

SENATE AMENDMENTS

2nd Printing

By: González

H.B. No. 74

A BILL TO BE ENTITLED

AN ACT

relating to financial assistance administered by the Texas Department of Housing and Community Affairs in certain rural areas.

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

SECTION 1. Sections 2306.004(28-a) and (36), Government Code, are amended to read as follows:

(28-a) "Rural area" means an area that is located:

(A) outside the boundaries of a primary metropolitan statistical area or a metropolitan statistical area; or

(B) within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area, if the ~~statistical~~ area:

(i) has a population of 25,000 or less and does not share a boundary with an urban area; or

(ii) is designated by the department as a rural area under Section 2306.0075.

(36) "Urban area" means the area that is located within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area other than an area described by Subdivision (28-a)(B) ~~[or eligible for funding as described by Subdivision (28-a)(C)]~~.

SECTION 2. Subchapter A, Chapter 2306, Government Code, is amended by adding Section 2306.0075 to read as follows:

1 Sec. 2306.0075. DESIGNATION OF CERTAIN AREAS AS RURAL. (a)

2 This section applies only to an area that:

3 (1) is located within the boundaries of a primary
4 metropolitan statistical area or a metropolitan statistical area;
5 and

6 (2) has a population of 25,000 or less.

7 (b) The department shall designate a statistical area
8 described by Subsection (a) as a rural area under Section
9 2306.004(28-a)(B)(ii) for purposes of receiving financial
10 assistance administered by the department under this chapter if the
11 department receives an ordinance or order:

12 (1) adopted by the governing body of the applicable
13 political subdivision seeking the designation described by this
14 subsection; and

15 (2) stating that the statistical area is a rural area
16 for purposes of receiving the financial assistance.

17 (c) For purposes of Subsection (b), the governing body of a
18 census-designated place identified by the United States Census
19 Bureau is the commissioner's court of the county in which the place
20 is located.

21 (d) The department shall adopt rules ensuring that
22 financial assistance provided to a designated rural area complies
23 with any applicable federal requirements regarding that
24 assistance.

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

ADOPTED

MAY 27 2015

By: González / Zaffirini

Katay Snow
H.B. No. 74
Secretary of the Senate

Substitute the following for H.B. No. 74 :

By: Paul Bellercont

C.S. H.B. No. 74

A BILL TO BE ENTITLED

1 AN ACT <EOH>

2 relating to certain financial assistance administered by the
3 Texas Department of Housing and Community Affairs in certain
4 rural areas.

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

6 SECTION 1. Sections 2306.6702(a), Government Code, is
7 amended by adding Subdivisions (12) and (17) to read as follows:

8 (12) "Rural area" means an area that is:

9 (A) described by Section 2306.004(28-a); or

10 (B) designated by the department as a rural area
11 under Section 2306.6740.

12 (17) "Urban area" means the area that is located
13 within the boundaries of a primary metropolitan statistical area
14 or a metropolitan statistical area other than an area:

15 (A) described by Section 2306.004 (28-a) (B); or

16 (B) designated by the department as a rural area
17 under Section 2306.6740.

18 SECTION 2. Subchapter DD, Chapter 2306, Government Code,
19 is amended by adding Section 2306.6740 to read as follows:

20 Sec. 2306.6740. DESIGNATION OF CERTAIN AREAS AS RURAL.

21 (a) The department by rule shall provide for the designation by
22 the department of an area located within the boundaries of a
23 primary metropolitan statistical area or a metropolitan
24 statistical area as a rural area under Section

1 2306.6702(a)(12)(B) for purposes of receiving housing tax
2 credits administered by the department under this subchapter.

3 (b) Rules adopted under this section must ensure that any
4 housing tax credits allocated to a designated rural area
5 complies with any applicable federal requirements regarding that
6 assistance.

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

ADOPTED

MAY 27 2015

FLOOR AMENDMENT NO. 1 
Secretary of the Senate

BY: 

1 Amend C.S.H.B. No. 74 (senate committee printing), in
2 SECTION 2 of the bill, in added Section 2306.6740, Government Code,
3 by striking added Subsection (b) and substituting the following:

4 (b) Rules adopted under this section must:

5 (1) provide procedures by which a political
6 subdivision or a census-designated place may apply for a rural
7 designation;

8 (2) provide guidelines for designating an area as
9 rural, including specifying:

10 (A) conditions under which a rural designation is
11 not appropriate, including the proximity of the area to or the
12 presence of major amenities commonly associated with urban or
13 suburban areas; and

14 (B) conditions under which a rural designation is
15 appropriate, including areas with low population density, the
16 proximity of the area to or the absence of major amenities commonly
17 associated with urban or suburban areas, a high level of
18 undeveloped land, a significant presence of unimproved roads, or
19 significant agricultural activity; and

20 (3) ensure that any housing tax credits allocated to a
21 designated rural area comply with applicable federal requirements
22 regarding that assistance.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 28, 2015

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB74 by González, Mary (Relating to certain financial assistance administered by the Texas Department of Housing and Community Affairs in certain rural areas.), **As Passed 2nd House**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Government Code relating to financial assistance administered by the Texas Department of Housing and Community Affairs (TDHCA) in certain rural areas. Based on the analysis of TDHCA, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: UP, JSm, KVe, NV

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 22, 2015

TO: Honorable Eddie Lucio Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB74 by González, Mary (Relating to certain financial assistance administered by the Texas Department of Housing and Community Affairs in certain rural areas.),
Committee Report 2nd House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to financial assistance administered by the Texas Department of Housing and Community Affairs (TDHCA) in certain rural areas. Based on the analysis of TDHCA, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: UP, KVe, NV, JSm

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 7, 2015

TO: Honorable Eddie Lucio Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB74** by González, Mary (Relating to financial assistance administered by the Texas Department of Housing and Community Affairs in certain rural areas.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to financial assistance administered by the Texas Department of Housing and Community Affairs (TDHCA) in certain rural areas.

Based on the analysis of TDHCA, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: UP, KVe, NV, JSm

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 26, 2015

TO: Honorable Carol Alvarado, Chair, House Committee on Urban Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB74 by González, Mary (Relating to financial assistance administered by the Texas Department of Housing and Community Affairs in certain rural areas.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to financial assistance administered by the Texas Department of Housing and Community Affairs (TDHCA) in certain rural areas.

Based on the analysis of TDHCA, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: UP, KVe, NV, JSm

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 16, 2015

TO: Honorable Carol Alvarado, Chair, House Committee on Urban Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB74 by González, Mary (Relating to financial assistance administered by the Texas Department of Housing and Community Affairs in certain rural areas.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to financial assistance administered by the Texas Department of Housing and Community Affairs (TDHCA) in certain rural areas. TDHCA would be required to establish a process by which to designate certain cities with a population under 10,000 in a metropolitan area as rural for the purposes of TDHCA financial assistance and explicitly requires related rule making. Establishing the process would include the required rule-making but would also involve developing an application process, review of applications received, making recommendation for Board approval, review of appeals, and preparation of appeal information for the Board. This would also likely add additional related appeals and challenges during the competitive Housing Tax Credit ("HTC") funding process.

Based on the analysis of TDHCA, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: UP, KVe, NV, JSm

LEGISLATIVE BUDGET BOARD
Austin, Texas

TAX/FEE EQUITY NOTE

84TH LEGISLATIVE REGULAR SESSION

March 26, 2015

TO: Honorable Carol Alvarado, Chair, House Committee on Urban Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB74** by González, Mary (Relating to financial assistance administered by the Texas Department of Housing and Community Affairs in certain rural areas.), **Committee Report 1st House, Substituted**

Because the bill would not create or impact a state tax or fee, no comment from this office is required by the rules of the House as to the general effects of the proposal on the distribution of tax and fee burdens among individuals and businesses.

Source Agencies:

LBB Staff: UP, KK

LEGISLATIVE BUDGET BOARD
Austin, Texas

TAX/FEE EQUITY NOTE

84TH LEGISLATIVE REGULAR SESSION

March 12, 2015

TO: Honorable Carol Alvarado, Chair, House Committee on Urban Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB74 by González, Mary (Relating to financial assistance administered by the Texas Department of Housing and Community Affairs in certain rural areas.), **As Introduced**

Because the bill would not create or impact a state tax or fee, no comment from this office is required by the rules of the House as to the general effects of the proposal on the distribution of tax and fee burdens among individuals and businesses.

Source Agencies:

LBB Staff: UP, KK