

AMENDMENT TO H.R. 1276**OFFERED BY MS. LEE**

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

Page 1, line 14, insert “and retain” after “achieve”.

Strike line 16 on page 1 and all that follows through line 2 on page 2, and insert the following new subsection:

1 “(b) ELIGIBLE ACTIVITIES.—

2 “(1) IN GENERAL.—Amounts made available
3 under this section may be used, subject to paragraph
4 (3), only for the following assistance:

5 “(A) DOWNPAYMENT ASSISTANCE.—Down-
6 payment assistance toward the purchase of sin-
7 gle family housing, for use as a principal resi-
8 dence, by low-income families who are first-time
9 homebuyers.

10 “(B) FORECLOSURE PREVENTION COUN-
11 SELING.—Providing foreclosure prevention
12 counseling for families who—

13 “(i) have been provided downpayment
14 assistance under this section; and

15 “(ii) are in default with respect to the
16 loan on their principal residence.



1 “(C) FORECLOSURE PREVENTION ASSIST-
2 ANCE.—Providing foreclosure prevention assist-
3 ance under paragraph (3) for families who—

4 “(i) have been provided downpayment
5 assistance under this section;

6 “(ii) are at least 90 days delinquent
7 in payment under the loan on their prin-
8 cipal residence;

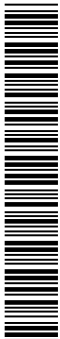
9 “(iii) have experienced a verifiable loss
10 of income or increase in expenses;

11 “(iv)(I) have not have filed for bank-
12 ruptcy; or

13 “(II) have filed for bankruptcy but
14 (aa) the bankruptcy has been discharged
15 or dismissed, or (bb) foreclosure assistance
16 is part of a plan that is approved by the
17 bankruptcy court under which the family
18 reaffirms the mortgage debt; and

19 “(v) have been objectively determined
20 to be able to reinstate the loan and sup-
21 port monthly payments under the loan.

22 “(2) ELIGIBLE FORECLOSURE PREVENTION AS-
23 SISTANCE ACTIVITIES.—Foreclosure prevention as-
24 sistance under this paragraph includes only—



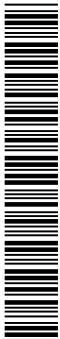
“(A) emergency financial assistance to a family to cure default or delinquency under the loan on the family’s principal residence, provided through a loan or subordinate debt, except that the amount of such financial assistance may not exceed 12 monthly payments of the principal, interest, taxes, and insurance due under the loan; and

9 “(B) loss mitigation through sale of the
10 principal residence to a third party or through
11 a deed in lieu of foreclosure.

“(3) LIMITATION ON USE OF FUNDS FOR FORECLOSURE PREVENTION COUNSELING AND ASSISTANCE.—A participating jurisdiction receiving amounts made available under this section for a fiscal year may use such amounts for counseling or assistance under subparagraph (B) or (C) of paragraph (1) only if the jurisdiction includes in its comprehensive housing affordability strategy under section 105 for such year evidence of the need for such counseling or assistance based on regional problems with foreclosure and loss mitigation.

Page 2, line 8, strike “and”.

Page 2, line 16, strike the period and insert “; and”.



Page 2, after line 16, insert the following new paragraph:

1 (3) in the case of participating jurisdiction that
2 intends to use amounts for counseling or assistance
3 under subparagraph (B) or (C) of subsection (b)(1),
4 evidence described in subsection (b)(4)(A).

