

HOUSE BILL 2545

By Casada

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 60 and Title 13, Chapter 23, relative to the funds for housing relief.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 13, Chapter 23, is amended by adding sections 2 through 4 as a new, appropriately designated part.

SECTION 2. This act shall be known and may be cited as the "Housing Relief Restricted Special Revenue Act" to provide grants to homebuyers purchasing a newly constructed residence.

SECTION 3.

(a) Subject to the availability of funds in the Housing Relief Restricted Special Revenue Fund created in Section 4 of this act, the Tennessee Housing Development Agency shall make a grant of six thousand dollars (\$6,000) to a person who:

(1) Finances the purchase of a newly constructed, never-occupied residence in Tennessee using a thirty-year fixed interest rate note and mortgage; and

(2) Meets the income limits established in subsection (b).

(b) A person may not receive a grant under this section if the person's income exceeds:

(1) Seventy-five thousand dollars (75,000) for a single person; or

(2) One hundred fifty thousand dollars (\$150,000) for a married couple.

(c) The agency shall establish policies in accordance with the Uniform Administrative Procedures act, title 4, chapter 5, for determining the manner of payment

of a grant under this part, including establishing a limit on the time for which the funds for a grant may remain in escrow, which may not exceed ninety (90) days unless the agency determines there is good cause for extending the time.

SECTION 4.

(a) As used in this part, unless the context otherwise requires, "fund" means the Housing Relief Restricted Special Revenue Fund.

(b)

(1) There is established a general fund reserve to be known as the Housing Relief Restricted Special Revenue Fund.

(2) The fund shall be comprised of monies deposited in the fund from monies received as a result of the federal American Recovery and Reinvestment Act of 2009.

(3) Monies in the fund shall be appropriated in the general appropriations act and expended to fund grants made by the Tennessee housing corporation, in accordance with Section 3.

(4) Any revenues deposited in this reserve shall remain in the reserve until expended for purposes consistent with this part and shall not revert to the general fund on any June 30. Any excess revenues shall not revert on any June 30, but shall remain available for appropriation in subsequent fiscal years. Any appropriation from such reserve shall not revert to the general fund on any June 30, but shall remain available for expenditure in subsequent fiscal years.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring

it.