

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 13, 2007

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB1185 by Nelson (Relating to certain low-interest home loan programs offered by the state.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill amends section 1372 to increase the set-aside for the Professional Educator Program from \$25 million to \$35 million.

In Section 2306.562, the definition of eligible applicants is expanded for the professional nursing program. Upon passage, graduates from allied health programs as well as the faculty are eligible to participate.

Additionally, the income restrictions are raised to the maximum amount permitted by the Internal Revenue Code.

This Act takes September 1, 2007.

This cost estimate only addresses the issuance of debt by the Texas State Affordable Housing Corporation and does not evaluate the feasibility or the operating costs associated with planned project. Since this bill merely expands the eligible pool of proceeds recipients and not the amount to be issued, there should be no additional fiscal impact.

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Historically, qualified mortgage bonds issued by state agencies such as the Texas State Affordable Housing Corporation Land Board and the Texas Department of Housing and Community Affairs have been self-supporting, meaning that mortgage payments paid by the beneficiaries of the programs should be sufficient to pay the debt service on the bonds.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 332 Department of Housing and Community Affairs, 352 Bond Review Board

LBB Staff: JOB, CT, AH