

1 AN ACT

2 relating to low income housing tax credits awarded for at-risk
3 developments.

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

5 SECTION 1. Section 2306.6702(a)(5), Government Code, is
6 amended to read as follows:

7 (5) "At-risk development" means:

8 (A) a development that:

9 (i) has received the benefit of a subsidy in
10 the form of a below-market interest rate loan, interest rate
11 reduction, rental subsidy, Section 8 housing assistance payment,
12 rental supplement payment, rental assistance payment, or equity
13 incentive under the following federal laws, as applicable:

14 (a) Sections 221(d)(3) and (5),
15 National Housing Act (12 U.S.C. Section 1715l);

16 (b) Section 236, National Housing Act
17 (12 U.S.C. Section 1715z-1);

18 (c) Section 202, Housing Act of 1959
19 (12 U.S.C. Section 1701q);

20 (d) Section 101, Housing and Urban
21 Development Act of 1965 (12 U.S.C. Section 1701s);

22 (e) the Section 8 Additional
23 Assistance Program for housing developments with HUD-Insured and
24 HUD-Held Mortgages administered by the United States Department of

1 Housing and Urban Development as specified by 24 C.F.R. Part 886,
2 Subpart A;

3 (f) the Section 8 Housing Assistance
4 Program for the Disposition of HUD-Owned Projects administered by
5 the United States Department of Housing and Urban Development as
6 specified by 24 C.F.R. Part 886, Subpart C;

7 (g) Sections 514, 515, and 516,
8 Housing Act of 1949 (42 U.S.C. Sections 1484, 1485, and 1486); or

9 (h) Section 42, Internal Revenue Code
10 of 1986 (26 U.S.C. Section 42); and

11 (ii) is subject to the following
12 conditions:

13 (a) the stipulation to maintain
14 affordability in the contract granting the subsidy is nearing
15 expiration; or

16 (b) the HUD-insured or HUD-held
17 ~~[federally insured]~~ mortgage on the development is eligible for
18 prepayment or is nearing the end of its term; or

19 (B) a development that proposes to rehabilitate
20 or reconstruct housing units that:

21 (i) are owned by a public housing authority
22 and receive assistance under Section 9, United States Housing Act
23 of 1937 (42 U.S.C. Section 1437g); ~~[or]~~

24 (ii) received assistance under Section 9,
25 United States Housing Act of 1937 (42 U.S.C. Section 1437g) and:

26 (a) are proposed to be disposed of or
27 demolished by a public housing authority; or

1 (b) have been disposed of or
2 demolished by a public housing authority in the two-year period
3 preceding the application for housing tax credits; or

4 (iii) receive assistance or will receive
5 assistance through the Rental Assistance Demonstration program
6 administered by the United States Department of Housing and Urban
7 Development as specified by the Consolidated and Further Continuing
8 Appropriations Act of 2012 (Pub. L. No. 112-55) and its subsequent
9 amendments, if the application for assistance through the Rental
10 Assistance Demonstration program is included in the applicable
11 public housing authority's annual plan that was most recently
12 approved by the United States Department of Housing and Urban
13 Development as specified by 24 C.F.R. Section 903.23.

14 SECTION 2. The change in law made by this Act applies only
15 to an application for low income housing tax credits that is
16 submitted on or after the effective date of this Act. An application
17 for low income housing tax credits that is submitted before the
18 effective date of this Act is governed by the law in effect when the
19 application was submitted, and the former law is continued in
20 effect for that purpose.

21 SECTION 3. This Act takes effect September 1, 2015.

President of the Senate

Speaker of the House

I certify that H.B. No. 2926 was passed by the House on May 5, 2015, by the following vote: Yeas 137, Nays 8, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2926 on May 27, 2015, by the following vote: Yeas 133, Nays 6, 3 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2926 was passed by the Senate, with amendments, on May 24, 2015, by the following vote: Yeas 23, Nays 7.

Secretary of the Senate

APPROVED: _____

Date

Governor