

By: Menendez

H.B. No. 309

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the establishment of the supportive living facility
3 pilot program.

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

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

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

10 (1) prioritizes in descending order criteria
11 regarding:

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

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

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

23 (D) the size and quality of the units;

24 (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 the
4 state representative or the state senator that represents the
5 district containing the proposed development site;

6 (G) the rent levels of the units;

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

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

10 (J) whether, at the time the complete application
11 is submitted or at any time within the two-year period preceding the
12 date of submission, the proposed development site is located in an
13 area declared to be a disaster under Section 418.014; and

14 (K) whether the proposed development is a
15 supportive living facility developed under Section 2306.6739;

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

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

27 SECTION 2. Subchapter DD, Chapter 2306, Government Code, is

1 amended by adding Section 2306.6739 to read as follows:

2 Sec. 2306.6739. SUPPORTIVE LIVING FACILITY PILOT PROGRAM
3 AND SET-ASIDE. (a) In this section:

4 (1) "Commission" means the Health and Human Services
5 Commission.

6 (2) "Health and human services agency" means an agency
7 listed in Section 531.001.

8 (3) "Pilot program" means the supportive living
9 facility pilot program established under this section.

10 (4) "Supportive living facility" means a freestanding
11 facility, or a distinct physical and operational entity within a
12 nursing facility, that:

13 (A) offers residents their own separate,
14 private, and distinct living units; and

15 (B) integrates housing with health care,
16 personal care, and other supportive services.

17 (b) The department shall, in coordination with the
18 commission and any other health and human services agency
19 designated by the commission, establish the supportive living
20 facility pilot program to:

21 (1) facilitate the use of housing tax credits to build
22 or rehabilitate supportive living facilities; and

23 (2) to the extent permitted by federal law, use money
24 received under the Medicaid program to pay for housing and services
25 provided by supportive living facilities.

26 (c) The department shall set aside for supportive living
27 facilities developed under the pilot program not less than five

1 percent of the housing tax credits available for allocation in the
2 calendar year. Any amount of housing tax credits set aside under
3 this subsection that remains after the initial allocation of
4 housing tax credits is available for allocation to any eligible
5 applicant as provided by the qualified allocation plan.

6 (d) The commission or designated health and human services
7 agency, as appropriate, shall apply for and actively pursue any
8 waiver to the state Medicaid plan from the federal Centers for
9 Medicare and Medicaid Services or any other federal agency as
10 necessary to implement the pilot program.

11 (e) The department, in conjunction with the commission and
12 to the extent consistent with the department's regional allocation
13 formula and the other set-asides provided by this chapter, shall
14 develop methodologies and incentives to encourage and facilitate
15 the completion of a supportive living facility not later than
16 September 1, 2015, in:

17 (1) each of the four most populous primary
18 metropolitan statistical areas; and

19 (2) at least two rural areas.

20 (f) Not later than December 31 of each year, the department,
21 the commission, and any health and human services agencies
22 designated by the commission shall collaborate to submit a report
23 to the legislature regarding the implementation and effectiveness
24 of the pilot program. The report must include an assessment of any
25 cost savings of the pilot program and recommendations for expanding
26 or modifying the pilot program.

27 (g) The board shall, in consultation with the commission,

1 adopt rules necessary to implement this section, including any
2 eligibility requirements required for persons to reside in
3 supportive living facilities.

4 SECTION 3. The change in law made by this Act in adding
5 Section 2306.6739(c), Government Code, applies only to the
6 allocation of low income housing tax credits for an application
7 cycle that begins on or after January 1, 2013. The allocation of
8 low income housing tax credits for an application cycle that begins
9 before January 1, 2013, is governed by the law in effect on the date
10 the application cycle began, and the former law is continued in
11 effect for that purpose.

12 SECTION 4. The board of the Texas Department of Housing and
13 Community Affairs shall adopt any rules required by Section
14 2306.6739, as added by this Act, in conjunction with the qualified
15 allocation plan created for the 2013 application cycle, and the
16 department during that cycle shall begin accepting applications for
17 low income housing tax credits for the development of supportive
18 living facilities under Section 2306.6739, Government Code, as
19 added by this Act.

20 SECTION 5. (a) Except as provided by Subsection (b) of this
21 section, this Act takes effect September 1, 2011.

22 (b) Section 2306.6739(f), as added by this Act, takes effect
23 January 1, 2015.