

# Authorizing certain corporations for multifamily residential development

SB 1861 by Menéndez (Flynn)

## Digest

SB 1861 would have amended the Public Facility Corporation Act to expressly authorize certain municipalities, counties, school districts, housing authorities, and special districts to create corporations to finance, own, and operate multifamily residential developments that met certain requirements for tax-exempt status.

## Governor's reason for veto

“Public facility corporations are a way for government entities to get in the business of affordable housing and issue conduit debt. To the extent Senate Bill 1861 would encourage taxing entities, including school districts and community colleges, to engage in activities that are outside of their core missions, it would distract those entities from improving student outcomes. Schools and community colleges should focus on educating students, and House Bill 3 provides the necessary resources to accomplish that goal.”

## Response

**Sen. José Menéndez**, the bill's author, could not be reached for comment on the veto.

**Rep. Dan Flynn**, the House sponsor, had no comment on the veto.

## Notes

[SB 1861](#) was digested in Part Two of the May 20 *Daily Floor Report*.

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