

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2792
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Intergovernmental Relations
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current state statutes address traditional “public housing” as defined by Section 9 of the U.S. Housing Act. However, many public housing authorities have diversified, or are in the process of diversifying, into new federal housing programs that transition residents from “public housing” to other subsidized programs. For instance, almost all housing authorities in Texas participate in the Housing Choice Voucher (HCV) program so that residents can use a “voucher” administered by the housing authority to rent in the private housing market. This program is often referred to as “Section 8,” which is the section of the U.S. Housing Act that created the program.

Other housing authorities are converting their “public housing” into a similar type of federal subsidized housing. For example, the Housing Authority of the City of El Paso (HACEP) is converting all of its federal public housing units into project-based rental assistance (PBRA) units, which are also governed by Section 8 of the U.S. Housing Act. As HACEP completes this public housing-to-PBRA conversion, it will no longer have any residents living in “public housing” units.

These conversions are funded through the Rental Assistance Demonstration (RAD) program, which provides public housing agencies with a stable source of funding needed to make improvements to properties. Texas law, however, does not reflect these changes in public housing programs.

H.B. 2792 makes technical changes to update state law to allow public housing authorities to continue to be able to qualify for existing property tax exemptions and for residents of HCV or PBRA units to serve as a resident commissioner. (Original Author's / Sponsor's Statement of Intent)

C.S.H.B. 2792 amends current law relating to housing authorities established by municipalities and counties.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 392.005(c) and (d), Local Government Code, as follows:

(c) Provides that an exemption under this section for a multifamily residential development which is owned by a public facility corporation created by a housing authority under Chapter 303 (Public Facility Corporations), owned by a housing development corporation, or owned by a similar entity created by a housing authority and which does not have at least 20 percent of its units reserved for public housing units, rent-restricted units subsidized by a housing authority, or a combination of public housing and rent-restricted units, applies only if a certain meeting is held or occupancy is at a certain amount. Makes nonsubstantive changes.

(d) Redefines "public housing unit."

SECTION 2. Amends Section 392.031(b), Local Government Code, as follows:

(b) Prohibits a commissioner from being an officer or employee of the municipality. Authorizes a commissioner to be a recipient of housing assistance, rather than a person who is a recipient of housing assistance, administered through the authority's housing choice voucher program or project-based rental assistance program.

SECTION 3. Amends Section 392.0331(b), Local Government Code, by amending Subsections (b), (b-2), (g), and (h-1) and adding Subsection (b-3), as follows:

(b) Requires a municipality with a municipal housing authority composed of five commissioners, except as provided by Subsections (b-1) (relating to providing that a municipal housing authority in which the total number of units is 150 or fewer is not required to appoint a tenant to the position of commissioner) and (b-2), in appointing commissioners under Section 392.031 (Appointment of Commissioners of a Municipal Housing Authority), to appoint at least one commissioner to the authority who is a tenant of a public housing project over which the authority has jurisdiction or who is a recipient of housing assistance administered through the authority's housing choice voucher program or project-based rental assistance program. Requires a municipality with a municipal housing authority composed of seven or more commissioners, except as provided by Subsection (b-3), rather than Subsection (b-2), in appointing commissioners under Section 392.031, to appoint at least two commissioners to the authority who are tenants of a public housing project over which the authority has jurisdiction or who are recipients of housing assistance administered through the authority's housing choice voucher program or project-based rental assistance program.

(b-2) Provides that this subsection applies only to a municipality that has a population over 600,000 and is located adjacent to the international border of this state. Requires a municipality described by this subsection that has a municipal housing authority composed of five or more commissioners, in appointing commissioners under Section 392.031, to appoint at least one commissioner to the authority who is a tenant of a public housing project over which the authority has jurisdiction, or a recipient of housing assistance administered through the authority's housing choice voucher program or project-based rental assistance program.

(b-3) Requires a municipality that has a population over two million and a municipal housing authority composed of seven or more commissioners in appointing commissioners under Section 392.031, to appoint at least two commissioners to the authority who meet certain criteria.

(g) Prohibits a commissioner appointed under this section (Appointment of Commissioners of a Municipal Housing Authority) from participating in any vote or discussion concerning the termination of certain rights of the commissioner.

(h-1) Requires a majority of the other commissioners, if a commissioner appointed under this section as a recipient of housing assistance administered through the authority's housing choice voucher program or project-based rental assistance program ceases to receive the assistance, to decide whether to request that a new commissioner be appointed. Authorizes a majority of the commissioners to decide to allow the commissioner to serve the remaining portion of the commissioner's term.

SECTION 4. Effective date: September 1, 2017.