

## **BILL ANALYSIS**

C.S.H.B. 5255  
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Urban Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Local, state, and federal government housing data is frequently fragmented and poorly organized. As a result, families looking for housing have limited access to accurate and up-to-date information about affordable housing options. This causes municipal departments to incur higher administrative costs, have an increased workload, and have less information with which to make sound financial and policy decisions. The market for affordable housing in Texas varies greatly across both urban and rural communities. As Texas grows, local officials should be empowered to consider and enact data-driven housing policies and community development plans that utilize market-driven solutions to better align the needs of local communities with existing inventory while streamlining the permitting and construction processes. C.S.H.B. 5255 seeks to address this issue by providing for the collection of municipal affordable housing information and the creation of a publicly accessible online database of that information.

### **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 3 of this bill.

### **ANALYSIS**

C.S.H.B. 5255 amends the Local Government Code to require a municipality qualified to receive federal grants under the community development block grant entitlement program to conduct an annual survey of all affordable housing units located in the municipality. The bill requires the survey to collect the following information:

- the unit type;
- the monthly rent;
- the estimated monthly cost of basic utilities not included in the rent amount;
- any eligibility requirement, including any average median income restriction;
- the length of any waiting list;
- each social service provided to a tenant, including a supportive service;
- the distance to nearby essential services, including public transit stops, public schools, community health centers, emergency medical facilities, public safety facilities, community centers, and food retailers providing grocery items and fresh produce;
- the distance to public community spaces, including parks, sports facilities, and playgrounds; and
- a telephone number, mailing address, and email address for a prospective tenant to inquire about renting the unit.

The bill authorizes a municipality to collect and use the information from any available source, including information collected for a survey conducted by the municipality in a previous year, provided that the municipality verifies the information is current and accurate. The bill requires a municipality to provide the information collected to any state agency that requests the information. A municipality not qualified to receive the applicable federal grants may elect to participate in the collection and publication of the information. Such a municipality is subject to statutory provisions relating to municipal planning and growth.

C.S.H.B. 5255 requires a municipality to publish the collected information in a searchable database on a publicly accessible website and mobile application. The bill requires a municipality to ensure that the database enables a person to search for an affordable housing unit using the characteristics collected in the survey, update the database in real time if the person is authorized by the municipality to do so, and view the complete survey information collected. The bill requires a municipality to update its database at least annually.

C.S.H.B. 5255 requires the Texas Department of Housing and Community Affairs (TDHCA) to adopt rules necessary to implement and administer the bill's provisions, including rules on the collection, compilation, analysis, and publication of information on the availability and accessibility of affordable housing in Texas. The bill requires TDHCA to publish reports on the availability and accessibility of affordable housing in Texas using information collected by municipalities and other information available to TDHCA. The bill authorizes TDHCA to cooperate with any governmental or private entity and to use gifts, grants, donations, or money appropriated to TDHCA to carry out its duties under the bill.

C.S.H.B. 5255 authorizes the governing bodies of the following municipalities to appropriate a certain amount from its general fund for the purpose of promoting awareness of affordable housing options in the municipality, including by promoting the database:

- a municipality with a population of 900,000 or less; or
- a general-law municipality.

### **EFFECTIVE DATE**

September 1, 2023.

### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

While C.S.H.B. 5255 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute revises the provisions regarding the annual municipal survey as follows:

- omits provisions relating to the survey's purpose which were present in the introduced;
- applies to a municipality qualified to receive federal grants under the community development block grant entitlement program, whereas the introduced applied to a municipality with a population of 100,000 or more; and
- includes provisions that did not appear in the introduced requiring TDHCA to adopt rules relating to the survey and to publish reports on the availability of affordable housing, and authorizing TDHCA to cooperate with any governmental or private entity and to use gifts, grants, donations, or money appropriated to TDHCA to carry out those duties.