

**AMENDMENT TO H.R. 1276**  
**OFFERED BY MR. CAPUANO**

[Page & line nos. refer to Committee Print of 5/7/03]

At the end of the bill, insert the following new section:

**1 SEC. 3. HOMEOWNERSHIP FOR MUNICIPAL EMPLOYEES.**

2 (a) ELIGIBLE ACTIVITIES.—Paragraph (2) of section  
3 215(b) of the Cranston-Gonzalez National Affordable  
4 Housing Act (42 U.S.C. 12745(b)(2)) is amended to read  
5 as follows:

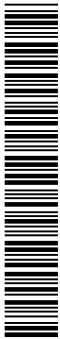
6 “(2) is the principal residence of an owner  
7 who—

8 “(A) is a member of a family that qualifies  
9 as a low-income family—

10 “(i) in the case of a contract to pur-  
11 chase existing housing, at the time of pur-  
12 chase;

13 “(ii) in the case of a lease-purchase  
14 agreement for existing housing or for hous-  
15 ing to be constructed, at the time the  
16 agreement is signed; or

17 “(iii) in the case of a contract to pur-  
18 chase housing to be constructed, at the  
19 time the contract is signed; or



1 “(B)(i) is a uniformed employee (which  
2 shall include policemen, firemen, and sanitation  
3 and other maintenance workers) or a teacher  
4 who is an employee, of the participating juris-  
5 diction (or an agency or school district serving  
6 such jurisdiction) that is investing funds made  
7 available under this subtitle to support home-  
8 ownership of the residence; and

9 “(ii) is a member of a family whose in-  
10 come, at the time referred to in clause (i), (ii),  
11 or (iii) of subparagraph (A), as appropriate,  
12 and as determined by the Secretary with ad-  
13 justments for smaller and larger families, does  
14 not exceed 115 percent of the median income of  
15 the area, except that, with respect only to such  
16 areas that the Secretary determines have high  
17 housing costs, taking into consideration median  
18 house prices and median family incomes for the  
19 area, such income limitation shall be 150 per-  
20 cent of the median income of the area, as deter-  
21 mined by the Secretary with adjustments for  
22 smaller and larger families;”.

23 (b) INCOME TARGETING.—Section 214(2) of the  
24 Cranston-Gonzalez National Affordable Housing Act (42  
25 U.S.C. 12744(2)) is amended by inserting before the semi-



1 colon the following: “or families described in section  
2 215(b)(2)(B)”.

3 (c) ELIGIBLE INVESTMENTS.—Section 212(b) of the  
4 Cranston-Gonzalez National Affordable Housing Act (42  
5 U.S.C. 12742(b)) is amended by adding at the end the  
6 following new sentence: “Notwithstanding the preceding  
7 sentence, in the case of homeownership assistance for resi-  
8 dences of owners described in section 215(b)(2)(B), funds  
9 made available under this subtitle may only be invested  
10 (A) to provide amounts for downpayments on mortgages,  
11 (B) to pay reasonable closing costs normally associated  
12 with the purchase of a residence, (C) to obtain pre- or  
13 post-purchase counseling relating to the financial and  
14 other obligations of homeownership, or (D) to subsidize  
15 mortgage interest rates.”.

