

BILL ANALYSIS

Senate Research Center

H.B. 3215
By: Farias (Uresti)
Intergovernmental Relations
5/22/2009
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

High quality teachers are essential to successful student performance. Unfortunately, the exit of teachers from the profession and the movement of teachers to other schools deprive students of the value of being taught by effective and experienced teachers.

In order to assist in the recruitment and retention of high quality teachers, the Texas State Affordable Housing Corporation (TSAHC) launched an employer assisted housing program aimed at providing an affordable financing product to homebuyers. It also aids employers in recruiting new employees by giving them the ability to offer an incentive not offered by other employers.

This down payment incentive program offers up to \$4,000 in matching funds for down payment and closing cost assistance courtesy of TSAHC and the participating employer.

It is critical that these types of efforts be concentrated on retaining high quality teachers in every community at every level, particularly lower-wealth school districts.

The difficulties in recruiting quality teachers to these chronically "hard-to-staff" schools must be addressed to ensure academic success for all students.

H.B. 3215 requires TSAHC to establish an individual program that mirrors their current employer assisted housing program that will specifically target low-wealth school districts in San Antonio.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas State Affordable Housing Corporation in SECTION 1 (Section 2306.5622, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter Y, Chapter 2306, Government Code, by adding Section 2306.5622, as follows:

Sec. 2306.5622. PROFESSIONAL EDUCATORS DOWN PAYMENT ASSISTANCE PROGRAM IN CERTAIN COUNTIES. (a) Defines "low-wealth school district," "professional educator," and "wealth per student."

(b) Requires the Texas State Affordable Housing Corporation (TSAHC), in consultation with the commissioner of education and low-wealth school districts, to establish a program providing to eligible professional educators down payment assistance in the form of deferred forgivable second-lien loans. Requires that loans provided under this section with a total matching amount not exceed \$4,000 as described by this subdivision, match each dollar of an eligible professional educator's down payment contribution toward the purchase of a home, with a certain contribution and be forgiven at the rate of one-third of the original balance of the loan for each year that the professional educator remains employed by the district after the issuance of the loan.

(c) Requires a professional educator, to be eligible for down payment assistance under this section, to be employed by a low-wealth school district for the six-month period preceding the application date, have an income that does not exceed a certain amount; meet the creditworthiness and purchase price standards established by TSAHC rule, complete a homebuyer education course; occupy the purchased home as the educator's primary residence; and purchase a home in the low-wealth school district in which the professional educator is employed.

(d) Requires a professional educator who receives down payment assistance through a second-lien loan under this section to repay the outstanding balance of the loan if the person ceases to be a professional educator employed by the low-wealth school district in which the home is located or ceases to occupy the home as the educator's primary residence.

(e) Authorizes TSAHC to contract with the State Board for Educator Certification, the Texas Education Agency, or other agencies of the state or with private entities to determine whether applicants qualify as professional educators under this section or to otherwise administer all or part of this section.

(f) Authorizes the board of directors of TSAHC to set and collect from each applicant any fees the board considers reasonable and necessary to cover the expenses of administering the program.

(g) Requires the board of directors of TSAHC to adopt program guidelines governing the administration of the program, the issuance of down payment assistance under the program, creditworthiness and purchase price standards, and the verification of occupancy of the home as the professional educator's principal residence.

(h) Requires TSAHC to ensure that down payment assistance under this section is structured in a way that complies with any requirements associated with the source of the funds used for the assistance.

(i) Authorizes TSAHC to solicit and accept funding for the program from low-wealth school districts, gifts and grants for the purposes of this section, any state or federal programs that provide money that may be used for the purposes of this section, and amounts received by TSAHC in any repayments of loans made under this section.

SECTION 2. Requires TSAHC to adopt the program guidelines required by Section 2306.5622(g), Government Code, as added by this Act, not later than December 1, 2009.

SECTION 3. Effective date: September 1, 2009.