

By: Nelson

S.B. No. 1185

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to certain low-interest home loan programs offered by the  
3 state.

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

5 SECTION 1. Section 1372.0221, Government Code, is amended  
6 to read as follows:

7 Sec. 1372.0221. DEDICATION OF PORTION OF STATE CEILING FOR  
8 PROFESSIONAL EDUCATORS HOME LOAN PROGRAM. Until August 1, out of  
9 that portion of the state ceiling that is available exclusively for  
10 reservations by issuers of qualified mortgage bonds under Section  
11 1372.022, \$35 [~~\$25~~] million shall be allotted each year and made  
12 available exclusively to the Texas State Affordable Housing  
13 Corporation for the purpose of issuing qualified mortgage bonds in  
14 connection with the professional educators home loan program  
15 established under Section 2306.562.

16 SECTION 2. Sections 2306.553(a) and (b), Government Code,  
17 are amended to read as follows:

18 (a) The public purpose of the corporation is to perform  
19 activities and services that the corporation's board of directors  
20 determines will promote the public health, safety, and welfare  
21 through the provision of adequate, safe, and sanitary housing  
22 primarily for individuals and families of low, very low, and  
23 extremely low income and[~~r~~] for persons who are eligible for loans  
24 [~~professional educators~~] under the [~~professional educators~~] home

1 loan programs [~~program as~~] provided by Sections [~~Section~~] 2306.562  
2 and [~~, for fire fighters, corrections officers, county jailers,~~  
3 ~~public security officers, and peace officers under the fire~~  
4 ~~fighter, law enforcement officer, and security officer home loan~~  
5 ~~program as provided by Section~~] 2306.5621 [~~, and for professional~~  
6 ~~nursing program faculty members under the professional nursing~~  
7 ~~program faculty member home loan program as provided by Section~~  
8 ~~2306.5622~~]. The activities and services shall include engaging in  
9 mortgage banking activities and lending transactions and  
10 acquiring, holding, selling, or leasing real or personal property.

11 (b) The corporation's primary public purpose is to  
12 facilitate the provision of housing by issuing qualified 501(c)(3)  
13 bonds and qualified residential rental project bonds and by making  
14 affordable loans to individuals and families of low, very low, and  
15 extremely low income and [~~]~~ to persons who are eligible for loans  
16 under the home loan programs provided by Sections 2306.562 and  
17 2306.5621 [~~professional educators under the professional educators~~  
18 ~~home loan program, to fire fighters, corrections officers, county~~  
19 ~~jailers, public security officers, and peace officers under the~~  
20 ~~fire fighter, law enforcement officer, and security officer home~~  
21 ~~loan program, and to professional nursing program faculty members~~  
22 ~~under the professional nursing program faculty member home loan~~  
23 ~~program~~]. The corporation may make first lien, single family  
24 purchase money mortgage loans for single family homes only to  
25 individuals and families of low, very low, and extremely low income  
26 if the individual's or family's household income is not more than  
27 the greater of 60 percent of the median income for the state, as

1 defined by the United States Department of Housing and Urban  
2 Development, or 60 percent of the area median family income,  
3 adjusted for family size, as defined by that department. The  
4 corporation may make loans for multifamily developments if:

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

9 (2) at least 20 percent of the units in a multifamily  
10 development are affordable to individuals and families with incomes  
11 at or below 50 percent of the median family income, adjusted for  
12 family size.

13 SECTION 3. Sections 2306.562(a) and (b), Government Code,  
14 are amended to read as follows:

15 (a) In this section:

16 (1) "Allied health program faculty member" means a  
17 full-time member of the faculty of an undergraduate or graduate  
18 allied health program of a public or private institution of higher  
19 education in this state.

20 (1-a) "Graduate allied health program" means a  
21 postbaccalaureate certificate or master's or doctoral degree  
22 program in an allied health profession that is accredited by an  
23 accrediting entity recognized by the United States Department of  
24 Education.

25 (1-b) "Graduate professional nursing program" and  
26 "undergraduate professional nursing program" have the meanings  
27 assigned by Section 54.221, Education Code.

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

4           (3) [~~(2)~~] "Mortgage lender" has the meaning assigned  
5 by Section 2306.004.

6           (4) [~~(3)~~] "Professional educator" means a classroom  
7 teacher, full-time paid teacher's aide, full-time librarian,  
8 full-time counselor certified under Subchapter B, Chapter 21,  
9 Education Code, [~~or~~] full-time school nurse, or allied health or  
10 professional nursing program faculty member.

11           (5) "Professional nursing program faculty member"  
12 means a full-time member of the faculty of either an undergraduate  
13 or graduate professional nursing program.

14           (6) [~~(4)~~] "Program" means the professional educators  
15 home loan program.

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

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

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

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

25                   (1) 115 percent of area median family income, adjusted  
26 for family size; or

27                   (2) the maximum amount permitted by Section 143f,

1 Internal Revenue Code of 1986 [~~7, with low-interest home mortgage~~  
2 ~~loans~~].

3 SECTION 4. Sections 1372.0223 and 2306.5622, Government  
4 Code, are repealed.

5 SECTION 5. The Texas State Affordable Housing Corporation  
6 shall aggressively pursue funding for the professional educators  
7 home loan program required by Section 2306.562, Government Code, as  
8 amended by this Act.

9 SECTION 6. This Act takes effect September 1, 2007.