

## **BILL ANALYSIS**

Senate Research Center

S.B. 1658  
By: Watson  
Intergovernmental Relations  
3/30/2015  
As Filed

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

S.B. 1658 asks the Texas Department of Housing and Community Affairs, assisted by the Office of the Comptroller of the State of Texas, to study the feasibility, methods, and costs of establishing a low income housing tax credit program in Texas. Among the multiple questions to be studied are how this program would generate tax savings for Texas businesses, areas of funding that could be used for such a program, and how to best produce the greatest availability of affordable housing. The report would be submitted to the legislature by September 1, 2016.

As proposed, S.B. 1658 amends current law relating to a study and report on the feasibility, methods, and costs of establishing a Texas low income housing tax credit program.

### **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. DEFINITION. Defines “department.”

SECTION 2. STUDY. (a) Requires the Texas Department of Housing and Community Affairs (TDHCA) to conduct a study to evaluate the feasibility, methods, and costs of establishing a low income housing tax credit program for the state of Texas.

(b) Requires TDHCA, in conducting the study under Subsection (a) of this section, to:

- (1) evaluate and identify sources available to fund the program described by Subsection (a) of this section;
- (2) evaluate the methods other states use for such programs and identify what methods produce the greatest number of affordable housing units;
- (3) consider varying levels of funding for such a program and determine the number of affordable housing units these levels of funding would provide to the market;
- (4) evaluate the tax savings that would be realized by Texas businesses through the sale or exchange of the low income housing tax credits; and
- (5) identify the state entities best positioned to implement and administer such a program in an efficient manner.

SECTION 3. REPORT. Requires TDHCA, not later than September 1, 2016, to submit to the legislature a written report containing the findings of the study conducted under this Act and TDHCA’s recommendations for any legislation or other actions necessary to implement the program described by Section 2 of this Act.

SECTION 4. Requires the Office of Texas Comptroller of Public Accounts to assist TDHCA to the extent it is necessary to carry out the duty of Section 2(b). Requires that this assistance be rendered at the request of TDHCA.

SECTION 5. EXPIRATION. Provides that this Act expires September 1, 2017.

SECTION 6. EFFECTIVE DATE. Effective date: upon passage or September 1, 2015.