

SUBJECT: Requiring political subdivisions to review land development regulations

COMMITTEE: Land & Resource Management — committee substitute recommended

VOTE: 7 ayes — Burns, Rogers, C. Bell, K. Bell, Buckley, Reynolds, Schofield

1 nay — Ortega

1 absent — Sherman

WITNESSES: For — Rod Bordelon, Texas Public Policy Foundation; Judge Glock; Brita Wallace (*Registered, but did not testify*: Jay Crossley, 50 Million Texans; Kristi Antonick, Phillip Mills-Lehmann, Samuel Sheetz, Americans For Prosperity; Ian Cude, Arles Development; Adam Cohen, Baird; William Robinson, Cayetano Development; Daniel Kavelman, Farm&City; Robert Kerrigan, Hillwood; Neciths Madison, Johnson Development Corp.; Chris Ulmann, Jones-Heroy and Associates; Francisco Garcia Sainz Portillo, Maple Development Group; Grant Rollo, Randolph Texas Development; Alina Carnahan, Real Estate Council of Austin, Real Estate Council of Greater Fort Worth, The Real Estate Council of Dallas; Erica Sinner, Shea Homes; Jeff Dewese, Signorelli Company; Whit Ewen, Texans for Housing; Nicole Nosek, Texans for Reasonable Solutions; Colette Vallot, Texas Affiliation of Affordable Housing Providers; David Mintz, Texas Apartment Association; Ned Muñoz, Texas Association of Builders; Seth Juergens, Texas Realtors; Troy Allen, The Greater Houston Business Association; Jorge Martinez, Daniel Martinez, Karla Sierra, Juan Vasquez, The LIBRE Initiative; Deborah Ingersoll, Chuck Rice, Tx Land Developers Association; Christopher Gilbert; Randy Rollo)

Against — Carissa Cox, American Planning Association; Fred Lewis, Community Not Commodity; Nathalie Frensley; Barbara Mcarthur (*Registered, but did not testify*: Brie Franco, City of Austin; Clifford Sparks, City of Dallas; Jon Weist, City of Irving; Angela Hale, City of McKinney; Nadia Islam, City of San Antonio; Marc Duchon; Susan Stewart)

On — (*Registered, but did not testify*: Shawn Hall Lecuona, Kri'ah b'shalom)

BACKGROUND: Concerns have been raised that some outdated land development regulations may pose a barrier to new home construction, which could negatively impact the state's growing population.

DIGEST: CSHB 3135 would require the governing body of a political subdivision to review the costs, benefits, and risks of each existing land development regulation of the subdivision at least once every 10 years. A review of a land development regulation under the bill would have to consider:

- the regulation's impact on housing development;
- whether the regulation remained appropriate and benefitted landowners, residents, or the public;
- the benefits of the regulation for affected parties;
- the extent to which landowners, residents, or the public incurred costs as a result of the regulation;
- the effect on persons regulated under the regulation; and
- the administrative or enforcement costs for the regulation that were paid by taxpayers.

In reviewing a land development regulation under the bill, the governing body of the political subdivision would be required to hold at least one public hearing and provide an opportunity for public comment.

Upon completing a review of a land development regulation, the governing body would be required to repeal, amend, or readopt the regulation, and repeal or amend a regulation that interfered with the production of new housing or development related to existing housing.

Before adopting or modifying a regulation, a governing body would be required to analyze the costs, benefits, and risks of the proposed regulation and issue an impact statement available for review by the public that included:

- an analysis of the fiscal impact of the proposed regulation;
- a determination of whether the proposed land development regulation provided benefits to the health and welfare of the applicable subdivision's residents that outweighed any costs found by the analysis; and
- the proposed regulation's impact on housing costs.

A political subdivision could only adopt or modify a proposed land development regulation if the regulation was determined to be consistent with public health and safety priorities, had a minimal fiscal impact, and positively impacted or did not adversely impact housing costs for the subdivision's residents.

The governing body of each municipality, county, and special purpose district would be required to conduct an initial review of each land development regulation by September 1, 2028.

The bill would take effect September 1, 2023.