

107TH CONGRESS
1ST SESSION

H. R. 859

To amend section 203 of the National Housing Act to reduce the down payment required by a first-time homebuyer purchasing a home with a mortgage insured under such section.

IN THE HOUSE OF REPRESENTATIVES

MARCH 5, 2001

Mr. LAFALCE introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To amend section 203 of the National Housing Act to reduce the down payment required by a first-time homebuyer purchasing a home with a mortgage insured under such section.

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 “FHA First-Time
5 Homebuyer Act”.

1 **SEC. 2. REDUCED DOWNPAYMENT REQUIREMENTS FOR**
2 **FIRST-TIME HOMEBUYERS.**

3 (a) IN GENERAL.—Section 203(b)(10) of the Na-
4 tional Housing Act (12 U.S.C. 1709(b)) is amended—

5 (1) by redesignating subparagraph (B) as sub-
6 paragraph (C); and

7 (2) by inserting after subparagraph (A) the fol-
8 lowing new subparagraph:

9 “(B) REDUCED CLOSING COSTS FOR
10 FIRST-TIME HOMEBUYERS.—In the case of any
11 mortgage for which the mortgagor is a first-
12 time homebuyer who has completed a coun-
13 seling program described in subsection
14 (c)(2)(A), the amount of the mortgage premium
15 paid at the time the mortgage is insured shall
16 be considered to be, for purposes of subpara-
17 graph (A)(i), the maximum premium amount
18 authorized to be established under the first sen-
19 tence of subparagraph (A) of subsection
20 (c)(2).”.

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