

111TH CONGRESS  
2D SESSION

# H. R. 6079

To facilitate affordable workforce homeownership in, and develop the full-time resident communities of, resort areas, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 9, 2010

Mr. POLIS of Colorado introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To facilitate affordable workforce homeownership in, and develop the full-time resident communities of, resort areas, 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 “Workforce Housing  
5       Opportunity Simplification Act of 2010”.

6       **SEC. 2. INAPPLICABILITY OF CERTAIN FANNIE MAE AND**  
7                               **FREDDIE MAC GUIDELINES TO AFFORDABLE**  
8                               **WORKFORCE HOUSING MORTGAGES.**

9       (a) FANNIE MAE.—Subsection (b) of section 302 of  
10       the Federal National Mortgage Association Charter Act

1 (12 U.S.C. 1717(b)) is amended by adding at the end the  
2 following new paragraph:

3 “(7) MORTGAGES FOR AFFORDABLE WORKFORCE  
4 HOUSING.—

5 “(A) EXEMPTIONS FROM GUIDELINES.—Not-  
6 withstanding any other provision of law—

7 “(i) the corporation may purchase, service,  
8 sell, lend on the security of, and otherwise deal  
9 in any affordable workforce housing mortgage;

10 “(ii) any requirements and guidelines of  
11 the corporation that are inconsistent with the  
12 authority under clause (i) and with the duty of  
13 the corporation under section 1335(a)(1)(D) of  
14 the Housing and Community Development Act  
15 of 1992 to serve the market for affordable  
16 workforce housing mortgages shall not apply to  
17 any affordable workforce housing mortgage;  
18 and

19 “(iii) the corporation may not establish or  
20 utilize, with respect to any affordable workforce  
21 housing mortgage, any limitation on the max-  
22 imum amount of the principal obligation of the  
23 mortgage that is based upon the appraised  
24 value of the property subject to the mortgage  
25 unless such limitation is based on such ap-

1           praised value without consideration of the resale  
2           restrictions on the property described in sub-  
3           paragraph (B)(i)(III).

4           “(B) AFFORDABLE WORKFORCE HOUSING  
5 MORTGAGES.—For purposes of this paragraph, the  
6 term ‘affordable workforce housing mortgage’ means  
7 a mortgage that meets the following requirements:

8                   “(i) PROPERTY.—The mortgage shall be  
9                   made for the purchase of, and secured by, a  
10                  one-family residence that—

11                           “(I) shall be used as the residence of  
12                           the mortgagor for not less than 8 of any  
13                           12 months and 240 days of any 365 days;

14                           “(II) is located within or is part of a  
15                           multifamily housing development consisting  
16                           of 5 or more dwelling units or a mixed-use  
17                           development that is not less than 50 per-  
18                           cent residential, as defined in the legal de-  
19                           scription of the property in the purchase  
20                           contract or mortgage or title documents re-  
21                           lating to such purchase;

22                           “(III) is subject to resale restrictions  
23                           that—

24                                   “(aa) are recorded with the ap-  
25                                   propriate public registry for recording

1 of titles and interests in real estate;  
2 and

3 “(bb) terminate upon foreclosure  
4 or execution of any deed-in-lieu-of-  
5 foreclosure; and

6 “(IV) is located in a resort county.

7 “(ii) MORTGAGOR INCOME.—The house-  
8 hold of the mortgagor shall have a gross house-  
9 hold income—

10 “(I) that does not exceed 160 percent  
11 of the area median income, as determined  
12 and updated by the Secretary of Housing  
13 and Urban Development or the Director of  
14 the Federal Housing Finance Agency on  
15 an annual basis; and

16 “(II) not less than 75 percent of  
17 which is earned from positions the dis-  
18 charge of whose duties involved physical  
19 presence in one or more resort counties.

20 “(iii) EMPLOYMENT.—The mortgagor or  
21 another member of the mortgagor’s house-  
22 hold—

23 “(I) has been employed, during the 6-  
24 month period ending upon execution of the  
25 mortgage, in a position or multiple posi-

1           tions the discharge of whose duties in-  
2           volved physical presence in one or more re-  
3           sort counties, in the aggregate, for an av-  
4           erage of not less than 30 hours per weeks;

5           “(II) is employed at the time of the  
6           execution of the mortgage in a position or  
7           multiple positions the discharge of whose  
8           duties involve physical presence in one or  
9           more resort counties, in the aggregate, for  
10          an average of not less than 30 hours per  
11          week and the duration of such employment  
12          in such position is expected to last at least  
13          6 months;

14          “(III) is 60 years of age or older and,  
15          during the 5-year period ending up the  
16          mortgagor’s retirement from employment  
17          was employed in a position or positions the  
18          discharge of whose duties involved physical  
19          presence in one or more resort counties  
20          for—

21                  “(aa) an average of not less than  
22                  30 hours per week; and

23                  “(bb) for not less than 8 months  
24                  per year;

1 “(IV) is a person with disabilities (as  
2 such term is defined in section 811(k) of  
3 the Cranston-Gonzalez National Affordable  
4 Housing Act (42 U.S.C. 8013)) who—

5 “(aa) was employed, during the  
6 2-year period ending upon becoming  
7 disabled, in a position or positions de-  
8 scribed in subclause (I) or (II); or

9 “(bb) is employed in a position or  
10 positions described in subclause (I) or  
11 (II), except that the 30-hour require-  
12 ment under such subclauses shall not  
13 apply to such person if—

14 “(AA) compliance with such  
15 requirement would make such  
16 person ineligible for benefits  
17 made available for persons with  
18 disabilities through a program of  
19 any State agency for develop-  
20 mental disabilities or through the  
21 supplemental security income  
22 program under title XVI of the  
23 Social Security Act; and

24 “(BB) such person works  
25 the maximum number of hours

1 per week allowable for eligibility  
2 for benefits under such program;  
3 or

4 “(V) is the head of household in a  
5 household that includes one or more de-  
6 pendants, at least one of whom is at the  
7 time of the execution of the mortgage 5  
8 years of age or younger or is enrolled full-  
9 time in a school in a resort county.

10 “(iv) CONFORMING LOAN.—The original  
11 principal obligation of the mortgage shall com-  
12 ply with the applicable dollar amount limita-  
13 tions established pursuant to paragraph (2).

14 “(C) RESORT COUNTY.—For purposes of this  
15 paragraph, the term ‘resort county’ means Eagle  
16 County, Grand County, and Summit County, in the  
17 State of Colorado.”.

18 (b) FREDDIE MAC.—Subsection (a) of section 305 of  
19 the Federal Home Loan Mortgage Corporation Act (12  
20 U.S.C. 1454(a)) is amended by adding at the end the fol-  
21 lowing new paragraph:

22 “(6) MORTGAGES FOR AFFORDABLE WORKFORCE  
23 HOUSING.—

24 “(A) EXEMPTIONS FROM GUIDELINES.—Not-  
25 withstanding any other provision of law—

1           “(i) the Corporation may purchase, service,  
2           sell, lend on the security of, and otherwise deal  
3           in any affordable workforce housing mortgage;

4           “(ii) any requirements and guidelines of  
5           the Corporation that are inconsistent with the  
6           authority under clause (i) and with the duty of  
7           the Corporation under section 1335(a)(1)(D) of  
8           the Housing and Community Development Act  
9           of 1992 to serve the market for affordable  
10          workforce housing mortgages shall not apply to  
11          any affordable workforce housing mortgage;  
12          and

13          “(iii) the Corporation may not establish or  
14          utilize, with respect to any affordable workforce  
15          housing mortgage, any limitation on the max-  
16          imum amount of the principal obligation of the  
17          mortgage that is based upon the appraised  
18          value of the property subject to the mortgage  
19          unless such limitation is based on such ap-  
20          praised value without consideration of the resale  
21          restrictions on the property described in sub-  
22          paragraph (B)(i)(III).

23          “(B) AFFORDABLE WORKFORCE HOUSING  
24          MORTGAGES.—For purposes of this paragraph, the



1 term ‘affordable workforce housing mortgage’ means  
2 a mortgage that meets the following requirements:

3 “(i) PROPERTY.—The mortgage shall be  
4 made for the purchase of, and secured by, a  
5 one-family residence that—

6 “(I) shall be used as the residence of  
7 the mortgagor for not less than 8 of any  
8 12 months and 240 days of any 365 days;

9 “(II) is located within or is part of a  
10 multifamily housing development consisting  
11 of 5 or more dwelling units or a mixed-use  
12 development that is not less than 50 per-  
13 cent residential, as defined in the legal de-  
14 scription of the property in the purchase  
15 contract or mortgage or title documents re-  
16 lating to such purchase;

17 “(III) is subject to resale restrictions  
18 that—

19 “(aa) are recorded with the ap-  
20 propriate public registry for recording  
21 of titles and interests in real estate;  
22 and

23 “(bb) terminate upon foreclosure  
24 or execution of any deed-in-lieu-of-  
25 foreclosure; and

1 “(IV) is located in a resort county.

2 “(ii) MORTGAGOR INCOME.—The house-  
3 hold of the mortgagor shall have a gross house-  
4 hold income—

5 “(I) that does not exceed 160 percent  
6 of the area median income, as determined  
7 and updated by the Secretary of Housing  
8 and Urban Development or the Director of  
9 the Federal Housing Finance Agency on  
10 an annual basis; and

11 “(II) not less than 75 percent of  
12 which is earned from positions the dis-  
13 charge of whose duties involved physical  
14 presence in one or more resort counties.

15 “(iii) EMPLOYMENT.—The mortgagor or  
16 another member of the mortgagor’s house-  
17 hold—

18 “(I) has been employed, during the 6-  
19 month period ending upon execution of the  
20 mortgage, in a position or multiple posi-  
21 tions the discharge of whose duties in-  
22 volved physical presence in one or more re-  
23 sort counties, in the aggregate, for an av-  
24 erage of not less than 30 hours per weeks;

1 “(II) is employed at the time of the  
2 execution of the mortgage in a position or  
3 multiple positions the discharge of whose  
4 duties involve physical presence in one or  
5 more resort counties, in the aggregate, for  
6 an average of not less than 30 hours per  
7 week and the duration of such employment  
8 in such position is expected to last at least  
9 6 months;

10 “(III) is 60 years of age or older and,  
11 during the 5-year period ending up the  
12 mortgagor’s retirement from employment  
13 was employed in a position or positions the  
14 discharge of whose duties involved physical  
15 presence in one or more resort counties  
16 for—

17 “(aa) an average of not less than  
18 30 hours per week; and

19 “(bb) for not less than 8 months  
20 per year;

21 “(IV) is a person with disabilities (as  
22 such term is defined in section 811(k) of  
23 the Cranston-Gonzalez National Affordable  
24 Housing Act (42 U.S.C. 8013)) who—

1 “(aa) was employed, during the  
2 2-year period ending upon becoming  
3 disabled, in a position or positions de-  
4 scribed in subclause (I) or (II); or

5 “(bb) is employed in a position or  
6 positions described in subclause (I) or  
7 (II), except that the 30-hour require-  
8 ment under such subclauses shall not  
9 apply to such person if—

10 “(AA) compliance with such  
11 requirement would make such  
12 person ineligible for benefits  
13 made available for persons with  
14 disabilities through a program of  
15 any State agency for develop-  
16 mental disabilities or through the  
17 supplemental security income  
18 program under title XVI of the  
19 Social Security Act; and

20 “(BB) such person works  
21 the maximum number of hours  
22 per week allowable for eligibility  
23 for benefits under such program;  
24 or

1                   “(V) is the head of household in a  
 2                   household that includes one or more de-  
 3                   pendents, at least one of whom is at the  
 4                   time of the execution of the mortgage 5  
 5                   years of age or younger or is enrolled full-  
 6                   time in a school in a resort county.

7                   “(iv) CONFORMING LOAN.—The original  
 8                   principal obligation of the mortgage shall com-  
 9                   ply with the applicable dollar amount limita-  
 10                  tions established pursuant to paragraph (2).

11                  “(C) RESORT COUNTY.—For purposes of this  
 12                  paragraph, the term ‘resort county’ means Eagle  
 13                  County, Grand County, and Summit County, in the  
 14                  State of Colorado.”.

15 **SEC. 3. DUTY OF FANNIE MAE AND FREDDIE MAC TO SERVE**  
 16 **MARKET FOR AFFORDABLE WORKFORCE**  
 17 **HOUSING.**

18                  (a) ESTABLISHMENT.—Paragraph (1) of section  
 19 1335(a) of the Housing and Community Development Act  
 20 of 1992 (12 U.S.C. 4565(a)(1)) is amended by adding at  
 21 the end the following new subparagraph:

22                   “(D) AFFORDABLE WORKFORCE HOUS-  
 23                   ING.—The enterprises shall develop loan prod-  
 24                   ucts and flexible underwriting guidelines to fa-  
 25                   cilitate a secondary market for affordable work-

1 force housing mortgages (as such term is de-  
2 fined in section 305(a)(6) of the Federal Home  
3 Loan Mortgage Corporation Act (12 U.S.C.  
4 1454(a)(6))). Such underwriting guidelines  
5 shall include the following considerations:

6 “(i) OWNER-OCCUPANCY REQUIRE-  
7 MENT.—The guidelines shall require that  
8 not less than 25 percent of the dwelling  
9 units in the multifamily housing develop-  
10 ment in which the one-family residence se-  
11 curing an affordable workforce housing  
12 mortgage is located shall be owner-occu-  
13 pied. The requirement under this clause  
14 shall be considered to be complied with,  
15 with respect to a development, unless  
16 verifiable public records indicate an owner-  
17 occupancy rate for the development of less  
18 than 25 percent.

19 “(ii) SHORT-TERM RENTALS.—The  
20 guidelines shall provide that the multi-  
21 family housing development in which the  
22 one-family residence securing an affordable  
23 workforce housing mortgage is located may  
24 include dwelling units that are used for the  
25 sole purpose of short-term rentals.

1                   “(iii) AMENITIES.—The guidelines  
2                   shall provide that the multifamily housing  
3                   development in which the one-family resi-  
4                   dence securing an affordable workforce  
5                   housing mortgage is located may provide  
6                   such services as a staffed front desk, a  
7                   concierge, or other amenities consistent  
8                   with providing customer service for non-  
9                   owner occupied or short-term rental units  
10                  in the development, including marketing  
11                  that describes the property as a lodge, re-  
12                  sort, or other similar facility.

13                  “(iv) ENERGY METERING.—The  
14                  guidelines shall provide that the enter-  
15                  prises may not consider whether the multi-  
16                  family housing development in which the  
17                  one-family residence securing an affordable  
18                  workforce housing mortgage is located pro-  
19                  vides individual or centralized metering for  
20                  energy use of the constituent dwelling  
21                  units.”.

22                  (b) TRANSITION.—The amendment made by sub-  
23                  section (a) shall apply with respect to the first calendar  
24                  year beginning more than 180 days after the date of the  
25                  enactment of this Act.

1       (c) REGULATIONS.—The Director of the Federal  
2 Housing Finance Agency shall, not later than the expira-  
3 tion of the 180-day period beginning on the date of the  
4 enactment of this Act, amend and revise the regulations  
5 issued under section 1335(d)(1) of the Housing and Com-  
6 munity Development Act of 1992 as necessary to establish  
7 a manner for evaluating whether, and the extent to which,  
8 the enterprises have complied with the duty under section  
9 1335(a)(1)(D) of such Act (as added by subsection (a) of  
10 this section) and for rating the extent of such compliance.

○