HB 1733 Lalor

DIGEST: This bill authorizes local housing authorities to issue tax-exempt revenue bonds to finance home mortgage loans to low and moderate income people. Proceeds from the bonds would go to commercial lenders, who would do the actual lending for the housing authorities.

REASONS FOR VETO: In the past, the placement of low income housing projects by housing authorities has adversely affected neighborhoods. Other bills passed by the Legislature provide for the housing needs of low and moderate income families. This bill would result in a proliferation of bonds on the market, making it more difficult for local governments to sell bonds for traditional purposes.

REACTION: The Governor's dislike of housing authorities because of their placement of low income housing amounts to racism. But his objection to the housing authorities is irrelevant to this bill. The bill doesn't even deal with placement. In fact, it doesn't even deal with the development of new projects, but mainly with financing for the purchase of existing single-family homes.

One of the reasons for favoring the other housing bills over this one was that the programs would be controlled by elected officials. But members of housing authorities are appointed by elected officials just as the administrators of the other programs would be.

The federal government would prefer this bill over the other bills because they like bonds to be issued by agencies with expertise in the housing field.

HB 2142 Delco

DIGEST: This bill raises the maximum student service fee at the University of Texas at Austin to $90 a semester.

REASONS FOR VETO: This bill allows the University of Texas at Austin to charge higher student service fees than other campuses in the University system. HB 1389 has been signed; it requires all campuses to charge no more than $60 a semester student service fees.

REACTION: The University of Texas at Austin provides additional student services that are not necessary at other campuses in the University system. For example, some student service money goes to finance the shuttle bus system.