

By: Farias

H.B. No. 3215

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of a down payment assistance program for certain professional educators by the Texas State Affordable Housing Corporation.

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

SECTION 1. Subchapter Y, Chapter 2306, Government Code, is amended by adding Section 2306.5622 to read as follows:

Sec. 2306.5622. PROFESSIONAL EDUCATORS DOWN PAYMENT ASSISTANCE PROGRAM IN CERTAIN COUNTIES. (a) In this section:

(1) "Low-wealth school district" means a school district that:

(A) has a low wealth per student, as determined jointly by the commissioner of education and the corporation; and

(B) is located in a county with a population of more than one million and in which more than 80 percent of the population resides in a single municipality.

(2) "Professional educator" means a classroom teacher, full-time paid teacher's aide, full-time librarian, full-time counselor certified under Subchapter B, Chapter 21, Education Code, or full-time school nurse.

(3) "Wealth per student" means the taxable value of property in a school district, as determined under Subchapter M, Chapter 403, divided by the number of students enrolled in the district.

1       (b) The corporation, in consultation with the commissioner  
2 of education and low-wealth school districts, shall establish a  
3 program providing to eligible professional educators down payment  
4 assistance in the form of deferred forgivable second-lien loans.  
5 Loans provided under this section must:

6           (1) with a total matching amount not to exceed \$4,000  
7 as described by this subdivision, match each dollar of an eligible  
8 professional educator's down payment contribution toward the  
9 purchase of a home, with:

10                   (A) a mandatory contribution, as funds are  
11 available and not to exceed \$2,000, from the corporation; and

12                   (B) an additional optional contribution, not to  
13 exceed \$2,000, from the applicable low-wealth school district; and

14           (2) be forgiven at the rate of one-third of the  
15 original balance of the loan for each year that the professional  
16 educator remains employed by the district after the issuance of the  
17 loan.

18       (c) To be eligible for down payment assistance under this  
19 section, a professional educator must:

20           (1) be employed by a low-wealth school district for  
21 the six-month period preceding the application date;

22           (2) have an income that does not exceed the greater of:

23                   (A) 115 percent of area median family income,  
24 adjusted for family size; or

25                   (B) the maximum amount permitted by Section  
26 143(f), Internal Revenue Code of 1986;

27           (3) meet the creditworthiness and purchase price

1 standards established by corporation rule;

2 (4) complete a homebuyer education course;

3 (5) occupy the purchased home as the educator's  
4 primary residence; and

5 (6) purchase a home in the low-wealth school district  
6 in which the professional educator is employed.

7 (d) A professional educator who receives down payment  
8 assistance through a second-lien loan under this section shall  
9 repay the outstanding balance of the loan if the person:

10 (1) ceases to be a professional educator employed by  
11 the low-wealth school district in which the home is located; or

12 (2) ceases to occupy the home as the educator's primary  
13 residence.

14 (e) The corporation may contract with the State Board for  
15 Educator Certification, the Texas Education Agency, or other  
16 agencies of the state or with private entities to:

17 (1) determine whether applicants qualify as  
18 professional educators under this section; or

19 (2) otherwise administer all or part of this section.

20 (f) The board of directors of the corporation may set and  
21 collect from each applicant any fees the board considers reasonable  
22 and necessary to cover the expenses of administering the program.

23 (g) The board of directors of the corporation shall adopt  
24 program guidelines governing:

25 (1) the administration of the program;

26 (2) the issuance of down payment assistance under the  
27 program;

1           (3) creditworthiness and purchase price standards;

2 and

3           (4) the verification of occupancy of the home as the  
4 professional educator's principal residence.

5           (h) The corporation shall ensure that down payment  
6 assistance under this section is structured in a way that complies  
7 with any requirements associated with the source of the funds used  
8 for the assistance.

9           (i) The corporation may solicit and accept funding for the  
10 program from the following sources:

11           (1) low-wealth school districts;

12           (2) gifts and grants for the purposes of this section;

13           (3) any state or federal programs that provide money  
14 that may be used for the purposes of this section; and

15           (4) amounts received by the corporation in any  
16 repayments of loans made under this section.

17           SECTION 2. The Texas State Affordable Housing Corporation  
18 shall adopt the program guidelines required by Section  
19 2306.5622(g), Government Code, as added by this Act, not later than  
20 December 1, 2009.

21           SECTION 3. This Act takes effect September 1, 2009.