

By: Davis of Dallas

H.B. No. 2473

A BILL TO BE ENTITLED

AN ACT

1
2 relating to establishing a grant program in the Department of
3 Savings and Mortgage Lending to assist certain organizations that
4 make residential mortgage loans to residents of certain
5 neighborhoods.

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

7 SECTION 1. Chapter 13, Finance Code, is amended by adding
8 Section 13.017 to read as follows:

9 Sec. 13.017. AFFORDABLE HOMEOWNERSHIP ASSISTANCE PROGRAM.

10 (a) In this section, "residential mortgage loan" has the meaning
11 assigned by Section 180.002.

12 (b) The Department of Savings and Mortgage Lending shall
13 create and administer a program to provide grants to assist
14 organizations to make below-market rate residential mortgage loans
15 to residents of neighborhoods that have homeownership rates of less
16 than 50 percent.

17 (c) To be eligible to receive a grant under this section, an
18 organization must:

19 (1) have a history of making below-market rate
20 residential mortgage loans to low and moderate income households;

21 (2) provide homebuyer education services; and

22 (3) provide post-home purchase counseling and support
23 services.

24 (d) The finance commission shall adopt rules to implement

1 the program established under this section.

2 (e) In adopting rules under this section, the finance
3 commission shall:

4 (1) require an organization to use grant money awarded
5 under this section to make residential mortgage loans to residents
6 of this state described by Subsection (a) at a below-market
7 interest rate; and

8 (2) require that in awarding grants the Department of
9 Savings and Mortgage Lending give priority to organizations that
10 qualify for matching funds from federal or private sources.

11 (f) An organization awarded a grant under this section shall
12 submit to the Department of Savings and Mortgage Lending an annual
13 report that contains information regarding the organization's use
14 of the grant money and the reinvestment of loan principal and
15 interest payments made to that organization.

16 SECTION 2. Not later than December 1, 2015, the Finance
17 Commission of Texas shall adopt the rules required by Section
18 13.017, Finance Code, as added by this Act.

19 SECTION 3. This Act takes effect September 1, 2015.