

Amend HB 3361 (second reading engrossment) as follows:

(1) Strike SECTION 1.08 in ARTICLE 1 of the bill and renumber subsequent SECTIONS of the ARTICLE accordingly.

(2) Strike SECTION 2.01 in ARTICLE 2 of the bill and substitute the following:

SECTION 2.01. Section 2306.6710, Government Code, is amended by amending Subsections (b) and (f) and adding Subsection (g) 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 support [~~participation~~] with respect to the development, evaluated on the basis of:

(i) a written statement from the state representative or the state senator who represents the district containing the proposed development site; or

(ii) only if neither a state representative nor a state senator provides a written statement expressing either support or opposition under Subparagraph (i) before the date specified by the department under Subsection (g)(1), a resolution concerning the development that is voted on and adopted by:

(a) the governing body of the municipality in which any part 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 is to be located;

(b) the commissioners court of the county in which the proposed development site is to be located, if any part of the proposed site is to be located in an area of a county that is not part of a municipality; or

(c) the governing bodies of the municipality and county in which the proposed development site is to be located, if any part of the proposed site is to be located in the extraterritorial jurisdiction of a municipality;

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

(D) the size and quality of the units;

(E) the commitment of development funding by local political subdivisions;

~~(F) [the level of community support for the application, evaluated on the basis of written statements from the state representative or the state senator that represents the district containing the proposed development site,~~

~~[(G)]~~ the rent levels of the units;

(G) ~~[(H)]~~ the cost of the development by square foot;

(H) ~~[(I)]~~ the services to be provided to tenants of the development; ~~and~~

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

(J) 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;

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

(3) encourages applicants to provide free notary

public service to the residents of the developments for which the allocation of housing tax credits is requested.

(f) In evaluating the level of community support for an application under Subsection (b)(1)(B)(i) [~~(b)(1)(F)~~], the department shall award:

(1) positive points for positive written statements received;

(2) negative points for negative written statements received; and

(3) zero points for neutral statements received.

(g) The department by rule shall specify the dates by which:

(1) a state representative or state senator must provide a written statement for consideration under Subsection (b)(1)(B)(i); and

(2) the governing body of a municipality or the commissioners court of a county must adopt a resolution for consideration under Subsection (b)(1)(B)(ii).

(3) Add the appropriately numbered SECTIONS to ARTICLE 2 of the bill and renumber subsequent SECTIONS of the ARTICLE accordingly:

SECTION 2.____. Section 2306.67021, Government Code, is amended to read as follows:

Sec. 2306.67021. APPLICABILITY OF SUBCHAPTER. Except as provided by Sections [~~Section~~] 2306.6703 and 2306.67071, this subchapter does not apply to the allocation of housing tax credits to developments financed through the private activity bond program.

SECTION 2.____. Subchapter DD, Chapter 2306, Government Code, is amended by adding Section 2306.67071 to read as follows:

Sec. 2306.67071. ADDITIONAL APPLICATION REQUIREMENT: NOTICE, HEARING, AND RESOLUTION BY CERTAIN GOVERNING BODIES. (a) Not later than the 60th day before submitting to the department an application for housing tax credits, an applicant must provide notice of the intent to file the application to:

(1) the municipality in which any part of the proposed development is to be located;

(2) the county in which the proposed development is to be located if any part of the development is to be located in an area

of a county that is not part of a municipality; and

(3) the municipality and county in which the proposed development is to be located if any part of the development is to be located in the extraterritorial jurisdiction of a municipality.

(b) Not later than the 30th day after receiving notice under Subsection (a), a county or municipality, as applicable, shall provide for public comment on the application at a hearing held in compliance with Chapter 551.

(c) In addition to the application information otherwise required under this subchapter, an application for housing tax credits must be accompanied by a certified copy of a resolution from each applicable governing body described by Subsection (a). The resolution must certify that:

(1) notice has been provided to each governing body as required by Subsection (a);

(2) each governing body has had sufficient opportunity to obtain a response from the applicant regarding any questions or concerns about the proposed development;

(3) each governing body has held a hearing under Subsection (b); and

(4) after due consideration of the information provided by the applicant and public comment, the governing body does not object to the filing of the proposed application.

(d) A preapplication submitted under Section 2306.6704 is not considered an application for purposes of this section.

(4) In SECTION 5.01 of the bill, strike the list of repealed provisions and substitute the following:

(1) Section 2306.255(h); and

(2) Section 2306.560(d).