

107TH CONGRESS  
2D SESSION

# H. R. 5181

To expand the Officer Next Door and Teacher Next Door initiatives of the Department of Housing and Urban Development to include fire fighters and rescue personnel, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 23, 2002

Mr. BACA introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To expand the Officer Next Door and Teacher Next Door initiatives of the Department of Housing and Urban Development to include fire fighters and rescue personnel, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Community Partners  
5 Neighborhood Preservation Act of 2002”.

6 **SEC. 2. COMMUNITY PARTNERS NEXT DOOR PROGRAM.**

7 (a) CONGRESSIONAL FINDINGS.—The Congress finds  
8 that—

1           (1) teachers, law enforcement officers, fire  
2           fighters, and rescue personnel help form the back-  
3           bones of communities and are integral components  
4           in the social capital of neighborhoods in the United  
5           States; and

6           (2) providing a discounted purchase price on  
7           HUD-owned properties for teachers, law enforce-  
8           ment officers, fire fighters, and rescue personnel rec-  
9           ognizes the intrinsic value of the services provided by  
10          such employees to their communities and to family  
11          life and encourages and rewards those who are dedi-  
12          cated to providing public service in our most needy  
13          communities.

14          (b) DISCOUNT AND DOWNPAYMENT ASSISTANCE FOR  
15          TEACHERS.—Section 204(h) of the National Housing Act  
16          (12 U.S.C. 1710(h)) is amended—

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

20               (2) by inserting after paragraph (6) the fol-  
21          lowing new paragraph:

22               “(7) 50 PERCENT DISCOUNT FOR TEACHERS  
23          AND PUBLIC SAFETY OFFICERS PURCHASING PROP-  
24          ERTIES THAT ARE ELIGIBLE ASSETS.—

1           “(A) DISCOUNT.—A property that is an el-  
2           igible asset and is sold, during fiscal years 2003  
3           through 2007, to a teacher or public safety offi-  
4           cer for use in accordance with subparagraph  
5           (B) shall be sold at a price that is equal to 50  
6           percent of the appraised value of the eligible  
7           property (as determined in accordance with  
8           paragraph (6)(B)). In the case of a property el-  
9           igible for both a discount under this paragraph  
10          and a discount under paragraph (6), the dis-  
11          count under paragraph (6) shall not apply.

12          “(B) PRIMARY RESIDENCE.—An eligible  
13          property sold pursuant to a discount under this  
14          paragraph shall be used, for not less than the  
15          3-year period beginning upon such sale, as the  
16          primary residence of a teacher or public safety  
17          officer.

18          “(C) SALE METHODS.—The Secretary may  
19          sell an eligible property pursuant to a discount  
20          under this paragraph—

21                 “(i) to a unit of general local govern-  
22                 ment or nonprofit organization (pursuant  
23                 to paragraph (4) or otherwise), for resale  
24                 or transfer to a teacher or public safety of-  
25                 ficer; or

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

3 “(D) RESALE.—In the case of any pur-  
4 chase by a unit of general local government or  
5 nonprofit organization of an eligible property  
6 sold at a discounted price under this paragraph,  
7 the sale agreement under paragraph (8) shall—

8 “(i) require the purchasing unit of  
9 general local government or nonprofit or-  
10 ganization to provide the full benefit of the  
11 discount to the teacher or public safety of-  
12 ficer obtaining the property; and

13 “(ii) in the case of a purchase involv-  
14 ing multiple eligible assets, any of which is  
15 such an eligible property, designate the  
16 specific eligible property or properties to be  
17 subject to the requirements of subpara-  
18 graph (B).

19 “(E) MORTGAGE DOWNPAYMENT ASSIST-  
20 ANCE.—If a teacher or public safety officer pur-  
21 chases an eligible property pursuant to a dis-  
22 counted sale price under this paragraph and fi-  
23 nances such purchase through a mortgage in-  
24 sured under this title, notwithstanding any pro-

1 vision of section 203 the downpayment on such  
2 mortgage shall be \$100.

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

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

11 “(i) The terms ‘elementary school’  
12 and ‘secondary school’ have the meanings  
13 given such terms in section 14101 of the  
14 Elementary and Secondary Education Act  
15 of 1965 (20 U.S.C. 8801), except that, for  
16 purposes of this paragraph, elementary  
17 education (as used in such section) shall  
18 include pre-Kindergarten education.

19 “(ii) The term ‘eligible property’  
20 means an eligible asset described in para-  
21 graph (2)(A) of this subsection.

22 “(iii) The term ‘public safety officer’  
23 means an individual who is employed on a  
24 full-time basis as a public safety officer, as  
25 such term is defined in section 1204 of the

1 Omnibus Crime Control and Safe Streets  
 2 Act of 1968 (42 U.S.C. 3796b).

3 “(iv) The term ‘teacher’ means an in-  
 4 dividual who—

5 “(I) is employed on a full-time  
 6 basis, in an elementary or secondary  
 7 school, as a classroom teacher (includ-  
 8 ing as a substitute teacher) or as an  
 9 administrator; or

10 “(II) is a State-certified or State-  
 11 licensed classroom teacher (including  
 12 a substitute teacher) employed on a  
 13 full- or part-time basis.”.

14 (c) 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 (d) REGULATIONS.—Not later than 90 days after the  
 24 date of the enactment of this Act, the Secretary shall issue

1 regulations to implement the amendments made by this  
2 section.

3 **SEC. 3. SENSE OF CONGRESS REGARDING INCLUSION OF**  
4 **OTHER FEDERAL PROPERTIES IN COMMU-**  
5 **NITY PARTNERS NEXT DOOR PROGRAM.**

6 It is the sense of the Congress that the Secretary of  
7 Housing and Urban Development should consult with the  
8 heads of other agencies of the Federal Government that  
9 own or hold properties appropriate for use as housing to  
10 determine the possibility and effectiveness of including  
11 such properties in the program pursuant to section  
12 204(h)(7) of the National Housing Act, and other pro-  
13 grams that make housing available for law enforcement  
14 officers, teachers, or fire fighters.

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