

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5-30-09

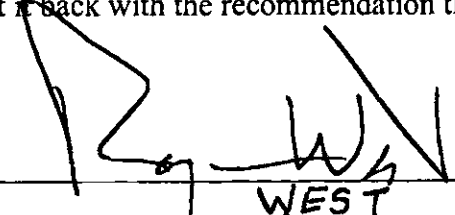
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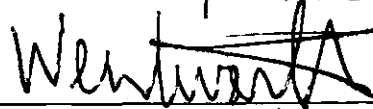
Honorable David Dewhurst
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

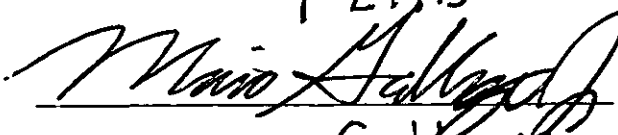
Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 2888 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

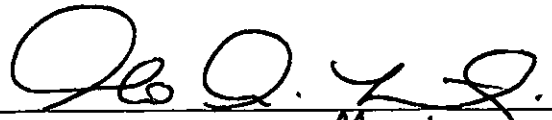

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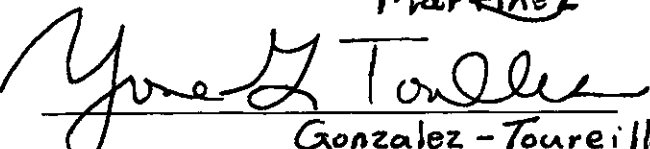

WENTWORTH



ELLIS

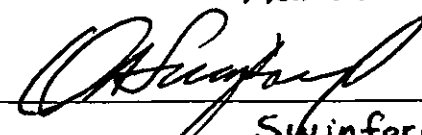

Gallegos

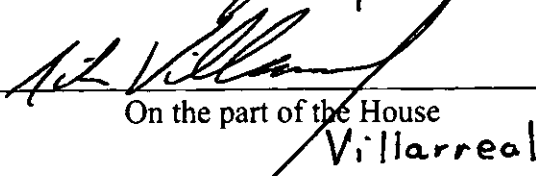
On the part of the Senate


Martinez


Gonzalez-Tourelles


Hardcastle


Swinford


On the part of the House
Villarreal

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

H.B. No. 2888

A BILL TO BE ENTITLED

AN ACT

relating to financial assistance administered by the Texas Department of Housing and Community Affairs.

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

SECTION 1. Chapter 2306, Government Code, is amended by adding Subchapter NN to read as follows:

SUBCHAPTER NN. VOLUNTEER INCOME TAX ASSISTANCE (VITA) GRANT PROGRAM

Sec. 2306.1091. DEFINITION. In this subchapter, "volunteer income tax assistance program" means a program operated through a collaboration of the Internal Revenue Service and another entity under which taxpayers eligible for the Free File program receive free assistance in preparing federal income tax returns.

Sec. 2306.1092. ESTABLISHMENT OF VOLUNTEER INCOME TAX ASSISTANCE (VITA) GRANT PROGRAM. The department shall establish a volunteer income tax assistance grant program through which the department will award grants each year to support the implementation and operation of volunteer income tax assistance programs.

Sec. 2306.1093. ADMINISTRATION OF GRANT PROGRAM. In the year preceding the federal income tax filing season in which grant recipients will operate volunteer income tax assistance programs, the department shall issue a request for proposals to participate in the grant program, select and notify grant recipients, and, on or

1 before November 1, distribute grant program money.

2 Sec. 2306.1094. ELIGIBILITY. To be eligible for a grant, an
3 applicant must be located in this state and be:

4 (1) a nonprofit educational institution, a nonprofit
5 faith-based or community-based organization, or any other
6 nonprofit organization;

7 (2) a political subdivision of this state, including a
8 county or municipality; or

9 (3) a regional or local coalition that has at least one
10 lead organization that meets the criteria specified by Subdivision
11 (1) or (2).

12 Sec. 2306.1095. PERFORMANCE AGREEMENT AND REPORT. Each
13 grant recipient shall enter into an agreement with the department
14 with respect to the use of the grant program money and submit a
15 performance report to the department.

16 Sec. 2306.1096. GRANT PROGRAM FUNDING. (a) To the extent
17 authorized by federal law and subject to the availability of money
18 for this purpose, the department may distribute as grants
19 authorized by this subchapter not more than 0.25 percent of the
20 money received by this state during each state fiscal biennium
21 under the federal Temporary Assistance for Needy Families block
22 grant.

23 (b) The comptroller may transfer money received under the
24 federal Temporary Assistance for Needy Families block grant from
25 the Health and Human Services Commission and the Texas Workforce
26 Commission to the department as necessary to implement this
27 section.

1 (c) In addition to money described by Subsection (a), the
2 department may distribute as grants authorized by this subchapter
3 money received under the community services block grant program and
4 other money that is appropriated for that purpose or designated by
5 the department and otherwise available for that purpose.

6 Sec. 2306.1097. RULES. The board shall adopt rules as
7 necessary to implement this subchapter, including rules providing
8 for a grant application process and for appropriate restrictions on
9 how the grant program money may be used.

10 SECTION 2. Section 2306.111, Government Code, is amended by
11 adding Subsection (k) to read as follows:

12 (k) The department by rule shall:

13 (1) adopt policies to ensure that each housing
14 development that receives financial assistance administered by the
15 department, including financial assistance from the proceeds of
16 bonds issued by the department:

17 (A) reserves a certain number of units in the
18 development for individuals and families of very low income, to the
19 extent that the reservation does not conflict with any requirements
20 for the development under 26 U.S.C. Section 42; and

21 (B) except as otherwise permitted by law, accepts
22 as tenants individuals and families receiving rental assistance
23 under Section 8, United States Housing Act of 1937 (42 U.S.C.
24 Section 1437f), or some other form of rental assistance from a
25 political subdivision of this state or from the state or federal
26 government; and

27 (2) establish enforcement mechanisms with respect to

1 those housing developments that refuse to admit individuals and
2 families as described by Subdivision (1)(B).

3 SECTION 3. If before implementing any provision of this Act
4 a state agency determines that a waiver or authorization from a
5 federal agency is necessary for implementation of that provision,
6 the agency affected by the provision shall request the waiver or
7 authorization and may delay implementing that provision until the
8 waiver or authorization is granted.

9 SECTION 4. (a) The change in law made by this Act in adding
10 Section 2306.111(k), Government Code, applies only to an
11 application for financial assistance that is submitted by a housing
12 development to the Texas Department of Housing and Community
13 Affairs on or after January 1, 2010. An application for financial
14 assistance that is submitted by a housing development to the
15 department before January 1, 2010, is governed by the law in effect
16 when the application was submitted, and the former law is continued
17 in effect for that purpose.

18 (b) Not later than December 1, 2009, the Texas Department of
19 Housing and Community Affairs shall adopt the rules required by
20 Section 2306.111(k), Government Code, as added by this Act.

21 SECTION 5. This Act takes effect September 1, 2009.

House Bill 2888
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

No equivalent provision.

SENATE VERSION

SECTION 1. Chapter 2306, Government Code, is amended by adding Subchapter NN to read as follows:
SUBCHAPTER NN. VOLUNTEER INCOME TAX ASSISTANCE (VITA) GRANT PROGRAM
Sec. 2306.1091. DEFINITION. In this subchapter, "volunteer income tax assistance program" means a program operated through a collaboration of the Internal Revenue Service and another entity under which taxpayers eligible for the Free File program receive free assistance in preparing federal income tax returns.
Sec. 2306.1092. ESTABLISHMENT OF VOLUNTEER INCOME TAX ASSISTANCE (VITA) GRANT PROGRAM. The department shall establish a volunteer income tax assistance grant program through which the department will award grants each year to support the implementation and operation of volunteer income tax assistance programs.
Sec. 2306.1093. ADMINISTRATION OF GRANT PROGRAM. In the year preceding the federal income tax filing season in which grant recipients will operate volunteer income tax assistance programs, the department shall issue a request for proposals to participate in the grant program, select and notify grant recipients, and, on or before November 1, distribute grant program money.
Sec. 2306.1094. ELIGIBILITY. To be eligible for a grant, an applicant must be located in this state and be:
(1) a nonprofit educational institution, a nonprofit faith-based or community-based organization, or any other

CONFERENCE

SECTION 1. Same as Senate version except as follows:

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nonprofit organization;

(2) a political subdivision of this state, including a county or municipality; or

(3) a regional or local coalition that has at least one lead organization that meets the criteria specified by Subdivision (1) or (2).

Sec. 2306.1095. PERFORMANCE AGREEMENT AND REPORT. Each grant recipient shall enter into an agreement with the department with respect to the use of the grant program money and submit a performance report to the department.

Sec. 2306.1096. GRANT PROGRAM FUNDING. (a) To the extent authorized by federal law and subject to appropriation for this purpose, the department shall distribute as grants authorized by this subchapter at least 0.25 percent of the funds received by this state during each state fiscal biennium under the federal Temporary Assistance for Needy Families block grant.

(b) The comptroller shall transfer funds received under the federal Temporary Assistance for Needy Families block grant from the Health and Human Services Commission to the department as necessary to implement this section.

(c) In addition to funds described by Subsection (a), the department shall distribute as grants authorized by this subchapter other money that is appropriated for that purpose or designated by the department and otherwise available for that purpose.

Sec. 2306.1097. RULES. The board shall adopt rules as

Sec. 2306.1096. GRANT PROGRAM FUNDING. (a) To the extent authorized by federal law and subject to the availability of money for this purpose, the department may distribute as grants authorized by this subchapter not more than 0.25 percent of the money received by this state during each state fiscal biennium under the federal Temporary Assistance for Needy Families block grant.

(b) The comptroller may transfer money received under the federal Temporary Assistance for Needy Families block grant from the Health and Human Services Commission and the Texas Workforce Commission to the department as necessary to implement this section.

(c) In addition to money described by Subsection (a), the department may distribute as grants authorized by this subchapter money received under the community services block grant program and other money that is appropriated for that purpose or designated by the department and otherwise available for that purpose.

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necessary to implement this subchapter, including rules providing for a grant application process and for appropriate restrictions on how the grant program money may be used.

SECTION 1. Section 2306.111, Government Code, is amended by adding Subsection (k) to read as follows:

(k) The department by rule shall:

(1) adopt policies to ensure that each housing development that receives financial assistance administered by the department, including financial assistance from the proceeds of bonds issued by the department;

(A) reserves a certain number of units in the development for individuals and families of very low income, to the extent that the reservation does not conflict with any requirements for the development under 26 U.S.C. Section 42; and

(B) except as otherwise permitted by law, accepts as tenants individuals and families receiving rental assistance under Section 8, United States Housing Act of 1937 (42 U.S.C. Section 1437f), or some other form of rental assistance from a political subdivision of this state or from the state or federal government; and

(2) establish enforcement mechanisms with respect to those housing developments that refuse to admit individuals and families as described by Subdivision

(1)(B).

SECTION 2. Same as House version.

SECTION 2. Same as House version.

House Bill 2888
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

No equivalent provision.

SECTION 2. (a) The change in law made by this Act in adding Section 2306.111(k), Government Code, applies only to an application for financial assistance that is submitted by a housing development to the Texas Department of Housing and Community Affairs on or after January 1, 2010. An application for financial assistance that is submitted by a housing development to the department before January 1, 2010, is governed by the law in effect when the application was submitted, and the former law is continued in effect for that purpose.

(b) Not later than December 1, 2009, the Texas Department of Housing and Community Affairs shall adopt the rules required by Section 2306.111(k), Government Code, as added by this Act.

SECTION 3. This Act takes effect September 1, 2009.

SENATE VERSION

SECTION 3. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 4. Same as House version.

SECTION 5. Same as House version.

CONFERENCE

SECTION 3. Same as Senate version.

SECTION 4. Same as House version.

SECTION 5. Same as House version.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 30, 2009

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2888 by Martinez, "Mando" (Relating to financial assistance administered by the Texas Department of Housing and Community Affairs.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2888, Conference Committee Report: an impact of \$0 through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>Federal Funds</i> 555	Change in Number of State Employees from FY 2009
2010	(\$1,347,411)	1.0
2011	(\$1,215,642)	1.0
2012	(\$1,215,642)	1.0
2013	(\$1,215,642)	1.0
2014	(\$1,215,642)	1.0

Fiscal Analysis

The bill would amend the Government Code relating to financial assistance administered by the Texas Department of Housing and Community Affairs (TDHCA).

The bill would establish the Volunteer Income Tax Assistance (VITA) Grant Program, to be administered by the TDHCA. TDHCA would be allowed to award grants to eligible organizations implementing VITA programs under the guidelines of the bill. Subject to the availability of money, legislative appropriation and to the extent authorized by federal law, TDHCA would distribute for VITA program grants no more than 0.25 percent of the funds received by the state during each biennium under the federal Temporary Assistance for Needy Families (TANF) block grant. The Comptroller of Public Accounts would be authorized to transfer funds received under the TANF block

grant from the Health and Human Services Commission (HHSC) and the Texas Workforce Commission (TWC) to TDHCA to implement this program. In addition, the bill would authorize the department to distribute as grants for the same purpose funds received under the Community Services Block Grant (CSBG) program and other money either appropriated for the purposes of the VITA program or designated by TDHCA and otherwise available for that purpose.

The bill would require TDHCA to seek a waiver from the appropriate federal agency if that would be necessary to implement the provisions of the bill with either TANF or CSBG funds. The bill would also allow TDHCA to delay implementing the provisions of the bill until such a waiver is authorized or granted.

This bill would take effect September 1, 2009.

Methodology

According to the analysis provided by TDHCA and information received from HHSC, currently the federal TANF block grant to the state is \$486,256,752. TDHCA estimates the total TANF funds available in fiscal year 2010 will be \$1,347,411, and in fiscal year 2011 through fiscal year 2014 a total of \$1,215,642 per year would be available for the program.

Based on information provided by TDHCA, it is assumed that implementation of the program would require the addition of one planner/contract specialist (1 FTE) who would be responsible for the preparation and release of the Notice of Funding Availability related to the VITA Program and with processing contracts, reviewing reports, and processing reimbursements related to the program. This analysis also assumes travel costs related to training and monitoring program subrecipients. Total staff related costs = Personnel \$47,267 + Travel \$4,250 + a Computer \$1,500 + Other Costs \$1000 = \$54,017 in Federal Funds.

To the extent that HHSC program caseloads that utilize TANF funding end up being less than current estimates, the agency may have TANF funding available. If a transfer occurs, and HHSC encounters a shortfall, it is assumed that HHSC may request use of unappropriated available balances of TANF through Article IX of the General Appropriations Act. If no TANF reserves are available, then the agency may seek to transfer General Revenue Funds to cover its needs.

For the purpose of this analysis, it is assumed that TDHCA would identify and utilize any CSBG funds appropriated to TDHCA that are determined by the agency to be eligible under federal law and available for the purpose of implementing the provisions of the bill.

Technology

The agency estimates an additional computer at a cost of \$1,500 would be needed for the new planner/contract specialist.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 332 Department of Housing and Community Affairs, 529 Health and Human Services Commission

LBB Staff: JOB, SZ, DB, MW, NV, ER, LI