

- SUBJECT:** Expanding services offered by colonia self-help centers
- COMMITTEE:** Urban Affairs — favorable, without amendment
- VOTE:** 6 ayes — Alvarado, Hunter, R. Anderson, Bernal, Elkins, M. White
0 nays
1 absent — Schaefer
- WITNESSES:** For — James Flores, Webb County Community Action Agency; Bobby Bowling; (*Registered, but did not testify*: Alice Bufkin, Texans Care for Children; Chuck Rice, Texas Land Developers Association; Jennifer Allmon, Texas Catholic Conference of Bishops)

Against — Jeanne Talerico, Texas Association of Local Housing Finance Agencies; Josue Ramirez, Texas Low Income Housing Information Service

On — Oscar Munoz, Texas A&M Colonias Program; (*Registered, but did not testify*: Homero Cabello, Texas Department of Housing and Community Affairs)
- BACKGROUND:** Government Code, sec. 2306.582 requires the Department of Housing and Community Affairs to establish colonia self-help centers in El Paso County, Hidalgo County, Starr County, Webb County, and Cameron County, the latter also serving Willacy County. The department also may establish more self-help centers if a county is designated under the relevant statute as an economically distressed area. Maverick County and Val Verde County have self-help centers under this provision.

Government Code, sec. 2306.586 describes the purpose of colonia self-help centers as providing assistance for housing-related issues and services that self-help centers, with department approval, determine are necessary to assist colonia residents in improving their physical living conditions, including help in obtaining suitable alternative housing outside

of the colonia's area. Specifically, self-help centers must assist low-income individuals and families to finance, refinance, construct, improve, or maintain a safe, suitable home in the colonias' designated area or another area approved by the department.

Self-help centers must set a goal of improving living conditions for residents in the colonia within a two-year period after a contract is awarded by the department. They are not permitted to provide grant, financing, or loan services in a colonia if water service and suitable wastewater disposal are not available.

Self-help centers receive their funding from the U.S. Department of Housing and Urban Development's Texas Community Development Block Grant program.

DIGEST: HB 217 would expand the purpose of colonia self-help centers from assisting on matters specifically related to housing for residents to include other services that would improve living conditions for residents.

In addition to assisting colonia residents in obtaining suitable alternative housing outside colonia areas, the bill would permit self-help centers to also provide services to assist residents in securing employment, establishing or expanding small businesses, or managing personal finances.

The bill would take effect September 1, 2015.

SUPPORTERS SAY: HB 217 would allow colonia self-help centers to provide additional services to colonia residents that could improve their lives. Self-help centers currently are authorized to assist only on housing-related issues. While housing is an essential part of a person's quality of life, it is not the only part. Under this bill, self-help centers would help colonia residents become more financially independent and provide them with vital skills, including finding a job, managing personal finances, or building their own businesses. Other organizations that offer these services are not available in every colonia.

This bill would allow but not require self-help centers to provide these additional services, which would ensure that local control was not eroded. Colonia self-help centers have existed under statute since 1995. Today, some colonia residents need more than just housing development services. This bill would grant the department the authority to help colonia residents expand their economic opportunities.

**OPPONENTS
SAY:**

While the services proposed by the bill would help some residents, HB 217 could divert essential funds from the self-help centers' primary duty and could leave colonia residents without proper housing services. While economic development is important, the self-help centers' primary purpose is to provide housing-related services. No other types of housing assistance are available to the colonias and their residents, and the services this bill would permit already are offered by other organizations.