

1-1 By: Watson S.B. No. 544
1-2 (In the Senate - Filed January 31, 2019; February 21, 2019,
1-3 read first time and referred to Committee on Intergovernmental
1-4 Relations; April 11, 2019, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 7, Nays 0;
1-6 April 11, 2019, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	Lucio	X		
1-10	Schwertner	X		
1-11	Alvarado	X		
1-12	Campbell	X		
1-13	Fallon	X		
1-14	Menéndez	X		
1-15	Nichols	X		

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 544 By: Alvarado

1-17 A BILL TO BE ENTITLED
1-18 AN ACT

1-19 relating to the administration of federal funds under the
1-20 Cranston-Gonzalez National Affordable Housing Act.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Sections 2306.111(c), (c-1), and (c-2),
1-23 Government Code, are amended to read as follows:

1-24 (c) In administering federal housing funds provided to the
1-25 state under the Cranston-Gonzalez National Affordable Housing Act
1-26 (42 U.S.C. Section 12701 et seq.), the department shall allocate
1-27 ~~[expend]~~:

1-28 (1) 95 percent of these funds for the benefit of
1-29 non-participating small cities and rural areas that do not qualify
1-30 to receive funds under the Cranston-Gonzalez National Affordable
1-31 Housing Act directly from the United States Department of Housing
1-32 and Urban Development, except that an amount not to exceed 15
1-33 percent of the funds allocated under this subdivision may be
1-34 allocated to participating jurisdictions as necessary to meet the
1-35 requirements of federal law; and

1-36 (2) at least five percent of these funds for the
1-37 benefit of persons with disabilities who live in any area of this
1-38 state.

1-39 (c-1) Eligibility to apply for set-aside funds under
1-40 Subsection (c) is determined by federal law ~~[The following entities~~
1-41 ~~are eligible to apply for set-aside funds under Subsection (c):~~

1-42 ~~[(1) nonprofit providers of affordable housing,~~
1-43 ~~including community housing development organizations; and~~

1-44 ~~[(2) for-profit providers of affordable housing].~~

1-45 (c-2) In allocating set-aside funds under Subsection (c),
1-46 the department:

1-47 (1) may not give preference to nonprofit providers of
1-48 affordable housing, except as necessary to meet the requirements of
1-49 [required by] federal law; and

1-50 (2) shall allocate funds:

1-51 (A) in accordance with any applicable spending
1-52 plan required under federal law; and

1-53 (B) in a manner that ensures that, to the
1-54 greatest extent possible, an allocation required only under state
1-55 law is made before an allocation is made solely to meet the
1-56 requirements of federal law.

1-57 SECTION 2. The change in law made by this Act in amending
1-58 Section 2306.111, Government Code, applies only to an application
1-59 for financial assistance that is submitted to the Texas Department
1-60 of Housing and Community Affairs on or after January 1, 2020. An

2-1 application for financial assistance that is submitted to the
2-2 department before January 1, 2020, is governed by the law in effect
2-3 immediately before the effective date of this Act, and the former
2-4 law is continued in effect for that purpose.

2-5 SECTION 3. This Act takes effect September 1, 2019.

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