

1-1 By: Lucio, Zaffirini S.B. No. 2063
 1-2 (In the Senate - Filed April 22, 2015; April 22, 2015, read
 1-3 first time and referred to Committee on Intergovernmental
 1-4 Relations; May 5, 2015, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 6, Nays 1;
 1-6 May 5, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14		X		
1-15	X			

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 2063 By: Lucio

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the establishment and administration of the Texas Safe
 1-20 Home Demonstration Program.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. The heading to Section 2306.188, Government
 1-23 Code, is amended to read as follows:

1-24 Sec. 2306.188. ESTABLISHING HOME OWNERSHIP IN DISASTER AREA
 1-25 OR UNDER TEXAS SAFE HOME DEMONSTRATION PROGRAM.

1-26 SECTION 2. Section 2306.188(a), Government Code, is amended
 1-27 to read as follows:

1-28 (a) An applicant for federally provided financial
 1-29 assistance administered by the department to repair or rebuild a
 1-30 home damaged by a natural disaster or an applicant for assistance
 1-31 under the Texas Safe Home Demonstration Program established under
 1-32 Subchapter OO may establish ownership of the home through
 1-33 nontraditional documentation of title. The department shall
 1-34 process an application for that assistance as if the applicant is
 1-35 the record title holder of the affected real property if the
 1-36 applicant provides to the department:

1-37 (1) on a form prescribed by the department, an
 1-38 affidavit summarizing the basis on which the applicant claims to be
 1-39 the holder of record title or, if applicable, a successor in
 1-40 interest to the holder of record title and stating that:

1-41 (A) there is no other person entitled to claim
 1-42 any ownership interest in the property; or

1-43 (B) each person who may be entitled to claim an
 1-44 ownership interest in the property has given consent to the
 1-45 application or cannot be located after a reasonable effort; and

1-46 (2) other documentation, including tax receipts,
 1-47 utility bills, or evidence of insurance for the home, that
 1-48 indicates that the applicant exercised ownership over the property
 1-49 for the period claimed by the applicant [at the time of the natural
 1-50 disaster].

1-51 SECTION 3. Chapter 2306, Government Code, is amended by
 1-52 adding Subchapter OO to read as follows:

1-53 SUBCHAPTER OO. TEXAS SAFE HOME DEMONSTRATION PROGRAM

1-54 Sec. 2306.10001. TEXAS SAFE HOME DEMONSTRATION PROGRAM.

1-55 (a) The department shall establish in certain counties designated
 1-56 by the department a demonstration program to provide financial
 1-57 assistance for the repair of or the demolition and replacement of
 1-58 owner-occupied single-family homes that are in a condition that
 1-59 poses a risk to the health and safety of the occupants.

1-60 (b) Financial assistance administered under this subchapter

2-1 may be provided in the form of a grant, partial grant, loan, or
 2-2 forgivable loan. Money appropriated to the demonstration program
 2-3 is not part of the housing trust fund. The regional allocation
 2-4 formula described under Section 2306.1115 does not apply to
 2-5 financial assistance administered under this subchapter if the
 2-6 money appropriated for the purpose does not exceed \$3 million for
 2-7 each state fiscal year.

2-8 (c) The board may adopt rules to implement the program
 2-9 described by this section. The department shall establish criteria
 2-10 to implement the demonstration program, including:

2-11 (1) a formula that distributes, to each uniform state
 2-12 service region containing a county in which the demonstration
 2-13 program is implemented, appropriated funds after considering
 2-14 publicly available data regarding levels of poverty, levels of
 2-15 substandard housing, and population, including the percentage of
 2-16 population composed of persons with disabilities, elderly persons,
 2-17 and households with children, in each region;

2-18 (2) detailed criteria to be used in determining
 2-19 whether a homeowner is eligible for participation in the
 2-20 demonstration program, including a process for documenting the
 2-21 condition of a home in a written report after a physical inspection
 2-22 of the home;

2-23 (3) requirements for the development and
 2-24 administration of priority waitlists for participation in the
 2-25 demonstration program;

2-26 (4) standards for assessing the real property on which
 2-27 a home is located;

2-28 (5) procedures to ensure compliance with federal
 2-29 national flood insurance program requirements;

2-30 (6) extended owner occupancy requirements for new or
 2-31 repaired homes;

2-32 (7) criteria for the acceptance of third-party
 2-33 contributions, including volunteer labor or additional loans,
 2-34 grants, or other financial assistance; and

2-35 (8) oversight and monitoring criteria for
 2-36 participating administrators.

2-37 Sec. 2306.10002. ADMINISTRATORS. In each uniform state
 2-38 service region containing a county in which the demonstration
 2-39 program is implemented, the department shall attempt to identify a
 2-40 single governmental administrator, including a consortium of
 2-41 councils of government or other governmental entities, or a
 2-42 nonprofit entity to administer the demonstration program in all
 2-43 portions of that region. In a uniform state service region in which
 2-44 no administrator is identified, the funds may be awarded to the
 2-45 councils of government in that region pro rata based on population.

2-46 Sec. 2306.10003. HOMEOWNER ELIGIBILITY. To be eligible for
 2-47 assistance under the demonstration program, a homeowner:

2-48 (1) may not have an annual income that, as determined
 2-49 by the department and when combined with the income of all persons
 2-50 who reside with the homeowner, exceeds 50 percent of the greater of
 2-51 the state or local median household income; and

2-52 (2) must own and occupy a home, including a
 2-53 manufactured home:

2-54 (A) as a primary residence for a period of not
 2-55 less than the 180 days preceding the date of the homeowner's
 2-56 application for financial assistance under this subchapter; and

2-57 (B) that has, after an inspection conducted under
 2-58 the demonstration program, been identified as substandard, in need
 2-59 of repair or replacement, and posing a potential risk to the health
 2-60 and safety of the occupants.

2-61 Sec. 2306.10004. TEMPORARY RELOCATION. If a homeowner is
 2-62 approved for participation in the demonstration program, the
 2-63 occupants of the home shall be assisted in relocating to temporary
 2-64 housing for a period not to exceed two years pending the repair or
 2-65 replacement of the home. Funds appropriated to the demonstration
 2-66 program may be used to provide assistance under this section. A
 2-67 priority waitlist must assign the highest priority to households
 2-68 receiving temporary housing assistance using demonstration program
 2-69 funds.

3-1 Sec. 2306.10005. INSURANCE PROCEEDS. If a homeowner has
3-2 filed a claim for insurance proceeds associated with damage to the
3-3 home, any proceeds from the claim must first be used to pay for any
3-4 covered repair or replacement costs of the home.

3-5 Sec. 2306.10006. ADMINISTRATIVE COSTS. The department may
3-6 reserve for payment of administrative expenses not more than 10
3-7 percent of money received for the demonstration program under this
3-8 subchapter. Of the 10 percent, the department shall determine an
3-9 appropriate allocation to cover the administrative expenses of any
3-10 identified administrators.

3-11 SECTION 4. The Texas Department of Housing and Community
3-12 Affairs is required to implement this Act only if the legislature
3-13 appropriates money specifically for that purpose. If the
3-14 legislature does not appropriate money specifically for that
3-15 purpose, the department may, but it is not required to, implement
3-16 this Act using other appropriations available for that purpose.

3-17 SECTION 5. This Act takes effect September 1, 2015.

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