

BILL ANALYSIS

Senate Research Center

H.B. 1811
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State Affairs
5/2/2001
Engrossed

DIGEST AND PURPOSE

The Cranston-Gonzales National Affordable Housing Act (act) provides formula grants to states and localities that communities use to fund a wide range of activities that help build, buy, and rehabilitate affordable housing for rent or home ownership or provide direct rental assistance to low-income people. The majority of the funds that Texas receives are typically given to the larger cities and counties by the Texas Department of Housing and Community Affairs (department) despite the fact that current law explicitly states the department is required to give the highest priority to utilizing these funds for the benefit of non-participating small cities and rural areas that do not qualify to receive funds under the act directly from the United States Department of Housing and Urban Development. H.B. 1811 requires the department to spend 95 percent of the funds it receives under the act on behalf of the non-participating small cities and rural areas.

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 Section 2306.111(c), Government Code, to require the Texas Department of Housing and Community Affairs (department), in administering federal housing funds provided to the state under the Cranston-Gonzales National Affordable Housing Act (42 U.S.C. Section 12701 et seq.), to expend at least 95 percent of, rather than give the highest priority to utilizing, these funds for the benefit of non-participating small cities and rural areas that do not qualify to receive funds under the Cranston-Gonzales National Affordable Housing Act directly from the United States Department of Housing and Urban Development. Deletes existing text regarding a certain exception. Requires all funds not set aside under this subsection to be used for the benefit of persons with disabilities who live in areas other than small cities and rural areas.

SECTION 2. Effective date: September 1, 2001.