

By: Zaffirini

S.B. No. 400

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, Government Code, is amended by amending Subsection (f) and adding Subsection (f-2) to read as follows:

(f) Except as provided by Subsections [~~Subsection~~] (f-1) and (f-2), 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 the developments are or will be located more than two linear miles apart. This subsection applies only to communities contained within counties with populations exceeding one million.

(f-2) The board may allocate housing tax credits to more than one development in a single community only if:

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

(2) the governing body of the municipality containing the development or, if located outside a municipality, the county containing the development adopts a resolution that references this section and authorizes an allocation of housing tax credits for the

1 development; and

2 (3) the applicant for the development includes in the
3 application a copy of the resolution described by Subdivision (2).

4 SECTION 2. The change in law made by this Act applies only
5 to an application for low income housing tax credits that is
6 submitted to the Texas Department of Housing and Community Affairs
7 during an application cycle that is based on the 2022 qualified
8 allocation plan or a subsequent plan adopted by the governing board
9 of the department. An application that is submitted during an
10 application cycle that is based on an earlier qualified allocation
11 plan is governed by the law in effect on the date the application
12 cycle began, and the former law is continued in effect for that
13 purpose.

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