

BILL ANALYSIS

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By: Lucio
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The United States Department of Housing and Urban Development provides the State of Texas, through the Texas Department of Housing and Community Affairs (TDHCA), funding to address the housing needs of small communities and rural areas of the state, which comprise the bulk of funding for housing programs.

The affordable housing needs and the programs designed to meet housing needs in small communities and rural areas are different from those found in the large metropolitan areas of the state. The Senate Committee on International Relations and Trade conducted two interim studies and issued recommendations designed to help the State of Texas, through TDHCA, to more effectively and efficiently work in conjunction with local elected officials in smaller communities and rural Texas to meet their specialized housing needs.

S.B. 825 provides for the better coordination of services and cooperation between TDHCA and smaller/rural communities to ensure that programs operated by TDHCA have the maximum impact upon the communities they are designed to serve.

The bill requires the agency responsible for providing housing assistance to rural areas and small communities to undertake enhanced efforts to work with local elected officials to develop solutions to housing needs within their communities.

As proposed, S.B. 825 amends current law relating to the provision of affordable housing in rural communities and small municipalities.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the governing board of the Texas Department of Housing and Community Affairs in SECTION 1 (Section 2306.098, Government Code).

Rulemaking authority is expressly granted to Texas Department of Housing and Community Affairs in SECTION 2 (Section 2306.302, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter E, Chapter 2306, Government Code, by adding Section 2306.098, as follows:

Sec. 2306.098. RURAL HOUSING FIELD OFFICES. (a) Requires the governing board of the Texas Department of Housing and Community Affairs (board) by rule to establish field offices in rural areas of each uniform state service region to assist political subdivisions and nonprofit entities in developing or administering affordable housing programs in those areas, and specify the duties for each field office.

(b) Requires that the rules under Subsection (a) include the following duties for each field office:

(1) identifying affordable housing needs for rural areas of the uniform state service region in which the field office is located;

(2) identifying state and federal programs that may address the needs identified under Subdivision (1);

(3) facilitating development of relationships that will assist in building local capacity to address the needs identified under Subdivision (1); and

(4) providing information regarding state programs to assist in the development of affordable housing for rural areas of the uniform state service in which the field office is located.

SECTION 2. Amends Chapter 2306, Government Code, by adding Subchapter N, as follows:

SUBCHAPTER N. OFFICE OF RURAL COMMUNITY AND SMALL MUNICIPALITY
HOUSING INITIATIVES

Sec. 2306.301. DEFINITION. Defines "office" in this subchapter.

Sec. 2306.302. ESTABLISHMENT OF OFFICE. (a) Requires the Texas Department of Housing and Community Affairs (TDHCA) to establish an office to support rural community and small municipality housing initiatives (office).

(b) Requires TDHCA by rule to define for purposes of this subchapter a rural community, and a small municipality.

(c) Authorizes TDHCA, subject to available funding, by rule to establish not more than seven field offices as part of the office.

(d) Requires the office to work with each regional council of government to match housing sponsors to the housing needs of rural communities and small municipalities, and identify available sources of funds for those housing needs.

(e) Requires the office to use funds available from the housing trust fund established under Section 2306.201 (Housing Trust Fund) to administer capacity building programs for rural communities and small municipalities.

(f) Requires the office to coordinate a meeting at least two times each year between TDHCA program directors and representatives of rural communities and small municipalities to discuss best practices for rural community and small municipality housing initiatives.

(g) Requires the office to establish an online clearinghouse of information relating to best practices for rural community and small municipality housing initiatives.

(h) Authorizes the executive director of TDHCA (director) to assign additional duties to the office.

Sec. 2306.303. REGIONAL HOUSING DEVELOPMENT ORGANIZATIONS. (a) Requires the office to establish regional nonprofit housing development organizations that serve rural communities and small municipalities in accordance with the purposes of this subchapter.

(b) Authorizes TDHCA, to implement this section, to use any money available to TDHCA for the purpose, including gifts, grants, and donations and funds allocated to the state under the federal HOME Investment Partnerships program established under Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. Section 12701 et seq.).

Sec. 2306.304. TRAINING. (a) Requires the office, annually, to provide to elected officials, community organizations, nonprofit organizations, and private developers a

training course that addresses housing programs and techniques that increase housing opportunities in rural communities and small municipalities. Requires the office to provide the course at an appropriate location selected by the office and to make the course available online in real time.

(b) Requires TDHCA, periodically, to provide to elected officials a training course regarding housing programs and sources of funding for these programs.

Sec. 2306.305. HOUSING DEVELOPMENT PLANNING ASSISTANCE. Requires the office, on the request of the governing body of a municipality or county, to assign an employee or independent contractor to assist the municipality or country in:

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

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

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

Sec. 2306.306. RURAL COMMUNITY AND SMALL MUNICIPALITY HOUSING DEVELOPMENT PILOT PROJECTS. Authorizes TDHCA, notwithstanding other program rules and procedures of TDHCA, to establish pilot projects to test and develop new approaches to providing housing in rural communities and small municipalities for individuals and families of low income, and for individuals and families of very low income.

Sec. 2306.307. AGRICULTURAL WORKER HOUSING INITIATIVE. (a) Requires the office to fund housing initiatives that serve agricultural workers and their families, including new housing initiatives, housing rehabilitation initiatives, or tenant-based rental assistance.

(b) Authorizes the office to designate as a pilot project a housing initiative implemented under this section for agricultural workers and their families.

(c) Requires the office to coordinate with appropriate divisions of TDHCA to document agricultural worker housing needs, determine whether a housing need documented by TDHCA is critical, and develop initiatives to address those housing needs.

(d) Authorizes TDHCA to use any available funds to implement this section, including gifts, grants, and donations and funds allocated to TDHCA under the federal HOME Investment Partnership program established under Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. Section 12701 et seq.).

(e) Defines "agricultural worker" in this section.

SECTION 3. Requires TDHCA, not later than October 1, 2011, to adopt the rules required by Subchapter N, Chapter 2306, Government Code, as added by this Act.

SECTION 4. Effective date: September 1, 2011.