

BILL ANALYSIS

Senate Research Center
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S.B. 493
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 493 amends the Government Code to authorize the allocation of tax credits for affordable housing developments within two linear miles or less of other affordable housing developments in disaster affected areas. Under current law a board may allocate 9 percent housing tax credits to more than one affordable housing development in a single community, as defined by the Texas Department of Housing and Community Affairs (TDHCA), in the same calendar year only if the developments are or will be located more than two linear miles apart. However, allowing affordable housing developments to be built within two miles of each other in the same year allows disaster stricken areas to more rapidly recover from the damage done by Hurricane Harvey.

As proposed, S.B. 493 amends current law relating to the allocation of housing tax credits to developments within proximate geographical areas.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2306.6711(f), Government Code, as follows:

(f) Authorizes the governing board of the Texas Department of Housing and Community Affairs (TDHCA) to allocate housing tax credits to more than one development in a single community, as defined by TDHCA rule, in the same calendar year only if the developments are or will be located more than two linear miles apart or are located in an area declared to be a disaster under Section 418.014 (Declaration of State of Disaster). Provides that this section applies only to communities contained within counties with populations exceeding one million.

SECTION 2. Provides that the change in law made by this Act applies only to an application for low income housing tax credits that is submitted to TDHCA during an application cycle that is based on the 2020 qualified allocation plan or a subsequent plan adopted by the governing board of TDHCA. Provides that an application that is submitted during an application cycle that is based on an earlier qualified allocation plan 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. Effective date: September 1, 2019.