

By: Watson

S.B. No. 542

A BILL TO BE ENTITLED

AN ACT

relating to the allocation of housing tax credits to developments within proximate geographical areas.

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

SECTION 1. Section 2306.6711(f), Government Code, is amended to read as follows:

(f) The board may allocate housing tax credits to more than one development in a single community, as defined by department rule, in the same calendar year ~~[only]~~ if:

(1) the developments are or will be located more than two linear miles apart; or

(2) the following conditions are met:

(A) at least one of the developments will be located wholly within a census tract:

(i) that has a poverty rate above 15 percent; and

(ii) in which the median value of owner-occupied homes has increased by 15 percent or more within the five years preceding the date of the application; and

(B) the applicant for the development:

(i) has obtained prior approval of the development from the governing body of the appropriate municipality or county containing the development; and

(ii) has included in the application a

1 written statement of support from that governing body referencing
2 this section and authorizing an allocation of housing tax credits
3 for the development. [~~This subsection applies only to communities~~
4 ~~contained within counties with populations exceeding one million.~~]

5 SECTION 2. The change in law made by this Act applies only
6 to an application for low income housing tax credits that is
7 submitted to the Texas Department of Housing and Community Affairs
8 during an application cycle that is based on the 2020 qualified
9 allocation plan or a subsequent plan adopted by the governing board
10 of the department. An application that is submitted during an
11 application cycle that is based on an earlier qualified allocation
12 plan is governed by the law in effect on the date the application
13 cycle began, and the former law is continued in effect for that
14 purpose.

15 SECTION 3. This Act takes effect September 1, 2019.