

BILL ANALYSIS

H.B. 2296
By: Moody
Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Department of Housing and Community Affairs provides housing tax credits and subsidies to private developers constructing or rehabilitating properties that offer affordable housing to eligible families. These developments, known as at-risk developments, include projects that receive subsidies through certain HUD-administered Section 8 programs, but not included among those programs are two Section 8 programs for new construction and substantial rehabilitation. H.B. 2296 seeks to address this issue by including those two programs for purposes of the eligibility of an at-risk development for housing tax credits.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2296 amends the Government Code to make eligible for housing tax credits under the low income housing tax credit program a development that has received the benefit of an applicable subsidy under the following federal programs administered by HUD and that otherwise qualifies as an at-risk development:

- the Section 8 housing assistance payments program for new construction; or
- the Section 8 housing assistance payments program for substantial rehabilitation.

H.B. 2296 applies only to an application for low income housing tax credits that is submitted to the Texas Department of Housing and Community Affairs (TDHCA) during an application cycle that is based on the 2022 qualified allocation plan or a subsequent plan adopted by the TDHCA governing board.

EFFECTIVE DATE

September 1, 2021.