

BILL ANALYSIS

H.B. 59
By: Martinez, "Mando"
Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Many elderly Texans with disabilities receive Social Security benefits. The average income for those receiving supplemental security income benefits is \$674 a month. According to the 2006 edition of *Priced Out*, a biennial report by the Technical Assistance Collaborative, the amount needed to rent a one bedroom housing unit in Texas is 97 percent of a monthly supplemental security income payment, and an efficiency apartment in Texas is 87.6 percent of the payment. Many elderly Texans with disabilities receive rental subsidies because their incomes are very low, and often they cannot find housing because housing providers do not have to accept renters who qualify for such housing assistance. Currently, there are over 388,000 Texas households paying 30 to 50 percent of their income on rent, and additionally over 305,000 are paying more than 50 percent of their income on rent, according to ADAPT, a national disability rights advocacy group.

H.B.59 requires the Texas Department of Housing and Community Affairs (TDHCA) to adopt rules to ensure, to the extent allowable by law, that each housing development that receives financial assistance administered by TDHCA reserves a certain number of units for individuals and families of very low income and accepts individuals and families receiving rental assistance as tenants.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Department of Housing and Community Affairs in SECTION 1 and 2 of this bill.

ANALYSIS

H.B.59 amends the Government Code to require the Texas Department of Housing and Community Affairs (TDHCA) by rule to adopt policies to ensure that each housing development that receives financial assistance administered by TDHCA, including financial assistance from the proceeds of bonds issued by TDHCA, reserves a certain number of units in the development for individuals and families of very low income to the extent that the reservation does not conflict with any requirements for the development under federal law, and except as otherwise permitted by law, accepts as tenants individuals and families receiving rental assistance under the United States Housing Act of 1937 or some other form of rental assistance from a political subdivision of Texas or from the state or federal government. The bill also requires TDHCA by rule to establish enforcement mechanisms with respect to those housing developments that refuse to admit individuals and families receiving rental assistance. The bill requires TDHCA to adopt these rules not later than December 1, 2011. The bill establishes that these provisions apply only to an application for financial assistance that is submitted by a housing development to TDHCA on or after January 1, 2012.

EFFECTIVE DATE

September 1, 2011.