

AN ACT

relating to the regulation of certain housing authorities;  
providing a penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 392.0331, Local Government Code, is amended by amending Subsection (a) and adding Subsections (j) and (k) to read as follows:

(a) This section applies only to:

(1) a municipality that has a municipal housing authority in which the total number of public housing units is 300 or more, except as provided by Section 392.0332; or

(2) a county that has a county housing authority or is a member of a regional housing authority and the total number of public housing units in the authority is more than 750.

(j) In this section, "public housing unit" is a dwelling unit for which the owner receives a public housing operating subsidy from the United States Department of Housing and Urban Development. The term does not include a unit for which payments are made to the landlord under the federal Section 8 Housing Choice Voucher Program.

(k) On an annual basis in a manner prescribed by the department, a housing authority shall provide the Texas Department of Housing and Community Affairs with written notice regarding whether a tenant resident serves as a commissioner of the authority

1 and, if applicable, the name and mailing address of that resident.

2 SECTION 2. Subchapter C, Chapter 392, Local Government  
3 Code, is amended by adding Section 392.0332 to read as follows:

4 Sec. 392.0332. TENANT COMMISSIONER REQUIREMENT FOR SMALL  
5 MUNICIPAL HOUSING AUTHORITIES. (a) In this section, "small  
6 municipal housing authority" means a municipal housing authority  
7 that has fewer than 300 housing units under its jurisdiction. The  
8 term includes an authority with no housing units that administers  
9 only Section 8 housing assistance provided under Section 8, United  
10 States Housing Act of 1937 (42 U.S.C. Section 1437f), as amended.

11 (b) Section 392.0331 applies to a municipality with respect  
12 to a small municipal housing authority unless the municipality,  
13 acting through the housing authority:

14 (1) makes a reasonable effort to recruit eligible  
15 tenants to serve as commissioners of the authority, including  
16 notifying the authority's resident advisory board of the  
17 opportunity for eligible tenants to serve as commissioners of the  
18 authority;

19 (2) does not receive any positive tenant response on  
20 or before the 30th day following the date that notice is provided to  
21 the resident advisory board under Subdivision (1);

22 (3) repeats the requirements of Subdivisions (1) and  
23 (2) at least annually; and

24 (4) provides the Texas Department of Housing and  
25 Community Affairs with the annual notice required by Section  
26 392.0331(k).

27 SECTION 3. Section 392.038, Local Government Code, is

1 amended to read as follows:

2           Sec. 392.038. OTHER OFFICERS AND EMPLOYEES OF A MUNICIPAL  
3 OR COUNTY HOUSING AUTHORITY. (a) A municipal or county housing  
4 authority may employ a secretary, who shall serve as executive  
5 director, and may employ technical experts and other officers,  
6 agents, and employees, permanent or temporary, the authority  
7 considers necessary, except as prohibited in Subsection (b). The  
8 authority shall determine the qualifications, duties, and  
9 compensation of the persons employed.

10           (b) A housing authority may not use any money under the  
11 control of the authority to pay:

12                   (1) lobbying expenses incurred by the authority;

13                   (2) a person that is required to register with the  
14 Texas Ethics Commission under Chapter 305, Government Code;

15                   (3) any partner, employee, employer, relative,  
16 contractor, consultant, or related entity of a person described by  
17 Subdivision (2); or

18                   (4) a person that has been hired to represent  
19 associations or other entities for the purpose of affecting the  
20 outcome of legislation, agency rules, ordinances, or other  
21 government policies.

22           (c) A person who violates Subsection (b) commits an offense.  
23 An offense under this section is a Class A misdemeanor.

24           (d) Section 305.026, Government Code, does not apply to a  
25 housing authority.

26           (e) The restriction imposed by this section is in addition  
27 to the restriction imposed by Section 556.0055, Government Code.

1           SECTION 4. The change in law made by this Act in amending  
2 Section 392.0331, Local Government Code, and in adding Section  
3 392.0332, Local Government Code, does not affect the ability of a  
4 commissioner of a housing authority serving on the effective date  
5 of this Act to continue to serve the remainder of the term to which  
6 the member is appointed before that date. As the terms of  
7 commissioners of the housing authority expire or as a vacancy is  
8 created in a commissioner's position, the presiding officer of the  
9 municipality shall appoint the tenant member or members required by  
10 Section 392.0331, Local Government Code, as amended by this Act.

11           SECTION 5. This Act takes effect September 1, 2003.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 424 was passed by the House on April 30, 2003, by a non-record vote.

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Chief Clerk of the House

I certify that H.B. No. 424 was passed by the Senate on May 28, 2003, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor