

109TH CONGRESS
1ST SESSION

H. R. 3088

To provide mortgage payment assistance for certain employees who are separated from employment.

IN THE HOUSE OF REPRESENTATIVES

JUNE 28, 2005

Mr. GOODE (for himself and Mr. BOUCHER) introduced the following bill;
which was referred to the Committee on Education and the Workforce

A BILL

To provide mortgage payment assistance for certain employees who are separated from employment.

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 “Homestead Preserva-
5 tion Act”.

6 **SEC. 2. MORTGAGE PAYMENT ASSISTANCE.**

7 (a) ESTABLISHMENT OF PROGRAM.—To the extent
8 that amounts are provided pursuant to subsection (f), the
9 Secretary of Labor (referred to in this section as the “Sec-
10 retary”) shall establish a program under which the Sec-

1 retary shall award low-interest loans to eligible individuals
2 to enable such individuals to continue to make mortgage
3 payments with respect to the primary residences of such
4 individuals.

5 (b) ELIGIBILITY.—An individual is eligible to receive
6 a loan under the program established under subsection (a)
7 if the individual—

8 (1) is—

9 (A) an adversely affected worker with re-
10 spect to whom a certification of eligibility has
11 been issued by the Secretary of Labor under
12 chapter 2 of title II of the Trade Act of 1974
13 (19 U.S.C. 2271 et seq.); or

14 (B) an individual who would be an indi-
15 vidual described in subparagraph (A) but who
16 resides in a State that has not entered into an
17 agreement under section 239 of that Act (19
18 U.S.C. 2311);

19 (2) is a borrower under a loan which requires
20 the individual to make monthly mortgage payments
21 with respect to the primary place of residence of the
22 individual; and

23 (3) is receiving training under section 236 of
24 the Trade Act of 1974, has received a job search al-
25 lowance under section 237 of that Act or a reloca-

tion allowance under section 238 of that Act, or is receiving assistance under the Work Force Investment Act of 1998 or comparable assistance under any other Federal law.

(c) LOAN REQUIREMENTS.—

(1) IN GENERAL.—A loan provided to an eligible individual under this section shall—

(A) be for a period of not to exceed 12 months;

(B) be for an amount that does not exceed the sum of—

(i) the amount of the monthly mortgage payment owed by the individual; and

(ii) the number of months for which the loan is provided;

(C) have an applicable rate of interest that equals 4 percent;

(D) require repayment as provided for in subsection (d); and

(E) be subject to such other terms and conditions as the Secretary determines appropriate.

(2) ACCOUNT.—A loan awarded to an individual under this section shall be deposited into an account from which a monthly mortgage payment

1 will be made in accordance with the terms and con-
2 ditions of such loan.

3 (d) REPAYMENT.—

4 (1) IN GENERAL.—An individual to which a
5 loan has been awarded under this section shall be re-
6 quired to begin making repayments on the loan on
7 the earlier of—

8 (A) the date on which the individual has
9 been employed on a full-time basis for 6 con-
10 secutive months; or

11 (B) the date that is 1 year after the date
12 on which the loan has been approved under this
13 section.

14 (2) REPAYMENT PERIOD AND AMOUNT.—

15 (A) REPAYMENT PERIOD.—A loan awarded
16 under this section shall be repaid on a monthly
17 basis over the 5-year period beginning on the
18 date determined under paragraph (1).

19 (B) AMOUNT.—The amount of the month-
20 ly payment described in subparagraph (A) shall
21 be determined by dividing the total amount pro-
22 vided under the loan (plus interest) by 60.

23 (C) RULE OF CONSTRUCTION.—Nothing in
24 this paragraph shall be construed to prohibit an
25 individual from—

- 1 (i) paying off a loan awarded under
2 this section in less than 5 years; or
3 (ii) paying a monthly amount under
4 such loan in excess of the monthly amount
5 determined under subparagraph (B) with
6 respect to the loan.

7 (e) REGULATIONS.—Not later than 6 weeks after the
8 date of the enactment of this Act, the Secretary shall pro-
9 mulgate regulations necessary to carry out this section,
10 including regulations that permit an individual to certify
11 that the individual is an eligible individual under sub-
12 section (b).

13 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
14 authorized to be appropriated to carry out this section,
15 \$10,000,000 for each of fiscal years 2006 through 2010.

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