

By: Bonnen

H.B. No. 618

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the eligibility of emergency medical services personnel  
3 to participate in a low-interest home loan program offered by the  
4 state.

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

6 SECTION 1. Sections 2306.553(a) and (b), Government Code,  
7 are amended to read as follows:

8 (a) The public purpose of the corporation is to perform  
9 activities and services that the corporation's board of directors  
10 determines will promote the public health, safety, and welfare  
11 through the provision of adequate, safe, and sanitary housing  
12 primarily for individuals and families of low, very low, and  
13 extremely low income, for professional educators under the  
14 professional educators home loan program as provided by Section  
15 2306.562, for fire fighters, corrections officers, county jailers,  
16 public security officers, ~~[and]~~ peace officers, and emergency  
17 medical services personnel under the fire fighter, law enforcement  
18 or [officer, and] security officer, and emergency medical services  
19 personnel home loan program as provided by Section 2306.5621, and  
20 for professional nursing program faculty members under the  
21 professional nursing program faculty member home loan program as  
22 provided by Section 2306.5622. The activities and services shall  
23 include engaging in mortgage banking activities and lending  
24 transactions and acquiring, holding, selling, or leasing real or

1 personal property.

2 (b) The corporation's primary public purpose is to  
3 facilitate the provision of housing by issuing qualified 501(c)(3)  
4 bonds and qualified residential rental project bonds and by making  
5 affordable loans to individuals and families of low, very low, and  
6 extremely low income, to professional educators under the  
7 professional educators home loan program, to fire fighters,  
8 corrections officers, county jailers, public security officers,  
9 ~~and~~ peace officers, and emergency medical services personnel  
10 under the fire fighter, law enforcement or ~~officer, and~~ security  
11 officer, and emergency medical services personnel home loan  
12 program, and to professional nursing program faculty members under  
13 the professional nursing program faculty member home loan program.  
14 The corporation may make first lien, single family purchase money  
15 mortgage loans for single family homes only to individuals and  
16 families of low, very low, and extremely low income if the  
17 individual's or family's household income is not more than the  
18 greater of 60 percent of the median income for the state, as defined  
19 by the United States Department of Housing and Urban Development,  
20 or 60 percent of the area median family income, adjusted for family  
21 size, as defined by that department. The corporation may make loans  
22 for multifamily developments if:

23 (1) at least 40 percent of the units in a multifamily  
24 development are affordable to individuals and families with incomes  
25 at or below 60 percent of the median family income, adjusted for  
26 family size; or

27 (2) at least 20 percent of the units in a multifamily

1 development are affordable to individuals and families with incomes  
2 at or below 50 percent of the median family income, adjusted for  
3 family size.

4 SECTION 2. Section 2306.5621, Government Code, is amended  
5 to read as follows:

6 Sec. 2306.5621. FIRE FIGHTER, ~~[AND]~~ LAW ENFORCEMENT OR  
7 SECURITY OFFICER, AND EMERGENCY MEDICAL SERVICES PERSONNEL HOME  
8 LOAN PROGRAM. (a) In this section:

9 (1) "Fire fighter" means a member of a fire department  
10 who performs a function listed in Section 419.021(3)(C), Government  
11 Code.

12 (2) "Home" means a dwelling in this state in which a  
13 fire fighter, corrections officer, county jailer, public security  
14 officer, ~~[or]~~ peace officer, or person defined as emergency medical  
15 services personnel under this section intends to reside as the  
16 borrower's ~~[fire fighter's or the officer's or jailer's]~~ principal  
17 residence.

18 (3) "Mortgage lender" has the meaning assigned by  
19 Section 2306.004.

20 (4) "Peace officer" has the meaning assigned by  
21 Section 1.07(a)(36), Penal Code.

22 (5) "Program" means the fire fighter, law enforcement  
23 or ~~[officer, and]~~ security officer, and emergency medical services  
24 personnel home loan program.

25 (6) "Corrections officer" means an officer employed by  
26 the Texas Department of Criminal Justice.

27 (7) "County jailer" has the meaning assigned by

1 Section 1701.001, Occupations Code.

2 (8) "Public security officer" has the meaning assigned  
3 by Section 1701.001, Occupations Code.

4 (9) "Emergency medical services personnel" has the  
5 meaning assigned by Section 773.003, Health and Safety Code.

6 (b) The corporation shall establish a program to provide  
7 eligible fire fighters, corrections officers, county jailers,  
8 public security officers, ~~and~~ peace officers, and emergency  
9 medical services personnel with low-interest home mortgage loans.

10 (c) To be eligible for a loan under this section, at the time  
11 a person files an application for the loan, the person must:

12 (1) be a fire fighter, corrections officer, county  
13 jailer, public security officer, ~~or~~ peace officer, or person  
14 defined as emergency medical services personnel under this section;

15 (2) reside in this state; and

16 (3) have an income of not more than 115 percent of area  
17 median family income, adjusted for family size, or the maximum  
18 amount permitted by Section 143(f), Internal Revenue Code of 1986,  
19 whichever is greater.

20 (d) The corporation may contract with other agencies of the  
21 state or with private entities to determine whether applicants  
22 qualify as fire fighters, corrections officers, county jailers,  
23 public security officers, ~~or~~ peace officers, or emergency medical  
24 services personnel under this section or otherwise to administer  
25 all or part of this section.

26 (e) The board of directors of the corporation may set and  
27 collect from each applicant any fees the board considers reasonable

1 and necessary to cover the expenses of administering the program.

2 (f) The board of directors of the corporation shall adopt  
3 rules governing:

4 (1) the administration of the program;

5 (2) the making of loans under the program;

6 (3) the criteria for approving mortgage lenders;

7 (4) the use of insurance on the loans and the homes  
8 financed under the program, as considered appropriate by the board  
9 to provide additional security for the loans;

10 (5) the verification of occupancy of the home by the  
11 fire fighter, corrections officer, county jailer, public security  
12 officer, ~~or~~ peace officer, or person defined as emergency medical  
13 services personnel as the borrower's ~~[fire fighter's or the~~  
14 ~~officer's or jailer's]~~ principal residence; and

15 (6) the terms of any contract made with any mortgage  
16 lender for processing, originating, servicing, or administering  
17 the loans.

18 (g) The corporation shall ensure that a loan under this  
19 section is structured in a way that complies with any requirements  
20 associated with the source of the funds used for the loan.

21 (h) In addition to funds set aside for the program under  
22 Section 1372.0222, the corporation may solicit and accept funding  
23 for the program from the following sources:

24 (1) gifts and grants for the purposes of this section;

25 (2) available money in the housing trust fund  
26 established under Section 2306.201, to the extent available to the  
27 corporation;

1           (3) federal block grants that may be used for the  
2 purposes of this section, to the extent available to the  
3 corporation;

4           (4) other state or federal programs that provide money  
5 that may be used for the purposes of this section; and

6           (5) amounts received by the corporation in repayment  
7 of loans made under this section.

8           (h-1) To fund home mortgage loans for eligible fire  
9 fighters, corrections officers, county jailers, public security  
10 officers, ~~and~~ peace officers, and emergency medical services  
11 personnel under this section, the corporation may use any proceeds  
12 received from the sale of bonds, notes, or other obligations issued  
13 under the ~~[fire fighter and police officer]~~ home loan program  
14 provided by this section [as that program existed immediately  
15 before amendment of this section by the 79th Legislature, Regular  
16 Session, 2005], regardless of any amendments to the eligibility  
17 standards for loans made under the ~~[fire fighter and police officer~~  
18 ~~home loan]~~ program and regardless of when the corporation received  
19 the proceeds from those bonds, notes, or other obligations issued  
20 under the ~~[that]~~ program.

21           (i) This section expires September 1, 2014.

22           SECTION 3. Section 1372.0222, Government Code, is amended  
23 to read as follows:

24           Sec. 1372.0222. DEDICATION OF PORTION OF STATE CEILING FOR  
25 FIRE FIGHTER, [AND] LAW ENFORCEMENT OR SECURITY OFFICER, AND  
26 EMERGENCY MEDICAL SERVICES PERSONNEL HOME LOAN PROGRAM. Until  
27 August 1, out of that portion of the state ceiling that is available

1 exclusively for reservations by issuers of qualified mortgage bonds  
2 under Section 1372.022, \$25 million shall be allotted each year and  
3 made available exclusively to the Texas State Affordable Housing  
4 Corporation for the purpose of issuing qualified mortgage bonds in  
5 connection with the fire fighter, law enforcement or [~~officer, and~~  
6 security officer, and emergency medical services personnel home  
7 loan program established under Section 2306.5621.

8 SECTION 4. This Act takes effect immediately if it receives  
9 a vote of two-thirds of all the members elected to each house, as  
10 provided by Section 39, Article III, Texas Constitution. If this  
11 Act does not receive the vote necessary for immediate effect, this  
12 Act takes effect on the 91st day after the last day of the  
13 legislative session.