

By: Farias

H.B. No. 3215

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the establishment of a down payment assistance program  
3 for certain professional educators by the Texas State Affordable  
4 Housing Corporation.

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

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

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

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

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

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

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

21 (3) "Wealth per student" means the taxable value of  
22 property in a school district, as determined under Subchapter M,  
23 Chapter 403, divided by the number of students enrolled in the  
24 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 matching amount not to exceed \$4,000, match  
7 each dollar of an eligible professional educator's down payment  
8 contribution toward the purchase of a home, with equal  
9 contributions from the corporation and the applicable low-wealth  
10 school district; and

11           (2) be forgiven at the rate of one-third of the  
12 outstanding balance of the loan for each year after the issuance of  
13 the loan that the professional educator remains employed by the  
14 district.

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

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

19           (2) meet the income, creditworthiness, and purchase  
20 price standards established by corporation rule;

21           (3) complete a homebuyer education course;

22           (4) occupy the purchased home as the educator's  
23 primary residence; and

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

26       (d) A professional educator who receives down payment  
27 assistance through a second lien loan under this section shall

1 repay the outstanding balance of the loan if the person:

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

4 (2) ceases to occupy the home as the educator's primary  
5 residence.

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

9 (1) determine whether applicants qualify as  
10 professional educators under this section; or

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

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

15 (g) The board of directors of the corporation shall adopt  
16 rules governing:

17 (1) the administration of the program;

18 (2) the issuance of down payment assistance under the  
19 program;

20 (3) income, creditworthiness, and purchase price  
21 standards; and

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

24 (h) The corporation shall ensure that down payment  
25 assistance under this section is structured in a way that complies  
26 with any requirements associated with the source of the funds used  
27 for the assistance.

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

3            (1) gifts and grants for the purposes of this section;

4            (2) any state or federal programs that provide money  
5 that may be used for the purposes of this section; and

6            (3) amounts received by the corporation in any  
7 repayments of loans made under this section.

8        SECTION 2. The Texas State Affordable Housing Corporation  
9 shall adopt the rules required by Section 2306.5622(g), Government  
10 Code, as added by this Act, not later than December 1, 2009.

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