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H.B. No. 2856

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the requirements for applications for low income
3 housing tax credits for developments financed through the private
4 activity bond program.

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

6 SECTION 1. The heading to Section 2306.67071, Government
7 Code, is amended to read as follows:

8 Sec. 2306.67071. ADDITIONAL APPLICATION REQUIREMENT:
9 DEVELOPMENTS FINANCED THROUGH PRIVATE ACTIVITY BOND PROGRAM
10 [~~NOTICE, HEARING, AND RESOLUTION BY CERTAIN GOVERNING BODIES~~].

11 SECTION 2. Section 2306.67071, Government Code, is amended
12 by amending Subsections (a) and (d) and adding Subsection (c-1) to
13 read as follows:

14 (a) Before submitting to the department an application for
15 housing tax credits for developments financed through the private
16 activity bond program, including private activity bonds issued by
17 the department, the Texas State Affordable Housing Corporation, or
18 a local issuer, an applicant must provide notice of the intent to
19 file the application:

20 (1) to the state representative who represents the
21 district containing the proposed development site; and

22 (2) to:

23 (A) [~~(1)~~] the governing body of a municipality in
24 which the proposed development site is to be located;

1 (B) [~~(2)~~] subject to Paragraph (C) [~~Subdivision~~
2 ~~(3)~~], the commissioners court of a county in which the proposed
3 development site is to be located, if the proposed site is to be
4 located in an area of a county that is not part of a municipality; or

5 (C) [~~(3)~~] the commissioners court of a county in
6 which the proposed development site is to be located and the
7 governing body of the applicable municipality, if the proposed site
8 is to be located in the extraterritorial jurisdiction of a
9 municipality.

10 (c-1) Regardless of whether the applicant has complied with
11 Subsection (c), the board may not approve an application for
12 housing tax credits for a development financed through the private
13 activity bond program if the state representative who represents
14 the district containing the proposed development site submits to
15 the department a letter opposing the development.

16 (d) The department by rule may provide for the time and
17 manner of the submission to the department of a resolution required
18 by Subsection (c) or a letter described by Subsection (c-1).

19 SECTION 3. The change in law made by this Act applies only
20 to an application for low income housing tax credits that is
21 submitted to the Texas Department of Housing and Community Affairs
22 during an application cycle that is based on the 2024 qualified
23 allocation plan or a subsequent plan adopted by the governing board
24 of the department. An application that is submitted during an
25 application cycle that is based on an earlier qualified allocation
26 plan is governed by the law in effect on the date the application
27 cycle began, and the former law is continued in effect for that

1 purpose.

2 SECTION 4. This Act takes effect September 1, 2023.