

By: Walle, Campos, Morales Shaw

H.B. No. 1931

Substitute the following for H.B. No. 1931:

By: Bernal

C.S.H.B. No. 1931

A BILL TO BE ENTITLED

1 AN ACT

2 relating to requirements for beneficial tax treatment related to a  
3 leasehold or other possessory interest in a public facility used to  
4 provide multifamily housing.

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

6 SECTION 1. Section 303.042(f), Local Government Code, is  
7 amended to read as follows:

8 (f) Notwithstanding Subsections (a) and (b), during the  
9 period of time that a corporation owns a particular public  
10 facility, a leasehold or other possessory interest in the real  
11 property of the public facility granted by the corporation shall  
12 be treated in the same manner as a leasehold or other possessory  
13 interest in real property granted by an authority under Section  
14 379B.011(b) if the requirements under Section 303.0425 are met.

15 SECTION 2. Subchapter B, Chapter 303, Local Government  
16 Code, is amended by adding Section 303.0425 to read as follows:

17 Sec. 303.0425. REQUIREMENTS FOR BENEFICIAL TAX TREATMENT  
18 RELATING TO CERTAIN PUBLIC FACILITIES. (a) In this section:

19 (1) "Developer" means a private entity that constructs  
20 or rehabilitates a development.

21 (2) "Housing choice voucher program" means the housing  
22 choice voucher program under Section 8, United States Housing Act  
23 of 1937 (42 U.S.C. Section 1437f).

24 (3) "Housing development" means a development

1 constructed or rehabilitated to provide multifamily housing.

2 (4) "Public facility user" means a developer or other  
3 private entity that has a leasehold or other possessory interest in  
4 a public facility used to provide multifamily housing.

5 (b) Section 303.042(f) applies to a leasehold or other  
6 possessory interest in a public facility only if the public  
7 facility user meets the requirements of this section. The  
8 requirements prescribed by this section apply only to the  
9 application of taxes related to a leasehold or other possessory  
10 interest in a public facility under Section 303.042(f) and do not  
11 restrict the authority of a corporation to lease a public facility  
12 to a private entity under terms other than the terms described by  
13 this section.

14 (c) A public facility user may not:

15 (1) refuse to rent a residential unit in a housing  
16 development to an individual or family because the individual or  
17 family participates in the housing choice voucher program; or

18 (2) use a financial or minimum income standard that  
19 requires an individual or family participating in the housing  
20 choice voucher program to have a monthly income of more than 250  
21 percent of the individual's or family's share of the total monthly  
22 rent payable for a residential unit.

23 SECTION 3. Section 303.0425, Local Government Code, as  
24 added by this Act, applies only to a leasehold or other possessory  
25 interest in a public facility granted by a public facility  
26 corporation to a public facility user, as defined by that section,  
27 on or after the effective date of this Act.

1 SECTION 4. This Act takes effect September 1, 2021.