

## HOUSE BILL No. 2989

By Committee on Federal and State Affairs

3-1

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9 AN ACT enacting the teacher-firefighter-police housing development  
10 act;

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12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. This act may be cited as the teacher-firefighter-police  
14 housing development act.

15 Sec. 2. (a) There is established a foundation known as the teacher-  
16 firefighter-police housing development foundation. The foundation shall  
17 be a part of the department of commerce.

18 (b) The foundation shall be operated and controlled by a board of  
19 trustees consisting of 15 members, of whom three shall represent teach-  
20 ers; three shall represent firefighters; three shall represent law enforce-  
21 ment officers; three shall represent realtors, mortgage officers and real  
22 estate developers; and three shall represent state and local government.

23 (c) Board members shall be appointed by the governor in consulta-  
24 tion with the president of the senate and the speaker of the house of  
25 representatives.

26 (d) The initial board members shall be appointed not later than 30  
27 days after the effective date of this act. The governor shall designate one  
28 board member to serve as chairperson, who shall call the first board meet-  
29 ing within 30 days after all initial members have been appointed.

30 (e) Board members shall serve for terms of two years and may be  
31 reappointed. Any vacancy on the board shall be filled in the same manner  
32 as the original appointment.

33 (f) A majority of the members of the board shall constitute a quorum  
34 for conducting business, but a lesser number of members may hold  
35 hearings.

36 (g) The board may adopt rules and procedures to govern its  
37 proceedings.

38 Sec. 3. (a) The purpose of the foundation is to provide housing in-  
39 centives to encourage well-qualified teachers, firefighters and law en-  
40 forcement officers to transfer to jobs in high priority areas that need them  
41 most.

42 (b) The foundation shall identify high priority areas:

43 (1) For teachers, based on subdistricts identified by the state board

- 1 of education as having had in the preceding school year an enrollment of  
2 at least 35.1% of pupils who were eligible for free or reduced price meals  
3 under the national school lunch act;
- 4 (2) for firefighters, based on areas served by a fire station that the  
5 state fire marshal designates as chronically understaffed; and
- 6 (3) for law enforcement officers, based on crime statistic areas that  
7 are designated by the superintendent of the Kansas highway patrol as  
8 having high levels of serious crime.
- 9 (c) The foundation shall identify well-qualified applicants for housing  
10 assistance:
- 11 (1) For teachers, based on educational attainment and years of ex-  
12 perience, giving preference to national board certified teachers;
- 13 (2) for firefighters, based on educational attainment, years of expe-  
14 rience and rank; and
- 15 (3) for law enforcement officers, based on educational attainment,  
16 years of experience and rank.
- 17 (d) The foundation may solicit and accept private donations for hous-  
18 ing incentive programs, including gifts, grants and bequests.
- 19 Sec. 4. (a) Based on available funding, the foundation shall provide  
20 mortgage assistance to applicants who, in the opinion of the board, are  
21 the most promising candidates to provide excellent public service to high  
22 priority areas for many years to come. Applicants must agree to remain  
23 on the job in a high priority area for at least five years.
- 24 (b) Applicants for housing assistance shall submit three letters of rec-  
25 ommendation, explain the reasons that they are available for employment  
26 in the high priority area and state why they want such employment.
- 27 (c) The foundation shall develop, implement and administer a home  
28 loan program to provide special home loan financing to selected teachers,  
29 firefighters and law enforcement officers. To the extent possible, the fol-  
30 lowing financing options shall be included in the home loan program:
- 31 (1) A conventional 30-year mortgage available for the purchase of an  
32 eligible home, at a favorable interest rate determined by the foundation;
- 33 (2) other mortgage options at favorable interest rates determined by  
34 the foundation; and
- 35 (3) a forgivable loan equal to not more than ten percent of the total  
36 cost of an eligible home, which is intended as assistance with the down  
37 payment. The applicant shall receive  $\frac{1}{5}$  credit on a forgivable loan for  
38 each year that the applicant serves in the high-risk area.
- 39 (d) If a successful applicant leaves the job for any reason within five  
40 years after exercising an option for a mortgage under this section, the  
41 remaining balance on the mortgage shall become due and payable within  
42 six months after the termination of the applicant.
- 43 (e) If a successful applicant leaves the job for any reason within five

1 years after exercising an option for a forgivable loan under this section,  
2 then the remaining balance on the forgivable loan shall become due and  
3 payable within six months after the termination of the applicant.

4 (f) The foundation may develop a supplemental loan program that  
5 converts the forgivable loan into a conventional loan for those who do not  
6 fulfill their obligation.

7 Sec. 5. This act shall take effect and be in force from and after its  
8 publication in the statute book.