

By: Moody

H.B. No. 2625

A BILL TO BE ENTITLED

AN ACT

relating to the formation of a municipal housing authority asset commission by certain municipal housing authorities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 392, Local Government Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. ASSET COMMISSION OF CERTAIN MUNICIPAL HOUSING

AUTHORITIES

Sec. 392.151. DEFINITION. In this subchapter, "asset commission" means a municipal housing authority asset commission formed by a municipal housing authority under Section 392.153.

Sec. 392.152. APPLICABILITY. This subchapter applies only to a municipal housing authority operating in:

(1) a county with a population of 800,000 or more that is located on the international border; and

(2) a municipality with a population of 600,000 or more that is located in a county described by Subdivision (1).

Sec. 392.153. FORMATION OF ASSET COMMISSION. A municipal housing authority asset commission may be formed by adoption of a resolution by:

(1) the commissioners of a municipal housing authority; and

(2) not less than 80 percent of the members of the commissioners court of the county in which the authority operates.

1       Sec. 392.154. ASSET COMMISSION MEMBERSHIP; TERMS. (a) An  
2 asset commission is composed of five members who serve staggered  
3 terms of five years and are appointed by a majority of the  
4 commissioners of the municipal housing authority that formed the  
5 asset commission. An asset commission member must:

6           (1) be a licensed real estate broker;

7           (2) be a certified public accountant;

8           (3) be a licensed attorney who is certified by the  
9 Texas Board of Legal Specialization in residential real estate law  
10 or commercial real estate law;

11           (4) have at least five years of continuous experience  
12 in residential or commercial property management;

13           (5) have at least five years of continuous experience  
14 in the field of finance, accounting, or banking;

15           (6) have at least five years of continuous experience  
16 as an architect, engineer, or land surveyor;

17           (7) have at least five years of continuous experience  
18 in developing, financing, constructing, operating, or managing a  
19 multifamily housing portfolio of no fewer than 3,000 units;

20           (8) have at least five years of continuous experience  
21 as an owner or management representative of a private, a nonprofit,  
22 an educational, or a governmental entity with no fewer than 500  
23 employees; or

24           (9) be a current or former chief executive officer,  
25 chief financial officer, or executive director of a public housing  
26 authority that owns or manages 5,000 or more units.

27       (b) In addition to the qualifications required by

1 Subsection (a), at least one of the asset commission members must  
2 have at least 10 years of experience in a field related to the  
3 management or operation of apartments funded by low income housing  
4 tax credits.

5 (c) A person may not serve as an asset commission member if  
6 the person is:

7 (1) a mayor, a county judge, or any other elected  
8 official of a governmental entity within the area of operation  
9 described by Section 392.014 for the municipal housing authority  
10 that formed the asset commission;

11 (2) an employee of a town, municipality, or county  
12 within the area of operation described by Section 392.014 for the  
13 municipal housing authority that formed the asset commission;

14 (3) a commissioner or employee of the municipal  
15 housing authority that formed the asset commission;

16 (4) a person who was employed within the preceding two  
17 years by the municipal housing authority that formed the asset  
18 commission; or

19 (5) a person who has or has had within the preceding  
20 two years a direct or indirect contract or a personal or financial  
21 interest in a contract with the municipal housing authority that  
22 formed the asset commission.

23 (d) Notwithstanding the provisions of Subsection (a)  
24 establishing the terms of an asset commission member, in appointing  
25 the initial members to an asset commission under this section, the  
26 commissioners of a municipal housing authority shall designate:

27 (1) two members to serve a three-year term;

1           (2) two members to serve a four-year term; and

2           (3) one member to serve a five-year term.

3           Sec. 392.155. CONFLICTS OF INTEREST. (a) An asset  
4 commission member may not:

5           (1) have dealings for pecuniary gain with the  
6 municipal housing authority that formed the asset commission or a  
7 public facility corporation sponsored by the authority; or

8           (2) own, acquire, or control a direct or indirect  
9 interest in any item described by Sections 392.042(b)(1)-(5).

10          (b) If an asset commission member manages, owns, acquires,  
11 or controls a direct or indirect interest in an item prohibited by  
12 Subsection (a) or otherwise has any other dealings for pecuniary  
13 gain with the municipal housing authority, the member shall  
14 immediately disclose the interest to the authority and asset  
15 commission in writing. The disclosure shall be entered in the  
16 minutes of the asset commission for the meeting at which the  
17 disclosure was made.

18          (c) An asset commission member's failure to make a required  
19 disclosure under Subsection (b) constitutes misconduct of office.

20          Sec. 392.156. REMOVAL OF ASSET COMMISSION MEMBER. An asset  
21 commission member may be removed by a majority of the commissioners  
22 of the municipal housing authority that formed the asset commission  
23 based on the same criteria and following the same processes for the  
24 removal of a commissioner described by Section 392.041.

25          Sec. 392.157. ASSET COMMISSION MEMBER COMPENSATION AND  
26 REIMBURSEMENT. (a) An asset commission member is entitled to:

27          (1) reasonable compensation for the member's services

1 on the asset commission; and

2 (2) reimbursement for necessary expenses incurred by  
3 the member in carrying out duties related to services on the asset  
4 commission, including travel expenses.

5 (b) The municipal housing authority that forms an asset  
6 commission shall pay the compensation and reimbursement described  
7 by Subsection (a).

8 Sec. 392.158. POWERS AND DUTIES. (a) An asset commission  
9 must approve by majority vote the following actions before the  
10 municipal housing authority that formed the asset commission may  
11 perform the action:

12 (1) the acquisition, sale, transfer, conveyance, or  
13 disposition of any property, building, partnership interest,  
14 membership interest in a limited liability company, ownership  
15 interest in any entity, or any other asset of the authority or a  
16 public facility corporation sponsored by the authority valued in  
17 excess of \$100,000; and

18 (2) the trading, financing, refinancing, or issuance  
19 of a bond secured by or associated with any property, building,  
20 partnership interest, membership interest in a limited liability  
21 company, ownership interest in any entity, or any other asset of the  
22 authority or a public facility corporation sponsored by the  
23 authority.

24 (b) An asset commission may directly or indirectly hold or  
25 own an interest in an asset described by Subsection (a) and any  
26 accompanying cash flow or benefit associated with that interest  
27 only if the asset commission holds the interest in trust for the

1 sole and exclusive benefit of the municipal housing authority that  
2 formed the asset commission.

3 (c) An asset commission may delegate the powers and duties  
4 under this section to an agent or employee of the asset commission  
5 or the municipal housing authority that formed the asset  
6 commission, as determined appropriate by the asset commission.

7 Sec. 392.159. OFFICERS AND EMPLOYEES OF ASSET COMMISSION.  
8 The secretary and executive director employed under Section [392.038](#)  
9 for a municipal housing authority that forms an asset commission  
10 shall serve as the secretary and executive director of the asset  
11 commission.

12 Sec. 392.160. MEETINGS OF ASSET COMMISSION. Meetings of an  
13 asset commission are subject to Chapter [551](#), Government Code.

14 SECTION 2. This Act takes effect September 1, 2023.