



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5653

by Rep. Bob Morgan

SYNOPSIS AS INTRODUCED:

New Act

Creates the Student Loan Forgiveness Homebuyer Program. Provides that subject to appropriation, the Illinois Housing Development Authority shall establish and administer a student loan forgiveness homebuyer program for the purpose of providing financial assistance to a homeowner for purchasing the homeowner's primary residence and making payments on the homeowner's student loan debt. Provides that the Authority shall determine the terms and qualifications for financial assistance under the program, including: (i) that the homebuyer under the program be a first-time homebuyer; and (ii) that the homebuyer under the program have student loan debt from a college, university, vocational school, or other post-secondary educational institution, and that the student loan debt be in the name of the homebuyer. Sets forth certain factors the Authority may consider when determining guidelines for the program. Provides that the Authority may make, participate in making, and undertake a commitment for specified financial assistance to a homebuyer under the program in amounts and types determined by the Authority based on industry standards of similar homebuyers, and in conjunction with other homebuyer programs the Authority administers. Provides that the Authority may purchase or commit to purchase from a lending institution a note, mortgage, or partial interest in a note or mortgage that evidences a residential mortgage loan to a homebuyer for purchasing the homeowner's primary residence in conjunction with obtaining separate financial assistance from the Authority for making payments on the homeowner's student loan debt.

LRB101 16514 KTG 65896 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning housing.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Student Loan Forgiveness Homebuyer Program Act.

6 Section 5. Student Loan Forgiveness Homebuyer Program.
7 Subject to appropriation, the Illinois Housing Development
8 Authority shall establish and administer a student loan
9 forgiveness homebuyer program for the purpose of providing
10 financial assistance to a homeowner for purchasing the
11 homeowner's primary residence and making payments on the
12 homeowner's student loan debt.

13 Section 10. Eligibility requirements and guidelines.

14 (a) The Authority shall determine the terms and
15 qualifications for financial assistance under the program,
16 which shall include both of the following:

17 (1) That the homebuyer under the program be a
18 first-time homebuyer.

19 (2) That the homebuyer under the program have student
20 loan debt from a college, university, vocational school, or
21 other post-secondary educational institution, and that the
22 student loan debt be in the name of the homebuyer.

1 (b) The Authority may also consider all of the following
2 factors when determining the guidelines for the program:

3 (1) The purchase price limits of the residential
4 property.

5 (2) The number and amount of mortgages the homebuyer
6 may have on the residential property.

7 (3) The status and amount of the student loan debt the
8 homebuyer will have and how it will be forgiven.

9 (4) The type of homebuyer education that the homebuyer
10 will need to take in order to participate in the program.

11 Section 15. Financial assistance. The Authority may make,
12 participate in making, and undertake a commitment for specified
13 financial assistance to a homebuyer under the program in
14 amounts and types determined by the Authority based on industry
15 standards of similar homebuyers, and in conjunction with other
16 homebuyer programs the Authority administers.

17 Section 20. Residential mortgage loan. The Authority may
18 purchase or commit to purchase from a lending institution a
19 note, mortgage, or partial interest in a note or mortgage that
20 evidences a residential mortgage loan to a homebuyer for
21 purchasing the homeowner's primary residence in conjunction
22 with obtaining separate financial assistance from the
23 Authority for making payments on the homeowner's student loan
24 debt.