

1-1 By: Lindsay, Averitt S.B. No. 1663
1-2 (In the Senate - Filed March 14, 2003; March 20, 2003, read
1-3 first time and referred to Committee on Government Organization;
1-4 April 23, 2003, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 6, Nays 0; April 23, 2003,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1663 By: Armbrister

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to private activity bonds.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subsections (c) and (f), Section 1372.0231,
1-13 Government Code, are amended to read as follows:

1-14 (c) With respect to the amount of the state ceiling set
1-15 aside under Subsection (a)(2), the board shall grant reservations
1-16 in a manner that ensures that not more than 50 percent of the
1-17 set-aside amount is used for proposed projects that are located in
1-18 qualified census tracts as defined by the most recent publication
1-19 by the United States Department of Housing and Urban Development
1-20 [~~Section 143(j), Internal Revenue Code of 1986~~].

1-21 (f) In each area described by Subsection (d) or (e), the
1-22 board shall grant reservations based on the priority levels of
1-23 proposed projects as described by Section 1372.0321 [~~1372.032~~].

1-24 SECTION 2. Subsection (a), Section 1372.024, Government
1-25 Code, is amended to read as follows:

1-26 (a) If, before January 2, applications received for
1-27 reservations for state-voted issues total more than eight [~~13~~]
1-28 percent of the available state ceiling for that program year, the
1-29 percentage of state-voted ceiling requested that is more than eight
1-30 [~~13~~] percent of the state ceiling:

1-31 (1) is removed from the state ceiling available to
1-32 other issuers on January 2; and

1-33 (2) is available for those applications for
1-34 reservations for state-voted issues.

1-35 SECTION 3. Section 1372.027, Government Code, is amended to
1-36 read as follows:

1-37 Sec. 1372.027. PUBLICATION OF AVAILABLE STATE CEILING. The
1-38 board shall publish at least weekly on its Internet site [~~biweekly~~
1-39 ~~in the Texas Register~~]:

1-40 (1) a statement of the amount of the available state
1-41 ceiling;

1-42 (2) a list of the issues that have received a
1-43 reservation since the preceding publication, including the amount
1-44 of each reservation; and

1-45 (3) a list of the issues that had previously received a
1-46 reservation that have closed since the preceding publication.

1-47 SECTION 4. Subsection (b), Section 1372.028, Government
1-48 Code, is amended to read as follows:

1-49 (b) An issuer may apply for a reservation for a program year
1-50 not earlier than October 5 [~~10~~] of the preceding year. An issuer
1-51 may not submit an application for a program year after December 1 of
1-52 that year.

1-53 SECTION 5. Section 1372.031, Government Code, is amended to
1-54 read as follows:

1-55 Sec. 1372.031. PRIORITIES FOR RESERVATIONS AMONG CERTAIN
1-56 ISSUERS. Subject to Sections [~~Section~~] 1372.0321 and 1372.0231,
1-57 if, on or before October 20, more than one issuer in a category
1-58 described by Section 1372.022(a)(2), (3), (4), or (6) applies for a
1-59 reservation of the state ceiling for the next program year, the
1-60 board shall grant reservations in that category in the order
1-61 determined by the board by lot.

1-62 SECTION 6. Subsection (b), Section 1372.036, Government
1-63 Code, is amended to read as follows:

2-1 (b) Beginning [~~If, after~~] June 1 [~~and before August 25~~],
2-2 partial reservations may be offered once to each applicant in each
2-3 [~~any portion of the state ceiling in a~~] category described by
2-4 Section 1372.022(a) until an applicant in the category accepts the
2-5 partial reservation or until additional volume is returned in an
2-6 amount sufficient to grant a full reservation [~~from which issuers~~
2-7 ~~were granted reservations becomes available in that category.~~

2-8 [~~(1) those amounts of the state ceiling shall be~~
2-9 ~~aggregated, and~~

2-10 [~~(2) the board shall grant reservations from that~~
2-11 ~~category on August 25~~].

2-12 SECTION 7. Section 1372.040, Government Code, is amended to
2-13 read as follows:

2-14 Sec. 1372.040. RESERVATION BY CERTAIN ISSUERS OF QUALIFIED
2-15 MORTGAGE BONDS OF MONEY FOR MORTGAGES FOR CERTAIN PERSONS. An
2-16 issuer of qualified mortgage bonds, other than the Texas Department
2-17 of Housing and Community Affairs or the Texas State Affordable
2-18 Housing Corporation, shall reserve for six months 50 percent of the
2-19 funds available for loans outside the federally designated target
2-20 areas to provide mortgages to individuals and families with incomes
2-21 below 80 percent of the applicable median family income, as defined
2-22 by Section 143(f)(4), Internal Revenue Code (26 U.S.C. Section
2-23 143(f)(4)).

2-24 SECTION 8. This Act takes effect September 1, 2003. Except
2-25 for the changes in law made by this Act to Sections 1372.0231(f),
2-26 1372.027, and 1372.036(b), Government Code, the changes in law made
2-27 by this Act apply only in relation to a reservation of the state
2-28 ceiling that will be granted on or after January 1, 2004.

2-29 * * * * *