

1 AN ACT concerning housing affordability.

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 Live
5 Near Work Act.

6 Section 5. Purposes. The purposes of this Act are:

7 (1) To expand home ownership opportunities to working
8 individuals and families.

9 (2) To encourage employers, counties, and municipalities
10 to invest in employer-assisted housing.

11 (3) To provide matching grants to employers, counties,
12 municipalities, and non-profit housing organizations engaged
13 in employer-assisted housing.

14 (4) To reduce traffic congestion by reducing employee
15 commute times.

16 Section 10. Definitions. In this Act:

17 "Authority" means the Illinois Housing Development
18 Authority.

19 "County" means any county within the State of Illinois.

20 "Employee" means a salaried or hourly individual who
21 works for an employer and whose median household income does
22 not exceed 100% of the area median income.

23 "Employer" means a business with operations in the State
24 of Illinois, including private, non-profit, or governmental
25 operations.

26 "Employer-assisted housing program" means a program
27 through which employers assist their employees in acquiring
28 homes in close proximity to their jobs.

29 "Fund" means the Live Near Work Fund.

30 "Median income" means the United States Department of

1 Housing and Urban Development area median income.

2 "Municipality" means any city, village, or incorporated
3 town within the State of Illinois.

4 "Non-profit" or "non-profit housing organization" means
5 any organization that the Internal Revenue Service of the
6 United States Department of the Treasury has ruled is exempt
7 from income taxation under paragraph (3), (4), or (5) of
8 subsection (c) of Section 501 of the Internal Revenue Code of
9 1986 and has as a stated purpose to produce, maintain,
10 operate, or promote affordable housing.

11 Section 15. Live Near Work Fund. The Live Near Work Fund
12 is created as a special fund in the State treasury. Moneys
13 in the fund may be used, subject to appropriation, by the
14 Authority to implement and administer this Act.

15 Section 20. Powers.

16 (a) The Authority is authorized to make grants from the
17 Fund to employers, municipalities, counties, and non-profit
18 housing organizations to develop and implement
19 employer-assisted housing programs for work forces throughout
20 the State.

21 (b) The Authority must adopt rules establishing
22 standards and procedures for determining eligibility for
23 these grants, regulating the use of funds under these grants,
24 and periodically reporting the results and impacts of
25 activities funded by these grants.

26 (c) The Authority must work with stakeholders to develop
27 criteria to attract and evaluate proposals from employers,
28 housing agencies, counties, or municipalities, or any
29 combination of these.

30 (d) The Authority may target programs that benefit
31 employees earning less than 80% of the area median income.

32 (e) The Authority may use its discretion, based on

1 criteria developed under subsection (c) of this Section, to
2 allow employees earning less than 120% of the area median
3 income to be eligible.

4 Section 25. Matching funds. Grants from the Fund may be
5 used to match employer investments in housing resources for
6 participating employees. The Authority must approve the
7 employer's home buying and home counseling plan in order for
8 that employer to be eligible to receive moneys from the Fund.
9 Employer investments may include, but are not limited to:

10 (a) Down payment assistance. The Authority may match, at
11 up to 100%, money provided by the employer to the employee
12 for the purchase of a home.

13 (b) Contributions to second mortgage pools, which are
14 low interest loan programs accessible to qualified
15 individuals that assist in the purchase of a home. The
16 Authority may set standards for eligible second mortgage
17 pools. The Authority may match, at up to 100%, employer
18 contributions to second mortgage pools.

19 (c) Mortgage guarantee programs. The Authority may
20 match, at up to 100%, employer contributions toward repayment
21 of any loans in default that are secured by an employee and
22 guaranteed by the employer.

23 (d) Savings plans such as Individual Development
24 Accounts. The Authority may match, at up to 100%,
25 contributions by employers to employee savings plans
26 designated for purchase of a home.

27 (e) Rent subsidy programs for eligible employees. While
28 employees are saving and preparing for home ownership, the
29 employer may choose to subsidize the rental of housing close
30 to work. The Authority may match, at up to 100%, employer
31 contributions toward rental payments.

32 (f) Home buyer education and home ownership counseling.
33 The Authority may match, at up to 100%, employer

1 contributions toward home buyer education and home ownership
2 counseling.

3 Section 30. Funds for administration and nonprofit
4 organizations.

5 (a) Grants authorized under Section 20 may be used to
6 support the administration of employer-assisted housing
7 programs and technical assistance. Non-profit grants may not
8 be greater than 20% of the total amount of moneys in the Live
9 Near Work Fund.

10 (b) Non-profit housing organizations are eligible for
11 funds for, but not limited to, the following: (i) program
12 administration to the employers and (ii) technical assistance
13 to home ownership counseling education to the employees of
14 participating employers for not more than 2 years at a time.
15 To be eligible for funding, the nonprofit housing
16 organization must demonstrate employer interest in
17 participating in an employer-assisted housing program.

18 (c) Municipalities and counties are eligible to receive
19 grants authorized by Section 20 if:

20 (1) the municipality or county is acting as an
21 agent of the State in promoting employer-assisted housing
22 among employers in its jurisdiction and in compliance
23 with eligibility criteria established by the Authority;
24 and

25 (2) the municipality or county has demonstrated
26 employer interest in participating in an
27 employer-assisted program, or the municipality or county
28 is acting in the capacity of employer and providing
29 employer-assisted housing services to its work force.

30 Section 35. Annual reports. The Authority must report
31 annually to the General Assembly on the program. The report
32 must specify the amounts expended under the program and the

1 number of housing units, local governments, and employees
2 served by the program.

3 Section 40. Expiration. This Act is repealed on July 1,
4 2006.

5 Section 95. The State Finance Act is amended by adding
6 Section 5.545 as follows:

7 (30 ILCS 105/5.545 new)

8 Section 5.545. The Live Near Work Fund.

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.