

January 26, 1998

BILL ANALYSIS

TO: Members, Committee on Trade and Economic Development

FROM: Kenny Pittman, Research Analyst (786-7392)

RE: HB 2459 - Regulating public housing authorities in large jurisdictions.

BACKGROUND:

The state's Housing Authorities Law, enacted in 1939, authorized counties and cities to establish a local public housing authority. The purpose of a public housing authority is to provide safe and sanitary housing for persons of low-income. This is accomplished through the administration of various federal, state, or local housing programs.

Public housing authorities are governed by a five member commission. The commissioners are appointed by the mayor of a city or the governing body of the county establishing the housing authority. Commissioners generally serve five year terms. They do not receive a salary, but are compensated for travel and other expenses they incur.

Commissioners and employees are prohibited from having any direct or indirect interest in any housing project, property, contract for materials or services to be furnished to the public housing authority. Commissioners and employees are required to disclose, in writing, if they have an interest in any property used or planning to be used for a housing project. The commissioner or employee cannot participate in any action by the public housing authority regarding the property. Failure to disclose an interest is considered misconduct in office.

SUMMARY:

The state's Housing Authority Law is revised regarding the appointment of commissioners in cities with a population of 400,000 or more and conflict of interest provisions that govern commissioners and employees.

The required number of commissioners on a public housing authority board is expanded from five to seven in a city with a population of 400,000 or more. The seven member commission must consist of at least: (1) One representative of labor; (2) One representative of senior citizens; (3) One representative of low-income housing organizations; (4) One tenant representative that resides in a housing project operated by the public housing authority; and (5) Three representatives at large.

The mayor must appoint the commissioners representing labor, senior citizens, low-income housing organizations, and tenants from a list submitted by organizations that represent these groups. The term of the public housing authority commissioners is reduced from five to three years. A commissioner may be reappointed only after a public hearing of the city council with public input.

The conflict of interest provisions for public housing authority commissioners and employees is expanded to include any appointee to a decision-making body of the public housing authority.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.