

BILL ANALYSIS

Senate Research Center
88R2368 JG-F

S.B. 2512
By: West
Local Government
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Demand for affordable housing in Texas is at an all-time high, yet the cost of construction continues to increase and, in turn, prices the workforce out of the housing market. The Texas Bootstrap Loan Program, an owner-builder loan program operated by the Texas Department of Housing and Community Affairs, offers a solution to home affordability. However, participation in the program remains financially difficult even for eligible owner-builders at the high end of the program's cap of 60 percent of the greater of a state or local median family income. S.B. 2512 seeks to make more owner-builders eligible for the loan program by raising the cap for the applicable median income.

As proposed, S.B. 2512 amends current law relating to eligibility requirements under the owner-builder loan 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 Section 2306.753(b), Government Code, as follows:

(b) Provides that an owner-builder, to be eligible for a loan under Subchapter FF (Owner-Builder Loan Program):

(1) is prohibited from having an annual income that exceeds 80 percent, rather than 60 percent, as determined by the Texas Department of Housing and Community Affairs, of the greater of the state or local median family income, when combined with the income of any person who resides with the owner-builder; and

(2)-(4) makes no changes to these subdivisions.

SECTION 2. Effective date: upon passage or September 1, 2023.