

By: Menendez

H.B. No. 2063

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the regional allocation formula used by the Texas  
3 Department of Housing and Community Affairs to allocate certain  
4 housing funds.

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

6 SECTION 1. Sections 2306.111(d) and (e), Government Code,  
7 are amended to read as follows:

8 (d) The department shall allocate housing funds provided to  
9 the state under the Cranston-Gonzalez National Affordable Housing  
10 Act (42 U.S.C. Section 12701 et seq.), housing trust funds  
11 administered by the department under Sections 2306.201-2306.206,  
12 and commitments issued under the federal low income housing tax  
13 credit program administered by the department under Subchapter DD  
14 to all urban/exurban areas and rural areas of each uniform state  
15 service region based on a formula developed by the department under  
16 Section 2306.1115 [~~that is based on the need for housing assistance~~  
17 ~~and the availability of housing resources in those urban/exurban~~  
18 ~~areas and rural areas, provided that the allocations are consistent~~  
19 ~~with applicable federal and state requirements and limitations.~~  
20 ~~The department shall use the information contained in its annual~~  
21 ~~state low income housing plan and shall use other appropriate data~~  
22 ~~to develop the formula]. If the department determines under the  
23 formula that an insufficient number of eligible applications for  
24 assistance out of funds or credits allocable under this subsection~~

1 are submitted to the department from a particular uniform state  
2 service region, the department shall use the unused funds or  
3 credits allocated to that region for all urban/exurban areas and  
4 rural areas in other uniform state service regions based on  
5 identified need and financial feasibility.

6 (e) The department shall include in its annual low income  
7 housing plan under Section 2306.0721:

8 (1) the formula developed by the department under  
9 Section 2306.1115 [~~Subsection (d)~~]; and

10 (2) the allocation targets established under the  
11 formula for the urban/exurban areas and rural areas of each uniform  
12 state service region.

13 SECTION 2. Subchapter F, Chapter 2306, Government Code, is  
14 amended by adding Section 2306.1115 to read as follows:

15 Sec. 2306.1115. REGIONAL ALLOCATION FORMULA. (a) To  
16 allocate housing funds under Section 2306.111(d), the department  
17 shall develop a formula that:

18 (1) includes as a factor the need for housing  
19 assistance and the availability of housing resources in an  
20 urban/exurban area or rural area; and

21 (2) provides for allocations that are consistent with  
22 applicable federal and state requirements and limitations.

23 (b) The department shall use information contained in its  
24 annual state low income housing plan and other appropriate data to  
25 develop the formula under this section.

26 SECTION 3. Section 2306.127, Government Code, is amended to  
27 read as follows:

1           Sec. 2306.127. PRIORITY FOR CERTAIN COMMUNITIES. In a  
2 manner consistent with the regional allocation formula described  
3 under Section 2306.1115 [~~2306.111(d)~~], the department shall give  
4 priority through its housing program scoring criteria to  
5 communities that are located wholly or partly in:

6                   (1) a federally designated urban enterprise  
7 community;

8                   (2) an urban enhanced enterprise community; or

9                   (3) an economically distressed area or colonia.

10           SECTION 4. This Act takes effect immediately if it receives  
11 a vote of two-thirds of all the members elected to each house, as  
12 provided by Section 39, Article III, Texas Constitution. If this  
13 Act does not receive the vote necessary for immediate effect, this  
14 Act takes effect September 1, 2007.