

House Bill 4443
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

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

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

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

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

No equivalent provision.

SENATE VERSION (IE)

SECTION 1. Same as House version.

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

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

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

(A) a member of the board; or

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

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

(A) at least one-third of all the units in the development are public housing units or Section 8 project-based units and the applicant proposes to maintain for a period of 30 years or more 100 percent of the units supported by housing tax credits as rent-restricted and exclusively for occupancy by individuals

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and families earning not more than 50 percent of the area median income, adjusted for family size;

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

(C) if the redemption of the applicable private activity bonds will occur in the first five years of the operation of the development and complies with Section 42(h)(4), Internal Revenue Code of 1986:

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

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

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

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

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

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

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

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

(i) the appropriate municipality or county containing the development; or

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

(B) has included in the application a written statement of support from that governing body referencing this section and authorizing an allocation of housing tax credits for the development. [FA1]

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

SECTION 2. Same as House version.