

**AMENDMENT TO H.R. 3043**  
**OFFERED BY MS. LEE OF CALIFORNIA AND MS.**  
**HARRIS OF FLORIDA**

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

1   **SEC. 3. COMMUNITY PARTNERS NEXT DOOR PROGRAM.**

2           (a) DISCOUNT AND DOWNPAYMENT ASSISTANCE FOR  
3 TEACHERS AND PUBLIC SAFETY OFFICERS.—Section  
4 204(h) of the National Housing Act (12 U.S.C. 1710(h))  
5 is amended—

6           (1) by redesignating paragraphs (7) through  
7 (10) as paragraphs (8) through (11), respectively;  
8 and

9           (2) by inserting after paragraph (6) the fol-  
10 lowing new paragraph:

11           “(7) 50 PERCENT DISCOUNT FOR TEACHERS  
12 AND PUBLIC SAFETY OFFICERS PURCHASING PROP-  
13 ERTIES THAT ARE ELIGIBLE ASSETS.—

14           “(A) DISCOUNT.—A property that is an el-  
15 igible asset and is sold to a teacher or public  
16 safety officer for use in accordance with sub-  
17 paragraph (B) shall be sold at a price that is  
18 equal to 50 percent of the appraised value of  
19 the eligible property (as determined in accord-

1           ance with paragraph (6)(B)). In the case of a  
2           property eligible for both a discount under this  
3           paragraph and a discount under paragraph (6),  
4           the discount under paragraph (6) shall not  
5           apply.

6           “(B) PRIMARY RESIDENCE.—An eligible  
7           property sold pursuant to a discount under this  
8           paragraph shall be used, for not less than the  
9           3-year period beginning upon such sale, as the  
10          primary residence of a teacher or public safety  
11          officer.

12          “(C) SALE METHODS.—The Secretary may  
13          sell an eligible property pursuant to a discount  
14          under this paragraph—

15               “(i) to a unit of general local govern-  
16               ment or nonprofit organization (pursuant  
17               to paragraph (4) or otherwise), for resale  
18               or transfer to a teacher or public safety of-  
19               ficer; or

20               “(ii) directly to a purchaser who is a  
21               teacher or public safety officer.

22          “(D) RESALE.—In the case of any pur-  
23          chase by a unit of general local government or  
24          nonprofit organization of an eligible property

1 sold at a discounted price under this paragraph,  
2 the sale agreement under paragraph (8) shall—

3 “(i) require the purchasing unit of  
4 general local government or nonprofit or-  
5 ganization to provide the full benefit of the  
6 discount to the teacher or public safety of-  
7 ficer obtaining the property; and

8 “(ii) in the case of a purchase involv-  
9 ing multiple eligible assets, any of which is  
10 such an eligible property, designate the  
11 specific eligible property or properties to be  
12 subject to the requirements of subpara-  
13 graph (B).

14 “(E) NO DOWNPAYMENT REQUIRED.—If a  
15 teacher or public safety officer purchases an eli-  
16 gible property pursuant to a discounted sale  
17 price under this paragraph and finances such  
18 purchase through a mortgage insured under  
19 this title, notwithstanding section 203(l)(15),  
20 the mortgage shall be treated as a mortgage in-  
21 sured under section 203(l) for purposes of para-  
22 graphs (3) and (6) of such section (relating to  
23 maximum principal obligation and inapplicability  
24 of downpayment requirement).

1           “(F) HIGHER FHA LOAN LIMIT FOR PUR-  
2 CHASE OF ELIGIBLE PROPERTIES IN HIGH-COST  
3 AREAS.—

4           “(i) IN GENERAL.—Notwithstanding  
5 any other provision of this title relating to  
6 the maximum amount of the principal obli-  
7 gation of a mortgage that may be insured  
8 under this title, in the case of an eligible  
9 property that is located in a high-cost area  
10 and is purchased pursuant to a discounted  
11 sale price under this paragraph, the Sec-  
12 retary may insure a mortgage for the pur-  
13 chase of such eligible property that in-  
14 volves a principal obligation (including  
15 such initial service charges, appraisal, in-  
16 spection, and other fees as the Secretary  
17 shall approve) in an amount not exceeding  
18 150 percent of the limitation on such prin-  
19 cipal obligation otherwise applicable under  
20 section 203(b)(2)(A).

21           “(ii) HIGH-COST AREA.—For purposes  
22 of this subparagraph, the term ‘high-cost  
23 area’ means any area for which the median  
24 1-family house price in the area exceeds  
25 the maximum amount limitation on the

1 principal obligation of a mortgage deter-  
2 mined at such time under section  
3 203(b)(2)(A)(ii).

4 “(G) PREVENTION OF UNDUE PROFIT.—  
5 The Secretary shall issue regulations to prevent  
6 undue profit from the resale of eligible prop-  
7 erties in violation of the requirement under sub-  
8 paragraph (B).

9 “(H) DEFINITIONS.—For the purposes of  
10 this paragraph, the following definitions shall  
11 apply:

12 “(i) The term ‘eligible property’  
13 means an eligible asset described in para-  
14 graph (2)(A) of this subsection.

15 “(ii) The term ‘public safety officer’  
16 has the meaning given such term in section  
17 1204 of the Omnibus Crime Control and  
18 Safe Streets Act of 1968 (42 U.S.C.  
19 3796b).

20 “(iii) The term ‘teacher’ means an in-  
21 dividual who is employed on a part- or full-  
22 time basis as a teacher, teacher assistant,  
23 or administrator in a public or private  
24 school that provides elementary or sec-  
25 ondary education, as determined under

1 State law, except that elementary edu-  
2 cation shall include pre-Kindergarten edu-  
3 cation, and except that secondary edu-  
4 cation shall not include any education be-  
5 yond grade 12.

6 “(I) PROGRAM INTEGRITY.—Notwith-  
7 standing any other provision of this paragraph,  
8 the Secretary may suspend the applicability of  
9 this paragraph for such period as the Secretary  
10 considers appropriate if the Secretary deter-  
11 mines such suspension is necessary because of  
12 fraud or other issues regarding program integ-  
13 rity.”.

14 (b) CONFORMING AMENDMENTS.—Section 204(h) of  
15 the National Housing Act (12 U.S.C. 1710(h)) is  
16 amended—

17 (1) in paragraph (4)(B)(ii), by striking “para-  
18 graph (7)” and inserting “paragraph (8)”;

19 (2) in paragraph (5)(B)(i), by striking “para-  
20 graph (7)” and inserting “paragraph (8)”;

21 (3) in paragraph (6)(A), by striking “paragraph  
22 (8)” and inserting “paragraph (9)”.

23 (c) TEACHER AND PUBLIC SAFETY OFFICER AWARE-  
24 NESS CAMPAIGN.—

1           (1) IN GENERAL.—The Secretary of Housing  
2           and Urban Development, in coordination with the  
3           Secretary of Education and the Attorney General,  
4           shall carry out a program of activities to inform and  
5           educate teachers and public safety officers of the  
6           availability and terms of the program established by  
7           the amendments made by subsection (a).

8           (2) ELIGIBLE ACTIVITIES.—Amounts made  
9           available for the program under this subsection may  
10          be used only for activities designed to accomplish the  
11          purpose specified in paragraph (1), which may in-  
12          clude public service announcements, bus tours, ad-  
13          vertising in teacher or public safety officer journals,  
14          development of web sites, establishment of toll-free  
15          telephone numbers for providing information, and  
16          such other activities as the Secretary of Housing  
17          and Urban Development may consider appropriate.

18          (3) AUTHORIZATION OF APPROPRIATIONS.—  
19          There are authorized to be appropriated to the Sec-  
20          retary of Housing and Urban Development for each  
21          of fiscal years 2007 through 2014 such sums as may  
22          be necessary for carrying out the program under this  
23          subsection.

24          (d) REGULATIONS.—Not later than 60 days after the  
25          date of the enactment of this Act, the Secretary shall issue

- 1 regulations to implement the amendments made by this
- 2 subsection.