

## **BILL ANALYSIS**

Senate Research Center

S.B. 1992  
By: Watson  
Intergovernmental Relations  
6/29/2017  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The current rules governing the provision of low income housing tax credits for affordable housing developments prohibits the Texas Department of Housing and Community Affairs from awarding these credits to two developments that are within two miles of each other in a single year. This rule only applies to counties with populations exceeding one million people.

S.B. 1992 changes this bracket to 1.5 million people in order to remove Travis County from the bracket. With the increased density in the City of Austin, this two-mile rule eliminates a significant amount of area where a second development can be built in areas that are high opportunity. This change will allow these developments to be located in such regions where the residents will have access to quality schools, transportation, and health services. (Original Author's / Sponsor's Statement of Intent)

S.B. 1992 amends current law relating to the allocation of housing tax credits to developments within proximate geographical areas.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 2306.6711(f), Government Code, as follows:

(f) Authorizes the governing board of the Texas Department of Housing and Community Affairs (board; TDHCA) to allocate housing tax credits to more than one development in a single community, as defined by TDHCA rule, in the same calendar year only if the developments are or will be located more than two linear miles apart or will serve different types of households, as defined by TDHCA rule, rather than only if the developments are or will be located more than two linear miles apart. Provides that this subsection applies only to communities contained within counties with populations exceeding 1.5 million, rather than one million. Provides that this subsection does not prohibit TDHCA from adopting rules under this chapter (Texas Department of Housing and Community Affairs) that are specific to other geographic areas of the state.

SECTION 2. Provides that the change in law made by this Act applies only to an application for low income housing tax credits that is submitted to TDHCA during an application cycle that is based on the 2018 qualified allocation plan or a subsequent plan adopted by the board. Provides that 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 continued in effect for that purpose.

SECTION 3. Effective date: September 1, 2017.