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| BILL ANALYSIS |

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| H.B. 3574 |
| By: Collier |
| Urban Affairs |
| Committee Report (Unamended) |

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| **BACKGROUND AND PURPOSE**  Interested parties note that many urban areas in Texas are in need of more affordable rental housing but contend that scoring and ranking applications for low income housing tax credits using an area's educational quality too often means that areas most in need of the credits are considered ineligible. H.B. 3574 seeks to address this issue by allowing educational quality to be considered as part of the threshold criteria for those applications while prohibiting its consideration in scoring and ranking the application. |
| **CRIMINAL JUSTICE IMPACT**  It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **RULEMAKING AUTHORITY**  It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution. |
| **ANALYSIS**  H.B. 3574 amends the Government Code to authorize educational quality to be considered by the Texas Department of Housing and Community Affairs (TDHCA) as part of the threshold criteria in evaluating an application for low income housing tax credits. The bill prohibits educational quality from being considered by the TDHCA in scoring and ranking the application. The bill applies only to an application that is submitted to the TDHCA during an application cycle that is based on the 2018 qualified allocation plan or a subsequent plan adopted by the governing board of the TDHCA. |
| **EFFECTIVE DATE**  September 1, 2017. |