

BY: Environmental Matters Committee

AMENDMENTS TO HOUSE BILL NO. 3

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Vaughn” and substitute “Vaughn, Bohanan, Burns, Frush, Glassman, Hammen, Hogan, Holmes, Impallaria, Jennings, McDonough, Owings, Parker, Stern, Stull, and Weir”; in line 6, strike “grants” and substitute “provides”; in the same line, strike “or serves as guarantor of loans”; in line 7, after “residences” insert “and credit enhancements for private market loans to rehabilitate, renovate, or replace primary residences”; in line 9, strike “grant” and substitute “provide”; in line 10, strike “serve as guarantor” and substitute “credit enhancement”; in the same line, after “of” insert “private market”; in line 11, strike “granted” and substitute “provided”; in line 12, after “Program;” insert “authorizing the Department to require local governments and applicants for certain loans to demonstrate contribution or receipt of certain resources under certain circumstances; authorizing the Department to establish priorities for making loans under certain circumstances;”; in line 13, strike “serve as guarantor of” and substitute “provide credit enhancement for private market”; in line 15, after “institutions;” insert “prohibiting the Department from charging a premium or administrative fee for providing credit enhancement for private market loans under certain circumstances;”; in line 16, strike “and expand”; in line 17, after “circumstances;” insert “requiring the Department to issue certain reports to the General Assembly on or before certain dates;”; and in line 18, after “of” insert “certain provisions of”.

AMENDMENT NO. 2

On page 2, after line 10, insert:

“WHEREAS, The State is compelled to design a program to assist those who need “gap” funding for property damage incurred beyond the limits set by insurance and State, federal, or private market loans and grants for projects to rehabilitate, renovate, or replace primary residences damaged by Hurricane Isabel; and”;

in line 20, after “Department” insert “provides”; in line 21, strike “grants”; in the same line, strike

(Over)

“second” and substitute “first or subordinate”; in line 23, strike “serves as guarantor of” and substitute “credit enhancement for”; in line 24, strike “or” and substitute a comma; in the same line, after “renovate” insert “, or replace”; in the same line, after “residences” insert “, subject to funds being held in reserve for that purpose”; in line 26, strike “granting” and substitute “provision”; after line 27, insert:

“(3) The Program shall include coverage for the repair or replacement of water and sewer systems, including septic systems.”;

in line 28, strike “grant” and substitute “provide”; in the same line, strike “serve as guarantor of” and substitute “credit enhancement for private market”; in line 31, after “Fund” insert “for credit enhancement, subject to funds being held in reserve for that purpose”; and in line 32, after “housing” insert “or community development”.

On page 4, in line 16, strike “and expand”.

AMENDMENT NO. 3

On page 2, in line 33, strike “granted for second” and substitute “provided for first or subordinate”; and strike in their entirety lines 35 and 36.

On page 3, strike in their entirety lines 1 and 2; in line 3, strike “(3)” and substitute “(2)”; in the same line, strike “granted” and substitute “provided”; in line 8, after “deferred” insert “:

1.”;

in line 9, after “sale” insert “or transfer”; in the same line, strike “first” and substitute “prior”; in line 10, after “residence” insert “; or

2. as long as the borrower retains an undiminished fee simple interest in the property”;

and after line 16, insert:

“(3) The Department may require local governments to demonstrate a contribution of resources satisfactory to the Department before the Department provides loans under this

subsection.

(4) The Department may require an applicant for a loan under this subsection to demonstrate that the applicant has applied and received all possible assistance from FEMA, the Small Business Administration (SBA), or other governmental or commercial sources, including hazard insurance.

(5) The Department may require an affidavit from an applicant for a loan under this subsection confirming other governmental or commercial sources of assistance, which may be shared with FEMA, SBA, or other governmental agencies that provide assistance.

(6) The Department may establish priorities for making loans available under this subsection.”.

AMENDMENT NO. 4

On page 3, in line 17, strike “or” and substitute a comma; in the same line, after “renovation” insert “, or onsite replacement”; in lines 18 and 29, in each instance, strike “serves as guarantor” and substitute “provides credit enhancement”; in line 20, strike “and” and substitute a comma; in the same line, after “renovation” insert “, or onsite replacement”; and in line 36, strike “serve as guarantor” and substitute “provide credit enhancement”.

On page 4, in line 1, strike “serve as guarantor” and substitute “provide credit enhancement”; in line 2, strike “90%” and substitute “80%”; in line 3, strike “expected”; in the same line, strike “home” and substitute “property”; in the same line, strike “and” and substitute a comma; in the same line, after “renovation” insert “, or onsite replacement”; in line 4, strike “at the time the loan is closed” and substitute “used to process and approve the loan”; in line 5, strike “ensure” and substitute “determine”; in line 6, strike “serves as guarantor” and substitute “provides credit enhancement”; and after line 15, insert:

“(7) The Department may not charge a premium or administrative fee for credit enhancement provided under this subsection.”.

AMENDMENT NO. 5

On page 4, after line 19, insert:

(Over)

“SECTION 2. AND BE IT FURTHER ENACTED, That the Department of Housing and Community Development shall issue to the General Assembly, in accordance with § 2-1246 of the State Government Article, a preliminary report on or before September 30, 2004 and a final report on or before September 30, 2005 on the implementation of this Act. The reports shall include:

(a) with reference to loans provided by the Department, the amounts of the loans and the borrowers’ counties of residence;

(b) with reference to loans obtained in the private market for which the Department provided credit enhancements, the amounts of the credit enhancements, the borrowers’ counties of residence, the names of the financial institutions that provided the loans, and the amounts of the loans; and

(c) with reference to other financial assistance provided, the amounts and sources of the financial assistance and the borrowers’ counties of residence.”;

in line 20, strike “2.” and substitute “3.”; in line 24, strike “It” and substitute “Section 2 of this Act”; and in line 25, after “Assembly,” insert “Section 2 of”.