

107<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4446

To support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnerships Act, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 16, 2002

Mr. ROGERS of Michigan (for himself, Mr. WILSON of South Carolina, Mr. ISSA, Mr. SULLIVAN, Mr. BOOZMAN, Ms. HART, Mrs. CAPITO, Mr. GRUCCI, Mr. SCHROCK, Mr. AKIN, Mr. SIMMONS, Mr. CHAMBLISS, Mr. BACHUS, Mrs. KELLY, Mr. BEREUTER, Mr. CANTOR, Mrs. BIGGERT, Mrs. ROUKEMA, Mr. FLETCHER, Mr. FOLEY, Mr. HORN, Mr. RILEY, Mr. KENNEDY of Minnesota, Mr. FERGUSON, Mrs. JOHNSON of Connecticut, Mr. SHAYS, Mr. LATOURETTE, Mr. OXLEY, Mr. KELLER, Mr. MCHUGH, Mr. TIBERI, Mr. NEY, Mr. COOKSEY, Mr. EHRLICH, Mr. GREEN of Wisconsin, Mr. ISRAEL, Mr. CLAY, Mr. ROSS, Ms. KILPATRICK, Mr. CUMMINGS, and Mr. RUSH) introduced the following bill; which was referred to the Committee on Financial Services

---

## A BILL

To support certain housing proposals in the fiscal year 2003 budget for the Federal Government, including the downpayment assistance initiative under the HOME Investment Partnerships Act, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “American Dream  
3 Downpayment Act”.

4 **SEC. 2. DOWNPAYMENT ASSISTANCE INITIATIVE UNDER**  
5 **HOME PROGRAM.**

6 (a) DOWNPAYMENT ASSISTANCE INITIATIVE.—Sub-  
7 title E of title II of the Cranston-Gonzalez National Af-  
8 fordable Housing Act (42 U.S.C. 12821) is amended to  
9 read as follows:

10 **“Subtitle E—Other Assistance**

11 **“SEC. 271. DOWNPAYMENT ASSISTANCE INITIATIVE.**

12 “(a) GRANT AUTHORITY.—The Secretary may make  
13 grants to participating jurisdictions to assist low-income  
14 families to achieve homeownership, in accordance with this  
15 section.

16 “(b) ELIGIBLE ACTIVITIES.—Amounts made avail-  
17 able under this section may be used only for downpayment  
18 assistance toward the purchase of single family housing  
19 by low-income families who are first-time homebuyers. For  
20 purposes of this title, the term ‘downpayment assistance’  
21 means assistance to help a family acquire a principal resi-  
22 dence.

23 “(c) HOUSING STRATEGY.—To be eligible to receive  
24 a grant under this section for a fiscal year, a participating  
25 jurisdiction shall include in its comprehensive housing af-

1 fordability strategy under section 105 for such year a de-  
2 scription of the use of the grant amounts.

3       “(d) FORMULA ALLOCATION.—For each fiscal year,  
4 the Secretary shall allocate any amounts made available  
5 for assistance under this section for the fiscal year in ac-  
6 cordance with a formula, which shall be established by the  
7 Secretary, that considers a participating jurisdiction’s  
8 need for and prior commitment to assistance to home-  
9 buyers. The formula may include minimum and maximum  
10 allocation amounts.

11       “(e) REALLOCATION.—If any amounts allocated to a  
12 participating jurisdiction under this section become avail-  
13 able for reallocation, the amounts shall be reallocated to  
14 other participating jurisdictions in accordance with the  
15 formula established pursuant to subsection (c), except that  
16 if a local participating jurisdiction failed to receive  
17 amounts allocated under this section and is located in a  
18 State that is a participating jurisdiction, the funds shall  
19 be reallocated to the State.

20       “(f) APPLICABILITY OF OTHER PROVISIONS.—

21               “(1) IN GENERAL.—Except as otherwise pro-  
22 vided in this section, grants under this section shall  
23 not be subject to the provisions of this title.

24               “(2) APPLICABLE PROVISIONS.—In addition to  
25 the requirements of this section, grants under this

1 section shall be subject to the provisions of title I,  
2 sections 215(b), 218, 219, 221, 223, 224, and  
3 226(a) of subtitle A of this title, and subtitle F of  
4 this title.

5 “(3) REFERENCES.—In applying the require-  
6 ments of subtitle A referred to in paragraph (2)—

7 “(A) any references to funds under subtitle  
8 A shall be considered to refer to amounts made  
9 available for assistance under this section; and

10 “(B) any references to funds allocated or  
11 reallocated under section 217 or 217(d) shall be  
12 considered to refer to amounts allocated or re-  
13 allocated under subsection (d) or (e) of this sec-  
14 tion, respectively.

15 “(g) ADMINISTRATIVE COSTS.—Notwithstanding sec-  
16 tion 212(c), a participating jurisdiction may use funds  
17 under subtitle A for administrative and planning costs of  
18 the jurisdiction in carrying out this section, and the limita-  
19 tion in section 212(c) shall be based on the total amount  
20 of funds available under subtitle A and this section.

21 “(h) FUNDING.—

22 “(1) FISCAL YEAR 2002.—This section con-  
23 stitutes the subsequent legislation authorizing the  
24 Downpayment Assistance Initiative referred to in the  
25 item relating to the ‘HOME Investment Partner-

1 ships Program' in title II of the Departments of  
2 Veterans Affairs and Housing and Urban Develop-  
3 ment, and Independent Agencies Appropriations Act,  
4 2002 (Public Law 107-73; 115 Stat. 666).

5 “(2) SUBSEQUENT FISCAL YEARS.—There is  
6 authorized to be appropriated to carry out this sec-  
7 tion \$200,000,000 for each of fiscal years 2003  
8 through 2006.”.

9 (b) RELOCATION ASSISTANCE AND DOWNPAYMENT  
10 ASSISTANCE.—Subtitle F of title II of the Cranston-Gon-  
11 zalez National Affordable Housing Act is amended by in-  
12 serting after section 290 (42 U.S.C. 12840) the following  
13 new section:

14 **“SEC. 291. RELOCATION ASSISTANCE AND DOWNPAYMENT**  
15 **ASSISTANCE.**

16 “The Uniform Relocation Assistance and Real Prop-  
17 erty Acquisition Policies Act of 1970 shall not apply to  
18 downpayment assistance under this title.”.

19 **SEC. 3. REAUTHORIZATION OF SHOP PROGRAM.**

20 Section 11(p) of the Housing Opportunity Program  
21 Extension Act of 1996 (42 U.S.C. 12805 note) is amended  
22 by striking “such sums as may be necessary for fiscal year  
23 2001” and inserting “\$65,000,000 for fiscal year 2003  
24 and such sums as may be necessary for fiscal year 2004”.

1 **SEC. 4. REAUTHORIZATION OF HOPE VI PROGRAM.**

2 (a) AUTHORIZATION OF APPROPRIATIONS.—Section  
3 24(m)(1) of the United States Housing Act of 1937 (42  
4 U.S.C. 1437v(m)(1)) is amended by striking  
5 “\$600,000,000 for fiscal year 1999 and such sums as may  
6 be necessary for each of fiscal years 2000, 2001, and  
7 2002” and inserting “\$574,000,000 for fiscal year 2003”.

8 (b) SUNSET.—Section 24(n) of the United States  
9 Housing Act of 1937 (42 U.S.C. 1437v(n)) is amended  
10 by striking “September 30, 2002” and inserting “Sep-  
11 tember 30, 2003”.

○