

By: Lucio

S.B. No. 2290

A BILL TO BE ENTITLED

AN ACT

relating to providing housing assistance to rural communities and small municipalities.

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

SECTION 1. Section 2306.0521(b), Government Code, is amended to read as follows:

(b) This section does not apply to:

(1) the manufactured housing division; or

(2) the division for rural community and small municipality housing initiatives established by Section 2306.302.

SECTION 2. Section 2306.253, Government Code, is amended by adding Subsections (a-1) and (a-2) to read as follows:

(a-1) In addition to the education program implemented under Subsection (a), the department shall develop and implement a homebuyer education program designed to provide information and counseling to individuals and families of low income in rural communities and small municipalities. The education program must address topics relating to:

(1) the home buying process;

(2) financial literacy;

(3) foreclosure remediation; and

(4) other programs determined by the department as necessary to increase home ownership by individuals and families of low income.

1 (a-2) The department may require any person who receives
2 mortgage-based financial assistance from the department to
3 complete the homebuyer education program established by Subsection
4 (a-1).

5 SECTION 3. Chapter 2306, Government Code, is amended by
6 adding Subchapter N to read as follows:

7 SUBCHAPTER N. RURAL COMMUNITY AND SMALL MUNICIPALITY

8 HOUSING INITIATIVES

9 Sec. 2306.301. DEFINITION. In this subchapter, "division"
10 means the division established by Section 2306.302 to support rural
11 community and small municipality housing initiatives.

12 Sec. 2306.302. ESTABLISHMENT OF DIVISION. (a) The
13 department shall establish a division to support rural community
14 and small municipality housing initiatives.

15 (b) The department by rule shall define:

16 (1) a small municipality; and

17 (2) a rural community.

18 Sec. 2306.303. REGIONAL HOUSING DEVELOPMENT ORGANIZATIONS.

19 (a) The division shall establish regional nonprofit housing
20 development organizations that serve rural communities and small
21 municipalities in accordance with the purposes of this subchapter.

22 (b) To implement this section, the department may use any
23 money available to the department for the purpose, including
24 legislative appropriations and gifts, grants, and donations.

25 (c) The division may use the services of the Texas State
26 Affordable Housing Corporation when necessary to accomplish the
27 purposes of this section.

1 Sec. 2306.304. TRAINING. The division annually shall
2 provide to elected officials, community organizations, nonprofit
3 organizations, and private developers a training course that
4 addresses housing programs and techniques that increase housing
5 opportunities in rural communities and small municipalities. The
6 division shall provide the course at an appropriate location
7 selected by the division and shall make the course available online
8 in real time.

9 Sec. 2306.305. RURAL GRANTS ADMINISTRATOR. (a) The
10 director shall designate a rural grants administrator within the
11 division established by Section 2306.302.

12 (b) The rural grants administrator shall:

13 (1) oversee and coordinate division initiatives that
14 are directed toward specific rural communities or small
15 municipalities; and

16 (2) provide information to the director and the board
17 regarding the impact of proposed department programs, rules, and
18 initiatives on housing opportunities in rural communities and small
19 municipalities.

20 Sec. 2306.306. HOUSING DEVELOPMENT PLANNING ASSISTANCE. On
21 the request of the governing body of a municipality or county, the
22 division shall assign a department employee or independent
23 contractor to assist the municipality or county in:

24 (1) developing comprehensive housing plans for rural
25 communities and small municipalities in that county;

26 (2) supporting housing development initiatives in
27 those communities and municipalities; and

1 (3) identifying financial resources available for
2 those plans and initiatives.

3 Sec. 2306.307. RURAL COMMUNITY AND SMALL MUNICIPALITY
4 HOUSING DEVELOPMENT PILOT PROJECTS. Notwithstanding other program
5 rules and procedures of the department, the division may establish
6 pilot projects to test and develop new approaches to providing
7 housing in rural communities and small municipalities for:

8 (1) individuals and families of low income;

9 (2) individuals and families of very low income; or

10 (3) agricultural workers.

11 Sec. 2306.308. AGRICULTURAL WORKER HOUSING INITIATIVE. (a)
12 The division shall fund housing initiatives that serve agricultural
13 workers, including:

14 (1) new housing initiatives;

15 (2) housing rehabilitation initiatives; or

16 (3) tenant-based rental assistance.

17 (b) The division may designate a housing initiative for
18 agricultural workers as a pilot project authorized under Section
19 2306.307.

20 (c) The division shall coordinate with other appropriate
21 divisions of the department to:

22 (1) document agricultural worker housing needs;

23 (2) determine whether a housing need documented by the
24 department is critical; and

25 (3) develop initiatives to address those housing
26 needs.

27 (d) The division may use any available funds to implement

1 this section, including legislative appropriations and gifts,
2 grants, and donations.

3 Sec. 2306.309. RURAL LAND BANK DEMONSTRATION PROGRAM. (a)

4 The department may adopt a rural land bank demonstration program,
5 or may enter into a memorandum of understanding requiring the Texas
6 State Affordable Housing Corporation to adopt a rural land bank
7 demonstration program, in which the officer charged with selling
8 real property ordered sold pursuant to foreclosure of a tax lien may
9 sell certain eligible real property by private sale for purposes of
10 affordable housing development as provided by department rule.

11 (b) The department may adopt any rules necessary for the
12 purposes of the program, including a rule to establish or approve a
13 land bank for the purpose of acquiring, holding, and transferring
14 unimproved real property under this section.

15 SECTION 4. (a) Not later than December 1, 2009, the Texas
16 Department of Housing and Community Affairs shall implement the
17 homebuyer education program required by Section 2306.253(a-1),
18 Government Code, as added by this Act.

19 (b) Not later than October 1, 2009, the Texas Department of
20 Housing and Community Affairs shall adopt the rules required by
21 Subchapter N, Chapter 2306, Government Code, as added by this Act.

22 SECTION 5. This Act takes effect September 1, 2009.