

BILL ANALYSIS

C.S.H.B. 74
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Urban Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties assert that, based on recent legislation, rural cities that have small populations and borders that are contiguous with major cities are considered urban for the purposes of certain Texas Department of Housing and Community Affairs funding. The parties contend that current regulations force certain rural cities that surround major metropolitan areas to compete with major urban cities for funding. C.S.H.B. 74 seeks to clarify this matter to avoid unintended consequences.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Department of Housing and Community Affairs in SECTION 2 of this bill.

ANALYSIS

C.S.H.B. 74 amends the Government Code to require the Texas Department of Housing and Community Affairs (TDHCA) to designate a statistical area that is located within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area and that has a population of 25,000 or less as a rural area for purposes of receiving certain TDHCA financial assistance if TDHCA receives an ordinance or order adopted by the governing body of the applicable political subdivision seeking the designation and stating that the statistical area is a rural area for purposes of receiving that financial assistance. The bill establishes that, for purposes of that requirement, the governing body of a census-designated place identified by the United States Census Bureau is the commissioners court of the county in which the place is located. The bill requires TDHCA to adopt rules ensuring that financial assistance provided to a designated rural area complies with any applicable federal requirements regarding that assistance.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 74 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Sections 2306.004(28-a) and (36), Government Code, are amended.

SECTION 2. Subchapter A, Chapter 2306, Government Code, is amended by adding Section 2306.0075 to read as follows:

Sec. 2306.0075. DESIGNATION OF CERTAIN AREAS AS RURAL. (a) This section applies only to an area that:

(1) is located within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area; and

(2) has a population of 10,000 or less.

(b) A statistical area described by Subsection (a) may apply to the department for designation as a rural area under Section 2306.004(28-a)(B)(ii) for purposes of receiving financial assistance administered by the department under this chapter.

(c) The department shall adopt rules governing the process by which statistical areas are designated as rural areas under this section. The rules must:

(1) establish procedures regarding the submission of applications under this section;

(2) provide additional eligibility standards for making the designations authorized by this section; and

(3) ensure that financial assistance provided to a designated rural area complies with any applicable federal requirements regarding that assistance.

SECTION 3. This Act takes effect September 1, 2015.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Same as introduced version.

SECTION 2. Subchapter A, Chapter 2306, Government Code, is amended by adding Section 2306.0075 to read as follows:

Sec. 2306.0075. DESIGNATION OF CERTAIN AREAS AS RURAL. (a) This section applies only to an area that:

(1) is located within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area; and

(2) has a population of 25,000 or less.

(b) The department shall designate a statistical area described by Subsection (a) as a rural area under Section 2306.004(28-a)(B)(ii) for purposes of receiving financial assistance administered by the department under this chapter if the department receives an ordinance or order:

(1) adopted by the governing body of the applicable political subdivision seeking the designation described by this subsection; and

(2) stating that the statistical area is a rural area for purposes of receiving the financial assistance.

(c) For purposes of Subsection (b), the governing body of a census-designated place identified by the United States Census Bureau is the commissioner's court of the county in which the place is located.

(d) The department shall adopt rules

ensuring that financial assistance provided to a designated rural area complies with any applicable federal requirements regarding that assistance.

SECTION 3. Same as introduced version.