S.B. No. 1118 1-1 By: Lucio (In the Senate - Filed February 26, 2019; March 7, 2019, read first time and referred to Committee on Intergovernmental Relations; April 25, 2019, reported adversely, with favorable Committee Substitute by the following vote: Yeas 6, Nays 1; 1-2 1-3 1-4 1-5 1-6 April 25, 2019, sent to printer.) COMMITTEE VOTE 1 - 71-8 Absent PNV Yea Nav 1-9 Lucio Χ 1-10 1-11 Schwertner Alvarado 1-12 Campbell Χ Fallon 1-13 Χ 1-14 Χ Menéndez 1-15 Nichols COMMITTEE SUBSTITUTE FOR S.B. No. 1118 1-16 By: Lucio 1-17 A BILL TO BE ENTITLED 1-18 AN ACT 1-19 relating to programs operated by the Texas Department of Housing 1-20 and Community Affairs to increase access to safe and affordable 1-21 1-22 housing in this state. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 1-23 SECTION 1. Chapter 2306, Government Code, is amended by 1-24 adding Subchapter EE to read as follows: SUBCHAPTER EE. AMY YOUNG BARRIER REMOVAL PROGRAM
2. 2306.6801. DEFINITIONS. In this subchapter:
(1) "Person with a disability" means a person with one 1-25 1-26 1-27 documented physical or mental impairments, or who is 1-28 1-29 regarded as having one or more physical or mental impairments, that 1-30 substantially limit the person's ability to perform major activities. 1-31 1-32 "Program" means the Amy Young Barrier Removal Program established under this subchapter. 1-33 (3) "Program administrator" means an entity certified 1-34 1-35 department to administer services under the program, the including: 1-36 1-37 a local governmental entity; a council of governments; 1-38 (B) 1-39 (C) a nonprofit organization; a local mental health authority; and 1-40 (D) (E) a public housing authority. 2306.6802. ESTABLISHMENT OF PROGRAM. 1-41 1-42 (a) department shall establish the Amy Young Barrier Removal Program to 1-43 1-44 provide grants for modifying the home in which a person with a disability lives to: 1-45 increase the accessibility of the home;
eliminate life-threatening hazards in the home; or 1-46 1-47 1-48 correct unsafe living conditions in the home. 1-49 A grant awarded under the program may not exceed \$20,000 (b) another amount adjusted by the department periodically to 1-50 Οľ 1-51 account for cost increases.
(c) The department may adopt rules as necessary to implement 1-52 1-53 this subchapter. 1-54 Sec. 2306.6803. ELIGIBILITY. (a) A grant recipient must:

(1) be a tenant, homeowner, or other member of a 1-55 1-56 household in which a person with a disability lives; and 1-57 (2) meet the eligibility requirements of this section. To be eligible for a grant under the program, the income

greater of 80 percent of the area median family income or 80 percent

the household for which a grant is sought may not exceed the

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of the statewide income limits, adjusted for household size, as determined annually by the United States Department of Housing and 2 - 12-2 2-3 Urban Development. 2-4

(c) The department may adopt other eligibility requirements

that are considered appropriate by the department.

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Sec. 2306.6804. PROGRAM ADMINISTRATION. (a) The department may certify a program administrator to:

process applications for a grant;

(2) verify eligibility of a grant applicant;

(3) secure construction contractors rehabilitate a home under the program; and to renovate

(4) oversee the renovation or rehabilitation of a home under the program.

The department by rule shall adopt procedures for the (b) certification of a program administrator.

(a) The department shall award Sec. 2306.6805. FUNDING. grants under the program using:

(1) gifts, grants, solicited by or donations department for purposes of this subchapter; and

(2) money in the basestablished under Section 2306.6806. barrier removal grant fund

(b) In a state fiscal year, the department may use not more 10 percent of the revenue available for purposes of this subchapter to increase the ability of program administrators to assist the department in implementing the purposes of this chapter and to increase the number of entities that are able to implement those purposes. The department shall use available revenue under this subsection to provide financial assistance, technical training, and management support for the purposes of this subsection.

Sec. 2306.6806. Th<u>e</u> BARRIER REMOVAL GRANT FUND. department shall establish the barrier removal grant fund in the department. Money in the fund may be used only for the purpose of awarding grants under the program.

(b) Each year, the department shall transfer to the barrier removal grant fund the money remaining in the housing trust fund established under Section 2306.201 after transferring or allocating from that fund money appropriated to the department by the legislature for the purposes of this subchapter and money specifically allocated under Sections 2306.202(a) and 2306.758(d). The amount transferred to the barrier removal grant fund from the housing trust fund under this subsection may not exceed \$3 million.

SECTION 2. Section 2306.753(b), Government Code, is amended to read as follows:

- (b) To be eligible for a loan under this subchapter, an owner-builder:
- may not have an annual income that exceeds 80 [60] (1)percent, as determined by the department, of the greater of the state or local median family income, when combined with the income of any person who resides with the owner-builder;
- (2) must have resided in this state for the preceding six months;
- (3) must have successfully completed an owner-builder education class under Section 2306.756; and

(4)must agree to:

(A) provide through personal labor at least 65 percent of the labor necessary to build or rehabilitate the proposed bу through housing working a state-certified owner-builder housing program;

(B) provide an amount of personal equivalent to the amount required under Paragraph (A) in connection with building or rehabilitating housing for others through a state-certified owner-builder housing program;

(C) provide through the noncontract labor of friends, family, or volunteers and through personal labor at least 65 percent of the labor necessary to build or rehabilitate the housing by working state-certified proposed through а owner-builder housing program; or

if due to documented disability or other (D)

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defined by department rule limiting circumstances as the owner-builder cannot provide the amount of personal labor otherwise required by this subdivision, provide through the noncontract labor of friends, family, or volunteers at least 65 percent of the labor necessary to build or rehabilitate the proposed housing by working through a state-certified owner-builder housing program.

SECTION 3. Section 2306.758(d), Government Code, is amended

to read as follows:

(d) All money received by the department as part of the owner-builder loan program under this subchapter, including any amount received by the department for payment of the principal of or interest on a loan made under this subchapter, shall be deposited in the housing trust fund established under Section 2306.201 to be used to carry out the purposes of this subchapter. If the money to be received by the department for a state fiscal year for payment of the principal of or interest on a loan made under this subchapter is less than  $\frac{1}{54}$  [\$3] million for a state fiscal year, the department shall use any available source of money in the housing trust fund to ensure that not less than \$4\$ [\$3] million is used for the

owner-builder loan program each state fiscal year.

SECTION 4. The Texas Department of Housing and Community
Affairs is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the department may, but is not required to, implement a provision of this Act using other appropriations that are available

for that purpose.

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SECTION 5. As soon as practicable after the effective date of this Act, the Texas Department of Housing and Community Affairs shall adopt rules as necessary to implement Subchapter EE, Chapter 2306, Government Code, as added by this Act.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

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