

By: Murphy, Deshotel

H.B. No. 2061

Substitute the following for H.B. No. 2061:

By: Rodriguez of Travis

C.S.H.B. No. 2061

A BILL TO BE ENTITLED

AN ACT

relating to a tax credit for investment in certain communities;
imposing a monetary penalty; authorizing a fee.

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

SECTION 1. Subtitle B, Title 3, Insurance Code, is amended
by adding Chapter 231 to read as follows:

CHAPTER 231. TAX CREDIT FOR INVESTMENT IN CERTAIN COMMUNITIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 231.001. GENERAL DEFINITIONS. In this chapter:

(1) "Applicable percentage" means zero percent for the
first two credit allowance dates, seven percent for the third
credit allowance date, and eight percent for the next four credit
allowance dates.

(2) "Comptroller" means the comptroller of public
accounts.

(3) "Credit allowance date" means, with respect to any
qualified equity investment:

(A) the date on which the investment is initially
made; and

(B) the anniversary of that date in each of the
six years immediately following that date.

(4) "Purchase price" means the amount paid to the
issuer of a qualified equity investment for the qualified equity
investment.

1 (5) "State premium tax liability" means any premium
2 tax liability incurred under Chapter 221, 222, 223, or 224.

3 Sec. 231.002. DEFINITION: LONG-TERM DEBT SECURITY. (a) In
4 this chapter, "long-term debt security" means a debt instrument
5 issued by a qualified community development entity, at par value or
6 a premium, with an original maturity date not earlier than the
7 seventh year after the date on which the debt instrument is issued,
8 with no acceleration of repayment, amortization, or prepayment
9 features before its original maturity date.

10 (b) The qualified community development entity that issues
11 a long-term debt security may not make cash interest payments on the
12 security during the period beginning on the date on which the
13 security is issued and ending on the final credit allowance date in
14 an amount that exceeds the cumulative operating income, as defined
15 by regulations adopted under Section 45D, Internal Revenue Code of
16 1986, of the qualified community development entity for that period
17 before giving effect to the interest expense of the long-term debt
18 security.

19 (c) This section does not limit the holder's ability to
20 accelerate payments on a long-term debt security in situations
21 where the issuer has defaulted on covenants designed to ensure
22 compliance with this chapter or Section 45D, Internal Revenue Code
23 of 1986.

24 Sec. 231.003. DEFINITION: QUALIFIED ACTIVE LOW-INCOME
25 COMMUNITY BUSINESS. (a) In this chapter, "qualified active
26 low-income community business" has the meaning assigned by Section
27 45D, Internal Revenue Code of 1986, and 26 C.F.R. Section 1.45D-1,

1 except that the term is limited to those businesses that do not
2 exceed the Small Business Administration size eligibility
3 standards established by 13 C.F.R. Section 121.201 at the time the
4 qualified low-income community investment is made.

5 (b) A business is considered a qualified active low-income
6 community business for the duration of the qualified community
7 development entity's investment in, or loan to, the business if the
8 entity reasonably expects, at the time it makes the investment or
9 loan, that the business will continue to satisfy the requirements
10 for being a qualified active low-income community business, other
11 than the Small Business Administration size standards, throughout
12 the entire period of the investment or loan.

13 (c) A business that derives or projects to derive 15 percent
14 or more of its annual revenue from the rental or sale of real estate
15 is not a qualified active low-income community business for
16 purposes of this chapter. This exclusion does not apply to a
17 business that is controlled by, or under common control with, an
18 affiliated entity if the affiliated entity:

19 (1) does not derive or project to derive 15 percent or
20 more of its annual revenue from the rental or sale of real estate;
21 and

22 (2) is the primary tenant of the real estate leased
23 from the business.

24 Sec. 231.004. DEFINITION: QUALIFIED COMMUNITY DEVELOPMENT
25 ENTITY. In this chapter, "qualified community development entity"
26 has the meaning assigned by Section 45D, Internal Revenue Code of
27 1986, provided that the entity has entered into, for the current

1 year or any prior year, an allocation agreement with the community
2 development financial institutions fund of the United States
3 Department of the Treasury with respect to credits authorized by
4 Section 45D, Internal Revenue Code of 1986, that includes this
5 state in the service area set forth in the allocation agreement.
6 The term includes a qualified community development entity that is
7 controlled by or under common control with another qualified
8 community development entity described by this section.

9 Sec. 231.005. DEFINITION: QUALIFIED EQUITY INVESTMENT. (a)
10 An investment or security is a "qualified equity investment" for
11 purposes of this chapter if:

12 (1) the investment or security is an equity investment
13 in, or long-term debt security issued by, a qualified community
14 development entity;

15 (2) the investment or security is acquired on or after
16 October 1, 2013, at its original issuance solely in exchange for
17 cash;

18 (3) not later than the first anniversary of the
19 initial credit allowance date at least 100 percent of the
20 investment's or security's cash purchase price is used by the issuer
21 to make qualified low-income community investments in qualified
22 active low-income community businesses located in this state; and

23 (4) the investment or security is designated by the
24 issuer as a qualified equity investment under this section and is
25 certified by the comptroller as not exceeding the limitation
26 provided by Section 231.104.

27 (b) Qualified equity investment includes an investment or

1 security that does not satisfy the requirements of Subsection (a)
2 if the investment or security was a qualified equity investment in
3 the hands of a prior holder.

4 Sec. 231.006. DEFINITION: QUALIFIED LOW-INCOME COMMUNITY
5 INVESTMENT. In this chapter, "qualified low-income community
6 investment" means a capital or equity investment in, or loan to, a
7 qualified active low-income community business with respect to
8 which a federal qualified low-income community investment of some
9 amount is made concurrently with the investment or loan.

10 Sec. 231.007. DEFINITION: QUALIFIED INVESTOR. In this
11 chapter, "qualified investor" means an entity that makes a
12 qualified equity investment as defined by Section 231.005, or an
13 entity that is allocated premium tax credits under Section
14 231.052(b).

15 Sec. 231.008. NEW MARKETS PERFORMANCE GUARANTEE ACCOUNT.
16 The new markets performance guarantee account is established as a
17 special account outside the state treasury. The comptroller shall
18 administer the account and shall deposit a refundable performance
19 deposit received from a qualified community development entity
20 under Subchapter E into the account.

21 Sec. 231.009. RULES AND STANDARDS. (a) The comptroller may
22 adopt rules as necessary to implement the duties of the comptroller
23 under this chapter.

24 (b) The comptroller, acting as the administrator, may:

25 (1) by rule set limits and restrictions on the use of
26 the proceeds raised by a qualified community development entity,
27 consistent with Section 45D, Internal Revenue Code of 1986;

1 (2) review or audit the investments of a qualified
2 community development entity on a periodic basis;

3 (3) establish limits on the formation and syndication
4 costs of a qualified community development entity and the entity's
5 debt instruments;

6 (4) consistent with practices under Section 45D,
7 Internal Revenue Code of 1986, establish limits of a qualified
8 community development entity's operating expenses, including legal
9 fees, loan sourcing or origination fees, loan servicing fees,
10 management fees paid to affiliated firms, including
11 non-Texas-based firms, organizational and formation expenses, and
12 performance bonds; and

13 (5) limit any original issue discount on a debt
14 instrument issued by a qualified community development entity.

15 SUBCHAPTER B. TAX CREDIT

16 Sec. 231.051. CREDIT ESTABLISHED. (a) Subject to Section
17 231.052(b), a qualified investor that makes a qualified equity
18 investment earns a vested right to credit against the qualified
19 investor's state premium tax liability.

20 (b) On each credit allowance date of a qualified equity
21 investment, the qualified investor, or a subsequent holder of the
22 qualified equity investment, may claim a portion of the credit
23 during the tax year of that credit allowance date.

24 (c) The credit amount is equal to the applicable percentage
25 for the credit allowance date multiplied by the purchase price paid
26 to the issuer of the qualified equity investment.

27 (d) The amount of the credit claimed by a qualified investor

1 may not exceed the amount of the qualified investor's state premium
2 tax liability for the tax year for which the credit is claimed. Any
3 amount of tax credit that the qualified investor is prohibited from
4 claiming in a tax year as a result of this subsection may be carried
5 forward for use in a subsequent tax year.

6 Sec. 231.052. TRANSFERABILITY. (a) A premium tax credit
7 claimed under this chapter is not refundable or salable.

8 (b) A premium tax credit earned by or allocated to a
9 partnership, limited liability company, S corporation, or other
10 pass-through entity may be allocated to the partners, members, or
11 shareholders of the entity for their direct use in accordance with
12 an agreement among the partners, members, or shareholders. An
13 allocation under this subsection does not constitute a sale for
14 purposes of this chapter.

15 Sec. 231.053. RETALIATORY TAX. (a) A qualified investor or
16 a subsequent holder of a qualified equity investment claiming a
17 premium tax credit under this chapter is not required to pay any
18 additional retaliatory tax levied under Chapter 281 as a result of
19 claiming that credit.

20 (b) In addition to the exclusion provided by Subsection (a),
21 a qualified investor or a subsequent holder of the qualified equity
22 investment claiming a credit under this chapter is not required to
23 pay any additional tax that may arise as a result of claiming that
24 credit.

25 SUBCHAPTER C. CERTIFICATION OF QUALIFIED EQUITY INVESTMENTS

26 Sec. 231.101. APPLICATION FOR CERTIFICATION OF QUALIFIED
27 EQUITY INVESTMENT. (a) A qualified community development entity

1 that seeks to have an equity investment or long-term debt security
2 certified as a qualified equity investment eligible for premium tax
3 credits under this chapter must apply to the comptroller, acting as
4 administrator under this chapter, as provided by this section.

5 (b) An application under this section must include the
6 following:

7 (1) evidence of the applicant's certification as a
8 qualified community development entity, including evidence of the
9 service area of the entity that includes this state;

10 (2) a copy of an allocation agreement executed by the
11 applicant, or its controlling entity, and the community development
12 financial institutions fund;

13 (3) a certificate executed by an executive officer of
14 the applicant attesting that the allocation agreement remains in
15 effect and has not been revoked or canceled by the community
16 development financial institutions fund;

17 (4) a description of the proposed amount and
18 structure, and of the purchaser, of the qualified equity
19 investment;

20 (5) identifying information for a qualified investor
21 that will earn premium tax credits as a result of the issuance of
22 the qualified equity investment;

23 (6) examples of the types of qualified active
24 low-income community businesses in which the applicant, its
25 controlling entity, or affiliates of its controlling entity have
26 invested under the federal New Markets Tax Credit Program, except
27 that an applicant is not required to disclose the identity of a

1 specific qualified active low-income community business in which
2 the applicant intends to invest;

3 (7) a nonrefundable application fee of \$5,000 to be
4 paid to the comptroller; and

5 (8) the refundable performance deposit of \$500,000
6 required by Subchapter E.

7 Sec. 231.102. ACTION ON APPLICATION. (a) Not later than
8 the 30th day after the date an application under Section 231.101 is
9 received, the comptroller shall grant or deny the application in
10 full or in part.

11 (b) If the comptroller denies part of the application, the
12 comptroller shall inform the applicant of the grounds for denial.

13 (c) If the applicant provides additional information
14 required by the comptroller or otherwise completes the application
15 not later than the 15th day after the date of the notice of denial,
16 the application is considered completed as of the date on which it
17 was originally submitted. If the qualified community development
18 entity fails to provide the information or complete its application
19 before that date, the application is denied and must be resubmitted
20 in full and has a new submission date.

21 Sec. 231.103. CERTIFICATION OF QUALIFIED EQUITY
22 INVESTMENT. (a) If an application under Section 231.101 is granted
23 under Section 231.102, the comptroller shall certify the proposed
24 equity investment or long-term debt security as a qualified equity
25 investment that is eligible for premium tax credits under this
26 chapter, subject to Section 231.104.

27 (b) The comptroller shall provide written notice of the

1 certification to the qualified community development entity.

2 (c) The notice must include the names of those entities that
3 will earn the credits and their respective credit amounts. If the
4 names of the entities that are eligible to claim the credits change
5 due to a transfer of a qualified equity investment or an allocation
6 under Section 231.052, the qualified community development entity
7 shall notify the comptroller of the change.

8 (d) The comptroller shall certify qualified equity
9 investments in the order in which applications are received by the
10 comptroller. Applications received on the same day are considered
11 to have been received simultaneously. For applications that are
12 complete and received on the same day, the comptroller shall
13 certify, consistent with remaining qualified equity investment
14 capacity, the qualified equity investments in proportionate
15 percentages based on the proportion that the amount of qualified
16 equity investment requested in an application bears to the total
17 amount of qualified equity investments requested in all
18 applications received on the same day.

19 Sec. 231.104. LIMIT ON CERTIFIED INVESTMENTS. Not more
20 than \$750 million in qualified equity investments may be certified
21 under Section 231.103. If a pending request cannot be fully
22 certified due to this limit, the comptroller shall certify the
23 portion that can be certified unless the qualified community
24 development entity elects to withdraw the request rather than
25 receive partial certification.

26 Sec. 231.105. TRANSFER OF INVESTMENT AUTHORITY. An
27 approved applicant may transfer all or a portion of its certified

1 qualified equity investment authority to its controlling entity or
2 to a qualified community development entity controlled by or under
3 common control with the applicant, if the applicant:

4 (1) provides the information required in the
5 application with respect to the recipient of the transfer; and

6 (2) notifies the comptroller of the transfer not later
7 than the 30th day after the date of the transfer.

8 Sec. 231.106. ISSUANCE OF QUALIFIED EQUITY INVESTMENT. (a)
9 Not later than the 30th day after the date the applicant receives
10 notice of certification, the qualified community development
11 entity or a recipient of a transfer under Section 231.105 shall
12 issue the qualified equity investment and receive cash in the
13 amount certified.

14 (b) The qualified community development entity or a
15 recipient of a transfer under Section 231.105 must provide the
16 comptroller with evidence of the receipt of the cash investment not
17 later than the 10th business day after the date the cash investment
18 is received.

19 Sec. 231.107. LAPSE OF CERTIFICATION. (a) If the qualified
20 community development entity or a recipient of a transfer under
21 Section 231.105 does not receive the cash investment and issue the
22 qualified equity investment before the 30th day after the date the
23 certification notice is received as required by Section 231.106,
24 the certification lapses and the qualified community development
25 entity may not issue the qualified equity investment without
26 reapplying to the comptroller for certification.

27 (b) If a certification lapses under this section, the

1 comptroller shall reissue the certified amount, giving preference
2 to an applicant whose allocation was reduced under Section 231.104.
3 If more than one applicant had its allocation reduced, the
4 comptroller shall reissue the certified amount on a pro rata basis.
5 After the allocation to applicants whose allocation was reduced
6 under Section 231.104, the comptroller shall reissue any certified
7 amount that remains in accordance with the application process.

8 SUBCHAPTER D. RECAPTURE OF PREMIUM TAX CREDIT

9 Sec. 231.151. RECAPTURE. (a) Subject to Section 231.152,
10 the comptroller shall recapture the amount of a tax credit claimed
11 on a premium tax report filed under this subtitle from the qualified
12 investor or a subsequent holder of the qualified equity investment
13 that claims the credit if:

14 (1) any amount of a federal tax credit available with
15 respect to a qualified equity investment that is eligible for a
16 credit under this chapter is recaptured under Section 45D, Internal
17 Revenue Code of 1986, in which case the comptroller's recapture
18 must be proportionate to the federal recapture with respect to the
19 qualified equity investment;

20 (2) the issuer redeems or makes principal repayment
21 with respect to a qualified equity investment before the seventh
22 anniversary of the date the qualified equity investment is issued,
23 in which case the comptroller's recapture must be proportionate to
24 the amount of the redemption or repayment with respect to the
25 qualified equity investment;

26 (3) the issuer fails to invest an amount equal to 100
27 percent of the purchase price of the qualified equity investment in

1 qualified low-income community investments in this state during the
2 12-month period immediately following the date the qualified equity
3 investment is issued or to maintain at least 100 percent of that
4 level of investment in qualified low-income community investments
5 in this state until the last credit allowance date for the qualified
6 equity investment; or

7 (4) at any time before the final credit allowance date
8 of a qualified equity investment, the issuer uses the cash proceeds
9 of the qualified equity investment to make qualified low-income
10 community investments in any one qualified active low-income
11 community business, including affiliated qualified active
12 low-income community businesses, exclusive of reinvestments of
13 capital returned or repaid with respect to earlier investments in
14 the qualified active low-income community business and its
15 affiliates, in excess of 25 percent of the cash proceeds of all
16 qualified equity investments issued by the issuer under this
17 chapter.

18 (b) For purposes of this chapter, an investment is
19 considered held by an issuer even if the investment has been sold or
20 repaid if the issuer reinvests an amount equal to the capital
21 returned to or recovered by the issuer from the original
22 investment, exclusive of any profits realized, in another qualified
23 low-income community investment not later than the 12th month after
24 the date the issuer receives the capital.

25 (c) An issuer is not required to reinvest capital returned
26 from a qualified low-income community investment after the sixth
27 anniversary of the date the qualified equity investment is issued,

1 the proceeds of which were used to make the qualified low-income
2 community investment, and the qualified low-income community
3 investment is considered held by the issuer through the seventh
4 anniversary of the date the qualified equity investment was issued.

5 (d) Periodic amounts received during a calendar year as
6 repayment of principal on a loan that is a qualified low-income
7 community investment shall be treated as continuously invested in a
8 qualified low-income community investment if the amounts are
9 reinvested in one or more qualified low-income community
10 investments not later than the last day of the following calendar
11 year.

12 Sec. 231.152. NOTICE OF NONCOMPLIANCE. (a) The comptroller
13 shall notify a qualified community development entity and a
14 qualified investor that has claimed a tax credit on a premium tax
15 report if the credit is subject to recapture under Section 231.151.

16 (b) The comptroller may not recapture a tax credit under
17 this subchapter if the qualified community development entity cures
18 the noncompliance described by Section 231.151 before the 180th day
19 after the date the qualified community development entity receives
20 notice under Subsection (a).

21 SUBCHAPTER E. PERFORMANCE DEPOSIT

22 Sec. 231.201. PERFORMANCE DEPOSIT REQUIRED. (a) A
23 qualified community development entity that submits an application
24 to have an equity investment or long-term debt security certified
25 as a qualified equity investment eligible for premium tax credits
26 under this chapter must deposit \$500,000 with the comptroller for
27 deposit in the new markets performance guarantee account.

1 (b) If the comptroller denies an application described by
2 Subsection (a) in full, the comptroller shall refund the deposit to
3 the applicant not later than the 15th day after the date of the
4 denial.

5 Sec. 231.202. FORFEITURE OF DEPOSIT. (a) A qualified
6 community development entity that makes a performance deposit under
7 Section 231.201(a) shall forfeit the deposit in its entirety if:

8 (1) the qualified community development entity and any
9 qualified community development entity to which a transfer is made
10 by the qualified community development entity under Section 231.105
11 fail to issue the total amount of qualified equity investments
12 certified by the comptroller and receive cash in the total amount
13 certified under Section 231.103 not later than the date specified
14 by Section 231.106; or

15 (2) the qualified community development entity or a
16 qualified community development entity to which a transfer is made
17 by the qualified community development entity under Section 231.105
18 that issues a qualified equity investment certified under Section
19 231.103 fails to meet the investment requirement under Section
20 231.151(a)(3) by the second credit allowance date of the qualified
21 equity investment.

22 (b) The comptroller shall notify a qualified community
23 development entity that has made a deposit under Section 231.201(a)
24 if the deposit is subject to forfeiture under this section.

25 (c) A deposit is not subject to forfeiture under Subsection
26 (a)(2) if the qualified community development entity cures the
27 noncompliance before the 180th day after the date the qualified

1 community development entity receives notice under Subsection (b).

2 Sec. 231.203. NEW MARKETS PERFORMANCE GUARANTEE
3 ACCOUNT. (a) The deposit required by Section 231.201(a) shall be
4 made with the comptroller and held in the new markets performance
5 guarantee account until the comptroller finds that the qualified
6 community development entity has complied with the provisions of
7 this chapter.

8 (b) The qualified community development entity may request
9 a refund of the deposit from the comptroller not earlier than the
10 30th day after the date the requirements that must be satisfied to
11 avoid forfeiture of the deposit, as described by Section 231.202,
12 are satisfied.

13 (c) The comptroller shall refund the deposit or, if
14 applicable, give notice of noncompliance not later than the 30th
15 day after the date of receiving a request that complies with
16 Subsection (b).

17 SUBCHAPTER F. EVALUATION OF BUSINESS BY COMPTROLLER

18 Sec. 231.251. REQUEST FOR EVALUATION. (a) A qualified
19 community development entity may, before making an investment in a
20 business, request a written opinion from the comptroller as to
21 whether the business in which the qualified community development
22 entity proposes to invest would qualify as a qualified active
23 low-income community business according to Section 231.003.

24 (b) Not later than the 15th business day after the date of
25 the receipt of a request under Subsection (a), the comptroller
26 shall:

27 (1) determine whether the business meets the

1 definition of a qualified active low-income community business, as
2 applicable, and notify the qualified community development entity
3 of the determination and provide an explanation of the
4 determination; or

5 (2) notify the qualified community development entity
6 that the comptroller requires additional time, which may not exceed
7 15 days, to review the request and make the determination.

8 (c) If the comptroller fails to notify the qualified
9 community development entity with respect to the proposed
10 investment within the period as specified by Subsection (b), the
11 business in which the qualified community development entity
12 proposes to invest is considered to be a qualified active
13 low-income community business.

14 Sec. 231.252. CONSIDERATION OF INTERNAL REVENUE CODE. In
15 issuing a written opinion and making other determinations under
16 this chapter, the comptroller shall consider Section 45D, Internal
17 Revenue Code of 1986, and the rules and regulations issued under
18 that code, to the extent that those provisions are applicable.

19 SUBCHAPTER G. REPORTING

20 Sec. 231.301. REPORT TO COMPTROLLER. (a) Except as
21 provided by this subsection, a qualified community development
22 entity that issues a qualified equity investment under Section
23 231.106 shall submit an annual report to the comptroller not later
24 than the fifth business day after the anniversary of a credit
25 allowance date applicable to the investment. The qualified
26 community development entity is not required to submit any report
27 under this section after the annual report following the final

1 applicable credit allowance date.

2 (b) The report must:

3 (1) provide evidence that the qualified community
4 development entity has not failed to meet the investment
5 requirement under Section 231.151(a)(3);

6 (2) include one or more bank statements for the
7 qualified community development entity that reflect each qualified
8 low-income community investment made by the qualified community
9 development entity in connection with the qualified equity
10 investment;

11 (3) state the name, location, and industry code of
12 each qualified active low-income community business receiving a
13 qualified low-income community investment in connection with the
14 qualified equity investment and, if the qualified community
15 development entity did not receive a written opinion under Section
16 231.251 with respect to a qualified active low-income community
17 business, include evidence that the business was a qualified active
18 low-income community business at the time the qualified low-income
19 community investment was made;

20 (4) state the number of employment positions created
21 and retained as a result of each qualified low-income community
22 investment made in connection with the qualified equity investment;

23 (5) state whether the qualified community development
24 entity has been subject to a recapture of any amount of a federal
25 tax credit available under Section 45D, Internal Revenue Code of
26 1986, with respect to the qualified equity investment; and

27 (6) include a copy of the most recent annual report

1 submitted by the qualified community development entity to the
2 United States Department of the Treasury regarding Section 45D,
3 Internal Revenue Code of 1986.

4 (c) A qualified community development entity that fails to
5 submit a report to the comptroller within the time prescribed by
6 Subsection (a) shall pay to the comptroller a penalty equal to:

7 (1) \$25,000; plus

8 (2) \$5,000 for each day the report is not submitted
9 after the date the report is due under Subsection (a).

10 Sec. 231.302. COMPTROLLER'S REPORT TO THE LEGISLATURE. (a)
11 The comptroller shall prepare a biennial report with respect to the
12 implementation of this chapter.

13 (b) The report must include:

14 (1) the number of qualified community development
15 entities holding certified qualified equity investments;

16 (2) the amount of qualified equity investments of each
17 qualified community development entity;

18 (3) the amount of qualified low-income community
19 investments each qualified community development entity has
20 invested in qualified active low-income community businesses as of
21 the most recent annual report submitted to the comptroller by the
22 qualified community development entity;

23 (4) the total amount of premium tax credits earned
24 under this chapter;

25 (5) the performance of each qualified community
26 development entity with respect to reporting requirements imposed
27 by this chapter; and

1 (6) with respect to each qualified active low-income
2 community business in which a qualified community development
3 entity has invested:

4 (A) the classification of the qualified active
5 low-income community business according to the industrial sector
6 and the size of the business;

7 (B) the total number of jobs created by the
8 qualified low-income community investment and the average wages
9 paid for the jobs; and

10 (C) the total number of jobs retained as a result
11 of the qualified low-income community investment and the average
12 wages paid for the jobs.

13 (c) The comptroller shall file the report with the governor,
14 the lieutenant governor, and the speaker of the house of
15 representatives not later than December 15 of each even-numbered
16 year.

17 SECTION 2. (a) As soon as practicable after the effective
18 date of this Act, the comptroller of public accounts shall adopt
19 rules necessary to implement the provisions of Chapter 231,
20 Insurance Code, as added by this Act, that apply to the comptroller
21 of public accounts.

22 (b) The comptroller of public accounts shall accept
23 applications for certification of qualified equity investments as
24 required by Chapter 231, Insurance Code, as added by this Act,
25 beginning not later than October 2, 2013.

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