

## **BILL ANALYSIS**

S.B. 99  
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Border & International Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

A limited supply of adequate, affordable housing in cities and rural areas along the Texas-Mexico border, coupled with the rising need for such housing, has contributed to the development of new colonias and the expansion of existing ones. People with low incomes often buy lots through a contract or deed, a property financing method whereby developers typically offer a low down payment and low monthly payments but no titles to the property until the final payment is made. Colonia residents traditionally build or add onto their homes as they can afford materials. Even after title of ownership is transferred, colonia houses are generally constructed in phases by their owners and may lack electricity, plumbing, and other basic amenities.

The continued growth of colonias has made it difficult for county, state, and federal governments to improve the quality of life in existing colonias. Local public funds and other resources are often limited. For basic health and human services, environmental services and capital improvements, colonia residents must rely on an often confusing combination of local, state and federal programs, many of which come and go depending on the political and economic climate.

It would be beneficial if the legislature could track how state money is spent on colonia projects, including the dollar amount spent on each colonia. Many state agencies lack comprehensive demographic data on colonias that would help them develop programs to address the needs of colonia residents. In addition, the current definition of colonia does not provide an adequate definition.

Texas laws intended to prevent the formation of colonias vary in approach and apply in a variety of circumstances. The Texas Legislature has redefined these laws during the past 15 years. Some of the major laws apply only in the border area or in "economically distressed" counties with high unemployment and low per capita income.

S.B. 99 directs certain state agencies to report information to the Secretary of State's office regarding the status of water, wastewater, and other infrastructure projects in colonias. The bill requires the Secretary of State to compile information received, prepare a report about the progress of state-funded colonia projects, and report to the legislature.

### **RULEMAKING AUTHORITY**

It is the opinion of the committee that rulemaking authority previously granted to the Texas Transportation Commission is modified in SECTION 7 of this bill.

### **ANALYSIS**

S.B. 99 amends the Government Code, the Local Government Code, the Education Code, the Transportation Code, the Water Code, and the Health and Safety Code. One or more of these codes is amended in the following ways:

- defines or redefines "colonia" and "nonborder colonia";
- adds certain agencies to the list of agencies that must provide information, in accordance with this Act, to the secretary of state;
- amends the provisions by which the secretary of state is required to report to the presiding officer of each house of the legislature on the progress of state-funded projects that provide certain services to colonias;

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- requires certain agencies to identify, in their content-specified reports to the secretary of state, the exact amount spent or amount anticipated to be spent on each colonia served by a project;
- requires the inclusion of a colonia classification number to an application for funds administered by certain agencies, institutions of higher education, regional planning commissions, councils of governments, or similar regional planning agencies created under specified chapters of this Act;
- requires certain agencies, institutions of higher education, regional planning commissions, councils of governments, or similar regional planning agencies created under specified chapters of this Act to provide the secretary of state with a content-specified, quarterly report on its projects that provide funds to colonias;
- requires, rather than authorizes, the colonia initiatives coordinator to appoint a colonia ombudsperson, as established by this Act, in certain counties, and makes conforming changes;
- requires the Texas Transportation Commission to establish, by rule, the definition of "border colonia" as described in this Act;
- requires certain institutions of higher education to create partnerships with governmental agencies and counties to develop alternative technologies to assist colonias that have inadequate or are without services; and
- repeals Section 775.003 of the Government Code, as added by Chapter 828, Acts of the 79th Legislature, Regular Session, 2005.

#### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.