

**House Bill 3535**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION

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 a high opportunity area 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 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 3. This Act takes effect September 1, 2015.

SENATE VERSION (CS)

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. Same as House version.

SECTION 3. Same as House version.

CONFERENCE