

By the Committee on Appropriations; and Senator Clary

309-757-02

1 A bill to be entitled
2 An act relating to homeownership assistance;
3 creating the Expanded Homeownership Assistance
4 Program within the Florida Housing Finance
5 Corporation; providing for loans to eligible
6 borrowers for down payments or closing costs
7 related to the purchase of residences;
8 providing for repayment of loans; authorizing a
9 fee; requiring deposit and authorizing
10 expenditure of certain revenues; requiring the
11 adoption of rules; providing for future repeal;
12 providing an effective date.

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14 Be It Enacted by the Legislature of the State of Florida:
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16 Section 1. Expanded Homeownership Assistance
17 Program.--

18 (1)(a) There is created, as a temporary program within
19 the Florida Housing Finance Corporation, the Expanded
20 Homeownership Assistance Program for the purpose of assisting
21 low, moderate, and middle-income persons and families in
22 purchasing a home by reducing the down payment and closing
23 costs paid by these persons and families.

24 (b) As used in this section, the term "eligible
25 borrower" means a person or family earning up to 150 percent
26 of the state or county median income, whichever is greater,
27 adjusted for family size.

28 (2) Subject to specific legislative appropriation, the
29 corporation shall make subordinated nonamortizing, no-interest
30 loans to eligible borrowers for down payments or closing costs
31 related to the purchase of the eligible borrowers' primary

1 residences. Each loan is limited to \$15,000 and is limited to
2 the lesser of 10 percent of the total purchase price or 10
3 percent of the appraised value of the residence. The balance
4 of each loan is due at closing if the residence is sold or
5 transferred.

6 (3) The corporation may impose a fee not to exceed \$50
7 for each loan application and may retain these fees to defray
8 the costs of implementing this section.

9 (4) Loan repayments and other revenues that accrue
10 under this section shall be deposited in the Florida
11 Homeownership Assistance Fund created under section 420.5088,
12 Florida Statutes, and shall not revert to the General Revenue
13 Fund. These funds shall be expended as provided in section
14 420.5088, Florida Statutes, are not required to be included in
15 the corporation's budget request, and are not subject to
16 appropriation by the Legislature.

17 (5) The corporation shall adopt rules under sections
18 120.536(1) and 120.54, Florida Statutes, to administer this
19 section, including rules governing loan-application
20 procedures, loan-selection criteria and procedures, the terms
21 and conditions of loans, loan-processing procedures, and the
22 application fee.

23 (6) This section expires June 30, 2003. On that date,
24 any unencumbered balance of funds specifically appropriated by
25 the Legislature for the Expanded Homeownership Assistance
26 Program shall revert to the General Revenue Fund.

27 Section 2. This act shall take effect upon becoming a
28 law.

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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 36-C

Renames the Extended Homeownership Assistance Program as the Expanded Homeownership Assistance Program to clarify the temporary existence of the program.

Streamlines and restructures the definition section of the bill.

Provides that on June 30, 2003 (when the program terminates), any unencumbered balance of funds specifically appropriated for the program will revert to the General Revenue Fund.