

AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—119th Cong., 2d Sess.

H. R. 6644

To increase the supply of housing in America, and for other purposes.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by Mr. SCOTT of South Carolina (for himself and Ms. WARREN)

Viz:

1 Strike all after the enacting clause and insert the fol-

2 lowing:

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.— This Act may be cited as the

5 “21st Century ROAD to Housing Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for

7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—IMPROVING FINANCIAL LITERACY

Sec. 101. Reforms to housing counseling and financial literacy programs.

TITLE II—BUILDING MORE IN AMERICA

Sec. 201. Rental assistance demonstration program.

Sec. 202. Increasing housing in opportunity zones.

2

- Sec. 203. Whole-Home Repairs Act.
- Sec. 204. Community Investment and Prosperity Act.
- Sec. 205. Build Now Act.
- Sec. 206. Addition of affordable housing construction as an eligible activity.
- Sec. 207. Better Use of Intergovernmental and Local Development (BUILD) Housing Act.
- Sec. 208. Unlocking Housing Supply Through Streamlined and Modernized Reviews Act.
- Sec. 209. Grants for planning and implementation associated with affordable housing.
- Sec. 210. Innovation Fund.
- Sec. 211. Accelerating Home Building Act.
- Sec. 212. Revitalizing Empty Structures Into Desirable Environments (RESIDE) Act.
- Sec. 213. Housing Affordability Act.

TITLE III—MANUFACTURED HOUSING FOR AMERICA

- Sec. 301. Housing Supply Expansion Act.
- Sec. 302. Modular Housing Production Act.
- Sec. 303. Property Improvement and Manufactured Housing Loan Modernization Act.
- Sec. 304. Price Act.

TITLE IV—ACCESSING THE AMERICAN DREAM

- Sec. 401. Creating incentives for small dollar loan originators.
- Sec. 402. Small dollar mortgage points and fees.
- Sec. 403. Appraisal Industry Improvement Act.
- Sec. 404. Helping More Families Save Act.
- Sec. 405. Choice in Affordable Housing Act.

TITLE V—PROGRAM REFORM

- Sec. 501. Reforming Disaster Recovery Act.
- Sec. 502. HOME Investment Partnerships Reauthorization and Reform Act.
- Sec. 503. Rural Housing Service Reform Act.
- Sec. 504. New Moving to Work cohort.
- Sec. 505. Incentivizing local solutions to homelessness.

TITLE VI—VETERANS AND HOUSING

- Sec. 601. VA Home Loan Awareness Act.
- Sec. 602. Veterans Affairs Loan Informed Disclosure (VALID) Act.
- Sec. 603. Housing Unhoused Disabled Veterans Act.

TITLE VII—OVERSIGHT AND ACCOUNTABILITY

- Sec. 701. Requiring annual testimony and oversight from housing regulators.
- Sec. 702. FHA reporting requirements on safety and soundness.
- Sec. 703. United States Interagency Council on Homelessness oversight.
- Sec. 704. Appraisal Modernization Act.

TITLE VIII—COORDINATION, STUDIES, AND REPORTING

- Sec. 801. HUD-USDA-VA Interagency Coordination Act.
- Sec. 802. Streamlining Rural Housing Act.
- Sec. 803. Improving self-sufficiency of families in HUD-subsidized housing.

TITLE IX—HOMEOWNERSHIP FOR MAIN STREET AMERICA

Sec. 901. Homes are for people, not corporations.

TITLE X—CENTRAL BANK DIGITAL CURRENCY

Sec. 1001. Central bank digital currency.

TITLE XI—MISCELLANEOUS

Sec. 1101. Severability.

Sec. 1102. No additional funds authorized.

1 **TITLE I—IMPROVING FINANCIAL**
 2 **LITERACY**

3 **SEC. 101. REFORMS TO HOUSING COUNSELING AND FINAN-**
 4 **CIAL LITERACY PROGRAMS.**

5 (a) IN GENERAL.—Section 106 of the Housing and
 6 Urban Development Act of 1968 (12 U.S.C. 1701x) is
 7 amended—

8 (1) in subsection (a)(4)(C), by striking “ade-
 9 quate distribution” and all that follows through
 10 “foreclosure rates” and inserting “that the recipi-
 11 ents are geographically diverse and include organiza-
 12 tions that serve urban or rural areas”;

13 (2) in subsection (e), by adding at the end the
 14 following:

15 “(6) PERFORMANCE REVIEW.—The Secretary
 16 shall conduct performance reviews of all partici-
 17 pating agencies that—

18 “(A) consist of a review of the partici-
 19 pating agency’s compliance with all program re-
 20 quirements; and

1 “(B) may take into account the agency’s
2 aggregate counselor performance under para-
3 graph (8)(B).

4 “(7) PERIODIC REVIEWS.—The Secretary may
5 conduct periodic on-site reviews as the Secretary
6 deems appropriate.

7 “(8) CONSIDERATIONS.—

8 “(A) COVERED MORTGAGE LOAN DE-
9 FINED.—In this paragraph, the term ‘covered
10 mortgage loan’ means any loan which is secured
11 by a first or subordinate lien on residential real
12 property (including individual units of con-
13 dominiums and cooperatives) designed prin-
14 cipally for the occupancy of between 1 and 4
15 families that is—

16 “(i) insured by the Federal Housing
17 Administration under title II of the Na-
18 tional Housing Act (12 U.S.C. 1707 et
19 seq.); or

20 “(ii) guaranteed under section 184 or
21 184A of the Housing and Community De-
22 velopment Act of 1992 (12 U.S.C. 1715z-
23 13a, 1715z-13b).

24 “(B) COMPARISON.—For each counselor
25 employed by an organization receiving assist-

1 ance under this section for pre-purchase hous-
2 ing counseling, the Secretary may consider the
3 performance of the counselor compared to the
4 default rate of all counseled borrowers of a cov-
5 ered mortgage loan in comparable markets and
6 such other factors as the Secretary determines
7 appropriate to further the purposes of this sec-
8 tion.

9 “(9) CERTIFICATION.—If, based on the com-
10 parison required under paragraph (8)(B), the Sec-
11 retary determines that a counselor lacks competence
12 to provide counseling in the areas described in sub-
13 section (e)(2) and such action will not create a sig-
14 nificant loss of capacity for housing counseling serv-
15 ices in the service area, the Secretary may—

16 “(A) require continued education coupled
17 with successful completion of a probationary pe-
18 riod;

19 “(B) require retesting if the counselor con-
20 tinues to demonstrate a lack of competence
21 under paragraph (8)(B); and

22 “(C) permanently suspend an individual
23 certification if a counselor fails to demonstrate
24 competence after not fewer than 2 retesting op-
25 portunities under subparagraph (B).”;

1 (3) in subsection (i)—

2 (A) by redesignating paragraph (3) as
3 paragraph (4); and

4 (B) by inserting after paragraph (2) the
5 following:

6 “(3) TERMINATION OF ASSISTANCE.—

7 “(A) IN GENERAL.—The Secretary may
8 deny renewal of covered assistance to an organi-
9 zation or entity receiving covered assistance if
10 the Secretary determines that the organization
11 or entity, or the individual through which the
12 organization or entity provides counseling, is
13 not in compliance with program requirements—

14 “(i) based on the performance review
15 described in subsection (e)(6); and

16 “(ii) in accordance with regulations
17 issued by the Secretary.

18 “(B) NOTICE.—The Secretary shall give
19 an organization or entity receiving covered as-
20 sistance not less than 60 days prior written no-
21 tice of any denial of renewal under this para-
22 graph, and the determination of renewal shall
23 not be finalized until the end of that notice pe-
24 riod.

1 “(C) INFORMAL CONFERENCE.—If re-
2 requested in writing by the organization or entity
3 within the notice period described in subpara-
4 graph (B), the organization or entity shall be
5 entitled to an informal conference with the Dep-
6 uty Assistant Secretary of Housing Counseling
7 on behalf of the Secretary at which the organi-
8 zation or entity may present for consideration
9 specific factors that the organization or entity
10 believes were beyond the control of the organi-
11 zation or entity and that caused the failure to
12 comply with program requirements, such as a
13 lack of lender or servicer coordination or com-
14 munication with housing counseling agencies
15 and individual counselors.”; and

16 (4) by adding at the end the following:

17 “(j) OFFERING FORECLOSURE MITIGATION COUN-
18 SELING.—

19 “(1) COVERED MORTGAGE LOAN DEFINED.—In
20 this subsection, the term ‘covered mortgage loan’
21 means any loan which is secured by a first or subor-
22 dinate lien on residential real property (including in-
23 dividual units of condominiums) or stock or member-
24 ship in a cooperative ownership housing corporation

1 designed principally for the occupancy of between 1
2 and 4 families that is—

3 “(A) insured by the Federal Housing Ad-
4 ministration under title II of the National
5 Housing Act (12 U.S.C. 1707 et seq.);

6 “(B) guaranteed under section 184 or
7 184A of the Housing and Community Develop-
8 ment Act of 1992 (12 U.S.C. 1715z–13a,
9 1715z–13b);

10 “(C) made, guaranteed, or insured by the
11 Department of Veterans Affairs; or

12 “(D) made, guaranteed, or insured by the
13 Department of Agriculture.

14 “(2) OPPORTUNITY FOR BORROWERS.—A bor-
15 rower with respect to a covered mortgage loan who
16 is 30 days or more delinquent on payments for the
17 covered mortgage loan shall be given an opportunity
18 to participate in available housing counseling.

19 “(3) COST.—If the requirements of sections
20 202(a)(3) and 205(f) of the National Housing Act
21 (12 U.S.C. 1708(a)(3), 1711(f)) are met, the fair
22 market rate cost of counseling for delinquent bor-
23 rowers described in paragraph (2) with respect to a
24 covered mortgage loan described in paragraph
25 (1)(A) shall be paid for by the Mutual Mortgage In-

1 surance Fund, as authorized under section 203(r)(4)
 2 of the National Housing Act (12 U.S.C.
 3 1709(r)(4)).”.

4 **TITLE II—BUILDING MORE IN**
 5 **AMERICA**

6 **SEC. 201. RENTAL ASSISTANCE DEMONSTRATION PRO-**
 7 **GRAM.**

8 The language under the heading “RENTAL ASSIST-
 9 ANCE DEMONSTRATION” in the Department of Housing
 10 and Urban Development Appropriations Act, 2012 (Public
 11 Law 112–55; 125 Stat. 673) is amended—

12 (1) in the second proviso, by striking “until
 13 September 30, 2029” and inserting “for fiscal year
 14 2012 and each fiscal year thereafter”;

15 (2) by striking the fourth proviso;

16 (3) in the twentieth proviso, as so designated
 17 before the date of enactment of this Act, by striking
 18 “or other means:” and inserting “or other means,
 19 including the adoption of a mandatory tenant lease
 20 and management plan addendum for a property with
 21 assistance converted, if not otherwise covered by an-
 22 other program, under this demonstration:”; and

23 (4) by striking “vouchers to project-based
 24 vouchers.” and inserting “vouchers to project-based
 25 vouchers: *Provided further*, That the Secretary shall

1 annually assess and publish findings regarding the
2 impact of the conversion of assistance under the
3 First Component of the demonstration with respect
4 to the preservation and improvement of public hous-
5 ing, the amount of private sector leveraging result-
6 ing from such conversion transactions, the preva-
7 lence of pre-conversion residents remaining in or re-
8 turning to the property following conversion, and the
9 effect of such conversion on tenants, including the
10 impact of such conversion on the rights maintained
11 by tenants as enumerated in regulations and other
12 documents conferring rights upon tenants as devel-
13 oped by the Secretary, and other matters the Sec-
14 retary may determine appropriate: *Provided further,*
15 That the Secretary may take remediative action or
16 impose civil money penalties or other administrative
17 sanctions for material violations of a requirement
18 under the First and Second Components of this
19 demonstration: *Provided further,* That nothing in the
20 matter under this heading shall be construed to di-
21 minish, impair, or otherwise negatively affect the
22 Rental Assistance Demonstration property rights of
23 owners or rights of tenants, which shall remain en-
24 forceable by tenants, as enumerated in current law,
25 regulations, and other agency guidance or notices as

1 it relates to properties converted under the First and
2 Second Components of the Rental Assistance Dem-
3 onstration Program.”.

4 **SEC. 202. INCREASING HOUSING IN OPPORTUNITY ZONES.**

5 (a) COVERED GRANT DEFINED.—In this section, the
6 term “covered grant” means any competitive grant relat-
7 ing to the construction, modification, rehabilitation, or
8 preservation of housing, as determined by the Secretary
9 of Housing and Urban Development.

10 (b) PRIORITY.—When awarding a covered grant, the
11 Secretary of Housing and Urban Development may give
12 additional weight to applicants with proposed activities or
13 projects that are located in or substantially and directly
14 benefit a community designated as a qualified opportunity
15 zone under section 1400Z–1 of the Internal Revenue Code
16 of 1986.

17 **SEC. 203. WHOLE-HOME REPAIRS ACT.**

18 (a) DEFINITIONS.—In this section:

19 (1) AFFORDABLE UNIT.—The term “affordable
20 unit” means a unit for which the monthly rental
21 payment is not more than 30 percent of the gross
22 income of an individual earning at or below 80 per-
23 cent of the area median income, as defined by the
24 Secretary.

1 (2) ASSISTED UNIT.—The term “assisted unit”
2 means a unit that undergoes repair or rehabilitation
3 work through a whole-home repairs program admin-
4 istered by an implementing organization under this
5 section.

6 (3) ELIGIBLE HOMEOWNER.—The term “eligi-
7 ble homeowner” means a homeowner—

8 (A) with a household income that—

9 (i) is not more than 80 percent of the
10 area median income; or

11 (ii) meets the income eligibility re-
12 quirements for receiving assistance or ben-
13 efits under a specified program, as defined
14 in paragraph (11); and

15 (B) who is—

16 (i) an owner of record as evidenced by
17 a publicly recorded deed, or other docu-
18 ment recorded by the Bureau of Indian Af-
19 fairs, and occupies the home on which re-
20 pairs are to be conducted as their principal
21 residence;

22 (ii) an owner-occupant of the manu-
23 factured home on which repairs are to be
24 conducted; or

1 (iii) an owner who can demonstrate an
2 ownership interest in the property, or trust
3 land leasehold, on which repairs are to be
4 conducted, including a person who has in-
5 herited an interest in that property.

6 (4) ELIGIBLE LANDLORD.—The term “eligible
7 landlord” means an individual—

8 (A) who owns, as determined by the rel-
9 evant implementing organization, fewer than 10
10 eligible rental properties, with a majority of af-
11 fordable units and not more than 25 total units,
12 operated as primary residences in which a ma-
13 jority ownership interest is held by the indi-
14 vidual, the spouse of the individual, or the de-
15 pendent children of the individual, or any close-
16 ly held legal entity controlled by the individual,
17 the spouse of the individual, or the dependent
18 children of the individual, either individually or
19 collectively; and

20 (B) who agrees to the provisions described
21 in subsection (b)(3).

22 (5) ELIGIBLE RENTAL PROPERTY.—The term
23 “eligible rental property” means a residential prop-
24 erty that—

1 (A) is leased, or offered exclusively for
2 lease, as a primary residence by an eligible
3 landlord; and

4 (B) includes affordable units.

5 (6) FORGIVABLE LOAN.—The term “forgivable
6 loan” means a loan—

7 (A) made to an eligible landlord;

8 (B) that is secured by a lien recorded
9 against a residential property; and

10 (C) that may be forgiven by the imple-
11 menting organization not later than the date
12 that is 3 years after the completion of the re-
13 pairs if the eligible landlord has maintained
14 compliance with the loan agreement described
15 in subsection (b)(3).

16 (7) IMPLEMENTING ORGANIZATION.—The term
17 “implementing organization”—

18 (A) means a unit of general local govern-
19 ment or a State that—

20 (i) will administer a whole-home re-
21 pairs program through an agency, depart-
22 ment, or other entity; or

23 (ii) enter into agreements with 1 or
24 more local governments, Indian tribes, mu-
25 nicipal authorities, other governmental au-

1 thorities, including a tribally designated
2 housing entity, or qualified nonprofit orga-
3 nizations, to administer a whole-home re-
4 pairs program as a subrecipient; and

5 (B) does not include a redundant entity in
6 a jurisdiction already served by a grantee under
7 subsection (b).

8 (8) INDIAN TRIBE.—The term “Indian tribe”
9 has the meaning given the term in section 4 of the
10 Native American Housing Assistance and Self-De-
11 termination Act of 1996 (25 U.S.C. 4103).

12 (9) QUALIFIED NONPROFIT.—The term “quali-
13 fied nonprofit” means a nonprofit organization
14 that—

15 (A) has received funding, as a recipient or
16 subrecipient, through—

17 (i) the Community Development Block
18 Grant program under title I of the Hous-
19 ing and Community Development Act of
20 1974 (42 U.S.C. 5301 et seq.);

21 (ii) the HOME Investment Partner-
22 ships program under subtitle A of title II
23 of the Cranston-Gonzalez National Afford-
24 able Housing Act (42 U.S.C. 12741 et
25 seq.);

1 (iii) the Lead-Based Paint Hazard
2 Reduction grant program under section
3 1011 of the Residential Lead-Based Paint
4 Hazard Reduction Act of 1992 (42 U.S.C.
5 4852), a grant under the Healthy Homes
6 Initiative administered by the Secretary
7 pursuant to sections 501 and 502 of the
8 Housing and Urban Development Act of
9 1970 (12 U.S.C. 1701z-1, 1701z-2), or a
10 grant under the Older Adult Home Modi-
11 fication Grants Program authorized under
12 the Consolidated Appropriations Act, 2024
13 (Public Law 118-42), or any successor
14 Act, to make safety and functional home
15 modification repairs and renovations to
16 meet the needs of low-income seniors to
17 enable them to remain in their primary
18 residence;

19 (iv) the Self-Help and Assisted Home-
20 ownership Opportunity program authorized
21 under section 11 of the Housing Oppor-
22 tunity Program Extension Act of 1996 (42
23 U.S.C. 12805 note);

1 (v) a rural housing program under
2 title V of the Housing Act of 1949 (42
3 U.S.C. 1471 et seq.); or

4 (vi) the Neighborhood Reinvestment
5 Corporation established under the Neigh-
6 borhood Reinvestment Corporation Act (42
7 U.S.C. 8101 et seq.);

8 (B) has coordinated, performed, or other-
9 wise been engaged in weatherization, lead reme-
10 diation, or home-repair work for not less than
11 2 years;

12 (C) has been certified by the Environ-
13 mental Protection Agency, or by a State au-
14 thorized by the Environmental Protection Agen-
15 cy to administer a certification program, as—

16 (i) eligible to carry out activities
17 under the lead renovation, repair, and
18 painting program under section 402(c) or
19 404 of the Toxic Substances Control Act
20 (15 U.S.C. 2682(c), 2684); or

21 (ii) a Home Certification Organization
22 under the Energy Star program estab-
23 lished by section 324A of the Energy Pol-
24 icy and Conservation Act (42 U.S.C.
25 6294a) or the WaterSense program under

1 section 324B of that Act (42 U.S.C.
2 6294b), or recognized or otherwise ap-
3 proved by the Environmental Protection
4 Agency as a Home Certification Organiza-
5 tion under either of those programs; or

6 (D) is a community development financial
7 institution, as defined in section 103 of the
8 Community Development Banking and Finan-
9 cial Institutions Act of 1994 (12 U.S.C. 4702).

10 (10) SECRETARY.—The term “Secretary”
11 means the Secretary of Housing and Urban Develop-
12 ment.

13 (11) SPECIFIED PROGRAM.—For purposes of
14 paragraph (3)(A)(ii), the term “specified program”
15 means any of the following:

16 (A) The Medicaid program established
17 under title XIX of the Social Security Act (42
18 U.S.C. 1396 et seq.).

19 (B) The State Children’s Health Insurance
20 Program established under title XXI of the So-
21 cial Security Act (42 U.S.C. 1397aa et seq.).

22 (C) The supplemental security income ben-
23 efits program established under title XVI of the
24 Social Security Act (42 U.S.C. 1381 et seq.).

1 (D) The supplemental nutrition assistance
2 program established under the Food and Nutri-
3 tion Act of 2008 (7 U.S.C. 2011 et seq.).

4 (E) The temporary assistance for needy
5 families program established under part A of
6 title IV of the Social Security Act (42 U.S.C.
7 601 et seq.).

8 (12) STATE.—The term “State” means—

9 (A) each State of the United States;

10 (B) the District of Columbia;

11 (C) the Commonwealth of Puerto Rico;

12 (D) any territory or possession of the
13 United States; and

14 (E) an Indian tribe.

15 (13) TRIBALLY DESIGNATED HOUSING ENTI-
16 TY.—The term “tribally designated housing entity”
17 has the meaning given the term in section 4 of the
18 Native American Housing Assistance and Self-De-
19 termination Act of 1996 (25 U.S.C. 4103).

20 (14) WHOLE-HOME REPAIRS.—The term
21 “whole-home repairs” means modifications, repairs,
22 or updates to homeowner or renter-occupied units to
23 address—

24 (A) physical and sensory accessibility for
25 individuals with disabilities and older adults,

1 such as bathroom and kitchen modifications, in-
2 stallation of grab bars and handrails, guards
3 and guardrails, lifting devices, ramp additions
4 or repairs, sidewalk addition or repair, or door-
5 way or hallway widening;

6 (B) habitability and safety concerns, such
7 as repairs needed to ensure residential units are
8 fit for human habitation and free from defective
9 conditions or health and safety hazards; or

10 (C) energy and water efficiency, resilience,
11 and weatherization.

12 (b) PILOT PROGRAM.—

13 (1) ESTABLISHMENT.—There is authorized a
14 pilot program to provide grants to implementing or-
15 ganizations to administer a whole-home repairs pro-
16 gram for eligible homeowners and eligible landlords.

17 (2) USE OF FUNDS.—An implementing organi-
18 zation that receives a grant from appropriated funds
19 made available for this subsection—

20 (A) shall provide grants to eligible home-
21 owners to implement whole-home repairs not
22 covered by other Federal home repair programs
23 up to a maximum amount per unit, which max-
24 imum amount should—

21

1 (i) reflect local construction costs and
2 the level of repairs needed in each unit;
3 and

4 (ii) be calculated and approved by the
5 Secretary;

6 (B) shall provide loans, which may be for-
7 givable, to eligible landlords to implement
8 whole-home repairs not covered by other Fed-
9 eral home repair programs for individual afford-
10 able units, public and common use areas within
11 the property, and common structural elements
12 up to a maximum amount per unit, area, or ele-
13 ment, as applicable, which maximum amount
14 should—

15 (i) reflect local construction costs; and

16 (ii) be calculated and approved by the
17 Secretary;

18 (C) shall evaluate, or provide assistance to
19 eligible homeowners and eligible landlords to
20 evaluate, whole-home repair program funds pro-
21 vided under this subsection with Federal, State,
22 Tribal, and local home repair programs to pro-
23 vide the greatest benefit to the greatest number
24 of eligible landlords and eligible homeowners

1 and avoid duplication of benefits and
2 redundancies for the same home repairs;

3 (D) shall require that—

4 (i) all repairs funded or facilitated
5 through an award under this subsection
6 have been completed;

7 (ii) if repairs are not completed and
8 the plan for whole-home repairs is not up-
9 dated to reflect the new scope of work,
10 that the loan or grant is repaid on a pro-
11 rated basis based on completed work; and

12 (iii) any unused grant or loan balance
13 is returned to the implementing organiza-
14 tion, and is reused by the implementing or-
15 ganization for a new whole-home repair
16 grant or loan under this subsection;

17 (E) may use not more than 5 percent of
18 the awarded funds to carry out related func-
19 tions, including workforce training for home re-
20 pair professions, which shall be related to ef-
21 forts to increase the number of home repairs
22 performed and approved by the Secretary;

23 (F) may use not more than 10 percent of
24 the awarded funds for administrative expenses;

1 (G) shall comply with Federal accessibility
2 requirements and standards under applicable
3 Federal fair housing and civil rights laws and
4 regulations, including section 504 of the Reha-
5 bilitation Act of 1973 (29 U.S.C. 794); and

6 (H) shall ensure that rental properties as-
7 sisted under subparagraph (B) shall be treated
8 as projects assisted under title I of the Housing
9 and Community Development Act of 1974 (42
10 U.S.C. 5301 et seq.).

11 (3) LOAN AGREEMENT.—In a loan agreement
12 with an eligible landlord under this subsection, an
13 implementing organization shall include provisions
14 establishing that the eligible landlord shall, for each
15 eligible rental property for which a loan is used to
16 fund repairs under this subsection—

17 (A) comply with Federal accessibility re-
18 quirements and standards under applicable
19 Federal fair housing and civil rights laws and
20 regulations, including section 504 of the Reha-
21 bilitation Act of 1973 (29 U.S.C. 794); and

22 (B)(i) if the landlord is renting the as-
23 sisted units available in the eligible rental prop-
24 erty to tenants receiving tenant-based rental as-
25 sistance under section 8(o) of the United States

1 Housing Act of 1937 (42 U.S.C. 1437f(o)),
2 under another tenant-based rental assistance
3 program administered by the Secretary or the
4 Secretary of Agriculture, or under a tenant-
5 based rental subsidy provided by a State or
6 local government, comply with the program re-
7 quirements under the relevant tenant-based
8 rental assistance program; or

9 (ii) if the eligible landlord is not renting to
10 tenants receiving rental-based assistance as de-
11 scribed in clause (i)—

12 (I)(aa) offer to extend the lease of
13 current tenants on current terms, other
14 than the terms described in subclause (iv)
15 for not less than 3 years beginning after
16 the completion of the repairs, unless the
17 lease is terminated due to failure to pay
18 rent, performance of an illegal act within
19 the rental unit, or a violation of an obliga-
20 tion of tenancy that the tenants failed to
21 correct after notice; and

22 (bb) if the tenant of an assisted unit
23 moves out of the assisted unit at any point
24 in the 3-year period following the loan
25 agreement, maintain the unit as an afford-

1 able unit for the remainder of the 3-year
2 period;

3 (II) provide documentation verifying
4 that the property, upon completion of ap-
5 proved renovations, has met all applicable
6 State and local housing and building codes;

7 (III) attest that the landlord has no
8 known serious violations of renter protec-
9 tions that have resulted in fines, penalties,
10 or judgments during the preceding 10
11 years; and

12 (IV) cap annual rent increases for
13 each assisted unit at 5 percent of base rent
14 or at the rate of inflation, whichever is
15 lower, for not less than 3 years beginning
16 after the completion of the repairs.

17 (4) APPLICATION.—

18 (A) IN GENERAL.—An implementing orga-
19 nization desiring an award under this sub-
20 section shall submit to the Secretary an applica-
21 tion that includes—

22 (i) the geographic scope of the whole-
23 home repairs program to be administered
24 by the implementing organization, includ-
25 ing the plan to address need in any rural,

1 Tribal, suburban, or urban area within a
2 jurisdiction;

3 (ii) a plan for selecting subrecipients,
4 if applicable;

5 (iii) a description of how the imple-
6 menting organization plans to execute the
7 coordination of Federal, State, Tribal, and
8 local home repair programs, including pro-
9 grams administered by the Department of
10 Energy, the Department of the Interior,
11 the Department of Veteran Affairs, or the
12 Department of Agriculture, to increase ef-
13 ficiency and reduce redundancy;

14 (iv) available data on the need for af-
15 fordable and quality housing within the ge-
16 ographic scope of the whole-home repairs
17 program, and any plans to preserve afford-
18 ability through the term of the award;

19 (v) a description of how the imple-
20 menting organization plans to process and
21 verify applications for grants from eligible
22 homeowners and applications for loans
23 from eligible landlords; and

24 (vi) such other information as the
25 Secretary requires to determine the ability

1 of an applicant to carry out a program
2 under this subsection.

3 (B) CONSIDERATIONS.—In making awards
4 under this subsection, the Secretary shall—

5 (i) with respect to applications sub-
6 mitted by States other than the District of
7 Columbia and the territories of the United
8 States, prioritize those applications with a
9 demonstrated plan to—

10 (I) make a good-faith effort to
11 implement the pilot program in every
12 jurisdiction; and

13 (II) provide non-metropolitan
14 areas, or subrecipients serving non-
15 metropolitan areas if applicable, with
16 a share of total funds commensurate
17 with their population;

18 (ii) aim to select applicants so that
19 the awardees collectively span diverse geog-
20 raphies, with an intent to understand the
21 impact of the pilot program under this
22 subsection in urban, suburban, rural, and
23 Tribal settings; and

24 (iii) not disqualify implementing orga-
25 nizations that were awarded grants under

1 the pilot program in prior application cy-
2 cles.

3 (5) PROGRAM INFORMATION.—The Secretary
4 shall make available to grant recipients under this
5 subsection information regarding existing Federal
6 programs for which grant recipients may coordinate
7 or provide assistance in coordinating applications for
8 those programs in accordance with paragraph
9 (2)(C).

10 (6) GRANT NUMBER.—In each year in which an
11 award is made under this subsection, the Secretary
12 shall award assistance to—

13 (A) not less than 2, and not more than 10,
14 implementing organizations, as application
15 numbers and funding permit; and

16 (B) not more than 1 implementing organi-
17 zation in any State.

18 (7) LOANS THAT ARE NOT FORGIVEN.—If a
19 loan made by an implementing organization under
20 paragraph (2)(B) is not forgiven, the loan repay-
21 ment funds shall be reused by the implementing or-
22 ganization for a new whole-home repair grant or
23 loan under this subsection, which shall remain sub-
24 ject to the original terms of the assistance awarded
25 under this subsection.

1 (8) SUPPLEMENT, NOT SUPPLANT.—Amounts
2 awarded under this subsection to implementing orga-
3 nizations shall supplement, not supplant, other Fed-
4 eral, State, Tribal, and local funds made available to
5 those entities.

6 (9) STREAMLINING PROGRAM DELIVERY AND
7 ENSURING EFFICIENCY.—To the extent possible, in
8 carrying out the pilot program under this subsection,
9 the Secretary shall—

10 (A) endeavor to improve efficiency of serv-
11 ice delivery, as well as the experience of and im-
12 pact on the taxpayer, by encouraging pro-
13 grammatic collaboration and information shar-
14 ing across Federal, State, Tribal, and local pro-
15 grams for home repair or improvement, includ-
16 ing programs administered by the Department
17 of Agriculture, the Department of the Interior,
18 the Department of Veterans Affairs, or the De-
19 partment of Energy; and

20 (B) enhance collaboration and cross-agency
21 streamlining efforts that reduce the burden of
22 multiple income verification processes and ap-
23 plications on the eligible homeowner, the eligible
24 landlord, the implementing organization, and
25 the Federal Government, including by estab-

1 (iv) the aggregated demographic data
2 of grant recipients, which may include data
3 on income range, urban, suburban, and
4 rural residency, age, and racial and ethnic
5 identity;

6 (v) the aggregated demographic data
7 of loan recipients, which may include data
8 on income range, urban, suburban, and
9 rural residency, age, and racial and ethnic
10 identity;

11 (vi) an affirmation that the implemen-
12 tation organization has complied with the
13 applicable regulations, including compli-
14 ance with Federal accessibility require-
15 ments;

16 (vii) in the first year of receiving a
17 grant, and as certified in subsequent re-
18 ports, a comprehensive plan to prevent
19 waste, fraud, and abuse in the administra-
20 tion of the pilot program, which shall in-
21 clude, at a minimum—

22 (I) a policy enacted and enforced
23 by the implementing organization to
24 monitor ongoing expenditures under

1 this subsection and ensure compliance
2 with applicable regulations;

3 (II) a policy enacted and en-
4 forced by the implementing organiza-
5 tion to detect and deter fraudulent ac-
6 tivity, including fraud occurring in in-
7 dividual projects and patterns of
8 fraud by parties involved in the ex-
9 penditure of funds under this sub-
10 section;

11 (III) a statement setting forth
12 any violations detected by the imple-
13 menting organization during the pre-
14 vious calendar year, including details
15 about steps taken to achieve compli-
16 ance and any remedial measures; and

17 (IV) a certification by the chief
18 executive or most senior compliance
19 officer of the organization that the or-
20 ganization maintains sufficient staff
21 and resources to effectively carry out
22 the above-mentioned policies; and

23 (viii) such other information as the
24 Secretary may require.

1 (B) REPORTING REQUIREMENT ALIGN-
2 MENT.—To limit the costs of implementing the
3 pilot program under this subsection, the Sec-
4 retary shall endeavor, to the extent possible, to
5 structure reporting requirements such that they
6 align with the data reporting requirements in
7 place for funding streams that implementing or-
8 ganizations are likely to use together with fund-
9 ing from this subsection, including the report-
10 ing requirements under—

11 (i) the Community Development Block
12 Grant program under title I of the Hous-
13 ing and Community Development Act of
14 1974 (42 U.S.C. 5301 et seq.);

15 (ii) the HOME Investment Partner-
16 ships program under subtitle A of title II
17 of the Cranston-Gonzalez National Afford-
18 able Housing Act (42 U.S.C. 12741 et
19 seq.);

20 (iii) the Weatherization Assistance
21 Program for low-income persons estab-
22 lished under part A of title IV of the En-
23 ergy Conservation and Production Act (42
24 U.S.C. 6861 et seq.); and

1 (iv) the Native American Housing As-
2 sistance and Self-Determination Act of
3 1996 (25 U.S.C. 4101 et seq.).

4 (C) PILOT PROGRAM PERIOD REPORTS.—
5 Not less frequently than twice during the period
6 in which the pilot program established under
7 this subsection operates, the Office of Inspector
8 General of the Department of Housing and
9 Urban Development shall complete an assess-
10 ment of the implementation of measures to en-
11 sure the fair and legitimate use of the pilot pro-
12 gram.

13 (D) SUMMARY TO CONGRESS.—The Sec-
14 retary shall submit to the Committee on Bank-
15 ing, Housing, and Urban Affairs of the Senate
16 and the Committee on Financial Services of the
17 House of Representatives an annual report pro-
18 viding a summary of the data provided under
19 subparagraphs (A) and (C) during the 1-year
20 period preceding the report and all data pre-
21 viously provided under those subparagraphs.

22 (11) ENVIRONMENTAL REVIEW.—A grant
23 under this subsection shall be—

24 (A) treated as assistance for a special
25 project for purposes of section 305(c) of the

1 Multifamily Housing Property Disposition Re-
2 form Act of 1994 (42 U.S.C. 3547); and

3 (B) subject to the regulations promulgated
4 by the Secretary to implement such section.

5 (12) TERMINATION.—The pilot program estab-
6 lished under this subsection shall terminate on Octo-
7 ber 1, 2031.

8 **SEC. 204. COMMUNITY INVESTMENT AND PROSPERITY ACT.**

9 (a) REVISED STATUTES.—The paragraph designated
10 as the “Eleventh” of section 5136 of the Revised Statutes
11 of the United States (12 U.S.C. 24) is amended, in the
12 fifth sentence, by striking “15” each place the term ap-
13 pears and inserting “20”.

14 (b) FEDERAL RESERVE ACT.—Section 9(23) of the
15 Federal Reserve Act (12 U.S.C. 338a) is amended, in the
16 fifth sentence, by striking “15” each place the term ap-
17 pears and inserting “20”.

18 **SEC. 205. BUILD NOW ACT.**

19 (a) DEFINITIONS.—In this section:

20 (1) COVERED RECIPIENT.—The term “covered
21 recipient” means a metropolitan city or urban coun-
22 ty, as those terms are defined in section 102 of the
23 Housing and Community Development Act of 1974
24 (42 U.S.C. 5302), that receives funds under section
25 106.

1 (2) CURRENT ANNUAL GROWTH RATE.—The
2 term “current annual growth rate”, with respect to
3 an eligible recipient and a fiscal year, means the av-
4 erage annual percentage increase in the number of
5 housing units in the jurisdiction of the eligible re-
6 cipient, as calculated by the Secretary, during the
7 period—

8 (A) beginning with the third quarter of the
9 sixth preceding fiscal year; and

10 (B) ending with the third quarter of the
11 preceding fiscal year.

12 (3) ELIGIBLE RECIPIENT.—The term “eligible
13 recipient” means any covered recipient unless—

14 (A)(i) the median Small Area Fair Market
15 Rent in the jurisdiction of the covered recipient
16 is at or below the 60th percentile of median
17 Small Area Fair Market Rents in the jurisdic-
18 tions of all covered recipients; and

19 (ii) the median home value in the jurisdic-
20 tion of the covered recipient is below the me-
21 dian home value for the United States;

22 (B) the annual rental vacancy rate in the
23 jurisdiction of the covered recipient is greater
24 than the national annual rental vacancy rate for

1 the most recent year available, as published by
2 the Bureau of the Census;

3 (C) during the 1-year period preceding the
4 date on which the Secretary allocates funds
5 under section 106, the jurisdiction of the cov-
6 ered recipient has been the subject of a major
7 disaster or emergency declaration under section
8 401 or 501, respectively, of the Robert T. Staf-
9 ford Disaster Relief and Emergency Assistance
10 Act (42 U.S.C. 5170, 5191); or

11 (D) the covered recipient lacks the legal
12 authority to enact or update zoning and permit-
13 ting ordinances.

14 (4) EXTREMELY HIGH-GROWTH RECIPIENT.—
15 The term “extremely high-growth recipient” means
16 an eligible recipient for which the current annual
17 growth rate is at or above 4 percent.

18 (5) HOUSING GROWTH IMPROVEMENT RATE.—
19 The term “housing growth improvement rate”, with
20 respect to an eligible recipient and a fiscal year,
21 means the quotient of—

22 (A)(i) the current annual growth rate of
23 the eligible recipient, minus

24 (ii) the prior annual growth rate of the eli-
25 gible recipient; and

1 (B) the sum obtained by adding the abso-
2 lute values of the current annual growth rate
3 and the prior annual growth rate of the eligible
4 recipient.

5 (6) PRIOR ANNUAL GROWTH RATE.—The term
6 “prior annual growth rate”, with respect to an eligi-
7 ble recipient and a fiscal year, means the average
8 annual percentage increase in the number of housing
9 units in the jurisdiction of the eligible recipient, as
10 calculated by the Secretary, during the period—

11 (A) beginning with the third quarter of the
12 11th preceding fiscal year; and

13 (B) ending with the third quarter of the
14 sixth preceding fiscal year.

15 (7) SECRETARY.—The term “Secretary” means
16 the Secretary of Housing and Urban Development.

17 (8) SECTION 106.—The term “section 106”
18 means section 106 of the Housing and Community
19 Development Act of 1974 (42 U.S.C. 5306).

20 (b) ADJUSTMENTS TO COMMUNITY DEVELOPMENT
21 BLOCK GRANT ALLOCATIONS.—

22 (1) IN GENERAL.—In allocating amounts to an
23 eligible recipient under section 106 for a fiscal year,
24 the Secretary shall adjust the allocation based on
25 the housing growth improvement rate of the eligible

1 recipient, in accordance with paragraph (2) of this
2 subsection.

3 (2) ADJUSTMENTS.—

4 (A) HOUSING GROWTH IMPROVEMENT
5 RATE AT OR ABOVE MEDIAN; EXTREMELY
6 HIGH-GROWTH RECIPIENTS.—

7 (i) IN GENERAL.—If, with respect to a
8 fiscal year for which the allocation under
9 section 106 is being determined, the hous-
10 ing growth improvement rate for an eligi-
11 ble recipient is at or above the median
12 housing growth improvement rate for all
13 eligible recipients other than extremely
14 high-growth recipients, or if an eligible re-
15 cipient is an extremely high-growth recipi-
16 ent, the Secretary shall allocate to the eli-
17 gible recipient for that fiscal year, in addi-
18 tion to the amount that would otherwise be
19 allocated to the eligible recipient under sec-
20 tion 106, a bonus amount, as determined
21 under clause (ii) of this subparagraph.

22 (ii) BONUS AMOUNT.—For purposes
23 of clause (i), the bonus amount for an eli-
24 gible recipient for a fiscal year shall be
25 equal to the product of—

1 (I) the aggregate amount by
2 which allocations to eligible recipients
3 are decreased under subparagraph (B)
4 for that fiscal year; and

5 (II) the quotient of—

6 (aa) the number of housing
7 units, as of the third quarter of
8 the preceding fiscal year, in the
9 jurisdiction of the eligible recipi-
10 ent, as calculated by the Sec-
11 retary; and

12 (bb) the number of housing
13 units, as of the third quarter of
14 the preceding fiscal year, in the
15 jurisdictions of all eligible recipi-
16 ents that receive a bonus amount
17 under this paragraph, as cal-
18 culated by the Secretary.

19 (B) HOUSING GROWTH IMPROVEMENT
20 RATE BELOW MEDIAN.—If, with respect to a
21 fiscal year for which the allocation under sec-
22 tion 106 is being determined, the housing
23 growth improvement rate for an eligible recipi-
24 ent is below the median housing growth im-
25 provement rate for all eligible recipients other

1 than high-growth outliers, the Secretary shall
2 decrease the amount that would otherwise be al-
3 located to the eligible recipient under section
4 106 for that fiscal year by 10 percent.

5 (c) CALCULATION OF HOUSING UNITS.—

6 (1) HOUSING AND URBAN DEVELOPMENT RE-
7 QUIREMENTS.—In calculating the number of housing
8 units in the jurisdiction of an eligible recipient under
9 any provision of this section, the Secretary shall—

10 (A) use the Current Address Count Listing
11 Files and other data products, as needed, of the
12 Bureau of the Census tabulated from the Mas-
13 ter Address File; and

14 (B) make calculations at the block level,
15 using boundaries that reflect the most current
16 boundaries.

17 (2) CENSUS BUREAU AND POSTAL SERVICE RE-
18 QUIREMENTS.—The Bureau of the Census and the
19 United States Postal Service shall provide any rel-
20 evant data to the Secretary upon request to assist
21 the Secretary in making a calculation described in
22 paragraph (1).

23 (3) ADJUSTMENT OF CALCULATION PERIODS.—
24 The Secretary may adjust the calculation periods
25 under subparagraphs (A) and (B) of subsection

1 (a)(2), subparagraphs (A) and (B) of subsection
2 (a)(6), and items (aa) and (bb) of subsection
3 (b)(2)(A)(ii)(II) by not more than 2 months to
4 achieve alignment with the data provided by the Bu-
5 reau of the Census.

6 (d) ANNUAL REPORT ON HOUSING GROWTH IM-
7 PROVEMENT RATE.—Before allocating funds under sec-
8 tion 106 for a fiscal year, the Secretary shall publish a
9 report that—

10 (1) includes the housing growth improvement
11 rate for each eligible recipient; and

12 (2) lists, for the most recent fiscal year for
13 which allocations were made under section 106—

14 (A) the eligible recipients that received a
15 bonus amount under subsection (b)(2)(A); and

16 (B) the eligible recipients for which the al-
17 location under section 106 was decreased under
18 subsection (b)(2)(B) of this section.

19 (e) NOTIFICATION; IMPLEMENTATION DATES.—

20 (1) NOTIFICATION.—

21 (A) IN GENERAL.—Not later than 60 days
22 after the date of enactment of this Act, the Sec-
23 retary shall notify each eligible recipient of the
24 recipient's housing growth improvement rate
25 and whether that housing growth improvement

1 rate is above, at, or below the median housing
2 growth improvement rate for all eligible recipi-
3 ents other than extremely high-growth recipi-
4 ents.

5 (B) GUIDANCE.—As part of the notifica-
6 tion under subparagraph (A), the Secretary
7 shall share guidance, including resources devel-
8 oped by the Department of Housing and Urban
9 Development, on best practices and rec-
10 ommendations for policies to reduce regulatory
11 barriers to housing and increase housing sup-
12 ply.

13 (2) IMPLEMENTATION DATES.—Subsection (b)
14 shall take effect beginning with the third full fiscal
15 year after the date of enactment of this Act and re-
16 main in effect through fiscal year 2043.

17 (3) NO EFFECT ON PREVIOUS APPROPRIA-
18 TIONS.—This section shall not apply to amounts ap-
19 propriated before the date of enactment of this Act.

20 **SEC. 206. ADDITION OF AFFORDABLE HOUSING CONSTRUC-**
21 **TION AS AN ELIGIBLE ACTIVITY.**

22 (a) ELIGIBLE ACTIVITY.—Section 105(a) of the
23 Housing and Community Development Act of 1974 (42
24 U.S.C. 5305(a)) is amended—

1 (1) in paragraph (25)(D), by striking “and” at
2 the end;

3 (2) in paragraph (26), by striking the period at
4 the end and inserting “; and”; and

5 (3) by adding at the end the following:

6 “(27) the new construction of affordable hous-
7 ing, within the meaning given such term under sec-
8 tion 215 of the Cranston-Gonzalez National Afford-
9 able Housing Act (42 U.S.C. 12745), and which
10 shall not exceed 20 percent of the amounts allocated
11 to the recipient.”.

12 (b) **LOW- AND MODERATE-INCOME REQUIREMENT.**—
13 Section 105(c)(3) of the Housing and Community Devel-
14 opment Act of 1974 (42 U.S.C. 5305(c)(3)) is amended
15 by striking “or rehabilitation” and inserting “, rehabilita-
16 tion, or new construction”.

17 (c) **APPLICABILITY.**—The amendments made by this
18 section shall apply with respect only to amounts appro-
19 priated after the date of enactment of this Act.

20 **SEC. 207. BETTER USE OF INTERGOVERNMENTAL AND**
21 **LOCAL DEVELOPMENT (BUILD) HOUSING**
22 **ACT.**

23 (a) **DESIGNATION OF ENVIRONMENTAL REVIEW**
24 **PROCEDURE.**—The Department of Housing and Urban

1 (1) by striking “State or unit of general local
2 government” each place it appears and inserting
3 “State, Indian tribe, or unit of general local govern-
4 ment”;

5 (2) in paragraph (1)(C), in the heading, by
6 striking “STATE OR UNIT OF GENERAL LOCAL GOV-
7 ERNMENT” and inserting “STATE, INDIAN TRIBE, OR
8 UNIT OF GENERAL LOCAL GOVERNMENT”; and

9 (3) by adding at the end the following:

10 “(5) DEFINITION OF INDIAN TRIBE.—For pur-
11 poses of this subsection, the term ‘Indian tribe’
12 means a federally recognized tribe, as defined in sec-
13 tion 4(13)(B) of the Native American Housing As-
14 sistance and Self-Determination Act of 1996 (25
15 U.S.C. 4103(13)(B)).”.

16 (c) IMPLEMENTATION.—

17 (1) IN GENERAL.—Except as provided in para-
18 graph (2), a designation of assistance under section
19 13 of the Department of Housing and Urban Devel-
20 opment Act, as added by subsection (a), shall only
21 apply with respect to funds appropriated after the
22 date of enactment of this Act.

23 (2) EXCEPTION.—If a grantee of assistance ad-
24 ministered by the Secretary of Housing and Urban
25 Development combines funds appropriated before

1 and after the date of enactment of this Act to carry
2 out a project, section 13 of the Department of and
3 Urban Development Act, as added by subsection (a),
4 shall not apply to that assistance.

5 **SEC. 208. UNLOCKING HOUSING SUPPLY THROUGH**
6 **STREAMLINED AND MODERNIZED REVIEWS**
7 **ACT.**

8 (a) DEFINITIONS.—In this section:

9 (1) INFILL PROJECT.—The term “infill project”
10 means a project that—

11 (A) occurs within the geographic limits of
12 a municipality;

13 (B) is adequately served by existing utili-
14 ties and public services as required under appli-
15 cable law;

16 (C) is located on a site of previously dis-
17 turbed land of not more than 5 acres and sub-
18 stantially surrounded by residential or commer-
19 cial development;

20 (D) will repurpose a vacant or underuti-
21 lized parcel of land, or a dilapidated or aban-
22 doned structure; and

23 (E) will serve a residential or commercial
24 purpose.

1 (2) SECRETARY.—The term “Secretary” means
2 the Secretary of Housing and Urban Development.

3 (b) NEPA STREAMLINING FOR HUD HOUSING-RE-
4 LATED ACTIVITIES.—

5 (1) IN GENERAL.—The Secretary shall, in ac-
6 cordance with section 553 of title 5, United States
7 Code, and section 103 of the National Environ-
8 mental Policy Act of 1969 (42 U.S.C. 4333), expand
9 and reclassify housing-related activities under the
10 necessary administrative regulations as follows:

11 (A) The following housing-related activities
12 shall be subject to regulations equivalent or
13 substantially similar to the regulations entitled
14 “exempt activities” as set forth in section 58.34
15 of title 24, Code of Federal Regulations, as in
16 effect on January 1, 2025:

17 (i) Tenant-based rental assistance.

18 (ii) Supportive services, including
19 health care, housing services, permanent
20 housing placement, day care, nutritional
21 services, short-term payments for rent,
22 mortgage, or utility costs, and assistance
23 in gaining access to Federal Government
24 and State and local government benefits
25 and services.

1 (iii) Operating costs, including main-
2 tenance, security, operation, utilities, fur-
3 nishings, equipment, supplies, staff train-
4 ing, and recruitment and other incidental
5 costs.

6 (iv) Economic development activities,
7 including equipment purchases, inventory
8 financing, interest subsidies, operating ex-
9 penses, and similar costs not associated
10 with construction or expansion of existing
11 operations.

12 (v) Activities to assist homebuyers in
13 the purchase of existing dwelling units or
14 dwelling units under construction, includ-
15 ing closing costs and down payment assist-
16 ance, interest rate buydowns, and similar
17 activities that result in the transfer of title.

18 (vi) Affordable housing pre-develop-
19 ment costs related to obtaining site op-
20 tions, project financing, administrative
21 costs and fees for loan commitment, zoning
22 approvals, and other related activities that
23 do not have a physical impact.

24 (vii) Approval of supplemental assist-
25 ance, including insurance or guarantee, to

1 a project previously approved by the Sec-
2 retary.

3 (viii) Emergency homeowner or renter
4 assistance for the repair or replacement of
5 HVAC, hot water heaters, and other nec-
6 essary existing utilities required under ap-
7 plicable law.

8 (B) The following housing-related activities
9 shall be subject to regulations equivalent or
10 substantially similar to the regulations entitled,
11 (i) “categorical exclusions not subject to section
12 58.5” and (ii) “categorical exclusions not sub-
13 ject to the Federal laws and authorities cited in
14 section 50.4” in section 58.35(b) and section
15 50.19, respectively of title 24, Code of Federal
16 Regulations, as in effect on January 1, 2025, if
17 such activities do not materially alter environ-
18 mental conditions and do not materially exceed
19 the original scope of the project:

20 (i) Acquisition, repair, improvement,
21 reconstruction, or rehabilitation of public
22 facilities and improvements (other than
23 buildings) if the facilities and improve-
24 ments are in place and will be retained in
25 the same use without change in size or ca-

1 capacity of more than 20 percent, including
2 replacement of water or sewer lines, recon-
3 struction of curbs and sidewalks, and re-
4 paving of streets.

5 (ii) Rehabilitation of 1-to-4 unit resi-
6 dential buildings, and existing housing-re-
7 lated infrastructure, such as repairs or re-
8 habilitation of existing wells, septic, or
9 utility lines that connect to that housing.

10 (iii) New construction, development,
11 demolition, acquisition, or disposition of up
12 to 4 scattered site existing dwelling units
13 where there is a maximum of 4 units on
14 any 1 site.

15 (iv) Acquisitions (including leasing)
16 of, disposition of, or equity loans on an ex-
17 isting structure, or acquisition (including
18 leasing) of vacant land if the structure or
19 land acquired, financed, or disposed of will
20 be retained for the same use.

21 (C) The following housing-related activities
22 shall be subject to regulations equivalent or
23 substantially similar to the regulations entitled,

24 (i) “categorical exclusions subject to section
25 58.5” and (ii) “categorical exclusions subject to

1 the Federal laws and authorities cited in section
2 50.4” in section 58.35(a) and section 50.20, re-
3 spectively, of title 24, Code of Federal Regula-
4 tions, as in effect on January 1, 2025, if such
5 activities do not materially alter environmental
6 conditions and do not materially exceed the
7 original scope of the project:

8 (i) Acquisitions of open space or resi-
9 dential property, where such property will
10 be retained for the same use or will be con-
11 verted to open space to help residents relo-
12 cate out of an area designated as a high-
13 risk area by the Secretary.

14 (ii) Conversion of existing office build-
15 ings into residential development, subject
16 to—

17 (I) a maximum number of units
18 to be determined by the Secretary;
19 and

20 (II) a limitation on the change in
21 building size of not more than 20 per-
22 cent.

23 (iii) New construction, development,
24 demolition, acquisition, or disposition of 5
25 to 15 dwelling units where there is a max-

1 imum of 15 units on any 1 site. The units
2 can be 15 1-unit buildings or 1 15-unit
3 building, or any combination in between.

4 (iv) New construction, development,
5 demolition, acquisition, or disposition of 15
6 or more housing units developed on scat-
7 tered sites when there are not more than
8 15 housing units on any 1 site, and the
9 sites are more than a set number of feet
10 apart as determined by the Secretary.

11 (v) Rehabilitation of buildings and im-
12 provements in the case of a building for
13 residential use with 5 to 15 units, if the
14 density is not increased beyond 15 units
15 and the land use is not changed.

16 (vi) Infill projects consisting of new
17 construction, rehabilitation, or development
18 of residential housing units.

19 (vii) The voluntary acquisition of
20 properties—

21 (I) located in—

22 (aa) a floodway;

23 (bb) a floodplain; or

24 (cc) any other area, clearly

25 delineated by the grantee; and

1 (II) that have been impacted by a
2 predictable environmental threat to
3 the safety and well-being of program
4 beneficiaries caused or exacerbated by
5 a federally declared disaster.

6 (c) IMPLEMENTATION.—For purposes of imple-
7 menting the streamlining of environmental review for
8 housing-related activities under subsection (b), the agency
9 actions carried out under that subsection—

10 (1) shall only apply with respect to funds ap-
11 propriated after the effective date of those actions;
12 and

13 (2) shall not apply with respect to a grantee
14 that combines funds appropriated before and after
15 the effective date of those actions to carry out a
16 project.

17 (d) REPORT.—The Secretary shall submit to the
18 Committee on Banking, Housing, and Urban Affairs of
19 the Senate and the Committee on Financial Services of
20 the House of Representatives an annual report during the
21 5-year period beginning on the date that is 2 years after
22 the date of enactment of this Act that provides a summary
23 of findings of reductions in review times and administra-
24 tive cost reduction, with a particular focus on the afford-
25 able housing sector, as a result of the actions set forth

1 in this section, and any recommendations of the Secretary
2 for future congressional action with respect to revising
3 categorical exclusions or exemptions under title 24, Code
4 of Federal Regulations.

5 **SEC. 209. GRANTS FOR PLANNING AND IMPLEMENTATION**
6 **ASSOCIATED WITH AFFORDABLE HOUSING.**

7 (a) DEFINITIONS.—In this section:

8 (1) ELIGIBLE ENTITY.—The term “eligible enti-
9 ty” means—

10 (A) a State, insular area, metropolitan
11 city, or urban county, as those terms are de-
12 fined in section 102 of the Housing and Com-
13 munity Development Act of 1974 (42 U.S.C.
14 5302); or

15 (B) a regional planning agency or con-
16 sortia of regional planning agencies.

17 (2) HOUSING PLAN.—The term “housing plan”
18 means a plan to, with respect to an area within the
19 jurisdiction of an eligible entity—

20 (A) increase the amount of available hous-
21 ing to meet the demand for such housing and
22 any projected increase in the demand for such
23 housing;

24 (B) increase the affordability of housing;

1 (C) increase the accessibility of housing for
2 people with disabilities, including location-effi-
3 cient housing;

4 (D) preserve or improve the quality of
5 housing;

6 (E) reduce barriers to housing develop-
7 ment; and

8 (F) coordinate with transportation-related
9 agencies.

10 (3) HOUSING STRATEGY.—The term “housing
11 strategy” means a housing strategy required under
12 section 105 of the Cranston-Gonzalez National Af-
13 fordable Housing Act (42 U.S.C. 12705).

14 (4) SECRETARY.—The term “Secretary” means
15 the Secretary of Housing and Urban Development.

16 (b) ESTABLISHMENT.—Not later than 1 year after
17 the date of enactment of this Act, the Secretary shall es-
18 tablish a program to award grants on a competitive basis
19 to eligible entities to assist planning and implementation
20 activities associated with affordable housing, except that
21 such grant awards may not be used for construction, alter-
22 ation, or repair work.

23 (c) USE OF AMOUNTS.—

24 (1) BY REGIONAL PLANNING AGENCIES.—If an
25 eligible entity that receives amounts under this sec-

1 tion is an eligible entity described in subsection
2 (a)(1)(B), the eligible entity shall use those amounts
3 to assist planning activities with respect to afford-
4 able housing, including—

5 (A) the development of housing plans;

6 (B) the substantial improvement of State
7 or local housing strategies;

8 (C) the development of new regulatory re-
9 quirements and processes;

10 (D) updating zoning codes;

11 (E) increasing the capacity to conduct
12 housing inspections;

13 (F) increasing the capacity to reduce bar-
14 riers to housing supply elasticity and housing
15 affordability;

16 (G) the development of local or regional
17 plans for community development; and

18 (H) the substantial improvement of com-
19 munity development strategies, including strate-
20 gies designed to—

21 (i) increase the availability of afford-
22 able housing and access to affordable hous-
23 ing;

24 (ii) increase access to public transpor-
25 tation; and

1 (iii) advance sustainable or location-
2 efficient community development goals.

3 (2) BY STATES, INSULAR AREAS, METROPOLI-
4 TAN CITIES, AND URBAN COUNTIES.—If an eligible
5 entity that receives amounts under this section is an
6 eligible entity described in subsection (a)(1)(A), the
7 eligible entity shall use those amounts to—

8 (A) implement and administer housing
9 strategies and housing plans;

10 (B) implement and administer any plans to
11 increase housing choice, address disparities in
12 housing needs, and provide greater access to
13 opportunity;

14 (C) fund any community investments that
15 support goals identified in a housing strategy or
16 housing plan;

17 (D) implement and administer regulatory
18 requirements and processes with respect to re-
19 formed zoning codes;

20 (E) increase the capacity to conduct hous-
21 ing inspections;

22 (F) increase the capacity to reduce bar-
23 riers to housing supply elasticity and housing
24 affordability;

1 (G) implement and administer local or re-
2 gional plans for community development; and

3 (H) fund any planning to increase—

4 (i) the availability of affordable hous-
5 ing and access to affordable housing;

6 (ii) access to public transportation;

7 and

8 (iii) any location-efficient community
9 development goals.

10 (3) USE FOR ADMINISTRATIVE COSTS.—A eligi-
11 ble entity that receives amounts under this section
12 may not use more than 10 percent of those amounts
13 for administrative costs.

14 (d) COORDINATION.—To the extent practicable, the
15 Secretary shall coordinate with the Administrator of the
16 Federal Transit Administration in carrying out this sec-
17 tion.

18 (e) EXPIRATION OF AUTHORITY.—After the expira-
19 tion of the 5-year period beginning on the date of enact-
20 ment of this Act, the Secretary may not newly establish
21 a program as described in this section.

22 (f) SUNSET.—The program established under this
23 section shall terminate on the date that is 5 years after
24 the date of enactment of this Act.

1 **SEC. 210. INNOVATION FUND.**

2 (a) DEFINITIONS.—In this section:

3 (1) ATTAINABLE HOUSING.—The term “attain-
4 able housing” means housing that serves households
5 earning not more than 120 percent of the area me-
6 dian income, if the majority of the housing units are
7 affordable to households earning not more than 60
8 percent of the area median income.

9 (2) ELIGIBLE ENTITY.—The term “eligible enti-
10 ty” means—

11 (A) a metropolitan city or urban county, as
12 those terms are defined in section 102 of the
13 Housing and Community Development Act of
14 1974 (42 U.S.C. 5302), that has demonstrated
15 an objective improvement in housing supply
16 growth, as determined by the Secretary, whose
17 methodology for determining such growth is
18 published in the Federal Register to allow for
19 public comment not less than 90 days before
20 the date on which the notice of funding oppor-
21 tunity is made available; or

22 (B) a unit of general local government or
23 an Indian tribe, as those terms are defined in
24 section 102 of the Housing and Community De-
25 velopment Act of 1974 (42 U.S.C. 5302), that
26 has demonstrated an objective improvement in

1 housing supply growth, as determined by the
2 Secretary, whose methodology for determining
3 such improvement is published in the Federal
4 Register to allow for public comment not less
5 than 90 days before the date on which the no-
6 tice of funding opportunity is made available.

7 (3) SECRETARY.—The term “Secretary” means
8 the Secretary of Housing and Urban Development.

9 (b) ESTABLISHMENT OF A GRANT PROGRAM.—

10 (1) ESTABLISHMENT.—Not later than 1 year
11 after the date of enactment of this Act, the Sec-
12 retary shall establish a program to award grants on
13 a competitive basis to eligible entities that have in-
14 creased their local housing supply.

15 (2) LIST OF ELIGIBLE ENTITIES.—The Sec-
16 retary shall make a list of eligible entities publicly
17 available on the website of the Department of Hous-
18 ing and Urban Development.

19 (3) ELIGIBLE PURPOSES.—An eligible entity re-
20 ceiving a grant under this section may use funds
21 to—

22 (A) carry out any of the activities de-
23 scribed in section 105 of the Housing and Com-
24 munity Development Act of 1974 (42 U.S.C.
25 5305);

1 (B) carry out any of the activities per-
2 mitted under the Local and Regional Project
3 Assistance Program established under section
4 6702 of title 49, United States Code; and

5 (C) carry out initiatives of the eligible enti-
6 ty that facilitate the expansion of the supply of
7 attainable housing and that supplement initia-
8 tives the eligible entity has carried out, or is in
9 the process of carrying out, as specified in the
10 application submitted under paragraph (4).

11 (4) APPLICATION.—

12 (A) IN GENERAL.—An eligible entity seek-
13 ing a grant under this section shall submit to
14 the Secretary an application that provides—

15 (i) a description of each purpose for
16 which the eligible entity will use the grant,
17 and an attestation that the grant will be
18 used only for 1 or more eligible purposes
19 described in paragraph (3);

20 (ii) data on characteristics of in-
21 creased housing supply during the 3-year
22 period ending on the date on which the ap-
23 plication is submitted, which may include
24 whether such housing—

1 (I) serves households at a range
2 of income levels; and

3 (II) has improved the quality and
4 affordability of housing in the juris-
5 diction of the eligible entity;

6 (iii) a description of how each eligible
7 purpose described in clause (i) may ad-
8 dress a community need or advance an ob-
9 jective, or an aspect of an objective, in-
10 cluded in the comprehensive housing af-
11 fordability strategy and community devel-
12 opment plan of the eligible entity under
13 part 91 of title 24, Code of Federal Regu-
14 lations, or any successor regulation (com-
15 monly referred to as a “consolidated
16 plan”); and

17 (iv) a description of how the eligible
18 entity has carried out, or is in the process
19 of carrying out, initiatives that facilitate
20 the expansion of the supply of housing.

21 (B) INITIATIVES.—Initiatives that meet
22 the criteria described in paragraph (3)(D) in-
23 clude, but shall not be limited to—

- 1 (i) increasing by-right uses, including
2 duplex, triplex, quadplex, and multifamily
3 buildings, in areas of opportunity;
- 4 (ii) revising or eliminating off-street
5 parking requirements to reduce the cost of
6 housing production;
- 7 (iii) revising minimum lot size require-
8 ments, floor area ratio requirements, set-
9 back requirements, building heights, and
10 bans or limits on construction that allow
11 for denser and more affordable develop-
12 ment;
- 13 (iv) instituting incentives to promote
14 dense development for communities where
15 increased density is needed;
- 16 (v) passing zoning overlays or other
17 ordinances that enable the development of
18 mixed-income housing;
- 19 (vi) streamlining regulatory require-
20 ments and shortening processes, increasing
21 code enforcement and permitting capacity,
22 reforming zoning codes, or other initiatives
23 that reduce barriers to increasing housing
24 supply and affordability;

1 (vii) eliminating restrictions against
2 accessory dwelling units and expanding
3 their by-right use;

4 (viii) using local tax incentives or pub-
5 lic financing to promote development of at-
6 tainable housing;

7 (ix) streamlining environmental regu-
8 lations;

9 (x) eliminating unnecessary manufac-
10 tured-housing regulations and restrictions;

11 (xi) minimizing the impact of over-
12 burdensome energy and water efficiency
13 standards on housing costs; and

14 (xii) other activities that reduce the
15 cost of construction, as determined by the
16 Secretary.

17 (5) GRANTS.—

18 (A) IN GENERAL.—The Secretary shall
19 make not fewer than 25 grants on an annual
20 basis (unless amounts appropriated to provide
21 grant amounts consistent with subsection (b)
22 are insufficient, in which case fewer grants may
23 be awarded), with strong consideration of dif-
24 ferent geographical areas and a relatively even

1 spread of rural, suburban, and urban commu-
2 nities.

3 (B) LIMITATIONS ON AWARDS.—No grant
4 awarded under this paragraph may be—

5 (i) more than \$10,000,000; or

6 (ii) less than \$250,000.

7 (C) PRIORITY.—When awarding grants
8 under this paragraph, the Secretary shall give
9 priority to an eligible entity that has—

10 (i) demonstrated the use of innovative
11 policies, interventions, or programs for in-
12 creasing housing supply; and

13 (ii) demonstrated a marked improve-
14 ment in housing supply growth, as needed.

15 (D) GRANT ADMINISTRATION AND
16 TERMS.—Projects assisted under this section
17 for activities described in sector 23 of the North
18 American Industry Classification System shall
19 be treated as projects assisted under the Com-
20 munity Development Block Grant program
21 under title I of the Housing and Community
22 Development Act of 1974 (42 U.S.C. 5301 et
23 seq.).

24 (c) RULES OF CONSTRUCTION.—Nothing in this sec-
25 tion shall be construed—

1 (1) to authorize the Secretary to mandate, su-
2 persede, or preempt any local zoning or land use pol-
3 icy; or

4 (2) to affect the requirements of section
5 105(c)(1) of the Cranston-Gonzalez National Afford-
6 able Housing Act (42 U.S.C. 12705(c)(1)).

7 (d) AUTHORIZATION OF APPROPRIATIONS.—

8 (1) IN GENERAL.—There is authorized to be
9 appropriated to carry out this section \$200,000,000
10 for each of fiscal years 2027 through 2031.

11 (2) ADJUSTMENT.—The amount authorized to
12 be appropriated under paragraph (1) shall be ad-
13 justed for inflation based on the Consumer Price
14 Index for all Urban Customers published by the Bu-
15 reau of Labor Statistics of the Department of
16 Labor.

17 **SEC. 211. ACCELERATING HOME BUILDING ACT.**

18 (a) DEFINITIONS.—In this section:

19 (1) AFFORDABLE HOUSING.—The term “afford-
20 able housing” means housing for which the total
21 monthly housing cost payment is not more than 30
22 percent of the monthly household income for a
23 household earning not more than 80 percent of the
24 area median income.

1 (2) COVERED STRUCTURE.—The term “covered
2 structure” means—

3 (A) a low-rise or mid-rise structure with
4 not more than 25 dwelling units; and

5 (B) includes—

6 (i) an accessory dwelling unit;

7 (ii) infill development;

8 (iii) a duplex;

9 (iv) a triplex;

10 (v) a fourplex;

11 (vi) a cottage court;

12 (vii) a courtyard building;

13 (viii) a townhouse;

14 (ix) a multiplex; and

15 (x) any other structure with not less
16 than 2 dwelling units that the Secretary
17 considers appropriate.

18 (3) ELIGIBLE ENTITY.—The term “eligible enti-
19 ty” means—

20 (A) a unit of general local government, as
21 defined in section 102(a) of the Housing and
22 Community Development Act of 1974 (42
23 U.S.C. 5302(a));

24 (B) a municipal membership organization;
25 and

1 (C) an Indian tribe, as defined in section
2 102(a) of the Housing and Community Devel-
3 opment Act of 1974 (42 U.S.C. 5302(a)).

4 (4) HIGH OPPORTUNITY AREA.—The term
5 “high opportunity area” has the meaning given the
6 term in section 1282.1 of title 12, Code of Federal
7 Regulations, or any successor regulation.

8 (5) INFILL DEVELOPMENT.—The term “infill
9 development” means residential development on
10 small parcels in previously established areas for re-
11 placement with new or refurbished housing that uti-
12 lizes existing utilities and infrastructure.

13 (6) MIXED-INCOME HOUSING.—The term
14 “mixed-income housing” means a housing develop-
15 ment that is comprised of housing units that pro-
16 mote differing levels of affordability in the commu-
17 nity.

18 (7) PRE-REVIEWED DESIGNS.—The term “pre-
19 reviewed designs”, also known as pattern books,
20 means sets of construction plans that are assessed
21 and approved by localities for compliance with local
22 building and permitting standards to streamline and
23 expedite approval pathways for housing construction.

1 (8) RURAL AREA.—The term “rural area”
2 means any area other than a city or town that has
3 a population of less than 50,000 inhabitants.

4 (9) SECRETARY.—The term “Secretary” means
5 the Secretary of Housing and Urban Development.

6 (b) AUTHORITY.—The Secretary is authorized to
7 award grants to eligible entities utilizing funds appro-
8 priated for such purpose to select pre-reviewed designs of
9 covered structures of mixed-income housing for use in the
10 jurisdiction of the eligible entity, except that such grant
11 awards may not be used for construction, alteration, or
12 repair work.

13 (c) CONSIDERATIONS.—In reviewing applications
14 submitted by eligible entities for a grant under this sec-
15 tion, the Secretary shall consider—

16 (1) the need for affordable housing in the serv-
17 ice area of the eligible entity;

18 (2) the presence of high opportunity areas in
19 the jurisdiction of the eligible entity;

20 (3) coordination between the eligible entity and
21 a State agency; and

22 (4) coordination between the eligible entity and
23 State, local, and regional transportation planning
24 authorities.

1 (d) SET-ASIDE FOR RURAL AREAS.—Of the amount
2 made available in each fiscal year for grants under this
3 section, the Secretary shall ensure that not less than 10
4 percent shall be used for grants to eligible entities that
5 are located in rural areas.

6 (e) REPORTS.—The Secretary shall require eligible
7 entities receiving grants under this section to report on—

8 (1) the impacts of the activities carried out
9 using the grant amounts in improving the produc-
10 tion and supply of affordable housing;

11 (2) the pre-reviewed designs selected using the
12 grant amounts in their communities;

13 (3) the number of permits issued for housing
14 development utilizing pre-reviewed designs; and

15 (4) the number of housing units produced in
16 developments utilizing the pre-reviewed designs.

17 (f) AVAILABILITY OF INFORMATION.—The Secretary
18 shall—

19 (1) to the extent possible, encourage localities
20 to make publicly available through a website infor-
21 mation on the pre-reviewed designs selected and sub-
22 mitted to the Secretary by eligible entities receiving
23 grants under this section, including information on
24 the benefits of use of those designs; and

1 “(1) ATTAINABLE HOUSING.—The term ‘attain-
2 able housing’ means housing that serves households
3 earning not more than 120 percent of the area me-
4 dian income, if the majority of the housing units are
5 affordable to households earning not more than 60
6 percent of the area median income.

7 “(2) CONVERTED HOUSING UNIT.—The term
8 ‘converted housing unit’ means a housing unit that
9 is created using a covered grant.

10 “(3) COVERED GRANT.—The term ‘covered
11 grant’ means a grant awarded under the Pilot Pro-
12 gram.

13 “(4) ELIGIBLE ENTITY.—The term ‘eligible en-
14 tity’ means a participating jurisdiction.

15 “(5) PILOT PROGRAM.—The term ‘Pilot Pro-
16 gram’ means the pilot program established under
17 subsection (b).

18 “(6) VACANT AND ABANDONED BUILDING.—
19 The term ‘vacant and abandoned building’ means a
20 property—

21 “(A) that was constructed for use as a
22 warehouse, factory, mall, strip mall, or hotel, or
23 for another industrial or commercial use; and

24 “(B)(i) with respect to which—

1 “(I) a code enforcement inspection
2 has determined that the property is not
3 safe; and

4 “(II) not less than 90 days have
5 elapsed since the owner was notified of the
6 deficiencies in the property and the owner
7 has taken no corrective action; or

8 “(ii) that is subject to a court-ordered re-
9 ceivership or nuisance abatement related to
10 abandonment pursuant to State or local law or
11 otherwise meets the definition of an abandoned
12 property under State law.

13 “(b) PURPOSE OF GRANT PROGRAM.—Subject to the
14 availability of funds appropriated for this subsection, the
15 Secretary is authorized to establish a pilot program, span-
16 ning from fiscal years 2027 through 2031, which shall
17 have the purpose of awarding grants on a competitive
18 basis to eligible entities to convert vacant and abandoned
19 buildings into attainable housing.

20 “(c) AMOUNT OF GRANT.—

21 “(1) IN GENERAL.—For any fiscal year for
22 which not less than \$100,000,000 is made available
23 to carry out the Pilot Program, the amount of a cov-
24 ered grant shall be not less than \$1,000,000 and not
25 more than \$10,000,000.

1 “(2) FISCAL YEARS WITH LOWER FUNDING.—
2 For any fiscal year for which less than
3 \$100,000,000 is made available to carry out the
4 Pilot Program pursuant to subsection (b), the Sec-
5 retary shall seek to maximize the number of covered
6 grants awarded.

7 “(d) RELATION TO FORMULA ALLOCATION.—A cov-
8 ered grant awarded to an eligible entity shall be in addi-
9 tion to, and shall not affect, the formula allocation for the
10 eligible entity under section 217.

11 “(e) PRIORITY.—In awarding covered grants, the
12 Secretary shall give priority to an eligible entity that—

13 “(1) will use the covered grant in a community
14 that is experiencing economic distress;

15 “(2) will use the covered grant in a qualified
16 opportunity zone (as defined in section 1400Z–1(a)
17 of the Internal Revenue Code of 1986);

18 “(3) will use the covered grant to construct
19 housing that will serve a need identified in the com-
20 prehensive housing affordability strategy and com-
21 munity development plan of the eligible entity under
22 part 91 of title 24, Code of Federal Regulations, or
23 any successor regulation (commonly referred to as a
24 ‘consolidated plan’); or

1 “(4) has enacted ordinances to reduce regu-
2 latory barriers to conversion of vacant and aban-
3 doned buildings to housing, which shall not include
4 any alteration of an ordinance that governs safety
5 and habitability.

6 “(f) USE OF FUNDS.—An eligible entity may use a
7 covered grant for—

8 “(1) property acquisition;

9 “(2) demolition;

10 “(3) health hazard remediation;

11 “(4) site preparation;

12 “(5) construction, renovation, or rehabilitation;

13 or

14 “(6) the establishment, maintenance, or expan-
15 sion of community land trusts.

16 “(g) WAIVER AUTHORITY.—In administering covered
17 grants, the Secretary may waive, or specify alternative re-
18 quirements for, any statute or regulation that the Sec-
19 retary administers in connection with the obligation by the
20 Secretary or the use by eligible entities of covered grant
21 funds (except for requirements related to fair housing,
22 nondiscrimination, labor standards, or the environment)
23 if the Secretary makes a public finding that good cause
24 exists for the waiver or alternative requirement.

1 “(h) STUDY; REPORT.—Not later than 180 days
2 after the termination of the Pilot Program, the Secretary
3 shall study and submit to Congress a report on the impact
4 of the Pilot Program on—

5 “(1) improving the tax base of local commu-
6 nities;

7 “(2) increasing access to affordable housing, es-
8 pecially for elderly individuals, disabled individuals,
9 and veterans;

10 “(3) increasing homeownership; and

11 “(4) removing blight.”.

12 (b) TECHNICAL AND CONFORMING AMENDMENT.—
13 The table of contents in section 1(b) of the Cranston-Gon-
14 zalez National Affordable Housing Act (Public Law 101–
15 625; 104 Stat. 4079) is amended by inserting after the
16 item relating to section 226 the following:

“Sec. 227. Revitalizing empty structures into desirable environments.”.

17 **SEC. 213. HOUSING AFFORDABILITY ACT.**

18 (a) IN GENERAL.—Title II of the National Housing
19 Act (12 U.S.C. 1707 et seq.) is amended—

20 (1) in section 206A (12 U.S.C. 1712a)—

21 (A) in subsection (a), in the matter fol-
22 lowing paragraph (7), by striking “(com-
23 mencing in 2004” and all that follows through
24 the period at the end and inserting the fol-
25 lowing: “, commencing on July 1, 2025. The

1 adjustment of the Dollar Amounts shall be cal-
2 culated by the Secretary using the percentage
3 change in the Price Deflator Index of Multi-
4 family Residential Units Under Construction
5 released by the Bureau of the Census from
6 March of the previous year to March of the
7 year in which the adjustment is made, or by the
8 Secretary using an alternative indicator after
9 publishing information about such alternative
10 indicators in the Federal Register for public
11 comment if the Price Deflator Index of Multi-
12 family Residential Units Under Construction is
13 not available or published.”; and

14 (B) by amending subsection (b) to read as
15 follows:

16 “(b) PUBLICATION.—

17 “(1) IN GENERAL.—The Secretary shall publish
18 in the Federal Register any adjustments made to the
19 Dollar Amounts.

20 “(2) ROUNDING.—The dollar amount of any
21 adjustment described in paragraph (1) shall be
22 rounded to the next lower dollar.”;

23 (2) in section 207(c)(3)(A) (12 U.S.C.
24 1713(c)(3)(A))—

1 (A) by striking “\$38,025” and inserting
2 “\$66,544”;

3 (B) by striking “\$42,120” and inserting
4 “\$73,710”;

5 (C) by striking “\$50,310” and inserting
6 “\$88,043”;

7 (D) by striking “\$62,010” and inserting
8 “\$108,518”;

9 (E) by striking “\$70,200” and inserting
10 “\$122,850”;

11 (F) by striking “, or not to exceed \$17,460
12 per space”;

13 (G) by striking “\$43,875” and inserting
14 “\$76,781”;

15 (H) by striking “\$49,140” and inserting
16 “\$85,995”;

17 (I) by striking “\$60,255” and inserting
18 “\$105,446”;

19 (J) by striking “\$75,465” and inserting
20 “\$132,064”; and

21 (K) by striking “\$85,328” and inserting
22 “\$149,324”;

23 (3) in section 213(b)(2) (12 U.S.C.
24 1715e(b)(2))—

1 (A) by striking “\$41,207” and inserting
2 “\$72,112”;

3 (B) by striking “\$47,511” and inserting
4 “\$83,144”;

5 (C) by striking “\$57,300” and inserting
6 “\$100,275”;

7 (D) by striking “\$73,343” and inserting
8 “\$128,350”;

9 (E) by striking “\$81,708” and inserting
10 “\$142,989”;

11 (F) by striking “\$43,875” and inserting
12 “\$76,781”;

13 (G) by striking “\$49,710” and inserting
14 “\$87,993”;

15 (H) by striking “\$60,446” and inserting
16 “\$105,781”;

17 (I) by striking “\$78,197” and inserting
18 “\$136,845”; and

19 (J) by striking “\$85,836” and inserting
20 “\$150,213”;

21 (4) in section 220(d)(3)(B)(iii)(I) (12 U.S.C.
22 1715k(d)(3)(B)(iii)(I))—

23 (A) by striking “\$38,025” and inserting
24 “\$66,544”;

1 (B) by striking “\$42,120” and inserting
2 “\$73,710”;

3 (C) by striking “\$50,310” and inserting
4 “\$88,043”;

5 (D) by striking “\$62,010” and inserting
6 “\$108,518”;

7 (E) by striking “\$70,200” and inserting
8 “\$122,850”;

9 (F) by striking “\$43,875” and inserting
10 “\$76,781”;

11 (G) by striking “\$49,140” and inserting
12 “\$85,995”;

13 (H) by striking “\$60,255” and inserting
14 “\$105,446”;

15 (I) by striking “\$75,465” and inserting
16 “\$132,064”; and

17 (J) by striking “\$85,328” and inserting
18 “\$149,324”;

19 (5) in section 221(d)(4)(ii)(I) (12 U.S.C.
20 1715l(d)(4)(ii)(I))—

21 (A) by striking “\$37,843” and inserting
22 “\$66,225”;

23 (B) by striking “\$42,954” and inserting
24 “\$75,170”;

1 (C) by striking “\$51,920” and inserting
2 “\$90,860”;

3 (D) by striking “\$65,169” and inserting
4 “\$114,046”;

5 (E) by striking “\$73,846” and inserting
6 “\$129,231”;

7 (F) by striking “\$40,876” and inserting
8 “\$71,533”;

9 (G) by striking “\$46,859” and inserting
10 “\$82,003”;

11 (H) by striking “\$56,979” and inserting
12 “\$99,713”;

13 (I) by striking “\$73,710” and inserting
14 “\$128,993”; and

15 (J) by striking “\$80,913” and inserting
16 “\$141,598”;

17 (6) in section 231(c)(2)(A) (12 U.S.C.
18 1715v(c)(2)(A))—

19 (A) by striking “\$35,978” and inserting
20 “\$62,962”;

21 (B) by striking “\$40,220” and inserting
22 “\$70,385”;

23 (C) by striking “\$48,029” and inserting
24 “\$84,051”;

1 (D) by striking “\$57,798” and inserting
2 “\$101,147”;

3 (E) by striking “\$67,950” and inserting
4 “\$118,913”;

5 (F) by striking “\$40,876” and inserting
6 “\$71,533”;

7 (G) by striking “\$46,859” and inserting
8 “\$82,003”;

9 (H) by striking “\$56,979” and inserting
10 “\$99,713”;

11 (I) by striking “\$73,710” and inserting
12 “\$128,993”; and

13 (J) by striking “\$80,913” and inserting
14 “\$141,598”; and

15 (7) in section 234(e)(3)(A) (12 U.S.C.
16 1715y(e)(3)(A))—

17 (A) by striking “\$42,048” and inserting
18 “\$73,584”;

19 (B) by striking “\$48,481” and inserting
20 “\$84,842”;

21 (C) by striking “\$58,469” and inserting
22 “\$102,321”;

23 (D) by striking “\$74,840” and inserting
24 “\$130,970”;

1 (E) by striking “\$83,375” and inserting
2 “\$145,906”;

3 (F) by striking “\$44,250” and inserting
4 “\$77,438”;

5 (G) by striking “\$50,724” and inserting
6 “\$88,767”;

7 (H) by striking “\$61,680” and inserting
8 “\$107,940”;

9 (I) by striking “\$79,793” and inserting
10 “\$139,638”; and

11 (J) by striking “\$87,588” and inserting
12 “\$153,279”.

13 (b) MULTIFAMILY LOAN LIMIT STUDY.—The Com-
14 missioner of the Federal Housing Administration, in con-
15 sultation with the Secretary of Housing and Urban Devel-
16 opment, shall conduct a study to assess the following in
17 comparison to the loan limits prior to the amendments
18 made under this section:

19 (1) Whether the Commissioner has sufficient
20 authority to increase loan limits for each multifamily
21 mortgage insurance program at appropriate
22 amounts, including to meet market demand.

23 (2) The impacts that multifamily loan limit in-
24 creases have had, if any, on—

1 (A) the General Insurance and Special
2 Risk Insurance Fund;

3 (B) the change in volume of multifamily
4 purchase and construction lending that is in-
5 sured by the Federal Housing Administration;
6 and

7 (C) subject to the availability of data, the
8 year-over-year change over the last 6 years in—

9 (i) median and average lending costs
10 as well as rent and house prices within the
11 multifamily housing market; and

12 (ii) multifamily housing supply, in-
13 cluding the number of building permits
14 issued as well as housing unit starts and
15 completions.

16 (c) REPORT.—Not later than 3 years after the date
17 of enactment of this Act, the Commissioner of the Federal
18 Housing Administration shall submit to Congress a report
19 summarizing the findings of the Commissioner for the
20 study conducted under subsection (b).

21 **TITLE III—MANUFACTURED**
22 **HOUSING FOR AMERICA**

23 **SEC. 301. HOUSING SUPPLY EXPANSION ACT.**

24 (a) IN GENERAL.—Section 603(6) of the National
25 Manufactured Housing Construction and Safety Stand-

1 ards Act of 1974 (42 U.S.C. 5402(6)) is amended by
2 striking “on a permanent chassis” and inserting “with or
3 without a permanent chassis”.

4 (b) STANDARDS FOR MANUFACTURED HOMES BUILT
5 WITHOUT A PERMANENT CHASSIS.—Section 604(a) of
6 the National Manufactured Housing Construction and
7 Safety Standards Act of 1974 (42 U.S.C. 5403(a)) is
8 amended by adding the following:

9 “(7) STANDARDS FOR MANUFACTURED HOMES
10 BUILT WITHOUT A PERMANENT CHASSIS.—

11 “(A) IN GENERAL.—The Secretary, in con-
12 sultation with the consensus committee, shall
13 issue revised standards for manufactured homes
14 built without a permanent chassis using the
15 process described in paragraph (4).

16 “(B) CREATING FINAL STANDARDS.—The
17 Secretary shall, after consulting and conferring
18 with the consensus committee, establish stand-
19 ards to ensure that manufactured homes with-
20 out a permanent chassis have—

21 “(i) a distinct label, with revenue gen-
22 erated to be deposited into the Manufac-
23 tured Housing Fees Trust Fund estab-
24 lished under section 620(e)(1), to be issued
25 by the Secretary distinguishing manufac-

1 tured home built without a permanent
2 chassis from manufactured homes built on
3 a permanent chassis;

4 “(ii) a data plate, as described in sec-
5 tion 3280.5 of title 24, Code of Federal
6 Regulations (or any successor regulation),
7 distinguishing manufactured homes built
8 without a permanent chassis from manu-
9 factured homes built on a permanent chas-
10 sis; and

11 “(iii) a notation on any invoice pro-
12 duced by the manufacturer of a manufac-
13 tured home that is distinguishable from
14 the invoice for a manufactured home con-
15 structed with a permanent chassis.”.

16 (c) MANUFACTURED HOME CERTIFICATIONS.—Sec-
17 tion 604 of the National Manufactured Housing Construc-
18 tion and Safety Standards Act of 1974 (42 U.S.C. 5403)
19 is amended by adding at the end the following:

20 “(i) MANUFACTURED HOME CERTIFICATIONS.—

21 “(1) IN GENERAL.—

22 “(A) INITIAL CERTIFICATION.—Subject to
23 subparagraph (B), not later than 1 year after
24 the date of enactment of the 21st Century
25 ROAD to Housing Act, a State shall submit to

1 the Secretary an initial certification that the
2 laws and regulations of the State—

3 “(i) treat any manufactured home in
4 parity with a manufactured home (as de-
5 fined and regulated by the State); and

6 “(ii) subject a manufactured home
7 without a permanent chassis to the same
8 laws and regulations of the State as a
9 manufactured home built on a permanent
10 chassis, including with respect to financ-
11 ing, title, insurance, manufacture, sale,
12 taxes, transportation, installation, and
13 other areas as the Secretary determines,
14 after consultation with and approval by the
15 consensus committee, are necessary to give
16 effect to the purpose of this section.

17 “(B) STATE PLAN SUBMISSION.—Any
18 State plan submitted under subparagraph (C)
19 shall contain the required State certification
20 under subparagraph (A) and, if contained
21 therein, no additional or State certification
22 under subparagraph (A) or paragraph (3).

23 “(C) EXTENDED DEADLINE.—With respect
24 to a State with a legislature that meets bienni-
25 ally, the deadline for the submission of the ini-

1 tial certification required under subparagraph
2 (A) shall be 2 years after the date of enactment
3 of the 21st Century ROAD to Housing Act.

4 “(D) LATE CERTIFICATION.—

5 “(i) NO WAIVER.—The Secretary may
6 not waive the prohibition described in
7 paragraph (5)(B) with respect to a certifi-
8 cation submitted after the deadline under
9 subparagraph (A) or paragraph (3) unless
10 the Secretary approves the late certifi-
11 cation.

12 “(ii) RULE OF CONSTRUCTION.—
13 Nothing in this subsection shall be con-
14 strued to prevent a State from submitting
15 the initial certification required under sub-
16 paragraph (A) after the required deadline
17 under that subparagraph.

18 “(2) FORM OF STATE CERTIFICATION NOT PRE-
19 SENTED IN A STATE PLAN.—The initial certification
20 required under paragraph (1)(A), if not submitted
21 with a State plan under paragraph (1)(B), shall con-
22 tain, in a form prescribed by the Secretary, an attes-
23 tation by an official that the State has taken the
24 steps necessary to ensure the veracity of the certifi-

1 cation required under paragraph (1)(A), including,
2 as necessary, by—

3 “(A) amending the definition of ‘manufac-
4 tured home’ in the laws and regulations of the
5 State; and

6 “(B) directing State agencies to amend the
7 definition of ‘manufactured home’ in regula-
8 tions.

9 “(3) ANNUAL RECERTIFICATION.—Not later
10 than a date to be determined by the Secretary each
11 year, a State shall submit to the Secretary an addi-
12 tional certification that—

13 “(A) confirms the accuracy of the initial
14 certification submitted under subparagraph (A)
15 or (B) of paragraph (1); and

16 “(B) certifies that any new laws or regula-
17 tions enacted or adopted by the State since the
18 date of the previous certification do not change
19 the veracity of the initial certification submitted
20 under paragraph (1)(A).

21 “(4) LIST.—The Secretary shall publish and
22 maintain in the Federal Register and on the website
23 of the Department of Housing and Urban Develop-
24 ment a list of States that are up to date with the

1 submission of initial and subsequent certifications
2 required under this subsection.

3 “(5) PROHIBITION.—

4 “(A) DEFINITION.—In this paragraph, the
5 term ‘covered manufactured home’ means a
6 home that is—

7 “(i) not considered a manufactured
8 home under the laws and regulations of a
9 State because the home is constructed
10 without a permanent chassis;

11 “(ii) considered a manufactured home
12 under the definition of the term in section
13 603; and

14 “(iii) constructed after the date of en-
15 actment of the 21st Century ROAD to
16 Housing Act.

17 “(B) BUILDING, INSTALLATION, AND
18 SALE.—If a State does not submit a certifi-
19 cation under paragraph (1)(A) or (3) by the
20 date on which those certifications are required
21 to be submitted—

22 “(i) with respect to a State in which
23 the State administers the installation of
24 manufactured homes, the State shall pro-
25 hibit the manufacture, installation, or sale

1 of a covered manufactured home within the
2 State; and

3 “(ii) with respect to a State in which
4 the Secretary administers the installation
5 of manufactured homes, the State and the
6 Secretary shall prohibit the manufacture,
7 installation, or sale of a covered manufac-
8 tured home within the State.”.

9 (d) OTHER FEDERAL LAWS REGULATING MANUFAC-
10 TURED HOMES.—

11 (1) IN GENERAL.—The Secretary of Housing
12 and Urban Development may coordinate with the
13 heads of other Federal agencies to ensure that Fed-
14 eral agencies treat a manufactured home (as defined
15 in Federal laws and regulations other than section
16 603 of the National Manufactured Housing Con-
17 struction and Safety Standards Act of 1974 (42
18 U.S.C. 5402)) in the same manner as a manufac-
19 tured home (as defined in section 603 of the Na-
20 tional Manufactured Housing Construction and
21 Safety Standards Act of 1974 (42 U.S.C. 5402), as
22 amended by this Act).

23 (2) ENERGY EFFICIENCY STANDARDS.—

24 (A) MANUFACTURED HOME DEFINED.—In
25 this paragraph, the term “manufactured home”

1 has the meaning given the term in section 603
2 of the National Manufactured Housing Con-
3 struction and Safety Standards Act of 1974 (42
4 U.S.C. 5402), as amended by this Act.

5 (B) PROCESS.—No energy efficiency
6 standards for manufactured homes developed by
7 any Federal agency shall have legal effect un-
8 less and until adopted by the Department of
9 Housing and Urban Development pursuant to
10 the consensus standards and regulatory devel-
11 opment process described in section 604(a)(2)
12 of the National Manufactured Housing Con-
13 struction and Safety Standards Act of 1974 (42
14 U.S.C. 5403(a)(2)).

15 (C) MINIMUM STANDARDS.—The Secretary
16 of Housing and Urban Development shall—

17 (i) not later than 1 year after the date
18 of enactment of this Act, adopt minimum
19 energy efficiency standards for manufac-
20 tured homes; and

21 (ii) not less frequently than once every
22 3 years after adopting the standards under
23 clause (i), update those standards.

1 (e) ASSISTANCE TO STATES.—Section 609 of the Na-
2 tional Manufactured Housing Construction and Safety
3 Standards Act of 1974 (42 U.S.C. 5408) is amended—

4 (1) in paragraph (1), by striking “and” at the
5 end;

6 (2) in paragraph (2), by striking the period at
7 the end and inserting “; and”; and

8 (3) by adding at the end the following:

9 “(3) model guidance to support the submission
10 of the certification required under section 604(i).”.

11 (f) PREEMPTION.—Nothing in this section or the
12 amendments made by this section shall be construed as
13 limiting the scope of Federal preemption under section
14 604(d) of the National Manufactured Housing Construc-
15 tion and Safety Standards Act of 1974 (42 U.S.C.
16 5403(d)).

17 **SEC. 302. MODULAR HOUSING PRODUCTION ACT.**

18 (a) DEFINITIONS.—In this section:

19 (1) MANUFACTURED HOME.—The term “manu-
20 factured home” has the meaning given the term in
21 section 603 of the National Manufactured Housing
22 Construction and Safety Standards Act of 1974 (42
23 U.S.C. 5402).

24 (2) MODULAR HOME.—The term “modular
25 home” means a home that is constructed in a fac-

1 tory in 1 or more modules, each of which meets ap-
2 plicable State and local building codes of the area in
3 which the home will be located, and that are trans-
4 ported to the home building site, installed on foun-
5 dations, and completed.

6 (3) SECRETARY.—The term “Secretary” means
7 the Secretary of Housing and Urban Development.

8 (b) FHIA CONSTRUCTION FINANCING PROGRAMS.—

9 (1) IN GENERAL.—The Secretary shall conduct
10 a review of Federal Housing Administration con-
11 struction financing programs to identify barriers to
12 the use of modular home methods.

13 (2) REQUIREMENTS.—In conducting the review
14 under paragraph (1), the Secretary shall—

15 (A) identify and evaluate regulatory and
16 programmatic features that restrict participa-
17 tion in construction financing programs by
18 modular home developers, including construc-
19 tion draw schedules; and

20 (B) identify administrative measures au-
21 thorized under section 525 of the National
22 Housing Act (12 U.S.C. 1735f-3) to facilitate
23 program utilization by modular home devel-
24 opers.

1 (3) REPORT.—Not later than 1 year after the
2 date of enactment of this Act, the Secretary shall
3 publish a report that describes the results of the re-
4 view conducted under paragraph (1), which shall in-
5 clude a description of programmatic and policy
6 changes that the Secretary recommends to reduce or
7 eliminate identified barriers to the use of modular
8 home methods in Federal Housing Administration
9 construction financing programs.

10 (4) RULEMAKING.—

11 (A) IN GENERAL.—Not later than 120
12 days after the date on which the Secretary pub-
13 lishes the report under paragraph (3), the Sec-
14 retary shall initiate a rulemaking to examine an
15 alternative draw schedule for construction fi-
16 nancing loans provided to modular and manu-
17 factured home developers, which shall include
18 the ability for interested stakeholders to provide
19 robust public comment.

20 (B) DETERMINATION.—Following the pe-
21 riod for public comment under subparagraph
22 (A), the Secretary shall—

23 (i) issue a final rule regarding an al-
24 ternative draw schedule described in sub-
25 paragraph (A); or

1 (ii) provide an explanation as to why
2 the rule shall not become final.

3 (c) STANDARDIZED UNIFORM COMMERCIAL CODE
4 FOR MODULAR HOMES.—The Secretary may award a
5 grant to study the design and feasibility of a standardized
6 uniform commercial code for modular homes, which shall
7 evaluate—

8 (1) the utility of a standardized coding system
9 for serializing and securing modules, streamlining
10 design and construction, and improving modular
11 home innovation; and

12 (2) a means to coordinate a standardized code
13 with financing incentives.

14 **SEC. 303. PROPERTY IMPROVEMENT AND MANUFACTURED**
15 **HOUSING LOAN MODERNIZATION ACT.**

16 (a) NATIONAL HOUSING ACT AMENDMENTS.—

17 (1) IN GENERAL.—Section 2 of the National
18 Housing Act (12 U.S.C. 1703) is amended—

19 (A) in subsection (a), by inserting “con-
20 struction of additional or accessory dwelling
21 units, as defined by the Secretary,” after “en-
22 ergy conserving improvements,”; and

23 (B) in subsection (b)—

24 (i) in paragraph (1)—

1 (I) by striking subparagraph (A)
2 and inserting the following:

3 “(A) \$75,000 if made for the purpose of financ-
4 ing alterations, repairs and improvements upon or in
5 connection with an existing single-family structure,
6 including a manufactured home;”;

7 (II) in subparagraph (B)—

8 (aa) by striking “\$60,000”
9 and inserting “\$150,000”;

10 (bb) by striking “\$12,000”
11 and inserting “\$37,500”; and

12 (cc) by striking “an apart-
13 ment house or”;

14 (III) by striking subparagraphs
15 (C) and (D) and inserting the fol-
16 lowing:

17 “(C)(i) \$106,405 if made for the purpose of fi-
18 nancing the purchase of a single-section manufac-
19 tured home; and

20 “(ii) \$195,322 if made for the purpose of fi-
21 nancing the purchase of a multi-section manufac-
22 tured home;

23 “(D)(i) \$149,782 if made for the purpose of fi-
24 nancing the purchase of a single-section manufac-

100

1 (I) by striking “regulation” and
2 inserting “notice”;

3 (II) by striking “increase” and
4 inserting “set”;

5 (III) by striking “(A)(ii), (C),
6 (D), and (E)” and inserting “(A
7 through (H)”;

8 (IV) by inserting “, or as nec-
9 essary to achieve the goals of the Fed-
10 eral Housing Administration, periodi-
11 cally reset the dollar amount limita-
12 tions in subparagraphs (A) through
13 (H) based on justification and meth-
14 odology set forth in advance by regu-
15 lation” before the period at the end;
16 and

17 (V) by adjusting the margins ap-
18 propriately;

19 (iii) in paragraph (3), by striking “ex-
20 ceeds—” and all that follows through the
21 period at the end and inserting “exceeds
22 such period of time as determined by the
23 Secretary, not to exceed 30 years.”;

24 (iv) by striking paragraph (9) and in-
25 serting the following:

1 “(9) ANNUAL INDEXING OF CERTAIN DOLLAR
2 AMOUNT LIMITATIONS.—The Secretary shall develop
3 or choose 1 or more methods of indexing in order to
4 annually set the loan limits established in paragraph
5 (1), based on data the Secretary determines is ap-
6 propriate for purposes of this section.”; and

7 (v) in paragraph (11), by striking
8 “lease—” and all that follows through the
9 period at the end and inserting “lease
10 meets the terms and conditions established
11 by the Secretary”.

12 (2) DEADLINE FOR DEVELOPMENT OR CHOICE
13 OF NEW INDEX; INTERIM INDEX.—

14 (A) DEADLINE FOR DEVELOPMENT OR
15 CHOICE OF NEW INDEX.—Not later than 1 year
16 after the date of enactment of this Act, the Sec-
17 retary of Housing and Urban Development
18 shall develop or choose 1 or more methods of
19 indexing as required under section 2(b)(9) of
20 the National Housing Act (12 U.S.C.
21 1703(b)(9)), as amended by paragraph (1) of
22 this subsection.

23 (B) INTERIM INDEX.—During the period
24 beginning on the date of enactment of this Act
25 and ending on the date on which the Secretary

1 of Housing and Urban Development develops or
2 chooses 1 or more methods of indexing as re-
3 quired under section 2(b)(9) of the National
4 Housing Act (12 U.S.C. 1703(b)(9)), as
5 amended by paragraph (1) of this subsection,
6 the method of indexing established by the Sec-
7 retary under such section 2(b)(9) before the
8 date of enactment of this Act shall apply.

9 (b) HUD STUDY OF OFF-SITE CONSTRUCTION.—

10 (1) DEFINITIONS.—In this subsection:

11 (A) OFF-SITE CONSTRUCTION HOUSING.—

12 The term “off-site construction housing” in-
13 cludes manufactured homes and modular
14 homes.

15 (B) MANUFACTURED HOME.—The term

16 “manufactured home” means any home con-
17 structed in accordance with the construction
18 and safety standards established under the Na-
19 tional Manufactured Housing Construction and
20 Safety Standards Act of 1974 (42 U.S.C. 5401
21 et seq.).

22 (C) MODULAR HOME.—The term “modular

23 home” means a home that is constructed in a
24 factory in 1 or more modules, each of which
25 meets applicable State and local building codes

1 of the area in which the home will be located,
2 and that are transported to the home building
3 site, installed on foundations, and completed.

4 (2) STUDY.—The Secretary of Housing and
5 Urban Development shall conduct a study and sub-
6 mit to Congress a report on the cost effectiveness of
7 off-site construction housing, that includes—

8 (A) an analysis of the advantages and the
9 impact of centralization in a factory and trans-
10 portation to a construction site on cost, preci-
11 sion, and materials waste;

12 (B) the extent to which off-site construc-
13 tion housing meets housing quality standards
14 under the National Standards for the Physical
15 Inspection of Real Estate, or other standards as
16 the Secretary may prescribe, compared to the
17 extent for site-built homes, for such standards;

18 (C) the expected replacement and mainte-
19 nance costs over the first 40 years of life of off-
20 site construction homes compared to those costs
21 for site-built homes; and

22 (D) opportunities for use beyond single-
23 family housing, such as applications in acces-
24 sory dwelling units, two- to four-unit housing,
25 and large multifamily housing.

1 **SEC. 304. PRICE ACT.**

2 Title I of the Housing and Community Development
3 Act of 1974 (42 U.S.C. 5301 et seq.) is amended—

4 (1) in section 105(a) (42 U.S.C. 5305(a)), in
5 the matter preceding paragraph (1), by striking
6 “Activities” and inserting “Unless otherwise author-
7 ized under section 123, activities”; and

8 (2) by adding at the end the following:

9 **“SEC. 123. PRESERVATION AND REINVESTMENT FOR COM-
10 MUNITY ENHANCEMENT.**

11 “(a) DEFINITIONS.—In this section:

12 “(1) COMMUNITY DEVELOPMENT FINANCIAL IN-
13 STITUTION.—The term ‘community development fi-
14 nancial institution’ means an institution that has
15 been certified as a community development financial
16 institution (as defined in section 103 of the Riegle
17 Community Development and Regulatory Improve-
18 ment Act of 1994 (12 U.S.C. 4702)) by the Sec-
19 retary of the Treasury.

20 “(2) ELIGIBLE MANUFACTURED HOUSING COM-
21 MUNITY.—The term ‘eligible manufactured housing
22 community’ means a manufactured housing commu-
23 nity that—

24 “(A) is affordable to low- and moderate-in-
25 come persons, as determined by the Secretary,

1 but not more than 120 percent of the area me-
2 dian income; and

3 “(B)(i) is owned by the residents of the
4 manufactured housing community through a
5 resident-controlled entity such as a resident-
6 owned cooperative; or

7 “(ii) will be maintained as such a commu-
8 nity, and remain affordable for low- and mod-
9 erate-income persons, to the maximum extent
10 practicable and for the longest period feasible.

11 “(3) ELIGIBLE RECIPIENT.—The term ‘eligible
12 recipient’ means—

13 “(A) an eligible manufactured housing
14 community;

15 “(B) a unit of general local government;

16 “(C) a housing authority;

17 “(D) a resident-owned community;

18 “(E) a resident-owned cooperative;

19 “(F) a nonprofit entity with housing exper-
20 tise or a consortium of such entities;

21 “(G) a community development financial
22 institution;

23 “(H) an Indian tribe;

24 “(I) a tribally designated housing entity;

1 “(J) the Department of Hawaiian Home
2 Lands;

3 “(K) a State; or

4 “(L) any other entity that is—

5 “(i) an owner-operator of an eligible
6 manufactured housing community; and

7 “(ii) working with an eligible manu-
8 factured housing community.

9 “(4) INDIAN TRIBE.—The term ‘Indian tribe’
10 has the meaning given the term ‘Indian tribe’ in sec-
11 tion 4 of the Native American Housing Assistance
12 and Self-Determination Act of 1996 (25 U.S.C.
13 4103).

14 “(5) MANUFACTURED HOUSING COMMUNITY.—
15 The term ‘manufactured housing community’
16 means—

17 “(A) any community, court, park, or other
18 land under unified ownership developed and ac-
19 commodating, or equipped to accommodate, the
20 placement of manufactured homes, where—

21 “(i) spaces within such community are
22 or will be primarily used for residential oc-
23 cupancy;

24 “(ii) all homes within the community
25 are used for permanent occupancy; and

1 “(iii) a majority of such occupied
2 spaces within the community are occupied
3 by manufactured homes, which may in-
4 clude homes constructed prior to enact-
5 ment of the Manufactured Home Construc-
6 tion and Safety Standards; or

7 “(B) any community that meets the defini-
8 tion of manufactured housing community used
9 for programs similar to the program under this
10 section.

11 “(6) RESIDENT HEALTH, SAFETY, AND ACCES-
12 SIBILITY ACTIVITIES.—The term ‘resident health,
13 safety, and accessibility activities’ means the recon-
14 struction, repair, or replacement of manufactured
15 housing and manufactured housing communities
16 to—

17 “(A) protect the health and safety of resi-
18 dents;

19 “(B) address weatherization and reduce
20 utility costs; or

21 “(C) address accessibility needs for resi-
22 dents with disabilities.

23 “(7) TRIBALLY DESIGNATED HOUSING ENTI-
24 TY.—The term ‘tribally designated housing entity’
25 has the meaning given the term in section 4 of the

1 Native American Housing Assistance and Self-De-
2 termination Act of 1996 (25 U.S.C. 4103).

3 “(b) ESTABLISHMENT.—There is authorized a com-
4 petitive grant program that the Secretary shall, by notice,
5 carry out to make awards utilizing funds appropriated for
6 such purpose to eligible recipients to carry out eligible
7 projects for development of or improvements to eligible
8 manufactured housing communities.

9 “(c) ELIGIBLE PROJECTS.—

10 “(1) IN GENERAL.—Amounts from grants
11 under this section may be used for—

12 “(A) community infrastructure, facilities,
13 utilities, and other land improvements in or
14 serving an eligible manufactured housing com-
15 munity;

16 “(B) reconstruction or repair of existing
17 housing within an eligible manufactured hous-
18 ing community;

19 “(C) replacement of homes within an eligi-
20 ble manufactured housing community;

21 “(D) planning;

22 “(E) resident health, safety, and accessi-
23 bility activities in homes in an eligible manufac-
24 tured housing community;

1 “(F) land and site acquisition and infra-
2 structure for expansion or construction of an el-
3 igible manufactured housing community;

4 “(G) resident and community services, in-
5 cluding relocation assistance, eviction preven-
6 tion, and down payment assistance; and

7 “(H) any other activity that—

8 “(i) is approved by the Secretary con-
9 sistent with the requirements under this
10 section;

11 “(ii) improves the overall living condi-
12 tions of an eligible manufactured housing
13 community, which may include the addi-
14 tion or enhancement of shared spaces such
15 as community centers, recreational areas,
16 or other facilities that support resident
17 well-being and community engagement;
18 and

19 “(iii) is necessary to protect the
20 health and safety of the residents of the el-
21 igible manufactured housing community
22 and the long-term affordability and sus-
23 tainability of the community.

1 “(2) REPLACEMENT.—For purposes of sub-
2 paragraphs (B) and (C) of paragraph (1), grants
3 under this section—

4 “(A) may not be used for rehabilitation or
5 modernization of units that were built before
6 June 15, 1976; and

7 “(B) may only be used for disposition and
8 replacement of units described in subparagraph
9 (A), provided that any replacement housing
10 complies with the Manufactured Home Con-
11 struction and Safety Standards or is another al-
12 lowed type of home, as determined by the Sec-
13 retary.

14 “(d) PRIORITY.—In awarding grants under this sec-
15 tion, the Secretary shall prioritize applicants that will
16 carry out activities that primarily benefit low- and mod-
17 erate-income residents and preserve long-term housing af-
18 fordability for residents of eligible manufactured housing
19 communities.

20 “(e) WAIVERS.—The Secretary may waive or specify
21 alternative requirements for any provision of law or regu-
22 lation that the Secretary administers in connection with
23 use of amounts made available under this section other
24 than requirements related to fair housing, nondiscrimina-
25 tion, labor standards, and the environment, upon a finding

1 that the waiver or alternative requirement is not incon-
2 sistent with the overall purposes of this section and that
3 the waiver or alternative requirement is necessary to facili-
4 tate the use of amounts made available under this section.

5 “(f) IMPLEMENTATION.—

6 “(1) IN GENERAL.—Any grant made under this
7 section shall be made pursuant to criteria for selec-
8 tion of recipients of such grants that the Secretary
9 shall by regulation establish and publish together
10 with any notification of availability of amounts
11 under this section.

12 “(2) SET-ASIDE OF GRANT AMOUNTS.—The
13 Secretary may set aside amounts provided under
14 this section for grants to Indian tribes, tribally des-
15 ignated housing entities, and the Department of Ha-
16 waiian Home Lands.”.

17 **TITLE IV—ACCESSING THE**
18 **AMERICAN DREAM**

19 **SEC. 401. CREATING INCENTIVES FOR SMALL DOLLAR**
20 **LOAN ORIGINATORS.**

21 (a) DEFINITIONS.—In this section:

22 (1) DIRECTOR.—The term “Director” means
23 the Director of the Bureau of Consumer Financial
24 Protection.

1 (2) SMALL DOLLAR MORTGAGE.—The term
2 “small dollar mortgage” means a mortgage loan
3 having an original principal obligation of not more
4 than \$100,000 that is—

5 (A) secured by real property designed for
6 the occupancy of between 1 and 4 families; and

7 (B)(i) insured by the Federal Housing Ad-
8 ministration under title II of the National
9 Housing Act (12 U.S.C. 1707 et seq.);

10 (ii) made, guaranteed, or insured by the
11 Department of Veterans Affairs;

12 (iii) made, guaranteed, or insured by the
13 Department of Agriculture; or

14 (iv) eligible to be purchased or securitized
15 by the Federal Home Loan Mortgage Corpora-
16 tion or the Federal National Mortgage Associa-
17 tion.

18 (b) REQUIREMENT REGARDING LOAN ORIGINATOR
19 COMPENSATION PRACTICES.—Not later than 270 days
20 after the date of enactment of this Act, the Director shall
21 submit to the Committee on Banking, Housing, and
22 Urban Affairs of the Senate and the Committee on Finan-
23 cial Services of the House of Representatives a report on
24 loan originator compensation practices throughout the res-

1 identical mortgage market, including the relative frequency
2 of loan originators being compensated—

3 (1) with a salary;

4 (2) with a commission reflecting a fixed per-
5 centage of the amount of credit extended;

6 (3) with a commission based on a factor other
7 than a fixed percentage of the amount of credit ex-
8 tended;

9 (4) with a combination of salary and commis-
10 sion;

11 (5) on a loan volume basis;

12 (6) with a commission reflecting a percentage of
13 the amount of credit extended, for which a minimum
14 or maximum compensation amount is set; and

15 (7) by any other mechanism that the Director
16 may find to be a practice for compensating mortgage
17 loan originators, including any mechanism that pro-
18 vides a loan originator with compensation in such a
19 way that the loan originator does not necessarily re-
20 ceive a lower level of compensation for originating a
21 small dollar mortgage than the loan originator would
22 receive for originating a mortgage loan that is not
23 a small dollar mortgage.

24 (c) CONTENTS.—The report required under sub-
25 section (b) shall include—

1 (1) data and other analysis regarding the effect
2 of the approaches to loan originator compensation
3 described in subsection (b) on the availability of
4 small dollar mortgage loans; and

5 (2) an analysis and a discussion regarding po-
6 tential barriers to small dollar mortgage lending.

7 (d) RULEMAKING.—Following the issuance of the re-
8 port required under subsection (b), the Director may issue
9 regulations to clarify the forms of compensation a lender
10 may use to compensate a loan originator that—

11 (1) are permissible pursuant to section 129B(c)
12 of the Truth in Lending Act (15 U.S.C. 1639b(c));
13 and

14 (2) would result in the loan originator receiving
15 compensation for originating a small dollar mortgage
16 that is not less than the compensation the loan origi-
17 nator would receive for originating a mortgage loan
18 that is not a small dollar mortgage.

19 **SEC. 402. SMALL DOLLAR MORTGAGE POINTS AND FEES.**

20 (a) SMALL DOLLAR MORTGAGE DEFINED.—In this
21 section, the term “small dollar mortgage” means a mort-
22 gage with an original principal obligation of less than
23 \$100,000.

24 (b) AMENDMENTS.—

1 (1) IN GENERAL.—Not later than 270 days
2 after the date of enactment of this Act, the Director
3 of the Bureau of Consumer Financial Protection, in
4 consultation with the Secretary of Housing and
5 Urban Development and the Director of the Federal
6 Housing Finance Agency, shall evaluate the impact
7 of the thresholds under section 1026.43 of title 12,
8 Code of Federal Regulations (as in effect on the
9 date of enactment of this Act), on small dollar mort-
10 gage originations.

11 (2) RULEMAKING.—Following the evaluation re-
12 quired under paragraph (1), the Director of the Bu-
13 reau of Consumer Financial Protection may promul-
14 gate regulations to amend the limitations with re-
15 spect to points and fees under section 1026.43 of
16 title 12, Code of Federal Regulations, or any suc-
17 cessor regulation, to encourage additional lending for
18 small dollar mortgages.

19 **SEC. 403. APPRAISAL INDUSTRY IMPROVEMENT ACT.**

20 (a) APPRAISAL STANDARDS.—

21 (1) CERTIFICATION OR LICENSING.—

22 (A) IN GENERAL.—Section 202(g)(5) of
23 the National Housing Act (12 U.S.C.
24 1708(g)(5)) is amended—

1 (i) by moving the paragraph two ems
2 to the left; and

3 (ii) by striking subparagraphs (A) and
4 (B) and inserting the following:

5 “(A) be certified or licensed by the State in
6 which the property to be appraised is located, except
7 that an appraiser who has as their primary duty
8 conducting appraisal-related activities and who
9 chooses to become a State-licensed or certified real
10 estate appraiser need only to be licensed or certified
11 in 1 State or territory to perform appraisals on
12 mortgages insured by the Federal Housing Adminis-
13 tration in all States and territories;

14 “(B) meet the requirements under the com-
15 petency rule set forth in the Uniform Standards of
16 Professional Appraisal Practice before accepting an
17 assignment; and

18 “(C) have demonstrated verifiable education in
19 the appraisal requirements established by the Fed-
20 eral Housing Administration under this subsection,
21 which shall include the completion of a course or
22 seminar that educates appraisers on those appraisal
23 requirements, which shall be provided by—

24 “(i) the Federal Housing Administration;

25 or

1 “(ii) a third party, if the course is ap-
2 proved by the Secretary or a State appraiser
3 certifying or licensing agency.”.

4 (B) APPLICATION.—Subparagraph (C) of
5 section 202(g)(5) of the National Housing Act
6 (12 U.S.C. 1708(g)(5)), as added by subpara-
7 graph (A), shall not apply with respect to any
8 certified appraiser approved by the Federal
9 Housing Administration to conduct appraisals
10 on property securing a mortgage to be insured
11 by the Federal Housing Administration on or
12 before the effective date described in paragraph
13 (3)(C).

14 (2) COMPLIANCE WITH VERIFIABLE EDUCATION
15 AND COMPETENCY REQUIREMENTS.—On and after
16 the effective date described in paragraph (3)(C), no
17 appraiser may conduct an appraisal on a property
18 securing a mortgage to be insured by the Federal
19 Housing Administration unless—

20 (A) the appraiser is in compliance with the
21 requirements of subparagraphs (A) and (B) of
22 section 202(g)(5) of the National Housing Act
23 (12 U.S.C. 1708(g)(5)), as amended by para-
24 graph (1); and

1 (B) if the appraiser was not approved by
2 the Federal Housing Administration to conduct
3 appraisals on mortgages insured by the Federal
4 Housing Administration before the date on
5 which the mortgagee letter or guidance takes
6 effect under paragraph (3)(C), the appraiser is
7 in compliance with subparagraph (C) of such
8 section 202(g)(5).

9 (3) IMPLEMENTATION.—Not later than the 240
10 days after the date of enactment of this Act, the
11 Secretary of Housing and Urban Development shall
12 issue a mortgagee letter or guidance that—

13 (A) implements the amendments made by
14 paragraph (1);

15 (B) clearly sets forth all of the specific re-
16 quirements under section 202(g)(5) of the Na-
17 tional Housing Act (12 U.S.C. 1708(g)(5)), as
18 amended by paragraph (1), for approval to con-
19 duct appraisals on property secured by a mort-
20 gage to be insured by the Federal Housing Ad-
21 ministration, which shall include—

22 (i) providing that, before the effective
23 date of the mortgagee letter or guidance,
24 compliance with the requirements under
25 subparagraphs (A), (B), and (C) of such

1 section 202(g)(5), as amended by para-
2 graph (1), shall be considered to fulfill the
3 requirements under such subparagraphs;
4 and

5 (ii) providing a method for appraisers
6 to demonstrate such prior compliance; and

7 (C) takes effect not later than the date
8 that is 180 days after the date on which the
9 Secretary issues the mortgagee letter or guid-
10 ance.

11 (b) ANNUAL REGISTRY FEES FOR APPRAISAL MAN-
12 AGEMENT COMPANIES.—Section 1109(a) of the Financial
13 Institutions Reform, Recovery, and Enforcement Act of
14 1989 (12 U.S.C. 3338(a)) is amended, in the matter fol-
15 lowing clause (ii) of paragraph (4)(B), by adding at the
16 end the following: “Subject to the approval of the Council,
17 the Appraisal Subcommittee may adjust fees established
18 under clause (i) or (ii) to carry out its functions under
19 this Act.”.

20 (c) STATE CREDENTIALLED TRAINEES.—

21 (1) MAINTENANCE ON NATIONAL REGISTRY.—
22 Section 1103(a) of the Financial Institutions Re-
23 form, Recovery, and Enforcement Act of 1989 (12
24 U.S.C. 3332(a)) is amended—

25 (A) in paragraph (3)—

1 (i) by inserting “and State
2 credentialed trainee appraisers” after “li-
3 censed appraisers”; and

4 (ii) by striking “and” at the end;

5 (B) by striking paragraph (4);

6 (C) by redesignating paragraphs (5) and
7 (6) as paragraphs (4) and (5), respectively; and

8 (D) in paragraph (4), as so redesignated—

9 (i) by striking “year. The report shall
10 also detail” and inserting “year, detailing”;

11 (ii) by striking “provide” and insert-
12 ing “provides”; and

13 (iii) by striking the period at the end
14 and inserting “; and”.

15 (2) ANNUAL REGISTRY FEES.—

16 (A) IN GENERAL.—Section 1109 of the Fi-
17 nancial Institutions Reform, Recovery, and En-
18 forcement Act of 1989 (12 U.S.C. 3338) is
19 amended—

20 (i) in the section heading, by striking
21 “certified or licensed” and inserting “, cer-
22 tified, licensed, and credentialed trainee”;
23 and

24 (ii) in subsection (a)—

1 (I) in paragraph (1), by inserting
2 “, and in the case of a State with a
3 supervisory or trainee program, a ros-
4 ter listing individuals who have re-
5 ceived a State trainee credential”
6 after “this title”; and

7 (II) by striking paragraph (2)
8 and inserting the following:

9 “(2) transmit reports on the issuance and re-
10 newal of licenses, certifications, credentials, sanc-
11 tions, and disciplinary actions, including license, cre-
12 dential, and certification revocations, on a timely
13 basis to the national registry of the Appraisal Sub-
14 committee;”.

15 (B) RULE OF CONSTRUCTION.—Nothing in
16 the amendments made by subparagraph (A)
17 shall require a State to establish or operate a
18 program for State credentialed trainee apprais-
19 ers, as defined in paragraph (12) of section
20 1121 of the Financial Institutions Reform, Re-
21 covery, and Enforcement Act of 1989, as added
22 by paragraph (4) of this subsection.

23 (3) TRANSACTIONS REQUIRING THE SERVICES
24 OF A STATE CERTIFIED APPRAISER.—Section 1113
25 of the Financial Institutions Reform, Recovery, and

1 Enforcement Act of 1989 (12 U.S.C. 3342) is
2 amended—

3 (A) by striking “In determining” and in-
4 serting “(a) IN GENERAL.—In determining”;
5 and

6 (B) by adding at the end the following:

7 “(b) USE OF STATE CREDENTIALLED TRAINEE AP-
8 PRISERS.—In performing an appraisal under this sec-
9 tion, a State certified appraiser may use the assistance
10 of a State credentialed trainee appraiser or an unlicensed
11 trainee appraiser, except that the State certified appraiser
12 assisted by a trainee shall be liable for appraisal and valu-
13 ation work.”.

14 (4) DEFINITION.—Section 1121 of the Finan-
15 cial Institutions Reform, Recovery, and Enforcement
16 Act of 1989 (12 U.S.C. 3350) is amended by adding
17 at the end the following:

18 “(12) STATE CREDENTIALLED TRAINEE AP-
19 PRISER.—The term ‘State credentialed trainee ap-
20 praiser’ means an individual who—

21 “(A) meets the minimum criteria estab-
22 lished by the Appraiser Qualification Board for
23 a trainee appraiser credential; and

24 “(B) is credentialed by a State appraiser
25 certifying and licensing agency.”.

1 (d) GRANTS FOR WORKFORCE AND TRAINING.—Sec-
2 tion 1109(b) of the Financial Institutions Reform, Recov-
3 ery, and Enforcement Act of 1989 (12 U.S.C. 3338(b))
4 is amended—

5 (1) in paragraph (5)(B), by striking “and” at
6 the end;

7 (2) in paragraph (6), by striking the period at
8 the end and inserting “; and”; and

9 (3) by adding at the end the following:

10 “(7) to make grants to State appraiser certi-
11 fying and licensing agencies to support the carrying
12 out of education and training activities or other ac-
13 tivities related to addressing appraiser industry
14 workforce needs, including recruiting and retaining
15 workforce talent, such as through scholarship assist-
16 ance and career pipeline development, and such
17 agencies shall report on the use of funds and out-
18 comes.”.

19 (e) APPRAISAL SUBCOMMITTEE.—Section 1011 of
20 the Federal Financial Institutions Examination Council
21 Act of 1978 (12 U.S.C. 3310) is amended, in the first
22 sentence, by inserting “the Department of Veterans Af-
23 fairs, the Rural Housing Service of the Department of Ag-
24 riculture, the Department of Housing and Urban Develop-
25 ment,” after “Financial Protection,”.

1 **SEC. 404. HELPING MORE FAMILIES SAVE ACT.**

2 Section 23 of the United States Housing Act of 1937
3 (42 U.S.C. 1437u) is amended by adding at the end the
4 following:

5 “(p) ESCROW EXPANSION PILOT PROGRAM.—

6 “(1) DEFINITIONS.—In this subsection:

7 “(A) COVERED FAMILY.—The term ‘cov-
8 ered family’ means a family that receives assist-
9 ance under section 8 or 9 of this Act and is en-
10 rolled in the pilot program.

11 “(B) ELIGIBLE ENTITY.—The term ‘eligi-
12 ble entity’ means an entity described in sub-
13 section (c)(2).

14 “(C) PILOT PROGRAM.—The term ‘pilot
15 program’ means the pilot program established
16 under paragraph (2).

17 “(D) WELFARE ASSISTANCE.—The term
18 ‘welfare assistance’ has the meaning given the
19 term in section 984.103 of title 24, Code of
20 Federal Regulations, or any successor regula-
21 tion.

22 “(2) ESTABLISHMENT.—The Secretary may es-
23 tablish a pilot program under which the Secretary
24 shall select not more than 25 eligible entities to es-
25 tablish and manage escrow accounts for not more

1 than 5,000 covered families, in accordance with this
2 subsection.

3 “(3) ESCROW ACCOUNTS.—

4 “(A) IN GENERAL.—An eligible entity se-
5 lected to participate in the pilot program—

6 “(i) shall establish an interest-bearing
7 escrow account and place into the account
8 an amount equal to any increase in the
9 amount of rent paid by each covered family
10 in accordance with the provisions of section
11 3, 8(o), or 8(y), as applicable, that is at-
12 tributable to increases in earned income by
13 the covered families during the participa-
14 tion of each covered family in the pilot pro-
15 gram; and

16 “(ii) notwithstanding any other provi-
17 sion of law, may use funds it controls
18 under section 8 or 9 for purposes of mak-
19 ing the escrow deposit for covered families
20 assisted under, or residing in units assisted
21 under, section 8 or 9, respectively, pro-
22 vided such funds are offset by the increase
23 in the amount of rent paid by the covered
24 family.

1 “(B) INCOME LIMITATION.—An eligible en-
2 tity may not escrow any amounts for any cov-
3 ered family whose adjusted income exceeds 80
4 percent of the area median income at the time
5 of enrollment.

6 “(C) WITHDRAWALS.—A covered family
7 may withdraw funds, including interest earned,
8 from an escrow account established by an eligi-
9 ble entity under the pilot program—

10 “(i) after the covered family ceases to
11 receive welfare assistance; and

12 “(ii)(I) not earlier than the date that
13 is 5 years after the date on which the eligi-
14 ble entity establishes the escrow account
15 under this subsection;

16 “(II) not later than the date that is 7
17 years after the date on which the eligible
18 entity establishes the escrow account under
19 this subsection, if the covered family choos-
20 es to continue to participate in the pilot
21 program after the date that is 5 years
22 after the date on which the eligible entity
23 establishes the escrow account;

24 “(III) on the date the covered family
25 ceases to receive housing assistance under

1 section 8 or 9, if such date is earlier than
2 5 years after the date on which the eligible
3 entity establishes the escrow account;

4 “(IV) earlier than 5 years after the
5 date on which the eligible entity establishes
6 the escrow account, if the covered family is
7 using the funds to advance a self-suffi-
8 ciency goal as approved by the eligible enti-
9 ty;

10 “(V) for any reason listed under sec-
11 tion 984.303(k) of title 24, Code of Fed-
12 eral Regulations; or

13 “(VI) under other circumstances in
14 which the Secretary determines an exemp-
15 tion for good cause is warranted.

16 “(D) INTERIM RECERTIFICATION.—For
17 purposes of the pilot program, a covered family
18 may recertify the income of the covered family
19 multiple times per year at the request of the
20 participating family, as determined by the Sec-
21 retary, and not less frequently than once per
22 year, unless the eligible entity has established
23 an alternative rent structure with approval from
24 the Secretary.

1 “(E) CONTRACT OR PLAN.—A covered
2 family is not required to complete a standard
3 contract of participation or an individual train-
4 ing and services plan in order to participate in
5 the pilot program.

6 “(4) EFFECT OF INCREASES IN FAMILY IN-
7 COME.—Any increase in the earned income of a cov-
8 ered family during the enrollment of the family in
9 the pilot program may not be considered as income
10 or a resource for purposes of eligibility of the family
11 for other benefits, or amount of benefits payable to
12 the family, under any program administered by the
13 Secretary.

14 “(5) APPLICATION.—

15 “(A) IN GENERAL.—An eligible entity
16 seeking to participate in the pilot program shall
17 submit to the Secretary an application—

18 “(i) at such time, in such manner,
19 and containing such information as the
20 Secretary may require by notice; and

21 “(ii) that includes the number of pro-
22 posed covered families to be served by the
23 eligible entity under this subsection.

24 “(B) GEOGRAPHIC AND ENTITY VARI-
25 ETY.—The Secretary shall ensure that eligible

1 entities selected to participate in the pilot pro-
2 gram—

3 “(i) are located across various States
4 and in both urban and rural areas; and

5 “(ii) vary by size and type, including
6 both public housing agencies and private
7 owners of projects receiving project-based
8 rental assistance under section 8.

9 “(6) NOTIFICATION AND OPT-OUT.—An eligible
10 entity participating in the pilot program shall—

11 “(A) notify covered families of their enroll-
12 ment in the pilot program;

13 “(B) provide covered families with a de-
14 tailed description of the pilot program, includ-
15 ing how the pilot program will impact their rent
16 and finances;

17 “(C) inform covered families that the fami-
18 lies cannot simultaneously participate in the
19 pilot program and the Family Self-Sufficiency
20 program under this section; and

21 “(D) provide covered families with the abil-
22 ity to elect not to participate in the pilot pro-
23 gram—

1 “(i) not less than 2 weeks before the
2 date on which the escrow account is estab-
3 lished under paragraph (3); and

4 “(ii) at any point during the duration
5 of the pilot program.

6 “(7) MAXIMUM RENTS.—During the term of
7 participation by a covered family in the pilot pro-
8 gram, the amount of rent paid by the covered family
9 shall be calculated under the rental provisions of sec-
10 tion 3 or 8(o), as applicable.

11 “(8) PILOT PROGRAM TIMELINE.—

12 “(A) AWARDS.—Not later than 1 year
13 after establishing the pilot program, the Sec-
14 retary shall select the eligible entities to partici-
15 pate in the pilot program.

16 “(B) ESTABLISHMENT AND TERM OF AC-
17 COUNTS.—An eligible entity selected to partici-
18 pate in the pilot program shall—

19 “(i) not later than 6 months after se-
20 lection, establish escrow accounts under
21 paragraph (3) for covered families; and

22 “(ii) maintain those escrow accounts
23 for not less than 5 years, or until a deter-
24 mination is made for termination with FSS
25 escrow disbursement under section

1 984.303(k) of title 24, Code of Federal
2 Regulations, or until the date the family
3 ceases to receive assistance under section 8
4 or 9, and, at the discretion of the covered
5 family, not more than 7 years after the
6 date on which the escrow account is estab-
7 lished.

8 “(9) NONPARTICIPATION AND HOUSING ASSIST-
9 ANCE.—

10 “(A) IN GENERAL.—Assistance under sec-
11 tion 8 or 9 for a family that elects not to par-
12 ticipate in the pilot program shall not be de-
13 layed or denied by reason of such election.

14 “(B) NO TERMINATION.—Housing assist-
15 ance may not be terminated as a consequence
16 of participating, or not participating, in the
17 pilot program under this subsection for any pe-
18 riod.

19 “(10) STUDY.—Not later than 10 years after
20 the date the Secretary selects eligible entities to par-
21 ticipate in the pilot program under this subsection,
22 the Secretary shall, if awards were made, conduct a
23 study and submit to the Committee on Banking,
24 Housing, and Urban Affairs of the Senate and the
25 Committee on Financial Services of the House of

1 Representatives a report on outcomes for covered
2 families under the pilot program, which shall evalu-
3 ate the effectiveness of the pilot program in assisting
4 families to achieve economic independence and self-
5 sufficiency, and the impact coaching and supportive
6 services, or the lack thereof, had on individual in-
7 comes.

8 “(11) WAIVERS.—To allow selected eligible en-
9 tities to effectively administer the pilot program and
10 make the required escrow account deposits under
11 this subsection, the Secretary may waive require-
12 ments under this section.

13 “(12) TERMINATION.—The pilot program under
14 this subsection shall terminate on the date that is 10
15 years after the date of enactment of this subsection.

16 “(13) ELIGIBLE USES OF APPROPRIATIONS.—
17 Subject to the appropriation of funds, the Secretary
18 may use funds—

19 “(A) for technical assistance related to im-
20 plementation of the pilot program; and

21 “(B) to carry out an evaluation of the pilot
22 program under paragraph (10).”.

23 **SEC. 405. CHOICE IN AFFORDABLE HOUSING ACT.**

24 (a) SATISFACTION OF INSPECTION REQUIREMENTS
25 THROUGH PARTICIPATION IN OTHER HOUSING PRO-

1 GRAMS.—Section 8(o)(8) of the United States Housing
2 Act of 1937 (42 U.S.C. 1437f(o)(8)) is amended by add-
3 ing at the end the following:

4 “(I) SATISFACTION OF INSPECTION RE-
5 QUIREMENTS THROUGH PARTICIPATION IN
6 OTHER HOUSING PROGRAMS.—

7 “(i) LOW-INCOME HOUSING TAX
8 CREDIT-FINANCED BUILDINGS.—A dwell-
9 ing unit shall be deemed to meet the in-
10 spection requirements under this para-
11 graph if—

12 “(I) the dwelling unit is in a
13 building, the acquisition, rehabilita-
14 tion, or construction of which was
15 done by a building owner who may be
16 eligible for low-income housing credits
17 because the building had been allo-
18 cated a housing credit dollar amount
19 under section 42(h) of the Internal
20 Revenue Code of 1986 or is described
21 in section 42(h)(4) of such Code (con-
22 cerning buildings that meet a criterion
23 for a certain amount of tax-exempt fi-
24 nancing);

1 “(II) the dwelling unit, during
2 the preceding 12-month period, was
3 physically inspected and satisfied the
4 suitability-for-occupancy requirement
5 in section 42(i)(3)(B)(ii) of such
6 Code; and

7 “(III) the applicable public hous-
8 ing agency performed the inspection
9 itself or is able to obtain the results of
10 the inspection described in subclause
11 (II).

12 “(ii) HOME INVESTMENT PARTNER-
13 SHIPS PROGRAM.—A dwelling shall be
14 deemed to meet the inspection require-
15 ments under this paragraph if—

16 “(I) the dwelling unit is assisted
17 under the HOME Investment Part-
18 nerships Program under title II of the
19 Cranston-Gonzalez National Afford-
20 able Housing Act (42 U.S.C. 12721 et
21 seq.);

22 “(II) the dwelling unit was phys-
23 ically inspected and passed inspection
24 as part of the program described in

1 subclause (I) during the preceding 12-
2 month period; and

3 “(III) the applicable public hous-
4 ing agency is able to obtain the re-
5 sults of the inspection described in
6 subclause (II).

7 “(iii) RURAL HOUSING SERVICE.—A
8 dwelling unit shall be deemed to meet the
9 inspection requirements under this para-
10 graph if—

11 “(I) the dwelling unit is assisted
12 by the Rural Housing Service of the
13 Department of Agriculture;

14 “(II) the dwelling unit was phys-
15 ically inspected and passed inspection
16 in connection with the assistance de-
17 scribed in subclause (I) during the
18 preceding 12-month period; and

19 “(III) the applicable public hous-
20 ing agency is able to obtain the re-
21 sults of the inspection described in
22 subclause (II).

23 “(iv) REMOTE OR VIDEO INSPEC-
24 TIONS.—When complying with inspection
25 requirements for a housing unit located in

1 a rural or small area using assistance
2 under this section, the Secretary may allow
3 a grantee to conduct a remote or video in-
4 spection of a unit.

5 “(v) RULE OF CONSTRUCTION.—
6 Nothing in clause (i), (ii), (iii), or (iv) shall
7 be construed to affect the operation of a
8 housing program described in, or author-
9 ized under a provision of law described in,
10 that clause.”.

11 (b) PRE-APPROVAL OF UNITS.—Section 8(o)(8)(A) of
12 the United States Housing Act of 1937 (42 U.S.C.
13 1437f(o)(8)(A)) is amended by adding at the end the fol-
14 lowing:

15 “(iv) INITIAL INSPECTION PRIOR TO
16 LEASE AGREEMENT.—

17 “(I) DEFINITION.—In this
18 clause, the term ‘new landlord’ means
19 an owner of a dwelling unit who has
20 not previously entered into a housing
21 assistance payment contract with a
22 public housing agency under this sub-
23 section for any dwelling unit.

24 “(II) EARLY INSPECTION.—Upon
25 the request of a new landlord, a public

1 housing agency may inspect the dwell-
2 ing unit owned by the new landlord to
3 determine whether the unit meets the
4 housing quality standards under sub-
5 paragraph (B) before the unit is se-
6 lected by a tenant assisted under this
7 subsection.

8 “(III) EFFECT.—An inspection
9 conducted under subclause (II) that
10 determines that the dwelling unit
11 meets the housing quality standards
12 under subparagraph (B) shall satisfy
13 this subparagraph and subparagraph
14 (C) if the new landlord enters into a
15 lease agreement with a tenant assisted
16 under this subsection not later than
17 60 days after the date of the inspec-
18 tion.

19 “(IV) INFORMATION WHEN FAM-
20 ILY IS SELECTED.—When a public
21 housing agency selects a family to
22 participate in the tenant-based assist-
23 ance program under this subsection,
24 the public housing agency shall in-
25 clude in the information provided to

1 the family a list of dwelling units that
2 have been inspected under subclause
3 (II) and determined to meet the hous-
4 ing quality standards under subpara-
5 graph (B).”.

6 **TITLE V—PROGRAM REFORM**

7 **SEC. 501. REFORMING DISASTER RECOVERY ACT.**

8 (a) DEFINITIONS.—In this section:

9 (1) DEPARTMENT.—The term “Department”
10 means the Department of Housing and Urban De-
11 velopment.

12 (2) FUND.—The term “Fund” means the
13 Long-Term Disaster Recovery Fund established
14 under subsection (c).

15 (3) SECRETARY.—The term “Secretary” means
16 the Secretary of Housing and Urban Development.

17 (b) DUTIES OF THE DEPARTMENT OF HOUSING AND
18 URBAN DEVELOPMENT.—

19 (1) IN GENERAL.—The offices and officers of
20 the Department shall be responsible for—

21 (A) leading and coordinating the disaster-
22 related responsibilities of the Department under
23 the National Response Framework, the Na-
24 tional Disaster Recovery Framework, and the
25 National Mitigation Framework;

1 (B) coordinating and administering pro-
2 grams, policies, and activities of the Depart-
3 ment related to disaster relief, long-term recov-
4 ery, resiliency, and mitigation, including dis-
5 aster recovery assistance under title I of the
6 Housing and Community Development Act of
7 1974 (42 U.S.C. 5301 et seq.);

8 (C) supporting disaster-impacted commu-
9 nities as those communities specifically assess,
10 plan for, and address the housing stock and
11 housing needs in the transition from emergency
12 shelters and interim housing to permanent
13 housing of those displaced, especially among
14 vulnerable populations and extremely low-, low-
15 , and moderate-income households;

16 (D) collaborating with the Federal Emer-
17 gency Management Agency and the Small Busi-
18 ness Administration and across the Department
19 to align disaster-related regulations and poli-
20 cies, including incorporation of consensus-based
21 codes and standards and insurance purchase re-
22 quirements, and ensuring coordination and re-
23 ducing duplication among other Federal dis-
24 aster recovery programs;

1 (E) promoting best practices in mitigation
2 and resilient land use planning;

3 (F) coordinating technical assistance, in-
4 cluding mitigation, resiliency, and recovery
5 training and information on all relevant legal
6 and regulatory requirements, to entities that re-
7 ceive disaster recovery assistance under title I
8 of the Housing and Community Development
9 Act of 1974 (42 U.S.C. 5301 et seq.) that dem-
10 onstrate capacity constraints; and

11 (G) supporting State, Tribal, and local
12 governments in developing, coordinating, and
13 maintaining their capacity for disaster resilience
14 and recovery and developing pre-disaster recov-
15 ery and hazard mitigation plans, in coordina-
16 tion with the Federal Emergency Management
17 Agency and other Federal agencies.

18 (2) ESTABLISHMENT OF THE OFFICE OF DIS-
19 ASTER MANAGEMENT AND RESILIENCY.—Section 4
20 of the Department of Housing and Urban Develop-
21 ment Act (42 U.S.C. 3533) is amended by adding at
22 the end the following:

23 “(i) OFFICE OF DISASTER MANAGEMENT AND RE-
24 SILIENCY.—

1 “(1) ESTABLISHMENT.—There is established
2 the Office of Disaster Management and Resiliency.

3 “(2) DUTIES.—The Office of Disaster Manage-
4 ment and Resiliency shall—

5 “(A) be responsible for oversight and co-
6 ordination of all departmental disaster pre-
7 paredness and response responsibilities; and

8 “(B) coordinate with the Federal Emer-
9 gency Management Agency, the Small Business
10 Administration, and other offices of the Depart-
11 ment in supporting recovery and resilience ac-
12 tivities to provide a comprehensive approach in
13 working with communities.”.

14 (c) LONG-TERM DISASTER RECOVERY FUND.—

15 (1) ESTABLISHMENT.—There is established in
16 the Treasury of the United States an account to be
17 known as the Long-Term Disaster Recovery Fund.

18 (2) DEPOSITS, TRANSFERS, AND CREDIT.—

19 (A) IN GENERAL.—The Fund shall consist
20 of amounts appropriated, transferred, and cred-
21 ited to the Fund.

22 (B) TRANSFERS.—The following may be
23 transferred to the Fund:

24 (i) Amounts made available through
25 section 106(c)(4) of the Housing and Com-

1 community Development Act of 1974 (42
2 U.S.C. 5306(e)(4)) as a result of actions
3 taken under section 104(e), 111, or 124(j)
4 of such Act.

5 (ii) Any unobligated balances available
6 until expended remaining or subsequently
7 recaptured from amounts appropriated for
8 any disaster and related purposes under
9 the heading “Community Development
10 Fund” in any Act prior to the establish-
11 ment of the Fund.

12 (C) USE OF TRANSFERRED AMOUNTS.—
13 Amounts transferred to the Fund shall be used
14 for the eligible uses described in paragraph (3).

15 (3) ELIGIBLE USES OF FUND.—

16 (A) IN GENERAL.—Amounts in the Fund
17 shall be available—

18 (i) to provide assistance in the form of
19 grants under section 124 of the Housing
20 and Community Development Act of 1974,
21 as added by subsection (d); and

22 (ii) for activities of the Department
23 that support the provision of such assist-
24 ance, including necessary salaries and ex-
25 penses, information technology, and capac-

1 ity building, technical assistance, and pre-
2 disaster readiness.

3 (B) SET-ASIDE.—Of each amount appro-
4 priated for or transferred to the Fund, 3 per-
5 cent shall be made available for activities de-
6 scribed in subparagraph (A)(ii), which shall be
7 in addition to other amounts made available for
8 those activities.

9 (C) TRANSFER OF FUNDS.—With respect
10 to amounts made available for use in accord-
11 ance with subparagraph (B)—

12 (i) amounts may be transferred to the
13 account under the heading for “Program
14 Offices—Salaries and Expenses—Communi-
15 ty Planning and Development”, or any
16 successor account, for the Department to
17 carry out activities described in subpara-
18 graph(B); and

19 (ii) amounts may be used for the ac-
20 tivities described in subparagraph (A)(ii)
21 and for the administrative costs of admin-
22 istering any funds appropriated to the De-
23 partment under the heading “Community
24 Planning and Development—Community
25 Development Fund” for any major disaster

1 declared under section 401 of the Robert
2 T. Stafford Disaster Relief and Emergency
3 Assistance Act (42 U.S.C. 5170) in any
4 Act before the establishment of the Fund.

5 (D) INSPECTOR GENERAL.—

6 (i) IN GENERAL.—Not less than one-
7 tenth of 1 percent of each series of awards
8 the Secretary makes from the Fund shall
9 be transferred to the account under the
10 heading “Office of Inspector General” for
11 the Department of Housing and Urban
12 Development to support audit activities
13 and to investigate grantee noncompliance
14 with program requirements and waste,
15 fraud, and abuse as a result of appropria-
16 tions made available through the Fund.

17 (ii) AVAILABILITY.—Funding under
18 clause (i) shall not be made available to
19 the Office of Inspector General until 90
20 days after the date on which the grantee
21 plan or supplemental plan for the grantee
22 is approved by the Secretary under sub-
23 section (e) or (f)(3)(C) of section 124 of
24 the Housing and Community Development

1 Act of 1974, as added by subsection (d), is
2 approved by the Secretary.

3 (4) INTERCHANGEABILITY OF PRIOR ADMINIS-
4 TRATIVE AMOUNTS.—Any amounts appropriated in
5 any Act prior to the establishment of the Fund and
6 transferred to the account under the heading “Pro-
7 gram Offices—Salaries and Expenses—Community
8 Planning and Development”, or any predecessor ac-
9 count, for the Department for the costs of admin-
10 istering funds appropriated to the Department under
11 the heading “Community Planning and Develop-
12 ment—Community Development Fund” for any
13 major disaster declared under section 401 of the
14 Robert T. Stafford Disaster Relief and Emergency
15 Assistance Act (42 U.S.C. 5170) shall be available
16 for the costs of administering any such funds pro-
17 vided by any prior or future Act, notwithstanding
18 the purposes for which those amounts were appro-
19 priated and in addition to any amount provided for
20 the same purposes in other appropriations Acts.

21 (5) AVAILABILITY OF AMOUNTS.—Amounts ap-
22 propriated, transferred, and credited to the Fund
23 shall remain available until expended.

24 (6) FORMULA ALLOCATION.—Use of amounts
25 in the Fund for grants shall be made by formula al-

1 location in accordance with the requirements of sec-
2 tion 124(a) of the Housing and Community Develop-
3 ment Act of 1974, as added by subsection (d).

4 (d) ESTABLISHMENT OF CDBG DISASTER RECOV-
5 ERY PROGRAM.—Title I of the Housing and Community
6 Development Act of 1974 (42 U.S.C. 5301 et seq.), as
7 amended by this Act, is amended—

8 (1) in section 102(a) (42 U.S.C. 5302(a))—

9 (A) in paragraph (20)—

10 (i) by redesignating subparagraph (B)
11 as subparagraph (C);

12 (ii) in subparagraph (C), as so redesi-
13 gnated, by inserting “or (B)” after “sub-
14 paragraph (A)”;

15 (iii) by inserting after subparagraph
16 (A) the following:

17 “(B) The term ‘persons of extremely low in-
18 come’ means families and individuals whose income
19 levels do not exceed household income levels deter-
20 mined by the Secretary under section 3(b)(2) of the
21 United States Housing Act of 1937 (42 U.S.C.
22 1437a(b)(2)(C)), except that the Secretary may pro-
23 vide alternative definitions for the Commonwealth of
24 Puerto Rico, Guam, the Commonwealth of the

1 Northern Mariana Islands, the United States Virgin
2 Islands, and American Samoa.”; and

3 (B) by adding at the end the following:

4 “(25) The term ‘major disaster’ has the mean-
5 ing given the term in section 102 of the Robert T.
6 Stafford Disaster Relief and Emergency Assistance
7 Act (42 U.S.C. 5122).”;

8 (2) in section 106(c)(4) (42 U.S.C.
9 5306(c)(4))—

10 (A) in subparagraph (A)—

11 (i) by striking “declared by the Presi-
12 dent under the Robert T. Stafford Disaster
13 Relief and Emergency Assistance Act”;

14 (ii) by inserting “States for use in
15 nonentitlement areas and to” before “met-
16 ropolitan cities”; and

17 (iii) by inserting “major” after “af-
18 fected by the”;

19 (B) in subparagraph (C)—

20 (i) by striking “metropolitan city or”
21 and inserting “State, metropolitan city,
22 or”;

23 (ii) by striking “city or county” and
24 inserting “State, city, or county”; and

1 (iii) by inserting “major” before “dis-
2 aster”;

3 (C) in subparagraph (D), by striking “met-
4 ropolitan cities and” and inserting “States,
5 metropolitan cities, and”;

6 (D) in subparagraph (F)—

7 (i) by striking “metropolitan city or”
8 and inserting “State, metropolitan city,
9 or”; and

10 (ii) by inserting “major” before “dis-
11 aster”; and

12 (E) in subparagraph (G), by striking “met-
13 ropolitan city or” and inserting “State, metro-
14 politan city, or”;

15 (3) in section 122 (42 U.S.C. 5321), by striking
16 “disaster under title IV of the Robert T. Stafford
17 Disaster Relief and Emergency Assistance Act” and
18 inserting “major disaster”; and

19 (4) by adding at the end the following:

20 **“SEC. 124. COMMUNITY DEVELOPMENT BLOCK GRANT DIS-
21 ASTER RECOVERY PROGRAM.**

22 **“(a) AUTHORIZATION, FORMULA, AND ALLOCA-
23 TION.—**

24 **“(1) AUTHORIZATION.—**The Secretary is au-
25 **thorized to make community development block**

1 grant disaster recovery grants from the Long-Term
2 Disaster Recovery Fund established under section
3 501(c) of the 21st Century ROAD to Housing Act
4 (hereinafter referred to as the ‘Fund’) for necessary
5 expenses for activities authorized under subsection
6 (f)(1) related to disaster relief, long-term recovery,
7 restoration of housing and infrastructure, economic
8 revitalization, and mitigation in the most impacted
9 and distressed areas resulting from a catastrophic
10 major disaster.

11 “(2) GRANT AWARDS.—Grants shall be awarded
12 under this section to States, units of general local
13 government, and Indian tribes based on capacity and
14 the concentration of damage, as determined by the
15 Secretary, to support the efficient and effective ad-
16 ministration of funds.

17 “(3) SECTION 106 ALLOCATIONS.—Grants
18 under this section shall not be considered relevant to
19 the formula allocations made pursuant to section
20 106.

21 “(4) FEDERAL REGISTER NOTICE.—

22 “(A) IN GENERAL.—Not later than 30
23 days after the date of enactment of this section,
24 the Secretary shall issue a notice in the Federal
25 Register containing the latest formula allocation

1 methodologies used to determine the total esti-
2 mate of unmet needs related to housing, eco-
3 nomic revitalization, and infrastructure in the
4 most impacted and distressed areas resulting
5 from a catastrophic major disaster.

6 “(B) PUBLIC COMMENT.—If the Secretary
7 has not already requested public comment on
8 the formula described in the notice required by
9 subparagraph (A), the Secretary shall solicit
10 public comments on—

11 “(i) the methodologies described in
12 subparagraph (A) and seek alternative
13 methods for formula allocation within a
14 similar total amount of funding;

15 “(ii) the impact of formula methodolo-
16 gies on rural areas and Tribal areas;

17 “(iii) adjustments to improve tar-
18 geting to the most serious needs;

19 “(iv) objective criteria for grantee ca-
20 pacity and concentration of damage to in-
21 form grantee determinations and minimum
22 allocation thresholds; and

23 “(v) research and data to inform an
24 additional amount to be provided for miti-
25 gation depending on type of disaster, which

1 shall be up to 18 percent of the total esti-
2 mate of unmet needs.

3 “(5) REGULATIONS.—

4 “(A) IN GENERAL.—The Secretary shall,
5 by regulation, establish a formula to allocate as-
6 sistance from the Fund to the most impacted
7 and distressed areas resulting from a cata-
8 strophic major disaster.

9 “(B) FORMULA REQUIREMENTS.—The for-
10 mula established under subparagraph (A)
11 shall—

12 “(i) set forth criteria to determine
13 that a major disaster is catastrophic, which
14 criteria shall consider the presence of a
15 high concentration of damaged housing or
16 businesses that individual, State, Tribal,
17 and local resources could not reasonably be
18 expected to address without additional
19 Federal assistance or other nationally en-
20 compassing data that the Secretary deter-
21 mines are adequate to assess relative im-
22 pact and distress across geographic areas;

23 “(ii) include a methodology for identi-
24 fying most impacted and distressed areas,
25 which shall consider unmet serious needs

1 related to housing, economic revitalization,
2 and infrastructure;

3 “(iii) include an allocation calculation
4 that considers the unmet serious needs re-
5 sulting from the catastrophic major dis-
6 aster and an additional amount up to 18
7 percent for activities to reduce risks of loss
8 resulting from other natural disasters in
9 the most impacted and distressed area, pri-
10 marily for the benefit of low- and mod-
11 erate-income persons, with particular focus
12 on activities that reduce repetitive loss of
13 property and critical infrastructure; and

14 “(iv) establish objective criteria for
15 periodic review and updates to the formula
16 to reflect changes in available data.

17 “(C) MINIMUM ALLOCATION THRESH-
18 OLD.—The Secretary shall, by regulation, es-
19 tablish a minimum allocation threshold.

20 “(D) INTERIM ALLOCATION.—Until such
21 time that the Secretary issues final regulations
22 under this paragraph, the Secretary shall—

23 “(i) allocate assistance from the Fund
24 using the formula allocation methodology

1 published in accordance with paragraph
2 (4); and

3 “(ii) include an additional amount for
4 mitigation of up to 18 percent of the total
5 estimate of unmet need.

6 “(6) ALLOCATION OF FUNDS.—

7 “(A) IN GENERAL.—The Secretary shall—

8 “(i) except as provided in clause (ii),
9 not later than 90 days after the President
10 declares a major disaster, use best avail-
11 able data to determine whether the major
12 disaster is catastrophic and qualifies for
13 assistance under the formula described in
14 paragraph (4) or (5), unless data is insuf-
15 ficient to make this determination; and

16 “(ii) if the best available data is insuf-
17 ficient to make the determination required
18 under clause (i) within the 90-day period
19 described in that clause, determine whether
20 the major disaster qualifies when sufficient
21 data becomes available, but in no case
22 shall the Secretary make the determination
23 later than 120 days after the declaration
24 of the major disaster.

1 “(B) ANNOUNCEMENT OF ALLOCATION.—
2 If amounts are available in the Fund at the
3 time the Secretary determines that the major
4 disaster is catastrophic and qualifies for assist-
5 ance under the formula described in paragraph
6 (4) or (5), the Secretary shall immediately an-
7 nounce an allocation for a grant under this sec-
8 tion.

9 “(C) ADDITIONAL AMOUNTS.—If addi-
10 tional amounts are appropriated to the Fund
11 after amounts are allocated under subpara-
12 graph (B), the Secretary shall announce an al-
13 location or additional allocation (if a prior allo-
14 cation under subparagraph (B) was less than
15 the formula calculation) within 15 days of any
16 such appropriation.

17 “(7) PRELIMINARY FUNDING.—

18 “(A) IN GENERAL.—To speed recovery, the
19 Secretary is authorized to allocate and award
20 preliminary grants from the Fund before mak-
21 ing a determination under paragraph (6)(A) if
22 the Secretary projects, based on a preliminary
23 assessment of impact and distress, that a major
24 disaster is catastrophic and would likely qualify

1 for funding under the formula described in
2 paragraph (4) or (5).

3 “(B) AMOUNT.—

4 “(i) MAXIMUM.—The Secretary may
5 award preliminary funding under subpara-
6 graph (A) in an amount that is not more
7 than \$5,000,000.

8 “(ii) SLIDING SCALE.—The Secretary
9 shall, by regulation, establish a sliding
10 scale for preliminary funding awarded
11 under subparagraph (A) based on the size
12 of the preliminary assessment of impact
13 and distress.

14 “(C) USE OF FUNDS.—The uses of pre-
15 liminary funding awarded under subparagraph
16 (A) shall be limited to eligible activities that—

17 “(i) in the determination of the Sec-
18 retary, will support faster recovery, im-
19 prove the ability of the grantee to assess
20 unmet recovery needs, plan for the preven-
21 tion of improper payments, and reduce
22 fraud, waste, and abuse; and

23 “(ii) may include evaluating the in-
24 terim housing, permanent housing, and
25 supportive service needs of the disaster im-

1 pacted community, with special attention
2 to vulnerable populations, such as homeless
3 and low- to moderate-income households,
4 to inform the grantee action plan required
5 under subsection (c).

6 “(D) CONSIDERATION OF FUNDING.—Pre-
7 liminary funding awarded under subparagraph
8 (A)—

9 “(i) is not subject to the certification
10 requirements of subsection (h)(2); and

11 “(ii) shall not be considered when cal-
12 culating the amount of the grant used for
13 administrative costs, technical assistance,
14 and planning activities that are subject to
15 the requirements under subsection (f)(3).

16 “(E) WAIVER.—To expedite the use of
17 preliminary funding for activities described in
18 this paragraph, the Secretary may waive or
19 specify alternative requirements to the require-
20 ments of this section in accordance with sub-
21 section (i).

22 “(F) AMENDED AWARD.—

23 “(i) IN GENERAL.—An award for pre-
24 liminary funding under subparagraph (A)
25 may be amended to add any subsequent

1 amount awarded because of a determina-
2 tion by the Secretary that a major disaster
3 is catastrophic and qualifies for assistance
4 under the formula.

5 “(ii) APPLICABILITY.—Notwith-
6 standing subparagraph (D), amounts pro-
7 vided by an amendment under clause (i)
8 are subject to the requirements under sub-
9 sections (f)(1) and (h)(1) and other re-
10 quirements on grant funds under this sec-
11 tion.

12 “(G) TECHNICAL ASSISTANCE.—Concur-
13 rent with the allocation of any preliminary
14 funding awarded under this paragraph, the Sec-
15 retary shall assign or provide technical assist-
16 ance to the recipient of the grant.

17 “(b) INTERCHANGEABILITY.—

18 “(1) IN GENERAL.—The Secretary is authorized
19 to approve the use of grants under this section to be
20 used interchangeably and without limitation for the
21 same activities in the most impacted and distressed
22 areas resulting from a declaration of another cata-
23 strophic major disaster that qualifies for assistance
24 under the formula established under paragraph (4)
25 or (5) of subsection (a) or a major disaster for

1 which the Secretary allocated funds made available
2 under the heading ‘Community Development Fund’
3 in any Act prior to the establishment of the Fund.

4 “(2) REQUIREMENTS.—The Secretary shall es-
5 tablish requirements to expedite the use of grants
6 under this section for the purpose described in para-
7 graph (1).

8 “(3) EMERGENCY DESIGNATION.—Amounts
9 repurposed pursuant to this subsection that were
10 previously designated by Congress as an emergency
11 requirement pursuant to the Balanced Budget and
12 Emergency Deficit Control Act of 1985 or a concu-
13 rent resolution on the budget are designated by the
14 Congress as being for an emergency requirement
15 pursuant to section 4001(a)(1) of S. Con. Res. 14
16 (117th Congress), the concurrent resolution on the
17 budget for fiscal year 2022, and to legislation estab-
18 lishing fiscal year 2026 budget enforcement in the
19 House of Representatives.

20 “(c) GRANTEE PLANS.—

21 “(1) REQUIREMENT.—Not later than 90 days
22 after the date on which the Secretary announces a
23 grant allocation under this section, unless an exten-
24 sion is granted by the Secretary, the grantee shall

1 submit to the Secretary a plan for approval describ-
2 ing—

3 “(A) the activities the grantee will carry
4 out with the grant under this section;

5 “(B) the criteria of the grantee for award-
6 ing assistance and selecting activities;

7 “(C) how the use of the grant under this
8 section will address disaster relief, long-term re-
9 covery, restoration of housing and infrastruc-
10 ture, economic revitalization, and mitigation in
11 the most impacted and distressed areas;

12 “(D) how the use of the grant funds for
13 mitigation is consistent with hazard mitigation
14 plans submitted to the Federal Emergency
15 Management Agency under section 322 of the
16 Robert T. Stafford Disaster Relief and Emer-
17 gency Assistance Act (42 U.S.C. 5165);

18 “(E) the estimated amount proposed to be
19 used for activities that will benefit persons of
20 low and moderate income;

21 “(F) how the use of grant funds will repair
22 and replace existing housing stock for vulner-
23 able populations, including low- to moderate-in-
24 come households;

1 “(G) how the grantee will address the pri-
2 orities described in paragraph (5);

3 “(H) how uses of funds are proportional to
4 unmet needs, as required under paragraph (6);

5 “(I) for State grantees that plan to dis-
6 tribute grant amounts to units of general local
7 government, a description of the method of dis-
8 tribution; and

9 “(J) such other information as may be de-
10 termined by the Secretary in regulation.

11 “(2) PUBLIC CONSULTATION.—To permit pub-
12 lic examination and appraisal of the plan described
13 in paragraph (1), to enhance the public account-
14 ability of grantee, and to facilitate coordination of
15 activities with different levels of government, when
16 developing the plan or substantial amendments pro-
17 posed to the plan required under paragraph (1), a
18 grantee shall—

19 “(A) publish the plan before adoption;

20 “(B) provide citizens, affected units of
21 general local government, and other interested
22 parties with reasonable notice of, and oppor-
23 tunity to comment on, the plan, with a public
24 comment period of not less than 14 days;

1 “(C) consider comments received before
2 submission to the Secretary;

3 “(D) follow a citizen participation plan for
4 disaster assistance adopted by the grantee that,
5 at a minimum, provides for participation of
6 residents of the most impacted and distressed
7 area affected by the major disaster that re-
8 sulted in the grant under this section and other
9 considerations established by the Secretary; and

10 “(E) undertake any consultation with in-
11 terested parties as may be determined by the
12 Secretary in regulation.

13 “(3) APPROVAL.—The Secretary shall—

14 “(A) by regulation, specify criteria for the
15 approval, partial approval, or disapproval of a
16 plan submitted under paragraph (1), including
17 approval of substantial amendments to the
18 plan;

19 “(B) review a plan submitted under para-
20 graph (1) upon receipt of the plan;

21 “(C) allow a grantee to revise and resub-
22 mit a plan or substantial amendment to a plan
23 under paragraph (1) that the Secretary dis-
24 approves;

1 “(D) by regulation, specify criteria for
2 when the grantee shall be required to provide
3 the required revisions to a disapproved plan or
4 substantial amendment under paragraph (1) for
5 public comment prior to resubmission of the
6 plan or substantial amendment to the Sec-
7 retary; and

8 “(E) approve, partially approve, or dis-
9 approve a plan or substantial amendment under
10 paragraph (1) not later than 60 days after the
11 date on which the plan or substantial amend-
12 ment is received by the Secretary.

13 “(4) LOW- AND MODERATE-INCOME OVERALL
14 BENEFIT.—

15 “(A) USE OF FUNDS.—Not less than 70
16 percent of a grant made under this section shall
17 be used for activities that benefit persons of low
18 and moderate income unless the Secretary—

19 “(i) specifically finds that—

20 “(I) there is compelling need to
21 reduce the percentage for the grant;
22 and

23 “(II) the housing needs of low-
24 and moderate-income persons have
25 been addressed; and

1 “(ii) issues a waiver and alternative
2 requirement specific to the grant pursuant
3 to subsection (i) to lower the percentage.

4 “(B) REGULATIONS.—The Secretary shall,
5 by regulation, establish protocols that reflect
6 the required use of funds under subparagraph
7 (A), including persons with extremely and very
8 low incomes.

9 “(5) PRIORITIZATION.—The grantee shall
10 prioritize activities that—

11 “(A) assist persons with extremely low-,
12 low-, and moderate-incomes and other vulner-
13 able populations to better recover from and
14 withstand future disasters;

15 “(B) address housing needs arising from a
16 disaster, or those needs present prior to a dis-
17 aster, including the needs of both renters and
18 homeowners;

19 “(C) prolong the life of housing and infra-
20 structure;

21 “(D) use cost-effective means of preventing
22 harm to people and property and incorporate
23 protective features and redundancies; and

1 “(E) other measures that will assure the
2 continuation of critical services during future
3 disasters.

4 “(6) PROPORTIONAL ALLOCATION.—For each
5 specific disaster, a grantee under this section shall
6 allocate grant funds proportional to unmet needs be-
7 tween housing activities for renters and homeowners,
8 economic revitalization, and infrastructure unless the
9 Secretary specifically finds that—

10 “(A) there is a compelling need for a dis-
11 proportional allocation among those unmet
12 needs; and

13 “(B) the disproportional allocation de-
14 scribed in subparagraph (A) is not inconsistent
15 with the requirements under paragraph (4).

16 “(7) DISASTER RISK MITIGATION.—

17 “(A) DEFINITION.—In this paragraph, the
18 term ‘hazard-prone areas’—

19 “(i) means areas identified by the
20 Secretary, in consultation with the Admin-
21 istrator of the Federal Emergency Man-
22 agement Agency, at risk from natural haz-
23 ards that threaten property damage or
24 health, safety, and welfare, such as floods,
25 wildfires (including Wildland-Urban Inter-

1 face areas), earthquakes, lava inundation,
2 tornados, and high winds; and

3 “(ii) includes areas having special
4 flood hazards as identified under the Flood
5 Disaster Protection Act of 1973 (42
6 U.S.C. 4002 et seq.) or the National Flood
7 Insurance Act of 1968 (42 U.S.C. 4001 et
8 seq.).

9 “(B) HAZARD-PRONE AREAS.—The Sec-
10 retary, in consultation with the Administrator
11 of the Federal Emergency Management Agency,
12 shall establish minimum construction standards,
13 insurance purchase requirements, and other re-
14 quirements for the use of grant funds in haz-
15 ard-prone areas.

16 “(C) SPECIAL FLOOD HAZARDS.—

17 “(i) IN GENERAL.—For the areas de-
18 scribed in subparagraph (A)(ii), the insur-
19 ance purchase requirements established
20 under subparagraph (B) shall meet or ex-
21 ceed the requirements under section 102(a)
22 of the Flood Disaster Protection Act of
23 1973 (42 U.S.C. 4012a(a)).

24 “(ii) TREATMENT AS FINANCIAL AS-
25 SISTANCE.—All grants under this section

1 shall be treated as financial assistance for
2 purposes of section 3(a)(3) of the Flood
3 Disaster Protection Act of 1973 (42
4 U.S.C. 4003(a)(3)).

5 “(D) CONSIDERATION OF FUTURE
6 RISKS.—The Secretary may consider future
7 risks to protecting property and health, safety,
8 and general welfare, and the likelihood of those
9 risks, when making the determination of or
10 modification to hazard-prone areas under this
11 paragraph.

12 “(8) RELOCATION.—

13 “(A) IN GENERAL.—The Uniform Reloca-
14 tion Assistance and Real Property Acquisition
15 Policies Act of 1970 (42 U.S.C. 4601 et seq.)
16 shall apply to activities assisted under this sec-
17 tion to the extent determined by the Secretary
18 in regulation, or as provided in waivers or alter-
19 native requirements authorized in accordance
20 with subsection (i).

21 “(B) POLICY.—Each grantee under this
22 section shall establish a relocation assistance
23 policy that—

24 “(i) minimizes displacement and de-
25 scribes the benefits available to persons

1 displaced as a direct result of acquisition,
2 rehabilitation, or demolition in connection
3 with an activity that is assisted by a grant
4 under this section; and

5 “(ii) includes any appeal rights or
6 other requirements that the Secretary es-
7 tablishes by regulation.

8 “(d) CERTIFICATIONS.—Any grant under this section
9 shall be made only if the grantee certifies to the satisfac-
10 tion of the Secretary that—

11 “(1) the grantee is in full compliance with the
12 requirements under subsection (c)(2);

13 “(2) for grants other than grants to Indian
14 tribes, the grant will be conducted and administered
15 in conformity with the Civil Rights Act of 1964 (42
16 U.S.C. 2000a et seq.) and the Fair Housing Act (42
17 U.S.C. 3601 et seq.);

18 “(3) the projected use of funds has been devel-
19 oped so as to give maximum feasible priority to ac-
20 tivities that will benefit recipients described in sub-
21 section (c)(4)(A) and activities described in sub-
22 section (c)(5), and may also include activities that
23 are designed to aid in the prevention or elimination
24 of slum and blight to support disaster recovery, meet
25 other community development needs having a par-

1 ticular urgency because existing conditions pose a
2 serious and immediate threat to the health or wel-
3 fare of the community where other financial re-
4 sources are not available to meet such needs, and al-
5 leviate future threats to human populations, critical
6 natural resources, and property that an analysis of
7 hazards shows are likely to result from natural dis-
8 asters in the future;

9 “(4) the grant funds shall principally benefit
10 persons of low- and moderate-income as described in
11 subsection (c)(4)(A);

12 “(5) for grants other than grants to Indian
13 tribes, within 24 months of receiving a grant or at
14 the time of its 3- or 5-year update, whichever is
15 sooner, the grantee will review and make modifica-
16 tions to its non-disaster housing and community de-
17 velopment plans and strategies required by sub-
18 sections (c) and (m) of section 104 to reflect the dis-
19 aster recovery needs identified by the grantee and
20 consistency with the plan under subsection (c)(1);

21 “(6) the grantee will not attempt to recover any
22 capital costs of public improvements assisted in
23 whole or part under this section by assessing any
24 amount against properties owned and occupied by
25 persons of low and moderate income, including any

1 fee charged or assessment made as a condition of
2 obtaining access to such public improvements, un-
3 less—

4 “(A) funds received under this section are
5 used to pay the proportion of such fee or as-
6 sessment that relates to the capital costs of
7 such public improvements that are financed
8 from revenue sources other than under this
9 chapter; or

10 “(B) for purposes of assessing any amount
11 against properties owned and occupied by per-
12 sons of moderate income, the grantee certifies
13 to the Secretary that the grantee lacks suffi-
14 cient funds received under this section to com-
15 ply with the requirements of subparagraph (A);

16 “(7) the grantee will comply with the other pro-
17 visions of this title that apply to assistance under
18 this section and with other applicable laws;

19 “(8) the grantee will follow a relocation assist-
20 ance policy that includes any minimum requirements
21 identified by the Secretary; and

22 “(9) the grantee will adhere to construction
23 standards, insurance purchase requirements, and
24 other requirements for development in hazard-prone
25 areas described in subsection (c)(7).

1 “(e) PERFORMANCE REVIEWS AND REPORTING.—

2 “(1) IN GENERAL.—The Secretary shall, on not
3 less frequently than an annual basis until the close-
4 out of a particular grant allocation, make such re-
5 views and audits as may be necessary or appropriate
6 to determine whether a grantee under this section
7 has—

8 “(A) carried out activities using grant
9 funds in a timely manner;

10 “(B) met the performance targets estab-
11 lished by paragraph (2);

12 “(C) carried out activities using grant
13 funds in accordance with the requirements of
14 this section, the other provisions of this title
15 that apply to assistance under this section, and
16 other applicable laws; and

17 “(D) a continuing capacity to carry out ac-
18 tivities in a timely manner.

19 “(2) PERFORMANCE TARGETS.—The Secretary
20 shall develop and make publicly available critical
21 performance targets for review, which shall include
22 spending thresholds for each year from the date on
23 which funds are obligated by the Secretary to the
24 grantee until such time all funds have been ex-
25 pended.

1 “(3) FAILURE TO MEET TARGETS.—

2 “(A) SUSPENSION.—If a grantee under
3 this section fails to meet 1 or more critical per-
4 formance targets under paragraph (2), the Sec-
5 retary may temporarily suspend the grant.

6 “(B) PERFORMANCE IMPROVEMENT
7 PLAN.—If the Secretary suspends a grant
8 under subparagraph (A), the Secretary shall
9 provide to the grantee a performance improve-
10 ment plan with the specific requirements needed
11 to lift the suspension within a defined time pe-
12 riod.

13 “(C) REPORT.—If a grantee fails to meet
14 the spending thresholds established under para-
15 graph (2), the grantee shall submit to the Sec-
16 retary, the appropriate committees of Congress,
17 and each member of Congress who represents a
18 district or State of the grantee a written report
19 identifying technical capacity, funding, or other
20 Federal or State impediments affecting the abil-
21 ity of the grantee to meet the spending thresh-
22 olds.

23 “(4) COLLECTION OF INFORMATION AND RE-
24 PORTING.—

1 “(A) REQUIREMENT TO REPORT.—A
2 grantee under this section shall provide to the
3 Secretary such information as the Secretary
4 may determine necessary for adequate oversight
5 of the grant program under this section.

6 “(B) PUBLIC AVAILABILITY.—Subject to
7 subparagraph (D), the Secretary shall make in-
8 formation submitted under subparagraph (A)
9 available to the public and to the Inspector
10 General for the Department of Housing and
11 Urban Development.

12 “(C) SUMMARY STATUS REPORTS.—To in-
13 crease transparency and accountability of the
14 grant program under this section, the Secretary
15 shall, on not less frequently than an annual
16 basis, post on a public facing dashboard sum-
17 mary status reports for all active grants under
18 this section that includes—

19 “(i) the status of funds by activity;

20 “(ii) the percentages of funds allo-
21 cated and expended to benefit low- and
22 moderate-income communities;

23 “(iii) performance targets, spending
24 thresholds, and accomplishments; and

1 “(iv) other information the Secretary
2 determines to be relevant for transparency.

3 “(D) CONSIDERATIONS.—In carrying out
4 this paragraph, the Secretary shall take such
5 actions as may be necessary to ensure that per-
6 sonally identifiable information regarding appli-
7 cants for assistance provided from funds made
8 available under this section is not made publicly
9 available.

10 “(E) RESEARCH PARTNERSHIPS.—

11 “(i) IN GENERAL.—The Secretary
12 may, upon a formal request from research-
13 ers, make disaggregated information avail-
14 able to the requestor that is specific and
15 relevant to the research being conducted,
16 and for the purposes of researching pro-
17 gram impact and efficacy.

18 “(ii) PRIVACY PROTECTIONS.—In
19 making information available under clause
20 (i), the Secretary shall protect personally
21 identifiable information as required under
22 section 552a of title 5, United States Code
23 (commonly known as the ‘Privacy Act of
24 1974’).

25 “(f) ELIGIBLE ACTIVITIES.—

1 “(1) IN GENERAL.—Activities assisted under
2 this section—

3 “(A) may include activities permitted
4 under section 105 or other activities permitted
5 by the Secretary by waiver or alternative re-
6 quirement pursuant to subsection (i); and

7 “(B) shall be related to disaster relief,
8 long-term recovery, restoration of housing and
9 infrastructure, economic revitalization, and
10 mitigation in the most impacted and distressed
11 areas resulting from the major disaster for
12 which the grant was awarded.

13 “(2) PROHIBITION.—Grant funds under this
14 section may not be used for costs reimbursable by,
15 or for which funds have been made available by, the
16 Federal Emergency Management Agency or the
17 United States Army Corps of Engineers.

18 “(3) ADMINISTRATIVE COSTS, TECHNICAL AS-
19 SISTANCE AND PLANNING.—

20 “(A) IN GENERAL.—The Secretary shall
21 establish in regulation the maximum grant
22 amounts a grantee may use for administrative
23 costs, technical assistance, and planning activi-
24 ties, taking into consideration size of grant,
25 complexity of recovery, and other factors as de-

1 terminated by the Secretary, but not to exceed 8
2 percent for administration and 20 percent in
3 total.

4 “(B) AVAILABILITY.—Amounts available
5 for administrative costs for a grant under this
6 section shall be available for eligible administra-
7 tive costs of the grantee for any grant made
8 under this section, without regard to a par-
9 ticular disaster.

10 “(C) SUPPLEMENTAL PLAN.—

11 “(i) IN GENERAL.—Grantees may
12 submit to the Secretary an optional supple-
13 mental plan to the grantee plan required
14 under this title specifically for administra-
15 tive costs, which shall include a description
16 of the use of all grant funds for adminis-
17 trative costs, including for any eligible pre-
18 award program administrative costs, and
19 how such uses will prepare the grantee to
20 more effectively and expeditiously admin-
21 ister funds provided under the full plan.

22 “(ii) USE OF FUNDS.—If a supple-
23 mental plan is approved under clause (i), a
24 grantee may draw down the aforemen-

1 tioned administrative funds before the full
2 grantee plan is approved.

3 “(iii) WAIVERS.—In carrying out this
4 subparagraph, the Secretary may include
5 any waivers or alternative requirements in
6 accordance with subsection (i).

7 “(4) PROGRAM INCOME.—Notwithstanding any
8 other provision of law, any grantee under this sec-
9 tion may retain program income that is realized
10 from grants made by the Secretary under this sec-
11 tion if the grantee agrees that the grantee will uti-
12 lize the program income in accordance with the re-
13 quirements for grants under this section, except that
14 the Secretary may—

15 “(A) by regulation, exclude from consider-
16 ation as program income any amounts deter-
17 mined to be so small that compliance with this
18 paragraph creates an unreasonable administra-
19 tive burden on the grantee; or

20 “(B) permit the grantee to transfer re-
21 maining program income to the other grants of
22 the grantee under this title upon closeout of the
23 grant.

24 “(5) PROHIBITION ON USE OF ASSISTANCE FOR
25 EMPLOYMENT RELOCATION ACTIVITIES.—

1 “(A) IN GENERAL.—Grants under this sec-
2 tion may not be used to assist directly in the
3 relocation of any industrial or commercial plant,
4 facility, or operation, from one area to another
5 area, if the relocation is likely to result in a sig-
6 nificant loss of employment in the labor market
7 area from which the relocation occurs.

8 “(B) APPLICABILITY.—The prohibition
9 under subparagraph (A) shall not apply to a
10 business that was operating in the disaster-de-
11 clared labor market area before the incident
12 date of the applicable disaster and has since
13 moved, in whole or in part, from the affected
14 area to another State or to a labor market area
15 within the same State to continue business.

16 “(6) REQUIREMENTS.—Grants under this sec-
17 tion are subject to the requirements of this section,
18 the other provisions of this title that apply to assist-
19 ance under this section, and other applicable laws,
20 unless modified by waivers or alternative require-
21 ments in accordance with subsection (i).

22 “(g) ENVIRONMENTAL REVIEW.—

23 “(1) ADOPTION.—A recipient of funds provided
24 under this section that uses the funds to supplement
25 Federal assistance provided under section 203, 402,

1 403, 404, 406, 407, 408(c)(4), 428, or 502 of the
2 Robert T. Stafford Disaster Relief and Emergency
3 Assistance Act (42 U.S.C. 5170a, 5170b, 5170c,
4 5172, 5173, 5174(c)(4), 5189f, 5192) may adopt,
5 without review or public comment, any environ-
6 mental review, approval, or permit performed by a
7 Federal agency, and such adoption shall satisfy the
8 responsibilities of the recipient with respect to such
9 environmental review, approval, or permit under sec-
10 tion 104(g)(1), so long as the actions covered by the
11 existing environmental review, approval, or permit
12 and the actions proposed for these supplemental
13 funds are substantially the same.

14 “(2) APPROVAL OF RELEASE OF FUNDS.—Not-
15 withstanding section 104(g)(2), the Secretary or a
16 State may, upon receipt of a request for release of
17 funds and certification, immediately approve the re-
18 lease of funds for an activity or project to be as-
19 sisted under this section if the recipient has adopted
20 an environmental review, approval, or permit under
21 paragraph (1) or the activity or project is categori-
22 cally excluded from review under the National Envi-
23 ronmental Policy Act of 1969 (42 U.S.C. 4321 et
24 seq.).

1 “(3) UNITS OF GENERAL LOCAL GOVERN-
2 MENT.—The provisions of section 104(g)(4) shall
3 apply to assistance under this section that a State
4 distributes to a unit of general local government.

5 “(h) FINANCIAL CONTROLS AND PROCEDURES.—

6 “(1) IN GENERAL.—The Secretary shall develop
7 requirements and procedures to demonstrate that a
8 grantee under this section—

9 “(A) has adequate financial controls and
10 procurement processes;

11 “(B) has adequate procedures to detect
12 and prevent fraud, waste, abuse, and duplica-
13 tion of benefit; and

14 “(C) maintains a comprehensive and pub-
15 licly accessible website.

16 “(2) CERTIFICATION.—Before making a grant
17 under this section, the Secretary shall certify that
18 the grantee has in place proficient processes and
19 procedures to comply with the requirements devel-
20 oped under paragraph (1), as determined by the
21 Secretary.

22 “(3) COMPLIANCE BEFORE ALLOCATION.—The
23 Secretary may permit a State, unit of general local
24 government, or Indian tribe to demonstrate compli-
25 ance with the requirements for adequate financial

1 controls developed under paragraph (1) before a dis-
2 aster occurs and before receiving an allocation for a
3 grant under this section.

4 “(4) DUPLICATION OF BENEFITS.—

5 “(A) IN GENERAL.—Funds made available
6 under this section shall be used in accordance
7 with section 312 of the Robert T. Stafford Dis-
8 aster Relief and Emergency Assistance Act (42
9 U.S.C. 5155) and such rules as may be pre-
10 scribed under such section 312.

11 “(B) PENALTIES.—In any case in which
12 the use of grant funds under this section results
13 in a prohibited duplication of benefits, the
14 grantee shall—

15 “(i) apply an amount equal to the
16 identified duplication to any allowable costs
17 of the award consistent with actual, imme-
18 diate cash requirement;

19 “(ii) remit any excess amounts to the
20 Secretary to be credited to the obligated,
21 undisbursed balance of the grant con-
22 sistent with requirements on Federal pay-
23 ments applicable to such grantee; and

24 “(iii) if excess amounts under clause
25 (ii) are identified after the period of per-

1 formance or after the closeout of the
2 award, remit such amounts to the Sec-
3 retary to be credited to the Fund.

4 “(C) FAILURE TO COMPLY.—Any grantee
5 provided funds under this section or from prior
6 appropriations Acts under the heading ‘Communi-
7 ty Development Fund’ for purposes related to
8 major disasters that fails to comply with section
9 312 of the Robert T. Stafford Disaster Relief
10 and Emergency Assistance Act (42 U.S.C.
11 5155) or fails to satisfy penalties to resolve a
12 duplication of benefits shall be subject to reme-
13 dies for noncompliance under section 111, un-
14 less the Secretary publishes a determination in
15 the Federal Register that it is not in the best
16 interest of the Federal Government to pursue
17 remedial actions.

18 “(i) WAIVERS AND ALTERNATIVE REQUIREMENTS.—

19 “(1) IN GENERAL.—In administering grants
20 under this section, the Secretary may waive, or
21 specify alternative requirements for, any provision of
22 any statute or regulation that the Secretary admin-
23 isters in connection with the obligation by the Sec-
24 retary or the use by the grantee of those funds (ex-
25 cept for requirements related to fair housing, non-

1 discrimination, labor standards, the environment,
2 and the requirements of this section that do not ex-
3 pressly authorize modifications by waiver or alter-
4 native requirement), if the Secretary makes a public
5 finding that good cause exists for the waiver or al-
6 ternative requirement.

7 “(2) EFFECTIVE DATE.—A waiver or alter-
8 native requirement described in paragraph (1) shall
9 not take effect before the date that is 5 days after
10 the date of publication of the waiver or alternative
11 requirement on the website of the Department of
12 Housing and Urban Development or the effective
13 date for any regulation published in the Federal
14 Register.

15 “(3) PUBLIC NOTIFICATION.—The Secretary
16 shall notify the public of all waivers or alternative
17 requirements described in paragraph (1) in accord-
18 ance with the requirements of section 7(q)(3) of the
19 Department of Housing and Urban Development
20 Act (42 U.S.C. 3535(q)(3)).

21 “(j) UNUSED AMOUNTS.—

22 “(1) DEADLINE TO USE AMOUNTS.—A grantee
23 under this section shall use an amount equal to the
24 grant within 6 years beginning on the date on which
25 the Secretary obligates the amounts to the grantee,

1 as such period may be extended under paragraph
2 (4).

3 “(2) RECAPTURE.—The Secretary shall recap-
4 ture and credit to the Fund any amount that is un-
5 used by a grantee under this section upon the earlier
6 of—

7 “(A) the date on which the grantee notifies
8 the Secretary that the grantee has completed all
9 activities identified in the disaster grantee’s
10 plan under subsection (c); or

11 “(B) the expiration of the 6-year period
12 described in paragraph (1), as such period may
13 be extended under paragraph (4).

14 “(3) RETENTION OF FUNDS.—Notwithstanding
15 paragraph (1), the Secretary—

16 “(A) shall allow a grantee under this sec-
17 tion to retain amounts needed to close out
18 grants; and

19 “(B) may allow a grantee under this sec-
20 tion to retain up to 10 percent of the remaining
21 funds to support maintenance of the minimal
22 capacity to launch a new program in the event
23 of a future disaster and to support pre-disaster
24 long-term recovery and mitigation planning.

1 “(4) EXTENSION OF PERIOD FOR USE OF
2 FUNDS.—The Secretary may extend the 6-year pe-
3 riod described in paragraph (1) by not more than 4
4 years, or not more than 6 years for mitigation activi-
5 ties, if—

6 “(A) the grantee submits to the Sec-
7 retary—

8 “(i) written documentation of the exi-
9 gent circumstances impacting the ability of
10 the grantee to expend funds that could not
11 be anticipated; or

12 “(ii) a justification that such request
13 is necessary due to the nature and com-
14 plexity of the program and projects; and

15 “(B) the Secretary submits a written jus-
16 tification for the extension to the Committee on
17 Appropriations and the Committee on Banking,
18 Housing, and Urban Affairs of the Senate and
19 the Committee on Appropriations and the Com-
20 mittee on Financial Services of the House of
21 Representatives that specifies the period of that
22 extension.

23 “(k) DEFINITION.—In this section, the term ‘Indian
24 tribe’ has the meaning given the term in section 4 of the

1 Native American Housing Assistance and Self-Determina-
2 tion Act of 1996 (25 U.S.C. 4103).”.

3 (e) REGULATIONS.—

4 (1) PROPOSED RULES.—Following consultation
5 with the Federal Emergency Management Agency,
6 the Small Business Administration, and other Fed-
7 eral agencies, not later than 6 months after the date
8 of enactment of this Act, the Secretary shall issue
9 proposed rules to carry out this Act and the amend-
10 ments made by this Act and shall provide a 90-day
11 period for submission of public comments on those
12 proposed rules.

13 (2) FINAL RULES.—Not later than 1 year after
14 the date of enactment of this Act, the Secretary
15 shall issue final regulations to carry out section 124
16 of the Housing and Community Development Act of
17 1974, as added by subsection (d).

18 (f) COORDINATION OF DISASTER RECOVERY ASSIST-
19 ANCE, BENEFITS, AND DATA WITH OTHER FEDERAL
20 AGENCIES.—

21 (1) COORDINATION OF DISASTER RECOVERY AS-
22 SISTANCE.—In order to ensure a comprehensive ap-
23 proach to Federal disaster relief, long-term recovery,
24 restoration of housing and infrastructure, economic
25 revitalization, and mitigation in the most impacted

1 and distressed areas resulting from a catastrophic
2 major disaster, the Secretary shall coordinate with
3 the Federal Emergency Management Agency, to the
4 greatest extent practicable, in the implementation of
5 assistance authorized under section 124 of the
6 Housing and Community Development Act of 1974,
7 as added by subsection (d).

8 (2) DATA SHARING AGREEMENTS.—To support
9 the coordination of data to prevent duplication of
10 benefits with other Federal disaster recovery pro-
11 grams while also expediting recovery and reducing
12 burden on disaster survivors, the Department shall
13 establish data sharing agreements that safeguard
14 privacy with relevant Federal agencies to ensure dis-
15 aster benefits effectively and efficiently reach in-
16 tended beneficiaries, while using effective means of
17 preventing harm to people and property.

18 (3) DATA TRANSFER FROM FEMA AND SBA TO
19 HUD.—As permitted and deemed necessary for effi-
20 cient program execution, and consistent with a com-
21 puter matching agreement entered into under para-
22 graph (6)(A), the Administrator of the Federal
23 Emergency Management Agency and the Adminis-
24 trator of the Small Business Administration shall
25 provide data on disaster applicants to the Depart-

1 ment, including, when necessary, personally identifi-
2 able information, disaster recovery needs, and re-
3 sources determined eligible for, and amounts ex-
4 pended, to the Secretary for all major disasters de-
5 clared by the President pursuant to section 401 of
6 Robert T. Stafford Disaster Relief and Emergency
7 Assistance Act (42 U.S.C. 5170) for the purpose of
8 providing additional assistance to disaster survivors
9 and prevent duplication of benefits.

10 (4) DATA TRANSFERS FROM HUD TO HUD
11 GRANTEES.—The Secretary is authorized to provide
12 to grantees under section 124 of the Housing and
13 Community Development Act of 1974, as added by
14 subsection (d), offices of the Department, technical
15 assistance providers, and lenders information that in
16 the determination of the Secretary is reasonably
17 available and appropriate to inform the provision of
18 assistance after a major disaster, including informa-
19 tion provided to the Secretary by the Administrator
20 of the Federal Emergency Management Agency, the
21 Administrator of the Small Business Administration,
22 or other Federal agencies.

23 (5) DATA TRANSFERS FROM HUD GRANTEES TO
24 HUD, FEMA, AND SBA.—

1 (A) REPORTING.—Grantees under section
2 124 of the Housing and Community Develop-
3 ment Act of 1974, as added by subsection (d),
4 shall report information requested by the Sec-
5 retary on households, businesses, and other en-
6 tities assisted and the type of assistance pro-
7 vided.

8 (B) SHARING INFORMATION.—The Sec-
9 retary shall share information collected under
10 subparagraph (A) with the Federal Emergency
11 Management Agency, the Small Business Ad-
12 ministration, and other Federal agencies to sup-
13 port the planning and delivery of disaster recov-
14 ery and mitigation assistance and other related
15 purposes.

16 (6) PRIVACY PROTECTION.—

17 (A) IN GENERAL.—The Secretary may
18 make and receive data transfers authorized
19 under this subsection, including the use and re-
20 tention of that data for computer matching pro-
21 grams, to inform the provision of assistance, as-
22 sess disaster recovery needs, and prevent the
23 duplication of benefits and other waste, fraud,
24 and abuse, provided that—

1 (i) the Secretary enters an informa-
2 tion sharing agreement or a computer
3 matching agreement, when required by sec-
4 tion 522a of title 5, United States Code
5 (commonly known as the “Privacy Act of
6 1974”), with the Administrator of the Fed-
7 eral Emergency Management Agency, the
8 Administrator of the Small Business Ad-
9 ministration, or other Federal agencies
10 covering the transfer of data; and

11 (ii) the Secretary publishes intent to
12 disclose data in the Federal Register.

13 (B) DATA SHARING AGREEMENT.—Not-
14 withstanding clauses (i) and (ii) of subpara-
15 graph (A), section 552a of title 5, United
16 States Code, or any other law, the Secretary is
17 authorized to share data with an entity identi-
18 fied in paragraph (4), and the entity is author-
19 ized to use the data as described in this section,
20 if the Secretary enters a data sharing agree-
21 ment with the entity before sharing or receiving
22 any information under transfers authorized by
23 this section, which data sharing agreement
24 shall—

1 (i) in the determination of the Sec-
2 retary, include measures adequate to safe-
3 guard the privacy and personally identifi-
4 able information of individuals; and

5 (ii) include provisions that describe
6 how the personally identifiable information
7 of an individual will be adequately safe-
8 guarded and protected, which requires con-
9 sultation with the Secretary and the head
10 of each Federal agency the data of which
11 is being shared subject to the agreement.

12 **SEC. 502. HOME INVESTMENT PARTNERSHIPS REAUTHOR-**
13 **IZATION AND REFORM ACT.**

14 (a) AUTHORIZATION.—Section 205 of the Cranston-
15 Gonzalez National Affordable Housing Act (42 U.S.C.
16 12724) is amended to read as follows:

17 **“SEC. 205. AUTHORIZATION OF PROGRAM.**

18 “The HOME Investment Partnerships Program
19 under subtitle A is hereby authorized.”.

20 (b) DEFINITION OF COMMUNITY HOUSING DEVELOP-
21 MENT ORGANIZATION.—Section 104(6)(B) of the Cran-
22 ston-Gonzalez National Affordable Housing Act (42
23 U.S.C. 12704(6)(B)) is amended by striking “significant”.

1 (c) ASSISTANCE FOR LOW-INCOME FAMILIES.—Title
2 II of the Cranston-Gonzalez National Affordable Housing
3 Act (42 U.S.C. 12721 et seq.) is amended—

4 (1) in section 214(2) (42 U.S.C. 12742(2)), by
5 striking “households that qualify as low-income fam-
6 ilies” and inserting “families with a household in-
7 come that does not exceed 100 percent of the me-
8 dian family income of the area, as determined by the
9 Secretary”; and

10 (2) in section 271(c) (42 U.S.C. 12821(c))—

11 (A) in paragraph (1)(B), by striking “low-
12 income” and inserting “families with a house-
13 hold income that does not exceed 100 percent
14 of the median family income of the area as de-
15 termined by the Secretary with adjustments for
16 smaller and larger families”; and

17 (B) in paragraph (2)(A), by striking “low-
18 income families” and inserting “families with a
19 household income that does not exceed 100 per-
20 cent of the median family income of the area as
21 determined by the Secretary with adjustments
22 for smaller and larger families”.

23 (d) CHOICES MADE BY PARTICIPATING JURISDIC-
24 TIONS.—Section 212(a)(2) of the Cranston-Gonzalez Na-

1 tional Affordable Housing Act (42 U.S.C. 12742(a)(2)) is
2 amended to read as follows:

3 “(2) LIMITATION.—The Secretary may not re-
4 strict the choice by a participating jurisdiction of re-
5 habilitation, substantial rehabilitation, new construc-
6 tion, reconstruction, acquisition, or other eligible
7 housing uses authorized in paragraph (1) unless the
8 restriction is explicitly authorized under section
9 223(2).”.

10 (e) USE OF AMOUNTS BY CERTAIN JURISDICTIONS
11 FOR INFRASTRUCTURE IMPROVEMENTS.—

12 (1) IN GENERAL.—Section 212(a) of the Cran-
13 ston-Gonzalez National Affordable Housing Act (42
14 U.S.C. 12742(a)) is amended by inserting after
15 paragraph (3) the following:

16 “(4) INFRASTRUCTURE IMPROVEMENTS IN
17 NONENTITLEMENT AREAS.—

18 “(A) IN GENERAL.—A participating juris-
19 diction may use funds provided under this sub-
20 title for infrastructure improvements, including
21 the installation or repair of water and sewer
22 lines, sidewalks, roads, and utility connections
23 if—

24 “(i) such participating jurisdiction
25 does not receive assistance under title I of

1 the Housing and Community Development
2 Act of 1974 (42 U.S.C. 5310); and

3 “(ii) such improvements are directly
4 related to, and located within or imme-
5 diately adjacent to—

6 “(I) housing assisted under this
7 subtitle; or

8 “(II) housing assisted under sec-
9 tion 42 of the Internal Revenue Code
10 of 1986.

11 “(B) APPLICATION OF LABOR STAND-
12 ARDS.—The labor standards and requirements
13 set forth in section 110 of the Housing and
14 Community Development Act of 1974 (42
15 U.S.C. 5310) shall apply to any infrastructure
16 improvement conducted using funds provided
17 under this subtitle.

18 “(C) RULE OF CONSTRUCTION.—Nothing
19 in this paragraph may be construed to impose
20 any requirements of the HOME Investment
21 Partnerships program on housing that benefits
22 from an infrastructure improvement conducted
23 using funds provided under this subtitle but
24 was not otherwise assisted under the HOME
25 Investment Partnerships program.”.

1 (2) RULEMAKING.—Not later than 1 year after
2 the date of enactment of this Act, the Secretary of
3 Housing and Urban Development shall issue rules to
4 carry out the amendment made by paragraph (1).

5 (f) PER UNIT INVESTMENT LIMITATIONS.—Section
6 212(e)(1) of the Cranston-Gonzalez National Affordable
7 Housing Act (42 U.S.C. 12742(e)(1)) is amended by strik-
8 ing the second sentence.

9 (g) AFFORDABLE RENTAL HOUSING QUALIFICA-
10 TIONS.—Section 215(a) of the Cranston-Gonzalez Na-
11 tional Affordable Housing Act (42 U.S.C. 12745(a)) is
12 amended by adding at the end the following:

13 “(7) QUALIFICATION EXCEPTION.—Notwith-
14 standing paragraph (1)(A), a rental unit shall be
15 considered to qualify as affordable housing under
16 this title if—

17 “(A) the unit is occupied by a tenant re-
18 ceiving tenant-based rental assistance under
19 section 8 of the United States Housing Act of
20 1937 (42 U.S.C. 1437f);

21 “(B) the contribution of the tenant toward
22 rent does not exceed the amount permitted
23 under the assistance described in subparagraph
24 (A); and

1 “(C) the total rent for the unit does not
2 exceed the amount approved by the public hous-
3 ing agency administering the assistance de-
4 scribed in subparagraph (A).”.

5 (h) AFFORDABLE HOMEOWNERSHIP HOUSING
6 QUALIFICATIONS.—Section 215 of the Cranston-Gonzalez
7 National Affordable Housing Act (42 U.S.C. 12745) is
8 amended—

9 (1) in subsection (b)—

10 (A) in paragraph (2), by redesignating
11 subparagraphs (A), (B), and (C) as clauses (i),
12 (ii), and (iii), respectively, and adjusting the
13 margins accordingly;

14 (B) in paragraph (3)—

15 (i) in subparagraph (A), by redesign-
16 ating clauses (i) and (ii) as subclauses (I)
17 and (II), respectively, and adjusting the
18 margins accordingly; and

19 (ii) by redesignating subparagraphs
20 (A) and (B) as clauses (i) and (ii), respec-
21 tively, and adjusting the margins accord-
22 ingly;

23 (C) by redesignating paragraphs (1)
24 through (4) as subparagraphs (A) through (D),

1 respectively, and adjusting the margins accord-
2 ingly;

3 (D) by striking “Housing that is for home-
4 ownership” and inserting the following:

5 “(1) QUALIFICATION.—Housing that is for
6 homeownership”;

7 (E) in paragraph (1), as so designated—

8 (i) in subparagraph (A), as so redesign-
9 nated—

10 (I) by striking “95 percent” and
11 inserting “110 percent”; and

12 (II) by inserting “(defined as the
13 amount borrowed by the homebuyer to
14 purchase the home, or the estimated
15 value after rehabilitation, which may
16 be adjusted to account for the limits
17 on future value imposed by the resale
18 restriction)” after “purchase price”;

19 (ii) in subparagraph (B), as so redesign-
20 ignated, in the matter preceding clause (i),
21 by striking “whose family qualifies as a
22 low-income family” and inserting “with a
23 family income that does not exceed 100
24 percent of the median family income of the
25 area as determined by the Secretary with

1 adjustments for smaller and larger fami-
2 lies”;

3 (iii) in subparagraph (C), as so redes-
4 ignated—

5 (I) in clause (i)(II)—

6 (aa) by striking “low-income
7 homebuyers” and inserting
8 “homebuyers with a household
9 income that does not exceed 100
10 percent of the median family in-
11 come of the area, as determined
12 by the Secretary with adjust-
13 ments for smaller and larger
14 families”; and

15 (bb) by striking “or” at the
16 end;

17 (II) in clause (ii), by striking
18 “and” at the end and inserting “or”;
19 and

20 (III) by adding at the end the
21 following:

22 “(iii) maintain long-term affordability
23 through a shared equity ownership model,
24 a community land trust, a limited equity
25 cooperative, a community development cor-

1 able return on investment, which may
2 include a percentage of the cost of
3 any improvements; or

4 “(ii) recapture the investment pro-
5 vided under this title in order to assist
6 other persons in accordance with the re-
7 quirements of this title, except where there
8 are no net proceeds or where the net pro-
9 ceeds are insufficient to repay the full
10 amount of the assistance.”; and

11 (F) by adding at the end the following:

12 “(2) PURCHASE BY COMMUNITY LAND TRUST
13 OR COOPERATIVE HOUSING CORPORATION.—Not-
14 withstanding subparagraph (C)(i) of paragraph (1)
15 and under terms determined by the Secretary, the
16 Secretary may permit a participating jurisdiction to
17 allow a community land trust, housing cooperative,
18 or a community development corporation that used
19 assistance provided under this subtitle for the devel-
20 opment of housing that meets the criteria under
21 paragraph (1), to acquire the housing—

22 “(A) in accordance with the terms of the
23 preemptive purchase option, lease, covenant on
24 the land, or other similar legal instrument of
25 the community land trust when the terms and

1 rights in the preemptive purchase option, lease,
2 covenant, or legal instrument are and remain
3 subject to the requirements of this title;

4 “(B) when the purchase is for—

5 “(i) the purpose of—

6 “(I) entering into the chain of
7 title;

8 “(II) enabling a purchase by a
9 person who meets the qualifications
10 specified under paragraph (1)(B) and
11 is on a waitlist maintained by the
12 community land trust or housing co-
13 operative, subject to enforcement by
14 the participating jurisdiction of all ap-
15 plicable requirements of this title, as
16 determined by the Secretary;

17 “(III) performing necessary reha-
18 bilitation and improvements; or

19 “(IV) adding a subsidy to pre-
20 serve affordability, which may be from
21 Federal or non-Federal sources; or

22 “(ii) another purpose determined ap-
23 propriate by the Secretary; and

24 “(C) if, within a reasonable period of time
25 after the applicable purpose under subpara-

1 graph (B) of this paragraph is fulfilled, as de-
2 termined by the Secretary, the housing is then
3 sold to a person who meets the qualifications
4 specified under paragraph (1)(B).”; and
5 (2) by adding at the end the following:

6 “(c) QUALIFICATION EXCEPTIONS FOR HOMEOWN-
7 ERSHIP.—

8 “(1) MILITARY MEMBERS.—A participating ju-
9 risdiction, in accordance with terms established by
10 the Secretary, may suspend or waive the income
11 qualifications described in subsection (b)(1)(B) with
12 respect to housing that otherwise meets the criteria
13 described in subsection (b)(1) if the owner of the
14 housing—

15 “(A) is a member of a regular component
16 of the armed forces or a member of the Na-
17 tional Guard on full-time National Guard duty,
18 active Guard and Reserve duty, or inactive-duty
19 training (as those terms are defined in section
20 101 of title 10, United States Code); and

21 “(B) has received—

22 “(i) temporary duty orders to deploy
23 with a military unit or military orders to
24 deploy as an individual acting in support of
25 a military operation, to a location that is

1 not within a reasonable distance from the
2 housing, as determined by the Secretary,
3 for a period of not less than 90 days; or
4 “(ii) orders for a permanent change of
5 station.

6 “(2) HEIRS AND BENEFICIARIES OF DECEASED
7 OWNERS.—Housing that meets the criteria described
8 in subsection (b)(1)(C) prior to the death of an
9 owner of such housing shall continue to qualify as
10 affordable housing under this title if—

11 “(A) the housing is the principal residence
12 of an heir or beneficiary of the deceased owner,
13 as defined by the Secretary; and

14 “(B) the heir or beneficiary, in accordance
15 with terms established by the Secretary, as-
16 sumes the duties and obligations of the de-
17 ceased owner with respect to funds provided
18 under this title.”.

19 (i) ELIMINATION OF EXPIRATION OF RIGHT TO
20 DRAW HOME INVESTMENT TRUST FUNDS.—Section 218
21 of the Cranston-Gonzalez National Affordable Housing
22 Act (42 U.S.C. 12748) is amended—

23 (1) by striking subsection (g); and

24 (2) by redesignating subsection (h) as sub-
25 section (g).

1 (j) ADJUSTED RECAPTURE AND REUSE OF SET-
2 ASIDE FOR COMMUNITY HOUSING DEVELOPMENTAL OR-
3 GANIZATIONS.—Section 231(b) of the Cranston-Gonzalez
4 National Affordable Housing Act (42 U.S.C. 12771(b)) is
5 amended to read as follows:

6 “(b) RECAPTURE AND REUSE.—If any funds re-
7 served under subsection (a) remain uninvested for a period
8 of 24 months, the Secretary shall make such funds avail-
9 able to the participating jurisdiction for any eligible activi-
10 ties under this title without regard to whether a commu-
11 nity housing development organization materially partici-
12 pates in the use of such funds.”.

13 (k) ASSET RECYCLING INFORMATION DISSEMINA-
14 TION EXPANSION.—Section 245(b)(2) of the Cranston-
15 Gonzalez National Affordable Housing Act (42 U.S.C.
16 12785(b)(2)) is amended by striking “95 percent” and in-
17 serting “110 percent”.

18 (l) APPLICATION OF OTHER SPECIFIED STATUTORY
19 REQUIREMENTS.—Title II of the Cranston-Gonzalez Na-
20 tional Affordable Housing Act (42 U.S.C. 12721 et seq.)
21 is amended by adding at the end the following:

22 **“SEC. 291. NONAPPLICABILITY OF CERTAIN REQUIRE-**
23 **MENTS FOR SMALL PROJECTS.**

24 “Notwithstanding any other provision of law, the re-
25 quirements of section 3 of the Housing and Urban Devel-

1 opment Act of 1968 (12 U.S.C. 1701u), and any imple-
2 menting regulations or guidance, shall not apply to an ac-
3 tivity assisted under this title that involves rehabilitation,
4 construction, or other development of housing if—

5 “(1) the recipient of assistance under this title
6 is—

7 “(A) a State recipient pursuant to section
8 216; or

9 “(B) a participating jurisdiction that re-
10 ceived a total allocation of less than \$3,000,000
11 in the most recent fiscal year pursuant to sec-
12 tion 216; and

13 “(2) the total number of dwelling units assisted
14 as a part of such activity is not more than 50.”.

15 (m) REALLOCATION NOT AVAILABLE FOR CERTAIN
16 JURISDICTIONS.—Section 217(d) of the Cranston-Gon-
17 zalez National Affordable Housing Act (42 U.S.C.
18 12747(d)) is amended—

19 (1) in paragraph (1), by striking the second
20 sentence and inserting the following: “Subject to
21 paragraph (4), jurisdictions eligible for such re-
22 allocations shall include participating jurisdictions
23 and jurisdictions meeting the requirements of this
24 title, including the requirements in paragraphs (3),
25 (4), and (5) of section 216.”; and

1 (2) by adding at the end the following:

2 “(4) REALLOCATION NOT AVAILABLE FOR CER-
3 TAIN JURISDICTIONS.—The Secretary may decline to
4 make a reallocation available to a jurisdiction eligible
5 for such reallocation if such jurisdiction has failed to
6 meet or comply with any requirement under this
7 title.”.

8 (n) AMENDMENTS TO QUALIFICATION AS AFFORD-
9 ABLE HOUSING.—Section 215(a)(1)(E) of the Cranston-
10 Gonzalez National Affordable Housing Act (42 U.S.C.
11 12745(a)) is amended by striking “except upon a fore-
12 closure by a lender (or upon other transfer in lieu of fore-
13 closure) if such action (i) recognizes any contractual or
14 legal rights of public agencies, nonprofit sponsors, or oth-
15 ers to take actions that would avoid termination of low-
16 income affordability in the case of foreclosure or transfer
17 in lieu of foreclosure, and (ii) is not for the purpose of
18 avoiding low income affordability restrictions, as deter-
19 mined by the Secretary; and” and inserting the following:
20 “except—

21 “(i) upon a foreclosure by a lender (or
22 upon other transfer in lieu of foreclosure)
23 if such action—

24 “(I) recognizes any contractual
25 or legal rights of public agencies, non-

1 profit sponsors, or others to take ac-
2 tions that would avoid termination of
3 low-income affordability in the case of
4 foreclosure or transfer in lieu of fore-
5 closure; and

6 “(II) is not for the purpose of
7 avoiding low-income affordability re-
8 strictions, as determined by the Sec-
9 retary; or

10 “(ii) where existing affordable housing
11 is no longer financially viable due to un-
12 foreseen acts or occurrences beyond the
13 reasonable contemplation or control of the
14 participating jurisdiction in which the af-
15 fordable housing is located or the owner of
16 the affordable housing that significantly
17 impact the financial or physical condition
18 of the affordable housing, as determined by
19 the Secretary; and”.

20 (o) TENANT AND PARTICIPANT PROTECTIONS FOR
21 AFFORDABLE HOUSING.—Section 225 of the Cranston-
22 Gonzalez National Affordable Housing Act (42 U.S.C.
23 12755) is amended by adding at the end the following:

1 “(e) EXCEPTION.—Paragraphs (2), (3), and (4) of
2 subsection (d) shall not apply to housing under this sec-
3 tion that meets the following criteria:

4 “(1) The housing is affordable housing with not
5 more than 4 dwelling units, each of which is made
6 available for rental.

7 “(2) Each dwelling unit in the housing bears
8 rent in an amount that complies with the require-
9 ments described in paragraph (1)(A).

10 “(3) Each dwelling unit in the housing is ac-
11 companied by a low-income family.

12 “(4) No dwelling in the housing is refused for
13 leasing to a holder of a voucher under section 8 of
14 the United States Housing Act of 1937 (42 U.S.C.
15 1437f) because of the status of the prospective ten-
16 ant as a holder of that voucher.

17 “(5) The housing complies with the requirement
18 described in paragraph (1)(E).

19 “(6) The participating jurisdiction in which the
20 housing is located monitors the compliance of the
21 housing with the requirements of this title in a man-
22 ner consistent with the purposes of section 226(b),
23 as determined by the Secretary.”.

24 (p) REVISION OF DEFINITION OF COMMUNITY LAND
25 TRUST.—Section 104 of the Cranston-Gonzalez National

1 Affordable Housing Act (42 U.S.C. 12704) is amended by
2 adding at the end the following:

3 “(26) The term ‘community land trust’ means
4 a nonprofit entity, a State, a unit of local govern-
5 ment, or an instrumentality of a State or unit of
6 local government that—

7 “(A) is not managed by, or an affiliate of,
8 a for-profit organization;

9 “(B) has as a primary purpose of acquir-
10 ing, developing, or holding land to provide hous-
11 ing that is permanently affordable to low- and
12 moderate-income persons;

13 “(C) monitors properties to ensure afford-
14 ability is preserved;

15 “(D) provides housing that is permanently
16 affordable to low- and moderate-income persons
17 using a ground lease, deed covenant, or other
18 similar legally enforceable measure, determined
19 acceptable by the Secretary, that—

20 “(i) keeps housing affordable to low-
21 and moderate-income persons for not less
22 than 30 years; and

23 “(ii) enables low- and moderate-in-
24 come persons to rent or purchase the hous-
25 ing for homeownership; and

1 “(E) maintains preemptive purchase op-
2 tions to purchase the property if such purchase
3 would allow the housing to remain affordable to
4 low-and moderate-income persons.”.

5 (q) SET-ASIDE FOR COMMUNITY HOUSING DEVELOP-
6 MENT ORGANIZATIONS.—Section 231(a) of the Cranston-
7 Gonzalez National Affordable Housing Act (42 U.S.C.
8 12771(a)) is amended, in the first sentence, by striking
9 “to be developed, sponsored, or owned by community hous-
10 ing development organizations” and inserting “when a
11 community housing development organization materially
12 participates in the ownership or development of that hous-
13 ing, as determined by the Secretary”.

14 (r) ADMINISTRATIVE REFORMS.—

15 (1) INCREASE IN PROGRAM ADMINISTRATION
16 RESOURCES.—Section 220(b) of the Cranston-Gon-
17 zalez National Affordable Housing Act (42 U.S.C.
18 12750(b)) is amended—

19 (A) by striking “RECOGNITION.—” and all
20 that follows through “A contribution” and in-
21 serting “RECOGNITION.—A contribution”; and

22 (B) by striking paragraph (2).

23 (2) MODIFICATION OF JURISDICTIONS ELIGIBLE
24 FOR REALLOCATIONS.—Section 217(d)(3) of the

1 Cranston-Gonzalez National Affordable Housing Act
2 (42 U.S.C. 12747(d)(3)) is amended—

3 (A) in the paragraph heading, by striking
4 “LIMITATION” and inserting “LIMITATIONS”;
5 and

6 (B) by striking “Unless otherwise speci-
7 fied” and inserting the following:

8 “(A) REMOVAL OF PARTICIPATING JURIS-
9 DICTIONS FROM REALLOCATION.—The Sec-
10 retary may, upon a finding that the partici-
11 pating jurisdiction has failed to meet or comply
12 with the requirements of this title, remove a
13 participating jurisdiction from participation in
14 reallocations of funds made available under this
15 title.

16 “(B) REALLOCATION TO SAME TYPE OF
17 ENTITY.—Unless otherwise specified”.

18 (3) HOME PROPERTY INSPECTIONS.—Section
19 226(b) of the Cranston-Gonzalez National Afford-
20 able Housing Act (42 U.S.C. 12756(b)) is amend-
21 ed—

22 (A) by striking “Each participating juris-
23 diction” and inserting the following:

24 “(1) IN GENERAL.—Each participating jurisdic-
25 tion”; and

1 (B) by striking “Such review shall include”
2 and all that follows and inserting the following:

3 “(2) ON-SITE INSPECTIONS.—

4 “(A) INSPECTIONS BY UNITS OF GENERAL
5 LOCAL GOVERNMENT.—A review conducted
6 under paragraph (1) by a participating jurisdic-
7 tion that is a unit of general local government
8 shall include an on-site inspection to determine
9 compliance with housing codes and other appli-
10 cable regulations.

11 “(B) INSPECTIONS BY STATES.—A review
12 conducted under paragraph (1) by a partici-
13 pating jurisdiction that is a State shall include
14 an on-site inspection to determine compliance
15 with a national standard as determined by the
16 Secretary.

17 “(3) INCLUSION IN PERFORMANCE REPORT AND
18 PUBLICATION.—A participating jurisdiction shall in-
19 clude in the performance report of the participating
20 jurisdiction submitted to the Secretary under section
21 108(a), and make available to the public, the results
22 of each review conducted under paragraph (1).”.

23 (4) REVISIONS TO STRENGTHEN ENFORCEMENT
24 AND PENALTIES FOR NONCOMPLIANCE.—Section

1 223 of the Cranston-Gonzalez National Affordable
2 Housing Act (42 U.S.C. 12753) is amended—

3 (A) in the section heading, by striking
4 “**PENALTIES FOR MISUSE OF FUNDS**” and
5 inserting “**PROGRAM ENFORCEMENT AND**
6 **PENALTIES FOR NONCOMPLIANCE**”;

7 (B) in the matter preceding paragraph (1),
8 by inserting after “any provision of this sub-
9 title” the following: “, including any provision
10 applicable throughout the period required by
11 section 215(a)(1)(E) and applicable regula-
12 tions,”;

13 (C) in paragraph (2), by striking “or” at
14 the end;

15 (D) in paragraph (3), by striking the pe-
16 riod at the end and inserting “; or”; and

17 (E) by adding at the end the following:

18 “(4) reduce payments to the participating juris-
19 diction under this subtitle by an amount equal to the
20 amount of such payments that were not expended by
21 the participating jurisdiction in accordance with this
22 title.”.

23 (s) **MINIMUM ALLOCATIONS.**—Section 217(b) of the
24 Cranston-Gonzalez National Affordable Housing Act (42
25 U.S.C. 12747 (b)) is amended—

1 (1) in paragraph (2), by striking “\$500,000”
2 each place that term appears and inserting
3 “\$750,000”;

4 (2) in paragraph (3)—

5 (A) by striking “jurisdictions that are allo-
6 cated an amount of \$500,000 or more” and in-
7 serting “jurisdictions that are allocated an
8 amount of \$750,000 or more”;

9 (B) by striking “that are allocated an
10 amount less than \$500,000” and inserting
11 “that are allocated an amount less than
12 \$500,000 before the date of enactment of the
13 21st Century ROAD to Housing Act or less
14 than \$750,000 on or after the date of enact-
15 ment of the 21st Century ROAD to Housing
16 Act”; and

17 (C) by striking “, except as provided in
18 paragraph (4)”;

19 (3) by striking paragraph (4).

20 (t) TECHNICAL AND CONFORMING AMENDMENTS.—

21 The Cranston-Gonzalez National Affordable Housing Act
22 (42 U.S.C. 12701 et seq.) is amended—

23 (1) by striking “Stewart B. McKinney Home-
24 less Assistance Act” each place that term appears

1 and inserting “McKinney-Vento Homeless Assist-
2 ance Act”;

3 (2) by striking “Committee on Banking, Fi-
4 nance and Urban Affairs” each place that term ap-
5 pears and inserting “Committee on Financial Serv-
6 ices”;

7 (3) in the table of contents in section 1(b)
8 (Public Law 101–625; 104 Stat. 4079)—

9 (A) by striking the item relating to section
10 205 and inserting the following:

“Sec. 205. Authorization of program.”;

11 (B) by striking the item relating to section
12 223 and inserting the following:

“Sec. 223. Program enforcement and penalties for noncompliance.”; and

13 (C) by inserting after the item relating to
14 section 290 the following:

“Sec. 291. Nonapplicability of certain requirements for small projects.”;

15 (4) in section 104 (42 U.S.C. 12704)—

16 (A) by redesignating paragraph (23) (re-
17 lating to the definition of the term “to dem-
18 onstrate to the Secretary”) as paragraph (22);
19 and

20 (B) by redesignating paragraph (24) (re-
21 lating to the definition of the term “insular
22 area”, as added by section 2(2) of Public Law
23 102–230) as paragraph (23);

1 (5) in section 105(b)(8) (42 U.S.C.
2 12705(b)(8)), by striking “subparagraphs” and in-
3 sserting “paragraphs”;

4 (6) in section 108(a)(1) (42 U.S.C.
5 12708(a)(1)), by striking “section 105(b)(15)” and
6 inserting “section 105(b)(18)”;

7 (7) in section 212 (42 U.S.C. 12742)—

8 (A) in subsection (a)(3)(A)(ii), by inserting
9 “United States” before “Housing Act”;

10 (B) in subsection (d)(5), by inserting
11 “United States” before “Housing Act”; and

12 (C) in subsection (e)(1)—

13 (i) by striking “section 221(d)(3)(ii)”
14 and inserting “section 221(d)(4)”; and

15 (ii) by striking “not to exceed 140
16 percent” and inserting “as determined by
17 the Secretary”;

18 (8) in section 215(a)(6)(B) (42 U.S.C.
19 12745(a)(6)(B)), by striking “grand children” and
20 inserting “grandchildren”;

21 (9) in section 217 (42 U.S.C. 12747)—

22 (A) in subsection (a)—

23 (i) in paragraph (1), by striking “(3)”
24 and inserting “(2)”;

1 (ii) by striking paragraph (3), as
2 added by section 211(a)(2)(D) of the
3 Housing and Community Development Act
4 of 1992 (Public Law 102–550; 106 Stat.
5 3756); and

6 (iii) by redesignating the remaining
7 paragraph (3), as added by the matter
8 under the heading “HOME INVESTMENT
9 PARTNERSHIPS PROGRAM” under the head-
10 ing “HOUSING PROGRAMS” in title II of
11 the Departments of Veterans Affairs and
12 Housing and Urban Development, and
13 Independent Agencies Appropriations Act,
14 1993 (Public Law 102–389; 106 Stat.
15 1581), as paragraph (2); and

16 (B) in subsection (b)(1)—

17 (i) in subparagraph (A), in the first
18 sentence—

19 (I) by striking “in regulation”
20 and inserting “, by regulation,”; and

21 (II) by striking “eligible jurisdic-
22 tion” and inserting “eligible jurisdic-
23 tions”; and

24 (ii) in subparagraph (F), in the first
25 sentence—

1 (I) in clause (i), by striking
2 “Subcommittee on Housing and
3 Urban Affairs” and inserting “Sub-
4 committee on Housing, Transpor-
5 tation, and Community Development”;
6 and

7 (II) in clause (ii), by striking
8 “Subcommittee on Housing and Com-
9 munity Development of the Committee
10 on Banking, Finance and Urban Af-
11 fairs” and inserting “Subcommittee
12 on Housing and Insurance of the
13 Committee on Financial Services”;

14 (10) in section 220(c) (42 U.S.C. 12750(c))—

15 (A) in paragraph (3), by striking “Sec-
16 retary” and all that follows and inserting “Sec-
17 retary;”;

18 (B) in paragraph (4), by striking “under
19 this title” and all that follows and inserting
20 “under this title;” and

21 (C) by redesignating paragraphs (6), (7),
22 and (8) as paragraphs (5), (6), and (7), respec-
23 tively;

1 (11) in section 225(d)(4)(B) (42 U.S.C.
2 12755(d)(4)(B)), by striking “for” the first place
3 that term appears; and

4 (12) in section 233 (42 U.S.C. 12773)—

5 (A) in subsection (b)(6), by striking “to
6 community land trusts (as such term is defined
7 in subsection (f))” and inserting “to community
8 land trusts (as such term is defined in section
9 104)”;

10 (B) by striking subsection (f).

11 **SEC. 503. RURAL HOUSING SERVICE REFORM ACT.**

12 (a) APPLICATION OF MULTIFAMILY MORTGAGE
13 FORECLOSURE PROCEDURES TO MULTIFAMILY MORT-
14 GAGES HELD BY THE SECRETARY OF AGRICULTURE AND
15 PRESERVATION OF THE RENTAL ASSISTANCE CONTRACT
16 UPON FORECLOSURE.—

17 (1) MULTIFAMILY MORTGAGE PROCEDURES.—

18 Section 363(2) of the Multifamily Mortgage Fore-
19 closure Act of 1981 (12 U.S.C. 3702(2)) is amend-
20 ed—

21 (A) in subparagraph (D), by striking
22 “and” at the end;

23 (B) in subparagraph (E), by striking the
24 period at the end and inserting “; or”; and

25 (C) by adding at the end the following:

1 “(F) section 514, 515, or 538 of the Hous-
2 ing Act of 1949 (42 U.S.C. 1484, 1485,
3 1490p-2).”.

4 (2) PRESERVATION OF CONTRACT.—Section
5 521(d) of the Housing Act of 1949 (42 U.S.C.
6 1490a(d)) is amended by adding at the end the fol-
7 lowing:

8 “(3) Notwithstanding any other provision of law, in
9 managing and disposing of any multifamily property that
10 is owned or has a mortgage held by the Secretary, and
11 during the process of foreclosure on any property with a
12 contract for rental assistance under this section—

13 “(A) the Secretary shall maintain any rental as-
14 sistance payments that are attached to any dwelling
15 units in the property; and

16 “(B) the rental assistance contract may be used
17 to provide further assistance to existing projects
18 under 514, 515, or 516.”.

19 (b) STUDY ON RURAL HOUSING LOANS FOR HOUS-
20 ING FOR LOW- AND MODERATE-INCOME FAMILIES.—Not
21 later than 6 months after the date of enactment of this
22 Act, the Secretary of Agriculture shall conduct a study
23 and submit to Congress a publicly available report on the
24 loan program under section 521 of the Housing Act of
25 1949 (42 U.S.C. 1490a), including—

1 (1) the total amount provided by the Secretary
2 in subsidies under such section 521 to borrowers
3 with loans made pursuant to section 502 of such Act
4 (42 U.S.C. 1472);

5 (2) how much of the subsidies described in
6 paragraph (1) are being recaptured; and

7 (3) the amount of time and costs associated
8 with recapturing those subsidies.

9 (c) STAFFING AND INFORMATION TECHNOLOGY UP-
10 GRADES.—Utilizing funds appropriated for such purposes,
11 the Secretary of Agriculture may increase staffing capac-
12 ity and upgrade information technology to support all
13 Rural Housing Service programs.

14 (d) TECHNICAL IMPROVEMENTS.—

15 (1) AUTHORIZATION OF APPROPRIATIONS.—
16 Utilizing funds appropriated for such purposes, the
17 Secretary of Agriculture may make improvements to
18 the technology of the Rural Housing Service of the
19 Department of Agriculture used to process and man-
20 age housing loans.

21 (2) AVAILABILITY.—Amounts appropriated pur-
22 suant to paragraph (1) shall remain available until
23 the date that is 5 years after the date of the appro-
24 priation.

1 (3) **TIMELINE.**—The Secretary of Agriculture
2 shall make the improvements described in paragraph
3 (1) during the 5-year period beginning on the date
4 on which amounts are appropriated under paragraph
5 (1).

6 (e) **PERMANENT ESTABLISHMENT OF HOUSING**
7 **PRESERVATION AND REVITALIZATION PROGRAM.**—Title
8 V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.)
9 is amended by adding at the end the following:

10 **“SEC. 545. HOUSING PRESERVATION AND REVITALIZATION**
11 **PROGRAM.**

12 “(a) **ESTABLISHMENT.**—The Secretary shall carry
13 out a program under this section for the preservation and
14 revitalization of multifamily rental housing projects fi-
15 nanced under section 514, 515, or 516.

16 “(b) **NOTICE OF MATURING LOANS.**—

17 “(1) **TO OWNERS.**—On an annual basis, the
18 Secretary shall provide written notice to each owner
19 of a property financed under section 514, 515, or
20 516 that will mature within the 4-year period begin-
21 ning upon the provision of the notice, setting forth
22 the options and financial incentives that are avail-
23 able to facilitate the extension of the loan term or
24 the option to decouple a rental assistance contract
25 pursuant to subsection (f).

1 “(2) TO TENANTS.—

2 “(A) IN GENERAL.—On an annual basis,
3 for each property financed under section 514,
4 515, or 516, not later than the date that is 2
5 years before the date that the loan will mature,
6 the Secretary shall provide written notice to
7 each household residing in the property that in-
8 forms them of—

9 “(i) the date of the loan maturity;

10 “(ii) the possible actions that may
11 happen with respect to the property upon
12 that maturity; and

13 “(iii) how to protect their right to re-
14 side in federally assisted housing, or how
15 to secure housing voucher, after that ma-
16 turity.

17 “(B) LANGUAGE.—Notice under this para-
18 graph shall be provided in plain English and
19 shall be translated to other languages in the
20 case of any property located in an area in which
21 a significant number of residents speak such
22 other languages.

23 “(c) LOAN RESTRUCTURING.—Under the program
24 under this section, in any circumstance in which the Sec-
25 retary proposes a restructuring to an owner or an owner

1 proposes a restructuring to the Secretary, the Secretary
2 may restructure such existing housing loans, as the Sec-
3 retary considers appropriate, for the purpose of ensuring
4 that those projects have sufficient resources to preserve
5 the projects to provide safe and affordable housing for low-
6 income residents and farm laborers, by—

7 “(1) reducing or eliminating interest;

8 “(2) deferring loan payments;

9 “(3) subordinating, reducing, or reamortizing
10 loan debt;

11 “(4) providing other financial assistance, in-
12 cluding advances, payments, and incentives (includ-
13 ing the ability of owners to obtain reasonable re-
14 turns on investment) required by the Secretary; and

15 “(5) permanently removing a portion of the
16 housing units from income restrictions when sus-
17 tained vacancies have occurred.

18 “(d) RENEWAL OF RENTAL ASSISTANCE.—

19 “(1) IN GENERAL.—When the Secretary pro-
20 poses to restructure a loan or agrees to the proposal
21 of an owner to restructure a loan pursuant to sub-
22 section (c), the Secretary shall offer to renew the
23 rental assistance contract under section 521(a)(2)
24 for a term that is the shorter of 20 years and the
25 term of the restructured loan, subject to annual ap-

1 propriations, provided that the owner agrees to bring
2 the property up to such standards that will ensure
3 maintenance of the property as decent, safe, and
4 sanitary housing for the full term of the rental as-
5 sistance contract.

6 “(2) ADDITIONAL RENTAL ASSISTANCE.—With
7 respect to a project described in paragraph (1), if
8 rental assistance is not available for all households
9 in the project for which the loan is being restruc-
10 tured pursuant to subsection (c), the Secretary may
11 extend such additional rental assistance to unas-
12 sisted households at that project as is necessary to
13 make the project safe and affordable to low-income
14 households.

15 “(e) RESTRICTIVE USE AGREEMENTS.—

16 “(1) REQUIREMENT.—As part of the preserva-
17 tion and revitalization agreement for a project, the
18 Secretary shall obtain a restrictive use agreement
19 that is recorded and obligates the owner to operate
20 the project in accordance with this title.

21 “(2) TERM.—

22 “(A) NO EXTENSION OF RENTAL ASSIST-
23 ANCE CONTRACT.—Except when the Secretary
24 enters into a 20-year extension of the rental as-
25 sistance contract for a project, the term of the

1 restrictive use agreement for the project shall
2 be consistent with the term of the restructured
3 loan for the project.

4 “(B) EXTENSION OF RENTAL ASSISTANCE
5 CONTRACT.—If the Secretary enters into a 20-
6 year extension of the rental assistance contract
7 for a project, the term of the restrictive use
8 agreement for the project shall be for the longer
9 of—

10 “(i) 20 years; or

11 “(ii) the remaining term of the loan
12 for that project.

13 “(C) TERMINATION.—The Secretary may
14 terminate the 20-year use restrictive use agree-
15 ment for a project before the end of the term
16 of the agreement if the 20-year rental assist-
17 ance contract for the project with the owner is
18 terminated at any time for reasons outside the
19 control of the owner.

20 “(f) DECOUPLING OF RENTAL ASSISTANCE.—

21 “(1) RENEWAL OF RENTAL ASSISTANCE CON-
22 TRACT.—If the Secretary determines that a loan ma-
23 turing during the 4-year period beginning upon the
24 provision of the notice required under subsection
25 (b)(1) for a project cannot reasonably be restruc-

1 tured in accordance with subsection (c) because it is
2 not financially feasible or the owner does not agree
3 with the proposed restructuring, and the project was
4 operating with rental assistance under section 521
5 and the recipient is a borrower under section 514 or
6 515, the Secretary may renew the rental assistance
7 contract, notwithstanding any requirement under
8 section 521 that the recipient be a current borrower
9 under section 514 or 515, for a term of 20 years,
10 subject to annual appropriations.

11 “(2) ADDITIONAL RENTAL ASSISTANCE.—With
12 respect to a project described in paragraph (1), if
13 rental assistance is not available for all households
14 in the project for which the loan is being restruc-
15 tured pursuant to subsection (c), the Secretary may
16 extend such additional rental assistance to unas-
17 sisted households at that project as is necessary to
18 make the project safe and affordable to low-income
19 households.

20 “(3) RENTS.—

21 “(A) IN GENERAL.—Any agreement to ex-
22 tend the term of the rental assistance contract
23 under section 521 for a project shall obligate
24 the owner to continue to maintain the project
25 as decent, safe, and sanitary housing and to op-

1 erate the development as affordable housing in
2 a manner that meets the goals of this title.

3 “(B) RENT AMOUNTS.—Subject to sub-
4 paragraph (C), in setting rents, the Secretary—

5 “(i) shall determine the maximum ini-
6 tial rent based on current fair market
7 rents established under section 8 of the
8 United States Housing Act of 1937 (42
9 U.S.C. 1437f); and

10 “(ii) may annually adjust the rent de-
11 termined under clause (i) by the operating
12 cost adjustment factor as provided under
13 section 524 of the Multifamily Assisted
14 Housing Reform and Affordability Act of
15 1997 (42 U.S.C. 1437f note).

16 “(C) HIGHER RENT.—

17 “(i) IN GENERAL.—Subparagraph (B)
18 shall not apply if the Secretary determines
19 that the budget-based needs of a project
20 require a higher rent than the rent de-
21 scribed in subparagraph (B).

22 “(ii) RENT.—If the Secretary makes a
23 positive determination under clause (i), the
24 Secretary may approve a budget-based rent
25 level for the project.

1 “(4) CONDITIONS FOR APPROVAL.—Before the
2 approval of a rental assistance contract authorized
3 under this section, the Secretary shall require,
4 through an annual notice in the Federal Register,
5 the owner to submit to the Secretary a plan that
6 identifies financing sources and a timetable for ren-
7 ovations and improvements determined to be nec-
8 essary by the Secretary to maintain and preserve the
9 project.

10 “(g) MULTIFAMILY HOUSING TRANSFER TECHNICAL
11 ASSISTANCE.—Under the program under this section, the
12 Secretary may provide grants to qualified nonprofit orga-
13 nizations and public housing agencies to provide technical
14 assistance, including financial and legal services, to bor-
15 rowers under loans under this title for multifamily housing
16 to facilitate the acquisition or preservation of such multi-
17 family housing properties in areas where the Secretary de-
18 termines there is a risk of loss of affordable housing.

19 “(h) ADMINISTRATIVE EXPENSES.—Of any amounts
20 made available for the program under this section for any
21 fiscal year, the Secretary may use not more than
22 \$1,000,000 for administrative expenses for carrying out
23 such program.

24 “(i) RULEMAKING.—

1 “(1) IN GENERAL.—Not later than 180 days
2 after the date of enactment of the 21st Century
3 ROAD to Housing Act, the Secretary shall—

4 “(A) publish an advance notice of proposed
5 rulemaking; and

6 “(B) consult with appropriate stake-
7 holders.

8 “(2) INTERIM FINAL RULE.—Not later than 1
9 year after the date of enactment of the 21st Century
10 ROAD to Housing Act, the Secretary shall publish
11 an interim final rule to carry out this section.”.

12 (f) RENTAL ASSISTANCE CONTRACT AUTHORITY.—
13 Section 521(d) of the Housing Act of 1949 (42 U.S.C.
14 1490a(d)), as amended by this section, is amended—

15 (1) in paragraph (1)—

16 (A) by redesignating subparagraphs (B)
17 and (C) as subparagraphs (C) and (D), respec-
18 tively;

19 (B) by inserting after subparagraph (A)
20 the following:

21 “(B) upon request of an owner of a project fi-
22 nanced under section 514 or 515, the Secretary is
23 authorized to enter into renewal of such agreements
24 for a period of 20 years or the term of the loan,

1 whichever is shorter, subject to amounts made avail-
2 able in appropriations Acts;”;

3 (C) in subparagraph (C), as so redesign-
4 nated, by striking “subparagraph (A)” and in-
5 serting “subparagraphs (A) and (B)”; and

6 (D) in subparagraph (D), as so redesign-
7 nated, by striking “subparagraphs (A) and
8 (B)” and inserting “subparagraphs (A), (B),
9 and (C)”;

10 (2) in paragraph (2), by striking “shall” and
11 inserting “may”; and

12 (3) by adding at the end the following:

13 “(4) In the case of any rental assistance contract au-
14 thority that becomes available because of the termination
15 of assistance on behalf of an assisted family—

16 “(A) at the option of the owner of the rental
17 project, the Secretary shall provide the owner a pe-
18 riod of not more than 6 months before unused as-
19 sistance is made available pursuant to subparagraph
20 (B) during which the owner may use such authority
21 to provide assistance on behalf of an eligible unas-
22 sisted family that—

23 “(i) is residing in the same rental project
24 in which the assisted family resided before the
25 termination; or

1 “(ii) newly occupies a dwelling unit in the
2 rental project during that 6-month period; and

3 “(B) except for assistance used as provided in
4 subparagraph (A), the Secretary shall use such re-
5 maining authority to provide assistance on behalf of
6 eligible families residing in other rental projects
7 originally financed under section 514, 515, or 516.”.

8 (g) MODIFICATIONS TO LOANS AND GRANTS FOR
9 MINOR IMPROVEMENTS TO FARM HOUSING AND BUILD-
10 INGS; INCOME ELIGIBILITY.—Section 504(a) of the Hous-
11 ing Act of 1949 (42 U.S.C. 1474(a)) is amended—

12 (1) in the first sentence, by inserting “and may
13 make a loan to an eligible low-income applicant”
14 after “applicant”;

15 (2) by inserting “Not less than 60 percent of
16 loan funds made available under this section shall be
17 reserved and made available for very low-income ap-
18 plicants.” after the first sentence; and

19 (3) by striking “\$7,500” and inserting
20 “\$15,000”.

21 (h) RURAL COMMUNITY DEVELOPMENT INITIA-
22 TIVE.—Subtitle E of the Consolidated Farm and Rural
23 Development Act (7 U.S.C. 2009 et seq.) is amended by
24 adding at the end the following:

1 **“SEC. 3810. RURAL COMMUNITY DEVELOPMENT INITIA-**
2 **TIVE.**

3 “(a) DEFINITIONS.—In this section:

4 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-

5 tity’ means—

6 “(A) a private, nonprofit community-based

7 housing or community development organiza-

8 tion;

9 “(B) a rural community; or

10 “(C) a federally recognized Indian tribe.

11 “(2) ELIGIBLE INTERMEDIARY.—The term ‘eli-

12 gible intermediary’ means a qualified—

13 “(A) private, nonprofit organization; or

14 “(B) public organization.

15 “(b) ESTABLISHMENT.—The Secretary shall estab-

16 lish a Rural Community Development Initiative, under

17 which the Secretary shall provide grants, subject to the

18 availability of appropriations, to eligible intermediaries to

19 carry out programs to provide financial and technical as-

20 sistance to eligible entities to develop the capacity and

21 ability of eligible entities to carry out projects to improve

22 housing, community facilities, and community and eco-

23 nomic development projects in rural areas.

24 “(c) AMOUNT OF GRANTS.—The amount of a grant

25 provided to an eligible intermediary under this section

26 shall be not more than \$500,000.

1 “(d) MATCHING FUNDS.—

2 “(1) IN GENERAL.—An eligible intermediary re-
3 ceiving a grant under this section shall provide
4 matching funds from other sources, including Fed-
5 eral funds for related activities, in an amount not
6 less than the amount of the grant.

7 “(2) WAIVER.—The Secretary may waive para-
8 graph (1) with respect to a project that would be
9 carried out in a persistently poor rural region, as de-
10 termined by the Secretary.”.

11 (i) ANNUAL REPORT ON RURAL HOUSING PRO-
12 GRAMS.—Title V of the Housing Act of 1949 (42 U.S.C.
13 1471 et seq.), as amended by this section, is amended by
14 adding at the end the following:

15 **“SEC. 546. ANNUAL REPORT.**

16 “(a) IN GENERAL.—The Secretary shall submit to
17 the appropriate committees of Congress and publish on
18 the website of the Department of Agriculture an annual
19 report on rural housing programs carried out under this
20 title, which shall include significant details on the health
21 of Rural Housing Service programs, including—

22 “(1) raw data sortable by programs and by re-
23 gion regarding loan performance;

24 “(2) the housing stock of those programs, in-
25 cluding information on why properties end participa-

1 tion in those programs, such as for maturation, pre-
2 payment, foreclosure, or other servicing issues; and

3 “(3) risk ratings for properties assisted under
4 those programs.

5 “(b) PROTECTION OF INFORMATION.—The data in-
6 cluded in each report required under subsection (a) may
7 be aggregated or anonymized to protect participant finan-
8 cial or personal information.”.

9 (j) GAO REPORT ON RURAL HOUSING SERVICE
10 TECHNOLOGY.—Not later than 1 year after the date of
11 enactment of this Act, the Comptroller General of the
12 United States shall submit to Congress a report that in-
13 cludes—

14 (1) an analysis of how the outdated technology
15 used by the Rural Housing Service impacts partici-
16 pants in the programs of the Rural Housing Service;

17 (2) an estimate of the amount of funding that
18 is needed to modernize the technology used by the
19 Rural Housing Service; and

20 (3) an estimate of the number and type of new
21 employees the Rural Housing Service needs to mod-
22 ernize the technology used by the Rural Housing
23 Service.

24 (k) ADJUSTMENT TO RURAL DEVELOPMENT VOUCH-
25 ER AMOUNT.—

1 (1) IN GENERAL.—Not later than 2 years after
2 the date of enactment of this Act, the Secretary of
3 Agriculture shall issue regulations to establish a
4 process for adjusting the voucher amount provided
5 under section 542 of the Housing Act of 1949 (42
6 U.S.C. 1490r) after the issuance of the voucher fol-
7 lowing an interim or annual review of the amount of
8 the voucher.

9 (2) INTERIM REVIEW.—The interim review de-
10 scribed in paragraph (1) shall, at the request of a
11 tenant, allow for a recalculation of the voucher
12 amount when the tenant experiences a reduction in
13 income, change in family composition, or change in
14 rental rate.

15 (3) ANNUAL REVIEW.—

16 (A) IN GENERAL.—The annual review de-
17 scribed in paragraph (1) shall require tenants
18 to annually recertify the family composition of
19 the household and that the family income of the
20 household does not exceed 80 percent of the
21 area median income at a time determined by
22 the Secretary of Agriculture.

23 (B) CONSIDERATIONS.—If a tenant does
24 not recertify the family composition and family
25 income of the household within the time frame

1 required under subparagraph (A), the Secretary
2 of Agriculture—

3 (i) shall consider whether extenuating
4 circumstances caused the delay in recertifi-
5 cation; and

6 (ii) may alter associated consequences
7 for the failure to recertify based on those
8 circumstances.

9 (C) EFFECTIVE DATE.—Following the an-
10 nual review of a voucher under paragraph (1),
11 the updated voucher amount shall be effective
12 on the 1st day of the month following the expi-
13 ration of the voucher.

14 (4) DEADLINE.—The process established under
15 paragraph (1) shall require the Secretary of Agri-
16 culture to review and update the voucher amount de-
17 scribed in paragraph (1) for a tenant not later than
18 60 days before the end of the voucher term.

19 (I) ELIGIBILITY FOR RURAL HOUSING VOUCHERS.—
20 Section 542 of the Housing Act of 1949 (42 U.S.C.
21 1490r) is amended by adding at the end the following:

22 “(c) ELIGIBILITY OF HOUSEHOLDS IN SECTIONS
23 514, 515, AND 516 PROJECTS.—The Secretary may pro-
24 vide rural housing vouchers under this section for any low-
25 income household (including those not receiving rental as-

1 sistance) residing for a term longer than the remaining
2 term of their lease that is in effect on the date of prepay-
3 ment, foreclosure, or mortgage maturity, in a property fi-
4 nanced with a loan under section 514 or 515 or a grant
5 under section 516 that has—

6 “(1) been prepaid with or without restrictions
7 imposed by the Secretary pursuant to section
8 502(c)(5)(G)(ii)(I);

9 “(2) been foreclosed; or

10 “(3) matured after September 30, 2005.”.

11 (m) AMOUNT OF VOUCHER ASSISTANCE.—Notwith-
12 standing any other provision of law, in the case of any
13 rural housing voucher provided pursuant to section 542
14 of the Housing Act of 1949 (42 U.S.C. 1490r), the
15 amount of the monthly assistance payment for the house-
16 hold on whose behalf the assistance is provided shall be
17 determined as provided in subsection (a) of such section
18 542, including providing for interim and annual review of
19 the voucher amount in the event of a change in household
20 composition or income or rental rate.

21 (n) TRANSFER OF MULTIFAMILY RURAL HOUSING
22 PROJECTS.—Section 515 of the Housing Act of 1949 (42
23 U.S.C. 1485) is amended—

24 (1) in subsection (h), by adding at the end the
25 following:

1 “(3) TRANSFER TO NONPROFIT ORGANIZA-
2 TIONS.—A nonprofit or public body purchaser, in-
3 cluding a limited partnership with a general partner
4 with the principal purpose of providing affordable
5 housing, may purchase a property for which a loan
6 is made or insured under this section that has re-
7 ceived a market value appraisal, without addressing
8 rehabilitation needs at the time of purchase, if the
9 purchaser—

10 “(A) makes a commitment to address re-
11 habilitation needs during ownership and long-
12 term use restrictions on the property; and

13 “(B) at the time of purchase, accepts long-
14 term use restrictions on the property.”; and

15 (2) in subsection (w)(1), in the first sentence in
16 the matter preceding subparagraph (A), by striking
17 “9 percent” and inserting “25 percent”.

18 (o) EXTENSION OF LOAN TERM.—

19 (1) IN GENERAL.—Section 502(a)(2) of the
20 Housing Act of 1949 (42 U.S.C. 1472(a)(2)) is
21 amended—

22 (A) by inserting “(A)” before “The Sec-
23 retary”;

1 (B) in subparagraph (A), as so designated,
2 by striking “paragraph” and inserting “sub-
3 paragraph”; and

4 (C) by adding at the end the following:

5 “(B) The Secretary may refinance or modify
6 the period of any loan, including any refinanced
7 loan, made under this section in accordance with
8 terms and conditions as the Secretary shall pre-
9 scribe, but in no event shall the total term of the
10 loan from the date of the refinance or modification
11 exceed 40 years.”.

12 (2) APPLICATION.—The amendment made
13 under paragraph (1) shall apply with respect to
14 loans made under section 502 of the Housing Act of
15 1949 (42 U.S.C. 1472) before, on, or after the date
16 of enactment of this Act.

17 (p) RELEASE OF LIABILITY FOR SECTION 502 GUAR-
18 ANTEED BORROWER UPON ASSUMPTION OF ORIGINAL
19 LOAN BY NEW BORROWER.—Section 502(h) of the Hous-
20 ing Act of 1949 (42 U.S.C. 1472(h)) is amended—

21 (1) by striking paragraph (10) and inserting
22 the following:

23 “(10) TRANSFER AND ASSUMPTION.—Upon the
24 transfer of property for which a guaranteed loan
25 under this subsection was made and the assumption

1 of the guaranteed loan by an approved eligible bor-
2 rower, the original borrower of a guaranteed loan
3 under this subsection shall be relieved of liability
4 with respect to the loan.”;

5 (2) by redesignating paragraph (16) as para-
6 graph (17); and

7 (3) by inserting after paragraph (15) the fol-
8 lowing:

9 “(16) FEE.—

10 “(A) IN GENERAL.—The mortgagee may
11 charge an assuming borrower a reasonable and
12 customary processing fee for an assumption re-
13 quest made under this subsection.

14 “(B) MAXIMUM FEE.—The Secretary shall
15 set a maximum allowable fee described in sub-
16 paragraph (A), which may be indexed for infla-
17 tion.”.

18 (q) DEPARTMENT OF AGRICULTURE LOAN RESTRIC-
19 TIONS.—

20 (1) DEFINITIONS.—In this subsection, the
21 terms “State” and “tribal organization” have the
22 meanings given those terms in section 658P of the
23 Child Care and Development Block Grant Act of
24 1990 (42 U.S.C. 9858n).

1 (2) REVISION.—The Secretary of Agriculture
2 shall revise section 3555.102(c) of title 7, Code of
3 Federal Regulations, to exclude from the restriction
4 under that section—

5 (A) a home-based business that is a li-
6 censed, registered, or regulated child care pro-
7 vider under State law or by a tribal organiza-
8 tion; and

9 (B) an applicant that has applied to be-
10 come a licensed, registered or regulated child
11 care provider under State law or by a tribal or-
12 ganization.

13 (r) LOAN GUARANTEES.—Section 502(h)(4) of the
14 Housing Act of 1949 (42 U.S.C. 1472(h)(4)) is amend-
15 ed—

16 (1) by redesignating subparagraphs (A), (B),
17 and (C) as clauses (i), (ii), and (iii), respectively,
18 and adjusting the margins accordingly;

19 (2) by striking “Loans may be guaranteed” and
20 inserting the following:

21 “(A) DEFINITION.—In this paragraph, the
22 term ‘accessory dwelling unit’ means a single,
23 habitable living unit—

24 “(i) with means of separate ingress
25 and egress;

1 “(ii) that is usually subordinate in
2 size;

3 “(iii) that can be added to, created
4 within, or detached from a primary 1-unit,
5 single-family dwelling; and

6 “(iv) in combination with a primary
7 1-unit, single family dwelling, constitutes a
8 single interest in real estate.

9 “(B) SINGLE FAMILY REQUIREMENT.—
10 Loans may be guaranteed”; and

11 (3) by adding at the end the following:

12 “(C) RULE OF CONSTRUCTION.—Nothing
13 in this paragraph shall be construed to prohibit
14 the leasing of an accessory dwelling unit or the
15 use of rental income derived from such a lease
16 to qualify for a loan guaranteed under this sub-
17 section—

18 “(i) after the date of enactment of the
19 21st Century ROAD to Housing Act; and

20 “(ii) if the property that is the subject
21 of the loan was constructed before the date
22 of enactment of the 21st Century ROAD
23 to Housing Act.”.

24 (s) APPLICATION REVIEW.—

1 (1) SENSE OF CONGRESS.—It is the sense of
2 Congress, not later than 90 days after the date on
3 which the Secretary of Agriculture receives an appli-
4 cation for a loan, grant, or combined loan and grant
5 under section 502 or 504 of the Housing Act of
6 1949 (42 U.S.C. 1472, 1474), the Secretary of Agri-
7 culture should—

8 (A) review the application;

9 (B) complete the underwriting;

10 (C) make a determination of eligibility with
11 respect to the application; and

12 (D) notify the applicant of determination.

13 (2) REPORT.—

14 (A) IN GENERAL.—Not later than 90 days
15 after the date of enactment of this Act, and an-
16 nually thereafter until the date described in
17 subparagraph (B), the Secretary of Agriculture
18 shall submit to the Committee on Banking,
19 Housing, and Urban Affairs of the Senate and
20 the Committee on Financial Services of the
21 House of Representatives a report—

22 (i) detailing the timeliness of eligi-
23 bility determinations and final determina-
24 tions with respect to applications under
25 sections 502 and 504 of the Housing Act

1 of 1949 (42 U.S.C. 1472, 1474), including
2 justifications for any eligibility determina-
3 tions taking longer than 90 days; and

4 (ii) that includes recommendations to
5 shorten the timeline for notifications of eli-
6 gibility determinations described in clause
7 (i) to not more than 90 days.

8 (B) DATE DESCRIBED.—The date de-
9 scribed in this subparagraph is the date on
10 which, during the preceding 5-year period, the
11 Secretary of Agriculture provides each eligibility
12 determination described in subparagraph (A)
13 during the 90-day period beginning on the date
14 on which each application is received.

15 **SEC. 504. NEW MOVING TO WORK COHORT.**

16 (a) DEFINITIONS.—In this section:

17 (1) MOVING TO WORK DEMONSTRATION.—The
18 term “Moving to Work demonstration” means the
19 Moving to Work demonstration authorized under
20 section 204 of the Departments of Veterans Affairs
21 and Housing and Urban Development, and Inde-
22 pendent Agencies Appropriations Act, 1996 (42
23 U.S.C. 1437f note).

24 (2) SECRETARY.—The term “Secretary” means
25 the Secretary of Housing and Urban Development.

1 (b) AUTHORIZATION OF ADDITIONAL PUBLIC HOUS-
2 ING AGENCIES.—

3 (1) IN GENERAL.—After the completion of the
4 initial report required under subsection (h)(2), the
5 Secretary may add up to an additional 25 public
6 housing agencies that are designated as high per-
7 forming agencies under the Public Housing Assess-
8 ment System or the Section 8 Management Assess-
9 ment Program to participate in a new cohort as part
10 of the Moving to Work demonstration.

11 (2) NAME.—The new cohort authorized under
12 paragraph (1) shall be entitled the “Economic Op-
13 portunity and Pathways to Independence Cohort”.

14 (c) WAIVER AUTHORITY.—

15 (1) IN GENERAL.—Subject to this subsection,
16 the authority of the Secretary to grant waivers to
17 agencies admitted to the Moving to Work dem-
18 onstration under this section or to designate policy
19 changes as part of a cohort design under this section
20 shall be limited to the Moving to Work waivers codi-
21 fied as of January 2025 in Appendix I of the docu-
22 ment of the Department of Housing and Urban De-
23 velopment entitled “Operations Notice for the Ex-
24 pansion of the Moving to Work Demonstration Pro-
25 gram” (FR–5994–N–05) published in the Federal

1 Register on August 28, 2020, as amended by the no-
2 tice entitled “Operations Notice for Expansion of the
3 Moving to Work Demonstration Program Technical
4 Revisions” (FR–5994–N–06) published in the Fed-
5 eral Register on March 20, 2025.

6 (2) MODIFICATIONS.—The Secretary may not
7 waive the safe harbor requirements that apply to the
8 Moving to Work waivers described in paragraph (1)
9 or modify those waivers in any other way for the
10 purposes of the new cohort under this section.

11 (3) EXCEPTIONS.—

12 (A) IN GENERAL.—Under paragraph (1),
13 the Secretary may not grant waiver 1c, 1d, 1e,
14 1f, 1k, 1l, 1o, 1p, 1q, 6, 7, 9a, 9h, or 12 in the
15 document described in paragraph (1), including
16 modifications of or safe harbor requirement
17 waivers for such waivers.

18 (B) SPECIFIC WAVERS.—If the Secretary
19 grants waiver 10 or 11 in the document de-
20 scribed in paragraph (1), resident participation
21 in any program administered pursuant to those
22 waivers shall be optional for purposes of the
23 new cohort under this section.

24 (4) POLICY OPTIONS.—In carrying out the
25 Moving to Work demonstration cohort established

1 under this section, the Secretary may consider policy
2 options to provide opt-out savings or escrow ac-
3 counts and report positive rental payments to con-
4 sumer reporting agencies (as defined in section 603
5 of the Fair Credit Reporting Act (15 U.S.C. 1681a))
6 with resident consent.

7 (d) FUNDING AND USE OF FUNDS.—

8 (1) IN GENERAL.—Public housing agencies in
9 the cohort authorized under this section may expend
10 not more than 5 percent of the amounts those public
11 housing agencies receive in any fiscal year for hous-
12 ing assistance payments under section 8(o) of the
13 United States Housing Act of 1937 (42 U.S.C.
14 1437f(o)) for purposes other than such housing as-
15 sistance payments.

16 (2) OTHER USES.—Such other uses of amounts
17 described in paragraph (1) shall comply with all
18 other applicable requirements.

19 (3) FORMULA.—

20 (A) RENEWAL.—The amount of funding
21 public housing agencies receive for renewal of
22 housing assistance payments under section 8(o)
23 of the United States Housing Act of 1937 (42
24 U.S.C. 1437f(o)) shall be determined according
25 to the same funding formula applicable to pub-

1 lic housing agencies that do not participate in
2 the Moving to Work demonstration, except that
3 the Secretary shall provide public housing agen-
4 cies funding to renew any funds expended
5 under this subsection, with an adjustment for
6 inflation.

7 (B) ADMINISTRATIVE FEES.—The amount
8 of funding public housing agencies receive for
9 administrative fees under section 8(q) of the
10 United States Housing Act of 1937 (42 U.S.C.
11 1437f(q)), public housing operating subsidies
12 under section 9(e) of the United States Hous-
13 ing Act of 1937 (42 U.S.C. 1437g(e)), and pub-
14 lic housing capital funding under section 9(d) of
15 the United States Housing Act of 1937 (42
16 U.S.C. 1437g(d)) shall be determined according
17 to the same funding formula applicable to pub-
18 lic housing agencies that do not participate in
19 the Moving to Work demonstration.

20 (e) SELECTION REQUIREMENTS.—The Secretary
21 shall select public housing agencies designated under this
22 section through a competitive process, as determined by
23 the Secretary, with the following parameters:

24 (1) No public housing agency shall be granted
25 this designation under this section that administers

1 more than 27,000 aggregate housing vouchers and
2 public housing units.

3 (2) Of the public housing agencies selected
4 under this section, not more than 12 shall admin-
5 ister 1,000 or fewer aggregate housing vouchers and
6 public housing units, not more than 8 shall admin-
7 ister between 1,001 and 6,000 aggregate housing
8 vouchers and public housing units, and not more
9 than 5 shall administer between 6,001 and 27,000
10 aggregate housing vouchers and public housing
11 units.

12 (3) Selection of public housing agencies under
13 this section shall be based on ensuring the geo-
14 graphic diversity of Moving to Work demonstration
15 public housing agencies.

16 (4) Within the requirements under paragraphs
17 (1) through (3), the Secretary shall prioritize select-
18 ing public housing agencies that serve families with
19 children and youth aging out of foster care at a rate
20 above the national average.

21 (f) REQUIREMENTS FOR SELECTED PUBLIC HOUS-
22 ING AGENCIES.—Consistent with section 204(c)(3) of the
23 Departments of Veterans Affairs and Housing and Urban
24 Development, and Independent Agencies Appropriations
25 Act, 1996 (42 U.S.C. 1437f note), public housing agencies

1 selected for the Moving to Work demonstration under this
2 section shall—

3 (1) ensure that not less than 75 percent of the
4 families assisted are very low-income families, as de-
5 fined in section 3(b)(2)(B) of the United States
6 Housing Act of 1937 (42 U.S.C. 1437a(b)(2)(B));

7 (2) establish a reasonable rent policy, which
8 shall be designed to encourage employment and self-
9 sufficiency by participating families, consistent with
10 the purpose of the Moving to Work demonstration,
11 such as by excluding some or all of a family's earned
12 income for purposes of determining rent;

13 (3) continue to assist substantially the same
14 total number of eligible low-income families as would
15 have been served had the amounts not been com-
16 bined;

17 (4) maintain a comparable mix of families (by
18 family size) as would have been provided had the
19 amounts not been used under the Moving to Work
20 demonstration; and

21 (5) assure that housing assisted under the Mov-
22 ing to Work demonstration meets housing quality
23 standards established or approved by the Secretary.

24 (g) NONCOMPLIANCE.—

1 (1) IN GENERAL.—If the Secretary finds that a
2 public housing agency participating in the cohort au-
3 thorized under this section is not in compliance with
4 the requirements under this section, the Secretary
5 shall make a determination of noncompliance.

6 (2) COMPLIANCE.—Upon making a determina-
7 tion under paragraph (1), the Secretary shall de-
8 velop a process to bring the public housing agency
9 into compliance.

10 (3) REMOVAL.—If a public housing agency can-
11 not be brought into compliance under the process
12 developed under paragraph (2), the Secretary shall
13 remove the participating public housing agency from
14 the cohort and replace it with a similarly qualified
15 public housing agency currently not in the cohort
16 chosen in the manner described in subsection (e).

17 (4) NOTIFICATION.—Upon removing a public
18 housing agency under paragraph (3), the Secretary
19 shall immediately submit to the Committee on Bank-
20 ing, Housing, and Urban Affairs of the Senate and
21 the Committee on Financial Services of the House of
22 Representatives—

23 (A) a notification of the removal; and

1 (B) a report on the active steps the Sec-
2 retary is taking to replace the public housing
3 agency with a new public housing agency.

4 (h) COMPREHENSIVE MOVING TO WORK REPORTING
5 AND OVERSIGHT REQUIREMENTS.—

6 (1) COHORT RESEARCH.—

7 (A) IN GENERAL.—The Secretary shall
8 continue ongoing research investigations com-
9 menced as part of the assessment of the cohorts
10 established under section 239 of the Depart-
11 ment of Housing and Urban Development Ap-
12 propriations Act, 2016 (42 U.S.C. 1437f note;
13 Public Law 114–113), make public all products
14 completed as part of those investigations, and
15 keep such products online for at least 5 years.

16 (B) COORDINATION.—The Secretary shall
17 coordinate with the advisory committee estab-
18 lished under section 239 of the Department of
19 Housing and Urban Development Appropria-
20 tions Act, 2016 (42 U.S.C. 1437f note; Public
21 Law 114–113) to establish a research program
22 to evaluate the outcomes and efficacy of the fol-
23 lowing for all Moving to Work demonstration
24 agencies designated under the authority under
25 such section and this section:

1 (i) The waivers granted to each cohort
2 and whether those waivers accomplish the
3 goals of achieving greater cost effectiveness
4 and administrative capacity, incentivizing
5 families to become economically self-suffi-
6 cient, and increasing housing choice.

7 (ii) The additional flexibilities granted
8 to individual public housing agencies under
9 each cohort.

10 (iii) How the flexibilities described in
11 clause (ii) were used for local, non-tradi-
12 tional activities.

13 (2) COMPREHENSIVE REPORTING REQUIRE-
14 MENT.—Not later than 180 days after the date of
15 enactment of this Act, and annually thereafter, the
16 Secretary shall submit to the Committee on Bank-
17 ing, Housing, and Urban Affairs of the Senate and
18 the Committee on Financial Services of the House of
19 Representatives a report that contains the following
20 for each Moving to Work demonstration cohort
21 under section 204 of the Departments of Veterans
22 Affairs and Housing and Urban Development, and
23 Independent Agencies Appropriations Act, 1996 (42
24 U.S.C. 1437f note), section 239 of the Department
25 of Housing and Urban Development Appropriations

1 Act, 2016 (42 U.S.C. 1437f note; Public Law 114–
2 113), and this section:

3 (A) The annual administrative plans of
4 each Moving to Work demonstration public
5 housing agency.

6 (B) Assessments of longitudinal data, in-
7 cluding data on units, households, and out-
8 comes, which shall be evaluated to compare
9 changes in the following trends before and after
10 Moving to Work demonstration designation:

11 (i) Impacts on tenants based on the
12 following, disaggregated by the public
13 housing program and the housing choice
14 voucher program:

15 (I) Eviction rates.

16 (II) Hardship policy usage.

17 (III) Share of rent covered by a
18 household.

19 (IV) Turnover, including the
20 number of household moves with or
21 without continued assistance.

22 (V) Reasons for exit from the
23 program.

24 (VI) The number and character-
25 istics of households served, including

1 households with a non-elderly family
2 member with a disability, households
3 with 3 or more minors, homelessness
4 status at the time of admission, and
5 average and median income as a per-
6 cent of area median income.

7 (ii) Impacts on public housing agency
8 operations based on the following:

9 (I) The number of units, broken
10 down by type.

11 (II) The size, including the num-
12 ber of bedrooms per unit, accessibility,
13 affordability, and quality of units.

14 (III) The length of each waitlist
15 maintained and average wait times.

16 (IV) Changes in capital backlog
17 needs and surplus fund and reserve
18 levels.

19 (V) The number of public hous-
20 ing units undergoing a conversion
21 under the rental assistance dem-
22 onstration program authorized under
23 the Department of Housing and
24 Urban Development Appropriations
25 Act, 2012 (Public Law 112-55; 125

1 Stat. 673) or demolition or disposition
2 projects under section 18 of the
3 United States Housing Act of 1937
4 (42 U.S.C. 1437p), including the
5 number of units lost and the location
6 of any replacement housing resulting
7 from demolition or disposition.

8 (VI) The share of project-based
9 vouchers compared to tenant-based
10 vouchers.

11 (VII) The following annual hous-
12 ing choice voucher data:

13 (aa) Voucher unit utilization
14 rates.

15 (bb) Voucher budget utiliza-
16 tion rates.

17 (cc) Annualized voucher suc-
18 cess rate.

19 (dd) Demographic composi-
20 tion of households issued vouch-
21 ers compared to utilized vouch-
22 ers.

23 (ee) Average time to lease-
24 up.

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1 (ff) Average cost per vouch-
2 er.

3 (gg) Average cost per land-
4 lord incentive.

5 (hh) Ratio of the proportion
6 of voucher households living in
7 concentrated low-income areas to
8 the proportion of renter-occupied
9 units in concentrated low-income
10 areas.

11 (ii) Characteristics of census
12 tracts where voucher recipients
13 reside.

14 (VIII) How the public housing
15 agency met each of the statutory re-
16 quirements in section 204(c)(3) of the
17 Departments of Veterans Affairs and
18 Housing and Urban Development, and
19 Independent Agencies Appropriations
20 Act, 1996 (42 U.S.C. 1437f note).

21 (iii) Impacts on public housing staff-
22 ing and capacity, including the average
23 public housing agency operating, adminis-
24 trative, and housing assistance payment
25 expenditures per household per month.

1 (C) Legislative recommendations for flexi-
2 bilities that could be expanded to all public
3 housing agencies and how each flexibility en-
4 hances housing choice, affordability, and admin-
5 istrative capacity and efficiency for public hous-
6 ing agencies.

7 (3) PUBLIC AVAILABILITY.—

8 (A) IN GENERAL.—The Secretary shall
9 maintain all reports submitted pursuant to this
10 section in a manner that is publicly available,
11 accessible, and searchable on the website of the
12 Department of Housing and Urban Develop-
13 ment for not less than 5 years.

14 (B) OTHER INFORMATION.—

15 (i) IN GENERAL.—The Secretary shall
16 make the annual plan of the Moving to
17 Work demonstration, the Section 8 admin-
18 istrative plan, and the admission and con-
19 tinued occupancy policy for each year pub-
20 licly available in 1 location on the website
21 of the Department of Housing and Urban
22 Development for not less than 5 years.

23 (ii) DATABASE.—The Secretary may
24 establish a searchable database on the
25 website of the Department of Housing and

1 Urban Development to track the types of
2 flexibilities into which Moving to Work
3 demonstration public housing agencies
4 have opted or for which a waiver was ap-
5 proved by the Secretary, disaggregated by
6 the year such flexibilities were adopted or
7 approved.

8 **SEC. 505. INCENTIVIZING LOCAL SOLUTIONS TO HOME-**
9 **LESSNESS.**

10 Section 414 of the McKinney-Vento Homeless Assist-
11 ance Act (42 U.S.C. 11373) is amended by adding at the
12 end the following:

13 “(f) FUNDING CAP WAIVER AUTHORITY.—

14 “(1) IN GENERAL.—Notwithstanding any other
15 provision of law or regulation, a recipient may re-
16 quest a waiver to the expenditure limit established
17 pursuant to section 415(b) for amounts provided for
18 each of fiscal years 2027 through 2030.

19 “(2) WAIVER REQUEST.—

20 “(A) IN GENERAL.—A recipient seeking a
21 waiver described in paragraph (1) shall submit
22 to the Secretary a waiver request that includes
23 not more than the following:

1 available on the website of the Department
2 of Housing and Urban Development;

3 “(ii) not later than 60 days after the
4 date on which the Secretary receives a
5 waiver request under subparagraph (A),
6 approve or deny the request; and

7 “(iii) deny any waiver request sub-
8 mitted under subparagraph (A) by a re-
9 cipient that relocates or threaten to relo-
10 cate individuals or their property without
11 providing emergency shelter, rapid rehous-
12 ing, transitional housing, permanent sup-
13 portive housing, or other permanent hous-
14 ing options.

15 “(3) REVOCATION.—

16 “(A) IN GENERAL.—A waiver approved
17 under this subsection shall remain in effect for
18 the duration of the period of performance of fis-
19 cal year 2027 through 2030 grants unless the
20 recipient notifies the Secretary in writing that
21 the recipient wishes to revoke the waiver.

22 “(B) NOTIFICATION.—If a recipient in-
23 tends to revoke a waiver under subparagraph
24 (A), the recipient shall—

1 “(i) solicit input from subrecipients
2 regarding the revocation before submitting
3 the revocation; and

4 “(ii) provide subrecipients with a sum-
5 mary of the input and the justification for
6 the revocation in its submittal prior to no-
7 tifying the Secretary in writing.

8 “(C) PUBLICATION.—The Secretary shall
9 publish any revocation of a waiver under sub-
10 paragraph (A) and the justification of the re-
11 cipient for the waiver on the website of the De-
12 partment of Housing and Urban Develop-
13 ment.”.

14 **TITLE VI—VETERANS AND**
15 **HOUSING**

16 **SEC. 601. VA HOME LOAN AWARENESS ACT.**

17 (a) IN GENERAL.—Subpart A of part 2 of the Fed-
18 eral Housing Enterprises Financial Safety and Soundness
19 Act of 1992 (12 U.S.C. 4541 et seq.) is amended by add-
20 ing at the end the following:

21 **“SEC. 1329. UNIFORM RESIDENTIAL LOAN APPLICATION.**

22 “Not later than 6 months after the date of enactment
23 of this section, the Director shall, by regulation or order,
24 require each enterprise to include a disclaimer below the
25 military service question on the form known as the Uni-

1 form Residential Loan Application stating, ‘If yes, you
2 may qualify for a VA Home Loan. Consult your lender
3 regarding eligibility.’.”.

4 (b) GAO STUDY.—Not later than 18 months after
5 the date of enactment of this Act, the Comptroller General
6 of the United States shall conduct a study and submit to
7 Congress a report on whether not less than 80 percent
8 of lenders using the Uniform Residential Loan Application
9 have included on that form the disclaimer required under
10 section 1329 of the Federal Housing Enterprises Finan-
11 cial Safety and Soundness Act of 1992, as added by sub-
12 section (a).

13 **SEC. 602. VETERANS AFFAIRS LOAN INFORMED DISCLO-**
14 **SURE (VALID) ACT.**

15 (a) FHA INFORMED CONSUMER CHOICE DISCLO-
16 SURE.—

17 (1) INCLUSION OF INFORMATION RELATING TO
18 VA LOANS.—Subparagraph (A) of section 203(f)(2)
19 of the National Housing Act (12 U.S.C.
20 1709(f)(2)(A)) is amended—

21 (A) by striking “ratio in” and inserting
22 “ratio—

23 “(i) in”; and

24 (B) by adding at the end the following:

1 “(ii) in connection with a loan guar-
2 anteed or insured under chapter 37 of title
3 38, United States Code, assuming pre-
4 vailing interest rates; and”.

5 (2) RULE OF CONSTRUCTION.—Nothing in the
6 amendments made by paragraph (1) shall be con-
7 strued to require an original lender to determine
8 whether a prospective borrower is eligible for any
9 loan included in the notice required under section
10 203(f) of the National Housing Act (12 U.S.C.
11 1709(f)).

12 (b) MILITARY SERVICE QUESTION.—

13 (1) IN GENERAL.—Subpart A of part 2 of sub-
14 title A of the Federal Housing Enterprises Financial
15 Safety and Soundness Act of 1992 (12 U.S.C. 4541
16 et seq.), as amended by section 601(a) of this Act,
17 is amended by adding at the end the following:

18 **“SEC. 1330. UNIFORM RESIDENTIAL LOAN APPLICATION.**

19 “Not later than 6 months after the date of enactment
20 of this section, the Director shall require each enterprise
21 to—

22 “(1) include a military service question on the
23 form known as the Uniform Residential Loan Appli-
24 cation; and

1 “(2) position the question described in para-
2 graph (1) above the signature line of the Uniform
3 Residential Loan Application.”.

4 (2) RULEMAKING.—Not later than 6 months
5 after the date of enactment of this Act, the Director
6 of the Federal Housing Finance Agency shall issue
7 a rule to carry out the amendment made by this sec-
8 tion.

9 **SEC. 603. HOUSING UNHOUSED DISABLED VETERANS ACT.**

10 (a) EXCLUSION OF CERTAIN DISABILITY BENE-
11 FITS.—Section 3(b)(4)(B) of the United States Housing
12 Act of 1937 (42 U.S.C. 1437a(b)(4)(B)) is amended—

13 (1) by redesignating clauses (iv) and (v) as
14 clauses (vi) and (vii), respectively; and

15 (2) by inserting after clause (iii) the following:

16 “(iv) for the purpose of determining
17 income eligibility with respect to the sup-
18 ported housing program under section
19 8(o)(19), any disability benefits received
20 under chapter 11 or chapter 15 of title 38,
21 United States Code, received by a veteran,
22 except that this exclusion shall not apply
23 to the income in the definition of adjusted
24 income;

1 “(v) for the purpose of determining
2 income eligibility with respect to any
3 household receiving rental assistance under
4 the supported housing program under sec-
5 tion 8(o)(19) as it relates to eligibility for
6 other types of housing assistance, any dis-
7 ability benefits received under chapter 11
8 or chapter 15 of title 38, United States
9 Code, received by a veteran, but such
10 amounts shall not be excluded from income
11 when determining adjusted income;”.

12 (b) TREATMENT OF CERTAIN DISABILITY BENE-
13 FITS.—

14 (1) IN GENERAL.—When determining the eligi-
15 bility of a veteran to rent a residential dwelling unit
16 constructed on Department property on or after the
17 date of the enactment of this Act, for which assist-
18 ance is provided as part of a housing assistance pro-
19 gram administered by the Secretary, the Secretary
20 shall exclude from income any disability benefits re-
21 ceived under chapter 11 or chapter 15 of title 38,
22 United States Code by such person.

23 (2) DEFINITIONS.—In this subsection:

1 (A) SECRETARY.—The term “Secretary”
2 means the Secretary of Housing and Urban De-
3 velopment.

4 (B) DEPARTMENT PROPERTY.—The term
5 “Department property” has the meaning given
6 the term in section 901 of title 38, United
7 States Code.

8 **TITLE VII—OVERSIGHT AND**
9 **ACCOUNTABILITY**

10 **SEC. 701. REQUIRING ANNUAL TESTIMONY AND OVER-**
11 **SIGHT FROM HOUSING REGULATORS.**

12 (a) REQUIREMENT TO TESTIFY.—Section 7 of the
13 Department of Housing and Urban Development Act (42
14 U.S.C. 3535) is amended by adding at the end the fol-
15 lowing:

16 “(u) ANNUAL TESTIMONY.—The Secretary shall ap-
17 pear before the Committee on Banking, Housing, and
18 Urban Affairs of the Senate and the Committee on Finan-
19 cial Services of the House of Representatives at an annual
20 hearing and present testimony regarding the operations
21 of the Department during the preceding year, including—

22 “(1) the current programs and operations of
23 the Department;

24 “(2) the physical condition of all public housing
25 and other housing assisted by the Department;

1 “(3) the financial health of the mortgage insur-
2 ance funds of the Federal Housing Agency;

3 “(4) oversight by the Department of grantees
4 and subgrantees for purposes of preventing waste,
5 fraud, and abuse;

6 “(5) the progress made by the Federal Govern-
7 ment in ending the affordable housing and homeless-
8 ness crises;

9 “(6) the capacity of the Department to deliver
10 on its statutory mission; and

11 “(7) other ongoing activities of the Department,
12 as appropriate.”.

13 (b) GOVERNMENT GUARANTEED OR INSURED MORT-
14 GAGES.—On an annual basis, the following individuals
15 shall testify before the appropriate committees of Congress
16 with respect to mortgage loans made, guaranteed, or in-
17 sured by the Federal Government:

18 (1) The President of the Government National
19 Mortgage Association.

20 (2) The Federal Housing Commissioner.

21 (3) The Administrator of the Rural Housing
22 Service.

23 (4) The Executive Director of the Loan Guar-
24 anty Service of the Department of Veterans Affairs.

1 (5) The Director of the Federal Housing Fi-
2 nance Agency.

3 (c) MORTGAGEE REVIEW BOARD.—Section 202(c)(8)
4 of the National Housing Act (12 U.S.C. 1708(c)(8)) is
5 amended—

6 (1) by striking “, in consultation with the Fed-
7 eral Housing Administration Advisory Board,”; and

8 (2) by inserting “and to Congress” after “the
9 Secretary”.

10 **SEC. 702. FHA REPORTING REQUIREMENTS ON SAFETY**
11 **AND SOUNDNESS.**

12 (a) MONTHLY REPORTING ON MUTUAL MORTGAGE
13 INSURANCE FUND CAPITAL RATIO.—Section 202(a) of
14 the National Housing Act (12 U.S.C. 1708(a)) is amended
15 by adding at the end the following:

16 “(8) OTHER REQUIRED REPORTING.—The Sec-
17 retary shall—

18 “(A) submit to Congress monthly reports
19 on the capital ratio required under section
20 205(f)(2); and

21 “(B) notify Congress as soon as prac-
22 ticable after the Fund falls below the capital
23 ratio required under section 205(f)(2).”.

1 (b) ANNUAL INDEPENDENT ACTUARIAL STUDY.—
2 Section 202(a)(4) of the National Housing Act (12 U.S.C.
3 1708(a)(4)) is amended—

4 (1) by striking “The Secretary” and inserting
5 the following:

6 “(A) DEFINITION.—In this paragraph, the
7 term ‘first-time homebuyer’ means a borrower
8 for whom no consumer report (as defined in
9 section 603 of the Fair Credit Reporting Act
10 (15 U.S.C. 1681a)) indicates that the borrower
11 has or had a loan with a consumer purpose that
12 is secured by a 1- to 4-unit residential real
13 property.

14 “(B) STUDY AND REPORT.—The Sec-
15 retary”; and

16 (2) in subparagraph (B), as so designated, in
17 the fourth sentence, by striking “also” and inserting
18 “detail how many loans were originated in each cen-
19 sus tract to first-time homebuyers, and”.

20 (c) ANNUAL REPORT.—Section 203(w)(2) of the Na-
21 tional Housing Act (12 U.S.C. 1709(w)(2)) is amended
22 by inserting “and covered and first-time homebuyers (as
23 defined in section 202(a)(4)(A))” after “minority bor-
24 rowers”.

1 **SEC. 703. UNITED STATES INTERAGENCY COUNCIL ON**
2 **HOMELESSNESS OVERSIGHT.**

3 Section 203(a) of the McKinney-Vento Homeless As-
4 sistance Act (42 U.S.C. 11313(a)) is amended—

5 (1) in paragraph (1)—

6 (A) by striking “Homeless Emergency As-
7 sistance and Rapid Transition to Housing Act
8 of 2009” and inserting “Renewing Opportunity
9 in the American Dream to Housing Act”; and

10 (B) by striking “update such plan annu-
11 ally” and inserting “submit to the President
12 and Congress a report every year thereafter
13 that includes—

14 “(A) the status of completion of the plan;
15 and

16 “(B) any modifications that were made to
17 the plan and the reasons for those modifica-
18 tions;”;

19 (2) by redesignating paragraphs (10) through
20 (13) as paragraphs (11) through (14), respectively;

21 (3) by redesignating the second paragraph (9)
22 (relating to collecting and disseminating informa-
23 tion) as paragraph (10);

24 (4) in paragraph (13), as so redesignated, by
25 striking “and” at the end;

1 (5) in paragraph (14), as so redesignated, by
2 striking the period at the end and inserting “; and
3 (6) by adding at the end the following:
4 “(15) testify annually before Congress.”.

5 **SEC. 704. APPRAISAL MODERNIZATION ACT.**

6 (a) RECONSIDERATION OF VALUE.—

7 (1) FEDERALLY BACKED MORTGAGE LOAN DE-
8 FINED.—In this subsection, the term “Federally
9 backed mortgage loan” has the meaning given the
10 term in section 4022 of the CARES Act (15 U.S.C.
11 9056).

12 (2) REQUIREMENT.—The Secretary of Agri-
13 culture, the Secretary of Veterans Affairs, the Com-
14 missioner of the Federal Housing Administration,
15 and the Director of the Federal Housing Finance
16 Agency shall each implement and maintain require-
17 ments that creditors of a federally backed mortgage
18 loan have a review and resolution procedure for a
19 consumer-initiated reconsideration of value or subse-
20 quent appraisal in connection with a consumer credit
21 transaction secured by a consumer’s principal dwell-
22 ing.

23 (b) PUBLIC APPRAISAL DATABASE.—

24 (1) COVERED AGENCIES DEFINED.—In this
25 subsection, the term “covered agencies” means—

1 (A) the Federal Housing Finance Agency,
2 on behalf of the Federal National Mortgage As-
3 sociation and the Federal Home Loan Mortgage
4 Corporation;

5 (B) the Department of Housing and
6 Urban Development, including the Federal
7 Housing Administration;

8 (C) the Department of Agriculture; and

9 (D) the Department of Veterans Affairs.

10 (2) FEASIBILITY REPORT.—No later than 240
11 days after the date of enactment of this Act, the
12 Comptroller General of the United States shall sub-
13 mit to Congress a public report assessing the feasi-
14 bility of creating a publicly available appraisal data-
15 base that consists of a searchable and downloadable
16 appraisal-level public use file that consolidates ap-
17 praisal data held or aggregated by covered agencies,
18 including—

19 (A) the costs and benefits associated with
20 establishing and maintaining the public data-
21 base;

22 (B) the benefits and risks associated with
23 the Federal Housing Finance Agency or the
24 Bureau of Consumer Financial Protection being
25 responsible for the public database and whether

1 there is another Federal agency best suited for
2 implementing and administering such database;

3 (C) any safety and soundness, antitrust, or
4 consumer privacy-related risks associated with
5 making certain appraisal data factors publicly
6 available, including whether—

7 (i) there are any existing legal re-
8 quirements, including under the Home
9 Mortgage Disclosure Act of 1975 (12
10 U.S.C. 2801 et seq.) and section 552 of
11 title 5, United States Code (commonly
12 known as the “Freedom of Information
13 Act”), or additional actions Federal agen-
14 cies could take to mitigate such risks, such
15 as modifying or aggregating data or elimi-
16 nating personally identifiable information;
17 and

18 (ii) there are any data factors that, if
19 made public, may violate conduct, ethics,
20 or other professional standards as they re-
21 late to appraisals and appraisal or valu-
22 ation professionals;

23 (D) the feasibility of consolidating or
24 matching appraisal data held by covered agen-
25 cies with corresponding data that is required

1 and made public under the Home Mortgage
2 Disclosure Act of 1975 (12 U.S.C. 2801 et
3 seq.);

4 (E) whether the publication of any ap-
5 praisal data factors may pose unfair business
6 advantages within the valuation industry;

7 (F) the feasibility of including all valuation
8 data held by covered agencies, including data
9 produced by automated valuation models;

10 (G) the feasibility and benefits of making
11 the full appraisal dataset, including any modi-
12 fied fields, available to—

13 (i) Federal agencies, including for
14 purposes related to enforcement and super-
15 vision responsibilities;

16 (ii) relevant State licensing, super-
17 vision, and enforcement agencies and State
18 attorneys general;

19 (iii) approved researchers, including
20 academics and nonprofit organizations
21 that, in connection with their mission,
22 work to ensure the fairness and consist-
23 ency of home valuations, including apprais-
24 als; and

1 (iv) any other entities identified by
2 the Comptroller General as having a com-
3 pelling use for disaggregated data;

4 (H) what appraisal data is already avail-
5 able in the public domain; and

6 (I) the feasibility of incorporating legacy
7 data held by covered agencies during the period
8 beginning on January 1, 2017 and ending on
9 the date of enactment of this Act, and whether
10 there are specific data points not easily consoli-
11 dated or matched, as described in subparagraph
12 (D), with more recent data.

13 (3) PURPOSE.—The database described in para-
14 graph (2) shall be used to provide the public, the
15 Federal Government, and State governments with
16 residential real estate appraisal data to help deter-
17 mine whether financial institutions, appraisal man-
18 agement companies, appraisers, valuation tech-
19 nologies, such as automated valuation models, and
20 other valuation professionals are effectively serving
21 the entire housing market.

22 (4) CONSULTATION.—As part of the informa-
23 tion used in the report required under paragraph
24 (2), the Comptroller General of the United States
25 shall conduct interviews with—

- 1 (A) relevant Federal agencies;
- 2 (B) relevant State licensing, supervision,
3 and enforcement agencies and State attorneys
4 general;
- 5 (C) appraisers and other home valuation
6 industry professionals;
- 7 (D) mortgage lending institutions;
- 8 (E) fair housing and fair lending experts;
9 and
- 10 (F) any other relevant stakeholders as de-
11 termined by the Comptroller General.

12 (5) HEARING.—Upon the completion of the re-
13 port under paragraph (2), the Committee on Bank-
14 ing, Housing, and Urban Affairs of the Senate and
15 the Committee on Financial Services of the House of
16 Representatives shall each hold a hearing on the
17 findings of the report and the feasibility of estab-
18 lishing a public appraisal-level appraisal database.

19 **TITLE VIII—COORDINATION,**
20 **STUDIES, AND REPORTING**

21 **SEC. 801. HUD-USDA-VA INTERAGENCY COORDINATION**
22 **ACT.**

23 (a) MEMORANDUM OF UNDERSTANDING.—The Sec-
24 retary of Housing and Urban Development, the Secretary
25 of Agriculture, and the Secretary of Veterans Affairs shall

1 establish a memorandum of understanding, or other ap-
2 propriate interagency agreement, to share relevant hous-
3 ing-related research and market data that facilitates evi-
4 dence-based policymaking.

5 (b) INTERAGENCY REPORT.—

6 (1) REPORT.—Not later than 180 days after
7 the date of enactment of this Act, the Secretary of
8 Housing and Urban Development, the Secretary of
9 Agriculture, and the Secretary of Veterans Affairs
10 shall jointly submit to the Committee on Banking,
11 Housing, and Urban Affairs of the Senate and the
12 Committee on Finance of the House of Representa-
13 tives a report containing—

14 (A) a description of opportunities for in-
15 creased collaboration between the Secretary of
16 Housing and Urban Development, the Secretary
17 of Agriculture, and the Secretary of Veterans
18 Affairs to reduce inefficiencies in housing pro-
19 grams;

20 (B) a list of Federal laws (including regu-
21 lations) that adversely affect the availability
22 and affordability of new construction of assisted
23 housing and single family and multifamily resi-
24 dential housing subject to mortgages insured
25 under title II of the National Housing Act (12

1 U.S.C. 1707 et seq.), insured, guaranteed, or
2 made by the Secretary of Agriculture under
3 title V of the Housing Act of 1949 (42 U.S.C.
4 1471 et seq.), or insured, guaranteed, or made
5 by the Secretary of Veterans Affairs under
6 chapter 37 of title 38, United States Code; and

7 (C) recommendations for Congress regard-
8 ing the Federal laws (including regulations) de-
9 scribed in subparagraph (B).

10 (2) PUBLICATION.—The report required under
11 paragraph (1) shall, prior to submission under that
12 subsection, be published in the Federal Register and
13 open for comment for a period of 30 days.

14 **SEC. 802. STREAMLINING RURAL HOUSING ACT.**

15 (a) IN GENERAL.—Not later than 180 days after the
16 date of enactment of this Act, the Secretary of Housing
17 and Urban Development and the Secretary of Agriculture
18 shall enter into a memorandum of understanding to—

19 (1) evaluate categorical exclusions under the en-
20 vironmental review process for housing projects
21 funded by amounts from the Department of the
22 Housing and Urban Development and the Depart-
23 ment of Agriculture;

24 (2) develop a process to designate a lead agency
25 and streamline adoption of Environmental Impact

1 Statements and Environmental Assessments ap-
2 proved by the other Department to construct hous-
3 ing projects funded by both agencies;

4 (3) maintain compliance with environmental
5 regulations under part 58 of title 24, Code of Fed-
6 eral Regulations, as in effect on January 1, 2025,
7 except as required to amend, add, or remove cat-
8 egorical exclusions identified under sections 58.35 of
9 title 24, Code of Federal Regulations, through
10 standard rulemaking procedures; and

11 (4) evaluate the feasibility of a joint physical in-
12 spection process for housing projects funded by
13 amounts from the Department of the Housing and
14 Urban Development and the Department of Agri-
15 culture.

16 (b) REPORT.—Not later than 1 year after the date
17 of enactment of this Act, the Secretary of Housing and
18 Urban Development and the Secretary of Agriculture shall
19 submit to the Committee on Banking, Housing, and
20 Urban Affairs of the Senate and the Committee on Finan-
21 cial Services of the House of Representatives a report that
22 includes recommendations for legislative, regulatory, or
23 administrative actions—

24 (1) to improve the efficiency and effectiveness
25 of housing projects funded by amounts from the De-

1 partment of the Housing and Urban Development
2 and the Department of Agriculture; and

3 (2) that do not materially, with respect to resi-
4 dents of housing projects described in paragraph
5 (1)—

6 (A) reduce the safety of those residents;

7 (B) shift long-term costs onto those resi-
8 dents; or

9 (C) undermine the environmental stand-
10 ards of those residents.

11 **SEC. 803. IMPROVING SELF-SUFFICIENCY OF FAMILIES IN**
12 **HUD-SUBSIDIZED HOUSING.**

13 (a) IN GENERAL.—

14 (1) STUDY.—Subject to subsection (b), the Sec-
15 retary of Housing and Urban Development shall
16 conduct a study on the implementation of work re-
17 quirements implemented prior to the date of enact-
18 ment of this Act by public housing agencies de-
19 scribed in paragraph (4) participating in the Moving
20 to Work demonstration authorized under section 204
21 of the Departments of Veterans Affairs and Housing
22 and Urban Development, and Independent Agencies
23 Appropriations Act, 1996 (42 U.S.C. 1437f note).

24 (2) SCOPE.—The study required under para-
25 graph (1) shall—

1 (A) consider the short-, medium-, and
2 long-term benefits and challenges of work re-
3 quirements on public housing agencies described
4 in paragraph (4) and on program participants
5 who are subject to such requirements, including
6 the effects work requirements have on home-
7 lessness rates, poverty rates, asset building,
8 earnings growth, job attainment and retention,
9 and public housing agencies' administrative ca-
10 pacity; and

11 (B) include quantitative and qualitative
12 evidence, including interviews with program
13 participants described in subparagraph (A) and
14 their respective resident councils.

15 (3) REPORT.—Not later than 1 year after the
16 date of enactment of this Act, the Secretary shall
17 submit to the Committee on Banking, Housing, and
18 Urban Affairs of the Senate and the Committee on
19 Financial Services of the House of Representatives
20 a report on the initial findings of the study required
21 under paragraph (1).

22 (4) PUBLIC HOUSING AGENCIES DESCRIBED.—
23 The public housing agencies described in this para-
24 graph are public housing agencies that, as part of an
25 application to participate in the demonstration au-

1 thorized under section 204 of the Departments of
2 Veterans Affairs and Housing and Urban Develop-
3 ment, and Independent Agencies Appropriations Act,
4 1996 (42 U.S.C. 1437f note), submit a proposal
5 identifying work requirements as an innovative pro-
6 posal.

7 (b) DETERMINATION.—The requirement under sub-
8 section (a) shall apply if the Secretary of Housing and
9 Urban Development determines that—

10 (1) there are a sufficient number of public
11 housing agencies described in subsection (a)(4) such
12 that the Secretary of Housing and Urban Develop-
13 ment can rigorously evaluate the impact of the im-
14 plementation of work requirements described in that
15 subsection; and

16 (2) the study would not negatively impact low-
17 income families receiving assistance through a public
18 housing agency described in subsection (a)(4).

19 **TITLE IX—HOMEOWNERSHIP**
20 **FOR MAIN STREET AMERICA**

21 **SEC. 901. HOMES ARE FOR PEOPLE, NOT CORPORATIONS.**

22 (a) DEFINITIONS.—In this section:

23 (1) CONSUMER REPORTING AGENCY.—The term
24 “consumer reporting agency” has the meaning given

1 the term in section 603 of the Fair Credit Reporting
2 Act (15 U.S.C. 1681a)).

3 (2) EXCEPTED PURCHASE.—The term “ex-
4 cepted purchase” means any purchase of a single-
5 family home that is—

6 (A) newly constructed, renovated, or a
7 rental conversion for sale by a large institu-
8 tional investor and not as a residence rented
9 pending sale;

10 (B) pursuant to a build-to-rent program
11 where the large institutional investor purchases
12 newly constructed single-family homes to be
13 managed as rental properties, whether as com-
14 munities exclusively of renter-occupied single-
15 family homes or as communities of single-family
16 homes that are both owner- and renter-occu-
17 pied;

18 (C) pursuant to a renovate-to-rent pro-
19 gram that—

20 (i) substantially rehabilitates single-
21 family homes that do not meet structural
22 or core system elements of local building
23 codes; and

24 (ii) makes improvements in an aggre-
25 gate dollar amount of not less than 15 per-

1 cent of the purchase price of the single-
2 family home;

3 (D) pursuant to a homeownership program
4 that—

5 (i) requires rental payments and any
6 other fees that are not greater than those
7 collected by the large institutional investor
8 on other similarly situated single-family
9 homes not covered by the eligible home-
10 ownership program;

11 (ii) is subject to a contract between
12 the large institutional investor and renter
13 that shall be considered a consumer credit
14 transaction secured by a dwelling or real
15 property;

16 (iii) provides for positive reporting of
17 rental payments to consumer reporting
18 agencies for any renter, who shall be in-
19 formed of and opts into such reporting;
20 and

21 (iv) requires contribution of meaning-
22 ful financial support from the large institu-
23 tional investor, including price concessions,
24 for the purchase of the single-family home
25 by the renter;

1 (E) pursuant to a program to boost home-
2 ownership that—

3 (i) provides for positive reporting of
4 rental payments to consumer reporting
5 agencies for any renter who is informed of
6 and opts into such reporting;

7 (ii) provides for the right of first re-
8 fusal and a 30-day “first look” period; and

9 (iii) may entail the meaningful finan-
10 cial support from the large institutional in-
11 vestor, including price concessions, for the
12 purchase of a single-family home by the
13 renter (whether it is the home the renter
14 occupies or another home);

15 (F) in connection with the satisfaction of
16 debts previously contracted in good faith and
17 where the large institutional investor has the
18 right to repossess the single-family home under
19 such contract;

20 (G) undertaken by a mortgage servicer,
21 lender, or other entity that has a legal right to
22 a single-family home, for the purpose of loss
23 mitigation or compliance with servicing or in-
24 vestor obligations, and not as a long-term in-
25 vestment strategy, and is solely as a result of—

- 1 (i) a foreclosure;
- 2 (ii) a deed-in-lieu of foreclosure;
- 3 (iii) enforcement of a mortgage, deed
4 of trust, or other security interest; or
- 5 (iv) operation of law following bor-
6 rower default;
- 7 (H) purchased from another large institu-
8 tional investor that either owned the single-fam-
9 ily home on the date of enactment of this Act
10 or purchased the single-family home in compli-
11 ance with this section;
- 12 (I) purchased from an investor not covered
13 under this section, so long as the purchase oc-
14 curred not more than 2 years after the effective
15 date under subsection (f);
- 16 (J) newly constructed, renovated, or a
17 rental conversion that is intended and operated
18 for occupancy as part of a community for
19 households with 1 or more members aged 55
20 years or older, and satisfies visitability stand-
21 ards established by the Secretary of Housing
22 and Urban Development; or
- 23 (K) purchased through a single purchase
24 or combination or series of purchases described
25 in subparagraphs (A) through (J).

1 (3) SINGLE-FAMILY HOME.—The term “single-
2 family home”—

3 (A) means a structure that contains 2 or
4 fewer dwelling units that are each intended for
5 residential occupancy by a single household;
6 and

7 (B) does not include a manufactured
8 home, as defined in section 603 of the National
9 Manufactured Housing Construction and Safety
10 Standards Act of 1974 (42 U.S.C. 5403).

11 (4) LARGE INSTITUTIONAL INVESTOR.—

12 (A) IN GENERAL.—The term “large insti-
13 tutional investor”—

14 (i) means an investment fund, cor-
15 poration, general or limited partnership,
16 limited liability company, joint venture, as-
17 sociation, or other for-profit entity that is
18 a legal entity structured in a manner that
19 is not aforementioned that—

20 (I) is engaged, in whole or in
21 part, in the business of investing in,
22 owning, renting, managing, or holding
23 single-family homes; and

24 (II) alone or in concert with 1 or
25 more other entities, beginning after

1 the date of enactment of this Act, di-
2 rectly or indirectly has investment
3 control of not less than 350 single-
4 family homes in the aggregate, not in-
5 cluding any single-family home pur-
6 chased in an excepted purchase made
7 after the date of enactment of this
8 Act; and

9 (ii) does not include any local, State,
10 Tribal, or Federal government entity or in-
11 strumentality thereof.

12 (B) RULE OF CONSTRUCTION.—For pur-
13 poses of this paragraph, an entity has direct or
14 indirect investment control over a single-family
15 home if the entity—

16 (i) owns, or has primary authority or
17 fiduciary responsibility to make material
18 investment or management decisions relat-
19 ing to, the single-family home;

20 (ii) is, or directly or indirectly con-
21 trols, the general partner or managing
22 member of the entity that owns the single-
23 family home;

24 (iii) is or controls the investment
25 manager, management company, or invest-

1 ment advisor of the entity that owns the
2 single-family home;

3 (iv) owns or controls more than 25
4 percent of any class of equity interests of
5 the entity that owns the single-family
6 home, unless such entity is a passive inves-
7 tor; or

8 (v) otherwise controls the entity that
9 owns the single-family home.

10 (5) PURCHASE.—The term “purchase” includes
11 any purchase, transfer, or other acquisition of a sin-
12 gle family home, including through mergers, acquisi-
13 tions, construction, foreclosures, or bulk purchases,
14 whether or not for cash consideration.

15 (b) PROHIBITION ON PURCHASES BY LARGE INSTI-
16 TUTIONAL INVESTORS.—

17 (1) IN GENERAL.—No large institutional inves-
18 tor may purchase, or enter into a contract to directly
19 or indirectly purchase, any single-family home.

20 (2) EXCEPTIONS.—The prohibition under para-
21 graph (1) shall not apply to—

22 (A) any excepted purchase; or

23 (B) any purchase of a single-family home
24 in connection with a restructuring or other re-
25 organization of ownership of single-family

1 homes that were owned or purchased on or be-
2 fore the date of enactment of this Act.

3 (3) RULE OF CONSTRUCTION.—Nothing in this
4 section may be construed to—

5 (A) require any large institutional investor
6 to divest or otherwise sell any single-family
7 home purchased before the date of enactment of
8 this Act; or

9 (B) prevent the filing of a petition, or oth-
10 erwise affect any bankruptcy proceeding, under
11 title 11, United States Code.

12 (4) IMPLEMENTATION.—

13 (A) IN GENERAL.—In consultation with
14 the Secretary of Housing and Urban Develop-
15 ment, the Director of Federal Housing Finance
16 Agency, and the Chair of the Securities and Ex-
17 change Commission, the Secretary of the Treas-
18 ury may issue regulations in accordance with
19 the notice and comment rulemaking procedures
20 under section 553 of title 5, United States
21 Code, to carry out the purposes of this section,
22 including regulations to—

23 (i) minimize market disruptions upon
24 identifying a risk of material negative im-
25 pact on the housing market, including an

1 impact on the ability of market partici-
2 pants to dispose of single-family homes in
3 an orderly fashion;

4 (ii) mitigate, to the extent possible,
5 negative impacts on consumers and com-
6 munities; and

7 (iii) further clarify the application of
8 the terms “large institutional investor”,
9 “single-family home”, and “excepted pur-
10 chase”, if the Secretary of the Treasury
11 determines that such regulations will ad-
12 vance the availability of single-family
13 homes for purchase by individual house-
14 holds.

15 (B) RULE OF CONSTRUCTION.—For the
16 avoidance of doubt, no regulation issued under
17 subparagraph (A) may amend the definitions of
18 the terms defined under subsection (a), includ-
19 ing to—

20 (i) alter the scope of excepted pur-
21 chases in a manner that would undermine
22 the goal of expanding the number of sin-
23 gle-family homes available to individual
24 households for purchase;

1 (ii) alter any type of excepted pur-
2 chase in a manner that would undermine
3 the goal of expanding the number of sin-
4 gle-family homes available to individual
5 households for purchase;

6 (iii) add any category of large institu-
7 tional investor as an eligible class if not de-
8 termined by this section; or

9 (iv) alter the quantitative threshold in
10 the definition of “large institutional inves-
11 tor”.

12 (c) DISPOSAL OF HOMES UNDER EXCEPTED PUR-
13 CHASES.—

14 (1) REQUIREMENT TO DISPOSE.—

15 (A) IN GENERAL.—With respect to the
16 purchase by a large institutional investor of a
17 single-family home described in subparagraph
18 (A), (B), or (C) of subsection (a)(2), or with re-
19 spect to the purchase by a large institutional in-
20 vestor of a single-family home described in sub-
21 paragraph (J) of subsection (a)(2) that ceases
22 to meet the requirements of such subparagraph,
23 the large institutional investor shall dispose of
24 the single-family home to an individual home-

1 buyer not later than 7 years after the date of
2 purchase.

3 (B) SUBSEQUENT PURCHASE.—For the
4 avoidance of doubt, any purchase of a single-
5 family home described in subparagraph (A),
6 (B), (C), or (J) of subsection (a)(2) shall re-
7 main subject to the terms of this section not-
8 withstanding a subsequent purchase by a large
9 institutional investor pursuant to another sub-
10 paragraph of subsection (a)(2).

11 (2) APPLICATION.—

12 (A) Paragraph (1) shall not apply in the
13 case of any large institutional investor which is
14 a real estate investment trust if the disposal of
15 such property would be a prohibited transaction
16 that would lead to a 100 percent tax under the
17 statute governing such types of entities.

18 (B) In the case of a large institutional in-
19 vestor that has an active leasing contract with
20 the renter of a single-family home described in
21 paragraph (1) that went into effect not later
22 than 6 months before the date of disposal under
23 that paragraph, nothing in that paragraph shall
24 be construed to require the large institutional
25 investor to dispose of the single-family home

1 subject to this subsection until the date on
2 which such contract expires.

3 (3) REQUIREMENTS FOR DISPOSAL.—

4 (A) RENTER ACCOMMODATIONS.—In the
5 case of a renter described in paragraph
6 (2)(B)—

7 (i) the large institutional investor may
8 provide the renter with the option to renew
9 the active leasing contract in such sub-
10 section, except that the aggregate leasing
11 period of renewals shall not exceed 36 con-
12 secutive months;

13 (ii) the large institutional investor
14 shall confirm whether the renter opts to
15 renew the leasing contract, within the limi-
16 tations of clause (i), through a written at-
17 testation; and

18 (iii) the large institutional investor
19 shall advertise the home pursuant to sub-
20 paragraph (C) beginning on the earlier
21 of—

22 (I) the date on which the renter
23 declines to renew the leasing contract;
24 or

1 (II) the date on which the leasing
2 contract expires.

3 (B) RENTER OPTION TO PURCHASE.—Be-
4 fore the large institutional investor disposes of
5 a single-family home described in paragraph
6 (1), the renter of the single-family home de-
7 scribed in paragraph (2)(B) shall have the right
8 of first refusal and a 30-day “first look” period
9 to purchase the single-family home.

10 (C) ADVERTISEMENT OF PROPERTY.—

11 (i) IN GENERAL.—On the date that a
12 renter described in paragraph (2)(B) de-
13 clines to renew an active leasing contract
14 with a large institutional investor under
15 subparagraph (A), or declines a single-fam-
16 ily home under subparagraph (B), the sin-
17 gle-family home shall be—

18 (I) widely advertised and free to
19 access, and listed in publications,
20 which may include internet platforms
21 or a national Multiple Listing Service,
22 by the large institutional investor; and

23 (II) made broadly accessible to
24 individual homebuyers and the general
25 public, including any licensed real es-

1 tate agents representing potential
2 buyers.

3 (ii) COMPLIANCE.—If a single-family
4 home described in paragraph (1) is not
5 purchased, or no offer to purchase is
6 made, by an individual homebuyer within
7 60 days of the date on which the single-
8 family home is advertised under clause (i),
9 the large institutional investor shall be
10 considered to be in compliance with the
11 disposal requirements under paragraph
12 (1).

13 (D) RULE OF CONSTRUCTION.—Nothing in
14 this paragraph shall be construed to require a
15 renter to renew a lease or to affect State or
16 local tenant-landlord laws regarding require-
17 ments related to lease renewal processes or leas-
18 ing periods.

19 (d) ENFORCEMENT.—

20 (1) CIVIL PENALTIES.—Any large institutional
21 investor that violates subsection (b) or paragraph
22 (1) or (2)(B) of subsection (c) shall be subject to a
23 civil penalty of not more than \$1,000,000 per viola-
24 tion, or 3 times the purchase price of the property

1 involved, whichever is greater, enforced by the Sec-
2 retary of the Treasury.

3 (2) TRANSFER TO HUD FOR HOMEOWNERSHIP
4 EXPANSION ACTIVITIES.—For fiscal year 2027 and
5 each fiscal year thereafter, to the extent and in the
6 amounts provided in advance in appropriations Acts,
7 civil penalties assessed under this section shall be
8 transferred to and available to the Secretary of
9 Housing and Urban Development to provide addi-
10 tional funding for the HOME Investment Partner-
11 ships program under subtitle A of title II of the
12 Cranston-Gonzalez National Affordable Housing Act
13 (42 U.S.C. 12741 et seq.), to be allocated in accord-
14 ance with the formula under that program, for new
15 construction, acquisition, and rehabilitation of sin-
16 gle-family homes and to provide assistance grants to
17 first-time homebuyers, which may be for
18 downpayments, closing costs, and interest rate
19 buydowns.

20 (e) STUDIES ON LARGE INSTITUTIONAL INVES-
21 TORS.—

22 (1) GAO REPORT.—Not later than 2 years
23 after the date on which the prohibition under sub-
24 section (b)(1) takes effect, and again not later than
25 10 years after that date, the Comptroller General of

1 the United States shall submit to the Senate Com-
2 mittee on Banking, Housing and Urban Affairs and
3 the House Committee on Financial Services a report
4 on—

5 (A) the impact of the ownership by large
6 institutional investors of single-family homes on
7 housing availability and affordability for renters
8 and homebuyers; and

9 (B) the effectiveness of this section in re-
10 ducing demand by large institutional investors
11 for single-family homes and expanding home-
12 ownership for renters and homebuyers.

13 (2) HUD REPORT.—Not later than 2 years
14 after the date on which the prohibition under sub-
15 section (b)(1) takes effect, and again not later than
16 10 years after that date, the Secretary of the Hous-
17 ing and Urban Development, in consultation with
18 the Secretary of the Treasury, the Administrator of
19 the Rural Housing Service, the Executive Director
20 of the Loan Guaranty Service of the Department of
21 Veterans Affairs, the Chair of Securities and Ex-
22 change Commission, and the Director of the Federal
23 Housing Finance Agency, shall submit to the Com-
24 mittee on Banking, Housing and Urban Affairs of

1 the Senate and the Committee on Financial Services
2 of the House of Representatives a report on—

3 (A) whether there should be adjustments
4 to the definition of the term “large institutional
5 investor”;

6 (B) the financial impact of this section on
7 large institutional investors, renters, and home-
8 buyers; and

9 (C) any legislative recommendations re-
10 garding ways to improve the authorities pro-
11 vided under this section to increase the supply
12 and affordability of single-family homes for pur-
13 chase by individual homebuyers.

14 (3) SENSE OF CONGRESS.—It is the sense of
15 Congress that—

16 (A) this section is intended to expand the
17 number of single-family homes available to indi-
18 viduals for purchase and is aimed at preserving
19 and expanding the supply of single-family
20 homes available to individuals; and

21 (B) any further study on the effectiveness
22 of this section and any legislative recommenda-
23 tions therefrom should consider this sense of
24 Congress.

1 (f) **EFFECTIVE DATE.**—The requirements and prohi-
2 bitions under subsections (b), (c), and (d) of this section—
3 (1) shall take effect on the date that is 180
4 days after the date of enactment of this Act; and
5 (2) are repealed on the date that is 15 years
6 after the effective date under paragraph (1).

7 **TITLE X—CENTRAL BANK**
8 **DIGITAL CURRENCY**

9 **SEC. 1001. CENTRAL BANK DIGITAL CURRENCY.**

10 The Federal Reserve Act (12 U.S.C. 221 et seq.) is
11 amended by inserting after section 16 (12 U.S.C. 411 et
12 seq.) the following:

13 **“SEC. 16A. CENTRAL BANK DIGITAL CURRENCY.**

14 “(a) **DEFINITIONS.**—In this section:

15 “(1) **CENTRAL BANK DIGITAL CURRENCY.**—The
16 term ‘central bank digital currency’ means a digital
17 asset that—

18 “(A) is denominated in United States dol-
19 lars;

20 “(B) is a United States currency;

21 “(C) is a direct liability of the Federal Re-
22 serve System; and

23 “(D) is widely available to the general pub-
24 lic.

1 “(2) DIGITAL ASSET.—The term ‘digital asset’
2 has the meaning given the term in section 2 of the
3 GENIUS Act (12 U.S.C. 5901).

4 “(b) PROHIBITION.—Except as provided in sub-
5 section (c), the Board of Governors of the Federal Reserve
6 System or a Federal reserve bank may not issue or create
7 a central bank digital currency or any digital asset that
8 is substantially similar to a central bank digital currency
9 directly or indirectly through a financial institution or
10 other intermediary.

11 “(c) EXCEPTION.—Subsection (b) shall not prohibit
12 any dollar-denominated currency that is open,
13 permissionless, and private, and fully preserves the privacy
14 protections of United States coins and physical currency.

15 “(d) SUNSET.—This provisions of this section shall
16 cease to be effective on December 31, 2030.”.

17 **TITLE XI—MISCELLANEOUS**

18 **SEC. 1101. SEVERABILITY.**

19 If any provision of this Act, or the application thereof
20 to any person or circumstance, is held invalid, the remain-
21 der of the Act, and the application of such provisions to
22 other persons or circumstances, shall not be affected
23 thereby.

1 SEC. 1102. NO ADDITIONAL FUNDS AUTHORIZED.

2 No additional funds are authorized to be appro-
3 priated to carry out the requirements of this Act or any
4 amendment made by this Act.