

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 9, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB424 by Christian (Relating to the regulation of certain housing authorities; providing a penalty.), **As Engrossed**

No fiscal implication to the State is anticipated.
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The bill would amend the Local Government Code to require a municipality that has a municipal housing authority in which the total number of units is 300 or more to appoint a tenant representative as a commissioner of the housing authority. The housing authority would be required to submit an annual report to the Texas Department of Housing and Community Affairs (TDHCA) regarding whether a tenant resident serves as a commissioner. The same requirements would apply to a municipal housing authority with fewer than 300 housing units under its jurisdiction and to an authority with no housing units that administers only Section 8 housing assistance, unless the municipality acting through those "small" municipal housing authorities, after making a reasonable recruiting effort on an annual basis, is unable to recruit a tenant participant.

The bill would place restrictions on uses of money by a housing authority and would also exclude housing authorities from the provisions of Section 304.026, Government Code, which relates to use of certain public funds.

The bill would take effect September 1, 2003.

Based on an analysis by TDHCA, the agency would not experience a fiscal impact as a result of receiving and reviewing the required annual report.

Local Government Impact

Under current statute, commissioners of a municipal housing authority are not compensated for their service as a commissioner, but may receive reimbursement for expenses related to performing their housing authority duties. Because there would be no compensation paid, no significant fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

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