms, SB 2 imposes a 3.5% trigger for automatic property tax roll-back elections for cities, counties and certain other local governmental entities that have annual revenue increases that exceed that amount (new growth is excluded from the calculation). *Signed into law by the Gov.*

HB 3 (Rep. Huberty/Sen. Taylor) – The Texas Plan – Invests in Texas students and teachers by adding approximately \$9 billion in funding above enrollment growth and current law entitlement over the next two years; empowers local school districts to put more money in their classrooms by raising the Basic Allotment from \$5,140 to \$6,030, a \$890 increase per student; **provides property tax reform by lowering school property tax rates by 4 cents statewide; reduces recapture from \$7.7 billion to \$4.7 billion for the biennium, a \$3 billion or 38% reduction;** establishes an early reading program that funds full-day, high quality Pre-K for low-income students, setting the right foundation for students to be able to read at grade level by third grade; substantially raises the minimum teacher salary schedule and allocates an addition \$140 million in funding for a teacher quality program, providing districts with the resources for recruiting and retaining teachers in the classroom; enhances the yield on the "enrichment" pennies, allowing schools to earn and keep more money for property taxes levied above the standard Tier 1 tax rate; creates a professional development grant program to train teachers in blended learning instruction so they can effectively combine e-learning and traditional classroom instruction; dedicates more money for dual language immersion education, which has proven to be more effective in producing greater achievement levels for multilingual and native English speaking students; equips districts with the resources needed to identify and intervene at the earliest signs of student dyslexia and related disorders; establishes an extended year program that allows districts to combat "summer slide" by providing 30 days of half-day instruction for students in grades PreK-5 during the summer months; updates the transportation funding model from a burdensome linear density model to a simplified one dollar per mile reimbursement; allocates resources to low-income students on a sliding scale (rather than an equal weight) to prioritize students with the highest needs, and provides more funding to schools with higher concentrations of economically disadvantaged students and generational poverty; quadruples the amount allocated to fast growth districts to build and equip new instructional facilities funding to \$100 million per year; **expands career and technology education programs for students in grades 6-12 (previously grades 9-12), making students more skilled and better prepared for the workforce or post-secondary education;** and establishes a grant program for districts to offer parents of economically disadvantaged students with learning disabilities in grades 3-8 access to additional services to help improve educational performance. *Signed into law by the Gov.*