

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1592
By: West
Finance
5/6/2003
Committee Report (Substituted)

DIGEST AND PURPOSE

Currently, June 1 is the date after which unused money which had been allocated by the Texas Department of Housing and Community Affairs (TDHCA) to regional areas can be brought back for reallocation within the state wide pool. C.S.S.B. 1592 requires the Bond Review Board (TBRB), before June 1, to apportion the amount of the state ceiling set aside under Subsection (a)(2) only among uniform state service regions with respect to which an issuer has submitted an application for a reservation of the state ceiling on or before March 1. This bill also requires TBRB, in granting reservations to issuers of qualified residential rental project issues, to give priority to certain projects which meet certain conditions and requires TDHCA to create an affordable housing research and information 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. Amends Section 1372.0231, Government Code, by amending Subsection (d) and adding Subsection (d-1), as follows:

(d) Makes a conforming change.

(d-1) Requires the Texas Bond Review Board (TBRB), before June 1, to apportion the amount of the state ceiling set aside under Subsection (a)(2) only among uniform state service regions with respect to which an issuer has submitted an application for a reservation of the state ceiling on or before March 1.

SECTION 2. Amends Section 1372.0321, Government Code, as added by Chapters 1367 and 1420, Acts of the 77th Legislature, Regular Session, 2001, by reenacting and amending as follows:

(a) Requires TBRB, in granting reservations to issuers of qualified residential rental project issues, to give first priority to certain projects which meet certain conditions.

(a-1) Requires TBRB, in granting reservations to issuers of qualified residential rental project issues, to give second priority to certain projects which meet certain conditions.

(a-2) Requires TBRB, in granting reservations to issuers of qualified residential rental project issues, to give third priority to any other qualified residential rental project.

(b) Prohibits TBRB from reserving a portion of the state ceiling for a first or second priority project described by this section, rather than Subsection (a), unless TBRB receives certain evidence.

SECTION 3. Amends Section 1372.006(a), Government Code, to require an application for a reservation under Subchapter B or a carryforward designation under Subchapter C to be

accompanied by a nonrefundable fee in the amount of \$500, except that for issuers of qualified residential rental project bonds the application must be accompanied by a nonrefundable fee of \$5,000, \$1,000 of which TBRB shall retain to offset the costs of the private activity bond allocation program and the administration of that program and \$4,000 of which TBRB shall transfer through an interagency agreement to the Texas Department of Housing and Community Affairs for use in the affordable housing research and information program as provided by Section 2306.259, Government Code.

SECTION 4. Amends Subchapter K, Chapter 2306, Government Code, by adding Section 2306.259, as follows:

Sec. 2306.259. AFFORDABLE HOUSING RESEARCH AND INFORMATION PROGRAM. Requires the Texas Department of Housing and Community Affairs (TDHCA), with money available under Section 1372.006(a), to establish an affordable housing research and information program in which TDHCA shall contract for certain studies, research, and public education and outreach efforts.

SECTION 5. (a) Effective date: September 1, 2003.

(b) Makes application of this Act prospective to January 1, 2004.