

PCB APC 13-01

Redraft - B

2013

1 A bill to be entitled
2 An act relating to funding from the national mortgage
3 settlement; providing an appropriation from the
4 General Revenue Fund to the Florida Housing Finance
5 Corporation to fund housing down payment assistance
6 loans; providing distribution requirements; providing
7 requirements for loan recipients; providing for loan
8 forgiveness under certain conditions; providing an
9 appropriation from the General Revenue Fund to the
10 Florida Housing Finance Corporation for certain
11 administrative expenses; providing an appropriation
12 from the General Revenue Fund to the Florida Prepaid
13 Tuition Scholarship Program to purchase 2-year
14 dormitory residence advance payment contracts for
15 certain students; providing an appropriation from the
16 General Revenue Fund to the state courts system to
17 provide technology solutions to expedite foreclosure
18 cases through the judicial process; providing an
19 appropriation from the General Revenue Fund to the
20 state courts system to provide certain supplemental
21 resources; providing an appropriation from the General
22 Revenue Fund to the clerks of the court to assist and
23 support the courts in expediting the processing of
24 backlogged foreclosure cases; providing an
25 appropriation from the General Revenue Fund to the
26 Department of Children and Families to fund capital
27 improvement grants for certified domestic violence
28 centers; providing an appropriation from the General

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

V

29 Revenue Fund to the Department of Economic Opportunity
 30 to provide a grant to Habitat for Humanity of Florida
 31 for certain purposes; providing requirements for
 32 Habitat for Humanity of Florida; providing financial
 33 audit reporting requirements; requiring certain funds
 34 to be repaid by Habitat for Humanity of Florida to the
 35 Department of Financial Services for deposit in the
 36 State Housing Trust Fund; providing an appropriation
 37 from the General Revenue Fund to the Florida Housing
 38 Finance Corporation to provide funding to reduce rents
 39 on new or existing rental units through the State
 40 Apartment Incentive Loan Program; providing an
 41 appropriation from the General Revenue Fund to the
 42 Office of the Attorney General to provide legal aid
 43 services to low-income and moderate-income homeowners
 44 facing foreclosure; authorizing the Office of the
 45 Attorney General to establish, coordinate, and promote
 46 an advertising campaign for certain purposes;
 47 providing an appropriation for such purposes;
 48 providing requirements for the expenditure,
 49 disbursement, and transfer to the State Housing Trust
 50 Fund of certain appropriated funds; providing a
 51 contingent effective date.

52
 53 Be It Enacted by the Legislature of the State of Florida:

54
 55 Section 1. (1) The nonrecurring sum of \$45 million is
 56 appropriated from the General Revenue Fund to the Florida

57 Housing Finance Corporation for the purpose of providing housing
 58 down payment assistance loans as specified in this section.

59 (2) The Florida Housing Finance Corporation shall make
 60 loans available on a first-come, first-served basis to qualified
 61 applicants, providing up to \$10,000 per approved applicant for
 62 down payment assistance for purchasing a Florida property that
 63 will be the applicant's permanent residence. A qualified
 64 applicant must have been a Florida resident for a minimum of 12
 65 consecutive months before closing on the purchased property. All
 66 down payment assistance loans for approved applicants shall be
 67 paid to the closing agent to be applied to the recipient's
 68 closing costs.

69 (3) For a minimum of 48 months after closing on the
 70 purchased property, the recipient of a loan must maintain
 71 residency in the property being purchased. At the time of
 72 closing, and for 48 months after closing on the purchased
 73 property, the recipient must be:

74 (a) A teacher who is assigned to teach in a public
 75 elementary, middle, or high school that has earned a grade of
 76 "D" or "F" as provided in s. 1008.34, Florida Statutes, at the
 77 time the application is submitted and is designated as an
 78 effective or highly effective teacher as provided in s. 1012.34,
 79 Florida Statutes. A recipient under this paragraph who transfers
 80 to another school that has earned a grade of "D" or "F" and who
 81 continues to meet all other applicable qualifications within the
 82 specified time period is not required to repay the loan pursuant
 83 to paragraph (4) (c);

84 (b) An assistant state attorney, assistant public

85 defender, or assistant regional conflict counsel;
 86 (c) A veteran as defined in s. 1.01(14), Florida Statutes;
 87 (d) A member of a uniformed service on active duty as
 88 defined in s. 250.01(1), Florida Statutes. A recipient under
 89 this paragraph who is reassigned to a new duty station is not
 90 required to repay the loan pursuant to paragraph (4)(c) if he or
 91 she provides a certified copy of the permanent change of station
 92 order or relocation order to the Florida Housing Finance
 93 Corporation; or
 94 (e) A health practitioner who is licensed as a physician,
 95 registered nurse, nurse practitioner, physician assistant,
 96 dentist, paramedic, emergency medical technician, pharmacist,
 97 psychologist, or clinical social worker and works in a rural
 98 area as defined in s. 381.0406, Florida Statutes.
 99 (4) Loans shall be forgiven upon compliance with all
 100 requirements of this section.
 101 (a) The loan will be forgiven on a pro rata basis, with 25
 102 percent of the loan forgiven at the end of each year following
 103 closing.
 104 (b) Borrowers must, by December 31 of each year following
 105 closing, certify compliance with all applicable conditions to
 106 the Florida Housing Finance Corporation until the loan has been
 107 repaid or completely forgiven. The corporation shall perform any
 108 inspections, reviews, or investigations necessary on select
 109 compliance certifications to ensure the requirements of this
 110 section are met.
 111 (c) The loan shall become due upon the failure of the
 112 borrower to maintain any of the requirements of this section.

113 (d) Forfeited loan awards shall be collected by the
 114 Florida Housing Finance Corporation and transferred to the
 115 Department of Financial Services for deposit in the State
 116 Housing Trust Fund within the Department of Economic
 117 Opportunity.

118 Section 2. The nonrecurring sum of \$3 million is
 119 appropriated from the General Revenue Fund to the Florida
 120 Housing Finance Corporation for administrative expenses
 121 associated with establishing, coordinating, monitoring
 122 compliance with, and providing down payment assistance loans
 123 pursuant to this act.

124 Section 3. Notwithstanding the funding match provisions in
 125 s. 1009.984(2), Florida Statutes, the nonrecurring sum of \$15
 126 million is appropriated from the General Revenue Fund to the
 127 Florida Prepaid Tuition Scholarship Program as established in s.
 128 1009.984, Florida Statutes, to purchase 2-year dormitory
 129 residence advance payment contracts for eligible students who
 130 are in grades 10 and 11 during the 2012-2013 school year and
 131 have been selected to participate in the scholarship program.

132 Section 4. The nonrecurring sum of \$5.3 million is
 133 appropriated from the General Revenue Fund to the state courts
 134 system to provide technology solutions that expedite foreclosure
 135 cases through the judicial process. Such technology solutions
 136 must enable judges and staff to effectively use electronic
 137 documents when disposing of foreclosure cases, produce orders
 138 electronically, provide for electronic calendaring, serve orders
 139 electronically, and generate case management reports. All
 140 technology enhancements to expedite the mortgage foreclosure

141 cases must be completed in accordance with standards set by the
 142 Florida Court Technology Commission regarding functionality as
 143 outlined in the Case Processing Application Standards.

144 Section 5. The nonrecurring sum of \$13 million is
 145 appropriated from the General Revenue Fund to the state courts
 146 system to provide supplemental resources including, but not
 147 limited to, additional senior judge days and temporary case
 148 management staff in the trial courts to reduce the backlog of
 149 pending foreclosure cases.

150 Section 6. The nonrecurring sum of \$6.7 million is
 151 appropriated from the General Revenue Fund to the clerks of the
 152 court to enhance levels of service to assist and support the
 153 courts in expediting the processing of backlogged foreclosure
 154 cases.

155 Section 7. The nonrecurring sum of \$20 million is
 156 appropriated from the General Revenue Fund in a Fixed Capital
 157 Outlay appropriation category to the Department of Children and
 158 Families for capital improvement grants to certified domestic
 159 violence centers in accordance with s. 39.9055, Florida
 160 Statutes. The Florida Coalition Against Domestic Violence shall
 161 serve as the lead entity to create a competitive request for
 162 proposals with the primary focus of increasing bed space and
 163 expanding capacity of emergency shelter services. Award
 164 decisions shall be completed within 60 days after the effective
 165 date of this act.

166 Section 8. (1) The nonrecurring sum of \$35 million is
 167 appropriated from the General Revenue Fund to the Department of
 168 Economic Opportunity to provide a grant to Habitat for Humanity

169 of Florida for the acquisition and rehabilitation or
 170 reconstruction of existing housing stock to provide affordable
 171 housing to low-income applicants. Habitat for Humanity of
 172 Florida may use up to 1 percent of the grant award for direct
 173 administrative costs.

174 (2) Habitat for Humanity of Florida shall provide
 175 compliance and oversight for the grant award and shall:

176 (a) Provide to the Department of Economic Opportunity the
 177 name and contact information for the Habitat for Humanity of
 178 Florida compliance officer, to be updated within 10 business
 179 days after any change.

180 (b) Develop a request for proposals to be released to the
 181 58 Habitat for Humanity of Florida affiliates no later than 60
 182 days after the effective date of this act. The request for
 183 proposals shall be limited to projects that undertake the
 184 acquisition and rehabilitation or reconstruction of existing
 185 housing stock and provide affordable housing to low-income
 186 applicants.

187 (c) Use the grant award within 2 years, the start date of
 188 which will be 30 days after the request for proposals is
 189 released to the 58 Habitat for Humanity of Florida affiliates.

190 (d) Provide the 58 Habitat for Humanity of Florida
 191 affiliates a minimum of 30 days to respond to the request for
 192 proposals.

193 (e) Establish a volunteer committee of at least six
 194 members from any of the 58 Habitat for Humanity of Florida
 195 affiliates to evaluate and rank project proposals received and
 196 determine project awards based on that evaluation and ranking.

197 1. Project awards shall be provided on a cost-
 198 reimbursement basis for work completed and paid for by the
 199 Habitat for Humanity of Florida affiliate for a qualifying home
 200 that was acquired and rehabilitated or reconstructed for a low-
 201 income applicant.

202 2. The Habitat for Humanity of Florida compliance officer
 203 is responsible for verifying that all project work is completed
 204 and has been paid for by the Habitat for Humanity of Florida
 205 affiliate before a cost reimbursement.

206 3. A Habitat for Humanity of Florida affiliate may not
 207 receive cost reimbursements in excess of 10 percent of the total
 208 appropriation, except that an affiliate may receive cost
 209 reimbursements in excess of 10 percent during the second year if
 210 the only project proposals remaining are from Habitat for
 211 Humanity of Florida affiliates that have reached the 10-percent
 212 cap.

213 (f) Provide technical support and assistance for the use
 214 of grant award funds by the Habitat for Humanity of Florida
 215 affiliates, which shall not exceed 2 percent of the grant award.

216 (g) Submit a quarterly progress report to the Department
 217 of Economic Opportunity within 30 days after the end of each
 218 quarter until all grant award funds have been expended. The
 219 quarterly progress report shall include, but need not be limited
 220 to:

221 1. Events occurring during the quarter, or anticipated to
 222 occur in the near future, that affect the ability of Habitat for
 223 Humanity of Florida to use the grant award for the intended
 224 purpose pursuant to this section.

- 225 2. Action plans for addressing any policy and
 226 administrative issues.
- 227 3. Habitat for Humanity of Florida efforts related to
 228 collecting and verifying data.
- 229 4. Data collected and verified, such as the number of
 230 existing housing stock acquired and rehabilitated or
 231 reconstructed for the quarter and to date, the number of
 232 requests for proposals received, and income data on applicants
 233 who are using the provided housing.
- 234 5. Grant award data disaggregated by recipient and
 235 activity, such as technical support and assistance, direct
 236 administrative costs, housing acquisition, and housing
 237 rehabilitation or reconstruction.
- 238 6. Activities related to technical support and assistance.
- 239 7. The name of each volunteer committee member and his or
 240 her Habitat for Humanity of Florida affiliate.
- 241 8. Progress towards meeting the goal of spending the full
 242 grant award within 2 years, the start date of which will be 30
 243 days after the request for proposals is released to the 58
 244 Habitat for Humanity of Florida affiliates.
- 245 (h) Submit annually by September 1 to the Department of
 246 Economic Opportunity a financial audit performed by an
 247 independent certified public accountant for the most recently
 248 completed fiscal year that establishes that no material
 249 weaknesses or instances of material noncompliance exist.
- 250 (3) The Department of Economic Opportunity shall submit a
 251 copy of each financial audit from Habitat for Humanity of
 252 Florida to the President of the Senate and the Speaker of the

253 House of Representatives within 15 days after its receipt.

254 (4) Any funds that are not expended or encumbered by June
 255 30, 2015, and any funds that were deemed encumbered on June 30,
 256 2015, and not expended by September 30, 2015, shall be repaid by
 257 Habitat for Humanity of Florida to the Department of Financial
 258 Services for deposit in the State Housing Trust Fund within the
 259 Department of Economic Opportunity. A final audit shall be
 260 submitted to the Department of Economic Opportunity by January
 261 30, 2016, for any expenditures made after June 30, 2015.

262 Section 9. The nonrecurring sum of \$50 million is
 263 appropriated from the General Revenue Fund to the Florida
 264 Housing Finance Corporation to provide funding to reduce rents
 265 on new or existing rental units through the State Apartment
 266 Incentive Loan Program created by s. 420.5087, Florida Statutes.
 267 Notwithstanding any provision of s. 420.5087, Florida Statutes,
 268 \$25 million of these funds shall be reserved for rental units
 269 for the elderly as defined in s. 420.0004(8), Florida Statutes,
 270 and \$25 million shall be reserved for rental units for
 271 extremely-low-income persons as defined in s. 420.0004(9),
 272 Florida Statutes.

273 Section 10. The nonrecurring sum of \$5 million is
 274 appropriated from the General Revenue Fund to the Office of the
 275 Attorney General, who will contract directly with regional legal
 276 aid service providers that will provide legal aid services to
 277 low-income and moderate-income homeowners facing foreclosure.
 278 Administrative costs or fees may not be collected or used by the
 279 Office of the Attorney General, any association, or any
 280 foundation for providing such services.

281 Section 11. The Legislature finds that there is a need for
 282 a promotional campaign to increase consumer awareness of
 283 affordable housing availability and housing assistance
 284 opportunities as outlined in this act. To this end, the Office
 285 of the Attorney General may establish, coordinate, and promote
 286 such an advertising campaign, which may include public relations
 287 activities and contracting with media representatives for the
 288 purpose of dispersing promotional materials and opportunities
 289 for consumer assistance. The nonrecurring sum of \$2 million is
 290 appropriated from the General Revenue Fund to the Office of the
 291 Attorney General for this purpose.

292 Section 12. Except as otherwise provided in section 8,
 293 notwithstanding s. 216.301, Florida Statutes, and pursuant to s.
 294 216.351, Florida Statutes, entities to which funds are
 295 appropriated pursuant to this act may expend such funds through
 296 the 2014-2015 fiscal year. Any funds that are encumbered by June
 297 30, 2015, must be disbursed by September 30, 2015. On September
 298 30, 2015, any funds that remain undisbursed must be transferred
 299 to the State Housing Trust Fund within the Department of
 300 Economic Opportunity.

301 Section 13. This act shall take effect upon the deposit of
 302 \$200,080,474 into the General Revenue Fund from the escrow
 303 account created as a result of the consent judgment entered into
 304 by the Attorney General on April 4, 2012, in the case of United
 305 States of America, et al. v. Bank of America Corp., et al., No.
 306 12-0361-RMC, in the United States District Court for the
 307 District of Columbia.