

1-1 By: Lucio, Rodriguez, Van de Putte S.B. No. 1553
 1-2 (In the Senate - Filed March 8, 2013; March 19, 2013, read
 1-3 first time and referred to Committee on Veteran Affairs and
 1-4 Military Installations; April 16, 2013, reported adversely, with
 1-5 favorable Committee Substitute by the following vote: Yeas 5,
 1-6 Nays 0; April 16, 2013, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			

1-14 COMMITTEE SUBSTITUTE FOR S.B. No. 1553 By: Van de Putte

1-15 A BILL TO BE ENTITLED
 1-16 AN ACT

1-17 relating to the Homes for Texas Heroes home loan program.
 1-18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-19 SECTION 1. Subsection (b), Section 1372.025, Government
 1-20 Code, is amended to read as follows:
 1-21 (b) Subsection (a) does not apply to qualified mortgage
 1-22 bonds or qualified residential rental project bonds made available
 1-23 exclusively to the Texas Department of Housing and Community
 1-24 Affairs under Section 1372.023 or the Texas State Affordable
 1-25 Housing Corporation under Section 1372.0223(1) [~~Sections 1372.0221~~
 1-26 ~~and 1372.0222~~].
 1-27 SECTION 2. Subsections (a) and (b), Section 2306.553,
 1-28 Government Code, are amended to read as follows:
 1-29 (a) The public purpose of the corporation is to perform
 1-30 activities and services that the corporation's board of directors
 1-31 determines will promote the public health, safety, and welfare
 1-32 through the provision of adequate, safe, and sanitary housing
 1-33 primarily for individuals and families of low, very low, and
 1-34 extremely low income and for persons who are eligible for loans
 1-35 under the home loan program [~~programs~~] provided by Section
 1-36 [~~Sections 2306.562 and~~] 2306.5621. The activities and services
 1-37 shall include engaging in mortgage banking activities and lending
 1-38 transactions and acquiring, holding, selling, or leasing real or
 1-39 personal property.
 1-40 (b) The corporation's primary public purpose is to
 1-41 facilitate the provision of housing by issuing qualified 501(c)(3)
 1-42 bonds and qualified residential rental project bonds and by making
 1-43 affordable loans to individuals and families of low, very low, and
 1-44 extremely low income and to persons who are eligible for loans under
 1-45 the home loan program [~~programs~~] provided by Section [~~Sections~~
 1-46 ~~2306.562 and~~] 2306.5621. The corporation may make first lien,
 1-47 single family purchase money mortgage loans for single family homes
 1-48 only to individuals and families of low, very low, and extremely low
 1-49 income if the individual's or family's household income is not more
 1-50 than the greater of 60 percent of the median income for the state,
 1-51 as defined by the United States Department of Housing and Urban
 1-52 Development, or 60 percent of the area median family income,
 1-53 adjusted for family size, as defined by that department. The
 1-54 corporation may make loans for multifamily developments if:
 1-55 (1) at least 40 percent of the units in a multifamily
 1-56 development are affordable to individuals and families with incomes
 1-57 at or below 60 percent of the median family income, adjusted for
 1-58 family size; or
 1-59 (2) at least 20 percent of the units in a multifamily
 1-60 development are affordable to individuals and families with incomes

2-1 at or below 50 percent of the median family income, adjusted for
2-2 family size.

2-3 SECTION 3. The heading to Section 2306.5621, Government
2-4 Code, is amended to read as follows:

2-5 Sec. 2306.5621. HOMES FOR TEXAS HEROES [~~FIRE FIGHTER, LAW~~
2-6 ~~ENFORCEMENT OR SECURITY OFFICER, AND EMERGENCY MEDICAL SERVICES~~
2-7 ~~PERSONNEL~~] HOME LOAN PROGRAM.

2-8 SECTION 4. Subsection (a), Section 2306.5621, Government
2-9 Code, is amended by amending Subdivisions (2) and (5) and adding
2-10 Subdivisions (10) through (16) to read as follows:

2-11 (2) "Home" means a dwelling in this state in which a
2-12 fire fighter, corrections officer, county jailer, public security
2-13 officer, peace officer, professional educator, veteran, or person
2-14 defined as emergency medical services personnel under this section
2-15 intends to reside as the borrower's principal residence.

2-16 (5) "Program" means the Homes for Texas Heroes [~~fire~~
2-17 ~~fighter, law enforcement or security officer, and emergency medical~~
2-18 ~~services personnel~~] home loan program.

2-19 (10) "Veteran" has the meaning assigned by Section
2-20 161.001, Natural Resources Code.

2-21 (11) "Allied health program faculty member" means a
2-22 full-time member of the faculty of an undergraduate or graduate
2-23 allied health program of a public or private institution of higher
2-24 education in this state.

2-25 (12) "Graduate allied health program" means a
2-26 postbaccalaureate certificate or master's or doctoral degree
2-27 program in an allied health profession that is accredited by an
2-28 accrediting entity recognized by the United States Department of
2-29 Education.

2-30 (13) "Graduate professional nursing program" and
2-31 "undergraduate professional nursing program" have the meanings
2-32 assigned by Section 54.355, Education Code.

2-33 (14) "Professional educator" means a classroom
2-34 teacher, full-time paid teacher's aide, full-time librarian,
2-35 full-time counselor certified under Subchapter B, Chapter 21,
2-36 Education Code, full-time school nurse, or allied health or
2-37 professional nursing program faculty member.

2-38 (15) "Professional nursing program faculty member"
2-39 means a full-time member of the faculty of either an undergraduate
2-40 or graduate professional nursing program.

2-41 (16) "Undergraduate allied health program" means an
2-42 undergraduate degree or certificate program that:

2-43 (A) prepares students for licensure,
2-44 certification, or registration in an allied health profession; and

2-45 (B) is accredited by an accrediting entity
2-46 recognized by the United States Department of Education.

2-47 SECTION 5. Section 2306.5621, Government Code, is amended
2-48 by amending Subsections (b), (c), (d), (f), (h), and (h-1) and
2-49 adding Subsection (d-1) to read as follows:

2-50 (b) The corporation shall establish a program to provide
2-51 eligible fire fighters, corrections officers, county jailers,
2-52 public security officers, peace officers, [~~and~~] emergency medical
2-53 services personnel, professional educators, and veterans with
2-54 low-interest home mortgage loans.

2-55 (c) To be eligible for a loan under this section, at the time
2-56 a person files an application for the loan, the person must:

2-57 (1) be a:

2-58 (A) fire fighter, corrections officer, county
2-59 jailer, public security officer, peace officer, veteran, or person
2-60 defined as emergency medical services personnel under this section;
2-61 or

2-62 (B) professional educator who is employed by a
2-63 school district or is an allied health or professional nursing
2-64 program faculty member in this state;

2-65 (2) reside in this state; and

2-66 (3) have an income of not more than 115 percent of area
2-67 median family income, adjusted for family size, or the maximum
2-68 amount permitted by Section 143(f), Internal Revenue Code of 1986,
2-69 whichever is greater.

3-1 (d) The corporation may contract with other agencies of the
3-2 state or with private entities to determine whether applicants
3-3 qualify as fire fighters, corrections officers, county jailers,
3-4 public security officers, peace officers, ~~[or]~~ emergency medical
3-5 services personnel, professional educators, or veterans under this
3-6 section or otherwise to administer all or part of this section.

3-7 (d-1) The corporation may contract with the Texas Veterans
3-8 Commission to provide other housing assistance to veterans
3-9 receiving loans under this section.

3-10 (f) The board of directors of the corporation shall adopt
3-11 rules governing:

3-12 (1) the administration of the program;

3-13 (2) the making of loans under the program;

3-14 (3) the criteria for approving mortgage lenders;

3-15 (4) the use of insurance on the loans and the homes
3-16 financed under the program, as considered appropriate by the board
3-17 to provide additional security for the loans;

3-18 (5) the verification of occupancy of the home by the
3-19 fire fighter, corrections officer, county jailer, public security
3-20 officer, peace officer, professional educator, veteran, or person
3-21 defined as emergency medical services personnel as the borrower's
3-22 principal residence; and

3-23 (6) the terms of any contract made with any mortgage
3-24 lender for processing, originating, servicing, or administering
3-25 the loans.

3-26 (h) In addition to funds set aside for the program under
3-27 Section 1372.0223(1) [~~1372.0222~~], the corporation may solicit and
3-28 accept funding for the program from the following sources:

3-29 (1) gifts and grants for the purposes of this section;

3-30 (2) available money in the housing trust fund
3-31 established under Section 2306.201, to the extent available to the
3-32 corporation;

3-33 (3) federal block grants that may be used for the
3-34 purposes of this section, to the extent available to the
3-35 corporation;

3-36 (4) other state or federal programs that provide money
3-37 that may be used for the purposes of this section; and

3-38 (5) amounts received by the corporation in repayment
3-39 of loans made under this section.

3-40 (h-1) To fund home mortgage loans for eligible fire
3-41 fighters, corrections officers, county jailers, public security
3-42 officers, peace officers, ~~[and]~~ emergency medical services
3-43 personnel, professional educators, and veterans under this
3-44 section, the corporation may use any proceeds received from the
3-45 sale of bonds, notes, or other obligations issued under the home
3-46 loan program provided by this section, regardless of any amendments
3-47 to the eligibility standards for loans made under the program and
3-48 regardless of when the corporation received the proceeds from those
3-49 bonds, notes, or other obligations issued under the program.

3-50 SECTION 6. Sections 1372.0221, 1372.0222, and Subsection
3-51 (i), Section 2306.5621, Government Code, are repealed.

3-52 SECTION 7. This Act takes effect immediately if it receives
3-53 a vote of two-thirds of all the members elected to each house, as
3-54 provided by Section 39, Article III, Texas Constitution. If this
3-55 Act does not receive the vote necessary for immediate effect, this
3-56 Act takes effect September 1, 2013.

3-57 * * * * *