

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 9, 2003

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB398 by Mowery (Relating to the approval process for certain housing project sites proposed by public housing authorities.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend Section 392, Local Government Code, to require housing authority commissioners, with certain exceptions, to hold a public meeting before acquiring existing multifamily rental housing for use as a housing project and would require the governing body of various applicable political subdivisions to send a representative to the meeting. If the housing authority does not hold a public meeting, the political subdivisions would be restricted from issuing a permit, certificate, or other authorization for the occupancy or operation of any part of the housing project. The housing authority would not be allowed to acquire, demolish, or otherwise dispose of existing multifamily rental housing or construct a housing project without written approval by certain political subdivisions and the municipality or county in which the project would be located.

Requirements listed in the bill would not apply to existing multifamily rental housing if any part of that housing is reserved for persons of extremely low to moderate income.

The bill would take effect September 1, 2003 and would apply only to proposed housing projects for which the site is approved by a public housing authority prior to that date.

Local Government Impact

The cost to a housing authority of holding a public meeting and submitting a report on the meeting to applicable governing bodies would be insignificant. Attending a public meeting and authorizing a housing authority to acquire existing multifamily rental housing for use as a housing project or the construction of a housing project, would entail travel to and from the meeting by a representative from each applicable political subdivision, municipality, or county and standard review procedures when deciding to approve the project or not.

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JK, JB, DLBa