

By: Corte, et al. (Senate Sponsor - Van de Putte) H.B. No. 1416
(In the Senate - Received from the House April 16, 2007;
April 17, 2007, read first time and referred to Committee on
Veteran Affairs and Military Installations; April 26, 2007,
reported favorably by the following vote: Yeas 4, Nays 0;
April 26, 2007, sent to printer.)

A BILL TO BE ENTITLED
AN ACT

relating to the authority of the Veterans' Land Board to sell
certain loans issued by the Veterans' Land Board.

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

SECTION 1. Subchapter K, Chapter 161, Natural Resources
Code, is amended by adding Sections 161.514 and 161.515 to read as
follows:

Sec. 161.514. SALE OF LOANS. (a) The board may sell at
public or private sale, with or without public bidding, any or all
of the loans made under this subchapter. Proceeds from the sale
shall be deposited in the fund and otherwise applied in the manner
provided by this chapter, except that at the direction of the board
the sale proceeds may be used by the board, together with other
available money, to discharge, pay, or redeem, wholly or partly,
outstanding bonds issued by the board under this chapter.

(b) A loan made under this chapter that is combined with a
housing assistance loan made under Chapter 162 or a home mortgage
loan made under Chapter 164 may be sold under this section or under
Chapter 162 or 164, as applicable.

Sec. 161.515. CERTAIN RIGHTS, BENEFITS, CONDITIONS, AND
OBLIGATIONS PROHIBITED. In making rules and administering this
subchapter, the board may not impose on or grant a loan recipient or
a transferee under Section 161.511 a right, benefit, condition, or
obligation that, in any way, may impair:

(1) the ability of the board to sell a loan made under
this subchapter; or

(2) the market value of a loan made under this
subchapter.

SECTION 2. Section 161.510, Natural Resources Code, is
amended to read as follows:

Sec. 161.510. COMBINATION WITH CERTAIN HOME LOANS
~~[LOAN]~~. The board may:

(1) permit a person to combine a loan made under this
subchapter with:

(A) a housing assistance ~~[home]~~ loan made under
Chapter 162 if the portion of the loan made under this subchapter is
funded from amounts on deposit in the fund and the portion of the
loan made under Chapter 162 is not funded from amounts in the fund;
or

(B) in accordance with board rules, a home
mortgage loan made under Chapter 164; and

(2) prescribe the amounts of and forms for a combined
loan under this section.

SECTION 3. This Act takes effect September 1, 2007.

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