

BILL ANALYSIS

Senate Research Center

S.B. 1622
By: Lucio
Border Affairs - Special
4/14/1999
As Filed

DIGEST

Currently, under Texas law, a housing trust fund exists. This bill revises certain provisions regarding the housing trust fund.

PURPOSE

As proposed, S.B. 1622 revises provisions concerning the housing trust fund.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2306.201, Government Code, to provide that the housing trust fund (fund) be placed with the Texas Treasury Safekeeping Trust Company or with a depository selected in conformance with the terms of a bond indenture. Provides that the fund consists of proceeds of general obligation bonds issued as provided by the board under Section 2306.352, among other sources.

SECTION 2. Amends Section 2306.202(b), Government Code, to provide that use of the fund is limited to providing payment for costs associated with general obligation bonds issued as provided by the governing board of the Texas Department of Housing and Community Affairs under Section 2306.352.

SECTION 3. Amends Section 2306.352(a), Government Code, to make a conforming change.

SECTION 4. Amends Section 2306.471, Government Code, to prohibit the net effective interest rate on general obligation bonds issued under this section from exceeding the maximum rate allowable under Chapter 3, Article 717k-2, V.T.C.S. Makes a conforming change.

SECTION 5. Amends Section 2(h), Article 5190.9a, V.T.C.S., to provide that \$100,000,000, rather than \$20,000,000, in total cumulative reservations for years 2000 and 2001, is available to the Texas Department of Housing and Community Affairs until August 25 of each of those years from that portion of the state ceiling that is available exclusively for reservations by issuers of state-voted issues, for the purpose of augmenting the housing trust fund, in addition to the amounts provided in Subsections (b)(2), (c), and (d) of this section. Deletes text concerning the state ceiling for reservations by issuers of qualified mortgage bonds for the purpose of issuing qualified mortgage bonds until August 25. Makes conforming and nonsubstantive changes.

SECTION 6. Effective date: January 1, 2000, if the constitutional amendment proposed by SJR 35, 76th Legislature, Regular Session, 1999, is approved by the voters. Provides that this Act has no effect if that amendment is not approved by the voters.

SECTION 7. Emergency clause.