

1-1 By: Cook S.B. No. 2260
 1-2 (In the Senate - Filed March 11, 2025; March 25, 2025, read
 1-3 first time and referred to Committee on Local Government;
 1-4 May 8, 2025, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 7, Nays 0; May 8, 2025, sent
 1-6 to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 2260 By: West

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the disclosure and posting of certain information
 1-20 regarding multifamily residential developments that receive
 1-21 certain tax exemptions and the eligibility of those developments to
 1-22 receive those exemptions.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subchapter A, Chapter 2306, Government Code, is
 1-25 amended by adding Section 2306.009 to read as follows:

1-26 Sec. 2306.009. REQUIRED DISCLOSURES BY CERTAIN
 1-27 DEVELOPMENTS RECEIVING CERTAIN TAX EXEMPTIONS; POSTING OF CERTAIN
 1-28 DEVELOPMENT INFORMATION. (a) The disclosure requirements under
 1-29 this section apply only to a multifamily residential development
 1-30 that receives a tax exemption in accordance with Section 303.042,
 1-31 392.005, or 394.905, Local Government Code.

1-32 (b) The department by rule shall require each developer of a
 1-33 multifamily residential development to which this section applies
 1-34 to submit, not later than April 30 of each year by certified mail,
 1-35 to the appraisal district for the county in which the development is
 1-36 located an annual disclosure on a form prescribed by the
 1-37 department.

1-38 (c) The disclosure required by Subsection (b) must include:

1-39 (1) if available, the name of the development;

1-40 (2) the address of the development;

1-41 (3) the name of each principal owner of the
 1-42 development and the ownership shares each owner holds;

1-43 (4) the total number of residential units at the
 1-44 development;

1-45 (5) if available, the appraised value of the
 1-46 development based on the most recent appraisal conducted by the
 1-47 appraisal district for the county in which the development is
 1-48 located;

1-49 (6) if available, the total dollar amount of the tax
 1-50 exemption the development received for the preceding tax year based
 1-51 on the appraised value of the development described by Subdivision
 1-52 (4) multiplied by the rate for each tax from which the development
 1-53 is exempt;

1-54 (7) affordability information on the residential
 1-55 units at the development, including:

1-56 (A) the number of units that are income
 1-57 restricted, including a breakdown of:

1-58 (i) the income restriction levels of those
 1-59 units; and

1-60 (ii) the number of bedrooms and bathrooms

2-1 in those units;
2-2 (B) the average difference between the rent
2-3 charged for the units that are income restricted and the rent
2-4 charged for other units at the development; and
2-5 (C) the number of tenants who participate in the
2-6 housing choice voucher program under Section 8, United States
2-7 Housing Act of 1937 (42 U.S.C. Section 1437f); and
2-8 (8) any other information the department determines
2-9 necessary.
2-10 (d) An appraisal district shall provide notice to the
2-11 department of each developer of a development to which this section
2-12 applies who does not submit the disclosure under Subsection (b) by
2-13 the date required under that subsection.
2-14 (e) An appraisal district shall:
2-15 (1) review each disclosure submitted to the district
2-16 under Subsection (b) to verify the accuracy of the contents of the
2-17 disclosure; and
2-18 (2) not later than September 1 of each year, submit to
2-19 the department the reviewed disclosures.
2-20 (f) Not later than the 60th day after the date the
2-21 department receives the disclosures under Subsection (e), the
2-22 department shall compile into data sets the information:
2-23 (1) from the disclosures submitted to the department
2-24 under Subsection (e); and
2-25 (2) described by Subsection (c) that is collected by
2-26 the department for developments that:
2-27 (A) receive financial assistance administered
2-28 under Chapter 1372; or
2-29 (B) are allocated housing tax credits under
2-30 Subchapter DD.
2-31 (g) The department shall collaborate with the Department of
2-32 Information Resources to post the data sets compiled by the
2-33 department under Subsection (f) on the Texas Open Data Portal
2-34 established by the Department of Information Resources under
2-35 Section 2054.070. The department shall ensure the data sets posted
2-36 on the portal do not include information that is confidential or
2-37 protected from disclosure under federal or state law.
2-38 (h) Not later than December 1 of each year, the department
2-39 shall prepare and submit to the legislature a written report that
2-40 includes a summary of the information contained in the data sets the
2-41 department compiles under Subsection (f). The department shall
2-42 ensure a report under this subsection does not disclose personal
2-43 identifying information of a tenant residing in a development
2-44 included in the report.
2-45 SECTION 2. Section 303.0421, Local Government Code, is
2-46 amended by adding Subsection (b-1) to read as follows:
2-47 (b-1) Notwithstanding this section and Section 303.042(c),
2-48 an exemption under Section 303.042(c) for a multifamily residential
2-49 development applies only if the development has timely submitted
2-50 the disclosure required by Section 2306.009, Government Code, for
2-51 the preceding tax year.
2-52 SECTION 3. Section 392.005(c), Local Government Code, is
2-53 amended to read as follows:
2-54 (c) An exemption under this section for a multifamily
2-55 residential development which is owned by a housing development
2-56 corporation or a similar entity created by a housing authority,
2-57 other than a public facility corporation created by a housing
2-58 authority under Chapter 303, and which does not have at least 20
2-59 percent of its residential units reserved for public housing units,
2-60 applies only if:
2-61 (1) the authority holds a public hearing, at a regular
2-62 meeting of the authority's governing body, to approve the
2-63 development; ~~and~~
2-64 (2) at least 50 percent of the units in the multifamily
2-65 residential development are reserved for occupancy by individuals
2-66 and families earning less than 80 percent of the area median income,
2-67 adjusted for family size; and
2-68 (3) the development has timely submitted the
2-69 disclosure required by Section 2306.009, Government Code, for the

3-1 preceding tax year.

3-2 SECTION 4. Section 394.905, Local Government Code, is
3-3 amended to read as follows:

3-4 Sec. 394.905. EXEMPTION FROM TAXATION. (a) The housing
3-5 finance corporation, all property owned by it, the income from the
3-6 property, all bonds issued by it, the income from the bonds, and the
3-7 transfer of the bonds are exempt, as public property used for public
3-8 purposes, from license fees, recording fees, and all other taxes
3-9 imposed by this state or any political subdivision of this state.
3-10 The corporation is exempt from the franchise tax imposed by Chapter
3-11 171, Tax Code, only if the corporation is exempted by that chapter.

3-12 (b) Notwithstanding Subsection (a), a multifamily
3-13 residential development owned by a housing finance corporation is
3-14 exempt from taxes imposed by this state or a political subdivision
3-15 of this state only if the development has timely submitted the
3-16 disclosure required by Section 2306.009, Government Code, for the
3-17 preceding tax year.

3-18 SECTION 5. (a) The developer of a multifamily residential
3-19 development to which Section 2306.009, Government Code, as added by
3-20 this Act, applies shall submit the first disclosure required by
3-21 Subsection (b) of that section not later than April 30, 2026.

3-22 (b) Notwithstanding Section 2306.009(h), Government Code,
3-23 as added by this Act, the Texas Department of Housing and Community
3-24 Affairs is not required to submit the first report under that
3-25 subsection until December 1, 2026.

3-26 SECTION 6. Sections 303.0421, 392.005, and 394.905, Local
3-27 Government Code, as amended by this Act, apply only to a tax for a
3-28 tax year that begins on or after the effective date of this Act.

3-29 SECTION 7. This Act takes effect September 1, 2025.

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