.....

(Original Signature of Member)

118TH CONGRESS
2D SESSION

H. R. _____

To require the Secretary of Housing and Urban Development to establish a program to provide homeownership assistance grants, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. LEGER FERNANDEZ introduced the following bill; which was referred to the Committee on _____

A BILL

To require the Secretary of Housing and Urban Development to establish a program to provide homeownership assistance grants, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Home of Your Own Act of 2024''.

SEC. 2. ESTABLISHMENT OF HOMEOWNERSHIP ASSISTANCE GRANT PROGRAM.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall, not later than 1 year after the date of the enactment of this Act establish a homeownership assistance grant program through which amounts are provided to States and Indian tribes to assist the purchase of eligible homes by eligible persons.

(b) ALLOCATION OF AMOUNTS.—

(1) IN GENERAL.—The Secretary shall reserve 3 percent of any amounts appropriated under this Act, for a fiscal year, for grants to Indian tribes in accordance with the formula established by the Secretary pursuant to section 302 of the Native American Housing Assistance and Self-Determination Act of 1996.

(2) REMAINING AMOUNTS.—After reserving such amounts for Indian tribes under paragraph (1), the Secretary shall equitably allocate remaining amounts to participating States in accordance with a formula established by the Secretary by rule.

(c) USE OF AMOUNTS.—

(1) IN GENERAL.—States and Indian tribes that receive amounts under this Act shall use such amounts to provide assistance on behalf of eligible persons for—

(A) costs incurred acquiring an ownership interest in an eligible home by means of an eligible mortgage loan, including downpayment costs, closing costs, and costs to reduce interest rates on such loan; or

(B) pre-occupancy repairs or modifications required for a member of the household of the homebuyer to occupy the home following such acquisition, including repairs to bring the home up to inspection standards and costs associated with accommodations for a household member with a disability.

(2) AMOUNT OF ASSISTANCE.—States and Indian tribes that receive amounts under this Act may provide assistance only once on behalf of an eligible person and the amount of such assistance provided on behalf of such eligible person shall be $30,000.

(d) LAYERING OF ASSISTANCE.—States and Indian tribes that receive amounts under this Act may provide assistance on behalf of an eligible person who is receiving assistance from other sources, including other State, Federal, Indian tribe, tribal organization, local private, public, and nonprofit sources, for acquisition of an ownership interest in an eligible home.

(e) REPAYMENT OF ASSISTANCE IF OCCUPANCY NOT CONTINUED.—

(1) IN GENERAL.—If an eligible person does not continue to occupy, as a primary residence, the eligible home for which the covered person receives assistance under this Act for the 60-month period beginning when the covered person is able to lawfully occupy the eligible home, the Secretary shall require the eligible person to repay the assistance received in an amount that is proportional to the number of months the eligible person did not occupy the eligible home as a primary residence.

(2) EXCEPTIONS.—The Secretary may not require a eligible person to repay assistance under paragraph (1) if the Secretary determines that—

(A) a hardship prevents the eligible person from occupying the eligible home as the primary residence; or

(B) any amount received by the eligible person from an arm's length transaction selling the entirety of the ownership interest in the eligible home of the homebuyer to a bona fide purchaser is less than the original cost of acquisition of the home, including closing costs.

(3) USE OF LIEN.—The State or Indian tribe that provided the assistance to the eligible person may place a lien on the eligible home for the purpose of recapturing such assistance.

(4) USE OF RECAPTURED AMOUNTS.—Any assistance repayed pursuant to paragraph (1) shall be used to provide assistance to other covered persons.

(f) ASSISTANCE AMOUNTS EXCLUDED FROM FEDERAL TAXATION.—For purposes of the Internal Revenue Code of 1986, gross income shall not include any assistance provided under this Act.

(g) RULE OF CONSTRUCTION.—Assistance provided to an eligible person under this section may not be considered funds from a prohibited source for the purposes of section 203(b)(9)(C) of the National Housing Act.

SEC. 3. ADMINISTRATION OF GRANTS BY STATES AND INDIAN TRIBES.

(a) ADMINISTRATION BY STATES.—

(1) IN GENERAL.—The Secretary shall require that each State receiving grant amounts under this Act—

(A) submit an annual plan to the Secretary with respect to implementing and complying with the requirements of this Act; and

(B) distribute not less than 25 percent of the amounts allocated to the State through community development financial institutions.

(2) ANNUAL PLAN.—The annual plan required under paragraph (1) may be included in the Annual Action Plan submitted to the Secretary by such State.

(3) OUTSOURCING PERMITTED.—The Secretary may permit a State to contract with one or more of the following to provide amounts to eligible persons on behalf of the State:

(A) A nonprofit entity approved by the Secretary.

(B) A community development financial institution.

(b) ADMINISTRATION BY INDIAN TRIBES.—

(1) IN GENERAL.—The Secretary shall require that each Indian tribe receiving grant amounts under this Act—

(A) submit an annual plan to the Secretary with respect to implementing and complying with the requirements of this Act; and

(B) consider distributing some or all amounts allocated to the Indian tribe through community development financial institutions.

(2) ANNUAL PLAN.—The annual plan required under paragraph (1) may be included in the Indian Housing Plan submitted to the Secretary by such Indian tribe.

(3) OUTSOURCING PERMITTED.—The Secretary may permit a Tribe to contract with one or more of the following to provide amounts to eligible persons on behalf of the Tribe:

(A) A nonprofit entity approved by the Secretary.

(B) A Tribally designated housing entity.

(C) An intertribal consortium.

(D) A community development financial institution.

(4) PREFERENCE PERMITTED.—An Indian tribe that receives amounts under this Act may provide preference to eligible persons who are members of such Indian tribe as well as to members of other Indian tribes.

SEC. 4. FINANCIAL COUNSELING REQUIREMENT.

(a) IN GENERAL.—A State or Indian tribe may only provide assistance under this Act to a eligible person if such eligible person, before receiving such assistance, completes a financial counseling program with respect to the

responsibilities and financial management of homeownership.

(b) APPROVAL AND MANNER OF PROGRAM.—The financial counseling program shall be conducted by an entity that provides financial counseling approved by, and in a manner acceptable to—

(1) the Secretary; or

(2) the Indian tribe or State providing assistance to the eligible person.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS; ADMINISTRATIVE COSTS.

(a) IN GENERAL.—There is authorized to be appropriated $6,700,000,000 for each of fiscal years 2025 through 2029 to carry out this Act.

(b) PROGRAM ADMINISTRATION.—

(1) FOR STATES.—Not more than 7 percent of any amounts provided to a State under this Act may be used by such State to cover administrative costs.

(2) FOR INDIAN TRIBES.—Not more than 10 percent of any amounts provided to an Indian Tribe under this Act may be used by such Indian Tribe to cover administrative costs.

(c) TRAINING AND TECHNICAL ASSISTANCE.—Not more than 3 percent of any amounts appropriated under

this Act may be used by the Secretary to provide training and technical assistance to States and Indian tribes.

SEC. 6. DEFINITIONS.

In this Act:

(1) COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term ''community development financial institution'' has the meaning given the term in section 103 of the Community Development Banking and Financial Institutions Act of 1994.

(2) ELIGIBLE HOME.—The term ''eligible home'' means a residential property, including a condominium, a cooperative, or manufactured housing unit—

(A) that consists of 1 to 4 dwelling units, including accessory dwelling units;

(B) is subject to a mortgage, and—

(i) meets the underwriting requirements and dollar amount limitations for acquisition by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation;

(ii) is made, insured, or guaranteed under any program administered by the Secretary;

(iii) is made, insured, or guaranteed by the Rural Housing Administrator of the Department of Agriculture;

(iv) is a qualified mortgage, as defined in section 129C(b)(2) of the Truth in Lending Act (15 U.S.C. 1639c(b)(2));

(v) is made, insured, or guaranteed by the Secretary of Veterans Affairs pursuant to chapter 37 of title 38, United States Code; or

(vi) in the case of a residential property located on tribal trust or reservation land, meets such requirements as the Secretary determines appropriate for consumer protection; and

(C) shall be occupied by an eligible person as a primary residence.

(3) ELIGIBLE PERSON.—

(A) IN GENERAL.—The term ''eligible person'' means—

(i) a person who, as self-attested by the person, is a ''first-time homebuyer''; and

(ii) is a part of a household, the income of which does not exceed—

(I) in the case of a person purchasing an eligible home that is not located on Indian tribe land, 120 percent of the median income for the local area, as determined by the Secretary, within which—

(aa) the eligible home, for which the ownership interest is to be acquired using such assistance, is located; or

(bb) the place of residence of the homebuyer is located; and

(II) in the case of a person who is purchasing an eligible home that is located on Indian tribe land, the greater of 120 percent of the median income of the United States or 120 percent of the median income for the local area, as determined by the Secretary, within which—

(aa) the eligible home, for which the ownership interest is to be acquired using such assistance, is located; or

(bb) the place of residence of the homebuyer is located.

(B) EXCEPTION.—If the Secretary determines that the area described in subparagraph (A)(ii) is a high cost-of-living area, then the eligible person is required to be a part of a household, the income of which does not exceed 150 percent of the median income for the area, as determined by the Secretary.

(4) FIRST-TIME HOMEBUYER.—The term ''first-time homebuyer'' has the meaning given the term is defined in section 104 of the Cranston Gonzalez National Affordable Housing Act.

(5) INDIAN TRIBE.—The term ''Indian tribe'' has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

(6) OWNERSHIP INTEREST.—The term ''ownership interest'' means any ownership, excluding any interest in heir property, in—

(A) real estate in fee simple;

(B) a leasehold on real estate, under a lease that is not less than 10 years longer than the term of the mortgage;

(C) a fee interest in, or long-term leasehold interest in, real estate consisting of a one-family unit in a multifamily project, including a project in which the dwelling units are attached, or are manufactured housing units, semi-detached, or detached, and an undivided interest in the common areas and facilities which serve the project.

(7) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(8) STATE.—The term ''State'' means the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, and American Samoa.