By: Lucio S.B. No. 825

## A BILL TO BE ENTITLED

|    | TO DE ENTERED   |
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| 1  | AN ACT  |
| 2  | relating to the provision of affordable housing in rural            |
| 3  | communities and small municipalities.                               |
| 4  | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:             |
| 5  | SECTION 1. Subchapter E, Chapter 2306, Government Code, is          |
| 6  | amended by adding Section 2306.098 to read as follows:              |
| 7  | Sec. 2306.098. RURAL HOUSING FIELD OFFICES. (a) The board           |
| 8  | by rule shall:  |
| 9  | (1) establish field offices in rural areas of each                  |
| 10 | uniform state service region to assist political subdivisions and   |
| 11 | nonprofit entities in developing or administering affordable        |
| 12 | housing programs in those areas; and                                |
| 13 | (2) specify the duties for each field office.                       |
| 14 | (b) The rules under Subsection (a) must include the                 |
| 15 | following duties for each field office:                             |
| 16 | (1) identifying affordable housing needs for rural                  |
| 17 | areas of the uniform state service region in which the field office |
| 18 | <u>is located;</u>  |
| 19 | (2) identifying state and federal programs that may                 |
| 20 | address the needs identified under Subdivision (1);                 |
| 21 | (3) facilitating the development of relationships                   |

identified under Subdivision (1); and

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that will assist in building local capacity to address the needs

(4) providing information regarding state programs to

- 1 assist in the development of affordable housing for rural areas of
- 2 the uniform state service region in which the field office is
- 3 located.
- 4 SECTION 2. Chapter 2306, Government Code, is amended by
- 5 adding Subchapter N to read as follows:
- 6 SUBCHAPTER N. OFFICE OF RURAL COMMUNITY AND SMALL MUNICIPALITY
- 7 <u>HOUSING INITIATIVES</u>
- 8 Sec. 2306.301. DEFINITION. In this subchapter, "office"
- 9 means the office established by Section 2306.302 to support rural
- 10 community and small municipality housing initiatives.
- Sec. 2306.302. ESTABLISHMENT OF OFFICE. (a) The
- 12 department shall establish an office to support rural community and
- 13 small municipality housing initiatives.
- 14 (b) The department by rule shall define for purposes of this
- 15 subchapter:
- 16 <u>(1) a rural community; and</u>
- 17 (2) a small municipality.
- 18 (c) Subject to available funding, the department by rule may
- 19 establish not more than seven field offices as part of the office.
- 20 (d) The office shall work with each regional council of
- 21 government to:
- (1) match housing sponsors to the housing needs of
- 23 <u>rural communities and small municipalities; and</u>
- 24 (2) identify available sources of funds for those
- 25 housing needs.
- 26 (e) The office shall use funds available from the housing
- 27 trust fund established under Section 2306.201 to administer

- 1 capacity building programs for rural communities and small
- 2 municipalities.
- 3 (f) The office shall coordinate a meeting at least two times
- 4 each year between department program directors and representatives
- 5 of rural communities and small municipalities to discuss best
- 6 practices for rural community and small municipality housing
- 7 initiatives.
- 8 (g) The office shall establish an online clearinghouse of
- 9 information relating to best practices for rural community and
- 10 small municipality housing initiatives.
- 11 (h) The director may assign additional duties to the office.
- 12 Sec. 2306.303. REGIONAL HOUSING DEVELOPMENT ORGANIZATIONS.
- 13 (a) The office shall establish regional nonprofit housing
- 14 development organizations that serve rural communities and small
- 15 <u>municipalities in accordance with the purposes of this subchapter.</u>
- 16 (b) To implement this section, the department may use any
- 17 money available to the department for the purpose, including gifts,
- 18 grants, and donations and funds allocated to the state under the
- 19 federal HOME Investment Partnerships program established under
- 20 Title II of the Cranston-Gonzalez National Affordable Housing Act
- 21 (42 U.S.C. Section 12701 et seq.).
- Sec. 2306.304. TRAINING. (a) The office annually shall
- 23 provide to elected officials, community organizations, nonprofit
- 24 organizations, and private developers a training course that
- 25 addresses housing programs and techniques that increase housing
- 26 opportunities in rural communities and small municipalities. The
- 27 office shall provide the course at an appropriate location selected

- 1 by the office and shall make the course available online in real
- 2 time.
- 3 (b) The department periodically shall also provide to
- 4 elected officials a training course regarding housing programs and
- 5 sources of funding for these programs.
- 6 Sec. 2306.305. HOUSING DEVELOPMENT PLANNING ASSISTANCE. On
- 7 the request of the governing body of a municipality or county, the
- 8 office shall assign an employee or independent contractor to assist
- 9 the municipality or county in:
- 10 (1) developing comprehensive housing plans for rural
- 11 communities and small municipalities in that county;
- 12 (2) supporting housing development initiatives in
- 13 those communities and municipalities; and
- 14 (3) identifying financial resources available for
- 15 those plans and initiatives.
- Sec. 2306.306. RURAL COMMUNITY AND SMALL MUNICIPALITY
- 17 HOUSING DEVELOPMENT PILOT PROJECTS. Notwithstanding other program
- 18 rules and procedures of the department, the department may
- 19 establish pilot projects to test and develop new approaches to
- 20 providing housing in rural communities and small municipalities
- 21 <u>for:</u>
- 22 (1) individuals and families of low income; and
- 23 (2) individuals and families of very low income.
- Sec. 2306.307. AGRICULTURAL WORKER HOUSING INITIATIVE.
- 25 (a) The office shall fund housing initiatives that serve
- 26 agricultural workers and their families, including:
- 27 (1) new housing initiatives;

| 1  | (2) housing rehabilitation initiatives; or                         |
|----|--|
| 2  | (3) tenant-based rental assistance.                                |
| 3  | (b) The office may designate as a pilot project a housing          |
| 4  | initiative implemented under this section for agricultural workers |
| 5  | and their families.  |
| 6  | (c) The office shall coordinate with appropriate divisions         |
| 7  | of the department to:  |
| 8  | (1) document agricultural worker housing needs;                    |
| 9  | (2) determine whether a housing need documented by the             |
| 10 | department is critical; and  |
| 11 | (3) develop initiatives to address those housing                   |
| 12 | needs.   |
| 13 | (d) The department may use any available funds to implement        |
| 14 | this section, including gifts, grants, and donations and funds     |
| 15 | allocated to the department under the federal HOME Investment      |
| 16 | Partnerships program established under Title II of the             |
| 17 | Cranston-Gonzalez National Affordable Housing Act (42 U.S.C.       |
| 18 | Section 12701 et seq.).  |
| 19 | (e) In this section, "agricultural worker":                        |
| 20 | (1) means a person who receives a substantial portion              |
| 21 | of income from employment that involves:                           |
| 22 | (A) the primary production of agricultural or                      |
| 23 | aquacultural commodities; or                                       |
| 24 | (B) the handling of agricultural or aquacultural                   |
| 25 | commodities in an unprocessed state, including handling those      |
| 26 | commodities in a feedlot or a meat processing plant; and           |
| 27 | (2) includes a person who is retired or disabled but               |

S.B. No. 825

- 1 was employed as described by Subdivision (1) at the time of that
- 2 person's retirement or disablement.
- 3 SECTION 3. Not later than October 1, 2011, the Texas
- 4 Department of Housing and Community Affairs shall adopt the rules
- 5 required by Subchapter N, Chapter 2306, Government Code, as added
- 6 by this Act.
- 7 SECTION 4. This Act takes effect September 1, 2011.