CHAPTER 405

S.B. No. 286

AN ACT relating to a home loan program operated by the Texas State Affordable Housing Corporation.

Be it enacted by the Legislature of the State of Texas:

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

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

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

(a) The public purpose of the corporation is to perform activities and services that the corporation's board of directors determines will promote the public health, safety, and welfare through the provision of adequate, safe, and sanitary housing primarily for individuals and families of low, very low, and extremely low income and for persons who are eligible for loans under the home loan program [programs] provided by Section [Sections 2306.552 and] 2306.5621. The activities and services shall include engaging in mortgage banking activities and lending transactions and acquiring, holding, selling, or leasing real or personal property.

(b) The corporation's primary public purpose is to facilitate the provision of housing by issuing qualified 501(c)(3) bonds and qualified residential rental project bonds and by making affordable loans to individuals and families of low, very low, and extremely low income and to persons who are eligible for loans under the home loan program [programs] provided by Section [Sections 2306.552 and] 2306.5621. The corporation may make first lien, single family purchase money mortgage loans for single family homes only to individuals and families of low, very low, and extremely low income if the individual's or family's household income is not more than the greater of 60 percent of the median income for the state, as defined by the United States Department of Housing and Urban Development, or 60 percent of the area median family income, adjusted for family size, as defined by that department. The corporation may make loans for multifamily developments if:

1. at least 40 percent of the units in a multifamily development are affordable to individuals and families with incomes at or below 60 percent of the median family income, adjusted for family size; or
2. at least 20 percent of the units in a multifamily development are affordable to individuals and families with incomes at or below 50 percent of the median family income, adjusted for family size.

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

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

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

2. “Home” means a dwelling in this state in which a fire fighter, corrections officer, county jailer, public security officer, peace officer, professional educator, or person defined as emergency medical services personnel under this section intends to reside as the borrower's principal residence.

5. “Program” means the Homes for Texas Heroes [fire fighter, law enforcement or security officer, and emergency medical services personnel] home loan program.
(10) "Allied health program faculty member" means a full-time member of the faculty of an undergraduate or graduate allied health program of a public or private institution of higher education in this state.

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

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

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

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

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

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

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

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

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

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

(1) be a:

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

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

(2) reside in this state; and

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

(d) The corporation may contract with other agencies of the state or with private entities to determine whether applicants qualify as fire fighters, corrections officers, county jailers, public security officers, peace officers, [emergency medical services personnel, and professional educators with low-interest home mortgage loans.

(e) To be eligible for a loan under this section, at the time a person files an application for the loan, the person must:

(1) be a:

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

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

(2) reside in this state; and

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

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

(1) the administration of the program;

(2) the making of loans under the program;

(3) the criteria for approving mortgage lenders;

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

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

(6) the terms of any contract made with any mortgage lender for processing, originating, servicing, or administering the loans.
(h) In addition to funds set aside for the program under Section 1372.0223(1) [1372.0222], the corporation may solicit and accept funding for the program from the following sources:

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

(2) available money in the housing trust fund established under Section 2306.201, to the extent available to the corporation;

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

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

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

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

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

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

Passed the Senate on April 11, 2013: Yeas 31, Nays 0; passed the House on May 16, 2013: Yeas 141, Nays 2, two present not voting.

Approved June 14, 2013.

Effective June 14, 2013.

CHAPTER 406

S.B. No. 322

AN ACT
relating to the period for confirmation and the terms of the temporary directors of the Montgomery County Municipal Utility District No. 102.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 8263.021, Special District Local Laws Code, is amended by amending Subsection (b) and adding Subsections (c) and (d) to read as follows:

(b) Temporary directors serve until the earlier of:

(1) the date initial directors are elected under Section 8263.023; or

(2) September 1, 2013 [the date this subchapter expires under Section 8263.023].

(c) If initial directors have not been elected under Section 8263.023 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date initial directors are elected under Section 8263.023; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.