

House Bill 2608
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ARTICLE 1. GENERAL OPERATIONS AND ADMINISTRATION OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

Same as House version.

SECTION 1.01. Section 2306.022, Government Code, is amended to read as follows:

SECTION 1.01. Same as House version.

Sec. 2306.022. APPLICATION OF SUNSET ACT. The Texas Department of Housing and Community Affairs is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the department is abolished and this chapter expires September 1, 2023 [~~2014~~].

SECTION 1.02. Section 2306.043(c), Government Code, is amended to read as follows:

SECTION 1.02. Same as House version.

(c) The notice must:

- (1) include a brief summary of the alleged violation;
- (2) state the amount of the recommended penalty; and
- (3) inform the person of the person's right to a hearing before the State Office of Administrative Hearings [~~board~~] on the occurrence of the violation, the amount of the penalty, or both.

SECTION 1.03. Section 2306.044(a), Government Code, is amended to read as follows:

SECTION 1.03. Same as House version.

(a) Not later than the 20th day after the date the person receives the notice, the person in writing may:

- (1) accept the determination and recommended penalty of the director; or
- (2) make a request for a hearing before the State Office of Administrative Hearings [~~board~~] on the occurrence of the violation, the amount of the penalty, or both.

SECTION 1.04. Section 2306.045, Government Code, is amended to read as follows:

SECTION 1.04. Same as House version.

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Sec. 2306.045. HEARING. (a) If the person requests a hearing before the State Office of Administrative Hearings ~~[board]~~ or fails to respond in a timely manner to the notice, the director shall set a hearing and give written notice of the hearing to the person.

(b) The State Office of Administrative Hearings ~~[board]~~ shall:

(1) hold the hearing;

(2) ~~[and]~~ make findings of fact and conclusions of law about the occurrence of the violation and the amount of a proposed penalty; and

(3) issue a proposal for decision regarding the penalty and provide notice of the proposal to the board.

(c) Any administrative proceedings relating to the imposition of a penalty under Section 2306.041 is a contested case under Chapter 2001.

SECTION 1.05. Section 2306.046(a), Government Code, is amended to read as follows:

(a) The board shall issue an order after receiving a proposal for decision from the State Office of Administrative Hearings under Section 2306.045. ~~[Based on the findings of fact and conclusions of law, the board by order may:~~

~~[(1) find that a violation occurred and impose a penalty; or~~

~~[(2) find that a violation did not occur.]~~

SECTION 1.06. Section 2306.049(a), Government Code, is amended to read as follows:

(a) Judicial review of a board order imposing an administrative penalty is under the substantial evidence rule ~~[by trial de novo]~~.

No equivalent provision.

SECTION 1.05. Same as House version.

SECTION 1.06. Same as House version.

SECTION _____. Section 2306.072(c), Government Code, is amended to read as follows:

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- (c) The report must include:
- (1) a complete operating and financial statement of the department;
 - (2) a comprehensive statement of the activities of the department during the preceding year to address the needs identified in the state low income housing plan prepared as required by Section 2306.0721, including:
 - (A) a statistical and narrative analysis of the department's performance in addressing the housing needs of individuals and families of low and very low income;
 - (B) the ethnic and racial composition of individuals and families applying for and receiving assistance from each housing-related program operated by the department; ~~and~~
 - (C) the department's progress in meeting the goals established in the previous housing plan, including efforts to address the populations described by Section 2306.0721(c)(1); and
 - (D) recommendations on how to improve the coordination of department services to the populations described by Section 2306.0721(c)(1);
 - (3) an explanation of the efforts made by the department to ensure the participation of individuals of low income and their community-based institutions in department programs that affect them;
 - (4) a statement of the evidence that the department has made an affirmative effort to ensure the involvement of individuals of low income and their community-based institutions in the allocation of funds and the planning process;
 - (5) a statistical analysis, delineated according to each ethnic and racial group served by the department, that indicates the progress made by the department in implementing the state low income housing plan in each of the uniform state service regions;
 - (6) an analysis, based on information provided by the fair

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housing sponsor reports required under Section 2306.0724 and other available data, of fair housing opportunities in each housing development that receives financial assistance from the department that includes the following information for each housing development that contains 20 or more living units:

- (A) the street address and municipality or county in which the property is located;
- (B) the telephone number of the property management or leasing agent;
- (C) the total number of units, reported by bedroom size;
- (D) the total number of units, reported by bedroom size, designed for individuals who are physically challenged or who have special needs and the number of these individuals served annually;
- (E) the rent for each type of rental unit, reported by bedroom size;
- (F) the race or ethnic makeup of each project;
- (G) the number of units occupied by individuals receiving government-supported housing assistance and the type of assistance received;
- (H) the number of units occupied by individuals and families of extremely low income, very low income, low income, moderate income, and other levels of income;
- (I) a statement as to whether the department has been notified of a violation of the fair housing law that has been filed with the United States Department of Housing and Urban Development, the Commission on Human Rights, or the United States Department of Justice; and
- (J) a statement as to whether the development has any instances of material noncompliance with bond indentures or deed restrictions discovered through the normal monitoring activities and procedures that include meeting occupancy

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requirements or rent restrictions imposed by deed restriction or financing agreements;

(7) a report on the geographic distribution of low income housing tax credits, the amount of unused low income housing tax credits, and the amount of low income housing tax credits received from the federal pool of unused funds from other states; and

(8) a statistical analysis, based on information provided by the fair housing sponsor reports required by Section 2306.0724 and other available data, of average rents reported by county. [FA2]

SECTION __.____. Section 2306.0721(c), Government Code, is amended to read as follows:

(c) The plan must include:

(1) an estimate and analysis of the size and the different housing needs of the following populations in each uniform state service region:

(A) individuals and families of moderate, low, very low, and extremely low income;

(B) individuals with special needs; ~~and~~

(C) homeless individuals;

(D) veterans;

(E) farmworkers; and

(F) youth who are aging out of foster care;

(2) a proposal to use all available housing resources to address the housing needs of the populations described by Subdivision (1) by establishing funding levels for all housing-related programs;

(3) an estimate of the number of federally assisted housing units available for individuals and families of low and very low income and individuals with special needs in each uniform state service region;

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- (4) a description of state programs that govern the use of all available housing resources;
- (5) a resource allocation plan that targets all available housing resources to individuals and families of low and very low income and individuals with special needs in each uniform state service region;
- (6) a description of the department's efforts to monitor and analyze the unused or underused federal resources of other state agencies for housing-related services and services for homeless individuals and the department's recommendations to ensure the full use by the state of all available federal resources for those services in each uniform state service region;
- (7) strategies to provide housing for individuals and families with special needs in each uniform state service region;
- (8) a description of the department's efforts to encourage in each uniform state service region the construction of housing units that incorporate energy efficient construction and appliances;
- (9) an estimate and analysis of the housing supply in each uniform state service region;
- (10) an inventory of all publicly and, where possible, privately funded housing resources, including public housing authorities, housing finance corporations, community housing development organizations, and community action agencies;
- (11) strategies for meeting rural housing needs;
- (12) a biennial action plan for colonias that:
 - (A) addresses current policy goals for colonia programs, strategies to meet the policy goals, and the projected outcomes with respect to the policy goals; and
 - (B) includes information on the demand for contract-for-deed conversions, services from self-help centers, consumer education, and other colonia resident services in counties

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some part of which is within 150 miles of the international border of this state;

(13) a summary of public comments received at a hearing under this chapter or from another source that concern the demand for colonia resident services described by Subdivision (12); and

(14) any other housing-related information that the state is required to include in the one-year action plan of the consolidated plan submitted annually to the United States Department of Housing and Urban Development. [FA2]

SECTION 1.07. Section 2306.6721, Government Code, is transferred to Subchapter B, Chapter 2306, Government Code, redesignated as Section 2306.0504, Government Code, and amended to read as follows:

Sec. 2306.0504 [~~2306.6721~~]. **DEBARMENT FROM PROGRAM PARTICIPATION.** (a) The board by rule shall adopt a policy providing for the debarment of a person from participation in programs administered by the department [~~the low income housing tax credit program as described by this section~~].

(b) The department may debar a person from participation in a department [~~the~~] program on the basis of the person's past failure to comply with any condition imposed by the department in the administration of its programs [~~connection with the allocation of housing tax credits~~].

(c) The department shall debar a person from participation in a department [~~the~~] program if the person:

(1) materially or repeatedly violates any condition imposed by the department in connection with the administration of a department program, including a material or repeated violation of a land use restriction agreement regarding a development supported with a [~~allocation of~~] housing tax

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credit allocation [credits]; or

(2) is debarred from participation in federal housing programs by the United States Department of Housing and Urban Development[; or

~~[(3) is in material noncompliance with or has repeatedly violated a land use restriction agreement regarding a development supported with a housing tax credit allocation].~~

(d) A person debarred by the department from participation in a department [the] program may appeal the person's debarment to the board.

SECTION 1.08. Subchapter H, Chapter 2306, Government Code, is amended by adding Section 2306.1875 to read as follows:

Sec. 2306.1875. ENERGY EFFICIENCY MEASURES: MANDATORY DISCLOSURE AND TRAINING. (a) An energy service provider that, in connection with the provision of any energy conservation and efficiency measures required under Section 2306.187 or in connection with the provision of weatherization measures under a program described by Section 2306.097 or another program administered by the department, recommends any energy efficiency measure, including a weatherization measure, to a consumer must provide to the consumer a written disclosure regarding whether the provider receives or has received any financial or other benefit from recommending energy efficiency measures to consumers. The disclosure must specify any particular energy efficiency measure with respect to which the provider receives or has received a financial or other benefit, regardless of whether the provider makes a specific recommendation regarding that measure to the consumer.

(b) Each person who performs state-funded or federally funded energy or green facility audits, energy code

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inspections, energy performance testing, or other energy efficiency or green analyses or evaluations of single-family or multifamily dwellings in connection with the provision of any energy conservation and efficiency measures or weatherization measures described by Subsection (a) or who awards energy ratings with respect to the provision of those measures must be an independent third party without any direct or indirect financial or other interest in the services performed, other than direct compensation for those services.

(c) Each person providing services described by Subsection (b) is entitled to independently inspect, test, and analyze building systems and equipment to evaluate factors relating to energy efficiency, energy usage, or carbon emissions or other factors in order to determine the appropriate energy or green conservation measures or improvements or to make other related recommendations or perform other related actions.

(d) Each person providing services described by Subsection (b) must complete appropriate training from a training organization that is approved by the department and that is accredited by an industry organization or a state or federal governmental entity that has written standards, an ethics policy, and an industry-acceptable quality control policy and process.

No equivalent provision.

No equivalent provision.

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ARTICLE 2. GENERAL HOUSING MATTERS

SECTION 2.01. Section 481.078, Government Code, is amended by amending Subsection (c) and adding Subsection (d-1) to read as follows:

(c) Except as provided by Subsections [Subsection] (d) and (d-1), the fund may be used only for economic development, infrastructure development, community development, job training programs, and business incentives.

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(d-1) The fund may be used for the Texas homeless housing and services program administered by the Texas Department of Housing and Community Affairs. Subsections (e-1), (f), (g), (h), (i), and (j) and Section 481.080 do not apply to a grant awarded for a purpose specified by this subsection.

No equivalent provision.

SECTION 2.02. Section 481.079, Government Code, is amended by adding Subsection (a-1) to read as follows:
(a-1) For grants awarded for a purpose specified by Section 481.078(d-1), the report must include only the amount and purpose of each grant.

No equivalent provision.

SECTION 2.03. Subchapter K, Chapter 2306, Government Code, is amended by adding Section 2306.2585 to read as follows:
Sec. 2306.2585. HOMELESS HOUSING AND SERVICES PROGRAM. (a) The department may administer a homeless housing and services program in each municipality in this state with a population of 285,500 or more to:
(1) provide for the construction, development, or procurement of housing for homeless persons; and
(2) provide local programs to prevent and eliminate homelessness.
(b) If the department implements the homeless housing and services program under Subsection (a), the department shall adopt rules to govern the administration of the program, including rules that:
(1) provide for the allocation of any available funding; and
(2) provide detailed guidelines as to the scope of the local programs in the municipalities described by Subsection (a).
(c) The department may use any available revenue, including legislative appropriations, and shall solicit and accept gifts and grants for the purposes of this section. The department

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ARTICLE 2. DISASTER MANAGEMENT PLANNING

SECTION 2.01. Section 418.106, Government Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) The plan must identify:

(1) any requirements or procedures that local agencies and officials must satisfy or implement to:

(A) qualify for long-term federal disaster recovery funding; and

(B) prepare for long-term disaster recovery; and

(2) any appropriate state or local resources available to assist the local agencies and officials in satisfying or implementing those requirements or procedures.

SECTION 2.02. Chapter 2306, Government Code, is amended by adding Subchapter X-1 to read as follows:

SUBCHAPTER X-1. LONG-TERM DISASTER RECOVERY PLAN

Sec. 2306.531. LONG-TERM DISASTER RECOVERY PLAN. (a) The department, in consultation with the Texas Department of Rural Affairs and the office of the governor, shall develop a long-term disaster recovery plan to administer money received for disaster recovery from the federal government or any other source.

(b) In developing and administering the plan:

(1) the department:

(A) has primary responsibility over matters related to housing; and

(B) shall consult with:

shall use gifts and grants received for the purposes of this section before using any other revenue.

ARTICLE 3. Same as House version.

SECTION 3.01. Same as House version.

SECTION 3.02. Chapter 2306, Government Code, is amended by adding Subchapter X-1 to read as follows:

SUBCHAPTER X-1. LONG-TERM DISASTER RECOVERY PLAN

Sec. 2306.531. LONG-TERM DISASTER RECOVERY PLAN. (a) In consultation with the office of the governor, the department or another agency or office designated under Subsection (f) shall develop a long-term disaster recovery plan to administer money received for disaster recovery from the federal government or any other source.

(b) The department and the Texas Department of Rural Affairs each must be consulted in developing and

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- (i) existing disaster recovery entities established by law or local, state, or federal agreements;
- (ii) local government officials, contractors, community advocates, businesses, nonprofit organizations, and other stakeholders; and
- (iii) the United States Department of Housing and Urban Development to ensure that the plan complies with federal law; and
- (2) the Texas Department of Rural Affairs:
 - (A) has primary responsibility over matters related to infrastructure; and
 - (B) shall consult with:
 - (i) existing disaster recovery entities established by law or local, state, or federal agreements; and
 - (ii) local government officials, contractors, community advocates, businesses, nonprofit organizations, and other stakeholders.
- (c) The plan developed under this section must establish or identify:
 - (1) a method of distribution of disaster relief funding to local areas, subject to modification by the governor based on the nature of the disaster;
 - (2) guidelines for outreach to program applicants and for eligible housing and infrastructure activities;
 - (3) eligibility criteria for program applicants;
 - (4) housing quality standards;
 - (5) priorities for serving local populations;
 - (6) procedures for establishing compliance with federal requirements;
 - (7) procedures for coordination and communication among

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administering the plan, if those agencies are not designated under Subsection (f). The following entities must also be consulted:

- (1) existing disaster recovery entities established by law or local, state, or federal agreements;
- (2) local government officials, contractors, community advocates, businesses, nonprofit organizations, and other stakeholders; and
- (3) the United States Department of Housing and Urban Development to ensure that the plan complies with federal law.
- (c) The plan developed under this section must establish or identify:
 - (1) a method of distribution of disaster relief funding to local areas, subject to modification by the governor based on the nature of the disaster;
 - (2) guidelines for outreach to program applicants and for eligible housing and infrastructure activities;
 - (3) eligibility criteria for program applicants;
 - (4) housing quality and energy efficiency standards;
 - (5) priorities for serving local populations;
 - (6) procedures for establishing compliance with federal requirements;
 - (7) procedures for coordination and communication among

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federal, state, and local entities;

(8) pre-disaster and post-disaster training programs;

(9) a procedure for each department to compile, update, and post on that department's Internet website in advance of hurricane season all relevant forms and information for program applicants;

(10) federal and state monitoring and reporting requirements, including a list of the types of data that local government officials may be required to collect, analyze, and report;

(11) the state information technology systems and processes that will be used to administer funds from the federal government or any other source;

(12) a process for identifying elements of disaster recovery where coordination between or among state agencies will be required; and

(13) a process for implementing memoranda of understanding in areas of disaster recovery where interagency coordination will be required.

(d) In developing the plan under this section, the department and the Texas Department of Rural Affairs shall seek from county judges and mayors in areas impacted by large-scale natural disasters input regarding the development of future methods of distributing federal funding for long-term disaster recovery.

(e) The plan established under this section must be updated biennially and approved by the governor.

(f) Biennially, the governor shall designate a state agency to be the primary agency in charge of coordinating the distribution of long-term disaster recovery funding.

ARTICLE 3. HOUSING TRUST FUND PROGRAM; LOW INCOME HOUSING TAX CREDIT PROGRAM

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federal, state, and local entities;

(8) pre-disaster and post-disaster training programs;

(9) a procedure for each appropriate state agency or office to compile, update, and post on that agency's or office's Internet website in advance of hurricane season all relevant forms and information for program applicants;

(10) federal and state monitoring and reporting requirements, including a list of the types of data that local government officials may be required to collect, analyze, and report;

(11) the state information technology systems and processes that will be used to administer funds from the federal government or any other source;

(12) a process for identifying elements of disaster recovery where coordination between or among state agencies will be required; and

(13) a process for implementing memoranda of understanding in areas of disaster recovery where interagency coordination will be required.

(d) In developing the plan under this section, the agency or office designated under Subsection (f) shall seek from county judges and mayors in areas impacted by large-scale natural disasters input regarding the development of future methods of distributing federal funding for long-term disaster recovery.

(e) The plan established under this section must be updated biennially and approved by the governor.

(f) Biennially, the governor shall designate a state agency or office to be the primary agency or office in charge of coordinating the distribution of long-term disaster recovery funding.

ARTICLE 4. Same as House version.

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SECTION 3.01. Sections 2306.111(d-1) and (d-2), Government Code, are amended to read as follows:

(d-1) In allocating low income housing tax credit commitments under Subchapter DD, the department shall, before applying the regional allocation formula prescribed by Section 2306.1115, set aside for at-risk developments, as defined by Section 2306.6702, not less than the minimum amount of housing tax credits required under Section 2306.6714. Funds or credits are not required to be allocated according to the regional allocation formula under Subsection (d) if:

- (1) the funds or credits are reserved for contract-for-deed conversions or for set-asides mandated by state or federal law and each contract-for-deed allocation or set-aside allocation equals not more than 10 percent of the total allocation of funds or credits for the applicable program;
- (2) the funds or credits are allocated by the department primarily to serve persons with disabilities; or
- (3) the funds are housing trust funds administered by the department under Sections 2306.201-2306.206 that are not otherwise required to be set aside under state or federal law and do not exceed \$3 million for each programmed activity during each application cycle.

(d-2) In allocating low income housing tax credit commitments under Subchapter DD, the department shall allocate five percent of the housing tax credits in each application cycle to developments that receive federal financial assistance through the Texas Rural Development Office of the United States Department of Agriculture. Any funds allocated to developments under this subsection that involve rehabilitation must come from the funds set aside for at-risk developments under Section 2306.6714 and any additional funds set aside for those developments under

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SECTION 4.01. Same as House version.

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Subsection (d-1). This subsection does not apply to a development financed wholly or partly under Section 538 of the Housing Act of 1949 (42 U.S.C. Section 1490p-2) unless the development involves the rehabilitation of an existing property that has received and will continue to receive as part of the financing of the development federal financial assistance provided under Section 515 of the Housing Act of 1949 (42 U.S.C. Section 1485).

No equivalent provision.

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SECTION 4.02. Section 2306.6702(a)(5), Government Code, is amended to read as follows:

(5) "At-risk development" means:

(A) a development that:

(i) ~~[(A)]~~ has received the benefit of a subsidy in the form of a below-market interest rate loan, interest rate reduction, rental subsidy, Section 8 housing assistance payment, rental supplement payment, rental assistance payment, or equity incentive under the following federal laws, as applicable:

(a) ~~[(i)]~~ Sections 221(d)(3) and (5), National Housing Act (12 U.S.C. Section 1715l);

(b) ~~[(ii)]~~ Section 236, National Housing Act (12 U.S.C. Section 1715z-1);

(c) ~~[(iii)]~~ Section 202, Housing Act of 1959 (12 U.S.C. Section 1701q);

(d) ~~[(iv)]~~ Section 101, Housing and Urban Development Act of 1965 (12 U.S.C. Section 1701s);

(e) ~~[(v)]~~ the Section 8 Additional Assistance Program for housing developments with HUD-Insured and HUD-Held Mortgages administered by the United States Department of Housing and Urban Development;

(f) ~~[(vi)]~~ the Section 8 Housing Assistance Program for the Disposition of HUD-Owned Projects administered by the United States Department of Housing and Urban

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Development;
(g) [~~(vii)~~] Sections 514, 515, and 516, Housing Act of 1949 (42 U.S.C. Sections 1484, 1485, and 1486); or
(h) [~~(viii)~~] Section 42, Internal Revenue Code of 1986 (26 U.S.C. Section 42); and
(ii) [~~(B)~~] is subject to the following conditions:
(a) [~~(i)~~] the stipulation to maintain affordability in the contract granting the subsidy is nearing expiration; or
(b) [~~(ii)~~] the federally insured mortgage on the development is eligible for prepayment or is nearing the end of its term; or
(B) a development that proposes to rehabilitate or reconstruct housing units that:
(i) are owned by a public housing authority and receive assistance under Section 9 of the National Housing Act (12 U.S.C. Section 1706d); or
(ii) received assistance under Section 9 of the National Housing Act (12 U.S.C. Section 1706d) and:
(a) are proposed to be disposed of or demolished by a public housing authority; or
(b) have been disposed of or demolished by a public housing authority in the two-year period preceding the application for housing tax credits.

SECTION 3.02. Section 2306.67022, Government Code, is amended to read as follows:

Sec. 2306.67022. QUALIFIED ALLOCATION PLAN; MANUAL. At least biennially, the [The] board [annually] 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.

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SECTION 4.04. Section 2306.6710(b), Government Code, is amended to read as follows:

(b) If an application satisfies the threshold criteria, the department shall score and rank the application using a point system that:

(1) prioritizes in descending order criteria regarding:

(A) financial feasibility of the development based on the supporting financial data required in the application that will include a project underwriting pro forma from the permanent or construction lender;

(B) quantifiable community participation with respect to the development, evaluated on the basis of a resolution concerning the development that is voted on and adopted by the governing body of a municipality ~~[written statements from any neighborhood organizations on record with the state or county in which the development is to be located and]~~ whose boundaries contain the proposed development site or by the commissioners court of a county whose boundaries contain the proposed development site;

(C) the income levels of tenants of the development;

(D) the size and quality of the units;

(E) the commitment of development funding by local political subdivisions;

(F) ~~[the level of community support for the application, evaluated on the basis of written statements from the state representative or the state senator that represents the district containing the proposed development site;~~

~~[(G)]~~ the rent levels of the units;

~~[(G)]~~ ~~[(H)]~~ the cost of the development by square foot;

~~[(H)]~~ ~~[(I)]~~ the services to be provided to tenants of the development; and

~~[(I)]~~ ~~[(J)]~~ whether, at the time the complete application is submitted or at any time within the two-year period preceding

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the date of submission, the proposed development site is located in an area declared to be a disaster under Section 418.014;

(2) uses criteria imposing penalties on applicants or affiliates who have requested extensions of department deadlines relating to developments supported by housing tax credit allocations made in the application round preceding the current round or a developer or principal of the applicant that has been removed by the lender, equity provider, or limited partners for its failure to perform its obligations under the loan documents or limited partnership agreement; and

(3) encourages applicants to provide free notary public service to the residents of the developments for which the allocation of housing tax credits is requested.

SECTION 3.03. Sections 2306.6711(b) and (f), Government Code, are 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 \$3 [~~\$2~~] million in a single application round.

(f) The board may allocate housing tax credits to more than one development in a single community, as defined by department rule, in the same calendar year only if the developments are or will be located more than two [~~one~~] linear miles [~~mile~~] apart. This subsection applies only to

SECTION 4.05. Sections 2306.6711(b) and (f), Government Code, are 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 \$3 [~~\$2~~] million in a single application round or to an individual development more than \$2 million in a single application round.

(f) The board may allocate housing tax credits to more than one development in a single community, as defined by department rule, in the same calendar year only if the developments are or will be located more than two [~~one~~] linear miles [~~mile~~] apart. This subsection applies only to

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communities contained within counties with populations exceeding one million.

No equivalent provision.

SECTION 3.04. Sections 2306.6724(a), (b), and (c), Government Code, are amended to read as follows:

(a) Regardless of whether the board will adopt the plan annually or biennially [Not later than September 30 of each year], the department, not later than September 30 of the year preceding the year in which the new plan is proposed for use, shall prepare and submit to the board for adoption any proposed [the] qualified allocation plan required by federal law for use by the department in setting criteria and priorities for the allocation of tax credits under the low income housing tax credit program.

(b) Regardless of whether the board has adopted the plan annually or biennially, the [The] board shall [adopt and] submit to the governor any proposed [the] qualified allocation plan not later than November 15 of the year preceding the year in which the new plan is proposed for use.

~~(c)~~ The governor shall approve, reject, or modify and approve the proposed qualified allocation plan not later than December 1.

SECTION 3.05. Section 2306.6725, Government Code, is amended by adding Subsections (b-1) and (b-2) to read as

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communities contained within counties with populations exceeding one million.

SECTION 4.06. Section 2306.6718(b), Government Code, is amended to read as follows:

(b) The department shall provide the elected officials with an opportunity to comment on the application during the application evaluation process ~~[provided by Section 2306.6710]~~ and shall consider those comments in evaluating applications ~~[under that section]~~.

SECTION 4.07. Same as House version.

No equivalent provision.

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follows:

(b-1) The department shall provide appropriate incentives as determined through the qualified allocation plan to reward applicants who:

(1) on the date an application round begins, are doing business in this state for purposes of Chapter 171, Tax Code;

(2) using financing or other assistance from the department, have developed and completed:

(A) at least 150 units of comparable housing if the proposed project is located in a rural area; or

(B) at least 350 units of comparable housing if the proposed project is located in an area other than a rural area; and

(3) in the five-year period preceding the date the application round begins, have not had any instances of material noncompliance with respect to a project for which the department provided financing or other assistance.

(b-2) If points are awarded to an application under Subsection (b-1), the department shall increase the points awarded under Section 2306.6710(b)(1)(F) by the amount of points awarded under Subsection (b-1).

SECTION 3.06. Subchapter DD, Chapter 2306, Government Code, is amended by adding Section 2306.6739 to read as follows:

Sec. 2306.6739. HOUSING TAX CREDITS FINANCED USING FEDERAL EMERGENCY FUNDS. (a) To the extent the department receives federal emergency funds that must be awarded by the department in the same manner as and that are subject to the same limitations as awards of housing tax credits, any reference in this chapter to the administration of the housing tax credit program applies equally to the administration of the federal funds, subject to Subsection (b).

(b) Notwithstanding any other law, the department may

SECTION 4.08. Same as House version.

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establish a separate application procedure for the federal emergency funds that does not follow the uniform application cycle required by Section 2306.1111 or the deadlines established by Section 2306.6724, and any reference in this chapter to an application period occurring in relation to those federal emergency funds refers to the period beginning on the date the department begins accepting applications for the federal funds and continuing until all of the available federal funds are awarded.

ARTICLE 4. MANUFACTURED HOUSING

SECTION 4.01. Section 2306.6022, Government Code, is amended by adding Subsections (e) and (f) to read as follows:

(e) The division director may allow an authorized employee of the division to dismiss a complaint if an investigation demonstrates that:

(1) a violation did not occur; or

(2) the subject of the complaint is outside the division's jurisdiction under this subchapter.

(f) An employee who dismisses a complaint under Subsection (e) shall report the dismissal to the division director and the board. The report must include a sufficient explanation of the reason the complaint was dismissed.

SECTION 4.02. Subchapter AA, Chapter 2306, Government Code, is amended by adding Section 2306.6023 to read as follows:

Sec. 2306.6023. NEGOTIATED RULEMAKING AND ALTERNATIVE DISPUTE RESOLUTION. (a) The division shall develop and implement a policy to encourage the use of:

(1) negotiated rulemaking procedures under Chapter 2008 for

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ARTICLE 5. Same as House version.

SECTION 5.01. Same as House version.

SECTION 5.02. Same as House version.

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the adoption of division rules; and

(2) appropriate alternative dispute resolution procedures under Chapter 2009 to assist in the resolution of internal and external disputes under the division's jurisdiction.

(b) The division's procedures relating to alternative dispute resolution must conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings for the use of alternative dispute resolution by state agencies.

(c) The division shall:

(1) coordinate the implementation of the policy adopted under Subsection (a);

(2) provide training as needed to implement the procedures for negotiated rulemaking or alternative dispute resolution;
and

(3) collect data concerning the effectiveness of those procedures.

SECTION 4.03. Section 1201.003, Occupations Code, is amended by amending Subdivision (17) and adding Subdivision (17-a) to read as follows:

(17) "License holder" or "licensee" means a person who holds a department-issued license as a manufacturer, retailer, broker, ~~rebuilder,~~ salesperson, or installer.

(17-a) "Management official" means an individual with authority over employees involved in the sale of manufactured homes at a retail location.

SECTION 4.04. Sections 1201.055(a) and (b), Occupations Code, are amended to read as follows:

(a) With guidance from the federal Housing and Community Development Act of 1974 (42 U.S.C. Section 5301 et seq.) and from the rules and regulations adopted under the National

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SECTION 5.03. Same as House version.

SECTION 5.04. Same as House version.

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Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. Section 5401 et seq.), the board shall establish fees as follows:

- (1) if the department acts as a design approval primary inspection agency, a schedule of fees for the review of HUD-code manufactured home blueprints and supporting information, to be paid by the manufacturer seeking approval of the blueprints and supporting information;
 - (2) except as provided by Subsection (e), a fee for the inspection of each HUD-code manufactured home manufactured or assembled in this state, to be paid by the manufacturer of the home;
 - (3) a fee for the inspection of an alteration made to the structure or plumbing, heating, or electrical system of a HUD-code manufactured home, to be charged on an hourly basis and to be paid by the person making the alteration;
 - (4) a fee for the inspection of the rebuilding of a salvaged manufactured home, to be paid by the retailer [~~rebuilder~~];
 - (5) a fee for the inspection of a used manufactured home to determine whether the home is habitable for the issuance of a new statement of ownership and location; and
 - (6) a fee for the issuance of a seal for a used mobile or HUD-code manufactured home.
- (b) In addition to the fees imposed under Subsections (a)(2), (3), and (4), a manufacturer or [;] a person making an alteration, [~~or a rebuilder,~~] as appropriate, shall be charged for the actual cost of travel of a department representative to and from:
- (1) the manufacturing facility, for an inspection described by Subsection (a)(2); or
 - (2) the place of inspection, for an inspection described by Subsection (a)(3) or (4).

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SECTION 4.05. Section 1201.056, Occupations Code, is amended to read as follows:

Sec. 1201.056. LICENSE FEES. (a) The board shall establish fees for the issuance and renewal of licenses for:

- (1) manufacturers;
- (2) retailers;
- (3) brokers;
- (4) salespersons; and
- (5) ~~rebuilders; and~~
[~~(6)~~] installers.

(b) The board by rule may establish a fee for reprinting a license issued under this chapter.

SECTION 4.06. Sections 1201.101(e) and (f-1), Occupations Code, are amended to read as follows:

(e) A person may not repair, rebuild, or otherwise alter a salvaged manufactured home unless the person holds a ~~rebuilder's or~~ retailer's license.

(f-1) A retailer may not be licensed to operate more than ~~[at a principal location and]~~ one location ~~[or more branch locations]~~ under a single license~~[- provided, however, that a separate application must be made for each branch, and each branch must be separately bonded].~~

SECTION 4.07. Sections 1201.103(a) and (b), Occupations Code, are amended to read as follows:

(a) An applicant for a license as a manufacturer, retailer, broker, ~~rebuilder,~~ or installer must file with the director a license application containing:

- (1) the legal name, address, and telephone number of the applicant and each person who will be a related person at the time the requested license is issued;
- (2) all trade names, and the names of all other business

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SECTION 5.05. Same as House version.

SECTION 5.06. Same as House version.

SECTION 5.07. Same as House version.

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organizations, under which the applicant does business subject to this chapter, the name of each such business organization registered with the secretary of state, and the address of such business organization;

(3) the dates on which the applicant became the owner and operator of the business; and

(4) the location to which the license will apply.

(b) A license application must be accompanied by:

(1) proof of the security required by this subchapter; ~~and~~

(2) payment of the fee required for issuance of the license; and

(3) the information and the cost required under Section 1201.1031.

SECTION 4.08. Subchapter C, Chapter 1201, Occupations Code, is amended by adding Section 1201.1031 to read as follows:

Sec. 1201.1031. CRIMINAL HISTORY RECORD INFORMATION REQUIREMENT FOR LICENSE. (a) The department shall require that an applicant for a license or renewal of an unexpired license submit a complete and legible set of fingerprints, on a form prescribed by the board, to the department or to the Department of Public Safety for the purpose of obtaining criminal history record information from the Department of Public Safety and the Federal Bureau of Investigation. The applicant is required to submit a set of fingerprints only once under this section unless a replacement set is otherwise needed to complete the criminal history check required by this section.

(b) The department shall refuse to issue a license to or renew the license of a person who does not comply with the requirement of Subsection (a).

(c) The department shall conduct a criminal history check of

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SECTION 5.08. Same as House version.

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each applicant for a license or renewal of a license using information:

(1) provided by the individual under this section; and

(2) made available to the department by the Department of Public Safety, the Federal Bureau of Investigation, and any other criminal justice agency under Chapter 411, Government Code.

(d) The department may enter into an agreement with the Department of Public Safety to administer a criminal history check required under this section.

(e) The applicant shall pay the cost of a criminal history check under this section.

SECTION 4.09. Section 1201.104, Occupations Code, is amended by amending Subsections (a), (g), and (h) and adding Subsections (a-1), (a-2), (a-3), and (a-4) to read as follows:

(a) Except as provided by Subsection (g) ~~[(e)]~~, as a requirement for a manufacturer's, retailer's, broker's, installer's, ~~[salvage-rebuilder's,]~~ or salesperson's license, a person who was not licensed or registered with the department or a predecessor agency on September 1, 1987, must, not more than 12 months before applying for the person's first license under this chapter, attend and successfully complete **eight** [20] hours of instruction in the law, including instruction in consumer protection regulations.

(a-1) If the applicant is not an individual, the applicant must have at least one related person who satisfies the requirements of Subsection (a) ~~[meets this requirement]~~. If that applicant is applying for a retailer's license, the related person must be a management official who satisfies the requirements of Subsections (a) and (a-2) at each retail location operated by the applicant.

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SECTION 5.09. Section 1201.104, Occupations Code, is amended by amending Subsections (a), (g), and (h) and adding Subsections (a-1), (a-2), (a-3), and (a-4) to read as follows:

(a) Except as provided by Subsection (g) ~~[(e)]~~, as a requirement for a manufacturer's, retailer's, broker's, installer's, ~~[salvage-rebuilder's,]~~ or salesperson's license, a person who was not licensed or registered with the department or a predecessor agency on September 1, 1987, must, not more than 12 months before applying for the person's first license under this chapter, attend and successfully complete **12** [20] hours of instruction in the law, including instruction in consumer protection regulations.

(a-1) If the applicant is not an individual, the applicant must have at least one related person who satisfies the requirements of Subsection (a) ~~[meets this requirement]~~. If that applicant is applying for a retailer's license, the related person must be a management official who satisfies the requirements of Subsections (a) and (a-2) at each retail location operated by the applicant.

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(a-2) An applicant for a retailer's license must complete four hours of specialized instruction relevant to the sale, exchange, and lease-purchase of manufactured homes. The instruction under this subsection is in addition to the instruction required under Subsection (a).

(a-3) An applicant for an installer's license must complete four hours of specialized instruction relevant to the installation of manufactured homes. The instruction under this subsection is in addition to the instruction required under Subsection (a).

(a-4) An applicant for a joint installer-retailer license must comply with Subsections (a-2) and (a-3), for a total of eight hours of specialized instruction. The instruction under this subsection is in addition to the instruction required under Subsection (a).

(g) Subsections ~~[Subsection]~~ (a), (a-2), (a-3), and (a-4) do ~~[does]~~ not apply to a license holder who applies:

- (1) for a license for an additional business location; or
- (2) to renew or reinstate a license.

(h) An examination must be a requirement of successful completion of any initial required course of instruction under this section. The period needed to complete an examination under this subsection may not be used to satisfy the minimum education requirements under Subsection (a), (a-2), (a-3), or (a-4).

SECTION 4.10. Section 1201.106(a), Occupations Code, is amended to read as follows:

(a) An applicant for a license or a license holder shall file a bond or other security under Section 1201.105 for the issuance or renewal of a license in the following amount:

- (1) \$100,000 for a manufacturer;
- (2) \$50,000 for a retailer ~~[retailer's principal location];~~
- (3) ~~[\$50,000 for each retailer's branch location];~~

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(a-2) An applicant for a retailer's license must complete four hours of specialized instruction relevant to the sale, exchange, and lease-purchase of manufactured homes. The instruction under this subsection is in addition to the instruction required under Subsection (a).

(a-3) An applicant for an installer's license must complete four hours of specialized instruction relevant to the installation of manufactured homes. The instruction under this subsection is in addition to the instruction required under Subsection (a).

(a-4) An applicant for a joint installer-retailer license must comply with Subsections (a-2) and (a-3), for a total of eight hours of specialized instruction. The instruction under this subsection is in addition to the instruction required under Subsection (a).

(g) Subsections ~~[Subsection]~~ (a), (a-2), (a-3), and (a-4) do ~~[does]~~ not apply to a license holder who applies:

- (1) for a license for an additional business location; or
- (2) to renew or reinstate a license.

(h) An examination must be a requirement of successful completion of any initial required course of instruction under this section. The period needed to complete an examination under this subsection may not be used to satisfy the minimum education requirements under Subsection (a), (a-2), (a-3), or (a-4).

SECTION 5.10. Same as House version.

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~~[(4) \$50,000 for a rebuilder;~~
~~[(5) \$50,000 for a broker; or~~
(4) [(6) \$25,000 for an installer.

SECTION 4.11. Section 1201.110, Occupations Code, is amended to read as follows:

Sec. 1201.110. SECURITY: DURATION. The department shall maintain on file a security other than a bond canceled as provided by Section 1201.109(a) until the later of:

(1) the second anniversary of the date the manufacturer, retailer, broker, or installer~~[-or-rebuilder]~~ ceases doing business; or

(2) the date the director determines that a claim does not exist against the security.

SECTION 5.11. Same as House version.

SECTION 4.12. Section 1201.116(a), Occupations Code, is amended to read as follows:

(a) The department shall renew a license if, before the expiration date of the license, the department receives the renewal application and payment of the required fee as well as the cost required under Section 1201.1031 ~~[before the expiration date of the license]~~.

SECTION 5.12. Same as House version.

SECTION 4.13. Section 1201.303, Occupations Code, is amended by amending Subsection (b) and adding Subsections (c), (d), (e), (f), and (g) to read as follows:

(b) The department shall establish an installation inspection program in which at least 75 ~~[25]~~ percent of installed manufactured homes are inspected on a sample basis for compliance with the standards and rules adopted and orders issued by the director. The program must place priority on inspecting multisection homes and homes installed in Wind Zone II counties.

SECTION 5.13. Same as House version.

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(c) On or after January 1, 2015, the director by rule shall establish a third-party installation inspection program to supplement the inspections of the department if the department is not able to inspect at least 75 percent of manufactured homes installed in each of the calendar years 2012, 2013, and 2014.

(d) The third-party installation inspection program established under Subsection (c) must:

(1) establish qualifications for third-party inspectors to participate in the program;

(2) require third-party inspectors to register with the department before participating in the program;

(3) establish a biennial registration and renewal process for third-party inspectors;

(4) require the list of registered third-party inspectors to be posted on the department's Internet website;

(5) establish clear processes governing inspection fees and payment to third-party inspectors;

(6) establish the maximum inspection fee that may be charged to a consumer;

(7) require a third-party inspection to occur not later than the 14th day after the date of installation of the manufactured home;

(8) establish a process for a retailer or broker to contract, as part of the sale of a new or used manufactured home, with an independent third-party inspector to inspect the installation of the home;

(9) establish a process for an installer to schedule an inspection for each consumer-to-consumer sale where a home is reinstalled;

(10) if a violation is noted in an inspection, require the installer to:

(A) remedy the violations noted;

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(B) have the home reinspected at the installer's expense; and
(C) certify to the department that all violations have been corrected;

(11) require an inspector to report inspection results to the retailer, installer, and the department;

(12) require all persons receiving inspection results under Subdivision (11) to maintain a record of the results at least until the end of the installation warranty period;

(13) authorize the department to charge a filing fee and an inspection fee for third-party inspections;

(14) authorize the department to continue to conduct no-charge complaint inspections under Section 1201.355 on request, but only after an initial installation inspection is completed;

(15) establish procedures to revoke the registration of inspectors who fail to comply with rules adopted under this section; and

(16) require the department to notify the relevant state agency if the department revokes an inspector registration based on a violation that is relevant to a license issued to the applicable person by another state agency.

(e) Not later than January 1, 2015, the department shall submit to the Legislative Budget Board, the Governor's Office of Budget, Planning, and Policy, and the standing committee of each house of the legislature having primary jurisdiction over housing a report concerning whether the department inspected at least 75 percent of manufactured homes installed in each of the calendar years 2012, 2013, and 2014.

(f) Not later than December 1, 2015, the director shall adopt rules as necessary to implement Subsections (c) and (d) if the department did not inspect at least 75 percent of manufactured homes installed in each of the calendar years 2012, 2013, and 2014. Not later than January 1, 2016, the department shall

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begin registering third-party inspectors under Subsections (c) and (d) if the department inspections did not occur as described by this subsection.

(g) If the department is not required to establish a third-party installation inspection program as provided by Subsection (c), Subsections (c), (d), (e), and (f) and this subsection expire September 1, 2016.

SECTION 4.14. Section 1201.357, Occupations Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) As authorized by Section 1201.6041, the director may order a manufacturer, retailer, or installer, as applicable, to pay a refund directly to a consumer as part of an agreed order described by Subsection (b) instead of or in addition to instituting an administrative action under this chapter.

SECTION 4.15. Section 1201.461(d), Occupations Code, is amended to read as follows:

(d) A person may not sell, convey, or otherwise transfer to a consumer in this state a manufactured home that is salvaged. A salvaged manufactured home may be sold only to a licensed retailer [~~or licensed rebuilder~~].

SECTION 4.16. Subchapter M, Chapter 1201, Occupations Code, is amended by adding Section 1201.6041 to read as follows:

Sec. 1201.6041. DIRECT CONSUMER COMPENSATION.
(a) Instead of requiring a consumer to apply for compensation from the trust fund under Subchapter I, the director may order a manufacturer, retailer, broker, or installer, as applicable, to pay a refund directly to a consumer who sustains actual damages resulting from an unsatisfied claim against a licensed manufacturer, retailer, broker, or installer if the unsatisfied

SECTION 5.14. Same as House version.

SECTION 5.15. Same as House version.

SECTION 5.16. Same as House version.

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claim results from a violation of:

(1) this chapter;

(2) a rule adopted by the director;

(3) the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. Section 5401 et seq.);

(4) a rule or regulation of the United States Department of Housing and Urban Development; or

(5) Subchapter E, Chapter 17, Business & Commerce Code.

(b) For purposes of this section, the refund of a consumer's actual damages is determined according to Section 1201.405.

(c) The director shall prepare information for notifying consumers of the director's option to order a direct refund under this section, shall post the information on the department's Internet website, and shall make printed copies available on request.

SECTION 4.17. Sections 1201.610(a), (b), and (f), Occupations Code, are amended to read as follows:

(a) ~~The [If the director has reasonable cause to believe that a person licensed under this chapter has violated or is about to violate any provision of this chapter or rules adopted by the department under this chapter, the] director may issue without notice and hearing an order to cease and desist from continuing a particular action or an order to take affirmative action, or both, to enforce compliance with this chapter if the~~ director has reasonable cause to believe that a person has violated or is about to violate any provision of this chapter or a rule adopted under this chapter.

(b) The director may issue an order to any person ~~[licensee]~~ to cease and desist from violating any law, rule, or written agreement or to take corrective action with respect to any such violations if the violations in any way are related to the sale,

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financing, or installation of a manufactured home or the providing of goods or services in connection with the sale, financing, or installation of a manufactured home unless the matter that is the basis of such violation is expressly subject to inspection and regulation by another state agency; provided, however, that if any matter involves a law that is subject to any other administration or interpretation by another agency, the director shall consult with the person in charge of the day-to-day administration of that agency before issuing an order.

(f) If a person licensed under this chapter fails to pay an administrative penalty that has become final or fails to comply with an order of the director that has become final, in addition to any other remedy provided by law, the director, after not less than 10 days' notice to the person, may without a prior hearing suspend the person's license. The suspension shall continue until the person has complied with the cease and desist order or paid the administrative penalty. During the period of suspension, the person may not perform any act requiring a license under this chapter, and all compensation received by the person during the period of suspension is subject to forfeiture to the person from whom it was received.

SECTION 4.18. Section 1302.061, Occupations Code, is amended to read as follows:

Sec. 1302.061. MANUFACTURED HOMES. This chapter does not apply to a person or entity licensed as a manufacturer, retailer, [~~rebuilder,~~] or installer under Chapter 1201 and engaged exclusively in air conditioning and refrigeration contracting for manufactured homes if the installation of air conditioning components at the site where the home will be occupied is performed by a person licensed under this chapter.

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SECTION 5.18. Same as House version.

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No equivalent provision.

No equivalent provision.

ARTICLE 5. TRANSITION PROVISIONS

SECTION 5.01.

(a) Not later than March 1, 2012, the **Texas Department of Housing and Community Affairs** shall develop the plan required under Section 2306.531, Government Code, as added by this Act.

(b) Not later than May 1, 2012, the **Texas Department of Housing and Community Affairs** shall obtain the governor's approval of the plan developed under Section 2306.531, Government Code, as added by this Act.

(c) Not later than **May 1, 2012**, the governor shall designate a state agency to be the primary agency in charge of coordinating the distribution of long-term disaster recovery funding as required under Section 2306.531, Government Code, as added by this Act.

SECTION 5.02. The change in law made by this Act to Sections 2306.043, 2306.044, 2306.045, 2306.046, and 2306.049, Government Code, applies only to a violation committed on or after the effective date of this Act. A violation committed before the effective date of this Act is governed by the law in effect when the violation was committed, and the former law is continued in effect for that purpose.

SECTION 5.03. The change in law made by this Act in

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ARTICLE __. REPEALER [FA3]

SECTION __.01. Section 2306.6710(f), Government Code, is repealed. [FA3]

ARTICLE 6. Same as House version.

SECTION 6.01.

(b) Not later than March 1, 2012, the **designated agency or office** shall develop the plan required under Section 2306.531, Government Code, as added by this Act.

(c) Not later than May 1, 2012, **the designated agency or office** shall obtain the governor's approval of the plan developed under Section 2306.531, Government Code, as added by this Act.

(a) Not later than **October 1, 2011**, the governor shall designate a state agency **or office** to be the primary agency **or office** in charge of coordinating the distribution of long-term disaster recovery funding as required under Section 2306.531, Government Code, as added by this Act.

SECTION 6.02. Same as House version.

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adding Section 2306.1875, Government Code, does not affect an energy audit or analysis or energy testing performed or an energy rating awarded before the effective date of this Act. An energy audit or analysis or energy testing performed or an energy rating awarded before the effective date of this Act is governed by the law in effect on the date the audit, analysis, or testing was performed or the rating was awarded, and the former law is continued in effect for that purpose.

SECTION 5.04. The change in law made by this Act to Section 2306.6022, Government Code, applies only to a complaint filed on or after the effective date of this Act. A complaint filed before the effective date of this Act is governed by the law in effect at the time the complaint was filed, and the former law is continued in effect for that purpose.

SECTION 5.05. The changes in law made by this Act to Sections 2306.6711 and 2306.6725, Government Code, 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 begins on or after the effective date of this Act. An application that is submitted during an application cycle that began before the effective date of this Act is governed by the law in effect at the time the application cycle began, and the former law is continued in effect for that purpose.

SECTION 5.06. Notwithstanding Sections 1201.101(f-1) and 1201.106(a), Occupations Code, as amended by this Act, a retailer licensed to operate one or more branch locations on or before the effective date of this Act is not required to comply

SENATE VERSION (IE)

SECTION 6.03. Same as House version.

SECTION 6.04. The changes in law made by this Act to Sections 2306.6702, 2306.6710, 2306.6711, and 2306.6718, Government Code, 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 begins on or after the effective date of this Act. An application that is submitted during an application cycle that began before the effective date of this Act is governed by the law in effect at the time the application cycle began, and the former law is continued in effect for that purpose.

SECTION 6.05. Same as House version.

CONFERENCE

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with the changes in law made by those sections until March 1, 2012.

SECTION 5.07. (a) The change in law made by this Act in amending Sections 1201.103 and 1201.104, Occupations Code, applies only to an application for a license filed with the executive director of the manufactured housing division of the Texas Department of Housing and Community Affairs on or after the effective date of this Act. An application for a license filed before that date is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose.

(b) The change in law made by this Act in adding Section 1201.1031, Occupations Code, applies only to an application for a license or license renewal filed with the executive director of the manufactured housing division of the Texas Department of Housing and Community Affairs on or after the effective date of this Act. An application for a license or license renewal filed before that date is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose.

(c) The change in law made by this Act in amending Section 1201.116, Occupations Code, applies only to an application for a license renewal filed with the executive director of the manufactured housing division of the Texas Department of Housing and Community Affairs on or after the effective date of this Act. An application for a license renewal filed before that date is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose.

No equivalent provision.

SENATE VERSION (IE)

SECTION 6.06. Same as House version.

ARTICLE __. MISCELLANEOUS PROVISIONS

CONFERENCE

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SENATE VERSION (IE)

CONFERENCE

No equivalent provision.

SECTION __. Subsection (a), Section 2306.542, Government Code, is amended by adding new subdivision (1) to read as follows:

(a) Using the natural disaster housing reconstruction plan developed under this subchapter, the director and advisory committee shall develop, for implementation under Subsections (b) and (c), housing reconstruction demonstration pilot programs for three areas, each of which was affected by one of the three most recent federally declared natural disasters. The pilot programs must provide for the replacement of at least 20 houses in each area to test the feasibility of implementing the plan in the large-scale production of replacement housing for victims of federally declared natural disasters.

(1) If local requirements, regulations or environmental factors of an area require elevation of houses, the department may deviate from the 20 house requirement under subsection (a) and determine the amount of houses needed to test the feasibility of implementing the plan. [CA1]

ARTICLE 6. EFFECTIVE DATE

ARTICLE 7. Same as House version.

SECTION 6.01. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2011.

SECTION 7.01. This Act takes effect September 1, 2011.

(b) Section 2306.1875, Government Code, as added by this Act, takes effect April 1, 2012.