

1-1 By: Lucio S.B. No. 825
1-2 (In the Senate - Filed February 21, 2011; March 1, 2011,
1-3 read first time and referred to Committee on Intergovernmental
1-4 Relations; March 17, 2011, rereferred to Committee on
1-5 International Relations and Trade; April 7, 2011, reported
1-6 adversely, with favorable Committee Substitute by the following
1-7 vote: Yeas 4, Nays 0; April 7, 2011, sent to printer.)

1-8 COMMITTEE SUBSTITUTE FOR S.B. No. 825 By: Lucio

1-9 A BILL TO BE ENTITLED
1-10 AN ACT

1-11 relating to the provision of affordable housing in colonias, rural
1-12 communities, and small municipalities.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 ARTICLE 1. HOUSING IN COLONIAS, RURAL COMMUNITIES, AND SMALL
1-15 MUNICIPALITIES

1-16 SECTION 1.01. Subsections (a), (b), and (d), Section
1-17 775.002, Government Code, are amended to read as follows:

1-18 (a) Contingent on the legislature's appropriation of
1-19 sufficient funds, the Texas Department of Housing and Community
1-20 Affairs shall [The governor may] designate the office established
1-21 under Section 2306.302 or another office within the department with
1-22 a focus on matters relating to colonias [an agency] to act as the
1-23 state's colonia initiatives coordinator.

1-24 (b) The [If appointed under Subsection (a), the] colonia
1-25 initiatives coordinator shall coordinate colonia initiatives
1-26 within the Texas Department of Housing and Community Affairs
1-27 [agency] and with the other agencies and local officials involved
1-28 in colonia projects in the state.

1-29 (d) The following agencies shall designate an officer or
1-30 employee of the agency to serve as the agency's liaison for colonia
1-31 initiatives:

- 1-32 (1) the office of the attorney general;
1-33 (2) the Department of State Health Services;
1-34 (3) ~~the Texas Department of Housing and Community~~
1-35 ~~Affairs;~~
1-36 ~~[(4)]~~ the Texas Commission on Environmental Quality;
1-37 (4) ~~[(5)]~~ the Texas Water Development Board;
1-38 (5) ~~[(6)]~~ the Texas Department of Rural Affairs;
1-39 (6) ~~[(7)]~~ the Office of State-Federal Relations;
1-40 (7) ~~[(8)]~~ the Texas Department of Insurance; and
1-41 (8) ~~[(9)]~~ the Texas Department of Transportation.

1-42 SECTION 1.02. Chapter 2306, Government Code, is amended by
1-43 adding Subchapter N to read as follows:

1-44 SUBCHAPTER N. OFFICE OF RURAL COMMUNITY AND SMALL MUNICIPALITY
1-45 HOUSING INITIATIVES

1-46 Sec. 2306.301. DEFINITION. In this subchapter, "office"
1-47 means the office established by Section 2306.302 to support rural
1-48 community and small municipality housing initiatives.

1-49 Sec. 2306.302. ESTABLISHMENT OF OFFICE. (a) The
1-50 department shall establish an office to support rural community and
1-51 small municipality housing initiatives.

1-52 (b) The department by rule shall define for purposes of this
1-53 subchapter:

- 1-54 (1) a rural community; and
1-55 (2) a small municipality.

1-56 (c) The office shall work with each regional council of
1-57 government to:

- 1-58 (1) match housing sponsors to the housing needs of
1-59 rural communities and small municipalities; and
1-60 (2) identify available sources of funds for those
1-61 housing needs.

1-62 (d) The office shall use funds available from the housing
1-63 trust fund established under Section 2306.201 to administer

2-1 capacity building programs for rural communities and small
2-2 municipalities.
2-3 (e) The office shall coordinate a meeting at least two times
2-4 each year between department program directors and representatives
2-5 of rural communities and small municipalities to discuss best
2-6 practices for rural community and small municipality housing
2-7 initiatives.
2-8 (f) The office shall establish an online clearinghouse of
2-9 information relating to best practices for rural community and
2-10 small municipality housing initiatives.
2-11 (g) Subject to available funding, the department by rule may
2-12 establish as part of the office not more than seven field offices to
2-13 assist political subdivisions and nonprofit entities in developing
2-14 or administering affordable housing programs.
2-15 (h) The department by rule shall specify the duties for any
2-16 field office established under Subsection (g). The rules under
2-17 this subsection must include the following duties for each field
2-18 office:
2-19 (1) identifying affordable housing needs for the area
2-20 of the state in which the field office is located;
2-21 (2) identifying state and federal programs that may
2-22 address the needs identified under Subdivision (1);
2-23 (3) facilitating the development of relationships
2-24 that will assist in building local capacity to address the needs
2-25 identified under Subdivision (1); and
2-26 (4) providing information regarding state programs to
2-27 assist in the development of affordable housing for the area of the
2-28 state in which the field office is located.
2-29 (i) The director may assign additional duties to the office.
2-30 Sec. 2306.303. REGIONAL HOUSING DEVELOPMENT ORGANIZATIONS.
2-31 (a) The office may establish regional nonprofit housing
2-32 development organizations that serve rural communities and small
2-33 municipalities in accordance with the purposes of this subchapter.
2-34 (b) To implement this section, the department may use any
2-35 money available to the department for the purposes of this
2-36 subchapter, including gifts, grants, and donations and state and
2-37 federal funds.
2-38 Sec. 2306.304. TRAINING. (a) The office annually shall
2-39 provide to elected officials, community organizations, nonprofit
2-40 organizations, and private developers a training course that
2-41 addresses housing programs and techniques that increase housing
2-42 opportunities in rural communities and small municipalities. The
2-43 office shall provide the course at an appropriate location selected
2-44 by the office and shall make the course available online in real
2-45 time.
2-46 (b) The department periodically shall also provide to
2-47 elected officials a training course regarding housing programs and
2-48 sources of funding for those programs.
2-49 Sec. 2306.305. HOUSING DEVELOPMENT PLANNING ASSISTANCE.
2-50 (a) On the request of the commissioners court of a county, the
2-51 office shall cooperate with and assist the county in:
2-52 (1) developing comprehensive housing plans for rural
2-53 communities and small municipalities in that county;
2-54 (2) supporting housing development initiatives in
2-55 those communities and municipalities; and
2-56 (3) identifying financial resources available for
2-57 those plans or initiatives.
2-58 (b) On the request of the governing body of a small
2-59 municipality, the office shall cooperate with and assist the
2-60 municipality in:
2-61 (1) developing a comprehensive housing plan for the
2-62 municipality;
2-63 (2) supporting housing development initiatives in the
2-64 municipality; and
2-65 (3) identifying financial resources available for the
2-66 plan or initiatives.
2-67 Sec. 2306.306. RURAL COMMUNITY AND SMALL MUNICIPALITY
2-68 HOUSING DEVELOPMENT PILOT PROJECTS. Notwithstanding other program
2-69 rules and procedures of the department, the department may

3-1 establish pilot projects to test and develop new approaches to
 3-2 providing housing in rural communities and small municipalities
 3-3 for:
 3-4 (1) individuals and families of low income; and
 3-5 (2) individuals and families of very low income.
 3-6 Sec. 2306.307. AGRICULTURAL WORKER HOUSING INITIATIVE.
 3-7 (a) The office shall fund housing initiatives that serve
 3-8 agricultural workers and their families, including:
 3-9 (1) new housing initiatives;
 3-10 (2) housing rehabilitation initiatives; or
 3-11 (3) tenant-based rental assistance.
 3-12 (b) The office may designate as a pilot project a housing
 3-13 initiative implemented under this section for agricultural workers
 3-14 and their families.
 3-15 (c) The office shall coordinate with appropriate divisions
 3-16 of the department to:
 3-17 (1) document agricultural worker housing needs;
 3-18 (2) determine whether a housing need documented by the
 3-19 department is critical; and
 3-20 (3) develop initiatives to address those housing
 3-21 needs.
 3-22 (d) The department may use any available money to implement
 3-23 this section, including:
 3-24 (1) gifts, grants, and donations;
 3-25 (2) money in the housing trust fund; and
 3-26 (3) money allocated to the department under the
 3-27 federal HOME Investment Partnerships program established under
 3-28 Title II of the Cranston-Gonzalez National Affordable Housing Act
 3-29 (42 U.S.C. Section 12701 et seq.).
 3-30 (e) In this section, "agricultural worker":
 3-31 (1) means a person who receives a substantial portion
 3-32 of income from employment that involves:
 3-33 (A) the primary production of agricultural or
 3-34 aquacultural commodities; or
 3-35 (B) the handling of agricultural or aquacultural
 3-36 commodities in an unprocessed state, including handling those
 3-37 commodities in a feedlot or a meat processing plant; and
 3-38 (2) includes a person who is retired or disabled but
 3-39 was employed as described by Subdivision (1) at the time of that
 3-40 person's retirement or disablement.
 3-41 SECTION 1.03. Section 405.021, Government Code, is
 3-42 transferred to Subchapter Z, Chapter 2306, Government Code,
 3-43 redesignated as Section 2306.592, Government Code, and amended to
 3-44 read as follows:
 3-45 Sec. 2306.592 [405.021]. REPORT ON STATE-FUNDED PROJECTS
 3-46 SERVING COLONIAS. (a) Notwithstanding Section 2306.581, in [In]
 3-47 this section, "colonia" means a geographic area that:
 3-48 (1) is an economically distressed area as defined by
 3-49 Section 17.921, Water Code;
 3-50 (2) is located in a county any part of which is within
 3-51 62 miles of an international border; and
 3-52 (3) consists of 11 or more dwellings that are located
 3-53 in close proximity to each other in an area that may be described as
 3-54 a community or neighborhood.
 3-55 (b) Based on information provided under Subsections (c) and
 3-56 (d), the department [~~secretary of state~~] shall establish and
 3-57 maintain a classification system that allows the department
 3-58 [~~secretary of state~~] to track the progress of state-funded projects
 3-59 in providing water or wastewater services, paved roads, and other
 3-60 assistance to colonias.
 3-61 (c) The department [~~secretary of state~~] shall compile
 3-62 information received from offices within the department, the Texas
 3-63 Department of Rural Affairs, the Texas Water Development Board, the
 3-64 Texas Transportation Commission, [~~the Texas Department of Housing~~
 3-65 ~~and Community Affairs,~~] the Department of State Health Services,
 3-66 the Texas Commission on Environmental Quality, the Health and Human
 3-67 Services Commission, the Texas Cooperative Extension, councils of
 3-68 governments, an institution of higher education that receives
 3-69 funding from the state for projects that provide assistance to

4-1 colonias, and any other agency considered appropriate by the
 4-2 department [~~secretary of state~~] for purposes of the classification
 4-3 system.

4-4 (d) The department [~~secretary of state~~] shall compile
 4-5 information on colonias that is received from the colonia
 4-6 ombudspersons under Section 775.004.

4-7 (e) The department [~~secretary of state~~] shall:

4-8 (1) with the assistance of the office of the attorney
 4-9 general, prepare a report on the progress of state-funded projects
 4-10 in providing water or wastewater services, paved roads, and other
 4-11 assistance to colonias; and

4-12 (2) submit the report to the presiding officer of each
 4-13 house of the legislature not later than:

4-14 (A) December 1 of each even-numbered year, if
 4-15 funds are appropriated specifically for the purpose of preparing
 4-16 and submitting the report; or

4-17 (B) if funds are not appropriated as described by
 4-18 Paragraph (A), December 1, 2010, and December 1 of every fourth year
 4-19 following that date.

4-20 (f) The report to the legislature must include a list of
 4-21 colonias with the highest health risk to colonia residents, based
 4-22 on factors identified by the department [~~secretary of state~~].

4-23 (g) In conjunction with the establishment of the
 4-24 classification system required by this section, the department
 4-25 [~~secretary of state~~] shall establish and maintain a statewide
 4-26 system for identifying colonias.

4-27 (h) The department [~~secretary of state~~] may contract with a
 4-28 third party to develop the classification system or the
 4-29 identification system or to compile or maintain the relevant
 4-30 information required by this section.

4-31 ARTICLE 2. CONFORMING AMENDMENTS

4-32 SECTION 2.01. The heading to Section 51.0052, Education
 4-33 Code, is amended to read as follows:

4-34 Sec. 51.0052. REPORT TO TEXAS DEPARTMENT OF HOUSING AND
 4-35 COMMUNITY AFFAIRS [~~SECRETARY OF STATE~~].

4-36 SECTION 2.02. Subsections (b), (c), and (d), Section
 4-37 51.0052, Education Code, are amended to read as follows:

4-38 (b) To assist the Texas Department of Housing and Community
 4-39 Affairs [~~secretary of state~~] in preparing the report required under
 4-40 Section 2306.592 [~~405.021~~], Government Code, an institution of
 4-41 higher education on a quarterly basis shall provide a report to the
 4-42 Texas Department of Housing and Community Affairs [~~secretary of~~
 4-43 ~~state~~] detailing any projects funded by the institution of higher
 4-44 education that provide assistance to colonias.

4-45 (c) The report must include:

4-46 (1) a description of any relevant projects;

4-47 (2) the location of each project;

4-48 (3) the number of colonia residents served by each
 4-49 project;

4-50 (4) the exact amount spent or the anticipated amount
 4-51 to be spent on each colonia served by each project;

4-52 (5) a statement of whether each project is completed
 4-53 and, if not, the expected completion date of the project; and

4-54 (6) any other information, as determined appropriate
 4-55 by the Texas Department of Housing and Community Affairs [~~secretary~~
 4-56 ~~of state~~].

4-57 (d) The institution of higher education shall require an
 4-58 applicant for funds administered by the institution to submit to
 4-59 the institution a colonia classification number, if one exists, for
 4-60 each colonia that may be served by the project proposed in the
 4-61 application. If a colonia does not have a classification number,
 4-62 the institution of higher education may contact the Texas
 4-63 Department of Housing and Community Affairs [~~secretary of state or~~
 4-64 ~~the secretary of state's representative~~] to obtain the
 4-65 classification number. On request of the institution, the Texas
 4-66 Department of Housing and Community Affairs [~~secretary of state or~~
 4-67 ~~the secretary of state's representative~~] shall assign a
 4-68 classification number to the colonia.

4-69 SECTION 2.03. The heading to Section 487.060, Government

5-1 Code, is amended to read as follows:

5-2 Sec. 487.060. REPORT TO TEXAS DEPARTMENT OF HOUSING AND
 5-3 COMMUNITY AFFAIRS [SECRETARY OF STATE].

5-4 SECTION 2.04. Subsections (b), (c), and (d), Section
 5-5 487.060, Government Code, are amended to read as follows:

5-6 (b) To assist the Texas Department of Housing and Community
 5-7 Affairs [secretary of state] in preparing the report required under
 5-8 Section 2306.592 [405.021], the department on a quarterly basis
 5-9 shall provide a report to the Texas Department of Housing and
 5-10 Community Affairs [secretary of state] detailing any projects
 5-11 funded by the department that serve colonias by providing water or
 5-12 wastewater services, paved roads, or other assistance.

5-13 (c) The report must include:

- 5-14 (1) a description of any relevant projects;
- 5-15 (2) the location of each project;
- 5-16 (3) the number of colonia residents served by each
 5-17 project;
- 5-18 (4) the exact amount spent or the anticipated amount
 5-19 to be spent on each colonia served by each project;
- 5-20 (5) a statement of whether each project is completed
 5-21 and, if not, the expected completion date of the project; and
- 5-22 (6) any other information, as determined appropriate
 5-23 by the Texas Department of Housing and Community Affairs [secretary
 5-24 of state].

5-25 (d) The department shall require an applicant for funds
 5-26 administered by the department to submit to the department a
 5-27 colonia classification number, if one exists, for each colonia that
 5-28 may be served by the project proposed in the application. If a
 5-29 colonia does not have a classification number, the department may
 5-30 contact the Texas Department of Housing and Community Affairs
 5-31 [secretary of state or the secretary of state's representative] to
 5-32 obtain a number. On request of the department, the Texas Department
 5-33 of Housing and Community Affairs [secretary of state or the
 5-34 secretary of state's representative] shall assign a classification
 5-35 number.

5-36 SECTION 2.05. The heading to Section 531.0141, Government
 5-37 Code, is amended to read as follows:

5-38 Sec. 531.0141. REPORT TO TEXAS DEPARTMENT OF HOUSING AND
 5-39 COMMUNITY AFFAIRS [SECRETARY OF STATE].

5-40 SECTION 2.06. Subsections (b), (c), and (d), Section
 5-41 531.0141, Government Code, are amended to read as follows:

5-42 (b) To assist the Texas Department of Housing and Community
 5-43 Affairs [secretary of state] in preparing the report required under
 5-44 Section 2306.592 [405.021], the commission on a quarterly basis
 5-45 shall provide a report to the Texas Department of Housing and
 5-46 Community Affairs [secretary of state] detailing any projects
 5-47 funded by the commission that provide assistance to colonias.

5-48 (c) The report must include:

- 5-49 (1) a description of any relevant projects;
- 5-50 (2) the location of each project;
- 5-51 (3) the number of colonia residents served by each
 5-52 project;
- 5-53 (4) the exact amount spent or the anticipated amount
 5-54 to be spent on each colonia served by each project;
- 5-55 (5) a statement of whether each project is completed
 5-56 and, if not, the expected completion date of the project; and
- 5-57 (6) any other information, as determined appropriate
 5-58 by the Texas Department of Housing and Community Affairs [secretary
 5-59 of state].

5-60 (d) The commission shall require an applicant for funds
 5-61 administered by the commission to submit to the commission a
 5-62 colonia classification number, if one exists, for each colonia that
 5-63 may be served by the project proposed in the application. If a
 5-64 colonia does not have a classification number, the commission may
 5-65 contact the Texas Department of Housing and Community Affairs
 5-66 [secretary of state or the secretary of state's representative] to
 5-67 obtain the classification number. On request of the commission,
 5-68 the Texas Department of Housing and Community Affairs [secretary of
 5-69 state or the secretary of state's representative] shall assign a

6-1 classification number to the colonia.

6-2 SECTION 2.07. Subsections (a), (b), and (c), Section
6-3 775.004, Government Code, are amended to read as follows:

6-4 (a) The colonia ombudspersons shall gather information
6-5 about the colonias in the counties for which the ombudspersons were
6-6 appointed and provide the information to the Texas Department of
6-7 Housing and Community Affairs [~~secretary of state~~], to assist the
6-8 Texas Department of Housing and Community Affairs [~~secretary of~~
6-9 ~~state~~] in preparing the report required under Section 2306.592
6-10 [~~405.021~~].

6-11 (b) To the extent possible, the ombudspersons shall gather
6-12 information regarding:

- 6-13 (1) the platting of each colonia;
- 6-14 (2) the infrastructure of each colonia;
- 6-15 (3) the availability of health care services;
- 6-16 (4) the availability of financial assistance; and
- 6-17 (5) any other appropriate topic as requested by the
6-18 Texas Department of Housing and Community Affairs [~~secretary of~~
6-19 ~~state~~].

6-20 (c) The ombudspersons shall provide the information to the
6-21 Texas Department of Housing and Community Affairs [~~secretary of~~
6-22 ~~state~~] not later than September 1 of each even-numbered year.

6-23 SECTION 2.08. The heading to Section 1001.033, Health and
6-24 Safety Code, is amended to read as follows:

6-25 Sec. 1001.033. REPORT TO TEXAS DEPARTMENT OF HOUSING AND
6-26 COMMUNITY AFFAIRS [~~SECRETARY OF STATE~~].

6-27 SECTION 2.09. Subsections (b), (c), and (d), Section
6-28 1001.033, Health and Safety Code, are amended to read as follows:

6-29 (b) To assist the Texas Department of Housing and Community
6-30 Affairs [~~secretary of state~~] in preparing the report required under
6-31 Section 2306.592 [~~405.021~~], Government Code, the commissioner on a
6-32 quarterly basis shall provide a report to the Texas Department of
6-33 Housing and Community Affairs [~~secretary of state~~] detailing any
6-34 projects funded by the department that provide assistance to
6-35 colonias.

6-36 (c) The report must include:
6-37 (1) a description of any relevant projects;
6-38 (2) the location of each project;
6-39 (3) the number of colonia residents served by each
6-40 project;

6-41 (4) the exact amount spent or the anticipated amount
6-42 to be spent on each colonia served by each project;

6-43 (5) a statement of whether each project is completed
6-44 and, if not, the expected completion date of the project; and

6-45 (6) any other information, as determined appropriate
6-46 by the Texas Department of Housing and Community Affairs [~~secretary~~
6-47 ~~of state~~].

6-48 (d) The commission shall require an applicant for funds
6-49 administered by the commission to submit to the commission a
6-50 colonia classification number, if one exists, for each colonia that
6-51 may be served by the project proposed in the application. If a
6-52 colonia does not have a classification number, the commission may
6-53 contact the Texas Department of Housing and Community Affairs
6-54 [~~secretary of state or the secretary of state's representative~~] to
6-55 obtain the classification number. On request of the commission,
6-56 the Texas Department of Housing and Community Affairs [~~secretary of~~
6-57 ~~state or the secretary of state's representative~~] shall assign a
6-58 classification number to the colonia.

6-59 SECTION 2.10. The heading to Section 391.00951, Local
6-60 Government Code, is amended to read as follows:

6-61 Sec. 391.00951. REPORT TO TEXAS DEPARTMENT OF HOUSING AND
6-62 COMMUNITY AFFAIRS [~~SECRETARY OF STATE~~].

6-63 SECTION 2.11. Subsections (b), (c), and (d), Section
6-64 391.00951, Local Government Code, are amended to read as follows:

6-65 (b) To assist the Texas Department of Housing and Community
6-66 Affairs [~~secretary of state~~] in preparing the report required under
6-67 Section 2306.592 [~~405.021~~], Government Code, the commission on a
6-68 quarterly basis shall provide a report to the Texas Department of
6-69 Housing and Community Affairs [~~secretary of state~~] detailing any

7-1 projects funded by the commission that provide assistance to
 7-2 colonias.

7-3 (c) The report must include:

7-4 (1) a description of any relevant projects;

7-5 (2) the location of each project;

7-6 (3) the number of colonia residents served by each
 7-7 project;

7-8 (4) the exact amount spent or the anticipated amount
 7-9 to be spent on each colonia served by each project;

7-10 (5) a statement of whether each project is completed
 7-11 and, if not, the expected completion date of the project; and

7-12 (6) any other information, as determined appropriate
 7-13 by the Texas Department of Housing and Community Affairs [~~secretary~~
 7-14 ~~of state~~].

7-15 (d) The commission shall require an applicant for funds
 7-16 administered by the commission to submit to the commission a
 7-17 colonia classification number, if one exists, for each colonia that
 7-18 may be served by the project proposed in the application. If a
 7-19 colonia does not have a classification number, the commission may
 7-20 contact the Texas Department of Housing and Community Affairs
 7-21 [~~secretary of state or the secretary of state's representative~~] to
 7-22 obtain the classification number. On request of the commission,
 7-23 the Texas Department of Housing and Community Affairs [~~secretary of~~
 7-24 ~~state or the secretary of state's representative~~] shall assign a
 7-25 classification number to the colonia.

7-26 SECTION 2.12. The heading to Section 201.116,
 7-27 Transportation Code, is amended to read as follows:

7-28 Sec. 201.116. REPORT TO TEXAS DEPARTMENT OF HOUSING AND
 7-29 COMMUNITY AFFAIRS [~~SECRETARY OF STATE~~].

7-30 SECTION 2.13. Subsections (b), (c), and (d), Section
 7-31 201.116, Transportation Code, are amended to read as follows:

7-32 (b) To assist the Texas Department of Housing and Community
 7-33 Affairs [~~secretary of state~~] in preparing the report required under
 7-34 Section 2306.592 [~~405.021~~], Government Code, the commission on a
 7-35 quarterly basis shall provide a report to the Texas Department of
 7-36 Housing and Community Affairs [~~secretary of state~~] detailing any
 7-37 projects funded by the department that serve colonias by providing
 7-38 paved roads or other assistance.

7-39 (c) The report must include:

7-40 (1) a description of any relevant projects;

7-41 (2) the location of each project;

7-42 (3) the number of colonia residents served by each
 7-43 project;

7-44 (4) the exact amount spent or the anticipated amount
 7-45 to be spent on each colonia served by each project;

7-46 (5) a statement of whether each project is completed
 7-47 and, if not, the expected completion date of the project; and

7-48 (6) any other information, as determined appropriate
 7-49 by the Texas Department of Housing and Community Affairs [~~secretary~~
 7-50 ~~of state~~].

7-51 (d) The commission shall require an applicant for funds
 7-52 administered by the commission to submit to the commission a
 7-53 colonia classification number, if one exists, for each colonia that
 7-54 may be served by the project proposed in the application. If a
 7-55 colonia does not have a classification number, the commission may
 7-56 contact the Texas Department of Housing and Community Affairs
 7-57 [~~secretary of state or the secretary of state's representative~~] to
 7-58 obtain the classification number. On request of the commission,
 7-59 the Texas Department of Housing and Community Affairs [~~secretary of~~
 7-60 ~~state or the secretary of state's representative~~] shall assign a
 7-61 classification number to the colonia.

7-62 SECTION 2.14. The heading to Section 5.1781, Water Code, is
 7-63 amended to read as follows:

7-64 Sec. 5.1781. REPORT TO TEXAS DEPARTMENT OF HOUSING AND
 7-65 COMMUNITY AFFAIRS [~~SECRETARY OF STATE~~].

7-66 SECTION 2.15. Subsections (b), (c), and (d), Section
 7-67 5.1781, Water Code, are amended to read as follows:

7-68 (b) To assist the Texas Department of Housing and Community
 7-69 Affairs [~~secretary of state~~] in preparing the report required under

8-1 Section 2306.592 [~~405.021~~], Government Code, the commission on a
8-2 quarterly basis shall provide a report to the Texas Department of
8-3 Housing and Community Affairs [~~secretary of state~~] detailing any
8-4 projects funded by the commission that provide assistance to
8-5 colonias.

- 8-6 (c) The report must include:
8-7 (1) a description of any relevant projects;
8-8 (2) the location of each project;
8-9 (3) the number of colonia residents served by each
8-10 project;
8-11 (4) the exact amount spent or the anticipated amount
8-12 to be spent on each colonia served by each project;
8-13 (5) a statement of whether each project is completed
8-14 and, if not, the expected completion date of the project; and
8-15 (6) any other information, as determined appropriate
8-16 by the Texas Department of Housing and Community Affairs [~~secretary~~
8-17 ~~of state~~].

8-18 (d) The commission shall require an applicant for funds
8-19 administered by the commission to submit to the commission a
8-20 colonia classification number, if one exists, for each colonia that
8-21 may be served by the project proposed in the application. If a
8-22 colonia does not have a classification number, the commission may
8-23 contact the Texas Department of Housing and Community Affairs
8-24 [~~secretary of state or the secretary of state's representative~~] to
8-25 obtain the classification number. On request of the commission,
8-26 the Texas Department of Housing and Community Affairs [~~secretary of~~
8-27 ~~state or the secretary of state's representative~~] shall assign a
8-28 classification number to the colonia.

8-29 SECTION 2.16. The heading to Section 6.1565, Water Code, is
8-30 amended to read as follows:

8-31 Sec. 6.1565. REPORT TO TEXAS DEPARTMENT OF HOUSING AND
8-32 COMMUNITY AFFAIRS [~~SECRETARY OF STATE~~].

8-33 SECTION 2.17. Subsections (b), (c), and (d), Section
8-34 6.1565, Water Code, are amended to read as follows:

8-35 (b) To assist the Texas Department of Housing and Community
8-36 Affairs [~~secretary of state~~] in preparing the report required under
8-37 Section 2306.592 [~~405.021~~], Government Code, the board on a
8-38 quarterly basis shall provide a report to the Texas Department of
8-39 Housing and Community Affairs [~~secretary of state~~] detailing any
8-40 projects funded by the board that serve colonias by providing water
8-41 or wastewater services or other assistance.

- 8-42 (c) The report must include:
8-43 (1) a description of any relevant projects;
8-44 (2) the location of each project;
8-45 (3) the number of colonia residents served by each
8-46 project;
8-47 (4) the exact amount spent or the anticipated amount
8-48 to be spent on each colonia served by each project;
8-49 (5) a statement of whether each project is completed
8-50 and, if not, the expected completion date of the project; and
8-51 (6) any other information, as determined appropriate
8-52 by the Texas Department of Housing and Community Affairs [~~secretary~~
8-53 ~~of state~~].

8-54 (d) The board shall require an applicant for funds
8-55 administered by the board to submit to the board a colonia
8-56 classification number, if one exists, for each colonia that may be
8-57 served by the project proposed in the application. If a colonia
8-58 does not have a classification number, the board may contact the
8-59 Texas Department of Housing and Community Affairs [~~secretary of~~
8-60 ~~state or the secretary of state's representative~~] to obtain the
8-61 classification number. On request of the board, the Texas
8-62 Department of Housing and Community Affairs [~~secretary of state or~~
8-63 ~~the secretary of state's representative~~] shall assign a
8-64 classification number to the colonia.

8-65 ARTICLE 3. REPEALER, TRANSITION, AND EFFECTIVE DATE

8-66 SECTION 3.01. Section 2306.083, Government Code, is
8-67 repealed.

8-68 SECTION 3.02. (a) Not later than October 1, 2011, the
8-69 Texas Department of Housing and Community Affairs shall adopt the

9-1 rules required by Subchapter N, Chapter 2306, Government Code, as
9-2 added by this Act.

9-3 (b) As soon as practicable after the effective date of this
9-4 Act, the Texas Department of Housing and Community Affairs shall
9-5 establish the classification system required by Subsection (b),
9-6 Section 2306.592, Government Code, as designated and amended by
9-7 this Act. For purposes of this subsection, the department may use
9-8 an applicable classification system already in effect.

9-9 SECTION 3.03. This Act takes effect September 1, 2011.

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