

SENATE AMENDMENTS

2nd Printing

By: Collier, Alvarado, Bernal

H.B. No. 3535

A BILL TO BE ENTITLED

1 AN ACT

2 relating to low income housing tax credits awarded for certain
3 developments.

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

5 SECTION 1. Section 2306.6711, Government Code, is amended
6 by adding Subsection (g) to read as follows:

7 (g) Except as necessary to comply with the nonprofit
8 set-aside required by Section 42(h)(5), Internal Revenue Code of
9 1986 (26 U.S.C. Section 42(h)(5)), in an urban subregion of a
10 uniform state service region that contains a county with a
11 population of more than 1,700,000, the board shall allocate housing
12 tax credits to:

13 (1) the highest scoring development, if any, that is
14 part of a concerted plan of revitalization and is located in that
15 urban subregion in a municipality with a population of 500,000 or
16 more; and

17 (2) the highest scoring development, if any, that is
18 located in a high opportunity area in that urban subregion, as
19 determined by the department.

20 SECTION 2. The change in law made by this Act applies only
21 to the allocation of low income housing tax credits for an
22 application cycle that begins on or after January 1, 2017. The
23 allocation of low income housing tax credits for an application
24 cycle that begins before January 1, 2017, is governed by the law in

H.B. No. 3535

1 effect on the date the application cycle began, and the former law
2 is continued in effect for that purpose.

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

By: Collier / Menéndez

H .B. No. 3535

Substitute the following for H .B. No. 3535 :

By: *[Signature]*

C.S. H .B. No. 3535
ADOPTED

MAY 24 2015
[Signature]
Secretary of the Senate

A BILL TO BE ENTITLED

AN ACT

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relating to low income housing tax credits awarded for certain developments.

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

SECTION 1. Section 2306.6711, Government Code, is amended by adding Subsection (g) to read as follows:

(g) Except as necessary to comply with the nonprofit set-aside required by Section 42(h)(5), Internal Revenue Code of 1986 (26 U.S.C. Section 42(h)(5)), in an urban subregion of a uniform state service region that contains a county with a population of more than 1,700,000, the board shall allocate housing tax credits to:

(1) the highest scoring development, if any, that is part of a concerted plan of revitalization and is located in that urban subregion in a municipality with a population of 500,000 or more; and

(2) the highest scoring development, if any, that is located in the census tract with the lowest percentage of poverty in that urban subregion, as determined by the department.

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

1 cycle that begins before January 1, 2017, is governed by the law
2 in effect on the date the application cycle began, and the
3 former law is continued in effect for that purpose.

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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 25, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3535 by Collier (Relating to low income housing tax credits awarded for certain developments.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to low income housing tax credits awarded for certain developments. Based on the analysis of the Department of Housing and Community Affairs, 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, SD, KVe, NV, JSm

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 20, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3535** by Collier (Relating to low income housing tax credits awarded for certain developments.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to low income housing tax credits awarded for certain developments. Based on the analysis of the Department of Housing and Community Affairs, 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 14, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3535 by Collier (Relating to low income housing tax credits awarded for certain developments.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to low income housing tax credits awarded for certain developments. Based on the analysis of the Department of Housing and Community Affairs, 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

April 24, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3535 by Collier (Relating to low income housing tax credits awarded for certain developments.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to low income housing tax credits awarded for certain developments. Based on the analysis of the Department of Housing and Community Affairs, 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

April 20, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3535 by Collier (Relating to low income housing tax credits awarded for proposed developments in targeted areas for revitalization.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to low income housing tax credits awarded for proposed developments in targeted areas for revitalization. Based on the analysis of the Department of Housing and Community Affairs, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

There could be costs to a local governmental entity that chose to create a Revitalization Development. However, it is assumed that municipality would create a Revitalization Development only if sufficient funds were available or it would not result in a negative fiscal impact; therefore, no significant fiscal impact is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: UP, KVe, NV, JSm