

By: Cook, Bettencourt

S.B. No. 2260

A BILL TO BE ENTITLED

AN ACT

relating to the disclosure and posting of certain information regarding multifamily residential developments that receive certain tax exemptions and the eligibility of those developments to receive those exemptions.

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

SECTION 1. Subchapter A, Chapter 2306, Government Code, is amended by adding Section 2306.009 to read as follows:

Sec. 2306.009. REQUIRED DISCLOSURES BY CERTAIN DEVELOPMENTS RECEIVING CERTAIN TAX EXEMPTIONS; POSTING OF CERTAIN DEVELOPMENT INFORMATION. (a) The disclosure requirements under this section apply only to a multifamily residential development that receives a tax exemption in accordance with Section 303.042, 392.005, or 394.905, Local Government Code.

(b) The department by rule shall require the owner of each multifamily residential development to which this section applies to submit, not later than April 30 of each year by certified mail, to the appraisal district for the county in which the development is located an annual disclosure on a form prescribed by the department.

(c) The disclosure required by Subsection (b) must include:

(1) if available, the name of the development;

(2) the address of the development;

(3) the name of each principal owner of the

development and the ownership shares each owner holds;

(4) the total number of residential units at the development;

(5) if available, the appraised value of the development based on the most recent appraisal conducted by the appraisal district for the county in which the development is located;

(6) if available, the total dollar amount of the tax exemption the development received for the preceding tax year based on the appraised value of the development described by Subdivision (5) multiplied by the rate for each tax from which the development is exempt;

(7) affordability information on the residential units at the development, including:

(A) the number of units that are income restricted, including a breakdown of:

(i) the income restriction levels of those units; and

(ii) the number of bedrooms and bathrooms in those units;

(B) the difference between the rent charged for the units that are income restricted and the rent charged for other units at the development by income restriction level and number of bedrooms and bathrooms in those units; and

(C) the number of tenants who participate in the housing choice voucher program under Section 8, United States Housing Act of 1937 (42 U.S.C. Section 1437f); and

1           (8) any other information the department determines  
2 necessary.

3           (d) Not later than September 1 of each year, an appraisal  
4 district shall provide notice to the department of each owner of a  
5 development to which this section applies who does not submit the  
6 disclosure under Subsection (b) by the date required under that  
7 subsection. The notice must include the development's address.

8           (e) An appraisal district shall:

9               (1) review each disclosure submitted to the district  
10 under Subsection (b) to verify the accuracy of the contents of the  
11 disclosure; and

12               (2) not later than September 1 of each year, submit to  
13 the department the reviewed disclosures.

14           (f) Not later than the 60th day after the date the  
15 department receives the disclosures under Subsection (e), the  
16 department shall compile into data sets the information:

17               (1) from the disclosures submitted to the department  
18 under Subsection (e); and

19               (2) collected by the department for developments that:  
20                       (A) receive financial assistance administered  
21 under Chapter [1372](#); or

22                       (B) are allocated housing tax credits under  
23 Subchapter DD.

24           (g) The department shall collaborate with the Department of  
25 Information Resources to post the data sets compiled by the  
26 department under Subsection (f) on the Texas Open Data Portal  
27 established by the Department of Information Resources under

1 Section 2054.070. The department shall ensure the data sets posted  
2 on the portal do not include information that is confidential or  
3 protected from disclosure under federal or state law.

4 (h) Not later than December 1 of each year, the department  
5 shall prepare and submit to the legislature a written report that  
6 includes a summary of the information contained in the data sets the  
7 department compiles under Subsection (f). The department shall  
8 ensure a report under this subsection does not disclose personal  
9 identifying information of a tenant residing in a development  
10 included in the report.

11 SECTION 2. Section 303.0421, Local Government Code, is  
12 amended by adding Subsection (b-1) to read as follows:

13 (b-1) Notwithstanding this section and Section 303.042(c),  
14 an exemption under Section 303.042(c) for a multifamily residential  
15 development applies only if the owner of the development has timely  
16 submitted the disclosure required by Section 2306.009, Government  
17 Code, for the preceding tax year.

18 SECTION 3. Section 392.005(c), Local Government Code, is  
19 amended to read as follows:

20 (c) An exemption under this section for a multifamily  
21 residential development which is owned by a housing development  
22 corporation or a similar entity created by a housing authority,  
23 other than a public facility corporation created by a housing  
24 authority under Chapter 303, and which does not have at least 20  
25 percent of its residential units reserved for public housing units,  
26 applies only if:

27 (1) the authority holds a public hearing, at a regular

1 meeting of the authority's governing body, to approve the  
2 development; ~~and~~

3 (2) at least 50 percent of the units in the multifamily  
4 residential development are reserved for occupancy by individuals  
5 and families earning less than 80 percent of the area median income,  
6 adjusted for family size; and

7 (3) the owner of the development has timely submitted  
8 the disclosure required by Section 2306.009, Government Code, for  
9 the preceding tax year.

10 SECTION 4. Section 394.905, Local Government Code, is  
11 amended to read as follows:

12 Sec. 394.905. EXEMPTION FROM TAXATION. (a) The housing  
13 finance corporation, all property owned by it, the income from the  
14 property, all bonds issued by it, the income from the bonds, and the  
15 transfer of the bonds are exempt, as public property used for public  
16 purposes, from license fees, recording fees, and all other taxes  
17 imposed by this state or any political subdivision of this state.  
18 The corporation is exempt from the franchise tax imposed by Chapter  
19 171, Tax Code, only if the corporation is exempted by that chapter.

20 (b) Notwithstanding Subsection (a), a multifamily  
21 residential development owned by a housing finance corporation is  
22 exempt from taxes imposed by this state or a political subdivision  
23 of this state only if the owner of the development has timely  
24 submitted the disclosure required by Section 2306.009, Government  
25 Code, for the preceding tax year.

26 SECTION 5. (a) The owner of a multifamily residential  
27 development to which Section 2306.009, Government Code, as added by

1 this Act, applies shall submit the first disclosure required by  
2 Subsection (b) of that section not later than April 30, 2026.

3 (b) Notwithstanding Section 2306.009(h), Government Code,  
4 as added by this Act, the Texas Department of Housing and Community  
5 Affairs is not required to submit the first report under that  
6 subsection until December 1, 2026.

7 SECTION 6. Sections 303.0421, 392.005, and 394.905, Local  
8 Government Code, as amended by this Act, apply only to a tax for a  
9 tax year that begins on or after the effective date of this Act.

10 SECTION 7. This Act takes effect September 1, 2025.