

By: Bettencourt

S.B. No. 591

A BILL TO BE ENTITLED

AN ACT

1
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 affordable housing.

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

6 SECTION 1. Section 303.042, Local Government Code, is
7 amended by amending Subsection (d) and adding Subsection (d-1) to
8 read as follows:

9 (d) An exemption under this section for a multifamily
10 residential development which is owned by a public facility
11 corporation created by a housing authority under this chapter and
12 which does not have at least 20 percent of its units reserved for
13 public housing units, applies only if:

14 (1) the housing authority holds a public hearing, at a
15 regular meeting of the authority's governing body, to approve the
16 development; ~~and~~

17 (2) a resolution approving the development is adopted
18 by the governing body of each governmental unit authorized by law to
19 impose taxes on the property containing the development; and

20 (3) at least:

21 (A) 50 percent of the units in the multifamily
22 residential development are reserved for occupancy by individuals
23 and families earning less than 80 percent of the area median family
24 income;

1 (B) 12.5 percent of the units in the multifamily
2 residential development are reserved for occupancy by individuals
3 and families earning less than 60 percent of the area median family
4 income; and

5 (C) 12.5 percent of the units in the multifamily
6 residential development are reserved for occupancy by individuals
7 and families earning less than 30 percent of the area median family
8 income.

9 (d-1) The operator of a multifamily residential development
10 described by Subjection (d) may not base any refusal to rent a unit
11 to an individual or family on the individual's or family's
12 participation in the federal Section 8 Housing Choice Voucher
13 Program.

14 SECTION 2. The change in law made by Section 303.042(d),
15 Local Government Code, as amended by this Act, applies only to a
16 multifamily residential development that is approved by a housing
17 authority on or after the effective date of this Act. A multifamily
18 residential development that is approved by a housing authority
19 before the effective date of this Act is governed by the law in
20 effect on the date the development was approved, and the former law
21 is continued in effect for that purpose.

22 SECTION 3. This Act takes effect September 1, 2021.