

By: Lucio

S.B. No. 865

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the functions of the Texas Department of Housing and
3 Community Affairs.

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

5 SECTION 1. Section 2306.022, Government Code, is amended to
6 read as follows:

7 Sec. 2306.022. APPLICATION OF SUNSET ACT. The Texas
8 Department of Housing and Community Affairs is subject to Chapter
9 325 (Texas Sunset Act). Unless continued in existence as provided
10 by that chapter, the department is abolished and this chapter
11 expires September 1, 2013 [~~2011~~].

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

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

18 SECTION 3. Section 2306.111(b), Government Code, is amended
19 to read as follows:

20 (b) The housing finance division shall adopt a goal to apply
21 an aggregate minimum of 30 [~~25~~] percent of the division's total
22 housing funds toward housing assistance for individuals and
23 families of extremely low and very low income.

24 SECTION 4. Section 2306.1114(a), Government Code, is

1 amended to read as follows:

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

7 (1) the United States representative who represents
8 the community containing the development described in the
9 application;

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

12 (3) the presiding officer of the governing body of the
13 political subdivision containing the development described in the
14 application;

15 (4) any member of the governing body of a political
16 subdivision who represents the area containing the development
17 described in the application;

18 (5) the superintendent and the presiding officer of
19 the board of trustees of the school district containing the
20 development described in the application; and

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

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

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

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

6 (A) a member of the board; or

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

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

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

19 (B) at least one-third of all the units in the
20 development are public housing units or Section 8 project-based
21 units; ~~or~~

22 (3) the applicant proposes to construct a new
23 development that is located two ~~one~~ linear miles ~~mile~~ or less
24 from a development that:

25 (A) serves the same type of household as the new
26 development, regardless of whether the developments serve
27 families, elderly individuals, or another type of household;

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

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

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

11 (A) has obtained prior approval of the
12 development from the governing body of the appropriate municipality
13 or county containing the development; and

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

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

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

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

24 SECTION 8. This Act takes effect September 1, 2005.