To require the Secretary of Housing and Urban Development to propose a homeownership program for certain student borrowers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. introduced the following bill; which was referred to the Committee on

A BILL

To require the Secretary of Housing and Urban Development to propose a homeownership program for certain student borrowers, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Promoting Homeownership and Community Investments by Student Borrowers Act”.

(Original Signature of Member)
SEC. 2. HUD PROPOSAL OF HOME OWNERSHIP PROGRAM FOR STUDENT LOAN BORROWERS.

(a) IN GENERAL.—Not later than one year after the date of the enactment of this section, the Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, and the Director of the Bureau of Consumer Financial Protection shall—

(1) conduct a review of Federal programs and policies to identify any barriers to homeownership for home buyers with outstanding balances of principal or interest on private and public student loans; and

(2) recommend options for responsibly reducing or eliminating any such barriers identified.

(b) PROGRAM FOR PURCHASE OF ELIGIBLE PROPERTIES.—

(1) IN GENERAL.—When recommending options for responsibly reducing or eliminating barriers pursuant to subsection (a)(2), the Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, and the Director of the Bureau of Consumer Financial Protection shall consider the feasibility of establishing a program under which first-time home buyers with an outstanding balances of principal or interest on a private or pub-
lic student loans are provided assistance when purchasing property—

(A) owned by a financial institution pursuant to foreclosure; or

(B) of a type determined appropriate by Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, and the Director of the Bureau of Consumer Financial Protection.

(2) PUBLIC STUDENT LOAN FORGIVENESS.—

The Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, and the Director of the Bureau of Consumer Financial Protection shall specifically consider the feasibility of establishing a pathway through which, if a home buyer is participating in the Repayment Plan for Public Service Employees under section 455(m) of the Higher Education Act of 1965, the Secretary of Education shall cancel the balance of interest and principal due on the Federal Direct Loan of the eligible home buyer after 60, 72, or 84 monthly payments instead of 120 monthly payments if the home buyer is a first-time home buyer and purchases property owned by a financial institution.
pursuant to foreclosure or of a type determined appropriate.

(c) HEARINGS.—When reviewing programs and policies and recommending options pursuant to subsection (a), the Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, and the Director of the Bureau of Consumer Financial Protection shall—

(1) hold not less than 4 public hearings at locations around the country for student loan borrowers to provide comments; and

(2) consider any comments received from student loan borrowers at such public hearings.

(d) REPORT.—The Secretary of Housing and Urban Development, the Director of the Federal Housing Finance Agency, and the Director of the Bureau of Consumer Financial Protection shall, not later than 1 year after the date of the enactment of this section, submit a study to Congress that describes any barriers to home ownership identified pursuant to subsection (a)(1), and any options for reducing or eliminating such barriers recommended pursuant to subsection (a)(2).