

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1057

Short Title: Mortgage Credits Study.

(Public)

Sponsors: Representative Jeffus.

Referred to: Rules, Calendar and Operations of the House.

April 15, 1999

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE THE LEGISLATIVE RESEARCH COMMISSION TO
2 STUDY THE STATE'S PARTICIPATION IN THE MORTGAGE CREDIT
3 CERTIFICATE PROGRAM ADMINISTERED BY THE NORTH CAROLINA
4 HOUSING FINANCE AGENCY.
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6 The General Assembly of North Carolina enacts:

7 Section 1. The Legislative Research Commission is authorized to study issues
8 relating to the mortgage credit certificate program as administered on behalf of the State
9 by the North Carolina Housing Finance Agency.

10 Section 2. The study shall include the following issues:

- 11 (1) The benefits accruing to North Carolina citizens from the State's
12 participation in the mortgage credit certificate program.
13 (2) The policies of the North Carolina Housing Finance Agency related to
14 reissuing mortgage credit certificates to qualified borrowers who
15 refinance home mortgages for which mortgage credit certificates had
16 previously been issued.
17 (3) Whether mortgage credit certificates should be reissued on the refinance
18 of adjustable-rate mortgages to either adjustable-rate mortgages or
19 fixed-rate mortgages.

- 1 (4) Inequities to borrowers eligible for mortgage credit certificates arising
2 from different policies by the North Carolina Housing Finance Agency
3 relative to the reissuance of mortgage credit certificates for different
4 types of mortgage refinances.
- 5 (5) The monetary value of tax credits lost by qualified borrowers arising
6 from the North Carolina Housing Finance Agency's policy not to reissue
7 mortgage credit certificates for the adjustable-rate mortgages refinanced
8 to fixed-rate mortgages.
- 9 (6) Whether the policies implemented by the North Carolina Housing
10 Finance Agency relative to the mortgage credit certificate program have
11 been properly approved by the Board of Directors of the Agency and
12 whether the Board of Directors has adopted all necessary rules in
13 accordance with Chapter 150B of the General Statutes related to the
14 mortgage credit certification program.
- 15 (7) Whether fees charged by the North Carolina Housing Finance Agency
16 for the mortgage credit certificate program are adequate to cover the
17 costs for the necessary services to properly and fully execute the
18 mortgage credit certificate program to the maximum benefit of the
19 citizens of the State.

20 Section 3. The Commission shall make a final report of its findings and
21 recommendations, including any legislative proposals, regarding changes to the mortgage
22 credit certificate program to the 2001 General Assembly. The Commission may make an
23 interim report to the 1999 General Assembly, 2000 Regular Session.

24 Section 4. This act is effective when it becomes law.