

By: Shaheen

H.B. No. 2328

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the system by which an application for low income
3 housing tax credits is scored and the amount of low income housing
4 tax credits awarded during an application cycle.

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

6 SECTION 1. Section 2306.67022, Government Code, is amended
7 to read as follows:

8 Sec. 2306.67022. QUALIFIED ALLOCATION PLAN; MANUAL. (a)
9 At least biennially, the board shall adopt a qualified allocation
10 plan and a corresponding manual to provide information regarding
11 the administration of and eligibility for the low income housing
12 tax credit program. The board may adopt the plan and manual
13 annually, as considered appropriate by the board.

14 (b) The department may require as part of the threshold
15 criteria under a qualified allocation plan that a proposed
16 development satisfy certain criteria relating to educational
17 quality, as specified by the department in that plan.

18 (c) The department may not adopt a qualified allocation plan
19 that uses a scoring system that awards points to an application
20 based on criteria relating to the educational quality applicable to
21 a proposed development site.

22 SECTION 2. Section 2306.6711(b), Government Code, is
23 amended to read as follows:

24 (b) Not later than the deadline specified in the qualified

1 allocation plan, the board shall issue commitments for available
2 housing tax credits based on the application evaluation process
3 provided by Section 2306.6710. The board may not allocate to an
4 applicant housing tax credits in any unnecessary amount, as
5 determined by the department's underwriting policy and by federal
6 law, and in any event may not allocate to the applicant housing tax
7 credits in an amount greater than \$4 [~~\$3~~] million in a single
8 application round or to an individual development more than \$2
9 million in a single application round.

10 SECTION 3. Section 2306.1112, Government Code, is repealed.

11 SECTION 4. The change in law made by this Act applies only
12 to an application for low income housing tax credits that is
13 submitted to the Texas Department of Housing and Community Affairs
14 during an application cycle that is based on the 2022 qualified
15 allocation plan or a subsequent plan adopted by the governing board
16 of the department. An application that is submitted during an
17 application cycle that is based on an earlier qualified allocation
18 plan is governed by the law in effect on the date the application
19 cycle began, and the former law is continued in effect for that
20 purpose.

21 SECTION 5. This Act takes effect September 1, 2021.