

By: Garcia

H.B. No. 2228

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 Subsections (f-2) and (f-3) 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 if:

(1) each development scores above average on the opportunity index under department rule based on the average opportunity index score for developments that were allocated housing tax credits in the preceding year; or

(2) 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, and:

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

6 (B) the applicant for the development includes in
7 the application a copy of the resolution described by Paragraph
8 (A).

9 (f-3) Not later than the first week of each year, the
10 department shall prepare and publish on the department's Internet
11 website the average opportunity index score for developments that
12 were allocated housing tax credits during the preceding year.

13 SECTION 2. The change in law made by this Act applies only
14 to an application for low income housing tax credits that is
15 submitted to the Texas Department of Housing and Community Affairs
16 during an application cycle that is based on the 2024 qualified
17 allocation plan or a subsequent plan adopted by the governing board
18 of the department. An application that is submitted during an
19 application cycle that is based on an earlier qualified allocation
20 plan is governed by the law in effect on the date the application
21 cycle began, and the former law is continued in effect for that
22 purpose.

23 SECTION 3. This Act takes effect September 1, 2023.