

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023**

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**SENATE BILL 422**

Short Title: Homes for Heroes. (Public)

Sponsors: Senators Batch, Garrett, and Smith (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 30, 2023

A BILL TO BE ENTITLED  
AN ACT TO CREATE A HOMEBUYERS' ASSISTANCE PROGRAM WITH THE NORTH  
CAROLINA HOUSING FINANCE AGENCY FOR FIRST-TIME HOMEBUYERS WHO  
WORK AS PUBLIC SERVANTS.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** As used in this section, the following definitions apply:

- (1) Active duty member. – As defined in G.S. 58-58-335(1).
- (2) Emergency medical services personnel. – As defined in G.S. 131E-155.
- (3) Firefighter. – As defined in G.S. 58-84-5.
- (4) First-time homebuyer. – An individual who meets all of the following criteria:
  - a. Is purchasing the subject residential property.
  - b. Will reside in the subject residential property as a principal residence.
  - c. Has had no ownership interest, sole or joint, in a residential property during the three-year period preceding the date of the purchase of the subject residential property.
- (5) Law enforcement officer. – An individual employed by the State or a local government in this State as a sheriff, deputy sheriff, police officer, or member of the State Highway Patrol.
- (6) Public servant. – An active duty member or veteran, or a law enforcement officer, teacher, firefighter, or emergency medical services personnel employed in this State.
- (7) Teacher. – An individual whose major responsibility is to either teach or directly supervise teaching, as classified by the State Board of Education, in a public school unit, as that term is defined in G.S. 115C-5.
- (8) Veteran. – As defined in G.S. 122C-465(3).

**SECTION 1.(b)** The Housing Finance Agency (Agency) shall establish a program operating under the Homeownership Assistance Fund, authorized under G.S. 122A-5.7, that provides assistance to first-time homebuyers that are employed full-time as public servants in this State. The Agency shall provide, in the form of reimbursement or direct payment, monies to be used for down payment assistance and to offset mortgage insurance premiums charged to program participants. First-time homebuyers shall be limited to the lesser of the sum of twenty-five thousand dollars (\$25,000) or ten percent (10%) of the purchase price for down payment assistance, mortgage insurance premium assistance, and closing costs. The Agency may provide for mortgage insurance payment assistance at least monthly, but for no longer than 60 months for any single first-time homebuyer.



1           **SECTION 1.(c)** The Agency is hereby empowered to adopt, modify, or repeal rules  
2 and regulations governing the provision of down payment assistance and mortgage insurance  
3 assistance provided pursuant to this section.

4           **SECTION 2.** There is appropriated from the General Fund to the Homeownership  
5 Assistance Fund, authorized under G.S. 122A-5.7, the sum of two hundred million dollars  
6 (\$200,000,000) in recurring funds for the 2023-2024 fiscal year to be used for the purposes  
7 provided in this act.

8           **SECTION 3.** This act becomes effective July 1, 2023.