

By: Leibowitz

H.B. No. 1389

Substitute the following for H.B. No. 1389:

By: Elkins

C.S.H.B. No. 1389

A BILL TO BE ENTITLED

AN ACT

relating to the provision of free notary public service by applicants for an allocation of low income housing tax credits.

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

SECTION 1. Section 2306.6710(b), Government Code, is amended to read as follows:

(b) If an application satisfies the threshold criteria, the department shall score and rank the application using a point system that:

(1) prioritizes in descending order criteria regarding:

(A) financial feasibility of the development based on the supporting financial data required in the application that will include a project underwriting pro forma from the permanent or construction lender;

(B) quantifiable community participation with respect to the development, evaluated on the basis of written statements from any neighborhood organizations on record with the state or county in which the development is to be located and whose boundaries contain the proposed development site;

(C) the income levels of tenants of the development;

(D) the size and quality of the units;

(E) the commitment of development funding by

1 local political subdivisions;

2 (F) the level of community support for the
3 application, evaluated on the basis of written statements from
4 state elected officials;

5 (G) the rent levels of the units;

6 (H) the cost of the development by square foot;
7 and

8 (I) the services to be provided to tenants of the
9 development; ~~and~~

10 (2) uses criteria imposing penalties on applicants or
11 affiliates who have requested extensions of department deadlines
12 relating to developments supported by housing tax credit
13 allocations made in the application round preceding the current
14 round or a developer or principal of the applicant that has been
15 removed by the lender, equity provider, or limited partners for its
16 failure to perform its obligations under the loan documents or
17 limited partnership agreement; and

18 (3) encourages applicants to provide free notary
19 public service to the residents of the developments for which the
20 allocation of housing tax credits is requested.

21 SECTION 2. The changes in law made by this Act relating to
22 the evaluation of applications for financial assistance
23 administered by the Texas Department of Housing and Community
24 Affairs apply only to an application submitted on or after the
25 effective date of this Act. An application submitted before the
26 effective date of this Act is governed by the law in effect when the
27 application was submitted, and the former law is continued in

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1 effect for that purpose.

2 SECTION 3. This Act takes effect September 1, 2005.