

By: Nelson

S.B. No. 1185

A BILL TO BE ENTITLED

AN ACT

relating to certain low-interest home loan programs offered by the state.

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

SECTION 1. Subsections (a) and (b), Section 2306.553, Government Code, are amended to read as follows:

(a) The public purpose of the corporation is to perform activities and services that the corporation's board of directors determines will promote the public health, safety, and welfare through the provision of adequate, safe, and sanitary housing primarily for individuals and families of low, very low, and extremely low income and ~~and~~ for persons who are eligible for loans ~~[professional educators]~~ under the ~~[professional educators]~~ home loan programs ~~[program as]~~ provided by Sections ~~[Section]~~ 2306.562 and ~~[, for fire fighters, corrections officers, county jailers, public security officers, and peace officers under the fire fighter, law enforcement officer, and security officer home loan program as provided by Section]~~ 2306.5621 ~~[, and for professional nursing program faculty members under the professional nursing program faculty member home loan program as provided by Section 2306.5622]~~. The activities and services shall include engaging in mortgage banking activities and lending transactions and acquiring, holding, selling, or leasing real or personal property.

(b) The corporation's primary public purpose is to

1 facilitate the provision of housing by issuing qualified 501(c)(3)  
2 bonds and qualified residential rental project bonds and by making  
3 affordable loans to individuals and families of low, very low, and  
4 extremely low income ~~and[7]~~ to persons who are eligible for loans  
5 under the home loan programs provided by Sections 2306.562 and  
6 2306.5621 [~~professional educators under the professional educators~~  
7 ~~home loan program, to fire fighters, corrections officers, county~~  
8 ~~jailers, public security officers, and peace officers under the~~  
9 ~~fire fighter, law enforcement officer, and security officer home~~  
10 ~~loan program, and to professional nursing program faculty members~~  
11 ~~under the professional nursing program faculty member home loan~~  
12 ~~program~~]. The corporation may make first lien, single family  
13 purchase money mortgage loans for single family homes only to  
14 individuals and families of low, very low, and extremely low income  
15 if the individual's or family's household income is not more than  
16 the greater of 60 percent of the median income for the state, as  
17 defined by the United States Department of Housing and Urban  
18 Development, or 60 percent of the area median family income,  
19 adjusted for family size, as defined by that department. The  
20 corporation may make loans for multifamily developments if:

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

25 (2) at least 20 percent of the units in a multifamily  
26 development are affordable to individuals and families with incomes  
27 at or below 50 percent of the median family income, adjusted for

1 family size.

2 SECTION 2. Subsections (a) and (b), Section 2306.562,  
3 Government Code, are amended to read as follows:

4 (a) In this section:

5 (1) "Allied health program faculty member" means a  
6 full-time member of the faculty of an undergraduate or graduate  
7 allied health program of a public or private institution of higher  
8 education in this state.

9 (1-a) "Graduate allied health program" means a  
10 postbaccalaureate certificate or master's or doctoral degree  
11 program in an allied health profession that is accredited by an  
12 accrediting entity recognized by the United States Department of  
13 Education.

14 (1-b) "Graduate professional nursing program" and  
15 "undergraduate professional nursing program" have the meanings  
16 assigned by Section 54.221, Education Code.

17 (2) "Home" means a dwelling in this state in which a  
18 professional educator intends to reside as the professional  
19 educator's principal residence.

20 (3) [~~2~~] "Mortgage lender" has the meaning assigned  
21 by Section 2306.004.

22 (4) [~~3~~] "Professional educator" means a classroom  
23 teacher, full-time paid teacher's aide, full-time librarian,  
24 full-time counselor certified under Subchapter B, Chapter 21,  
25 Education Code, [~~or~~] full-time school nurse, or allied health or  
26 professional nursing program faculty member.

27 (5) "Professional nursing program faculty member"

1 means a full-time member of the faculty of either an undergraduate  
2 or graduate professional nursing program.

3 (6) [(4)] "Program" means the professional educators  
4 home loan program.

5 (7) "Undergraduate allied health program" means an  
6 undergraduate degree or certificate program that:

7 (A) prepares students for licensure,  
8 certification, or registration in an allied health profession; and

9 (B) is accredited by an accrediting entity  
10 recognized by the United States Department of Education.

11 (b) The corporation shall establish a program to provide  
12 low-interest home mortgage loans to eligible professional  
13 educators whose income does not exceed the greater of:

14 (1) 115 percent of area median family income, adjusted  
15 for family size; or

16 (2) the maximum amount permitted by Section 143(f),  
17 Internal Revenue Code of 1986[, with low-interest home mortgage  
18 loans].

19 SECTION 3. Sections 1372.0223 and 2306.5622, Government  
20 Code, are repealed.

21 SECTION 4. The Texas State Affordable Housing Corporation  
22 shall aggressively pursue funding for the professional educators  
23 home loan program required by Section 2306.562, Government Code, as  
24 amended by this Act.

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