

108TH CONGRESS
1ST SESSION

H. R. 729

To direct the Secretary of Housing and Urban Development to carry out a 3-year pilot program to assist law enforcement officers purchasing homes in locally designated at-risk areas.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2003

Mr. GREEN of Wisconsin (for himself, Mr. HOUGHTON, Mr. MCGOVERN, Mr. PAYNE, Mr. KENNEDY of Minnesota, Ms. HOOLEY of Oregon, and Mrs. MCCARTHY of New York) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To direct the Secretary of Housing and Urban Development to carry out a 3-year pilot program to assist law enforcement officers purchasing homes in locally designated at-risk areas.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. LAW ENFORCEMENT OFFICER HOMEOWNER-**
4 **SHIP PILOT PROGRAM.**

5 (a) ASSISTANCE FOR LAW ENFORCEMENT OFFI-
6 CERS.—For the 3 years following the date of the enact-
7 ment of this Act, the Secretary of Housing and Urban

1 Development shall carry out a pilot program to assist Fed-
2 eral, State, and local law enforcement officers purchasing
3 homes in locally designated at-risk areas in accordance
4 with this Act.

5 (b) ELIGIBILITY.—To be eligible for assistance under
6 this Act, a law enforcement officer shall—

7 (1) have completed not less than 6 months of
8 service as a law enforcement officer as of the date
9 that the law enforcement officer applies for such as-
10 sistance; and

11 (2) agree, in writing, to use the residence pur-
12 chased with such assistance as the primary residence
13 of the law enforcement officer for not less than 3
14 years after the date of purchase.

15 (c) MORTGAGE ASSISTANCE.—If a law enforcement
16 officer purchases a home in a locally designated at-risk
17 area and finances such purchase through a mortgage in-
18 sured under title II of the National Housing Act (12
19 U.S.C. 1707 et seq.), notwithstanding any provision of
20 section 203 or any other provision of the National Hous-
21 ing Act, the following shall apply:

22 (1) DOWNPAYMENT.—

23 (A) IN GENERAL.—There shall be no
24 downpayment required if the purchase price of
25 the property is not more than the reasonable

1 value of the property, as determined by the Sec-
2 retary.

3 (B) PURCHASE PRICE EXCEEDS VALUE.—

4 If the purchase price of the property exceeds
5 the reasonable value of the property, as deter-
6 mined by the Secretary, the required downpay-
7 ment shall be the difference between such rea-
8 sonable value and the purchase price.

9 (2) CLOSING COSTS.—The closing costs and
10 origination fee for such mortgage may be included in
11 the loan amount.

12 (3) INSURANCE PREMIUM PAYMENT.—There
13 shall be 1 insurance premium payment due on the
14 mortgage. Such insurance premium payment—

15 (A) shall be equal to 1 percent of the loan
16 amount;

17 (B) shall be due and considered earned by
18 the Secretary at the time of the loan closing;
19 and

20 (C) may be included in the loan amount
21 and paid from the loan proceeds.

22 (d) LOCALLY DESIGNATED AT-RISK AREA.—

23 (1) IN GENERAL.—Any unit of local govern-
24 ment may request that the Secretary designate any
25 area within the jurisdiction of that unit of local gov-

1 ernment as a locally designated at-risk area for pur-
2 poses of this Act if the proposed area—

3 (A) has a crime rate that is significantly
4 higher than the crime rate of the non-des-
5 ignated area that is within the jurisdiction of
6 the unit of local government; and

7 (B) has a population that is not more than
8 25 percent of the total population of area with-
9 in the jurisdiction of the unit of local govern-
10 ment.

11 (2) DEADLINE FOR CONSIDERATION OF RE-
12 QUEST.—Not later than 60 days after receiving a re-
13 quest under paragraph (1), the Secretary shall ap-
14 prove or disapprove the request.

15 (e) SUNSET.—The Secretary shall not approve any
16 application for assistance under this Act that is received
17 by the Secretary more than 3 years after the date of the
18 enactment of this Act.

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