

By: Alvarado

H.B. No. 3311

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the scoring criteria for an application for a low income
3 housing tax credit and the allocation of those credits to
4 developments reserved for elderly persons.

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

6 SECTION 1. Section 2306.6711, Government Code, is amended
7 by adding Subsections (h) and (i) to read as follows:

8 (h) Notwithstanding Section 2306.6710(d), and except as
9 necessary to comply with the nonprofit set-aside required by
10 Section 42(h)(5), Internal Revenue Code of 1986 (26 U.S.C. Section
11 42(h)(5)), the board may not allocate to developments reserved for
12 elderly persons and located in an urban subregion of a uniform state
13 service region a percentage of the available housing tax credits
14 allocated to developments located in that subregion that is greater
15 than the percentage that results from the following formula, unless
16 there are no other qualified applicants in that region:

17
$$\text{MP} = \frac{(\text{LEH} - \text{ERU})}{(\text{TLH} - \text{TEU})} \times 100$$

18 where:

19 "MP" is the maximum percentage of the available housing tax
20 credits allocated to developments in the subregion that may be
21 allocated to developments reserved for elderly persons;

22 "LEH" is the number of low income elderly households in the
23 subregion;

24 "ERU" is the number of existing units reserved for elderly

1 persons in developments located in the subregion that already
2 receive housing tax credits;

3 "TLH" is the total number of low income households in the
4 subregion; and

5 "TEU" is the total number of existing units in developments
6 located in the subregion that already receive housing tax credits.

7 (i) Subsection (h) applies only to a uniform state service
8 region that contains a county with a population of more than one
9 million.

10 SECTION 2. Section 2306.6725(d), Government Code, is
11 amended to read as follows:

12 (d) For each scoring criterion, the department shall use a
13 range of points to evaluate the degree to which a proposed project
14 satisfies the criterion. The department may not award:

15 (1) a number of points for a scoring criterion that is
16 disproportionate to the degree to which a proposed project complies
17 with that criterion; or

18 (2) to a proposed project for the general population a
19 number of points for a scoring criterion that is different than the
20 number of points awarded for that criterion to a proposed project
21 reserved for elderly persons if the proposed projects comply with
22 the criterion to the same degree.

23 SECTION 3. (a) The change in law made by this Act to
24 Section 2306.6711, Government Code, applies only to the allocation
25 of low income housing tax credits for an application cycle that
26 begins on or after the effective date of this Act. The allocation
27 of low income housing tax credits for an application cycle that

1 begins before the effective date of this Act is governed by the law
2 in effect on the date the application cycle began, and the former
3 law is continued in effect for that purpose.

4 (b) The change in law made by this Act to Section
5 [2306.6725\(d\)](#), Government Code, applies only to an application for
6 low income housing tax credits that is submitted to the Texas
7 Department of Housing and Community Affairs during an application
8 cycle that begins on or after the effective date of this Act. An
9 application that is submitted during an application cycle that
10 began before the effective date of this Act is governed by the law
11 in effect at the time the application cycle began, and the former
12 law is continued in effect for that purpose.

13 SECTION 4. This Act takes effect September 1, 2015.