BILL ANALYSIS

Senate Research Center 83R22275 JAM-F

C.S.S.B. 1262 By: Rodríguez Intergovernmental Relations 4/19/2013 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.S.B. 1262 allows for the merger of the city and county housing authorities in El Paso County. If both the commissioners court and city council declare by resolutions that there is a need for consolidation and that the merger will bring more efficiency to the purpose of the authorities, the county housing authority will be merged into the municipal housing authority. C.S.S.B. 1262 sets forth the procedures for the merger, the area of operation, and adds "merged housing authority" in other sections of the law.

C.S.S.B. 1262 amends current law relating to the housing authorities in certain municipalities and counties.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 392, Local Government Code, by adding Sections 392.0121, 392.0131, and 392.0161, as follows:

392.0121. DISSOLUTION OF COUNTY HOUSING AUTHORITY. (a) Authorizes the commissioners court of a county described by Section 392.0131(a)(1) to determine on its own motion that there is no longer a need for a county housing authority because the conditions described by Section 392.012(f) (relating to requiring the commissioners court of a county to adopt a resolution declaring that there is a need for a housing authority if certain circumstance exist):

- (1) no longer exist; or
- (2) may be better and more efficiently addressed by a merger pursuant to Section 392.0131, or a cooperation agreement entered into by the county and a housing authority pursuant to Section 392.059 (Cooperation With Other Governmental Entities or Housing Authorities) and Chapter 791 (Interlocal Cooperation Contracts), Government Code.
- (b) Requires the commissioners court of a county that makes a determination under Subsection (a) to adopt and file with the county clerk a resolution specifying the reasons for its determination that there is no longer a need for a county housing authority.
- (c) Provides that on the filing of a resolution under Subsection (b):
 - (1) all property, rights, contracts, agreements, and obligations of the housing authority vest in and revert to the ownership of the county; and

- (2) the county is authorized to enter into a cooperation agreement under Section 392.059 and Chapter 791, Government Code, or merge with a municipal housing authority under Section 392.0131.
- (d) Authorizes a person with rights of remedies against the county housing authority to assert, enforce, and prosecute those rights or remedies against the county or against the municipal housing authority in the event of a cooperation agreement pursuant to Section 392.0131.
- (e) Provides that a resolution filed under Subsection (b) is conclusive evidence that the county housing authority is no longer authorized to transact business or exercise its powers.

Sec. 392.0131. MERGER OF CERTAIN COUNTY HOUSING AUTHORITIES INTO MUNICIPAL HOUSING AUTHORITIES. (a) Provides that this section applies only to the merger of housing authorities operating in:

- (1) a county that has a population of 800,000 or more and is located on the international border; and
- (2) a municipality that has a population of more than 600,000 and less than 700,000 and is located in a county described by Subdivision (1).
- (b) Authorizes a housing authority for a county described by Subsection (a)(1) to merge into a housing authority for a municipality that is described by Subsection (a)(2) and located in that county if the merger is approved by the federal government and a regular majority of:
 - (1) the commissioners of each housing authority; or
 - (2) the commissioners court of the county, pursuant to a resolution made under Section 392.0121(b), and a regular majority of the commissioners of the municipal housing authority.
- (c) Requires that a merger under this section include a county housing authority's transfer of public housing properties, housing choice voucher and project-based voucher programs, and the annual contributions contract with the federal government to the municipal housing authority.
- (d) Requires that a transfer under Subsection (c) be accomplished in accordance with applicable federal requirements and with state law or by interlocal cooperative agreement.
- (e) Provides that on the date housing authorities are merged in the manner provided by this section:
 - (1) the county housing authority ceases to exist, except for the purpose fo winding up the affairs of the authority and executing deeds of real property to the municipal housing authority;
 - (2) the officers and employees of the municipal housing authority serve as the officers and employees responsible for the merged authority; and
 - (3) the municipal housing authority is responsible for all assets and liabilities of the merged authority.

Sec. 392.0161. AREA OF OPERATION OF MERGED HOUSING AUTHORITY. Provides that, notwithstanding Section 392.017(b) (relating to a municipal housing authority being authorized to undertake a housing project outside the boundaries of the municipality in which it is authorized to exercise its powers only under certain

circumstances), the area of operation of a merged housing authority is 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.

SECTION 2. Amends Section 392.019, Local Government Code, as follows:

Sec. 392.019. EFFECT OF COOPERATION AGREEMENT ON AREA OF OPERATION OF HOUSING AUTHORITY. Authorizes the area of operation of a merged housing authority, in addition to certain other housing authorities, to extend to and include another municipality, county, or other political subdivision of this state, under the terms of a cooperation agreement made under Section 392.059 (Cooperation With Other Governmental Entities or Housing Authorities), regardless of Section 392.0161, in addition to Sections 392.015 (Area of Operation of a County Housing Authority) and 392.016 (Area of Operation of a Regional Housing Authority). Makes nonsubstantive changes.

SECTION 3. Amends Sections 392.063(a) and (c), Local Government Code, as follows:

- (a) Authorizes a merged housing authority, in addition to a county or regional housing authority, to borrow money, accept grants, and exercise its powers to provide housing for farmers of low income. Makes nonsubstantive changes.
- (c) Authorizes the owner of a farm operated, or worked on, by farmers of low income in need of safe and sanitary housing to file an application with a merged housing authority, in addition to a county or regional housing authority, requesting that the authority provide safe and sanitary housing for the farmers. Requires the housing authority to consider the applications in connection with the formulation of projects or programs to provide housing for farmers of low income. Makes nonsubstantive changes.

SECTION 4. Effective date: upon passage or September 1, 2013.