

Removing school quality from affordable housing tax credit criteria

HB 1215 by Collier (Alvarado)

Digest

HB 1215 would have allowed the Texas Department of Housing and Community Affairs to require that a proposed development meet certain criteria related to educational quality as part of the threshold criteria used for assessing applications to the low-income housing tax credit program. The department would have been prohibited from adopting a scoring system for the low-income housing tax credit program that awarded points to an application based on criteria related to educational quality. The department would have had to conduct a study on the effects these provisions had on the allocation of low income housing tax credits. The provisions would have expired September 1, 2021.

Governor's reason for veto

“House Bill 1215 mirrors current policy regarding the use of educational quality by the Texas Department of Housing and Community Affairs in administering the low income housing tax credit program. The bill would limit administrative flexibility, however, to a degree that is unacceptable.”

Response

Rep. Nicole Collier, the bill's author, said, “It's unfortunate Gov. Abbott chose to veto HB 1215, an affordable housing bill, given that this legislation is similar to HB 3574, a bill I filed — *and that he signed* — from the 85th session. There was hard evidence that showed the 9 percent housing tax credit system, as amended from the 85th session, was a success given that at least three different parts of the state saw new affordable housing development under the program that would not have happened had this provision not been in place. Moreover, denying the extension of this bill is particularly puzzling to me given that our state is experiencing tremendous growth amidst a low supply of affordable housing. The

governor's belief that the Texas Department of Housing and Community Affairs could institute a similar policy through its own steam is misplaced especially in light of the change in the law that initially facilitated the state agency to implement the policy in the first place.”

Sen. Carol Alvarado, the Senate sponsor, could not be reached for comment on the veto.

Notes

The HRO analysis of [HB 1215](#) appeared in Part One of the May 6 *Daily Floor Report*.