

By: Blanco

S.B. No. 898

A BILL TO BE ENTITLED

AN ACT

relating to the allocation of low income housing tax credits.

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

SECTION 1. 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 million in a single application round or to an individual development more than \$3 [~~\$2~~] million in a single application round.

SECTION 2. Section 2306.6711(b), Government Code, as amended by this Act, applies 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 2026 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

1 continued in effect for that purpose.

2 SECTION 3. This Act takes effect September 1, 2025.