

By: Gervin-Hawkins

H.B. No. 1261

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a compliance history assessment made for purposes of
3 allocating certain financial assistance administered by the Texas
4 Department of Housing and Community Affairs.

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

6 SECTION 1. Section [2306.057](#), Government Code, is amended by
7 amending Subsection (c) and adding Subsection (e) to read as
8 follows:

9 (c) The board shall fully document and disclose any
10 instances in which the board approves a project application despite
11 any noncompliance associated with the project, applicant, or
12 affiliate that is reported by the department under Subsection
13 (a)(2).

14 (e) For a project application seeking financial assistance
15 administered through the department's multifamily housing
16 programs, the department may not include in the report provided
17 under Subsection (a)(2) any instance of noncompliance associated
18 with a project of the applicant or affiliate of the applicant if the
19 applicant or affiliate has submitted documentation, in a format
20 acceptable to the department, demonstrating that the
21 responsibility for project compliance was delegated to another
22 participant in the project, including, if applicable, a related
23 party as defined by Section [2306.6702](#).

24 SECTION 2. The change in law made by this Act in amending

1 Section 2306.057, Government Code, applies only to an application
2 for financial assistance that is submitted to the Texas Department
3 of Housing and Community Affairs on or after January 1, 2022. An
4 application for financial assistance that is submitted to the
5 department before January 1, 2022, is governed by the law in effect
6 immediately before the effective date of this Act, and the former
7 law is continued in effect for that purpose.

8 SECTION 3. This Act takes effect September 1, 2021.