

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1798
By: Bivins
Education
4/12/2001
Committee Report (Substituted)

DIGEST AND PURPOSE

C.S.S.B. 1798 creates the Teachers' Home Loan Program (program) in the Department of Housing and Community Affairs (department). A portion of the state revenue bond ceiling is dedicated to the department for the purpose of issuing qualified mortgage bonds to teachers in this state who qualify for the program.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 1372B, Government Code, by adding Section 1372.0221, as follows:

Sec. 1372.0221. DEDICATION OF PORTION OF STATE CEILING TO TEACHER HOME LOAN PROGRAM. Provides that, until August 25, twenty percent of that portion of the state ceiling that is available exclusively for the Texas Department of Housing and Community Affairs (department) for the purpose of issuing qualified mortgage bonds is set aside for one year for the Teachers' Home Loan Program (program) established under Chapter 2306GG (Teachers' Home Loan Program), Government Code.

SECTION 2. Amends Chapter 2306, Government Code, by adding Subchapter GG, as follows:

SUBCHAPTER GG. TEACHERS' HOME LOAN PROGRAM

Sec. 2306.801. DEFINITIONS. Defines "home," "lending institution," "loan," "program," and "teacher."

Sec. 2306.802. TEACHERS' HOME LOAN PROGRAM. Requires the department to establish a program to provide eligible teachers with low-interest home mortgage loans. Sets forth the requirements for a teacher to be eligible for a loan under this subchapter.

Sec. 2306.803. FUNDING. Authorizes the department to solicit and accept funding for the program from certain sources.

Sec. 2306.804. ADMINISTRATION. Requires the department to administer the Teachers' Home Loan Program in accordance with this subchapter. Authorizes the department to contract with other agencies of the state or with private entities to determine whether applicants qualify as teachers under this subchapter or otherwise to administer all or part of this subchapter. Authorizes the governing board of the department (board) to set and collect from each applicant any fees the board considers reasonable and necessary to cover the expenses of administering the program. Requires the board to adopt certain rules.

Sec. 2306.805. LOAN STRUCTURING. Requires the department to ensure that a loan under this subchapter is structured in a way that complies with any requirements associated with the source of the funds used for the loan.

Sec. 2306.806. EXPIRATION. Provides that this subchapter expires September 1, 2012.

SECTION 3. Requires the department to aggressively pursue funding for the program required by Chapter 2306GG, Government Code, as added by this Act, aggressively market and advertise the program to teachers in this state, and implement the program required by that subchapter not later than September 1, 2002.

SECTION 4. Effective date: upon passage or September 1, 2001.

SUMMARY OF COMMITTEE CHANGES

Amends As Filed S.B. 1798 as follows:

SECTION 1. Amends proposed text pertaining to the dedication of a portion of the state ceiling for the Teachers' Home Loan Program.

SECTION 2. Removes the definitions of "department" and "board." Redefines "lending institution," "loan," "program," and "teacher." Adds proposed text pertaining to the establishment, funding, administration, and expiration of the Teachers' Home Loan Program.

SECTION 3. Sets forth certain actions required of the Texas Department of Housing and Community Affairs.

SECTION 4. Redesignates SECTION 3 as SECTION 4.