

By: Lucio

S.B. No. 1758

A BILL TO BE ENTITLED

AN ACT

relating to the provision of affordable housing in this state.

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

SECTION 1. Subchapter D, Chapter 2306, Government Code, is amended by adding Section 2306.079 to read as follows:

Sec. 2306.079. APPLICATION PROCESS FOR SINGLE FAMILY HOUSING LOANS. (a) The department shall establish and maintain an electronic tracking and notification service by which applicants for single family housing loans offered by the department may receive updated information regarding the application process and their specific application status:

(1) through individualized electronic mail sent to an applicant during each stage of the application process by the department; and

(2) by entering on the department's Internet website the tracking number assigned to a particular application.

(b) Information made available to each applicant regarding the application process must include:

(1) the projected closing date of the loan;

(2) the projected time required for evaluating the application during each stage of the application process; and

(3) staff telephone numbers and e-mail addresses for each stage of the application process.

(c) Information made available to each applicant regarding

1 the status of the application must include real-time communication
2 regarding:

3 (1) the movement of the application from one stage of
4 the application process to another; and

5 (2) any major delay or unexpected department action
6 that could affect the actual closing date of the loan.

7 (d) To provide increased public access to internal
8 department decision-making regarding the processing of single
9 family housing loan applications, the department by rule shall
10 establish objective criteria that will govern any special
11 consideration or priority given to applications for single family
12 housing loans, other than criteria specifically required or
13 permitted by law.

14 (e) The department shall expedite or otherwise handle
15 single family housing loan applications outside the ordinary course
16 of application processing only as required or permitted by law or
17 department rule.

18 (f) On the department's Internet website, the department
19 shall identify and describe the rationale or basis for any special
20 consideration or priority given to specific single family housing
21 loan applications that were expedited or otherwise handled outside
22 the ordinary course of application processing.

23 SECTION 2. Subchapter E, Chapter 2306, Government Code, is
24 amended by adding Section 2306.098 to read as follows:

25 Sec. 2306.098. RURAL HOUSING FIELD OFFICES. (a) The board
26 by rule shall:

27 (1) establish field offices in rural areas of each

1 uniform state service region to assist political subdivisions and
2 nonprofit entities in developing or administering affordable
3 housing programs in those areas; and

4 (2) specify the duties for each field office.

5 (b) The rules under Subsection (a) must include the
6 following duties for each field office:

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

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

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

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

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

21 SUBCHAPTER N. OFFICE OF RURAL COMMUNITY AND SMALL MUNICIPALITY

22 HOUSING INITIATIVES

23 Sec. 2306.301. DEFINITION. In this subchapter, "office"
24 means the office established under Section 2306.302 to support
25 rural community and small municipality housing initiatives.

26 Sec. 2306.302. ESTABLISHMENT OF OFFICE. (a) The
27 department shall establish an office to support rural community and

1 small municipality housing initiatives.

2 (b) The department by rule shall define for purposes of this
3 subchapter:

4 (1) a rural community; and

5 (2) a small municipality.

6 (c) Subject to available funding, the department by rule may
7 establish not more than seven field offices as part of the office.

8 (d) The office shall work with each regional council of
9 government to:

10 (1) match housing sponsors to the housing needs of
11 rural communities and small municipalities; and

12 (2) identify available sources of funds for those
13 housing needs.

14 (e) The office shall use funds available from the housing
15 trust fund established under Section 2306.201 to administer
16 capacity building programs for rural communities and small
17 municipalities.

18 (f) The office shall coordinate a meeting at least two times
19 each year between department program directors and representatives
20 of rural communities and small municipalities to discuss best
21 practices for rural community and small municipality housing
22 initiatives.

23 (g) The office shall establish an online clearinghouse of
24 information relating to best practices for rural community and
25 small municipality housing initiatives.

26 (h) The director may assign additional duties to the office.

27 Sec. 2306.303. REGIONAL HOUSING DEVELOPMENT ORGANIZATIONS.

1 (a) The office shall establish regional nonprofit housing
2 development organizations that serve rural communities and small
3 municipalities in accordance with the purposes of this subchapter.

4 (b) To implement this section, the department may use any
5 money available to the department for the purpose, including gifts,
6 grants, and donations and funds allocated to the state under the
7 federal HOME Investment Partnerships program established under
8 Title II of the Cranston-Gonzalez National Affordable Housing Act
9 (42 U.S.C. Section 12701 et seq.).

10 Sec. 2306.304. TRAINING. (a) The office annually shall
11 provide to elected officials, community organizations, nonprofit
12 organizations, and private developers a training course that
13 addresses housing programs and techniques that increase housing
14 opportunities in rural communities and small municipalities. The
15 office shall provide the course at an appropriate location selected
16 by the office and shall make the course available online in real
17 time.

18 (b) The department periodically shall also provide to
19 elected officials a training course regarding housing programs and
20 sources of funding for those programs.

21 Sec. 2306.305. HOUSING DEVELOPMENT PLANNING ASSISTANCE. On
22 the request of the governing body of a municipality or county, the
23 office shall assign an employee or independent contractor to assist
24 the municipality or county in:

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

27 (2) supporting housing development initiatives in

1 those communities and municipalities; and

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

4 Sec. 2306.306. RURAL COMMUNITY AND SMALL MUNICIPALITY
5 HOUSING DEVELOPMENT PILOT PROJECTS. Notwithstanding other program
6 rules and procedures of the department, the department may
7 establish pilot projects to test and develop new approaches to
8 providing housing in rural communities and small municipalities
9 for:

10 (1) individuals and families of low income; and

11 (2) individuals and families of very low income.

12 Sec. 2306.307. AGRICULTURAL WORKER HOUSING INITIATIVE.

13 (a) The office shall fund housing initiatives that serve
14 agricultural workers and their families, including:

15 (1) new housing initiatives;

16 (2) housing rehabilitation initiatives; or

17 (3) tenant-based rental assistance.

18 (b) The office may designate as a pilot project a housing
19 initiative implemented under this section for agricultural workers
20 and their families.

21 (c) The office shall coordinate with appropriate divisions
22 of the department to:

23 (1) document agricultural worker housing needs;

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

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

1 (d) The department may use any available funds to implement
2 this section, including gifts, grants, and donations and funds
3 allocated to the department under the federal HOME Investment
4 Partnerships program established under Title II of the
5 Cranston-Gonzalez National Affordable Housing Act (42 U.S.C.
6 Section 12701 et seq.).

7 (e) In this section, "agricultural worker":

8 (1) means a person who receives a substantial portion
9 of income from employment that involves:

10 (A) the primary production of agricultural or
11 aquacultural commodities; or

12 (B) the handling of agricultural or aquacultural
13 commodities in an unprocessed state, including handling those
14 commodities in a feedlot or a meat processing plant; and

15 (2) includes a person who is retired or disabled but
16 was employed as described by Subdivision (1) at the time of that
17 person's retirement or disablement.

18 SECTION 4. Section 2306.753(d), Government Code, is amended
19 to read as follows:

20 (d) At least two-thirds of the dollar amount of loans made
21 under this subchapter in each fiscal year must be made to borrowers
22 whose property is located in a county that is in a census tract that
23 has a median household income that is not greater than 75 percent of
24 the median state household income for the most recent year for which
25 statistics are available [~~eligible to receive financial assistance~~
26 ~~under Subchapter K, Chapter 17, Water Code~~].

27 SECTION 5. Not later than December 31, 2011, the Texas

1 Department of Housing and Community Affairs shall establish the
2 electronic tracking and notification service required by Section
3 2306.079, Government Code, as added by this Act.

4 SECTION 6. Not later than October 1, 2011, the Texas
5 Department of Housing and Community Affairs shall adopt the rules
6 required by Subchapter N, Chapter 2306, Government Code, as added
7 by this Act.

8 SECTION 7. The change in law made by this Act in amending
9 Section 2306.753, Government Code, applies only to owner-builder
10 loans granted by the Texas Department of Housing and Community
11 Affairs on or after the effective date of this Act. An
12 owner-builder loan granted before the effective date of this Act is
13 governed by the law in effect at the time the loan was granted, and
14 the former law is continued in effect for that purpose.

15 SECTION 8. This Act takes effect September 1, 2011.