

1-1 By: Madla S.B. No. 1341
1-2 (In the Senate - Filed March 10, 2005; March 21, 2005, read
1-3 first time and referred to Committee on Government Organization;
1-4 April 20, 2005, reported favorably by the following vote: Yeas 7,
1-5 Nays 0; April 20, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the functions of the Texas Department of Housing and
1-9 Community Affairs.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 2306.032, Government Code, is amended by
1-12 amending Subsections (c) and (d) and adding Subsection (d-1) to
1-13 read as follows:

1-14 (c) All materials in the possession of the department that
1-15 are relevant to an award decision [~~a matter~~] proposed for
1-16 discussion at a board meeting must be posted on the department's
1-17 website, made available in hard-copy format at the department,
1-18 filed with the secretary of state for publication by reference in
1-19 the Texas Register, and disseminated by any other means required by
1-20 this chapter or by Chapter 551.

1-21 (d) Except as provided by Subsection (d-1), the [~~The~~]
1-22 materials described by Subsection (c) must be made available to the
1-23 public as required by Subsection (c) not later than the seventh day
1-24 before the date of the meeting. The board may not consider at the
1-25 meeting any material relating to an award decision that is not made
1-26 available to the public by the date required by this subsection.

1-27 (d-1) If as the result of a reasonably unforeseen situation
1-28 related to an award decision the department is unable to meet the
1-29 requirements of Subsection (d), any additional materials described
1-30 by Subsection (c) that are associated with the situation must be
1-31 made available at least 72 hours before the meeting.

1-32 SECTION 2. Subsection (a), Section 2306.033, Government
1-33 Code, is amended to read as follows:

1-34 (a) It is a ground for removal from the board that a member:

1-35 (1) does not have at the time of taking office the
1-36 qualifications required by Section 2306.027;

1-37 (2) does not maintain during service on the board the
1-38 qualifications required by Section 2306.027;

1-39 (3) is ineligible for membership under Section
1-40 2306.027(c), 2306.034, or 2306.035;

1-41 (4) cannot, because of illness or disability,
1-42 discharge the member's duties for a substantial part of the member's
1-43 term;

1-44 (5) is absent from more than half of the regularly
1-45 scheduled board meetings that the member is eligible to attend
1-46 during a calendar year without an excuse approved by a majority vote
1-47 of the board; [~~or~~]

1-48 (6) engages in misconduct or unethical [~~or criminal~~]
1-49 behavior; or

1-50 (7) is indicted for a criminal offense, punishable as
1-51 a felony, related to the member's official duties or otherwise
1-52 engages in criminal behavior.

1-53 SECTION 3. Section 2306.039, Government Code, is amended by
1-54 amending Subsection (a) and adding Subsection (c) to read as
1-55 follows:

1-56 (a) Except as provided by Subsections [~~Subsection~~] (b) and
1-57 (c), the department and the Texas State Affordable Housing
1-58 Corporation are subject to Chapters 551 and 552.

1-59 (c) The board may meet in executive session with the
1-60 department's internal auditor, fraud prevention coordinator, or
1-61 ethics advisor to discuss issues related to fraud, waste, or abuse.

1-62 SECTION 4. Subsections (a), (b), (d), (d-1), (e), (f), and
1-63 (g), Section 2306.111, Government Code, are amended to read as
1-64 follows:

2-1 (a) The department [~~through the housing finance division,~~
 2-2 shall administer all federal housing funds provided to the state
 2-3 under the Cranston-Gonzalez National Affordable Housing Act (42
 2-4 U.S.C. Section 12704 et seq.) or any other affordable housing
 2-5 program.

2-6 (b) The department [~~housing finance division~~] shall adopt a
 2-7 goal to apply an aggregate minimum of 25 percent of the department's
 2-8 [~~division's~~] total housing funds toward housing assistance for
 2-9 individuals and families of extremely low and very low income.

2-10 (d) The department shall allocate housing funds provided to
 2-11 the state under the Cranston-Gonzalez National Affordable Housing
 2-12 Act (42 U.S.C. Section 12701 et seq.) [~~housing trust funds~~
 2-13 ~~administered by the department under Sections 2306.201- 2306.206,~~
 2-14 and commitments issued under the federal low income housing tax
 2-15 credit program administered by the department under Subchapter DD
 2-16 to [~~all urban/exurban areas and rural areas of~~] each uniform state
 2-17 service region based on a formula developed by the department.
 2-18 Commitments issued under the federal low income housing tax credit
 2-19 program must be allocated among all urban/exurban areas and rural
 2-20 areas of each uniform state service region. The formula developed
 2-21 by the department to determine the appropriate allocation of funds
 2-22 or credits must be [~~that is~~] based on the need for housing
 2-23 assistance and the availability of housing resources in each
 2-24 uniform state service region and, for credits, in the [~~those~~]
 2-25 urban/exurban areas and rural areas of those regions, provided that
 2-26 the allocations are consistent with applicable federal and state
 2-27 requirements and limitations. The department shall use the
 2-28 information contained in its annual state low income housing plan
 2-29 and shall use other appropriate data to develop the formula. If the
 2-30 department determines under the formula that an insufficient number
 2-31 of eligible applications for assistance out of funds or credits
 2-32 allocable under this subsection are submitted to the department
 2-33 from a particular uniform state service region, the department
 2-34 shall use the unused funds or credits allocated to that region for
 2-35 the [~~all urban/exurban areas and rural areas in~~] other uniform
 2-36 state service regions based on identified need and financial
 2-37 feasibility.

2-38 (d-1) Funds or credits are not required to be allocated
 2-39 according to the regional allocation formula under Subsection (d)
 2-40 if:

2-41 (1) the funds or credits are reserved for
 2-42 contract-for-deed conversions or for set-asides mandated by state
 2-43 or federal law; and

2-44 (2) each contract-for-deed allocation or set-aside
 2-45 allocation equals not more than 15 [~~10~~] percent of the total
 2-46 allocation of funds or credits for the applicable program.

2-47 (e) The department shall include in its annual low income
 2-48 housing plan under Section 2306.0721:

2-49 (1) the formula developed by the department under
 2-50 Subsection (d); and

2-51 (2) the allocation targets established under the
 2-52 formula for [~~the urban/exurban areas and rural areas of~~] each
 2-53 uniform state service region and, for credits, for the
 2-54 urban/exurban areas and rural areas of those regions.

2-55 (f) For each program affected by the requirements of
 2-56 Subsection (d), the [~~The~~] department shall include in its annual
 2-57 low income housing report under Section 2306.072 the amounts of
 2-58 funds and credits allocated to [~~the urban/exurban areas and rural~~
 2-59 areas of] each uniform state service region in the preceding year
 2-60 and, for credits, the amounts allocated to the urban/exurban areas
 2-61 and rural areas of those regions in that year [~~for each federal and~~
 2-62 state program affected by the requirements of Subsection (d)].

2-63 (g) For all urban/exurban areas and rural areas of each
 2-64 uniform state service region, the department shall establish
 2-65 [~~funding~~] priorities by which to award tax credits to ensure that:

2-66 (1) funds are awarded to project applicants who are
 2-67 best able to meet recognized needs for affordable housing, as
 2-68 determined by department rule;

2-69 (2) when practicable and when authorized under Section

3-1 42, Internal Revenue Code of 1986 (26 U.S.C. Section 42), the least
 3-2 restrictive funding sources are used to serve the lowest income
 3-3 residents; and

3-4 (3) funds are awarded based on a project applicant's
 3-5 ability, when consistent with Section 42, Internal Revenue Code of
 3-6 1986 (26 U.S.C. Section 42), practicable, and economically
 3-7 feasible, to:

3-8 (A) provide the greatest number of quality
 3-9 residential units;

3-10 (B) serve persons with the lowest percent area
 3-11 median family income;

3-12 (C) extend the duration of the project to serve a
 3-13 continuing public need;

3-14 (D) use other local funding sources to minimize
 3-15 the amount of state subsidy needed to complete the project; and

3-16 (E) provide integrated, affordable housing for
 3-17 individuals and families with different levels of income.

3-18 SECTION 5. Subsection (c), Section 2306.111, Government
 3-19 Code, as amended by Chapters 1367 and 1448, Acts of the 77th
 3-20 Legislature, Regular Session, 2001, is reenacted and amended to
 3-21 read as follows:

3-22 (c) In administering federal housing funds provided to the
 3-23 state under the Cranston-Gonzalez National Affordable Housing Act
 3-24 (42 U.S.C. Section 12701 et seq.), the department shall expend at
 3-25 least 95 percent of these funds for the benefit of
 3-26 non-participating areas that do not qualify to receive funds under
 3-27 the Cranston-Gonzalez National Affordable Housing Act directly
 3-28 from the United States Department of Housing and Urban Development.
 3-29 All funds not set aside under this subsection shall be used for the
 3-30 benefit of persons with disabilities who live in areas other than
 3-31 non-participating areas. Funds not set aside under this subsection
 3-32 may be used for integrated housing in which at least a portion of
 3-33 the funded units serve persons with disabilities.

3-34 SECTION 6. Subsection (a), Section 2306.1114, Government
 3-35 Code, is amended to read as follows:

3-36 (a) Not later than the 14th day after the date an
 3-37 application or a proposed application for multifamily housing
 3-38 development funds described by Section 2306.111 has been filed, the
 3-39 department shall provide written notice of the filing of the
 3-40 application or proposed application to the following persons:

3-41 (1) the United States representative who represents
 3-42 the community containing the development described in the
 3-43 application;

3-44 (2) members of the legislature who represent the
 3-45 community containing the development described in the application;

3-46 (3) the presiding officer of the governing body of the
 3-47 county and any municipality [~~political subdivision~~]
 3-48 containing the development described in the application;

3-49 (4) any member of the governing body described by
 3-50 Subdivision (3) [~~of a political subdivision~~] who represents the
 3-51 area containing the development described in the application;

3-52 (5) the superintendent and the presiding officer of
 3-53 the board of trustees of the school district containing the
 3-54 development described in the application; and

3-55 (6) any neighborhood organizations on record with the
 3-56 state or municipality [~~county~~] in which the development described
 3-57 in the application is to be located and whose boundaries contain the
 3-58 proposed development site.

3-59 SECTION 7. Subsection (a), Section 2306.185, Government
 3-60 Code, is amended to read as follows:

3-61 (a) The department shall adopt policies and procedures to
 3-62 ensure that, for a multifamily rental housing development funded
 3-63 through loans, grants, or tax credits under this chapter, the owner
 3-64 of the development:

3-65 (1) keeps the rents affordable for low income tenants
 3-66 for the longest period that is economically feasible; and

3-67 (2) provides regular maintenance to keep the
 3-68 development sanitary, decent, and safe [~~and otherwise complies with~~
 3-69 ~~the requirements of Section 2306.186~~].

SECTION 8. Subsection (a), Section 2306.186, Government Code, is amended by adding Subdivision (5) to read as follows:

(5) "Multifamily rental housing development" means a rental housing development that contains 25 or more rental units.

SECTION 9. Subsections (b) and (l), Section 2306.186, Government Code, are amended to read as follows:

(b) If the department is the first lien lender with respect to the development, each owner who receives department assistance for a multifamily rental housing development [~~that contains 25 or more rental units~~] shall deposit annually into a reserve account:

(1) for the year 2004:

(A) not less than \$150 per unit per year for units one to five years old; and

(B) not less than \$200 per unit per year for units six or more years old; and

(2) for each year following the year 2004, the amounts per unit per year as described by Subdivision (1).

(1) Neither the physical needs assessment requirements nor the reserve account requirements of this [~~This~~] section [~~does not~~] apply to a development for which an owner is required to maintain a reserve account under any other provision of federal or state law.

SECTION 10. Section 2306.256, Government Code, is transferred from Subchapter K, Chapter 2306, Government Code, to Subchapter HH, Chapter 2306, Government Code, and redesignated as Section 2306.8015 to read as follows:

Sec. 2306.8015 [~~2306.256~~]. AFFORDABLE HOUSING PRESERVATION PROGRAM. (a) The department shall develop and implement a program to preserve affordable housing in this state.

(b) Through the program, the department shall:

(1) maintain data on housing projected to lose its affordable status;

(2) develop policies necessary to ensure the preservation of affordable housing in this state;

(3) advise other program areas with respect to the policies; and

(4) assist those other program areas in implementing the policies.

SECTION 11. Subsection (a), Section 2306.359, Government Code, is amended to read as follows:

(a) In evaluating an application for an issuance of private activity bonds, the department shall score and rank the application using a point system based on criteria that are adopted by the department, including criteria:

(1) regarding:

(A) the income levels of tenants of the development, consistent with the funding priorities provided by Section 1372.0321;

(B) the rent levels of the units;

(C) the level of community support for the application;

(D) the period of guaranteed affordability for low income tenants;

(E) the cost per unit of the development;

(F) the size, quality, and amenities of the units;

(G) the services to be provided to tenants of the development;

(H) from the county and, if applicable, the municipality containing the development, the degree of commitment of development funding [~~by local political subdivisions~~] that enables additional units for individuals and families of very low income; and

(I) other criteria as developed by the board; and

(2) imposing penalties on applicants who have requested extensions of department deadlines relating to developments supported by an issuance of private activity bonds made in the application round preceding the current round.

SECTION 12. Section 2306.6015, Government Code, is amended to read as follows:

5-1 Sec. 2306.6015. PERSONNEL. The division director may
 5-2 employ and remove staff as necessary to perform the work of the
 5-3 division and may prescribe the staff's [~~their~~] duties and
 5-4 compensation. [~~Subject to applicable personnel policies and~~
 5-5 ~~regulations, the division director may remove any division~~
 5-6 ~~employee.~~]

5-7 SECTION 13. Subsections (b) and (b-1), Section 2306.6704,
 5-8 Government Code, are amended to read as follows:

5-9 (b) [~~The department shall award in the application~~
 5-10 ~~evaluation process described by Section 2306.6710 an appropriate~~
 5-11 ~~number of points as an incentive for participation in the~~
 5-12 ~~preapplication process established under this section.~~

5-13 [~~(b-1)~~] The preapplication process must require the
 5-14 applicant to provide the department with evidence that the
 5-15 applicant has notified the following entities with respect to the
 5-16 filing of the application:

5-17 (1) any neighborhood organizations on record with the
 5-18 state or county in which the development is to be located and whose
 5-19 boundaries contain the proposed development site;

5-20 (2) the superintendent and the presiding officer of
 5-21 the board of trustees of the school district containing the
 5-22 development;

5-23 (3) the presiding officer of the governing body of any
 5-24 municipality containing the development and all elected members of
 5-25 that body;

5-26 (4) the presiding officer of the governing body of the
 5-27 county containing the development and all elected members of that
 5-28 body; and

5-29 (5) the state senator and state representative of the
 5-30 district containing the development.

5-31 SECTION 14. Section 2306.6705, Government Code, is amended
 5-32 to read as follows:

5-33 Sec. 2306.6705. GENERAL APPLICATION REQUIREMENTS. An
 5-34 application must contain at a minimum the following written,
 5-35 detailed information in a form prescribed by the board:

5-36 (1) a description of:
 5-37 (A) the financing plan for the development,
 5-38 including any nontraditional financing arrangements;

5-39 (B) the use of funds with respect to the
 5-40 development;

5-41 (C) the funding sources for the development,
 5-42 including:

5-43 (i) construction, permanent, and bridge
 5-44 loans; and

5-45 (ii) rents, operating subsidies, and
 5-46 replacement reserves; and

5-47 (D) the commitment status of the funding sources
 5-48 for the development;

5-49 (2) if syndication costs are included in the eligible
 5-50 basis, a justification of the syndication costs for each cost
 5-51 category by an attorney or accountant specializing in tax matters;

5-52 (3) from a syndicator or a financial consultant of the
 5-53 applicant, an estimate of the amount of equity dollars expected to
 5-54 be raised for the development in conjunction with the amount of
 5-55 housing tax credits requested for allocation to the applicant,
 5-56 including:

5-57 (A) pay-in schedules; and

5-58 (B) syndicator consulting fees and other
 5-59 syndication costs;

5-60 (4) if rental assistance, an operating subsidy, or an
 5-61 annuity is proposed for the development, any related contract or
 5-62 other agreement securing those funds and an identification of:

5-63 (A) the source and annual amount of the funds;

5-64 (B) the number of units receiving the funds; and

5-65 (C) the term and expiration date of the contract
 5-66 or other agreement;

5-67 (5) if the development is located within the
 5-68 boundaries of a political subdivision with a zoning ordinance,
 5-69 evidence in the form of a letter from the chief executive officer of

6-1 the political subdivision or from another local official with
6-2 jurisdiction over zoning matters that states that:

6-3 (A) the development is permitted under the
6-4 provisions of the ordinance that apply to the location of the
6-5 development; or

6-6 (B) the applicant is in the process of seeking
6-7 the appropriate zoning and has signed and provided to the political
6-8 subdivision a release agreeing to hold the political subdivision
6-9 and all other parties harmless in the event that the appropriate
6-10 zoning is denied;

6-11 (6) if an occupied development is proposed for
6-12 rehabilitation:

6-13 (A) an explanation of the process used to notify
6-14 and consult with the tenants in preparing the application;

6-15 (B) a relocation plan outlining:

6-16 (i) relocation requirements; and

6-17 (ii) a budget with an identified funding
6-18 source; and

6-19 (C) if applicable, evidence that the relocation
6-20 plan has been submitted to the appropriate local agency;

6-21 (7) a certification of the applicant's compliance with
6-22 appropriate state and federal laws, as required by other state law
6-23 or by the board;

6-24 (8) any other information required by the board in the
6-25 qualified allocation plan; and

6-26 (9) evidence that the applicant has notified the
6-27 following entities with respect to the filing of the application,
6-28 unless the applicant has already provided the notice required by
6-29 Section 2306.6704:

6-30 (A) any neighborhood organizations on record
6-31 with the state or county in which the development is to be located
6-32 and whose boundaries contain the proposed development site;

6-33 (B) the superintendent and the presiding officer
6-34 of the board of trustees of the school district containing the
6-35 development;

6-36 (C) the presiding officer of the governing body
6-37 of any municipality containing the development and all elected
6-38 members of that body;

6-39 (D) the presiding officer of the governing body
6-40 of the county containing the development and all elected members of
6-41 that body; and

6-42 (E) the state senator and state representative of
6-43 the district containing the development.

6-44 SECTION 15. Section 2306.6710, Government Code, is amended
6-45 by amending Subsections (b) and (e) and adding Subsections (h),
6-46 (i), and (j) to read as follows:

6-47 (b) If an application satisfies the threshold criteria, the
6-48 department shall score and rank the application using a point
6-49 system that:

6-50 (1) prioritizes in descending order criteria
6-51 regarding:

6-52 (A) financial feasibility of the development
6-53 based on the supporting financial data required in the application
6-54 that will include a project underwriting pro forma from the
6-55 permanent or construction lender;

6-56 (B) quantifiable community participation with
6-57 respect to the development, evaluated on the basis of written
6-58 statements from any neighborhood organizations on record with the
6-59 state or county in which the development is to be located and whose
6-60 boundaries contain the proposed development site;

6-61 (C) the income levels of tenants of the
6-62 development;

6-63 (D) the size and quality of the units;

6-64 (E) the commitment of development funding by
6-65 local political subdivisions;

6-66 (F) the level of community support for the
6-67 application, evaluated on the basis of written statements from
6-68 state elected officials;

6-69 (G) the rent levels of the units;

7-1 (H) the cost of the development by square foot;
7-2 and

7-3 (I) the services to be provided to tenants of the
7-4 development; ~~and~~

7-5 (2) uses criteria imposing penalties on applicants or
7-6 affiliates who have requested extensions of department deadlines
7-7 relating to developments supported by housing tax credit
7-8 allocations made in the application round preceding the current
7-9 round or a developer or principal of the applicant that has been
7-10 removed by the lender, equity provider, or limited partners for its
7-11 failure to perform its obligations under the loan documents or
7-12 limited partnership agreement; and

7-13 (3) is based on criteria adopted by the department
7-14 that are consistent with the department's housing goals, including
7-15 criteria addressing the ability of the proposed project to:

7-16 (A) leverage funds based on documented,
7-17 committed, and available third-party private, state, or federal
7-18 resources, including federal HOPE VI grants received through the
7-19 United States Department of Housing and Urban Development, when
7-20 consistent with sound underwriting practices and when economically
7-21 feasible; and

7-22 (B) serve traditionally underserved areas.

7-23 (e) In scoring applications for purposes of housing tax
7-24 credit allocations, the department shall award, consistent with
7-25 Section 42, Internal Revenue Code of 1986 (26 U.S.C. Section 42),
7-26 preference points to a development that will:

7-27 (1) when practicable and feasible ~~[based on~~
7-28 ~~documented, committed, and available third-party funding sources]~~,
7-29 serve the lowest income tenants per housing tax credit, if the
7-30 development is to be located outside a qualified census tract; and

7-31 (2) produce for the longest economically feasible
7-32 period the greatest number of high quality units committed to
7-33 remaining affordable to any tenants who are income-eligible under
7-34 the low income housing tax credit program.

7-35 (h) The department shall award an appropriate number of
7-36 points as an incentive for participation in the preapplication
7-37 process established under Section 2306.6704.

7-38 (i) As determined through the qualified allocation plan,
7-39 the department shall provide appropriate incentives to reward
7-40 applicants who agree to:

7-41 (1) equip the property that is the basis of the
7-42 application with energy saving devices that meet the standards
7-43 established by the state energy conservation office or to provide
7-44 to a qualified nonprofit organization or tenant organization a
7-45 right of first refusal to purchase the property at the minimum price
7-46 provided in, and in accordance with the requirements of, Section
7-47 42(i)(7), Internal Revenue Code of 1986 (26 U.S.C. Section 42); and

7-48 (2) locate the development in a census tract in which
7-49 there are no other existing developments supported by housing tax
7-50 credits.

7-51 (j) For each scoring criterion, the department shall use a
7-52 range of points to evaluate the degree to which a proposed project
7-53 satisfies the criterion. The department may not award a number of
7-54 points for a scoring criterion that is disproportionate to the
7-55 degree to which a proposed project complies with that criterion.

7-56 SECTION 16. Section 2306.6711, Government Code, is amended
7-57 by adding Subsection (g) to read as follows:

7-58 (g) On awarding tax credit allocations, the board shall
7-59 document the reasons for each project's selection, including an
7-60 explanation of:

7-61 (1) all discretionary factors used in making its
7-62 determination; and

7-63 (2) the reasons for any decision that conflicts with
7-64 the recommendations of department staff under Section 2306.6731.

7-65 SECTION 17. Subsection (a), Section 2306.805, Government
7-66 Code, is amended to read as follows:

7-67 (a) The department shall establish and administer a housing
7-68 preservation incentives program to provide incentives through
7-69 ~~[loan guarantees,]~~ loans~~[,]~~ and grants to political subdivisions,

8-1 housing finance corporations, public housing authorities,
8-2 for-profit organizations, and nonprofit organizations for the
8-3 acquisition and rehabilitation of multifamily housing developments
8-4 assigned a Class A or Class B priority under Section 2306.803.

8-5 SECTION 18. Subchapter I, Chapter 487, Government Code, is
8-6 amended by adding Section 487.354 to read as follows:

8-7 Sec. 487.354. FUNDING OF COLONIA SELF-HELP CENTERS. The
8-8 office shall enter into a memorandum of understanding with the
8-9 Texas Department of Housing and Community Affairs to permit the
8-10 department to receive and administer the portion of the federal
8-11 community development block grant money specifically allocated
8-12 under the General Appropriations Act to fund the operation of
8-13 colonia self-help centers. The memorandum must require the office
8-14 to transfer to the department a portion of the office's total
8-15 administrative funds in the same ratio that the portion of
8-16 community development block grant money allocated for the self-help
8-17 centers bears to the total yearly allocation of community
8-18 development block grant money. The memorandum must require the
8-19 office to continue to fund the department's border field offices
8-20 through the community development block grant program and must
8-21 require the department to exercise oversight and supervision over
8-22 those field offices and staff.

8-23 SECTION 19. Subsection (d), Section 6.060, Water Code, is
8-24 amended to read as follows:

8-25 (d) The board shall meet annually with the board of the
8-26 Texas Department of Housing and Community Affairs, or the successor
8-27 agency that administers the portion of the federal community
8-28 development block grant nonentitlement program that addresses the
8-29 infrastructure needs of colonias, to assess the agencies' progress
8-30 in meeting the needs of colonia residents [~~and to receive an update~~
8-31 ~~and recommendations from the Colonia Initiatives Advisory~~
8-32 ~~Committee, as provided by Section 2306.590, Government Code]. For~~
8-33 purposes of this subsection, "colonia" has the meaning assigned by
8-34 Section 2306.581, Government Code.

8-35 SECTION 20. Sections 2306.079, 2306.080, 2306.2561,
8-36 2306.590, 2306.6725, Subsection (c), Section 2306.805, and Section
8-37 2306.806, Government Code, are repealed.

8-38 SECTION 21. The changes in law made by this Act relating to
8-39 the awarding of financial assistance administered by the Texas
8-40 Department of Housing and Community Affairs apply only to an
8-41 application for that assistance submitted on or after the effective
8-42 date of this Act.

8-43 SECTION 22. This Act takes effect September 1, 2005.

8-44 * * * * *