

BILL ANALYSIS

Senate Research Center
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S.B. 99
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

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 the 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. Houses in colonias are generally constructed in phases by their owners and may lack electricity, plumbing, and other basic amenities. Colonia residents build homes as they can afford materials.

The colonias' growth has challenged residents, as well as county, state, and federal governments to improve the quality of life in the colonias. Local public funds and other resources are often limited and unable to provide service to the current and growing colonia population. 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.

The legislature needs a comprehensive roadmap of 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 will help them develop programs to address the needs of colonia residents. In addition, the current definition of colonias does not exclude very small communities with less than 10 persons, including colonias with no population.

Texas laws intended to prevent colonias take a variety of form 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.

As proposed, S.B. 99 directs state agencies to report information to the secretary of state's office regarding the status of water, wastewater, and other infrastructure projects in colonias, which in turn is required to compile information received, prepare a report about the progress of state-funded colonia projects, and report to the legislature.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to Texas Transportation Commission is modified in SECTION 6 (Section 1403.002, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 405.021(a), (c), (d), and (e), Government Code, as added by Chapter 828, Acts of the 79th Legislature, Regular Session, 2005, as follows:

(a) Redefines "colonia."

(c) Adds the Texas Higher Education Coordinating Board and the Texas Commission on Environmental Quality to the list of agencies from which the secretary of state must receive information for purposes of the classification system allowing the secretary of state to track the progress of certain state-funded projects.

(d) Makes a nonsubstantive change.

(e) Requires the secretary of state, with the assistance of the office of the attorney general, to prepare a report on the progress of state-funded projects providing certain services to colonias and to submit the report to the presiding officer of each house of the legislature by certain dates based on whether certain funds are appropriated.

SECTION 2. Amends Section 487.060, Government Code, as added by Chapter 828, Acts of the 79th Legislature, Regular Session, 2005, as follows:

Sec. 487.060. REPORT TO SECRETARY OF STATE. Redefines "colonia." Requires the exact amount spent or the anticipated amount to be spent on each colonia served by the project, rather than the cost or anticipated cost of each project, to be included in the report to the secretary of state. Prohibits the Office of Rural Community Affairs from releasing project funds unless each political subdivision in which a project is located submits to the office the most recent demographic information relating to each colonia served by the project.

SECTION 3. Amends Section 775.001(2), Government Code, to make a conforming change.

SECTION 4. Amends Section 775.003, Government Code, as added by Chapter 708, Acts of the 79th Legislature, Regular Session, 2005, as follows:

Sec. 775.003. New heading: COLONIA OMBUDSPERSON PROGRAM. Requires, rather than authorizes, the colonia initiatives coordinator to appoint a colonia ombudsperson in certain counties. Makes a conforming change.

SECTION 5. Amends Section 775.004, Government Code, as added by Chapter 828, Acts of the 79th Legislature, Regular Session, 2005, to make conforming changes.

SECTION 6. Amends Section 1403.002(d), Government Code, to require the Texas Transportation Commission in cooperation with the office of the governor, to establish, by rule, the definition of "border colonia" as described in this Act.

SECTION 7. Amends Section 2306.083, Government Code, to make conforming changes.

SECTION 8. Amends Section 2306.581(1), Government Code, to make conforming changes.

SECTION 9. Amends Subchapter Z, Chapter 51, Education Code, by adding Section 51.9201, as follows:

Sec. 51.9201. ALTERNATIVE TECHNOLOGY FOR COLONIAS. Requires certain institutions of higher education to create partnerships with governmental agencies and counties to implement programs, policies, and strategies to develop alternative technologies to assist colonias that have inadequate water or sewer systems.

SECTION 10. Amends Subchapter C, Chapter 61, Education Code, by adding Section 61.0812, as follows:

Sec. 61.0812. REPORT TO SECRETARY OF STATE. (a) Defines "colonia."

(b) Requires the Texas Higher Education Coordinating Board (board) to provide on a quarterly basis a report to the secretary of state that details any projects that are funded by an institution of higher education to provide assistance to colonias.

(c) Sets forth specific content requirements for the aforementioned report. Makes a conforming change.

(d) Prohibits an institution of higher education from releasing project funds unless each political subdivision in which a project is located submits to the board the

most recent demographic information relating to each colonia served by the project.

SECTION 11. Amends Subchapter E, Chapter 5, Water Code, by adding Section 5.1781, as follows:

Sec. 5.1781. REPORT REPORT TO SECRETARY OF STATE. (a) Defines "colonia."

(b) Requires the Texas Commission on Environmental Quality (commission) to provide on a quarterly basis a report to the secretary of state that details those projects that are funded by an institution of higher education to provide assistance to colonias.

(c) Sets forth specific content requirements for the aforementioned report. Makes a conforming change.

(d) Prohibits the commission from releasing project funds unless each political subdivision in which a project is located submits to the board the most recent demographic information relating to each colonia served by the project.

SECTION 12. Amends Section 6.1565, Water Code, to redefine "colonia." Makes conforming changes.

SECTION 13. Amends Section 15.001(12), Water Code, to redefine "nonborder colonia."

SECTION 14. Amends Section 15.951(2), Water Code, to redefine "colonia."

SECTION 15. Amends Section 1001.033, Health and Safety Code, to redefine "colonia." Makes conforming changes.

SECTION 16. Amends Section 201.116, Transportation Code, to redefine "colonia." Makes conforming changes.

SECTION 17. Amends Section 43.907(a), Local Government Code, to redefine "colonia"

SECTION 18. Repealer: Section 775.003 (Colonia Ombudsman Program), Government Code, as added by Chapter 828, Acts of the 79th Legislature, Regular Session, 2005.

SECTION 19. Effective date: upon passage or September 1, 2007.