

## **BILL ANALYSIS**

Senate Research Center  
84R10609 KJE-D

S.B. 1316  
By: Watson  
Intergovernmental Relations  
4/21/2015  
As Filed

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

S.B. 1316 removes the scoring item related to local political subdivision contributions to an affordable housing project. Affordable housing projects are awarded federal tax credits based on a scoring system in a Qualified Allocation Plan (QAP) issued by the Texas Department of Housing and Community Affairs. Under the current QAP, an affordable housing project receives points on its application if the local political subdivision, such as the city in which it is located, commits a certain level of funding for the project. S.B. 1316 removes that scoring item, freeing capital that is currently tied up in projects that do not necessarily need it.

As proposed, S.B. 1316 amends current law relating to the system by which an application for a low income housing tax credit is scored.

### **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 2306.6710, Government Code, by amending Subsections (b) and (f), as follows:

(b) Deletes existing Paragraph (E), which included the commitment of development funding by local political subdivisions among the criteria used by the Texas Department of Housing and Community Affairs (TDHCA) or any successor agency to score and rank an application using a point system that prioritizes in descending order certain criteria, and renumbers the remaining paragraphs accordingly.

(f) Requires TDHCA, in evaluating the level of community support for an application under Subsection (b)(1)(J), rather than under Subsection (b)(1)(K), to award positive points for positive written statements received, negative points for negative written statements received, and zero points for neutral statements received.

SECTION 2. Repealer: Section 2306.004(4-a) (defining "development funding"), Government Code.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2015.