

SENATE AMENDMENTS

2nd Printing

By: Cunningham, Garcia, Lujan

H.B. No. 4443

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the allocation of certain federal money provided under
3 the Cranston-Gonzalez National Affordable Housing Act.

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

5 SECTION 1. Section 2306.111, Government Code, is amended by
6 adding Subsection (j) to read as follows:

7 (j) Notwithstanding any other law, money provided to this
8 state under the Cranston-Gonzalez National Affordable Housing Act
9 (42 U.S.C. Section 12701 et seq.) as a one-time lump sum for a
10 specified use:

11 (1) is not subject to the allocation requirements
12 under this section or the allocation formula developed by the
13 department under Section 2306.1115; and

14 (2) may be allocated for the benefit of any area of
15 this state in the manner specified under federal law.

16 SECTION 2. This Act takes effect immediately if it receives
17 a vote of two-thirds of all the members elected to each house, as
18 provided by Section 39, Article III, Texas Constitution. If this
19 Act does not receive the vote necessary for immediate effect, this
20 Act takes effect September 1, 2023.

ADOPTED

MAY 16 2023

FLOOR AMENDMENT NO. 1

Lately Spaw
Secretary of the Senate

BY:

L. W. Kelleher

1 Amend H.B. No. 4443 (senate committee report) by adding the
2 following appropriately numbered SECTION to the bill and
3 renumbering the SECTIONS of the bill accordingly:

4 SECTION ____ . Section 2306.6703(a), Government Code, is
5 amended to read as follows:

6 (a) An application is ineligible for consideration under
7 the low income housing tax credit program if:

8 (1) at the time of application or at any time during
9 the two-year period preceding the date the application round
10 begins, the applicant or a related party is or has been:

11 (A) a member of the board; or

12 (B) the director, a deputy director, the director
13 of housing programs, the director of compliance, the director of
14 underwriting, or the low income housing tax credit program manager
15 employed by the department;

16 (2) the applicant proposes to replace in less than 15
17 years any private activity bond financing of the development
18 described by the application, unless:

19 (A) at least one-third of all the units in the
20 development are public housing units or Section 8 project-based
21 units and the applicant proposes to maintain for a period of 30
22 years or more 100 percent of the units supported by housing tax
23 credits as rent-restricted and exclusively for occupancy by
24 individuals and families earning not more than 50 percent of the
25 area median income, adjusted for family size;

26 (B) the applicable private activity bonds will be
27 redeemed only in an amount consistent with their proportionate
28 amortization; or

29 (C) if the redemption of the applicable private

1 activity bonds will occur in the first five years of the operation
2 of the development and complies with Section 42(h)(4), Internal
3 Revenue Code of 1986:

4 (i) on the date the certificate of
5 reservation is issued, the Bond Review Board determines that there
6 is not a waiting list for private activity bonds in the same
7 priority level established under Section 1372.0321 or, if
8 applicable, in the same uniform state service region, as referenced
9 in Section 1372.0231, that is served by the proposed development;
10 and

11 (ii) the applicable private activity bonds
12 will be redeemed according to underwriting criteria, if any,
13 established by the department;

14 (3) the applicant proposes to construct a new
15 development that is located one linear mile or less from a
16 development that:

17 (A) serves the same type of household as the new
18 development, regardless of whether the developments serve
19 families, elderly individuals, or another type of household;

20 (B) has received an allocation of housing tax
21 credits for new construction at any time during the three-year
22 period preceding the date the application round begins; and

23 (C) has not been withdrawn or terminated from the
24 low income housing tax credit program; or

25 (4) the development is located in a municipality or,
26 if located outside a municipality, a county that has more than twice
27 the state average of units per capita supported by housing tax
28 credits or private activity bonds, unless the applicant:

29 (A) has obtained prior approval of the
30 development from the governing body of:

31 (i) the appropriate municipality or county

1 containing the development; or

2 (ii) both the municipality and county
3 containing the development, if the development is located in a
4 municipality with a population of more than 15,000 that represents
5 more than 40 percent of the population of a county with a population
6 of not more than 40,000; and

7 (B) has included in the application a written
8 statement of support from that governing body referencing this
9 section and authorizing an allocation of housing tax credits for
10 the development.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 17, 2023

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4443 by Cunningham (Relating to the allocation of certain federal money provided under the Cranston-Gonzalez National Affordable Housing Act.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

Based on the analysis of the Texas Department of Housing and Community Affairs, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: JMc, AF, SLee

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 11, 2023

TO: Honorable Paul Bettencourt, Chair, Senate Committee on Local Government

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4443 by Cunningham (Relating to the allocation of certain federal money provided under the Cranston-Gonzalez National Affordable Housing Act.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

Based on the analysis of the Texas Department of Housing and Community Affairs, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: JMc, AF, SLee

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 31, 2023

TO: Honorable J. M. Lozano, Chair, House Committee on Urban Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4443 by Cunningham (Relating to the allocation of certain federal money provided under the Cranston-Gonzalez National Affordable Housing Act.), **As Introduced**

No significant fiscal implication to the State is anticipated.

Based on the analysis of the Texas Department of Housing and Community Affairs, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs

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