

By: Blanco

S.B. No. 1130

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 the commissioners of a municipal housing authority.

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

1 asset commission. An asset commission member must:
2 (1) be a licensed real estate broker;
3 (2) be a certified public accountant;
4 (3) be a licensed attorney who is certified by the
5 Texas Board of Legal Specialization in residential real estate law
6 or commercial real estate law;
7 (4) have at least five years of continuous experience
8 in residential or commercial property management;
9 (5) have at least five years of continuous experience
10 in the field of finance, accounting, or banking;
11 (6) have at least five years of continuous experience
12 as an architect, engineer, or land surveyor;
13 (7) have at least five years of continuous experience
14 in developing, financing, constructing, operating, or managing a
15 multifamily housing portfolio of no fewer than 3,000 units;
16 (8) have at least five years of continuous experience
17 as an owner or management representative of a private, a nonprofit,
18 an educational, or a governmental entity with no fewer than 500
19 employees; or
20 (9) be a current or former chief executive officer,
21 chief financial officer, or executive director of a public housing
22 authority that owns or manages 5,000 or more units.
23 (b) In addition to the qualifications required by
24 Subsection (a), at least one of the asset commission members must
25 have at least 10 years of experience in a field related to the
26 management or operation of apartments funded by low income housing
27 tax credits.

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

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

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

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

12 (4) a person who was employed within the preceding two
13 years by the municipal housing authority that formed the asset
14 commission; or

15 (5) a person who has or has had within the preceding
16 two years a direct or indirect contract or a personal or financial
17 interest in a contract with the municipal housing authority that
18 formed the asset commission.

19 (d) Notwithstanding the provisions of Subsection (a)
20 establishing the terms of an asset commission member, in appointing
21 the initial members to an asset commission under this section, the
22 commissioners of a municipal housing authority shall designate:

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

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

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

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

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

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

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

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

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

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

23 (1) reasonable compensation for the member's services
24 on the asset commission; and

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

1 (b) The municipal housing authority that forms an asset
2 commission shall pay the compensation and reimbursement described
3 by Subsection (a).

4 Sec. 392.158. POWERS AND DUTIES. (a) An asset commission
5 must approve by majority vote the following actions before the
6 municipal housing authority that formed the asset commission may
7 perform the action:

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

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

20 (b) An asset commission may directly or indirectly hold or
21 own an interest in an asset described by Subsection (a) and any
22 accompanying cash flow or benefit associated with that interest
23 only if the asset commission holds the interest in trust for the
24 sole and exclusive benefit of the municipal housing authority that
25 formed the asset commission.

26 (c) An asset commission may delegate the powers and duties
27 under this section to an agent or employee of the asset commission

1 or the municipal housing authority that formed the asset
2 commission, as determined appropriate by the asset commission.

3 Sec. 392.159. OFFICERS AND EMPLOYEES OF ASSET COMMISSION.

4 The secretary and executive director employed under Section [392.038](#)
5 for a municipal housing authority that forms an asset commission
6 shall serve as the secretary and executive director of the asset
7 commission.

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

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