

1 **South Carolina General Assembly**
2 124th Session, 2021-2022

3
4 **H. 5075**

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14 **A BILL**

15
16 TO AMEND SECTION 12-6-3795, CODE OF LAWS OF SOUTH
17 CAROLINA, 1976, RELATING TO THE SOUTH CAROLINA
18 HOUSING TAX CREDIT, SO AS TO DEFINE TERMS AND
19 LIMIT THE CREDIT; TO AMEND ARTICLE 3 OF CHAPTER
20 11, TITLE 1, RELATING TO THE ALLOCATION OF STATE
21 CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS, SO
22 AS TO REQUIRE THE STATE FISCAL ACCOUNTABILITY
23 AUTHORITY TO DEVELOP A STATE CEILING
24 ALLOCATION PLAN ANNUALLY, TO SPECIFY
25 REQUIREMENTS OF THE PLAN, AND TO PROVIDE A
26 PROCESS FOR PERIODIC ALLOCATIONS OF THE STATE
27 CEILING; AND TO REPEAL SECTION 1-11-370 RELATING
28 TO INDEBTEDNESS INCLUDED WITHIN ANY LIMITS ON
29 PRIVATE ACTIVITY BONDS.

30
31 Be it enacted by the General Assembly of the State of South
32 Carolina:

33
34 SECTION 1. A. Section 12-6-3795 of the 1976 Code, as added
35 by Act 137 of 2020, is amended to read:

36
37 “Section 12-6-3795. (A) As used in this section:

38 (1) ‘Eligibility statement’ means a statement authorized and
39 issued by the South Carolina Housing and Finance Development
40 Authority certifying that a given project qualifies for the South
41 Carolina housing tax credit.

1 (2) 'Federal housing tax credit' means the federal tax credit
2 as provided in Section 42 of the Internal Revenue Code of 1986, as
3 amended.

4 (3) 'Median income' means those incomes that are
5 determined by the federal Department of Housing and Urban
6 Development guidelines and adjusted for family size.

7 (4) 'Project' means a housing project that has restricted rents
8 that do not exceed thirty percent of income for at least forty percent
9 of its units occupied by persons or families having incomes of sixty
10 percent or less of the median income, or at least twenty percent of
11 the units occupied by persons or families having incomes of fifty
12 percent or less of the median income.

13 (5) 'Qualified project' means a qualified low-income building
14 as that term is defined in Section 42 of the Internal Revenue Code
15 of 1986, as amended, that is located in South Carolina and receives
16 approval for tax credits from the South Carolina Housing and
17 Finance Development Authority provided pursuant to this section.

18 (6) 'Taxpayer' means a sole proprietor, partnership,
19 corporation of any classification, limited liability company, or
20 association taxable as a business entity that is subject to South
21 Carolina taxes pursuant to Section 12-6-510, Section 12-6-530,
22 Chapter 11, Title 12, or Chapter 7, Title 38.

23 (7) 'New construction tax credit' means the federal housing
24 tax credit applicable to new construction and intended to deliver up
25 to a seventy percent federal subsidy, sometimes referred to as the
26 nine percent low-income housing tax credit.

27 (8) 'Rehabilitation tax credit' means the federal housing tax
28 credit applicable to rehabilitation projects utilizing federally
29 tax-exempt bond financing and intended to deliver up to a thirty
30 percent subsidy, sometimes referred to as the four percent
31 low-income housing tax credit.

32 (B)(1) A state tax credit pursuant to this section may be claimed
33 against income taxes imposed by Section 12-6-510 or 12-6-530,
34 bank taxes imposed pursuant to Chapter 11, Title 12, corporate
35 license fees imposed pursuant to Chapter 20, Title 12, and insurance
36 premium and retaliatory taxes imposed pursuant to Chapter 7, Title
37 38, to be termed the South Carolina housing tax credit, and is
38 allowed with respect to each qualified project placed in service after
39 January 1, 2020, and before December 31, 2030, in an amount ~~equal~~
40 not to exceed the federal housing tax credit allowed with respect to
41 such qualified project, subject to the limitations of item (5). In
42 computing a tax payable by a taxpayer pursuant to Section 38-7-90,

1 the credit allowed pursuant to this section must be treated as a
2 premium tax paid pursuant to Section 38-7-20.

3 (2)(a) If under Section 42 of the Internal Revenue Code of
4 1986, as amended, a portion of any federal housing tax credit taken
5 on a project is required to be recaptured, the taxpayer claiming any
6 state South Carolina housing tax credit with respect to such project
7 also is required to recapture a portion of any state South Carolina
8 housing tax credit authorized by this section. The state recapture
9 amount is equal to the proportion of the state South Carolina housing
10 tax credit claimed by the taxpayer that equals the proportion the
11 federal recapture amount bears to the original federal housing tax
12 credit amount subject to recapture.

13 (b) In the event that recapture of any South Carolina
14 housing tax credit is required, any amended return submitted to the
15 department, as provided in this section, shall include the proportion
16 of the state South Carolina housing tax credit required to be
17 recaptured, the identity of each taxpayer subject to the recapture,
18 and the amount of South Carolina housing tax credit previously
19 allocated to such taxpayer.

20 (3) The total amount of the South Carolina housing tax credit
21 allowed by this section for a taxable year may not exceed the
22 taxpayer's income tax liability. Any unused South Carolina housing
23 tax credit may be carried forward to apply to the taxpayer's next five
24 succeeding years' tax liability. The taxpayer may not apply the
25 credit against any prior tax years' tax liability.

26 (4) The South Carolina housing tax credit ~~allowed by this~~
27 ~~section~~, and any recaptured tax credit, must be allocated among
28 some or all of the partners, members, or shareholders of the entity
29 owning the project in any manner agreed to by such persons,
30 regardless of whether such persons are allocated or allowed any
31 portion of the federal housing tax credit with respect to the project.

32 (5)(a) The South Carolina housing tax credit allowed for any
33 project must supplement but not supplant the federal housing tax
34 credit and must be limited to an amount necessary only to achieve
35 financial feasibility of the project.

36 (b) The South Carolina housing tax credit is only allowed
37 for a project utilizing the rehabilitation tax credit, and is conditioned
38 among other things on availability and allocation to the extent
39 necessary for the project of any state ceiling made pursuant to
40 Article 3, Chapter 11, Title 1.

41 (c) No South Carolina housing tax credit is allowed for any
42 housing project utilizing the new construction tax credit.

1 (d) The total amount of all South Carolina housing tax
2 credits that may be allocated in any fiscal year must not exceed
3 fifteen million dollars.

4 (C)(1) The authority shall promulgate rules establishing criteria
5 upon which the eligibility statements are issued which must include
6 consideration of evidence of local support for the project. The
7 eligibility statement must specify the amount of the South Carolina
8 housing tax credit allowed.

9 (2) The authority may not issue an eligibility statement until
10 the taxpayer provides a report to the authority detailing how the ~~state~~
11 South Carolina housing tax credit authorized by this section will
12 benefit the tenants of the project, once placed in service, ~~including,~~
13 but not limited to, without limitation reduced rent, ~~or~~ and why the
14 ~~state South Carolina housing tax credit authorized by this section~~ is
15 necessary to undertake essential to the financial feasibility of the
16 project.

17 (3) The authority must establish uniform criteria for
18 allocating the South Carolina housing tax credit to eligible projects
19 pursuant to a competitive process that promotes highest value and
20 greatest public benefit. The authority may, but need not, establish
21 the criteria required by this section as part of any qualified allocation
22 plan adopted to administer the federal low-income housing tax
23 credit. The criteria established pursuant to this section, and any
24 qualified allocation plan whether or not applicable to administration
25 of the South Carolina housing tax credit, are subject to the prior
26 review and comment of the Joint Bond Review Committee.

27 (4) The authority must furnish no later than July thirty-first of
28 each year an annual report of South Carolina housing tax credits
29 allocated pursuant to this section, which must include the total
30 amount of tax credits allocated, and for each project, the project
31 name and location, the amount of the South Carolina housing tax
32 credits allocated to the project, project ownership, total number of
33 units assisted, and the public benefit achieved by the project. The
34 annual report must be furnished to the President of the Senate, the
35 Speaker of the House of Representatives, the Chairman of the
36 Senate Finance Committee, the Chairman of the House of
37 Representatives Ways and Means Committee, the Joint Bond
38 Review Committee, and the State Fiscal Accountability Authority.

39 (D) The department, in consultation with the South Carolina
40 State Housing Finance and Development Authority, may adopt rules
41 and policies necessary to implement and administer the provisions
42 of this section.

1 (E) Notwithstanding any other provision of law, the provisions
2 of this section and administration thereof are subject to the
3 oversight, and review and comment as appropriate, of the Joint
4 Bond Review Committee.”

5
6 B. This SECTION takes effect upon approval by the Governor and
7 first applies to tax years beginning after 2021.

8
9 SECTION 2. Article 3, Chapter 11, Title 1, of the 1976 Code is
10 amended to read:

11
12 “Article 3

13
14 Allocation of State Ceiling on Issuance of Private Activity Bonds

15
16 Section 1-11-500. The state ceiling on the issuance of private
17 activity bonds as defined in Section 146 of the Internal Revenue
18 Code of 1986 (~~the Code~~) established in the act must be certified
19 annually by the Secretary of the State Fiscal Accountability
20 Authority secretary (the state authority) based upon the provisions
21 of the act. The ~~board~~ secretary of the state authority shall make this
22 certification as soon as practicable after the estimates of the
23 population of the State of South Carolina to be used in the
24 calculation are published by the United States Bureau of the Census
25 but in no event later than February first of each calendar year.

26
27 Section 1-11-510. (A) The private activity bond limit for all
28 issuing authorities must be allocated by the ~~board~~ state authority in
29 response to authorized requests as described in Section 1-11-530 by
30 the issuing authorities, or as otherwise provided in Section
31 1-11-520(G).

32 (B) The aggregate private activity bond limit amount for all
33 South Carolina issuing authorities is allocated initially to the State
34 for further allocation within the limits prescribed herein.

35 (~~C) Except as is provided in Section 1-11-540, all allocations~~
36 ~~must be made by the board on a first come, first served basis, to be~~
37 ~~determined by the date and time sequence in which complete~~
38 ~~authorized requests are received by the board secretary~~ Nothing in
39 this article or the State Ceiling Allocation Plan adopted pursuant to
40 this article grants any rights to, or in the processes used in the
41 allocation or disposition of, state ceiling. Decisions made pursuant
42 to this article are final and are not subject to judicial or
43 administrative review.

1

2 Section 1-11-520. (A) ~~The private activity bond limit for all~~
3 ~~state government issuing authorities now or hereafter authorized to~~
4 ~~issue private activity bonds as defined in the act, to be known as the~~
5 ~~"state government pool", is forty percent of the state ceiling less any~~
6 ~~amount shifted to the local pool as described in subsection (B) of~~
7 ~~this section or plus any amount shifted from that pool. No later than~~
8 ~~September thirtieth of the year preceding the calendar year to which~~
9 ~~the state ceiling applies, and subject to review and comment by the~~
10 ~~Joint Bond Review Committee, the state authority must publish a~~
11 ~~State Ceiling Allocation Plan that assigns percentages of the state~~
12 ~~ceiling to categories of any of the permitted purposes prescribed by~~
13 ~~the Internal Revenue Code. Without limitation, categories of~~
14 ~~permitted purposes may include industrial and economic~~
15 ~~development bonds; single family housing bonds; multifamily~~
16 ~~housing bonds; student loan bonds; and any other bonds eligible for~~
17 ~~tax exemption as a private activity bond pursuant to the Internal~~
18 ~~Revenue Code. No assignment to any single category may exceed~~
19 ~~forty percent of the state ceiling, and no minimum assignment is~~
20 ~~required for any category.~~

21 (B) ~~The private activity bond limit for all issuing authorities~~
22 ~~other than state government agencies, to be known as the "local~~
23 ~~pool", is sixty percent of the state ceiling plus any amount shifted~~
24 ~~from the state government pool or less any amount shifted to that~~
25 ~~pool. Further, the allocation plan must provide for a process of~~
26 ~~periodic allocations of the state ceiling, which for any period~~
27 ~~generally may not exceed an amount of the state ceiling equally~~
28 ~~divided among the number of periods in the year during which~~
29 ~~allocations are to be made; provided, however, that the state~~
30 ~~authority may, upon findings of exceptional and compelling~~
31 ~~circumstances, amend the annual allocation plan following review~~
32 ~~and comment by the committee.~~

33 (C) ~~The board, with review and comment by the Joint Bond~~
34 ~~Review Committee, may shift unallocated amounts from one pool~~
35 ~~to the other at any time. Notwithstanding the assigned percentages~~
36 ~~set forth in the allocation plan, the state authority may but need not~~
37 ~~reassign any state ceiling unused in prior periods as a supplement to~~
38 ~~and means to address demand for ceiling allocation in a subsequent~~
39 ~~period. Such re-assignment may be made for any allocation~~
40 ~~category, notwithstanding its original assignment.~~

41 (D) ~~Unless otherwise approved in writing by the state authority~~
42 ~~following justification and substantial findings of significance, no~~
43 ~~authorized request may receive an allocation of state ceiling~~

1 applicable to that calendar year exceeding ten percent in the case of
2 an industrial or economic development project, or five percent for
3 any other allocation category.

4 (E) The allocation plan must establish competitive criteria for
5 allocation of state ceiling to authorized requests. Competitive
6 criteria may be unique to each category but must be uniform and
7 established to achieve highest value and greatest public benefit. The
8 state authority may utilize the services of the South Carolina
9 Department of Commerce for industrial or economic development
10 projects; the South Carolina State Housing Finance and
11 Development Authority for single family and multifamily housing
12 projects; and any other state agencies and public and private
13 resources to inform and provide services for the development of the
14 allocation plan, including the evaluation and competitive criteria;
15 and the periodic evaluation of authorized requests. The Department
16 of Commerce and the State Housing Finance and Development
17 Authority are directed to provide to the state authority such
18 assistance as may be requested or required to accomplish the
19 purposes of the article.

20 (F) Allocations of state ceiling to authorized requests must be
21 made in accordance with the provisions of the allocation plan and
22 policies and procedures adopted by the state authority.

23 (G) The state authority must determine the disposition of any
24 remaining, unused state ceiling during the final period of the
25 calendar year to which the state ceiling applies. Such disposition is
26 not subject to the requirements of subsections (D), (E), and (F).

27
28 Section 1-11-530. (A) For private activity bonds proposed for
29 issue by other than state government issuing authorities, an
30 authorized request is a request included in a petition to the ~~board~~
31 state authority that a specific amount of the state ceiling be allocated
32 to the bonds for which the petition is filed. The petition must be
33 accompanied by: (i) a copy of the Inducement Contract, Inducement
34 Resolution, or other comparable preliminary approval entered into
35 or adopted by the issuing authority, if any, relating to the bonds.~~The~~
36 ~~board shall forward promptly to the committee a copy of each~~
37 ~~petition received, and (ii) such other supporting documentation as~~
38 the state authority may by policy prescribe.

39 (B) For private activity bonds proposed for issue by any state
40 government issuing authority, an authorized request is a request
41 included in a petition to the ~~board~~ state authority that a specific
42 amount of the state ceiling be allocated to the bonds for which the
43 petition is filed. The petition must be accompanied by: (i) a bond

1 resolution or comparable action by the issuing authority authorizing
2 the issuance of the bonds. ~~The board shall forward promptly to the~~
3 ~~committee a copy of each petition received, and (ii) such other~~
4 supporting documentation as the state authority may by policy
5 prescribe.

6 (C) Each authorized request must demonstrate that the allocation
7 amount requested constitutes all of the private activity bond
8 financing contemplated at the time for the project and any other
9 facilities located at or used as a part of an integrated operation with
10 the project.

11 (D) An issuing authority seeking an allocation of unused state
12 ceiling for carry-forward designation must submit to the state
13 authority a petition identifying the types of tax-exempt bonds to
14 which the carryforward designation will apply. The petition must be
15 accompanied by such other supporting documentation as the state
16 authority may by policy prescribe.

17 (E) Notwithstanding any other provision of this article, the state
18 authority may disapprove, reduce, or defer any authorized request.

19 (F) The state authority must periodically furnish to the Joint
20 Bond Review Committee a report of petitions received, along with
21 their dispositions.

22
23 Section 1-11-540. (A) ~~The board, with review and comment by~~
24 ~~the committee, may disapprove, reduce, or defer any authorized~~
25 ~~request. If it becomes necessary to exercise this authority, the board~~
26 ~~and the committee shall take into account the public interest in~~
27 ~~promoting economic growth and job creation.~~

28 (B) ~~Authorized requests for state ceiling allocations of more than~~
29 ~~ten million dollars for a single project are deferred until after July~~
30 ~~first unless the board, after review and comment by the committee,~~
31 ~~determines in any particular instance that the positive impact upon~~
32 ~~the State of approving an allocation of an amount greater than ten~~
33 ~~million dollars is of such significance that approval of the allocation~~
34 ~~is warranted~~ Reserved.

35
36 Section 1-11-550. (A) An allocation of the state ceiling
37 approved by the ~~board~~ state authority is made formal initially by a
38 certificate which allocates tentatively a specific amount of the state
39 ceiling to the bonds for which the allocation is requested. This
40 tentative allocation certificate must specify the state ceiling amount
41 allocated, the issuing authority and the project involved, and the
42 time period during which the tentative allocation is valid. This
43 certificate must remind the issuing authority that the tentative

1 allocation is made final after the issuing authority chairman or other
2 duly authorized official or agent of the issuing authority, before the
3 issue is made, certifies the issue amount and the projected date of
4 issue, as is required by subsection (B) of this section. It also may
5 include other information considered relevant by the ~~board~~ secretary
6 of the state authority.

7 (B) The chairman or other authorized official or agent of an
8 issuing authority issuing any private activity bond for which a
9 portion of the state ceiling has been allocated tentatively shall
10 execute and deliver to the ~~board~~ secretary of the state authority an
11 issue amount certificate setting forth the exact amount of bonds to
12 be issued and the projected bond issue date which date must not be
13 more than ten business days after the date of the issue amount
14 certificate and it must be before the state ceiling allocation involved
15 expires. The issue amount certificate may be an executed copy of
16 the appropriate completed ~~Internal Revenue Service~~ form to be
17 submitted to the Internal Revenue Service on the issue or it may be
18 in the form of a letter which certifies the exact amount of bonds to
19 be issued and the projected date of the issue.

20 (C) In response to the issuing authority's issue amount certificate
21 required by subsection (B) of this section, the ~~board~~ secretary of the
22 state authority is authorized to issue and, as may be necessary, to
23 revise a certificate making final the ceiling allocation ~~approved~~
24 ~~previously approved~~ by the ~~board~~ state authority on a tentative basis,
25 if the secretary of the state authority determines that:

26 (1) the issuing authority's issue amount certificate specifies
27 an amount not in excess of the approved tentative ceiling allocation
28 amount;

29 (2) the issue amount certificate was received prior to the issue
30 date projected and that the certificate is dated not more than ten days
31 prior to the issue date projected; provided, however, that if an issue
32 amount certificate is dated more than ten days prior to the date of
33 issue of the bonds, such certificate shall be void, and a new request
34 must be provided to the secretary of the state authority prior to
35 issuance of the bonds;

36 (3) the issue date projected is within the time period approved
37 previously for the tentative ceiling allocation; and

38 (4) the bonds when issued and combined with the total
39 amount of bonds requiring a ceiling allocation included in issue
40 amount certificates ~~submitted~~ previously submitted to the ~~board~~
41 state authority by issuing authorities do not exceed the state ceiling
42 for the calendar year. Except under extraordinary circumstances, the
43 ~~board~~ secretary of the state authority shall issue this certificate

1 within two business days following the date the issue amount
2 certificate is received.

3 (D) In accordance with Section 149(e)(2)(F) of the Internal
4 Revenue Code, the secretary of the ~~State Fiscal Accountability~~
5 ~~Authority~~ state authority is designated as the state official
6 responsible for certifying, if applicable, that certain bonds meet the
7 requirements of Section 146 of the Internal Revenue Code relating
8 to the volume cap on private activity bonds.

9 (E) Any tentative or final state ceiling allocation granted by the
10 ~~board~~ state authority before the effective date of this act remains
11 valid as an allocation of a portion of the volume cap for South
12 Carolina provided under Section 146 of the Internal Revenue Code.
13 The allocations expire in accordance with the ~~regulations law~~
14 which they were granted or extended and their validity may be
15 extended or reinstated in accordance with the provisions of Sections
16 1-11-500 through 1-11-570.

17

18 Section 1-11-560. (A) Any state ceiling allocation approved by
19 the ~~board~~ state authority is valid only for the calendar year in which
20 it is approved, unless eligible and approved for carry-forward
21 election or unless specified differently in the ~~board~~ certificates
22 required by Section 1-11-550.

23 (B) Unless eligible and approved for carry-forward election or
24 unless specified differently in ~~board~~ certificates required by Section
25 1-11-550, each state ceiling allocation expires automatically if the
26 bonds for which the allocation is made are not issued within ninety
27 consecutive calendar days from the date the allocation is approved
28 by the ~~board~~ state authority.

29 (C) In response to a written request by the chairman or other duly
30 authorized official or agent of an issuing authority, the ~~board~~ state
31 authority, acting during the period an approved allocation is valid,
32 may but need not extend the period in which an allocation is valid
33 in a single calendar year by thirty-one consecutive calendar days to
34 a total of not more than one hundred twenty-one consecutive
35 calendar days.

36 (D) In response to a written request by the chairman or other
37 authorized official or agent of an issuing authority, the ~~board~~ state
38 authority may but need not reinstate for a period of not more than
39 thirty-one consecutive calendar days in any one calendar year part
40 or all of an allocation approved but not extended previously in
41 accordance with subsection (C) of this section in that same calendar
42 year which has expired. The reinstatement request must certify that

1 the authorized request ~~submitted~~ previously submitted is still true
2 and correct or a new authorized request must be submitted.

3 (E) A tentative ceiling allocation is canceled automatically if the
4 chairman or other authorized official or agent of the issuing
5 authority ~~involved~~ fails to deliver the issue amount certificate
6 required by Section 1-11-550 to the ~~board~~ secretary of the state
7 authority before the bonds for which the allocation is made are
8 issued.

9 (F) The chairman or other authorized official or agent of an
10 issuing authority shall advise the ~~board~~ secretary of the state
11 authority in writing as soon as is practicable after a decision is made
12 not to issue bonds for which a portion of the state ceiling has been
13 allocated. All notices of relinquishment of ceiling allocations must
14 be entered promptly in the ~~board's~~ state authority's records by the
15 ~~board~~ secretary of the state authority.

16 (G) Ceiling allocations which are eligible and approved for
17 carry-forward election are not subject to the validity limits of this
18 section. The ~~board~~ state authority shall join with the issuing
19 authorities involved in carry-forward election statements to meet the
20 requirements of the Internal Revenue Service.

21
22 Section 1-11-570. The ~~State Fiscal Accountability Authority,~~
23 ~~after review and comment by the committee,~~ state authority may
24 adopt ~~the~~ policies and procedures ~~it considers~~ necessary ~~for the~~
25 equitable to implement and administer the provisions of this article.
26 All such policies and effective administration of Sections 1-11-500
27 through 1-11-570 procedures, and any changes thereto, are subject
28 to review and comment by the Joint Bond Review Committee.

29
30 Section 1-11-580. The State Fiscal Accountability Authority
31 shall make quarterly payments on insurance contracts where the
32 annual premium exceeds fifty thousand dollars. The board shall
33 undertake necessary negotiations to implement this requirement.
34 Where fees may be incurred for quarterly rather than annual
35 payments, the State Fiscal Accountability Authority shall determine
36 whether the investment income opportunity is greater or less than
37 proposed fees and shall make the decision which best benefits South
38 Carolina.”

39
40 SECTION 3. Section 1-11-370 of the 1976 Code is repealed.

41
42 SECTION 4. The provisions of Article 3, Chapter 11, Title 1 of the
43 1976 Code relating to the allocation of state ceiling on issuance of

1 private activity bonds, as amended in this act, shall control if there
2 is any conflict with any other provision of law or regulation,
3 specifically including Regulation 19-103.

4
5 SECTION 5. If any section, subsection, paragraph, subparagraph,
6 sentence, clause, phrase, or word of this act is for any reason held to
7 be unconstitutional or invalid, such holding shall not affect the
8 constitutionality or validity of the remaining portions of this act, the
9 General Assembly hereby declaring that it would have passed this
10 act, and each and every section, subsection, paragraph,
11 subparagraph, sentence, clause, phrase, and word thereof,
12 irrespective of the fact that any one or more other sections,
13 subsections, paragraphs, subparagraphs, sentences, clauses, phrases,
14 or words hereof may be declared to be unconstitutional, invalid, or
15 otherwise ineffective.

16
17 SECTION 6. The provisions of this act are effective for allocations
18 of state ceiling beginning January 1, 2022, and thereafter. For the
19 first year of implementation, the state authority may adopt such
20 special procedures as may be necessary to effect the requirements
21 of this act.

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23