

BILL ANALYSIS

C.S.H.B. 1888
By: Anchia
Urban Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that the nearly 60,000 public housing units in Texas are aging and that some are in need of major renovation. The parties note that public housing authorities generally do not have access to financial resources to fund capital improvements because the majority of their financing cannot be used to service debt, and, as a result, these properties may ultimately face closure due to physical deterioration. The goal of C.S.H.B. 1888 is to make available additional resources through the state's low income housing tax credit program to rehabilitate or replace certain properties owned by a public housing authority.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1888 amends the Government Code to expand the definition of "at-risk development" for purposes of the low income housing tax credit program of the Texas Department of Housing and Community Affairs (TDHCA) to include a development that proposes to rehabilitate or reconstruct housing units that are owned by a public housing authority and receive assistance under Section 9 of the National Housing Act or that received such assistance and either are proposed to be disposed of or demolished by a public housing authority or have been disposed of or demolished by such an authority in the two-year period preceding the application for housing tax credits.

C.S.H.B. 1888 specifies that an at-risk development is eligible for housing tax credits set aside by the TDHCA if a portion of the public housing operating subsidy received from the TDHCA is retained for the development and a portion of the development's units is reserved for public housing as specified in the qualified housing plan.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1888 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED	HOUSE COMMITTEE SUBSTITUTE
SECTION 1. Section 2306.6702(a)(5), Government Code, is amended.	SECTION 1. Same as introduced version.

83R 23876

13.109.801

Substitute Document Number: 83R 17554

No equivalent provision.

SECTION 2. Section 2306.6714, Government Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

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

(a-1) An at-risk development is eligible for housing tax credits set aside under Subsection (a) if:

(1) a portion of the public housing operating subsidy received from the department is retained for the development; and

(2) a portion of the units of the development are reserved for public housing as specified in the qualified housing plan.

SECTION 2. The change in law made by this Act in amending Section 2306.6702(a)(5), Government Code, applies only to an application for low income housing tax credits that is submitted on or after the effective date of this Act. An application for low income housing tax credits that is submitted before the effective date of this Act is governed by the law in effect when the application was submitted, and the former law is continued in effect for that purpose.

SECTION 3. Substantially same as introduced version.

SECTION 3. This Act takes effect September 1, 2013.

SECTION 4. Same as introduced version.