

BILL ANALYSIS

Senate Research Center

S.B. 1363
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Intergovernmental Relations
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As Filed

DIGEST

Currently, the Department of Housing and Community Affairs is limited in its powers with regard to owning property and acquiring real property. S.B. 1363 amends operations, powers, and duties of the Department of Housing and Community Affairs.

PURPOSE

As proposed, S.B. 1363 amends operations, powers, and duties of the Department of Housing and Community Affairs.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2306.004, Government Code, to define "contract for deed" and "person." Redefines "economically depressed or blighted area," "elderly individual," "mortgage," "public agency," "real-estate owned contractor," and "reserve fund." Makes conforming changes.

SECTION 2. Amends Section 2306.021(b), Government Code, to provide that the Texas Department of Housing and Community Affairs (department) is composed of the community development division, among other divisions.

SECTION 3. Amends Section 2306.032, Government Code, to require certain documents to be maintained, rather than kept in the principal office, by the department. Provides that certain meetings are subject to Chapter 551.

SECTION 4. Amends Section 2306.053, Government Code, to delete a provision authorizing the department to sue and be sued. Authorizes the department to execute funding agreements, and to obtain, retain, and disseminate records in electronic form. Provides that the department is subject to Chapter 552.

SECTION 5. Amends Section 2306.072, Government Code, as follows:

Sec. 2306.072. New heading: ANNUAL STATE LOW INCOME HOUSING REPORT. Requires the director of the department (director) to prepare an annual report to be submitted on the department's housing activities for the preceding year, rather than fiscal year, no later than March 1, of each year. Requires the governing board of the department (board) to submit the report to the lieutenant governor and the speaker, rather than the legislature. Deletes a provision that the report must contain certain financial statements, statistical and narrative analysis of the department's performance, analysis of fair housing opportunities and analysis of average rents as defined in the comprehensive housing affordability strategy. Makes nonsubstantive changes.

SECTION 6. Amends Section 2306.0721, Government Code, to require the director to prepare and submit to the board an integrated state low income housing plan by certain date, which must contain estimates on housing units assisted through the department, a description of state programs, and

resource allocation plans which target all of the department's available housing resources. Makes conforming changes.

SECTION 7. Amends Section 2306.0722, Government Code, to require the director to incorporate recommendations with the consolidated plan, rather than a comprehensive housing affordability strategy and performance report.

SECTION 8. Amends Section 2306.073, Government Code, as follows:

Sec. 2306.073. New heading: PUBLIC PARTICIPATION REQUIREMENTS. Requires the department to hold two public hearings on the annual state low income housing plan and report before the director submits the report and the plan to the board. Sets forth notice requirements for the hearings. Makes conforming changes.

SECTION 9. Amends Section 2306.076(a), Government Code, to authorize the board to purchase from department funds, liability insurance for employees of the department.

SECTION 10. Amends Chapter 2306E, Government Code, to provide a new subchapter heading, as follows:

SUBCHAPTER E. New heading: COMMUNITY AFFAIRS AND COMMUNITY
DEVELOPMENT PROGRAMS

SECTION 11. Amends Subchapter E, Government Code, by adding Section 2306.094, as follows:

Sec. 2306.094. SERVICES FOR THE HOMELESS. Requires the department to administer the state's allocation of certain federal funds for homeless individuals and families.

SECTION 12. Amends Section 2306.097, Government Code, to delete a provision regarding the community affairs division. Makes a conforming change.

SECTION 13. Amends Section 2306.099, Government Code, to authorize the department to enter into an agreement with the Texas Department of Commerce to reimburse the Texas Department of Commerce for any services on the portion of the federal community development block grant funds allocated by the department. Deletes a provision regarding the Texas Department of Commerce. Provides that activities undertaken by the Texas Department of Commerce must be monitored, rather than approved, by the department.

SECTION 14. Amends Section 2306.111(a), Government Code, to require the department undertaken through the housing finance division, to administer all of certain federal housing funds or any other affordable housing program.

SECTION 15. Amends Section 2306.142, Government Code, to make a conforming change.

SECTION 16. Amends 2306.171, Government Code, to require the department to develop certain policies for families of moderate income, and to work with counties and for-profit corporation to provide information and assistance. Makes conforming changes.

SECTION 17. Amends Section 2306.177, Government Code, to make a conforming change.

SECTION 18. Amends Section 2306.201, Government Code, to provide that the housing trust fund consists of investment income and funds from any other source, among other funds.

SECTION 19. Amends Section 2306.202, Government Code, to authorize the department to use the fund to acquire property to endow the fund, notwithstanding any other section of this chapter. Sets forth uses of the fund. Makes a conforming change.

SECTION 20. Amends Section 2306.207(a), Government Code, to make conforming

changes.

SECTION 21. Amends Section 2306.232, Government Code, to make a conforming change.

SECTION 22. Amends Chapter 2306K, to provide for a new subchapter heading, as follows:

SUBCHAPTER K. New heading: PROPERTY OWNERSHIP AND HOUSING PROGRAMS

SECTION 23. Amends Section 2306.251, Government Code, to authorize the department to reconstruct, rehabilitate, manage, or operate real property, for sale or rental to families of moderate income; to preserve publicly financed or subsidized housing; or to participate in certain risk sharing programs. Deletes existing Subsection (b). Authorizes the department to use certain fees or proceeds. Prohibits the department from using certain amounts of the fund, if the department uses the housing trust fund to finance real property. Require the department to submit a report to the board. Makes conforming changes.

SECTION 24. Amends Section 2306.252, Government Code, to delete Subdivision (3). Requires the housing resource center to assist in the development of a housing policy.

SECTION 25. Amends Section 2306.267, Government Code, to make a conforming change.

SECTION 26. Amends Section 2306.270, Government Code, to make a conforming change.

SECTION 27. Amends Section 2306.291(a), Government Code, to authorize the department to purchase or take assignment of other obligations. Makes a conforming change.

SECTION 28. Amends Section 2306.351(a), Government Code, to authorize the department to issue certain 501(c)(3) bonds.

SECTION 29. Amends Section 2306.357, Government Code, to make a conforming change.

SECTION 30. Amends Section 2306.375, Government Code, to limit the liability of board members and the executive director.

SECTION 31. Amends Section 2306.411(a), Government Code, to make a conforming change.

SECTION 32. Amends Section 2306.412(a), Government Code, to make a conforming change.

SECTION 33. Amends Section 2306.491, Government Code, to make a conforming change.

SECTION 34. Amends Section 2306.513, Government Code, to delete existing Subsection (c).

SECTION 35. Amends Chapter 2306, Government Code, by adding Subchapter BB, as follows:

SUBCHAPTER BB. EMERGENCY NUTRITION AND TEMPORARY EMERGENCY RELIEF PROGRAM

Sec. 2306.631. DECLARATION OF PUBLIC PURPOSE. Sets forth findings of the legislature.

Sec. 2306.632. DEFINITIONS. Defines "applicant," "nonprofit organization," and "program."

Section 2306.633. TEMPORARY EMERGENCY RELIEF FUND. Sets forth requirements of the temporary emergency relief fund.

Sec. 2306.634. APPLICATION. Sets forth requirements for applying for a grant-in-aid to establish and administer a program under this subchapter.

Sec. 2306.635. LOCAL ALLOCATION. Sets forth requirements for local allocation.

Sec. 2306.636. LOCAL PLAN; DISBURSEMENT. Sets forth requirements for a local plan and disbursement of money from the temporary emergency relief fund.

Sec. 2306.637. ELIGIBILITY AND PROVISION OF ASSISTANCE. Sets forth requirements for eligibility and provisions of assistance for the program.

Sec. 2306.638. REPORTS; PUBLIC NOTICES. Sets forth notice requirements for notices.

Sec. 2306.639. RELATIONSHIP TO FEDERAL LAW. Sets forth this Act's relationship to federal law.

SECTION 36. Amends Section 2166.003, Government Code, to provide that this chapter does not apply to certain projects of repair, rehabilitation, or construction on property owned by the department or the Texas State Affordable Housing Corporation.

SECTION 37. Amends Section 2167.001, Government Code, to provide that this chapter applies to certain residential property.

SECTION 38. Repealers: Sections 2306.122 and 2306.143, Government Code (Housing finance division) and Chapter 34, Human Resources Code (temporary emergency relief programs).

SECTION 39. Provides that this Act prevails over another Act of the 75th Legislature, Regular Session, 1997, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 40. Effective date: September 1, 1997.

SECTION 41. Emergency clause.