

## **BILL ANALYSIS**

C.S.H.B. 3540  
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Urban Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

C.S.H.B. 3540 establishes the Texas Affordable Housing Initiative to promote housing independence and prevent unnecessary and expensive institutionalization of the state's extremely low income elderly and homeless populations and persons with disabilities. The bill creates an 11-member task force composed of eight representatives of the relevant state agencies and three individuals appointed by the governor. The bill requires the task force to address a number of issues affecting the target population and to submit a report on its initiative plan by September 1, 2010 to the governor, lieutenant governor, speaker of the house of representatives, Legislative Budget Board and the legislative oversight committees for the Texas Department of Housing and Community Affairs and the Office of Rural Community Affairs.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 3540 amends the Government Code to establish the Texas Affordable Housing Initiative to promote housing independence and prevent unnecessary and expensive institutionalization of the state's extremely low income elderly and homeless populations and persons with disabilities.

C.S.H.B. 3540 creates the 11-member Texas Affordable Housing Initiative Task Force and sets forth the composition of the task force. The bill sets forth provisions for qualifications of task force members and the operation of the task force. The bill exempts the task force from provisions of the Government Code relating to state agency advisory committees.

C.S.H.B. 3540 requires the task force to coordinate interdepartmental and interagency plans and to develop a unified initiative plan to reduce by January 1, 2020, and by at least 20 percent the number of persons desiring and capable of living independently who are compelled to live in Medicaid supported nursing homes, state institutions, and publicly supported shelters by making it possible for those persons to remain and live independently in noninstitutionalized housing, especially their own homes. The bill requires the task force to ensure that the numbers of persons and households assisted in each uniform state service region are in approximate proportion to the numbers of eligible persons and households residing in each region. The bill requires the task force to develop and coordinate programs and strategies to use existing resources to provide housing and reduce the residential energy cost burden on and advance fair housing opportunities for extremely low income homeless or elderly persons or persons with disabilities, and coordinate housing and health services to promote service-enriched housing opportunities within a wide range of noninstitutionalized housing, including homes currently owned and rented by those persons to the extent possible.

C.S.H.B. 3540 requires the task force to determine programmatic approaches, levels of funding, and funding sources necessary to carry out the initiative plan; research housing needs and programs to achieve the goals of the initiative; and aggregate, analyze, and report on program initiatives and resource commitments of participating agencies and certify whether sufficient programs and resources have been committed to meet the plan and goals. The bill adds a temporary provision, set to expire December 31, 2010, to require the task force to submit a copy of the initiative plan by September 1, 2010, to the governor and other appropriate leaders, agencies, and oversight committees to include an accounting of the funds allocated and expended and the number and geographic, demographic, and economic characteristics of persons served through the initiative plan.

C.S.H.B. 3540 sets forth provisions for a service-enriched housing initiative and defines "service-enriched housing" as living arrangements that include health or social services, or both, in an accessible, supportive environment. The bill requires the task force to plan and take necessary actions to improve coordination between housing and health services programs to increase state efforts to offer service-enriched housing, including identifying barriers preventing or slowing service-enriched housing efforts. The bill requires the task force to plan and develop training regarding service-enriched housing for staff of agencies represented on the task force, as well as other state and local agencies, and to identify opportunities to assist local housing and health services entities in similar efforts. The bill requires the task force to develop performance measures to track progress in programs relating to the advancement of service-enriched housing. The bill requires service-enriched housing initiative services to be made equally available to individuals who wish to remain in a private home or who choose to move into a noninstitutionalized housing development with enriched services.

C.S.H.B. 3540 provides that a regulatory official has broad authority to administer, interpret, and enforce the provisions of the bill and that a rulemaking authority has broad authority to adopt rules to implement the provisions of the bill to carry out the legislature's intent. The bill amends the Government Code, Health and Safety Code, Human Resources Code, and Utilities Code to require state agency representation on the Texas Affordable Housing Initiative Task Force as prescribed by the bill.

C.S.H.B. 3540 requires the governor and the heads of the applicable state agencies to appoint members to the task force as soon as possible after the effective date of the bill.

C.S.H.B. 3540 defines "elderly person," "extremely low income," "initiative plan," "noninstitutionalized housing," "participating agency," and "task force."

#### **EFFECTIVE DATE**

September 1, 2009.

#### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 3540 establishes provisions relating to the Texas Affordable Housing Initiative, rather than the Texas Housing Independence Campaign as in the original. The substitute expands on the definition of "extremely low income" in the original to add a local median income measurement as an option for determining the designation. The substitute removes definitions in the original for "advisory members" and "campaign plan" and adds definitions for "elderly person" and "initiative plan."

C.S.H.B. 3540 differs from the original by removing the Texas State Affordable Housing Corporation as an agency represented on the Texas Affordable Housing Initiative Task Force. The substitute removes a provision in the original establishing that the lieutenant governor and speaker of the house of representatives appoint members of the task force. The substitute adds a provision not in the original to make provisions relating to state agency advisory committees

inapplicable to the task force and to authorize the task force to accept donations from a public or private source.

C.S.H.B. 3540 removes provisions in the original relating to funding of the housing independence campaign. The substitute removes provisions in the original establishing a housing assistance program, residential architectural barrier removal program, and an energy cost burden reduction program. The substitute removes a provision in the original relating to distribution of program resources.

C.S.H.B. 3540 adds a provision not in the original setting a timeline for the appointment of members to the task force by the appropriate appointing entity.

C.S.H.B. 3540 makes numerous changes to conform to standard bill drafting conventions.