

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 3, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2405 by González, Mary (Relating to the allocation of low income housing tax credits to developments in certain areas designated as rural.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code relating to the allocation of low income housing tax credits to developments in certain areas designated as rural. The bill would require the Texas Department of Housing and Community Affairs (TDHCA) to designate the site of a development as a rural area for purposes of receiving certain housing tax credits. The bill would require TDHCA to remove a rural designation under certain circumstances.

TDHCA anticipates any additional work resulting from the passage of the bill could be reasonably absorbed within current resources.

The bill would take effect immediately if it receives two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

According to the Texas Municipal League, the fiscal impact to municipalities is not anticipated to be significant.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: UP, JGA, EH, EK