

By: Averitt, Lindsay

S.B. No. 1663

A BILL TO BE ENTITLED

AN ACT

relating to private activity bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsections (c) and (f), Section 1372.0231, Government Code, are amended to read as follows:

(c) With respect to the amount of the state ceiling set aside under Subsection (a)(2), the board shall grant reservations in a manner that ensures that not more than 50 percent of the set-aside amount is used for proposed projects that are located in qualified census tracts as defined by the most recent publication by the United States Department of Housing and Urban Development [Section 143(j), Internal Revenue Code of 1986].

(f) In each area described by Subsection (d) or (e), the board shall grant reservations based on the priority levels of proposed projects as described by Section 1372.0321 [~~1372.032~~].

SECTION 2. Subsection (a), Section 1372.024, Government Code, is amended to read as follows:

(a) If, before January 2, applications received for reservations for state-voted issues total more than eight [~~13~~] percent of the available state ceiling for that program year, the percentage of state-voted ceiling requested that is more than eight [~~13~~] percent of the state ceiling:

(1) is removed from the state ceiling available to other issuers on January 2; and

1 (2) is available for those applications for
2 reservations for state-voted issues.

3 SECTION 3. Section 1372.027, Government Code, is amended to
4 read as follows:

5 Sec. 1372.027. PUBLICATION OF AVAILABLE STATE CEILING. The
6 board shall publish at least weekly on its Internet site [~~biweekly~~
7 ~~in the Texas Register~~]:

8 (1) a statement of the amount of the available state
9 ceiling;

10 (2) a list of the issues that have received a
11 reservation since the preceding publication, including the amount
12 of each reservation; and

13 (3) a list of the issues that had previously received a
14 reservation that have closed since the preceding publication.

15 SECTION 4. Subsection (b), Section 1372.028, Government
16 Code, is amended to read as follows:

17 (b) An issuer may apply for a reservation for a program year
18 not earlier than October 5 [~~10~~] of the preceding year. An issuer
19 may not submit an application for a program year after December 1 of
20 that year.

21 SECTION 5. Section 1372.031, Government Code, is amended to
22 read as follows:

23 Sec. 1372.031. PRIORITIES FOR RESERVATIONS AMONG CERTAIN
24 ISSUERS. Subject to Section 1372.0321, if, on or before October 20,
25 more than one issuer in a category described by Section
26 1372.022(a)(2), (3), (4), or (6) applies for a reservation of the
27 state ceiling for the next program year, the board shall grant

1 reservations in that category in the order determined by the board
2 by lot.

3 SECTION 6. Subsection (b), Section 1372.036, Government
4 Code, is amended to read as follows:

5 (b) Beginning [~~If, after~~] June 1 [~~and before August 25~~],
6 partial reservations may be offered once to each applicant in each
7 [~~any portion of the state ceiling in a~~] category described by
8 Section 1372.022(a) until an applicant in the category accepts the
9 partial reservation or until additional volume is returned in an
10 amount sufficient to grant a full reservation [~~from which issuers~~
11 ~~were granted reservations becomes available in that category.~~

12 [~~(1) those amounts of the state ceiling shall be~~
13 ~~aggregated, and~~

14 [~~(2) the board shall grant reservations from that~~
15 ~~category on August 25~~].

16 SECTION 7. Section 1372.040, Government Code, is amended to
17 read as follows:

18 Sec. 1372.040. RESERVATION BY CERTAIN ISSUERS OF QUALIFIED
19 MORTGAGE BONDS OF MONEY FOR MORTGAGES FOR CERTAIN PERSONS. An
20 issuer of qualified mortgage bonds, other than the Texas Department
21 of Housing and Community Affairs or the Texas State Affordable
22 Housing Corporation, shall reserve for six months 50 percent of the
23 funds available for loans outside the federally designated target
24 areas to provide mortgages to individuals and families with incomes
25 below 80 percent of the applicable median family income, as defined
26 by Section 143(f)(4), Internal Revenue Code (26 U.S.C. Section
27 143(f)(4)).

1 SECTION 8. This Act takes effect September 1, 2003. Except
2 for the changes in law made by this Act to Sections 1372.0231(f),
3 1372.027, and 1372.036(b), Government Code, the changes in law made
4 by this Act apply only in relation to a reservation of the state
5 ceiling that will be granted on or after January 1, 2004.