

SENATE AMENDMENTS

2nd Printing

By: Cunningham

H.B. No. 4550

A BILL TO BE ENTITLED

AN ACT

relating to the qualified allocation plan and manual adopted for the allocation of low income housing tax credits.

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

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

Sec. 2306.67022. QUALIFIED ALLOCATION PLAN; MANUAL. (a) The ~~[At least biennially, the]~~ board biennially shall adopt a qualified allocation plan and a corresponding manual to provide information regarding the administration of and eligibility for the low income housing tax credit program. The board may not adopt a ~~[the]~~ plan and manual more frequently than once during each biennium ~~[annually, as considered appropriate by the board]~~.

(b) The board biennially shall adjust to reflect inflation any amount specified in the qualified allocation plan relating to the acceptable cost of a development by square foot. The board shall use 2021 as the base year for the adjustment.

(c) In making the computation under Subsection (b), the board shall consider the Consumer Price Index for All Urban Consumers, or its successor in function, published by the United States Bureau of Labor Statistics.

SECTION 2. The change in law made by this Act applies to the adoption of a qualified allocation plan and corresponding manual for the state fiscal biennium beginning September 1, 2023.

H.B. No. 4550

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

ADOPTED

MAY 23 2023

Lacey Spaw
Secretary of the Senate

FLOOR AMENDMENT NO. 1

BY:

[Signature]

Amend H.B. No. 4550 (on third reading) by striking SECTION 1 of the bill amending Section 2306.67022, Government Code, and substitute the following:

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

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

(b) The board shall adjust to reflect inflation any amount specified in the qualified allocation plan relating to the acceptable cost of a development by square foot. The board shall use 2021 as the base year for the adjustment.

(c) In making the computation under Subsection (b), the board shall consider the Consumer Price Index for All Urban Consumers, or its successor in function, published by the United States Bureau of Labor Statistics.

ADOPTED

MAY 23 2023

FLOOR AMENDMENT NO. 1

Latey Spaw
Secretary of the Senate

BY:

[Signature]

Amend H.B. No. 4550 (senate committee report) as follows:

(1) In SECTION 2 of the bill, in the transition language (page 1, line 39), strike "The change in law made by this Act" and substitute "Section 2306.67022, Government Code, as amended by this Act,".

(2) Add the following appropriately numbered SECTIONS to the bill and renumber the SECTIONS of the bill accordingly:

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

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

SECTION _____. Section 2306.6724, Government Code, is amended by adding Subsection (g) to read as follows:

(g) Notwithstanding any other law, the department shall issue a final commitment for an allocation of housing tax credits not later than the 120th day following the date on which the department receives from an applicant a complete cost certification package,

as prescribed by department rule, and the applicant has fulfilled any requests for information for the issuance of Internal Revenue Service Form 8609, or that form's successor.

SECTION _____. Section 2306.1112, Government Code, is repealed.

SECTION _____. Sections 2306.111, 2306.6711, and 2306.6724, Government Code, as amended by this Act, apply only to an application for low income housing tax credits that is submitted to the Texas Department of Housing and Community Affairs during an application cycle that is based on the 2024 qualified allocation plan or a subsequent plan adopted by the governing board of the department. An application that is submitted during an application cycle that is based on an earlier qualified allocation plan is governed by the law in effect on the date the application cycle began, and the former law is continued in effect for that purpose.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 24, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4550 by Cunningham (Relating to the qualified allocation plan and manual adopted for the allocation of low income housing tax credits.), **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 20, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4550 by Cunningham (Relating to the qualified allocation plan and manual adopted for the allocation of low income housing tax credits.), **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

April 22, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4550 by Cunningham (relating to the qualified allocation plan and manual adopted for the allocation of low income housing tax credits.), **Committee Report 1st House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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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

April 10, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4550 by Cunningham (Relating to the qualified allocation plan and manual adopted for the allocation of low income housing tax credits.), **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

LBB Staff: JMc, AF, SLee