

1-1 By: Van de Putte S.B. No. 686
1-2 (In the Senate - Filed February 15, 2007; February 28, 2007,
1-3 read first time and referred to Committee on Veteran Affairs and
1-4 Military Installations; April 2, 2007, reported favorably by the
1-5 following vote: Yeas 3, Nays 0; April 2, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the authority of the Veterans' Land Board to sell
1-9 certain loans issued by the Veterans' Land Board.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter K, Chapter 161, Natural Resources
1-12 Code, is amended by adding Sections 161.514 and 161.515 to read as
1-13 follows:

1-14 Sec. 161.514. SALE OF LOANS. (a) The board may sell at
1-15 public or private sale, with or without public bidding, any or all
1-16 of the loans made under this subchapter. Proceeds from the sale
1-17 shall be deposited in the fund and otherwise applied in the manner
1-18 provided by this chapter, except that at the direction of the board
1-19 the sale proceeds may be used by the board, together with other
1-20 available money, to discharge, pay, or redeem, wholly or partly,
1-21 outstanding bonds issued by the board under this chapter.

1-22 (b) A loan made under this chapter that is combined with a
1-23 housing assistance loan made under Chapter 162 or a home mortgage
1-24 loan made under Chapter 164 may be sold under this section or under
1-25 Chapter 162 or 164, as applicable.

1-26 Sec. 161.515. CERTAIN RIGHTS, BENEFITS, CONDITIONS, AND
1-27 OBLIGATIONS PROHIBITED. In making rules and administering this
1-28 subchapter, the board may not impose on or grant a loan recipient or
1-29 a transferee under Section 161.511 a right, benefit, condition, or
1-30 obligation that, in any way, may impair:

1-31 (1) the ability of the board to sell a loan made under
1-32 this subchapter; or

1-33 (2) the market value of a loan made under this
1-34 subchapter.

1-35 SECTION 2. Section 161.510, Natural Resources Code, is
1-36 amended to read as follows:

1-37 Sec. 161.510. COMBINATION WITH CERTAIN HOME LOANS
1-38 [~~LOAN~~]. The board may:

1-39 (1) permit a person to combine a loan made under this
1-40 subchapter with:

1-41 (A) a housing assistance [~~home~~] loan made under
1-42 Chapter 162 if the portion of the loan made under this subchapter is
1-43 funded from amounts on deposit in the fund and the portion of the
1-44 loan made under Chapter 162 is not funded from amounts in the fund;
1-45 or

1-46 (B) in accordance with board rules, a home
1-47 mortgage loan made under Chapter 164; and

1-48 (2) prescribe the amounts of and forms for a combined
1-49 loan under this section.

1-50 SECTION 3. This Act takes effect September 1, 2007.

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