

BILL ANALYSIS

Senate Research Center
87R9794 JAM-D

S.B. 777
By: Hinojosa
Local Government
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 1995, the 74th Legislature passed S.B. 1509, a legislative directive to establish colonia self-help centers (SHC) to provide concentrated on-site technical assistance to low-income and very low-income individuals and families living in targeted colonias. Operation of the colonia SHCs is carried out through a local nonprofit organization, local community action agency, or local housing authority that has demonstrated the ability to carry out the functions of an SHC.

The Colonia Self Help Center Program serves 28 colonias in seven counties: El Paso, Hidalgo, Starr, Webb, Cameron (also serves Willacy), Maverick, and Val Verde Counties. Key services include housing rehabilitation, new construction, surveying and platting, construction skills training, tool library access for self-help construction, housing finance, credit and debt counseling, grant writing, infrastructure construction and access, contract-for-deed conversions, and capital access for mortgages. These counties have approximately 10,000 colonia residents who qualify to access these services. Colonia SHCs are funded by the United States Department of Housing and Urban Development's Texas Community Development Block Program (CDBG) 2.5 percent colonia set-aside, which is approximately \$1.5 million annually.

According to 2014 Colonia Legislative Report by the Secretary of State, Nueces County had 38 rural communities that are classified as colonias, but according to the South Texas Colonia Initiative there are around 99 more rural areas in Nueces County that qualify for colonia classification. Colonias in Nueces County would greatly benefit from the SHC program.

S.B. 777 would simply require the Texas Department of Housing and Community Affairs to establish a colonia self-help center in Nueces County and appoint at least one new member to the Colonia Resident Advisory Committee to represent Nueces County.

As proposed, S.B. 777 amends current law relating to the establishment by the Texas Department of Housing and Community Affairs of colonia self-help centers in certain counties and to the representation of those counties on the Colonia Resident Advisory Committee.

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 2306.582(a), Government Code, to include Nueces County among the counties in which the Texas Department of Housing and Community Affairs (TDHCA) is required to establish colonia self-help centers. Makes nonsubstantive changes.

SECTION 2. Amends Section 2306.584(a), Government Code, to increase the number of colonias residents serving on the Colonia Resident Advisory Committee from five to six, appointed by the governing board of TDHCA.

SECTION 3. Effective date: September 1, 2021.