

1-1 By: Menendez, Murphy (Senate Sponsor - Lucio) H.B. No. 1637  
1-2 (In the Senate - Received from the House May 14, 2007;  
1-3 May 15, 2007, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 19, 2007, reported favorably, as  
1-5 amended, by the following vote: Yeas 3, Nays 0; May 19, 2007, sent  
1-6 to printer.)

1-7 COMMITTEE AMENDMENT NO. 1 By: Nichols

1-8 Amend H.B. No. 1637 as follows:

1-9 On Page 2, lines 1 and 2, strike "(2) have an income of not more  
1-10 than 140 percent of area median family income; and" and substitute  
1-11 "(2) have an income of not more than 115 percent of area median  
1-12 family income or 140 percent of area median family income in  
1-13 targeted areas; and".

1-14 A BILL TO BE ENTITLED  
1-15 AN ACT

1-16 relating to the operation and administration of the Texas  
1-17 First-Time Homebuyer Program by the Texas Department of Housing and  
1-18 Community Affairs and to certain down payment assistance under that  
1-19 program.

1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-21 SECTION 1. Chapter 2306, Government Code, is amended by  
1-22 adding Subchapter MM to read as follows:

1-23 SUBCHAPTER MM. TEXAS FIRST-TIME HOMEBUYER PROGRAM

1-24 Sec. 2306.1071. DEFINITIONS. In this subchapter:

1-25 (1) "First-time homebuyer" means a person who:

1-26 (A) resides in this state on the date on which an  
1-27 application is filed; and

1-28 (B) has not owned a home during the three years  
1-29 preceding the date on which an application under this subchapter is  
1-30 filed.

1-31 (2) "Home" means a dwelling in this state in which a  
1-32 first-time homebuyer intends to reside as the homebuyer's principal  
1-33 residence.

1-34 (3) "Mortgage lender" has the meaning assigned by  
1-35 Section 2306.004.

1-36 (4) "Program" means the Texas First-Time Homebuyer  
1-37 Program.

1-38 Sec. 2306.1072. TEXAS FIRST-TIME HOMEBUYER PROGRAM. (a)  
1-39 The Texas First-Time Homebuyer Program shall facilitate the  
1-40 origination of single-family mortgage loans for eligible  
1-41 first-time homebuyers.

1-42 (b) The program may include down payment and closing cost  
1-43 assistance.

1-44 Sec. 2306.1073. ADMINISTRATION OF PROGRAM; RULES. (a) The  
1-45 department shall administer the program.

1-46 (b) The board shall adopt rules governing:

1-47 (1) the administration of the program;

1-48 (2) the making of loans under the program;

1-49 (3) the criteria for approving participating mortgage  
1-50 lenders;

1-51 (4) the use of insurance on the loans and the homes  
1-52 financed under the program, as considered appropriate by the board  
1-53 to provide additional security for the loans;

1-54 (5) the verification of occupancy of the home by the  
1-55 homebuyer as the homebuyer's principal residence; and

1-56 (6) the terms of any contract made with any mortgage  
1-57 lender for processing, originating, servicing, or administering  
1-58 the loans.

1-59 Sec. 2306.1074. ELIGIBILITY. (a) To be eligible for a  
1-60 mortgage loan under this subchapter, a homebuyer must:

1-61 (1) qualify as a first-time homebuyer under this  
1-62 subchapter;

