C8, F2 6lr0164 CF 6lr0172

By: The President (By Request - Administration) and Senators Bates, Brochin, Cassilly, Eckardt, Edwards, Hershey, Jennings, Mathias, Muse, Norman, Reilly, Rosapepe, Salling, Serafini, Simonaire, and Waugh

Introduced and read first time: January 28, 2016

Assigned to: Education, Health, and Environmental Affairs and Finance

A BILL ENTITLED

1	AN	ACT	concerning
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Housing and Community Development – Community Development Administration – Student and Residential Mortgage Loans

4 FOR the purpose of authorizing the Community Development Administration in the Department of Housing and Community Development to provide financial assistance 5 6 to homeowners under certain circumstances; authorizing the Administration to 7 provide financial assistance to purchase a home and pay off student loan debts under 8 certain circumstances; requiring the Secretary of Housing and Community 9 Development to determine the terms and qualifications of certain financial 10 assistance to homeowners; authorizing the Administration to purchase from a 11 mortgage lender a note or mortgage that evidences a residential mortgage loan for 12 the purchase of a homeowner's primary residence and pay off student loan debt of the homeowner under certain circumstances; authorizing the Secretary to waive the 13 14 requirements for a certain mortgage lender's certificate under certain circumstances; 15 and generally relating to the Community Development Administration and 16 residential mortgage loans.

17 BY repealing and reenacting, with amendments,

Article – Housing and Community Development

Section 4–235(b), 4–237(a), 4–238(a)(1), and 4–240

20 Annotated Code of Maryland

21 (2006 Volume and 2015 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

23 That the Laws of Maryland read as follows:

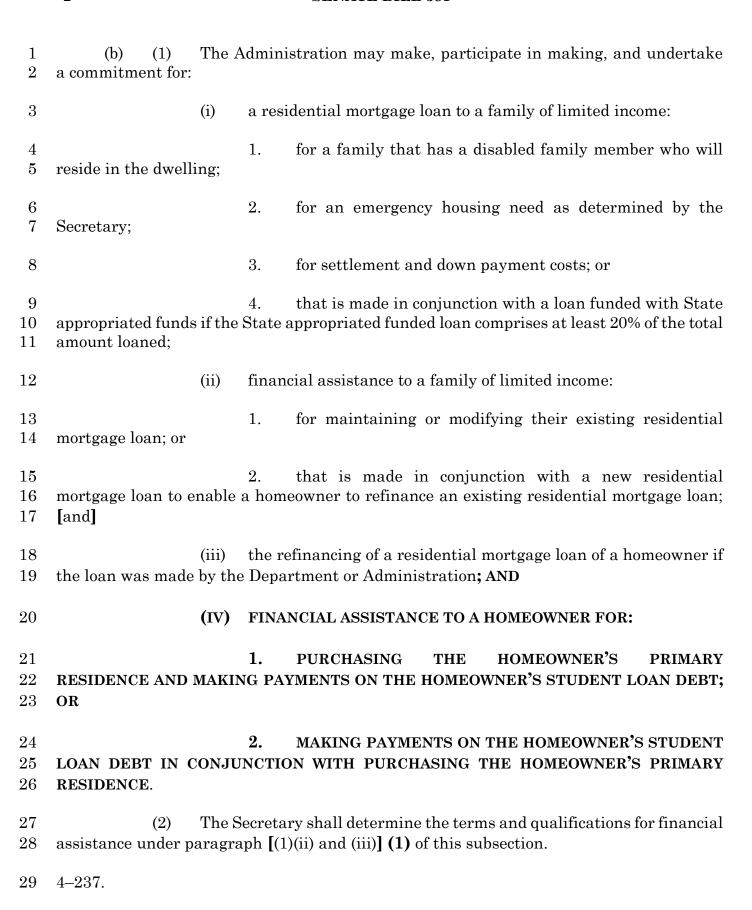
Article - Housing and Community Development

25 4-235.

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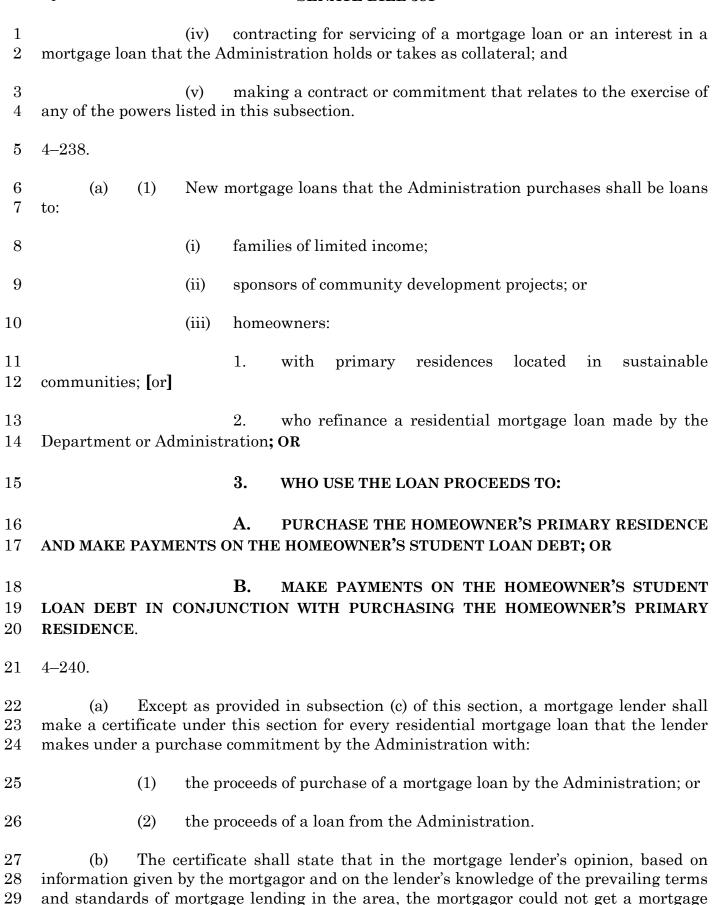
(a)

The Administration may:



1 2 3	(1) purchase or commit to purchase, from a mortgage lender that is eligible under \S 4–236 of this subtitle, a note, mortgage, or partial interest in a note or mortgage that evidences:
4	(i) a residential mortgage loan to a family of limited income;
5 6	(ii) a mortgage loan to a sponsor of a community development project or a public purpose project;
7 8 9	(iii) a residential mortgage loan to a homeowner for the purchase or rehabilitation of the homeowner's primary residence if the primary residence is located in a sustainable community; [or]
10 11	(iv) a residential mortgage loan for the refinancing of a residential mortgage loan made by the Department or Administration; \mathbf{OR}
12	(V) A RESIDENTIAL MORTGAGE LOAN TO A HOMEOWNER FOR:
13 14 15	1. PURCHASING THE HOMEOWNER'S PRIMARY RESIDENCE AND MAKING PAYMENTS ON THE HOMEOWNER'S STUDENT LOAN DEBT; OR
16 17 18	2. MAKING PAYMENTS ON THE HOMEOWNER'S STUDENT LOAN DEBT IN CONJUNCTION WITH PURCHASING THE HOMEOWNER'S PRIMARY RESIDENCE;
19 20	(2) make a loan to an eligible mortgage lender in accordance with this subtitle;
21 22	(3) finance, with proceeds of its revenue bonds or notes, all or part of a mortgage purchase program or a loan to a mortgage lenders program; and
23 24	(4) take any action necessary or convenient to carry out this subsection, including:
25 26	(i) settling or compromising an obligation or debt to the Administration, subject to any agreement with bondholders;
27 28	(ii) acquiring an interest in real or personal property by gift, purchase, foreclosure, or otherwise, and selling or otherwise disposing of the property;
29 30 31	(iii) obtaining insurance against loss in connection with its property and other assets, including mortgage loans, in the amount and from the insurer that the Administration considers desirable;

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loan on the property in the unassisted private lending market.

- 1 (c) The Secretary may waive the requirement for the mortgage lender's certificate 2 for a residential mortgage loan to a homeowner:
- 3 (1) if the homeowner's primary residence is located in a sustainable community, for the purchase or rehabilitation of the homeowner's primary residence; [or]
- 5 (2) for the refinancing of a residential mortgage loan of the homeowner if 6 the loan was made by the Department or Administration; **OR**
- 7 (3) FOR THE PURCHASE OF THE HOMEOWNER'S PRIMARY RESIDENCE 8 AND MAKING PAYMENTS ON THE HOMEOWNER'S LOAN DEBT.
- 9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.