

## **BILL ANALYSIS**

H.B. 2975  
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Urban Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties contend that there are cases in which a merger between city and county housing authorities may be beneficial, such as in El Paso County. H.B. 2975 seeks to allow for the merger of certain city and county housing authorities under certain conditions.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 2975 amends the Local Government Code to establish that a county housing authority is merged into the housing authority for the municipality if the commissioners court of the county and the governing body of the municipality declare by resolutions that there is a need for the county housing authority to consolidate its powers with the municipal housing authority. The bill's provisions are applicable only to the merger of housing authorities operating in a county with a population of 800,000 or more that is located on the international border and a municipality with a population of more than 600,000 and less than 700,000 that is located in such a county.

H.B. 2975 authorizes the commissioners court of the county and the governing body of the municipality to adopt such a resolution only if the commissioners court and the governing body of the municipality each find that a merged housing authority would be more efficient or economical than separate county and municipal housing authorities. The bill prohibits a commissioners court that has outstanding obligations from adopting such a resolution except under certain conditions.

H.B. 2975 establishes, in a proceeding involving the validity or enforcement of, or relating to, a contract of a merged housing authority, that proof of a resolution adopted by the commissioners court of the county and the governing body of the municipality is conclusive evidence that the merged housing authority is authorized to transact business and exercise its powers. The bill provides that when housing authorities are merged, the rights, contracts, agreements, obligations, and property of the county housing authority become those of the municipal housing authority; the county housing authority is required to execute deeds of the property to the municipal housing authority, which is required to file the deeds with the county clerk of the county where the real property is located; and a person with rights or remedies against the county housing authority may assert, enforce, and prosecute those rights or remedies against the municipal housing authority.

H.B. 2975 establishes that the vesting of the real property in the municipal housing authority is not contingent on the county housing authority's compliance with the execution of deeds of the property to the municipal housing authority. The bill establishes that, at the time housing authorities are merged, the county housing authority ceases to exist, except for the purpose of

winding up the affairs of the authority and executing the deeds of real property to the municipal housing authority.

H.B. 2975 describes the area of operation of a merged housing authority as the county in which the authority is created, excluding any part of the county that is within the territorial boundaries of a municipality other than the municipality operating the municipal housing authority into which the county housing authority was merged.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.