

1-1 By: Hinojosa S.B. No. 286  
1-2 (In the Senate - Filed January 28, 2013; February 5, 2013,  
1-3 read first time and referred to Committee on Intergovernmental  
1-4 Relations; April 2, 2013, reported favorably by the following  
1-5 vote: Yeas 5, Nays 0; April 2, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			

1-13 A BILL TO BE ENTITLED  
1-14 AN ACT

1-15 relating to a home loan program operated by the Texas State  
1-16 Affordable Housing Corporation.

1-17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-18 SECTION 1. Subsection (b), Section 1372.025, Government  
1-19 Code, is amended to read as follows:

1-20 (b) Subsection (a) does not apply to qualified mortgage  
1-21 bonds or qualified residential rental project bonds made available  
1-22 exclusively to the Texas Department of Housing and Community  
1-23 Affairs under Section 1372.023 or the Texas State Affordable  
1-24 Housing Corporation under Section 1372.0223(1) [~~Sections 1372.0221~~  
1-25 ~~and 1372.0222~~].

1-26 SECTION 2. Subsections (a) and (b), Section 2306.553,  
1-27 Government Code, are amended to read as follows:

1-28 (a) The public purpose of the corporation is to perform  
1-29 activities and services that the corporation's board of directors  
1-30 determines will promote the public health, safety, and welfare  
1-31 through the provision of adequate, safe, and sanitary housing  
1-32 primarily for individuals and families of low, very low, and  
1-33 extremely low income and for persons who are eligible for loans  
1-34 under the home loan program [~~programs~~] provided by Section  
1-35 [~~Sections 2306.562 and~~] 2306.5621. The activities and services  
1-36 shall include engaging in mortgage banking activities and lending  
1-37 transactions and acquiring, holding, selling, or leasing real or  
1-38 personal property.

1-39 (b) The corporation's primary public purpose is to  
1-40 facilitate the provision of housing by issuing qualified 501(c)(3)  
1-41 bonds and qualified residential rental project bonds and by making  
1-42 affordable loans to individuals and families of low, very low, and  
1-43 extremely low income and to persons who are eligible for loans under  
1-44 the home loan program [~~programs~~] provided by Section [~~Sections~~  
1-45 ~~2306.562 and~~] 2306.5621. The corporation may make first lien,  
1-46 single family purchase money mortgage loans for single family homes  
1-47 only to individuals and families of low, very low, and extremely low  
1-48 income if the individual's or family's household income is not more  
1-49 than the greater of 60 percent of the median income for the state,  
1-50 as defined by the United States Department of Housing and Urban  
1-51 Development, or 60 percent of the area median family income,  
1-52 adjusted for family size, as defined by that department. The  
1-53 corporation may make loans for multifamily developments if:

1-54 (1) at least 40 percent of the units in a multifamily  
1-55 development are affordable to individuals and families with incomes  
1-56 at or below 60 percent of the median family income, adjusted for  
1-57 family size; or

1-58 (2) at least 20 percent of the units in a multifamily  
1-59 development are affordable to individuals and families with incomes  
1-60 at or below 50 percent of the median family income, adjusted for  
1-61 family size.

2-1 SECTION 3. The heading to Section 2306.5621, Government  
2-2 Code, is amended to read as follows:

2-3 Sec. 2306.5621. HOMES FOR TEXAS HEROES [~~FIRE FIGHTER, LAW~~  
2-4 ~~ENFORCEMENT OR SECURITY OFFICER, AND EMERGENCY MEDICAL SERVICES~~  
2-5 ~~PERSONNEL~~] HOME LOAN PROGRAM.

2-6 SECTION 4. Subsection (a), Section 2306.5621, Government  
2-7 Code, is amended by amending Subdivisions (2) and (5) and adding  
2-8 Subdivisions (10), (11), (12), (13), (14), and (15) to read as  
2-9 follows:

2-10 (2) "Home" means a dwelling in this state in which a  
2-11 fire fighter, corrections officer, county jailer, public security  
2-12 officer, peace officer, professional educator, or person defined as  
2-13 emergency medical services personnel under this section intends to  
2-14 reside as the borrower's principal residence.

2-15 (5) "Program" means the Homes for Texas Heroes [~~fire~~  
2-16 ~~fighter, law enforcement or security officer, and emergency medical~~  
2-17 ~~services personnel~~] home loan program.

2-18 (10) "Allied health program faculty member" means a  
2-19 full-time member of the faculty of an undergraduate or graduate  
2-20 allied health program of a public or private institution of higher  
2-21 education in this state.

2-22 (11) "Graduate allied health program" means a  
2-23 postbaccalaureate certificate or master's or doctoral degree  
2-24 program in an allied health profession that is accredited by an  
2-25 accrediting entity recognized by the United States Department of  
2-26 Education.

2-27 (12) "Graduate professional nursing program" and  
2-28 "undergraduate professional nursing program" have the meanings  
2-29 assigned by Section 54.355, Education Code.

2-30 (13) "Professional educator" means a classroom  
2-31 teacher, full-time paid teacher's aide, full-time librarian,  
2-32 full-time counselor certified under Subchapter B, Chapter 21,  
2-33 Education Code, full-time school nurse, or allied health or  
2-34 professional nursing program faculty member.

2-35 (14) "Professional nursing program faculty member"  
2-36 means a full-time member of the faculty of either an undergraduate  
2-37 or graduate professional nursing program.

2-38 (15) "Undergraduate allied health program" means an  
2-39 undergraduate degree or certificate program that:

2-40 (A) prepares students for licensure,  
2-41 certification, or registration in an allied health profession; and

2-42 (B) is accredited by an accrediting entity  
2-43 recognized by the United States Department of Education.

2-44 SECTION 5. Subsections (b), (c), (d), (f), (h), and (h-1),  
2-45 Section 2306.5621, Government Code, are amended to read as follows:

2-46 (b) The corporation shall establish a program to provide  
2-47 eligible fire fighters, corrections officers, county jailers,  
2-48 public security officers, peace officers, [~~and~~] emergency medical  
2-49 services personnel, and professional educators with low-interest  
2-50 home mortgage loans.

2-51 (c) To be eligible for a loan under this section, at the time  
2-52 a person files an application for the loan, the person must:

2-53 (1) be a:

2-54 (A) fire fighter, corrections officer, county  
2-55 jailer, public security officer, peace officer, or person defined  
2-56 as emergency medical services personnel under this section; or

2-57 (B) professional educator who is employed by a  
2-58 school district or is an allied health or professional nursing  
2-59 program faculty member in this state;

2-60 (2) reside in this state; and

2-61 (3) have an income of not more than 115 percent of area  
2-62 median family income, adjusted for family size, or the maximum  
2-63 amount permitted by Section 143(f), Internal Revenue Code of 1986,  
2-64 whichever is greater.

2-65 (d) The corporation may contract with other agencies of the  
2-66 state or with private entities to determine whether applicants  
2-67 qualify as fire fighters, corrections officers, county jailers,  
2-68 public security officers, peace officers, [~~or~~] emergency medical  
2-69 services personnel, or professional educators under this section or

3-1 otherwise to administer all or part of this section.

3-2 (f) The board of directors of the corporation shall adopt  
3-3 rules governing:

3-4 (1) the administration of the program;

3-5 (2) the making of loans under the program;

3-6 (3) the criteria for approving mortgage lenders;

3-7 (4) the use of insurance on the loans and the homes  
3-8 financed under the program, as considered appropriate by the board  
3-9 to provide additional security for the loans;

3-10 (5) the verification of occupancy of the home by the  
3-11 fire fighter, corrections officer, county jailer, public security  
3-12 officer, peace officer, professional educator, or person defined as  
3-13 emergency medical services personnel as the borrower's principal  
3-14 residence; and

3-15 (6) the terms of any contract made with any mortgage  
3-16 lender for processing, originating, servicing, or administering  
3-17 the loans.

3-18 (h) In addition to funds set aside for the program under  
3-19 Section 1372.0223(1) [~~1372.0222~~], the corporation may solicit and  
3-20 accept funding for the program from the following sources:

3-21 (1) gifts and grants for the purposes of this section;

3-22 (2) available money in the housing trust fund  
3-23 established under Section 2306.201, to the extent available to the  
3-24 corporation;

3-25 (3) federal block grants that may be used for the  
3-26 purposes of this section, to the extent available to the  
3-27 corporation;

3-28 (4) other state or federal programs that provide money  
3-29 that may be used for the purposes of this section; and

3-30 (5) amounts received by the corporation in repayment  
3-31 of loans made under this section.

3-32 (h-1) To fund home mortgage loans for eligible fire  
3-33 fighters, corrections officers, county jailers, public security  
3-34 officers, peace officers, [~~and~~] emergency medical services  
3-35 personnel, and professional educators under this section, the  
3-36 corporation may use any proceeds received from the sale of bonds,  
3-37 notes, or other obligations issued under the home loan program  
3-38 provided by this section, regardless of any amendments to the  
3-39 eligibility standards for loans made under the program and  
3-40 regardless of when the corporation received the proceeds from those  
3-41 bonds, notes, or other obligations issued under the program.

3-42 SECTION 6. Sections 1372.0221 and 1372.0222 and Subsection  
3-43 (i), Section 2306.5621, Government Code, are repealed.

3-44 SECTION 7. This Act takes effect immediately if it receives  
3-45 a vote of two-thirds of all the members elected to each house, as  
3-46 provided by Section 39, Article III, Texas Constitution. If this  
3-47 Act does not receive the vote necessary for immediate effect, this  
3-48 Act takes effect September 1, 2013.

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