

By: Chisum

H.B. No. 2882

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the functions and continuation of the state's urban and  
3 rural housing and community affairs programs; the Texas Department  
4 of Housing and Community Affairs; the Texas State Affordable  
5 Housing Corporation; and the Office of Rural Community Affairs.

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

7 SECTION 1. Section 2306.022, Government Code, is amended to  
8 read as follows:

9 Sec. 2306.022. APPLICATION OF SUNSET ACT. The Texas  
10 Department of Housing and Community Affairs is subject to Chapter  
11 325 (Texas Sunset Act). Unless continued in existence as provided  
12 by that chapter, the department is abolished and this chapter  
13 expires September 1, 2009 [~~2011~~].

14 SECTION 2. Section 2306.032(b), Government Code, is amended  
15 to read as follows:

16 (b) The board shall keep complete minutes of board meetings.  
17 The accounts, minutes, and other records shall be maintained by the  
18 department. The board shall post the transcripts of its meetings on  
19 the department's website.

20 SECTION 3. Section 487.002, Government Code, is amended to  
21 read as follows:

22 Sec. 487.002. SUNSET PROVISION. The [~~Office~~] Texas  
23 Department of Rural Community Affairs is subject to Chapter 325  
24 (Texas Sunset Act). Unless continued in existence as provided by

1 that chapter, the office is abolished and this chapter expires  
2 September 1, 2007.

3 SECTION 4. Section 2306.1114(a), Government Code, is  
4 amended to read as follows:

5 (a) Not later than the 30th [~~14th~~] day after the date an  
6 application or a proposed application for housing funds described  
7 by Section 2306.111 has been filed, the department shall provide  
8 written notice of the filing of the application or proposed  
9 application to the following persons:

10 (1) the United States representative who represents  
11 the community containing the development described in the  
12 application;

13 (2) members of the legislature who represent the  
14 community containing the development described in the application;

15 (3) the presiding officer of the governing body of the  
16 political subdivision containing the development described in the  
17 application;

18 (4) any member of the governing body of a political  
19 subdivision who represents the area containing the development  
20 described in the application;

21 (5) the superintendent and the presiding officer of  
22 the board of trustees of the school district containing the  
23 development described in the application; and

24 (6) any neighborhood organizations on record with the  
25 state or county in which the development described in the  
26 application is to be located and whose boundaries contain the  
27 proposed development site.

1           SECTION 5. Section 2306.6703(a), as amended by Chapters 330  
2 and 1106, Acts of the 78th Legislature, Regular Session, 2003, is  
3 reenacted and amended to read as follows:

4           (a) An application is ineligible for consideration under  
5 the low income housing tax credit program if:

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

9                         (A) a member of the board; or

10                        (B) the director, a deputy director, the director  
11 of housing programs, the director of compliance, the director of  
12 underwriting, or the low income housing tax credit program manager  
13 employed by the department;

14                 (2) the applicant proposes to replace in less than 15  
15 years any private activity bond financing of the development  
16 described by the application, unless:

17                         (A) the applicant proposes to maintain for a  
18 period of 30 years or more 100 percent of the development units  
19 supported by housing tax credits as rent-restricted and exclusively  
20 for occupancy by individuals and families earning not more than 50  
21 percent of the area median income, adjusted for family size; and

22                         (B) at least one-third of all the units in the  
23 development are public housing units or Section 8 project-based  
24 units; ~~[or]~~

25                 (3) the applicant proposes to construct a new  
26 development that is located two ~~[one]~~ linear miles ~~[mile]~~ or less  
27 from a development that:

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

4 (B) has received an allocation of housing tax  
5 credits for new construction at any time during the two-year  
6 [~~three-year~~] period preceding the date the application round  
7 begins; and

8 (C) has not been withdrawn or terminated from the  
9 low income housing tax credit program; or

10 (4) the development is located in a municipality or,  
11 if located outside a municipality, a county that has more than twice  
12 the state average of units per capita supported by housing tax  
13 credits or private activity bonds, unless the applicant:

14 (A) has obtained prior approval of the  
15 development from the governing body of the appropriate municipality  
16 or county containing the development; and

17 (B) has included in the application a written  
18 statement of support from that governing body referencing this  
19 section and authorizing an allocation of housing tax credits for  
20 the development.

21 SECTION 6. Section 2306.6714(a), Government Code, is  
22 amended to read as follows:

23 (a) The department shall set aside for at-risk developments  
24 not less than 20 [~~15~~] percent of the housing tax credits available  
25 for allocation in the calendar year.

26 SECTION 7. Section 2306.251, Government Code, is repealed.

27 SECTION 8. Subchapter Y, Section 2306.551 through Section

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1 2306.569, as added by Chapter 76, Acts of the 74th Legislature,  
2 Regular Session, 1995, is repealed.

3 SECTION 9. This Act takes effect September 1, 2005.