

107TH CONGRESS  
1ST SESSION

# H. R. 959

To amend the Internal Revenue Code of 1986 with respect to the eligibility of veterans for mortgage revenue bond financing, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 8, 2001

Mr. KLECZKA (for himself, Mr. HERGER, Mr. BLUMENAUER, Mr. MATSUI, Ms. WOOLSEY, Ms. BALDWIN, Ms. ROYBAL-ALLARD, Mr. LAMPSON, and Mr. CUNNINGHAM) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 with respect to the eligibility of veterans for mortgage revenue bond financing, 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 “Veterans American  
5 Dream Homeownership Assistance Act of 2001”.

6 **SEC. 2. ELIGIBILITY OF VETERANS FOR MORTGAGE REV-**  
7 **ENUE BONDS DETERMINED BY STATES.**

8 (a) IN GENERAL.—Section 143(l) of the Internal  
9 Revenue Code of 1986 (relating to additional requirements

1 for qualified veterans' mortgage bonds) is amended by  
2 striking paragraph (4) and by inserting after paragraph  
3 (5) the following new paragraph:

4           “(6) QUALIFIED VETERAN.—For purposes of  
5 this subsection, the term ‘qualified veteran’ means  
6 any veteran—

7                   “(A) who meets such requirements as may  
8 be imposed by the State law pursuant to which  
9 qualified veterans' mortgage bonds are issued,  
10 and

11                   “(B) who applied for the financing before  
12 the date 30 years after the last date on which  
13 such veteran left active service.”

14       (b) EFFECTIVE DATE.—The amendments made by  
15 subsection (a) shall apply to bonds issued after the date  
16 of the enactment of this Act.

17 **SEC. 3. STATE CAP RESTRICTIONS.**

18       (a) IN GENERAL.—Section 143(l) of the Internal  
19 Revenue Code of 1986 (relating to additional requirements  
20 for qualified veterans' mortgage bonds), as amended by  
21 section 2(a), is amended by inserting after paragraph (3)  
22 the following new paragraph:

23           “(4) SUBCAP RESTRICTION.—

24                   “(A) IN GENERAL.—An issue meets the re-  
25 quirements of this paragraph only if the

amount of bonds issued pursuant thereto that is to be used to provide financing to mortgagors who have not served on active duty at some time before January 1, 1977, when added to the amount of the aggregate qualified veterans' mortgage bonds previously issued by the State during the calendar year that is to be so used, does not exceed the subcap amount.

“(B) SUBCAP AMOUNT.—

“(i) IN GENERAL.—The subcap amount for any calendar year is an amount equal to the applicable percentage of the State veterans limit for such year.

“(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the applicable percentage shall be determined under the following table:

<b>“Calendar year:</b>	<b>Applicable Percentage:</b>
2002 .....	10
2003 .....	20
2004 .....	30
2005 .....	40
2006 and thereafter .....	50.”

(b) RESTRICTION ON OVERALL STATE CAP.—Paragraph (3)(B) of section 143(l) of such Code (relating to State veterans limit) is amended by adding at the end the following flush sentence:

1            “In no event shall the State veterans limit ex-  
2            ceed \$340,000,000 for any calendar year after  
3            2002.”

4            (c) CONFORMING AMENDMENT.—Paragraph (1) of  
5            section 143(l) of such Code is amended by striking “and  
6            (3)” and inserting “(3), and (4)”.

7            (d) EFFECTIVE DATE.—The amendments made  
8            by this section shall apply to bonds issued after Decem-  
9            ber 31, 2001.

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