

By: Lucio

S.B. No. 2287

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the creation of the small municipality and rural area
3 housing development fund.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter I, Chapter 487, Government Code, is
6 amended by adding Sections 487.355 and 487.356 to read as follows:

7 Sec. 487.355. SMALL MUNICIPALITY AND RURAL AREA HOUSING
8 DEVELOPMENT FUND. (a) In this section, "colonia" means a
9 geographic area that:

10 (1) is located in a county or municipality that is
11 eligible, as identified by office rule, to receive financial
12 assistance from the community development block grant colonia fund
13 under this subchapter;

14 (2) consists of 11 or more dwellings that are located
15 in close proximity to each other in an area that may be described as
16 a community or neighborhood; and

17 (3) either:

18 (A) has a majority population composed of
19 individuals and families of low income, based on the federal Office
20 of Management and Budget poverty index, and meets the
21 qualifications of an economically distressed area under Section
22 17.921, Water Code; or

23 (B) has the physical and economic
24 characteristics of a colonia, as determined by the department.

1 (b) The small municipality and rural area housing
2 development fund is an account in the general revenue fund.

3 (c) In each state fiscal year, the office shall set aside
4 for the purposes of this section an amount of money, not to exceed
5 \$7.5 million each year, that is equal to any amount provided to the
6 community development block grant colonia fund under this
7 subchapter that exceeds the amount provided to that colonia fund
8 for the state fiscal year ending August 31, 2008.

9 (d) Except as provided by Subsection (e), amounts deposited
10 to the account may be appropriated to the office only for:

11 (1) housing initiatives in eligible counties and
12 municipalities under office rules; or

13 (2) the improvement of the housing conditions in a
14 colonia.

15 (e) Amounts deposited to the account may not be appropriated
16 to the office for financial assistance to political subdivisions
17 for the construction, acquisition, or improvement of water supply
18 and sewer services, as described by Section 17.922, Water Code.

19 (f) Sections 403.095 and 404.071 do not apply to the
20 account.

21 Sec. 487.356. COORDINATION WITH TEXAS DEPARTMENT OF HOUSING
22 AND COMMUNITY AFFAIRS. The office shall work with the Texas
23 Department of Housing and Community Affairs to identify available
24 sources of funding for housing initiatives in a county or
25 municipality that is eligible, as identified by office rule, to
26 receive financial assistance from the community development block
27 grant colonia fund under this subchapter.

1 SECTION 2. Subchapter E, Chapter 2306, Government Code, is
2 amended by adding Section 2306.098 to read as follows:

3 Sec. 2306.098. COORDINATION WITH OFFICE OF RURAL COMMUNITY
4 AFFAIRS. The department shall work with the Office of Rural
5 Community Affairs to identify available sources of funding for
6 housing initiatives in eligible counties and municipalities, as
7 described by Section 487.356.

8 SECTION 3. This Act takes effect September 1, 2009.