

BILL ANALYSIS

H.B. 3559
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Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Bootstrap Program is successful because the state provides a partial, interest free loan to a family which in turn leverages private funding. The families are very committed to their homeownership as they are investing several hundred hours of labor directly into their homes.

This partnership between the nonprofit organization, the family, and the State of Texas through the Bootstrap Program provides a homeownership experience at a very affordable price.

To date, the Texas Bootstrap Program has helped over a thousand low- income families enter into homeownership and begin the process of building equity and assets that can be leveraged in the future for greater economic gain.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Section 2306.753(d), Government Code, as follows:

(d) Requires that at least two-thirds of the dollar amount of loans made under this subchapter in each fiscal year be made to borrowers whose property is in a census tract that has a median household income that is not greater than 75 percent of the median state household income for the most recent year for which statistics are available, rather than whose property is located in a county that is eligible to receive financial assistance under Subchapter K (Assistance to Economically Distressed Areas for Water Supply and Sewer Service Projects), Chapter 17, Water Code.

SECTION 2. Makes application of the change in law made by this Act in amending Section 2306.753, Government Code, prospective.

SECTION 3. This Act takes effect September 1, 2011.

EFFECTIVE DATE

September 1, 2011.