

By: Lucio

S.B. No. 1021

A BILL TO BE ENTITLED

AN ACT

relating to the operation of the owner-builder loan program.

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

SECTION 1. Section 2306.753, Government Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) If an owner-builder is by reason of age or physical or mental disease, defect, or injury unable to personally satisfy the eligibility requirement described by Subsection (b)(4), the department may allow another person to satisfy that eligibility requirement on behalf of the owner-builder.

SECTION 2. Sections 2306.754(a) and (b), Government Code, are amended to read as follows:

(a) The department may establish the minimum amount of a loan under this subchapter, but a loan may not exceed \$40,000 [~~\$30,000~~].

(b) If it is not possible for an owner-builder to purchase necessary real property and build adequate housing for \$40,000 [~~\$30,000~~], the owner-builder must obtain the amount necessary that exceeds \$40,000 [~~\$30,000~~] from one or more local governmental entities, nonprofit organizations, or private lenders. The total amount of loans made by the department and other entities to an owner-builder under this subchapter may not exceed \$80,000 [~~\$60,000~~].

SECTION 3. Section 2306.7581(a-1), Government Code, is

1 amended to read as follows:

2 (a-1) Each state fiscal year the department shall transfer
3 at least \$3 million to the owner-builder revolving fund from money
4 received under the federal HOME Investment Partnerships program
5 established under Title II of the Cranston-Gonzalez National
6 Affordable Housing Act (42 U.S.C. Section 12701 et seq.), from
7 money in the housing trust fund, or from money appropriated by the
8 legislature to the department. [~~This subsection expires August 31,~~
9 ~~2010.~~]

10 SECTION 4. Section 2306.753(b-1), Government Code, as added
11 by this Act, and Sections 2306.754(a) and (b), Government Code, as
12 amended by this Act, apply only to owner-builder loans granted by
13 the department on or after the effective date of this Act. An
14 owner-builder loan granted before the effective date of this Act is
15 governed by the law in effect at the time the loan was granted, and
16 the former law is continued in effect for that purpose.

17 SECTION 5. This Act takes effect September 1, 2007.