BILL ANALYSIS

C.S.H.B. 3660
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Urban Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Current law requires the Texas Department of Housing and Community Affairs to set aside not less than 15 percent of the available low-income housing tax credits in a calendar year for eligible at-risk developments. While this requirement helps ensure the development of affordable housing units in traditionally underserved areas, interested parties explain that there continue to be large pockets within cities where the availability of affordable housing remains constrained. C.S.H.B. 3660 seeks to address this need.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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. 3660 amends the Government Code to change from not less than 15 percent to not less than 20 percent the percent of low-income housing tax credits available for allocation in the calendar year that the Texas Department of Housing and Community Affairs is required to set aside for eligible at-risk developments. The bill requires five percent of those tax credits set aside for eligible at-risk developments to be made available only with respect to developments that receive the benefit of a subsidy under the Section 8 Housing Assistance Payments Program administered by the U.S. Department of Housing and Urban Development. The bill applies only to the allocation of low-income housing tax credits for an application cycle that begins on or after January 1, 2017.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3660 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted 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 2306.6714(a), Government Code, is amended 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. One-third of the housing tax credits set aside under this section shall be made available only with respect to developments that receive the benefit of a subsidy under the Section 8 Housing Assistance Payments Program administered by the United States Department of Housing and Urban Development as specified by 24 C.F.R. Part 886.	SECTION 1. Section 2306.6714(a), Government Code, is amended to read as follows: (a) The department shall set aside for eligible at-risk developments not less than 20 [~~15~~] percent of the housing tax credits available for allocation in the calendar year. Five percent of the housing tax credits set aside under this section shall be made available only with respect to developments that receive the benefit of a subsidy under the Section 8 Housing Assistance Payments Program administered by the United States Department of Housing and Urban Development as specified by 24 C.F.R. Part 886.
SECTION 2. The change in law made by this Act applies only to the allocation of low income housing tax credits for an application cycle that begins on or after January 1, 2017. The allocation of low income housing tax credits for an application cycle that begins before January 1, 2017, is governed by the law in effect on the date the application cycle began, and the former law is continued in effect for that purpose.	SECTION 2. Same as introduced version.
SECTION 3. This Act takes effect September 1, 2015.	SECTION 3. Same as introduced version.