

BILL ANALYSIS

Senate Research Center

H.B. 398
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Intergovernmental Relations
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Engrossed

DIGEST AND PURPOSE

Currently, Section 392.053 (Public Meeting on Proposed Housing Project), Local Government Code, requires a housing authority to conduct a "public meeting" before the construction of a new housing project. This provision also prohibits construction or occupancy permits from being issued without such a public meeting. H.B. 398 extends this public meeting requirement to the acquisition of existing structures; adds a requirement that any local political subdivision with authority to issue a permit for the occupancy or operation of a housing project be represented at the public meeting; adds the requirement of local approval by the city or other regulatory political subdivision before a housing authority may acquire existing multi-family structures for use as a housing project; and requires local approval for the construction of any new projects.

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 Section 392.003, Local Government Code, as follows

Sec. 392.003. LEGISLATIVE FINDINGS. Sets forth legislative findings, including the finding that it is in the public interest for the public to be fully aware of and able to participate in basic decisions associated with work on public housing projects.

SECTION 2. Amends Section 392.053, Local Government Code, by amending Subsections (b) and (e) and adding Subsections (d-1) and (f), as follows:

(b) Prohibits an authority from authorizing the acquisition of existing multifamily rental housing for use as a housing project or the construction of a housing project or obtaining a permit, certificate, or other authorization required by a political subdivision for the occupancy or operation of any part of the housing project or for any part of the construction of the housing project, unless the commissioners of the authority hold a meeting about a proposed housing project before the site for the project is approved. Requires the governing body of each of the following political subdivisions to send a representative to the meeting: a political subdivision that requires a permit, certificate, or other authorization for the occupancy or operation of any part of the housing project or for any part of the construction of the project; and the municipality in which the housing project is to be located or, if the project will not be located in a municipality, the county in which the project is to be located, if the municipality or county is not otherwise described by Subdivision (1).

(d-1) Requires the commissioner to consider, transcribe or record, and summarize the comments received at the meeting and submit the summary along with the proposal for the housing project to the governing bodies of the appropriate political subdivisions for approval as described by Section 392.0545.

(e) Prohibits a political subdivision from issuing a permit, certificate, or other authorization for the occupancy or operation of any part of the housing project or for any

part of the construction of a housing project, if a housing authority has not complied with the requirements of this section and Section 392.054.

(f) Provides that this section does not apply to certain acquisitions.

SECTION 3. Amends Subchapter D, Chapter 392, Local Government Code, by adding Section 392.0545, as follows:

Sec. 392.0545. APPROVAL OF HOUSING PROJECT SITE BY CERTAIN POLITICAL SUBDIVISIONS. (a) Defines “housing project.”

(b) Requires the authority, before authorizing the acquisition of existing multifamily rental housing for use as a housing project or the construction of a housing project, to obtain the written approval of the proposed site of the project from the governing body of each of certain political subdivisions.

(c) Provides that this section does not apply to the acquisition of existing multifamily rental housing if any part of that housing is reserved for persons of extremely low to moderate income.

SECTION 4. Amends Section 392.056, Local Government Code, by amending Subsection (c) and adding Subsection (f), as follows:

(c) Authorizes an authority to sell, lease, exchange, transfer, assign, pledge, or grant an option on the authority's real property or personal property and to insure or provide for the insurance of the authority's real property, personal property, or operations against risks or hazards, except as prohibited by Subsection (f).

(f) Prohibits an authority from demolishing or otherwise disposing of a public housing project or a portion of a public housing project until written approval, as required in Section 392.0545(b), has been secured for a site or sites on which replacement housing units will be provided under terms of comparable tenant eligibility. Provides that this subsection does not apply to the disposal of existing multifamily rental housing if any part of that housing is reserved for persons of extremely low to moderate income.

SECTION 5 Makes application of this Act prospective.

SECTION 6. Effective date: September 1, 2003.