

1-1 By: West S.B. No. 1002  
1-2 (In the Senate - Filed March 7, 2003; March 13, 2003, read  
1-3 first time and referred to Committee on Intergovernmental  
1-4 Relations; April 29, 2003, reported favorably, as amended, by the  
1-5 following vote: Yeas 4, Nays 1; April 29, 2003, sent to printer.)

1-6 COMMITTEE AMENDMENT NO. 1 By: Gallegos

1-7 Amend S.B. No. 1002 by striking "regardless of whether the  
1-8 developments serve families, elderly individuals, or another type  
1-9 of household" from SECTION 1, Section 2306.6703, Government Code,  
1-10 page 1, lines 44 and 45.

1-11 A BILL TO BE ENTITLED  
1-12 AN ACT

1-13 relating to the low income housing tax credit program.

1-14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-15 SECTION 1. Section 2306.6703, Government Code, is amended  
1-16 to read as follows:

1-17 Sec. 2306.6703. INELIGIBILITY FOR CONSIDERATION. (a) An  
1-18 application is ineligible for consideration under the low income  
1-19 housing tax credit program if:

1-20 (1) at the time of application or at any time during  
1-21 the two-year period preceding the date the application round  
1-22 begins, the applicant or a related party is or has been:

1-23 (A) a member of the board; or

1-24 (B) the director, a deputy director, the director  
1-25 of housing programs, the director of compliance, the director of  
1-26 underwriting, or the low income housing tax credit program manager  
1-27 employed by the department; ~~or~~

1-28 (2) the applicant proposes to replace in less than 15  
1-29 years any private activity bond financing of the development  
1-30 described by the application, unless:

1-31 (A) the applicant proposes to maintain for a  
1-32 period of 30 years or more 100 percent of the development units  
1-33 supported by ~~low income~~ housing tax credits as rent-restricted  
1-34 and exclusively for occupancy by individuals and families earning  
1-35 not more than 50 percent of the area median income, adjusted for  
1-36 family size; and

1-37 (B) at least one-third of all the units in the  
1-38 development are public housing units or Section 8 project-based  
1-39 units; or

1-40 (3) the applicant proposes to construct a new  
1-41 development that is located one linear mile or less from a  
1-42 development that:

1-43 (A) serves the same type of household as the new  
1-44 development, regardless of whether the developments serve  
1-45 families, elderly individuals, or another type of household;

1-46 (B) has received an allocation of housing tax  
1-47 credits for new construction at any time during the three-year  
1-48 period preceding the date the application round begins; and

1-49 (C) has not been withdrawn or terminated from the  
1-50 low income housing tax credit program.

1-51 (b) Subsection (a)(3) does not apply to a development:

1-52 (1) that is using:

1-53 (A) federal HOPE VI funds received through the  
1-54 United States Department of Housing and Urban Development; or

1-55 (B) locally approved funds received from a public  
1-56 improvement district or a tax increment financing district; or

1-57 (2) that is located outside of a metropolitan  
1-58 statistical area.

1-59 SECTION 2. Section 2306.6711, Government Code, is amended  
1-60 by adding Subsection (f) to read as follows:

1-61 (f) The board may allocate housing tax credits to more than  
1-62 one development in a single community, as defined by department

2-1 rule, in the same calendar year only if the developments are or will  
2-2 be located more than one linear mile apart.

2-3 SECTION 3. Subsection (b), Section 2306.6725, Government  
2-4 Code, is amended to read as follows:

2-5 (b) The department shall provide appropriate incentives as  
2-6 determined through the qualified allocation plan to reward  
2-7 applicants who agree to:

2-8 (1) equip the property that is the basis of the  
2-9 application with energy saving devices that meet the standards  
2-10 established by the state energy conservation office or to provide  
2-11 to a qualified nonprofit organization or tenant organization a  
2-12 right of first refusal to purchase the property at the minimum price  
2-13 provided in, and in accordance with the requirements of, Section  
2-14 42(i)(7), Internal Revenue Code of 1986 (26 U.S.C. Section  
2-15 42(i)(7)); and

2-16 (2) locate the development in a census tract in which  
2-17 there are no other existing developments supported by housing tax  
2-18 credits.

2-19 SECTION 4. The change in law made by this Act applies only  
2-20 to a development for which an application for a low income housing  
2-21 tax credit is submitted on or after the effective date of this Act.  
2-22 A development for which an application for a low income housing tax  
2-23 credit was submitted before the effective date of this Act is  
2-24 governed by the law in effect on the date the application was  
2-25 submitted, and the former law is continued in effect for that  
2-26 purpose.

2-27 SECTION 5. This Act takes effect September 1, 2003.

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