



2019

POST-SESSION LEGISLATIVE REPORT



TEXAS APARTMENT ASSOCIATION



2019 Legislative Session by the numbers



7,541 bills and joint resolutions introduced during session

1,383 of those bills passed (18%)

390 bills and joint resolutions were tracked by TAA

66 of those bills passed (17%)



19 times TAA staff testified

3 times TAA volunteers testified



3,000+ TAA GR team hours during session

Questions? Contact governmentaffairs@taa.org for more information.

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Keep up with new laws

- Revisions to the Texas Apartment Association leases will come out both in September and December. The first changes will deal exclusively with the new late fees law.
- TAA publications will also address new legislation taking effect in the coming months.
- Look to the TAA REDBOOK Online and TAA REDBOOK for a more comprehensive detailing of new and amended laws that will affect your operations.

Thank you to our volunteers who made our success possible!



TAA 2017–2019 Legislative Committee

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TAA Minuteman Committee and other volunteer support

Sandy Eckhart (chair); Traci Hall, CPM; Clay Hicks, CPM; Mark Hurley, CAPS; Hugh Cobb, CPM; Mike Rust; Kyle Brown, CPM; and Gary Mann, CAM, CAPS.

Special thanks to Catherine Newell (Greystar), Rob DelPriore (Mid America Apartments), Clay Hicks, CPM (Dinerstein Companies), David Fritsche (Law Office of R. David Fritsche), Jennifer Owen (Higier, Allen & Lautin) and Howard Bookstaff (Hoover Slovacek), for their extraordinary efforts in support of TAA's legislative initiatives.

Many thanks to our TAA Legislative Champions!

The following legislators and their staffs are TAA's Legislative Champions for the 2019 legislative session. Through their efforts we were successful in achieving many of our top priorities for the session.

Sen. Paul Bettencourt (R-Houston), property tax reform author (SB 2)

Rep. Dustin Burrows (R-Lubbock), property tax reform sponsor (SB 2)

Sen. Pat Fallon (R-Frisco), author of TAA city fee transparency bill (SB 849)

Sen. Kelly Hancock (R-North Richland Hills), author of TAA late fee legislation (SB 1414)

Rep. Tan Parker (R-Flower Mound), sponsor of TAA city fee legislation (SB 849)

Rep. Dade Phelan (R-Beaumont), sponsor of TAA late fee legislation (SB 1414)



TAA also thanks the following legislators and their staffs who helped provide support for the late fee legislation:

Sen. Jose Menendez (D-San Antonio)

Rep. Jim Murphy (R-Houston)

Rep. Barbara Gervin-Hawkins (D-San Antonio)

Rep. Tony Tinderholt (R-Arlington)

Rep. Jeff Leach (R-Plano)

New late fees legislation to take effect September 1

The Texas Apartment Association’s top legislative priority—reforming Texas’ late fees law to provide more certainty for members when setting a late fee—was approved by legislators and signed into law by Gov. Greg Abbott. The new law takes effect September 1.

There was never a question about the Texas Apartment Association’s top priority for the 2019 session. Concerns about a recent spate of class action litigation and other questions about ambiguities in the late fee statute meant that the association was laser-focused on passing a new late fees law that provided greater clarity and certainty than current law.

Thanks to great bill authors, an unprecedented grassroots effort by TAA members, an enhanced lobby effort and a broad coalition of supporters, we were successful.

On June 10, Gov. Greg Abbott signed SB 1414 by Sen. Kelly Hancock (R-North Richland Hills) and Rep. Dade Phelan (R-Beaumont) into law. The new law helps provide needed clarifications, gives rental property owners greater certainty on how to comply with the law by providing the option of a safe harbor, and enhances tenant protections by extending the grace period and ensuring that tenants can receive an accounting of late fees owed.

In addition, legislators passed a number of other key measures, including comprehensive property tax reform that will slow the rate of future tax increases. From an industry perspective, there were also key bills affecting landlord/tenant law, development, affordable housing, business issues and other tax issues. At the same time, no legislation that TAA opposed passed. See the other stories in this report for more details.

Late Fees

SB 1414 by Hancock/Phelan – Effective for leases entered into or renewed after 9/1/19

- Clarifies current law by stating that a late fee must be reasonable.
- Repeals confusing language regarding the need for a late fee to be an “estimate of uncertain damages.”
- Provides that a late fee up to **10 percent for multifamily** and up to **12 percent for 1-4 unit properties** is considered reasonable.
- A late fee that exceeds those percentages is *considered reasonable* if direct or indirect damages associated with late payment of rent exceed those amounts.

- Increases the grace period by a day, i.e. if rent is due on 1st, late fee may not be collected until the 4th.
- Allows a tenant to request an accounting of any late fees owed.
- Establishes that a property owner cannot be liable for an unreasonable late fee until it is “collected,” rather than “charged.”
- Clarifies that the late fee applies to any “portion of the tenant’s rent” that is late – Note: This provision has implications for voucher holders.
- The TAA Board of Directors will consider new lease language at the July Board meeting, and new leases will be available through *TAA Click & Lease* September 1.

What’s Next for Late Fees

- The new late fee law is effective for leases entered into or renewed on or after September 1, 2019.
- TAA is revising lease language to comply with the new law. The TAA Board will consider new language at its Summer Board meeting in mid-July and the new leases will be available when the law takes effect.
- TAA is offering members a free legal webinar on August 7 at 10 a.m. to do a deep dive on complying with the new law. Visit www.taa.org/events for more information.
[Click here to register.](#)
- Check TAA publications and the association’s website for legal articles and other resources.

Legislators tackle key issues on taxes, school finance

The recent legislative session made strides on limiting property tax increases and school finance. The Texas Apartment Association's major legislative priority, more clarity surrounding late fees, was successful during the session, but TAA's effort to increase transparency of new city fees ultimately was not approved before time ran out.

From the start, the state's top elected officials were insistent on offering some measure of property tax relief. Gov. Greg Abbott, Lt. Gov. Dan Patrick and Speaker of the House Dennis Bonnen presented a united, public front before and during the session when presenting plans to limit property tax increases and make changes to the school finance system.

These measures will of course impact all Texans, including Texas Apartment Association members. Highlights of the property tax and school finance laws are noted below; an in-depth story on the property tax reform efforts is also included in this report.

Another measure that had the potential to affect most Texans, and that was an important part of TAA's affirmative legislative package, ultimately did not pass this session. That legislation would have required cities to provide more notice and transparency when considering fee increases.

Property Tax Reform

SB 2 by Bettencourt/Burrows – Generally effective 1/1/20

- Limits year-over-year M&O property tax levy increases for cities, counties and special districts to 3.5 percent (currently 8 percent).
- Automatic November election if entity wants to increase by more than 3.5 percent.
- Effective for 2020 tax year.
- Creates specialized ARBs in counties with 1 million-plus population for properties valued at \$50 million or more (adjusted for inflation).
- Eliminates challenges by local governments to value of an entire category of properties before an ARB.
- Enhances the Comptroller's role in standardizing tax rate calculations and data gathering.
- Increases electronic financial disclosures by taxing units.

More information on property tax reform legislation is included later in this report.

School Finance Reform

HB 3 by Huberty/Taylor – Generally effective 9/1/19

- Increases the state's share of school funding.
- Reduces recapture rates for property-wealthy school districts.
- Lowers the school property tax rates by an average of 8 cents in 2020 and 13 cents in 2021.

City Fee Transparency

HB 984 by Parker/SB 849 by Fallon – Did not pass

Passed Senate 26-5 and House Urban Affairs 8-0 but was not scheduled for House floor debate.

This legislation would have:

- Required the city budget cover page to list any new or increased fees and amount of revenue raised by each.
- Required separate vote to use revenue from new/increased fees.
- Created city email notification system/web page for fee changes.

Tax increases may slow under new legislation

By James LeBas, Texas Fiscal Matters

Legislators made significant changes in Texas' property tax and school finance systems. Here's a look at how those changes will impact rental housing owners and managers.

Most of the major tax legislation passed in the 86th Regular Session of the Texas Legislature was positive for taxpayers. Increases in property tax levies likely will be more restrained than in the past, but cases where taxes will actually fall year-over-year will be rare.

In particular, HB 3 (school finance legislation) and SB 2 (property tax reform) provide for long-term restraint in property tax growth for school districts and other taxing units, including cities and counties.

In addition, the state's General Appropriations Act (HB 1, the state budget) includes more state funds for program improvements in public education as well as for financing the reductions in school tax rates as provided in HB 3. There are no comparable funds in the state budget to offset limits placed on other taxing units (like cities and counties) in SB 2, since the state does not play a significant role in funding city and county operations, and because city and county tax rates are not being lowered. Instead, cities and counties will either have to comply with the new 3.5 percent annual limitation on growth in M&O (maintenance and operations—all uses of a tax other than for bond debt service) property tax levies or ask their voters to approve a higher tax rate increase in a regular November election.

Key changes approved by the legislature and signed by Gov. Greg Abbott are outlined here.

Under SB 2 (property tax reform)

- Cities, counties, and special purpose districts cannot increase their aggregate M&O tax levies more than 3.5 percent per year on properties that were on the tax rolls in both the previous and current years without voter approval.
- The 3.5 percent limit is considerably less than the 8 percent limit which had been in effect since 1981.
- Taxing entities that propose raising taxes by more than 3.5 percent will trigger an automatic November election to approve—or to disapprove—the increase. Under old law, voters had to gather thousands of signatures in a short timespan to petition for an election, and could do so only if a taxing entity proposed an increase of more than 8 percent.
- The new percentage triggers and measures are based on the aggregate values and tax levies of a taxing unit, not on increases on any individual property.

- Certain taxing units—junior college districts, hospital districts, entities with tax rates below 2.5 cents per \$100 valuation—will remain at the current 8 percent level.
- The assessed value of individual properties will continue to be based on the Central Appraisal District’s estimate of market value. There are no caps or other changes to taxable value in the new legislation.
- Some procedural changes will be made to the Appraisal Review Board (ARB) process, including an ability for property owners to report their satisfaction or lack of satisfaction in the process. Also, in counties with a population of at least one million, owners of properties valued at \$50 million or more may appeal to a special panel for review of certain complex property types, including multifamily.
- Taxing entities will be required to provide a real-time, online tax notice tailored to each individual property to allow taxpayers to more meaningfully understand what the taxing units are proposing for their tax bills. This requirement, coupled with automatic elections triggered at the lower thresholds may result in more moderate tax increases than have been historically endured by property owners.
- SB 2 changes will take effect for the 2020 tax year.

Under HB 3 (school finance reform)

- School districts must lower their M&O tax rates this year (the 2019 tax year) by 7 percent. Because appraisals will continue to be market-based, the tax on an individual property could still go up compared to last year.
- The state budget includes additional funds to compensate districts for the reduced property tax revenue.
- In subsequent years, the amount by which a school district’s aggregate M&O tax levy can grow as a result of rising appraisals will be limited to 2.5 percent. This will be achieved by an automatic, annual lowering of the M&O school tax rate, with the state reimbursing the school districts for the revenue foregone.
- As with the limits in SB 2 for cities, counties, and other districts, the 2.5 percent limiter for school districts in HB 3 applies to aggregate calculations, not to any individual property.

Other tax-related proposals

Legislators considered a number of other tax proposals during the session that were not approved.

The most high-profile debates centered on proposals to “swap” an increase in the sales tax for a reduction in property taxes. One such proposal was endorsed by Gov. Abbott, Lt. Gov. Dan

Patrick and Speaker of the House Dennis Bonnen, but the proposal ran into opposition and did not move forward. Measures to reduce the number of items exempted from sales tax, or proposing other versions of increased sales taxes for reduced property taxes also did not progress.

Other failed legislation related to property taxes would have required sales price disclosure or increasing the amounts of homestead exemptions, both of which would have been harmful to multifamily properties.

Legislators approve tax changes in addition to property tax reform

In addition to the higher-profile property tax reform touted in SB 2, legislators approved a number of other measures dealing with disaster reappraisals, Appraisal Review Boards, exemptions and the tax process.

While efforts to limit the rate of property tax increases in SB 2 garnered all or most of the headlines, the legislature did approve some other tax-related measures that will benefit property owners. Here's a brief look at some of those measures.

Disaster Reappraisal

HB 492 by Shine/Taylor – Effective 1/1/20 (if voters approve HJR 34)

(Local-option exemption for property damaged in a declared disaster)

- Contingent upon passage and voter approval of a constitutional amendment (HJR 34), the bill provides for an exemption of a portion of appraised value for property, other than land, in a declared disaster area by the Governor if the property is at least 15 percent damaged as determined by the chief appraiser.
- The exemption is an entitlement if the disaster occurred before the tax rate was set by a taxing unit. Otherwise, the exemption is a local option.
- HJR 34 will be on the November 5, 2019 ballot.

Raising Value After Successful Appeal

HB 1313 by King, P./Birdwell – Effective 1/1/20

- Amends Sec. 23.01 of the Tax Code, so the required evidence standard for a chief appraiser to increase the value on a property that was the subject of a successful appeal in the previous year is raised to “clear and convincing” evidence, rather than “substantial” evidence, the current standard.

- Prohibits an appraisal district or appraisal review board (ARB) from imposing a fee for filing a protest with the ARB.

Tax Penalty for Change from Agricultural Use

HB 1743 by King, T./Creighton – Effective 9/1/19

- Reduces the property tax penalty for changing the use of agricultural and timber land to three years of taxes that were saved (currently five years).
- Lowers the interest rate on resulting taxes owed to 5 percent (currently 7 percent).

Removal of an ARB Member

HB 2179 by Wray/Hughes – Effective 6/10/19

Broadens the grounds for removal of an Appraisal Review Board (ARB) member to “evidence of repeated bias or misconduct,” as compared to current law, which requires “clear and convincing evidence of repeated bias or misconduct.”

Ch. 312 Tax Exemptions

HB 3143 by Murphy/West – Effective 9/1/19

Extends the expiration date of Chapter 312, “Property Redevelopment and Tax Abatement Act,” abating certain property taxes relating to projects that enhance the local economy to September 1, 2029 and also increases transparency requirements for the process used by taxing entities to grant such exemptions. (The Act had been scheduled to expire September 1, 2019.)

Changes to some landlord/tenant laws coming soon

In addition to making changes in the late fees statute, legislators approved some other changes in some of the state's landlord/tenant laws. Other landlord/tenant law changes were introduced, but did not pass during the session.

The recent legislative session saw an unusually high number of landlord/tenant bills introduced—more than 40. The Texas Apartment Association supported some of these bills, opposed some and worked with bill authors on compromises for others. Here's a look at the key landlord/tenant bills approved this session, and some that did not win approval.

Death of Sole Resident Lease Termination

HB 69 by Minjarez/Zaffirini – Applies to leases entered into on or after 1/1/20

This legislation codifies the right to terminate a lease upon death of a sole resident upon the later of either:

- 30 days after landlord receives written notice from a representative of the estate, or
- Written notice has been provided, the tenant's belongings have been removed and the representative has signed an inventory, if requested.

Guns

HB 302 by Paul/Hughes – Effective 9/1/19

- Provides that a landlord may not prohibit a tenant or guest from lawfully having a firearm or ammunition in the rental unit, leased premises or vehicle in the parking lot, or in other areas necessary to go to and from the rental unit, leased premises or vehicle.
- Makes such possession a defense to criminal trespass, concealed carry or open carry prohibitions.
- Does not allow weapons to be displayed in a threatening manner.

Parking

HB 1002 by Collier/West – Applies to parking permit issued on or after 1/1/20

Provides that a parking permit must be coterminous with a lease.

Disabled Parking

HB 3163 by Springer/Menendez – Effective 9/1/19

- Requires the Texas Department of Licensing and Regulation (TDLR) to adopt rules for disabled parking at public accommodations (i.e. leasing office), including having “no parking” painted on the access aisle. Signage must include consequences of illegally parking in the space.
- NOTE: While this bill is effective 9/1/19, it may take several months before TDLR enacts implementation rules. TAA will provide information on complying with the new law when it becomes available.

Family Violence Lease Termination

SB 234 by Nelson/Morrison – Effective 9/1/19

This legislation amends family violence lease termination to allow a tenant to provide additional forms of documentation, including an emergency order by a magistrate, or documentation from:

- a licensed health care services provider;
- a licensed mental health services provider; or
- a trained family violence shelter “advocate.”

JP Court Jurisdiction

SB 2342 by Creighton/Leach – Effective 9/1/20

- Increases the jurisdiction of JP courts in civil matters to include disputes of up to \$20,000 (currently \$10,000).
- Does not affect the handling or prioritization of eviction cases.

Failed landlord/tenant bills

An unusually high number of more than 40 bills affecting the landlord/tenant relationship were filed in 2019—many of which TAA opposed, as introduced. Here are a few key topics that did not pass this session:

Flood Disclosure

A number of bills that would have required some form of flood disclosure by rental property owners were introduced this session. TAA opposed the bills as filed, given concerns regarding potential liability and practical issues regarding compliance. However, TAA worked with the various bill authors to develop compromise language that would have created disclosure without placing undue burdens on owners. While two of the bills (HB 993 by Coleman and HB 970 by Walle) were approved by the House, they did not pass.

Casualty Loss

SB 519 by Zaffirini and HB 3564 by Farrar would have overhauled Sec. 920.54 of the Property Code regarding the time frame and notification process when a party needs to terminate a lease because the property is uninhabitable following a disaster or other casualty loss. The legislation would also have changed the process for situations when a property is partially habitable. TAA worked with advocates supporting the bill on a compromise which failed to pass.

Criminal trespass

Efforts to allow police officers to have the option of issuing a citation for Class B misdemeanor criminal trespass offenses were unsuccessful (SB 96 by Bettencourt/Gervin-Hawkins passed the Senate and also the House Criminal Justice Committee but died in the House Calendars Committee.) The Houston Apartment Association led this effort and was supported by TAA and a broad coalition.

Limit eviction record dissemination

Several bills that would have either limited dissemination of eviction information (SB 519 by Zaffirini/HB 3569 by Farrar) or expunged certain eviction cases (HB 174 by Canales) were all unsuccessful. TAA opposed these bills.

Notice of Rent Increases

SB 624 by Neave, which would have required rental property owners to provide at least seven days notice before a rent increase failed to pass. TAA had worked to develop compromise language and supported the bill.

Method of Payment

HB 2076 by Neave which would have required a landlord to accept at least one payment method for rent and security deposits that did not include a service charge did not pass. TAA had worked to develop compromise language and supported the bill.

Obligation to Rekey

A bill that would have amended the security device statute to require locks to be rekeyed before

a new tenant moved in (as compared to current law, which requires rekeying within seven days of move-in) did not pass (HB 1859 by Neave). TAA supported the bill.

Notice before Entry

A bill that would have required 48-hour notice prior to entering a tenant's unit (HB 1860 by Neave) did not pass. TAA opposed this bill.

Mandatory CO detectors & lithium battery smoke alarms

TAA opposed HB 4358 by Sanford, which would have required installation of carbon monoxide detectors in certain properties and also required smoke alarms to be equipped with 10-year lithium batteries. The bill did not pass.

Source of Income

Two bills that would have repealed a Texas law that prohibits cities from requiring landlords to accept Section 8 housing vouchers if residents meet other rental criteria were unsuccessful (HB 1257 by Rosenthal/HB 2187 by Rodriguez, E.) The current law was passed at TAA's instigation in 2015.

Eviction representation by counties

Legislation that would have given cities and counties that met certain requirements the ability to provide tenant legal services, including representation in eviction and fair housing disability cases (HB 4125 by Israel) did not pass. TAA was neutral on this bill.

New legislation tackles development, affordable housing

Legislators approved measures to ease some costs of development, and to make it easier to get low-income housing tax credits.

Legislators approved measures designed to reduce some of the costs of development, and approved some legislation to make it easier to obtain and get approval for tax-credit supported affordable housing. Here's a look at some of the specific legislation that won approval, as well as some affordable housing measures and proposed lien laws revisions that did not pass this session.

Development

City Building Permit/Construction Inspection Fees

HB 852 by Holland/Fallon – Effective 5/21/19

- Prohibits cities from basing residential building permits or inspection fees required for construction or improvements on the value of the dwelling or the cost of constructing/improving the dwelling.
- Cities may not require disclosure of information related to the value of or cost of constructing or improving a residential dwelling as a condition of obtaining a building permit (except as required by FEMA).

City Building Product/Material Requirements

HB 2439 by Phelan/Buckingham – Effective 9/1/19

Prohibits a governmental entity from adopting or enforcing a requirement that prohibits or limits use of a building product or material that is approved under a national model code (with certain exceptions such as for historic buildings).

Title Insurance

HB 3228 by Munoz/Hancock – Effective 9/1/19

Allows any “interested person” to request and attend a hearing on title rates. Currently, such authority is limited to title insurance companies, certain title insurance associations, and the office of the public insurance counsel. This will allow Texas residents and businesses the same rights as the insurance industry to request a hearing. TAA supported this bill.

Affordable Housing

State Rep. LIHTC Development Letters

HB 1973 by Button/Nelson – Effective 9/1/19 for 2020 QAP

If a state representative declines to write a letter in support of a proposed LIHTC development, TDHCA would use the maximum number of points that could have been used to increase the number of points awarded because of a city or county resolution.

Concentration of Certain LIHTC Properties

SB 493 by Alvarado/Thompson, S. – Effective 9/1/19 for 2020 QAP

- Provides an exception from the prohibition against allocating housing tax credits to more than one development in a single community in the same year. (Currently developments approved each year must be at least two miles apart.)
- The exception applies only if (1) the developments are in a city with a population of two million or more and is in a federally declared disaster area; and (2) the city council authorizes the allocation of housing tax credits for the developments.
- A number of affordable housing measures were introduced this session, but did not pass. Here's a look at some of that proposed legislation, as well as a development bill that would have altered the lien laws.

Affordable Housing Mandates

TAA opposed bills filed to repeal the preemptions in state law against local ordinances which have the effect of mandating participation in the Section 8 program if voucher holders meet other rental criteria (HB 1257 by Rosenthal/HB 2187 by Rodriguez), as well as an effort to repeal a statewide prohibition of mandatory inclusionary zoning ordinances (HB 3050 by Hinojosa). None of these bills had committee hearings.

Valuation of Affordable Housing Properties

TAA supported legislation that would have created standards to provide more consistency in the way rent-restricted affordable housing properties are valued by central appraisal districts. (HB 2993 by Geren/SB 1830 by Alvarado). HB 2993 passed the House but died in the Senate.

Anti-Gentrification/Displacement

TAA opposed efforts that would have created new duties on owners when a property is being closed for redevelopment, including providing a right of first refusal before a property could be sold (SB 1047 by West).

Lien law revisions

A comprehensive overhaul of lien laws (HB 589 by Deshotel), which was supported by contractors but opposed by a broad coalition of building industry groups, including TAA, failed to pass. A scaled-down lien revision bill that building industry groups supported also failed to pass (HB 3498 by Burrows).

Business legislation chalks up wins, losses

Legislators introduced a number of business-related bills to override city actions, but many of the highest profile efforts failed to win approval this session. Other measures were more successful. Learn more about business legislation that made the grade and the efforts that fizzled.

Some high-profile business-oriented legislation was unsuccessful this session. Failed efforts included attempts to overturn local ordinances mandating employer-paid sick leave and “ban the box” ordinances governing when and what employers can ask job applicants about criminal history.

Here’s a look at some of the specific business legislation that failed to win approval this session, as well as a few measures that passed and some constitutional amendments voters will consider in November.

Privacy and data breaches

Legislators approved HB 4390 by Rep. Giovanni Capriglione (R-Southlake), regarding privacy and data breaches. The new law:

- Applies to businesses that own or license electronic data containing sensitive personal information (date of birth, Social Security numbers, health care information, etc.);
- Requires data breaches to be reported to affected customers no later than 60 days from the date the business discovers the breach;
- Requires breaches affecting 250+ Texas residents to be reported to the Attorney General’s office; and
- Creates the “Texas Privacy Protection Advisory Council” to study data privacy laws in Texas and other states, and make recommendations to the 87th Legislature.

“Common paymaster”

Legislators also approved SB 2296 by Sen. Beverly Powell (D-Burleson), which makes changes to conform state law to federal law regarding use of a “common paymaster.” The bill takes effect January 1, 2020. This legislation:

- Amends the Labor Code by expanding the definition of “employing unit” to include use of a common paymaster as defined by federal law;

- Conforms Texas law to federal law to allow the use of a “common paymaster” for the purpose of remitting unemployment taxes to the Texas Workforce Commission (TWC).
- The TWC will adopt rules to implement the inclusion of the common paymaster in its regulations.

Plumbing Code Sunset

Concerns were raised when the legislature did not pass SB 621 by Nichols/Lambert, the sunset legislation for the Board of Plumbing Examiners. Because the bill died, the agency was set to go out of existence and the entire chapter of the plumbing code would have been released. However, Gov. Greg Abbott issued an Executive Order extending the life of the agency and state plumbing regulations until after the next legislative session ends in 2021. As a result, current regulations remain in place. The Texas Apartment Association was neutral on this bill but concerned about potential consequences if state plumbing regulation had not continued.

Local labor ordinance preemption

Efforts by a broad coalition of business groups (including TAA) to preempt local ordinances dealing with employee benefits and scheduling, such as mandatory paid sick leave and “ban the box” provisions, were unsuccessful. (SB 15, SB 2485, SB 2486, SB 2487, SB 2488 by Creighton)

Short Term Rentals

HB 3778 by Rep. Angie Chen Button, which would have created a statewide framework for short term rental (STR) regulation by cities, failed to pass. TAA supported this bill both to avoid a patchwork of local regulation and also to ensure that rental property owner rights have control over STR activities on their property.

International Plumbing Code

An attempt to make the International Plumbing Code the statewide standard (some cities, most notably Austin and Houston, still use the Uniform Plumbing Code), was unsuccessful despite a broad coalition in support, including TAA. (HB 3622 by Paddie/SB 110 by Buckingham)

Marijuana Legalization

Throughout the session, TAA monitored dozens of bills regarding medical marijuana and medical marijuana legalization/decriminalization. No broad-based bills passed. Note: The legislature did pass HB 3703 by Klick/Campbell, which is a limited expansion of the ability for certain individuals to obtain low-THC cannabis oil for certain ailments, such as ALS.

Constitutional amendments on ballot this November

Voters will have an opportunity this fall to weigh in on a number of proposed amendments to the Texas constitution.

Voters will go to the polls on November 5, 2019 to consider 10 constitutional amendments. Several are of interest to the rental housing industry, including:

- HJR 4 by Phelan/Creighton which would provide \$1.7 billion in state funding for flood control and mitigation. (TAA supports)
- HJR 34 by Shine/Bettencourt to allow the legislature to enact a law providing for a temporary property tax exemption following a disaster. (TAA supports)
- HJR 151 by Huberty/Taylor provides funding to help provide increased school funding resulting in property tax relief. (TAA supports) *Editorial note:* Technically, TAA did not take a position on this amendment but it is very much in line with support for lower property taxes.

Meet the Team

The Texas Apartment Association's advocacy efforts are led by a diverse professional staff with a combined total of more than 50 years of legal, legislative and government affairs experience.

We're happy to lend our expertise on issues related to rental housing in Texas, including ways to keep housing affordable and encourage responsible housing development and management.

We believe effective housing policy protects the rights of property owners and investors, as well as those who choose to make their homes in rental housing.

Questions?

Contact our Government Affairs Team at 512/479-6252
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