Amend CSHB 2071 (house committee report) as follows:

- (1) On page 2, lines 3-4, strike "and (d)" and substitute "(d), (f-1), and (f-2)".
 - (2) On page 3, between lines 7 and 8, insert the following:
- (f-1) Subsection (f) does not apply to taxes imposed by a conservation and reclamation district created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, that provides water, sewer, or drainage services to a public facility if:
- (1) the district has outstanding bond indebtedness;
- (2) when the facility is combined with other existing or proposed public facilities in the district, the application of Subsection (f) would result in the aggregate loss of at least 10 percent of the total assessed value of all property located in the district.
- (f-2) Subsection (f-1) does not apply if the corporation has entered into a written agreement with the district to make a payment to the district in lieu of taxation, in the amount specified in the agreement.
- (3) On page 3, strike lines 24-27 and substitute the following:
 - (2) at least:
- (A) 40 [50] percent of the units in the multifamily residential development are reserved for occupancy by individuals and families earning <u>not more</u> [less] than 80 percent of the area median [family] income, adjusted for family size; and
- (B) 10 percent of the units in the multifamily residential development are reserved for occupancy by individuals and families earning not more than 60 percent of the area median income, adjusted for family size;
- (4) Strike page 4, line 27, through page 5, line 2, and substitute the following:
- (B) at least 25 percent of the units are reserved for occupancy as lower income housing units, as defined under Section 303.0425, and the development is approved by the governing body of the municipality in which the development is located or, if

the development is not located in a municipality, the county in which the development is located.

- (5) On page 5, line 8, immediately following " $\underline{(b)}$ ", insert "and subject to Subsection (f-1)".
- (6) On page 6, strike lines 20-27, and substitute the following:
- (b) If a majority of the members of the board of the corporation are not elected officials, the development must be approved by the governing body of the municipality in which the development is located or, if the development is not located in a municipality, the county in which the development is located.
- (7) Strike page 7, line 27, through page 8, line 3, and substitute "housing choice voucher program; or".
 - (8) On page 8, between lines 8 and 9, insert the following:
- (f-1) A public facility user may require an individual or family participating in the housing choice voucher program to pay the difference between the monthly rent for the applicable unit and the amount of the monthly voucher if the amount of the voucher is less than the rent.
- (9) On page 9, line 9, between "Affairs" and "a", insert ", on a form promulgated by that department,".
- (10) On page 11, line 10, strike "after the required cure period".
 - (11) On page 11, line 24, strike "repeated".
- (12) On page 12, strike lines 4-10 and substitute the following:
- (o) If an audit report submitted under Subsection (i) indicates noncompliance with this section, a public facility user:

(1) must be given:

- (A) written notice from the Texas Department of Housing and Community Affairs or appropriate appraisal district that:
- (i) is provided not later than the 45th day after the date a report has been submitted under Subsection (i);

(ii) specifies the reasons for noncompliance;

(iii) contains at least one option for a

corrective action to resolve the noncompliance; and

- (iv) informs the public facility user that failure to resolve the noncompliance will result in the loss of an exemption under Section 303.042(c);
- (B) 60 days after the date notice is received under this subdivision, to resolve the matter that is the subject of the notice; and
- provided under this subdivision is not resolved to the satisfaction of the Texas Department of Housing and Community Affairs and the appropriate appraisal district during the period provided by Paragraph (B), a second notice that informs the public facility user of the loss of the exemption under Section 303.042(c) due to noncompliance with this section;
- (2) is considered to be in compliance with this section if notice under Subdivision (1)(A) is not provided as specified by Subparagraph (i) of that paragraph; and
- (3) may appeal a determination of noncompliance to a district court in the county in which the applicable development is located.
- (13) On page 12, line 15, immediately following "that", insert the following:
- (1) ensures that the applicable restrictions are in effect for not less than 10 years; and

(2)

<u>:</u>

- (14) On page 12, between lines 17 and 18, insert the following:
- (q) An agreement or instrument recorded under Subsection (p) may be terminated if the development that is the subject of the agreement or instrument:
 - (1) is the subject of a foreclosure sale; or
- (2) becomes ineligible for an exemption under Section 303.042(c) for a reason other than the failure to comply with restrictions recorded in the agreement or instrument.
- (15) Strike SECTION 9 of the bill (page 14, line 26, through page 15, line 3) and substitute the following appropriately

numbered SECTION:

SECTION _____. This Act takes effect September 1, 2023.

(16) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION ____. Subchapter B, Chapter 303, Local Government Code, is amended by adding Section 303.0415 to read as follows:

Sec. 303.0415. APPLICABILITY OF LAWS RELATING TO CONFLICT OF INTEREST. A member of the board of a corporation or a member of the governing body of a sponsor of a corporation is subject to the same restrictions as a local public official under Chapter 171.