

In the Senate of the United States,

June 22, 2026.

Resolved, That the Senate agree to the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 6644) entitled “An Act to increase the supply of housing in America, and for other purposes.”, with the following

**SENATE AMENDMENT TO HOUSE AMENDMENT TO
SENATE AMENDMENT:**

Strike all after the enacting clause and insert the following:

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

2 (a) *SHORT TITLE.*—*This Act may be cited as the “21st*
3 *Century ROAD to Housing Act”.*

4 (b) *TABLE OF CONTENTS.*—*The table of contents for*
5 *this Act is as follows:*

Sec. 1. Short title; table of contents.

TITLE I—OPPORTUNITIES FOR HOUSING

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

Sec. 102. Federal guidelines for point-access block buildings.

Sec. 103. Exemption on construction or modification of residential housing located on an infill site.

- Sec. 104. Database of publicly owned land.*
- Sec. 105. FHA Small-Dollar Mortgages.*
- Sec. 106. Temperature Sensor Pilot Program.*
- Sec. 107. Housing supply frameworks.*

TITLE II—BUILDING MORE IN AMERICA

- Sec. 201. Increasing housing in opportunity zones.*
- Sec. 202. Whole-Home Repairs Act.*
- Sec. 203. Community Investment and Prosperity Act.*
- Sec. 204. Addition of affordable housing construction as an eligible activity.*
- Sec. 205. Better Use of Intergovernmental and Local Development (BUILD) Housing Act.*
- Sec. 206. Unlocking Housing Supply Through Streamlined and Modernized Reviews Act.*
- Sec. 207. Grants for planning and implementation associated with affordable housing.*
- Sec. 208. Innovation Fund.*
- Sec. 209. Accelerating Home Building Act.*
- Sec. 210. Revitalizing Empty Structures Into Desirable Environments (RESIDE) Act.*
- Sec. 211. Housing Affordability Act.*
- Sec. 212. Rental Assistance Demonstration Program.*
- Sec. 213. Build Now 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. HOME Investment Partnerships Reauthorization and Reform Act.*
- Sec. 502. Rural Housing Service Reform Act.*
- Sec. 503. Incentivizing local solutions to homelessness.*
- Sec. 504. Reforming Disaster Recovery Act.*
- Sec. 505. New Moving to Work cohort.*

TITLE VI—VETERANS AND HOUSING

- Sec. 601. Military Service Question.*
- Sec. 602. Housing Unhoused Disabled Veterans Act.*
- Sec. 603. Veterans Affairs Loan Informed Disclosure (VALID) 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—ACCOUNTABILITY, 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.*
 Sec. 804. *GAO studies.*
 Sec. 805. *Improving public housing agency accountability.*

TITLE IX—STRENGTHENING COMMUNITY BANKS’ ROLE IN HOUSING

- Sec. 901. *Community bank deposit access.*
 Sec. 902. *Keeping deposits local.*
 Sec. 903. *Tailored regulatory updates for supervisory testing.*
 Sec. 904. *Credit union board modernization.*
 Sec. 905. *Systemic risk authority transparency.*
 Sec. 906. *Advancing the mentor-protégé program for small financial institutions.*
 Sec. 907. *American access to banking.*
 Sec. 908. *Promoting new bank formation.*
 Sec. 909. *Rural depositories revitalization study.*

TITLE X—HOME-OWNERSHIP FOR MAIN STREET AMERICA

- Sec. 1001. *Homes are for people, not corporations.*

TITLE XI—CENTRAL BANK DIGITAL CURRENCY

- Sec. 1101. *Central bank digital currency.*

TITLE XII—MISCELLANEOUS

- Sec. 1201. *Severability.*
 Sec. 1202. *No additional funds authorized.*

1 **TITLE I—OPPORTUNITIES FOR**
 2 **HOUSING**

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

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

7 *(1) in subsection (a)(4)(C), by striking “ade-*
 8 *quate distribution” and all that follows through “fore-*
 9 *closure rates” and inserting “that the recipients are*

1 *geographically diverse and include organizations that*
2 *serve urban or rural areas”;*

3 *(2) in subsection (e), by adding at the end the*
4 *following:*

5 *“(6) REVIEWS.—The Secretary—*

6 *“(A) may conduct periodic reviews; and*

7 *“(B) shall conduct performance reviews of*
8 *all organizations receiving assistance under this*
9 *section that—*

10 *“(i) consist of a review of the organiza-*
11 *tion’s compliance with all program require-*
12 *ments; and*

13 *“(ii) may take into account the organi-*
14 *zation’s aggregate counselor performance*
15 *under paragraph (7)(B).*

16 *“(7) CONSIDERATIONS.—*

17 *“(A) COVERED MORTGAGE LOAN DE-*
18 *FINED.—In this paragraph, the term ‘covered*
19 *mortgage loan’ means any loan which is secured*
20 *by a first or subordinate lien on residential real*
21 *property (including individual units of con-*
22 *dominiums and housing cooperatives) designed*
23 *principally for the occupancy of between 1 and*
24 *4 families that is—*

1 “(i) insured by the Federal Housing
2 Administration under title II of the Na-
3 tional Housing Act (12 U.S.C. 1707 et seq.);
4 or

5 “(ii) guaranteed under section 184 or
6 184A of the Housing and Community De-
7 velopment Act of 1992 (12 U.S.C. 1715z-
8 13a, 1715z-13b).

9 “(B) COMPARISON.—For each counselor em-
10 ployed by an organization receiving assistance
11 under this section for prepurchase housing coun-
12 seling, the Secretary may consider the perform-
13 ance of the counselor compared to the default
14 rate of all counseled borrowers of a covered mort-
15 gage loan in comparable markets and such other
16 factors as the Secretary determines appropriate
17 to further the purposes of this section.

18 “(8) CERTIFICATION.—If, based on the compari-
19 son required under paragraph (7)(B), the Secretary
20 determines that a counselor lacks competence to pro-
21 vide counseling in the areas described in subsection
22 (e)(2) and such action will not create a significant
23 loss of capacity for housing counseling services in the
24 service area, the Secretary may—

1 “(A) require continued education coupled
2 with successful completion of a probationary pe-
3 riod;

4 “(B) require retesting if the counselor con-
5 tinues to demonstrate a lack of competence under
6 paragraph (7)(B); and

7 “(C) suspend an individual certification if
8 a counselor fails to demonstrate competence after
9 not fewer than 2 retesting opportunities under
10 subparagraph (B).”;

11 (3) in subsection (i)—

12 (A) by redesignating paragraph (3) as
13 paragraph (4); and

14 (B) by inserting after paragraph (2) the fol-
15 lowing:

16 “(3) *TERMINATION OF ASSISTANCE.*—

17 “(A) *IN GENERAL.*—The Secretary may
18 deny renewal of covered assistance to an organi-
19 zation or entity receiving covered assistance if
20 the Secretary determines that the organization or
21 entity, or the individual through which the orga-
22 nization or entity provides counseling, is not in
23 compliance with program requirements—

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

1 “(ii) in accordance with regulations
2 issued by the Secretary.

3 “(B) NOTICE.—The Secretary shall give an
4 organization or entity receiving covered assist-
5 ance not less than 60 days prior written notice
6 of any denial of renewal under this paragraph,
7 and the determination of renewal shall not be fi-
8 nalized until the end of that notice period.

9 “(C) INFORMAL CONFERENCE.—If requested
10 in writing by the organization or entity within
11 the notice period described in subparagraph (B),
12 the organization or entity shall be entitled to an
13 informal conference with the Deputy Assistant
14 Secretary of Housing Counseling on behalf of the
15 Secretary at which the organization or entity
16 may present for consideration specific factors
17 that the organization or entity believes were be-
18 yond the control of the organization or entity
19 and that caused the failure to comply with pro-
20 gram requirements, such as a lack of lender or
21 servicer coordination or communication with
22 housing counseling agencies and individual
23 counselors.”; and
24 (4) by adding at the end the following:

1 “(j) *OFFERING FORECLOSURE MITIGATION COUN-*
2 *SELING.*—

3 “(1) *COVERED MORTGAGE LOAN DEFINED.*—*In*
4 *this subsection, the term ‘covered mortgage loan’*
5 *means any loan which is secured by a first or subor-*
6 *dinate lien on residential real property (including in-*
7 *dividual units of condominiums and housing coopera-*
8 *tives) or stock or membership in a cooperative owner-*
9 *ship housing corporation designed principally for the*
10 *occupancy of between 1 and 4 families that is—*

11 “(A) *insured by the Federal Housing Ad-*
12 *ministration under title II of the National Hous-*
13 *ing Act (12 U.S.C. 1707 et seq.);*

14 “(B) *guaranteed under section 184 or 184A*
15 *of the Housing and Community Development Act*
16 *of 1992 (12 U.S.C. 1715z–13a, 1715z–13b);*

17 “(C) *made, guaranteed, or insured by the*
18 *Department of Veterans Affairs; or*

19 “(D) *made, guaranteed, or insured by the*
20 *Department of Agriculture.*

21 “(2) *OPPORTUNITY FOR BORROWERS.*—*A bor-*
22 *rower with respect to a covered mortgage loan who is*
23 *30 days or more delinquent on payments for the cov-*
24 *ered mortgage loan shall be given an opportunity to*
25 *participate in available housing counseling.*

1 “(3) *COST.*—If the requirements of sections
2 202(a)(3) and 205(f) of the National Housing Act (12
3 U.S.C. 1708(a)(3), 1711(f)) are met, the fair market
4 rate cost of counseling for delinquent borrowers de-
5 scribed in paragraph (2) with respect to a covered
6 mortgage loan described in paragraph (1)(A) shall be
7 paid for by the Mutual Mortgage Insurance Fund, as
8 authorized under section 203(r)(4) of the National
9 Housing Act (12 U.S.C. 1709(r)(4)).”.

10 **SEC. 102. FEDERAL GUIDELINES FOR POINT-ACCESS BLOCK**
11 **BUILDINGS.**

12 (a) *IN GENERAL.*—Not later than 18 months after the
13 date of enactment of this section, the Secretary of Housing
14 and Urban Development shall issue guidelines to provide
15 States, territories, Tribes, and localities with model code
16 language, best practices, and technical guidance that could
17 be used to facilitate the permitting of point-access block resi-
18 dential buildings.

19 (b) *CONTENTS.*—When developing the guidelines under
20 subsection (a), the Secretary of Housing and Urban Devel-
21 opment shall consider—

22 (1) fire safety considerations, including sprinkler
23 coverage, smoke detection, ventilation, and building
24 egress performance;

1 (2) *construction costs and potential impacts on*
2 *housing affordability, including the potential for in-*
3 *creasing housing supply in high-cost jurisdictions;*

4 (3) *flexibility for diverse consumer needs, includ-*
5 *ing family sizes, unit configurations, and accessi-*
6 *bility;*

7 (4) *examples of single-stair codes adopted or con-*
8 *sidered by States and cities in the United States;*

9 (5) *examples of single-stair codes used in rel-*
10 *evant international standards;*

11 (6) *research and model language relating to sin-*
12 *gle-stair codes produced by organizations that focus*
13 *on point-access block building design and building-*
14 *code reform;*

15 (7) *consulting with experts, including developers,*
16 *architects, fire marshals, researchers, economists,*
17 *housing authorities, and officials in States that have*
18 *enacted or piloted single-stair codes; and*

19 (8) *alternative methods of safety compliance, in-*
20 *cluding options that utilize additional passive or ac-*
21 *tive safety features.*

22 (c) *COORDINATION WITH THE INTERNATIONAL CODE*
23 *COUNCIL.—The Secretary of Housing and Urban Develop-*
24 *ment shall coordinate with the International Code Council*
25 *to encourage the International Code Council to incorporate*

1 *provisions about point-access block buildings into the Inter-*
2 *national Building Code.*

3 (d) *GRANTS.*—

4 (1) *IN GENERAL.*—*The Secretary of Housing and*
5 *Urban Development may establish a program to*
6 *award competitive grants to eligible entities to imple-*
7 *ment pilot projects that evaluate, demonstrate, or*
8 *validate the safety, feasibility, or cost-effectiveness of*
9 *point-access block residential buildings.*

10 (2) *SUNSET.*—*The program established under*
11 *paragraph (1) shall terminate on the date that is 7*
12 *years after the date of enactment of this subsection.*

13 (e) *TREATMENT OF PROJECTS.*—*Projects assisted*
14 *under this section shall be treated as projects assisted under*
15 *the Community Development Block Grant program under*
16 *title I of the Housing and Community Development Act of*
17 *1974 (42 U.S.C. 5301 et seq.).*

18 (f) *RULE OF CONSTRUCTION.*—*Nothing in this section*
19 *may be construed to preempt a State or local building code.*

20 (g) *DEFINITIONS.*—*In this section:*

21 (1) *ELIGIBLE ENTITY.*—*The term “eligible enti-*
22 *ty” means a State, unit of local government, Tribal*
23 *Government, public housing agency, nonprofit hous-*
24 *ing organization, community development organiza-*
25 *tion, private developer, construction firm, qualified*

1 *design firm, engineering firm, academic institution,*
2 *research institution, or any partnership or consor-*
3 *tium comprised of 2 or more such types of entities.*

4 (2) *POINT-ACCESS BLOCK BUILDING.*—*The term*
5 *“point-access block building” means a Group R–2 oc-*
6 *cupancy residential structure, as such term is defined*
7 *by the International Building Code, in which a single*
8 *internal stairway provides access and egress for all*
9 *dwelling units in a building that is not greater than*
10 *6 stories in height.*

11 **SEC. 103. EXEMPTION ON CONSTRUCTION OR MODIFICA-**
12 **TION OF RESIDENTIAL HOUSING LOCATED**
13 **ON AN INFILL SITE.**

14 (a) *EXEMPTION.*—*In providing assistance under sec-*
15 *tion 501, 502, 504, 515, 533, or 538 of the Housing Act*
16 *of 1949 (42 U.S.C. 1471, 1472, 1474, 1485, 1490m, or*
17 *1490p–2) for the construction or modification of residential*
18 *housing located on an infill site, the Secretary of Agri-*
19 *culture shall not be required to carry out any study or re-*
20 *port on the environmental effects of such assistance.*

21 (b) *REPORT.*—*Not later than the date that is 5 years*
22 *after the date of enactment of this section, the Secretary*
23 *of Agriculture shall submit, to the Committee on Financial*
24 *Services of the House of Representatives and the Committee*

1 *on Banking, Housing, and Urban Affairs of the Senate, a*
2 *report that—*

3 (1) *determines whether the implementation of*
4 *this section—*

5 (A) *reduced the amount of time it takes to*
6 *review an application for assistance under the*
7 *sections of the Housing Act of 1949 identified in*
8 *subsection (a); and*

9 (B) *reduced the administrative cost of pro-*
10 *viding such assistance;*

11 (2) *describes how the implementation of this sec-*
12 *tion affects the affordable housing sector in rural*
13 *America; and*

14 (3) *includes any legislative recommendations*
15 *from the Secretary of Agriculture.*

16 (c) *DEFINITIONS.—In this section:*

17 (1) *GREENFIELD.—The term “greenfield” means*
18 *a site that has not been developed, including a wood-*
19 *land, farmland, and an open field.*

20 (2) *INFILL SITE.—The term “infill site”—*

21 (A) *means a site that is served by existing*
22 *infrastructure, including water lines, sewer lines,*
23 *and roads; and*

24 (B) *does not include—*

1 (i) a site that is served by existing in-
2 frastructure that only consists of a road;

3 (ii) a site within a census tract des-
4 ignated as very high or relatively high risk
5 for wildfire, coastal flooding, and riverine
6 flooding under the National Risk Index of
7 the Federal Emergency Management Agency
8 pursuant to section 206 of the Robert T.
9 Stafford Disaster Relief and Emergency As-
10 sistance Act (42 U.S.C. 5136); and

11 (iii) a greenfield.

12 **SEC. 104. DATABASE OF PUBLICLY OWNED LAND.**

13 (a) *IN GENERAL.*—Section 104(b) of the Housing and
14 Community Development Act of 1974 (42 U.S.C. 5304(b))
15 is amended—

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

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

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

21 “(7) the grantee maintains, on a publicly acces-
22 sible website, a searchable database that identifies all
23 parcels of undeveloped land owned by the grantee.”.

1 (b) *ELIGIBLE ACTIVITY.*—Section 105(a) of the Hous-
2 *ing and Community Development Act of 1974 (42 U.S.C.*
3 *5305(a)) is amended—*

4 (1) *in paragraph (25), by striking “and” at the*
5 *end;*

6 (2) *in paragraph (26), by striking the period at*
7 *the end and inserting “; and”; and*

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

9 “(27) *the creation and maintenance of a data-*
10 *base of land as required under section 104(b)(7).”.*

11 (c) *EFFECTIVE DATE.*—*The amendment made by this*
12 *subsection shall take effect on October 1, 2026.*

13 ***SEC. 105. FHA SMALL-DOLLAR MORTGAGES.***

14 (a) *IN GENERAL.*—*Not later than 1 year after the date*
15 *of the enactment of this section, the Secretary of Housing*
16 *and Urban Development, acting through the Federal Hous-*
17 *ing Commissioner, may establish a pilot program to in-*
18 *crease access to small-dollar mortgages for mortgagors,*
19 *which may include—*

20 (1) *authorizing direct payments to mortgagees to*
21 *incentivize the origination of small-dollar mortgages;*

22 (2) *adjusting terms and costs imposed by the*
23 *Federal Housing Administration with respect to*
24 *small-dollar mortgages;*

1 (3) *providing direct grants for mortgagors who*
2 *obtain small-dollar mortgages to cover costs associated*
3 *with—*

4 (A) *down payments;*

5 (B) *closing costs;*

6 (C) *appraisals; and*

7 (D) *title insurance;*

8 (4) *conducting outreach to potential mortgagors*
9 *about the availability of small-dollar mortgages; and*

10 (5) *providing technical assistance for mortgagees*
11 *that originate small-dollar mortgages.*

12 (b) *REPORT.—Beginning not later than 1 year after*
13 *the establishment of the pilot program under subsection (a)*
14 *and ending 1 year after the sunset of the pilot program,*
15 *the Federal Housing Commissioner shall submit to Congress*
16 *an annual report that—*

17 (1) *tracks and evaluates the outcomes of small-*
18 *dollar mortgages originated by mortgagees as a result*
19 *of support provided under subsection (a);*

20 (2) *analyzes risks of the pilot program to the sol-*
21 *vency of the Mutual Mortgage Insurance Fund;*

22 (3) *includes data with respect to—*

23 (A) *the number of small-dollar mortgages*
24 *originated in the 10-year period preceding the*
25 *date of enactment of this section, including*

1 *small-dollar mortgages insured or guaranteed by*
2 *the Federal Government and small-dollar mort-*
3 *gages not insured by the Federal Government;*

4 *(B) the original principal balance of each*
5 *small-dollar mortgage identified under subpara-*
6 *graph (A);*

7 *(C) demographic information about the*
8 *mortgagors associated with each such small-dol-*
9 *lar mortgages; and*

10 *(D) the number and type of mortgagees that*
11 *offer small-dollar mortgages;*

12 *(4) provides a description of the fixed costs that*
13 *are associated with mortgages and the impact of such*
14 *costs on the ability of lenders to earn a market rate*
15 *return on small-dollar mortgages; and*

16 *(5) includes analysis, by regions of the United*
17 *States, including rural regions, that identifies regions*
18 *with the greatest need for, and the highest likelihood*
19 *of, the origination of small-dollar mortgages and re-*
20 *gions that could benefit the most from increased*
21 *availability of small-dollar mortgages.*

22 *(c) SUNSET.—The pilot program established under*
23 *subsection (a) shall terminate on the date that is 4 years*
24 *after the date on which the pilot program is established*
25 *under subsection (a).*

1 (d) *EXPIRATION OF AUTHORITY.*—After the expiration
 2 of the 3-year period beginning on the date of enactment of
 3 this section, neither the Federal Housing Commissioner nor
 4 the Secretary of Housing and Urban Development may
 5 newly establish a pilot program to increase access to small-
 6 dollar mortgages for mortgagors.

7 (e) *SMALL-DOLLAR MORTGAGE DEFINED.*—The term
 8 “small-dollar mortgage” means a mortgage that—

9 (1) has an original principal balance of
 10 \$100,000 or less; and

11 (2) is secured by a 1- to 4-unit property that is
 12 the principal residence of the mortgagor.

13 **SEC. 106. TEMPERATURE SENSOR PILOT PROGRAM.**

14 (a) *IN GENERAL.*—The Secretary of Housing and
 15 Urban Development shall establish a temperature sensor
 16 pilot program to provide grants to public housing agencies
 17 and owners of covered federally assisted rental dwelling
 18 units to acquire, install, and test the efficacy of approved
 19 temperature sensors in residential dwelling units to ensure
 20 such units remain in compliance with temperature require-
 21 ments.

22 (b) *ELIGIBILITY.*—

23 (1) *IN GENERAL.*—The Secretary of Housing and
 24 Urban Development shall, not later than 180 days
 25 after the date of enactment of this Act, establish eligi-

1 *bility criteria for public housing agencies and owners*
2 *of covered federally assisted rental dwelling units to*
3 *participate in the pilot program established pursuant*
4 *to subsection (a).*

5 (2) *CRITERIA.—In establishing the eligibility*
6 *criteria described in paragraph (1), the Secretary*
7 *shall ensure—*

8 (A) *the pilot program includes a diverse*
9 *range of participants that represent different ge-*
10 *ographic regions, climate regions, unit sizes, and*
11 *types of housing; and*

12 (B) *that the functionality of an approved*
13 *temperature sensor will be installed and tested*
14 *using amounts awarded under this section, in-*
15 *cluding internet connectivity requirements.*

16 (c) *INSTALLATION.—Each public housing agency or*
17 *owner of a covered federally assisted rental dwelling unit*
18 *that acquires 1 or more approved temperature sensors under*
19 *this section shall, after receiving written permission from*
20 *the resident of a dwelling unit, install such temperature*
21 *sensor and monitor the data from such temperature sensor.*

22 (d) *COLLECTION OF COMPLAINT RECORDS.—*

23 (1) *IN GENERAL.—Each public housing agency*
24 *or owner of a covered federally assisted rental dwell-*
25 *ing unit that installs 1 or more approved temperature*

1 *sensors under this section shall collect and retain in-*
2 *formation about temperature-related complaints and*
3 *temperature-related violations.*

4 (2) *DEFINITIONS.—The Secretary shall, not later*
5 *than 180 days after the date of enactment of this Act,*
6 *define the terms “temperature-related complaints”*
7 *and “temperature-related violations” for the purposes*
8 *of this subsection.*

9 (e) *DATA COLLECTION.—*

10 (1) *IN GENERAL.—Data collected from tempera-*
11 *ture sensors acquired and installed by public housing*
12 *agencies and owners of covered federally assisted rent-*
13 *al dwelling units under this section shall be retained*
14 *until the Secretary of Housing and Urban Develop-*
15 *ment notifies the public housing agency or owner that*
16 *the pilot program and the evaluation of the pilot pro-*
17 *gram are complete.*

18 (2) *PERSONALLY IDENTIFIABLE INFORMATION.—*
19 *The Secretary of Housing and Urban Development*
20 *shall, not later than 180 days after the date of enact-*
21 *ment of this Act, establish standards for the protection*
22 *of personally identifiable information collected during*
23 *the pilot program by public housing agencies, owners*
24 *of federally assisted rental dwelling units, and the*
25 *Secretary.*

1 (f) *PILOT PROGRAM EVALUATION.*—

2 (1) *INTERIM EVALUATION.*—*Not later than 12*
3 *months after the establishment of the pilot program*
4 *under this section, the Secretary of Housing and*
5 *Urban Development shall publicly publish and submit*
6 *to Congress a report that—*

7 (A) *examines the number of temperature-re-*
8 *lated complaints and temperature-related viola-*
9 *tions in federally assisted rental dwelling units*
10 *with temperature sensors, disaggregated by tem-*
11 *perature sensor technology and climate region—*

12 (i) *that occurred before the installation*
13 *of such sensor, if known; and*

14 (ii) *that occurred after the installation*
15 *of such sensor; and*

16 (B) *identifies any barriers to full utility of*
17 *temperature sensor capabilities, including*
18 *broadband internet access and tenant participa-*
19 *tion.*

20 (2) *FINAL EVALUATION.*—*Not later than 36*
21 *months after the conclusion of the pilot program es-*
22 *tablished by the Secretary of Housing and Urban De-*
23 *velopment under this section, the Secretary shall pub-*
24 *licly publish and submit to Congress a report that—*

1 (A) examines the number of temperature-re-
2 lated complaints and temperature-related viola-
3 tions in federally assisted rental dwelling units
4 with temperature sensors, disaggregated by tem-
5 perature sensor technology and climate region—

6 (i) that occurred before the installation
7 of such sensor; and

8 (ii) that occurred after the installation
9 of such sensor;

10 (B) identifies any barriers to full utility of
11 temperature sensor capabilities, including
12 broadband internet access and tenant participa-
13 tion; and

14 (C) compares the utility of various tempera-
15 ture sensor technologies based on—

16 (i) climate zones;

17 (ii) cost;

18 (iii) features; and

19 (iv) any other factors identified by the
20 Secretary.

21 (g) *TREATMENT OF PROJECTS.*—Projects assisted
22 under this section shall be treated as projects assisted under
23 the Community Development Block Grant program under
24 title I of the Housing and Community Development Act of
25 1974 (42 U.S.C. 5301 et seq.).

1 (h) *SUNSET.*—*The pilot program established under*
2 *this section shall terminate on the date that is 3 years after*
3 *the date of enactment of this section.*

4 (i) *DEFINITIONS.*—*In this section:*

5 (1) *APPROVED TEMPERATURE SENSOR.*—*The*
6 *term “approved temperature sensor” means an inter-*
7 *net capable temperature reporting device able to*
8 *measure ambient air temperature to the tenth degree*
9 *Fahrenheit and Celsius selected from a list of such de-*
10 *vices approved in advance by the Secretary of Hous-*
11 *ing and Urban Development.*

12 (2) *ASSISTANCE.*—*The term “assistance”*—

13 (A) *means any grant, loan, subsidy, con-*
14 *tract, cooperative agreement, or other form of fi-*
15 *nancial assistance; and*

16 (B) *does not include the insurance or guar-*
17 *antee of a loan, mortgage, or pool of loans or*
18 *mortgages.*

19 (3) *COVERED FEDERALLY ASSISTED RENTAL*
20 *DWELLING UNIT.*—*The term “covered federally as-*
21 *sisted rental dwelling unit” means a residential*
22 *dwelling unit that is made available for rental and*
23 *for which assistance is provided, or that is part of a*
24 *housing project for which assistance is provided,*
25 *under—*

1 (A) the program for project-based rental as-
2 sistance under section 8 of the United States
3 Housing Act of 1937 (42 U.S.C. 1437f);

4 (B) the public housing program under the
5 United States Housing Act of 1937 (42 U.S.C.
6 1437 et seq.);

7 (C) the program for supportive housing for
8 the elderly under section 202 of the Housing Act
9 of 1959 (12 U.S.C. 1701q); or

10 (D) the program for supportive housing for
11 persons with disabilities under section 811 of the
12 Cranston-Gonzalez National Affordable Housing
13 Act (42 U.S.C. 8013).

14 (4) OWNER.—The term “owner” means—

15 (A) with respect to the program for project-
16 based rental assistance under section 8 of the
17 United States Housing Act of 1937 (42 U.S.C.
18 1437f), any private person or entity, including
19 a cooperative, an agency of the Federal Govern-
20 ment, or a public housing agency, having the
21 legal right to lease or sublease dwelling units;

22 (B) with respect to the public housing pro-
23 gram under the United States Housing Act of
24 1937 (42 U.S.C. et seq.), a public housing agency
25 or an owner entity, as those terms are defined in

1 *section 905.108 of title 24, Code of Federal Regu-*
2 *lations, of public housing units;*

3 *(C) with respect to the program for sup-*
4 *portive housing for the elderly under section 202*
5 *of the Housing Act of 1959 (12 U.S.C. 1701q),*
6 *a private nonprofit organization, as defined*
7 *under subsection (k)(4) of that section; and*

8 *(D) with respect to the program for sup-*
9 *portive housing for persons with disabilities*
10 *under section 811 of the Cranston-Gonzalez Na-*
11 *tional Affordable Housing Act (42 U.S.C. 8013),*
12 *a private nonprofit organization, as defined*
13 *under subsection (k)(6) of that section.*

14 **SEC. 107. HOUSING SUPPLY FRAMEWORKS.**

15 *(a) DEFINITIONS.—In this section:*

16 *(1) AFFORDABLE HOUSING.—The term “afford-*
17 *able housing” means housing for which the monthly*
18 *payment is not more than 30 percent of the monthly*
19 *income of the household.*

20 *(2) ASSISTANT SECRETARY.—The term “Assist-*
21 *ant Secretary” means the Assistant Secretary for Pol-*
22 *icy Development and Research of the Department of*
23 *Housing and Urban Development.*

24 *(3) LOCAL ZONING FRAMEWORK.—The term*
25 *“local zoning framework” means the local zoning*

1 *codes and other ordinances, procedures, and policies*
 2 *governing zoning and land-use at the local level.*

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

5 (5) *STATE ZONING FRAMEWORK.*—*The term*
 6 *“State zoning framework” means the State legislation*
 7 *or State agency and department procedures, or such*
 8 *legislation or procedures in an insular area of the*
 9 *United States, enabling local planning and zoning*
 10 *authorities and establishing and guiding related poli-*
 11 *cies and programs.*

12 (b) *GUIDELINES ON STATE AND LOCAL ZONING*
 13 *FRAMEWORKS.*—

14 (1) *IN GENERAL.*—*Not later than 3 years after*
 15 *the date of enactment of this Act, the Assistant Sec-*
 16 *retary shall publish documents outlining guidelines*
 17 *and best practices to support production of adequate*
 18 *housing to meet the needs of communities and provide*
 19 *housing opportunities for individuals at every income*
 20 *level across communities with respect to—*

21 (A) *State zoning frameworks; and*

22 (B) *local zoning frameworks.*

23 (2) *CONSULTATION; PUBLIC COMMENT.*—*During*
 24 *the 2-year period beginning on the date of enactment*
 25 *of this Act, in developing the guidelines and best*

1 *practices required under paragraph (1), the Assistant*
2 *Secretary shall—*

3 *(A) publish draft guidelines and best prac-*
4 *tices in the Federal Register for public comment;*
5 *and*

6 *(B) establish a task force for the purpose of*
7 *providing consultation to draft the guidelines*
8 *and best practices published under subparagraph*
9 *(A), the members of which shall include—*

10 *(i) urban planners and architects;*

11 *(ii) housing developers, including af-*
12 *fordable and market-rate housing devel-*
13 *opers, manufactured housing developers, co-*
14 *operative housing developers, and other*
15 *business interests;*

16 *(iii) community engagement experts*
17 *and community members impacted by zon-*
18 *ing decisions;*

19 *(iv) public housing agencies and tran-*
20 *sit authorities;*

21 *(v) members of local zoning and plan-*
22 *ning boards and local and regional trans-*
23 *portation planning organizations;*

1 (vi) State officials responsible for hous-
2 ing or land use, including members of State
3 zoning boards of appeals;

4 (vii) academic researchers; and

5 (viii) home builders.

6 (3) CONTENTS.—The guidelines and best prac-
7 tices required under paragraph (1) shall—

8 (A) with respect to State zoning frame-
9 works, outline potential models for updated State
10 enabling legislation or State agency and depart-
11 ment procedures;

12 (B) include recommendations regarding—

13 (i) the reduction or elimination of
14 parking minimums;

15 (ii) the increase in maximum floor
16 area ratio requirements and maximum
17 building heights and the reduction in min-
18 imum lot sizes and set-back requirements;

19 (iii) the elimination of restrictions
20 against accessory dwelling units;

21 (iv) increasing by-right uses, including
22 duplex, triplex, or quadplex buildings,
23 across cities or metropolitan areas;

24 (v) mechanisms, including proximity
25 to transit, to determine the appropriate

- 1 *scope for rezoning and ensure development*
2 *that does not disproportionately burden*
3 *residents of economically distressed areas;*
- 4 *(vi) provisions regarding review of by-*
5 *right development proposals to streamline*
6 *review and reduce uncertainty, including—*
- 7 *(I) nondiscretionary, ministerial*
8 *review; and*
- 9 *(II) entitlement and design review*
10 *processes;*
- 11 *(vii) the reduction of obstacles, regu-*
12 *latory or otherwise, to a range of housing*
13 *types at all levels of affordability, including*
14 *manufactured and modular housing;*
- 15 *(viii) State model zoning regulations*
16 *for directing local reforms, including mech-*
17 *anisms to encourage adoption;*
- 18 *(ix) provisions to encourage transit-*
19 *oriented development, including increased*
20 *permissible units per structure and reduced*
21 *minimum lot sizes near existing or planned*
22 *public transit stations;*
- 23 *(x) potential reforms to strengthen the*
24 *public engagement process;*
- 25 *(xi) reforms to protest petition statutes;*

- 1 *(xii) the standardization, reduction, or*
2 *elimination of impact fees;*
- 3 *(xiii) cost-effective and appropriate*
4 *building codes;*
- 5 *(xiv) models for community benefit*
6 *agreements;*
- 7 *(xv) mechanisms to preserve afford-*
8 *ability, limit disruption of low-income com-*
9 *munities, and prevent displacement of exist-*
10 *ing residents;*
- 11 *(xvi) with respect to State zoning*
12 *frameworks—*
- 13 *(I) State model codes for directing*
14 *local reforms, including mechanisms to*
15 *encourage adoption;*
- 16 *(II) a model for a State zoning*
17 *appeals process, which would—*
- 18 *(aa) create a process for de-*
19 *velopers or builders requesting a*
20 *variance, conditional use, special*
21 *permit, zoning district change,*
22 *similar discretionary permit, or*
23 *otherwise petitioning a local zon-*
24 *ing or planning board for a*
25 *project, including a State-defined*

1 amount of affordable housing to
2 appeal a rejection to a State body
3 or regional body empowered by
4 the State; and

5 (bb) establish qualifications
6 for communities to be exempted
7 from the appeals process based on
8 their available stock of affordable
9 housing; and

10 (III) streamlining of State envi-
11 ronmental review policies;

12 (xvii) with respect to local zoning
13 frameworks—

14 (I) the simplification and stand-
15 ardization of existing zoning codes;

16 (II) maximum review timelines;

17 (III) best practices for the disposi-
18 tion of land owned by local govern-
19 ments for affordable housing develop-
20 ment;

21 (IV) differentiations between best
22 practices for rural, suburban, and
23 urban communities, and communities
24 with different levels of density or popu-
25 lation distribution; and

- 1 (V) *streamlining of local environ-*
2 *mental review policies; and*
3 (xviii) *other land use measures that*
4 *promote access to new housing opportunities*
5 *identified by the Secretary; and*
6 (C) *consider—*
7 (i) *the effects of adopting any rec-*
8 *ommendation on eligibility for Federal dis-*
9 *cretionary grants and tax credits for the*
10 *purpose of housing or community develop-*
11 *ment;*
12 (ii) *coordination between infrastruc-*
13 *ture investments and housing planning;*
14 (iii) *local housing needs, including*
15 *ways to set and measure housing goals and*
16 *targets;*
17 (iv) *a range of affordability for rental*
18 *units, with a prioritization of units attain-*
19 *able to extremely low-, low-, and moderate-*
20 *income residents;*
21 (v) *a range of affordability for home-*
22 *ownership;*
23 (vi) *accountability measures;*

1 (vii) *the long-term cost to residents*
 2 *and businesses if more housing is not con-*
 3 *structed;*

4 (viii) *barriers to individuals seeking to*
 5 *access affordable housing in growing com-*
 6 *munities and communities with economic*
 7 *opportunity;*

8 (ix) *with respect to State zoning*
 9 *frameworks—*

10 (I) *distinctions between States*
 11 *providing constitutional or statutory*
 12 *home rule authority to municipalities*
 13 *and States operating under the Dillon*
 14 *Rule, as articulated in *Hunter v.**
 15 **Pittsburgh*, 207 U.S. 161 (1907); and*

16 (II) *Statewide mechanisms to pre-*
 17 *serve existing affordability over the*
 18 *long term, including support for land*
 19 *banks and community land trusts;*

20 (x) *public comments elicited under*
 21 *paragraph (2)(A); and*

22 (xi) *other considerations, as identified*
 23 *by the Assistant Secretary.*

24 (c) *ABOLISHMENT OF THE REGULATORY BARRIERS*
 25 *CLEARINGHOUSE.—*

1 (1) *IN GENERAL.*—*The Regulatory Barriers*
2 *Clearinghouse established pursuant to section 1205 of*
3 *the Housing and Community Development Act of*
4 *1992 (42 U.S.C. 12705d) is abolished.*

5 (2) *REPEAL.*—*Section 1205 of the Housing and*
6 *Community Development Act of 1992 (42 U.S.C.*
7 *12705d) is repealed.*

8 (d) *REPORTING.*—*Not later than 5 years after the date*
9 *on which the Assistant Secretary publishes the final guide-*
10 *lines and best practices for State and local zoning frame-*
11 *works under this section, the Assistant Secretary shall sub-*
12 *mit to Congress a report describing—*

13 (1) *the States that have adopted recommenda-*
14 *tions from the guidelines and best practices, pursuant*
15 *to subsection (b);*

16 (2) *a summary of the localities that have adopt-*
17 *ed recommendations from the guidelines and best*
18 *practices, pursuant to subsection (b);*

19 (3) *a list of States that adopted a State zoning*
20 *framework;*

21 (4) *a summary of the modifications that each*
22 *State has made in their State zoning framework;*

23 (5) *a general summary of the types of updates*
24 *localities have made to their local zoning framework;*

1 (6) *with respect to the States that have adopted*
2 *a State zoning framework or recommendations from*
3 *the guidelines and best practices, the effect of such*
4 *adoptions; and*

5 (7) *a summary of any recommendations that*
6 *were routinely not adopted by States or by localities.*

7 (e) *RULE OF CONSTRUCTION.—Nothing in this section*
8 *may be construed to permit the Department of Housing and*
9 *Urban Development to take an adverse action against or*
10 *fail to provide otherwise offered actions or services for any*
11 *State or locality if the State or locality declines to adopt*
12 *a guideline or best practice under subsection (b).*

13 ***TITLE II—BUILDING MORE IN***
14 ***AMERICA***

15 ***SEC. 201. INCREASING HOUSING IN OPPORTUNITY ZONES.***

16 (a) *COVERED GRANT DEFINED.—In this section, the*
17 *term “covered grant” means any competitive grant relating*
18 *to the construction, modification, rehabilitation, or preser-*
19 *vation of housing, as determined by the Secretary of Hous-*
20 *ing and Urban Development.*

21 (b) *PRIORITY.—When awarding a covered grant, the*
22 *Secretary of Housing and Urban Development may give ad-*
23 *ditional weight to applicants with proposed activities or*
24 *projects that are located in or substantially and directly*
25 *benefit a community designated as a qualified opportunity*

1 zone under section 1400Z-1 of the Internal Revenue Code
2 of 1986.

3 **SEC. 202. WHOLE-HOME REPAIRS ACT.**

4 (a) *DEFINITIONS.*—*In this section:*

5 (1) *AFFORDABLE UNIT.*—*The term “affordable*
6 *unit” means a unit for which the monthly rental pay-*
7 *ment is not more than 30 percent of the gross income*
8 *of an individual earning at or below 80 percent of the*
9 *area median income, as defined by the Secretary.*

10 (2) *ASSISTED UNIT.*—*The term “assisted unit”*
11 *means a unit that undergoes repair or rehabilitation*
12 *work through a whole-home repairs program adminis-*
13 *tered by an implementing organization under this*
14 *section.*

15 (3) *ELIGIBLE HOME-OWNER.*—*The term “eligible*
16 *home-owner” means a home-owner—*

17 (A) *with a household income that—*

18 (i) *is not more than 80 percent of the*
19 *area median income; or*

20 (ii) *meets the income eligibility re-*
21 *quirements for receiving assistance or bene-*
22 *fits under a specified program, as defined*
23 *in paragraph (11); and*

24 (B) *who is—*

1 (i) an owner of record as evidenced by
2 a publicly recorded deed, or other document
3 recorded by the Bureau of Indian Affairs,
4 and occupies the home on which repairs are
5 to be conducted as their principal residence;

6 (ii) an owner-occupant of the manufac-
7 tured home on which repairs are to be con-
8 ducted;

9 (iii) an owner-occupant of the coopera-
10 tive housing unit on which repairs are to be
11 conducted; or

12 (iv) an owner who can demonstrate an
13 ownership interest in the property, or trust
14 land leasehold, on which repairs are to be
15 conducted, including a person who has in-
16 herited an interest in that property.

17 (4) *ELIGIBLE LANDLORD.*—The term “eligible
18 landlord” means an individual—

19 (A) who owns, as determined by the rel-
20 evant implementing organization, fewer than 10
21 eligible rental properties, with a majority of af-
22 fordable units and not more than 25 total units,
23 operated as primary residences in which a ma-
24 jority ownership interest is held by the indi-
25 vidual, the spouse of the individual, or the de-

1 *pendent children of the individual, or any closely*
2 *held legal entity controlled by the individual, the*
3 *spouse of the individual, or the dependent chil-*
4 *dren of the individual, either individually or col-*
5 *lectively; and*

6 *(B) who agrees to the provisions described*
7 *in subsection (b)(3).*

8 *(5) ELIGIBLE RENTAL PROPERTY.—The term “el-*
9 *igible rental property” means a residential property*
10 *that—*

11 *(A) is leased, or offered exclusively for lease,*
12 *as a primary residence by an eligible landlord;*
13 *and*

14 *(B) includes affordable units.*

15 *(6) FORGIVABLE LOAN.—The term “forgivable*
16 *loan” means a loan—*

17 *(A) made to an eligible landlord;*

18 *(B) that is secured by a lien recorded*
19 *against a residential property; and*

20 *(C) that may be forgiven by the imple-*
21 *menting organization not later than the date*
22 *that is 3 years after the completion of the repairs*
23 *if the eligible landlord has maintained compli-*
24 *ance with the loan agreement described in sub-*
25 *section (b)(3).*

1 (7) *IMPLEMENTING ORGANIZATION.*—*The term*
2 *“implementing organization”*—

3 (A) *means a unit of general local govern-*
4 *ment or a State that—*

5 (i) *will administer a whole-home re-*
6 *pairs program through an agency, depart-*
7 *ment, or other entity; or*

8 (ii) *enters into agreements with 1 or*
9 *more local governments, Indian tribes, mu-*
10 *nicipal authorities, other governmental au-*
11 *thorities, including a tribally designated*
12 *housing entity, or qualified nonprofit orga-*
13 *nizations, to administer a whole-home re-*
14 *pairs program as a subrecipient; and*

15 (B) *does not include a redundant entity in*
16 *a jurisdiction already served by a grantee under*
17 *subsection (b).*

18 (8) *INDIAN TRIBE.*—*The term “Indian tribe” has*
19 *the meaning given the term in section 4 of the Native*
20 *American Housing Assistance and Self-Determination*
21 *Act of 1996 (25 U.S.C. 4103).*

22 (9) *QUALIFIED NONPROFIT.*—*The term “quali-*
23 *fied nonprofit” means a nonprofit organization*
24 *that—*

1 (A) has received funding, as a recipient or
2 subrecipient, through—

3 (i) the Community Development Block
4 Grant program under title I of the Housing
5 and Community Development Act of 1974
6 (42 U.S.C. 5301 et seq.);

7 (ii) the HOME Investment Partner-
8 ships program under subtitle A of title II of
9 the Cranston-Gonzalez National Affordable
10 Housing Act (42 U.S.C. 12741 et seq.);

11 (iii) the Lead-Based Paint Hazard Re-
12 duction grant program under section 1011
13 of the Residential Lead-Based Paint Haz-
14 ard Reduction Act of 1992 (42 U.S.C.
15 4852), a grant under the Healthy Homes
16 Initiative administered by the Secretary
17 pursuant to sections 501 and 502 of the
18 Housing and Urban Development Act of
19 1970 (12 U.S.C. 1701z-1, 1701z-2), or a
20 grant under the Older Adult Home Modi-
21 fication Grants Program authorized under
22 the Consolidated Appropriations Act, 2024
23 (Public Law 118-42), or any successor Act,
24 to make safety and functional home modi-
25 fication repairs and renovations to meet the

1 *needs of low-income seniors to enable them*
2 *to remain in their primary residence;*

3 *(iv) the Self-Help and Assisted Home-*
4 *ownership Opportunity program authorized*
5 *under section 11 of the Housing Oppor-*
6 *tunity Program Extension Act of 1996 (42*
7 *U.S.C. 12805 note);*

8 *(v) a rural housing program under*
9 *title V of the Housing Act of 1949 (42*
10 *U.S.C. 1471 et seq.); or*

11 *(vi) the Neighborhood Reinvestment*
12 *Corporation established under the Neighbor-*
13 *hood Reinvestment Corporation Act (42*
14 *U.S.C. 8101 et seq.);*

15 *(B) has coordinated, performed, or other-*
16 *wise been engaged in weatherization, lead reme-*
17 *diation, or home-repair work for not less than 2*
18 *years;*

19 *(C) has been certified by the Environmental*
20 *Protection Agency, or by a State authorized by*
21 *the Environmental Protection Agency to admin-*
22 *ister a certification program, as—*

23 *(i) eligible to carry out activities under*
24 *the lead renovation, repair, and painting*
25 *program under section 402(c) or 404 of the*

1 *Toxic Substances Control Act (15 U.S.C.*
2 *2682(c), 2684); or*

3 *(ii) a Home Certification Organization*
4 *under the Energy Star program established*
5 *by section 324A of the Energy Policy and*
6 *Conservation Act (42 U.S.C. 6294a) or the*
7 *WaterSense program under section 324B of*
8 *that Act (42 U.S.C. 6294b), or recognized or*
9 *otherwise approved by the Environmental*
10 *Protection Agency as a Home Certification*
11 *Organization under either of those pro-*
12 *grams; or*

13 *(D) is a community development financial*
14 *institution, as defined in section 103 of the Com-*
15 *munity Development Banking and Financial In-*
16 *stitutions Act of 1994 (12 U.S.C. 4702).*

17 *(10) SECRETARY.—The term “Secretary” means*
18 *the Secretary of Housing and Urban Development.*

19 *(11) SPECIFIED PROGRAM.—For purposes of*
20 *paragraph (3)(A)(ii), the term “specified program”*
21 *means any of the following:*

22 *(A) The Medicaid program established*
23 *under title XIX of the Social Security Act (42*
24 *U.S.C. 1396 et seq.).*

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

4 (C) *The supplemental security income bene-*
5 *fits program established under title XVI of the*
6 *Social Security Act (42 U.S.C. 1381 et seq.).*

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

10 (E) *The temporary assistance for needy*
11 *families program established under part A of*
12 *title IV of the Social Security Act (42 U.S.C.*
13 *601 et seq.).*

14 (12) *STATE.*—*The term “State” means—*

15 (A) *each State of the United States;*

16 (B) *the District of Columbia;*

17 (C) *the Commonwealth of Puerto Rico;*

18 (D) *any territory or possession of the*
19 *United States; and*

20 (E) *an Indian tribe.*

21 (13) *TRIBALLY DESIGNATED HOUSING ENTITY.*—

22 *The term “tribally designated housing entity” has the*
23 *meaning given the term in section 4 of the Native*
24 *American Housing Assistance and Self-Determination*
25 *Act of 1996 (25 U.S.C. 4103).*

1 (14) *WHOLE-HOME REPAIRS.*—*The term “whole-*
2 *home repairs” means modifications, repairs, or up-*
3 *dates to home-owner or renter-occupied units to ad-*
4 *dress—*

5 (A) *physical and sensory accessibility for*
6 *individuals with disabilities and older adults,*
7 *such as bathroom and kitchen modifications, in-*
8 *stallation of grab bars and handrails, guards*
9 *and guardrails, lifting devices, ramp additions*
10 *or repairs, sidewalk addition or repair, or door-*
11 *way or hallway widening;*

12 (B) *habitability and safety concerns, such*
13 *as repairs needed to ensure residential units are*
14 *fit for human habitation and free from defective*
15 *conditions or health and safety hazards; or*

16 (C) *energy and water efficiency, resilience,*
17 *and weatherization.*

18 (b) *PILOT PROGRAM.*—

19 (1) *ESTABLISHMENT.*—*There is authorized a*
20 *pilot program to provide grants to implementing or-*
21 *ganizations to administer a whole-home repairs pro-*
22 *gram for eligible home-owners and eligible landlords.*

23 (2) *USE OF FUNDS.*—*An implementing organiza-*
24 *tion that receives a grant from appropriated funds*
25 *made available for this subsection—*

1 (A) shall provide grants to eligible home-
2 owners to implement whole-home repairs not cov-
3 ered by other Federal home repair programs up
4 to a maximum amount per unit, which max-
5 imum amount should—

6 (i) reflect local construction costs and
7 the level of repairs needed in each unit; and

8 (ii) be calculated and approved by the
9 Secretary;

10 (B) shall provide loans, which may be for-
11 givable, to eligible landlords to implement whole-
12 home repairs not covered by other Federal home
13 repair programs for individual affordable units,
14 public and common use areas within the prop-
15 erty, and common structural elements up to a
16 maximum amount per unit, area, or element, as
17 applicable, which maximum amount should—

18 (i) reflect local construction costs; and

19 (ii) be calculated and approved by the
20 Secretary;

21 (C) shall evaluate, or provide assistance to
22 eligible home-owners and eligible landlords to
23 evaluate, whole-home repair program funds pro-
24 vided under this subsection with Federal, State,
25 Tribal, and local home repair programs to pro-

1 *vide the greatest benefit to the greatest number of*
2 *eligible landlords and eligible home-owners and*
3 *avoid duplication of benefits and redundancies*
4 *for the same home repairs;*

5 *(D) shall require that—*

6 *(i) all repairs funded or facilitated*
7 *through an award under this subsection*
8 *have been completed;*

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

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

19 *(E) may use not more than 5 percent of the*
20 *awarded funds to carry out related functions, in-*
21 *cluding workforce training for home repair pro-*
22 *fessions, which shall be related to efforts to in-*
23 *crease the number of home repairs performed*
24 *and approved by the Secretary;*

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

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

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

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

19 (A) comply with Federal accessibility re-
20 quirements and standards under applicable Fed-
21 eral fair housing and civil rights laws and regu-
22 lations, including section 504 of the Rehabilita-
23 tion Act of 1973 (29 U.S.C. 794); and

24 (B)(i) if the landlord is renting the assisted
25 units available in the eligible rental property to

1 *tenants receiving tenant-based rental assistance*
2 *under section 8(o) of the United States Housing*
3 *Act of 1937 (42 U.S.C. 1437f(o)), under another*
4 *tenant-based rental assistance program adminis-*
5 *tered by the Secretary or the Secretary of Agri-*
6 *culture, or under a tenant-based rental subsidy*
7 *provided by a State or local government, comply*
8 *with the program requirements under the rel-*
9 *evant tenant-based rental assistance program; or*

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

13 *(I)(aa) offer to extend the lease of cur-*
14 *rent tenants on current terms, other than*
15 *the terms described in subclause (iv) for not*
16 *less than 3 years beginning after the com-*
17 *pletion of the repairs, unless the lease is ter-*
18 *minated due to failure to pay rent, perform-*
19 *ance of an illegal act within the rental unit,*
20 *or a violation of an obligation of tenancy*
21 *that the tenants failed to correct after no-*
22 *tice; and*

23 *(bb) if the tenant of an assisted unit*
24 *moves out of the assisted unit at any point*
25 *in the 3-year period following the loan*

1 *agreement, maintain the unit as an afford-*
2 *able unit for the remainder of the 3-year pe-*
3 *riod;*

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

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

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

18 (4) *APPLICATION.—*

19 (A) *IN GENERAL.—An implementing orga-*
20 *nization desiring an award under this subsection*
21 *shall submit to the Secretary an application that*
22 *includes—*

23 (i) *the geographic scope of the whole-*
24 *home repairs program to be administered*
25 *by the implementing organization, includ-*

1 *ing the plan to address need in any rural,*
2 *Tribal, suburban, or urban area within a*
3 *jurisdiction;*

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

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

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

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

1 (vi) such other information as the Sec-
2 retary requires to determine the ability of
3 an applicant to carry out a program under
4 this subsection.

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

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

12 (I) make a good-faith effort to im-
13 plement the pilot program in every ju-
14 risdiction; and

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

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

1 (iii) not disqualify implementing orga-
2 nizations that were awarded grants under
3 the pilot program in prior application cy-
4 cles.

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

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

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

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

19 (7) *LOANS THAT ARE NOT FORGIVEN.*—If a loan
20 made by an implementing organization under para-
21 graph (2)(B) is not forgiven, the loan repayment
22 funds shall be reused by the implementing organiza-
23 tion for a new whole-home repair grant or loan under
24 this subsection, which shall remain subject to the

1 *original terms of the assistance awarded under this*
2 *subsection.*

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

8 (9) *STREAMLINING PROGRAM DELIVERY AND EN-*
9 *SURING EFFICIENCY.—To the extent possible, in car-*
10 *rying out the pilot program under this subsection, the*
11 *Secretary shall—*

12 (A) *endeavor to improve efficiency of service*
13 *delivery, as well as the experience of and impact*
14 *on the taxpayer, by encouraging programmatic*
15 *collaboration and information sharing across*
16 *Federal, State, Tribal, and local programs for*
17 *home repair or improvement, including pro-*
18 *grams administered by the Department of Agri-*
19 *culture, the Department of the Interior, the De-*
20 *partment of Veterans Affairs, or the Department*
21 *of Energy; and*

22 (B) *enhance collaboration and cross-agency*
23 *streamlining efforts that reduce the burden of*
24 *multiple income verification processes and appli-*
25 *cations on the eligible home-owner, the eligible*

1 *landlord, the implementing organization, and*
2 *the Federal Government, including by estab-*
3 *lishing assistance application procedures for in-*
4 *come eligibility under this subsection that recog-*
5 *nize income eligibility determinations for assist-*
6 *ance using any of the criteria under subsection*
7 *(a)(3)(A) that have been used for assistance ap-*
8 *plications during the 1-year period preceding the*
9 *date on which an eligible home-owner or eligible*
10 *landlord applies for assistance under this sub-*
11 *section.*

12 (10) *REPORTING REQUIREMENTS.—*

13 (A) *ANNUAL REPORT.—An implementing*
14 *organization that receives a grant under this*
15 *subsection shall submit to the Secretary an an-*
16 *annual report on initial funding that includes—*

17 (i) *the number of units served, includ-*
18 *ing reporting on both home-ownership and*
19 *rental units, as well as accessible units;*

20 (ii) *the average cost per unit for modi-*
21 *fications or repairs and the nature of those*
22 *modifications or repairs, including report-*
23 *ing on accessibility in both home-ownership*
24 *and rental units;*

1 (iii) the number of applications re-
2 ceived, served, denied, or not completed,
3 disaggregated by geographic area;

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

9 (v) the aggregated demographic data of
10 loan recipients, which may include data on
11 income range, urban, suburban, and rural
12 residency, age, and racial and ethnic iden-
13 tity;

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

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

1 (I) a policy enacted and enforced
2 by the implementing organization to
3 monitor ongoing expenditures under
4 this subsection and ensure compliance
5 with applicable regulations;

6 (II) a policy enacted and enforced
7 by the implementing organization to
8 detect and deter fraudulent activity,
9 including fraud occurring in indi-
10 vidual projects and patterns of fraud
11 by parties involved in the expenditure
12 of funds under this subsection;

13 (III) a statement setting forth any
14 violations detected by the implementing
15 organization during the previous cal-
16 endar year, including details about
17 steps taken to achieve compliance and
18 any remedial measures; and

19 (IV) a certification by the chief
20 executive or most senior compliance of-
21 ficer of the organization that the orga-
22 nization maintains sufficient staff and
23 resources to effectively carry out the
24 above-mentioned policies; and

1 (viii) such other information as the
2 Secretary may require.

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

13 (i) *the Community Development Block*
14 *Grant program under title I of the Housing*
15 *and Community Development Act of 1974*
16 *(42 U.S.C. 5301 et seq.);*

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

21 (iii) *the Weatherization Assistance*
22 *Program for low-income persons established*
23 *under part A of title IV of the Energy Con-*
24 *servation and Production Act (42 U.S.C.*
25 *6861 et seq.); and*

1 *(iv) the Native American Housing As-*
2 *istance and Self-Determination Act of 1996*
3 *(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 assessment*
10 *of the implementation of measures to ensure the*
11 *fair and legitimate use of the pilot program.*

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

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

23 (A) *treated as assistance for a special*
24 *project for purposes of section 305(c) of the Mul-*

1 *tifamily Housing Property Disposition Reform*
2 *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. 203. 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 fifth*
12 *sentence, by striking “15” each place the term appears and*
13 *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 appears*
17 *and inserting “20”.*

18 *(c) STUDY.—Not later than 2 years after the date of*
19 *enactment of this section, and every 2 years thereafter, the*
20 *Comptroller of the Currency and the Board of Governors*
21 *of the Federal Reserve System shall each submit to the Com-*
22 *mittee on Financial Services of the House of Representa-*
23 *tives and the Committee on Banking, Housing, and Urban*
24 *Affairs of the Senate, a report, after consulting with the*
25 *other agency in the development of such report, about public*

1 *welfare investments that were made by associations under*
2 *section 5136 of the Revised Statutes of the United States*
3 *(12 U.S.C. 24) and State member banks under section 9(23)*
4 *of the Federal Reserve Act (12 U.S.C. 338a) in the 2 pre-*
5 *vious calendar years, that—*

6 (1) *identifies the number of such investments,*
7 *broken down by—*

8 (A) *purpose;*

9 (B) *type;*

10 (C) *amount of assets of the association or*
11 *State member bank that made the investment,*
12 *using not fewer than 4 categories to describe the*
13 *amount of assets of the associations and banks;*
14 *and*

15 (D) *State or other location;*

16 (2) *identifies the dollar amounts of such invest-*
17 *ments, broken down by—*

18 (A) *purpose;*

19 (B) *type;*

20 (C) *amount of assets of the association or*
21 *State member bank that made the investment,*
22 *using not fewer than 4 categories to describe the*
23 *amount of assets of the associations and banks;*
24 *and*

25 (D) *State or other location; and*

1 (3) for each type of public welfare investment
2 identified under paragraphs (1) and (2), a descrip-
3 tion of the substantive and procedural requirements
4 that apply to each type of investment made under—

5 (A) in the case of a report by the Comp-
6 troller of the Currency, section 5136 of the Re-
7 vised Statutes of the United States (12 U.S.C.
8 24); or

9 (B) in the case of a report by the Board of
10 Governors, section 9(23) of the Federal Reserve
11 Act (12 U.S.C. 338a).

12 **SEC. 204. ADDITION OF AFFORDABLE HOUSING CONSTRUC-**
13 **TION AS AN ELIGIBLE ACTIVITY.**

14 (a) *ELIGIBLE ACTIVITY.*—Section 105(a) of the Hous-
15 ing and Community Development Act of 1974 (42 U.S.C.
16 5305(a)), as amended by section 104 of this Act, is amend-
17 ed—

18 (1) in paragraph (26), by striking “and” at the
19 end;

20 (2) in paragraph (27), by striking the period at
21 the end and inserting “; and”; and

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

23 “(28) the new construction of affordable housing,
24 within the meaning given such term under section
25 215 of the Cranston-Gonzalez National Affordable

1 *Housing Act (42 U.S.C. 12745), and which shall not*
2 *exceed 20 percent of the amounts allocated to the re-*
3 *ipient.”.*

4 **(b) LOW- AND MODERATE-INCOME REQUIREMENT.—**
5 *Section 105(c)(3) of the Housing and Community Develop-*
6 *ment Act of 1974 (42 U.S.C. 5305(c)(3)) is amended by*
7 *striking “or rehabilitation” and inserting “, rehabilitation,*
8 *or new construction”.*

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

12 **SEC. 205. BETTER USE OF INTERGOVERNMENTAL AND**
13 **LOCAL DEVELOPMENT (BUILD) HOUSING ACT.**

14 **(a) DESIGNATION OF ENVIRONMENTAL REVIEW PRO-**
15 **CEDURE.—***The Department of Housing and Urban Devel-*
16 *opment Act (42 U.S.C. 3531 et seq.) is amended by insert-*
17 *ing after section 12 (42 U.S.C. 3537a) the following:*

18 **“SEC. 13. DESIGNATION OF ENVIRONMENTAL REVIEW PRO-**
19 **CEDURE.**

20 **“(a) IN GENERAL.—***Except as provided in subsection*
21 **(b), the Secretary may, for purposes of environmental re-**
22 **view, decision making, and action pursuant to the National**
23 **Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.),**
24 **and other provisions of law that further the purposes of such**
25 **Act, designate the treatment of assistance administered by**

1 *the Secretary as funds for a special project for purposes of*
 2 *section 305(c) of the Multifamily Housing Property Dis-*
 3 *position Reform Act of 1994 (42 U.S.C. 3547).*

4 “(b) *EXCEPTION.—The designation described in sub-*
 5 *section (a) shall not apply to assistance for which a proce-*
 6 *dure for carrying out the responsibilities of the Secretary*
 7 *under the National Environmental Policy Act of 1969 (42*
 8 *U.S.C. 4321 et seq.), and other provisions of law that fur-*
 9 *ther the purposes of such Act, is otherwise specified in law.”.*

10 (b) *TRIBAL ASSUMPTION OF ENVIRONMENTAL REVIEW*
 11 *OBLIGATIONS.—Section 305(c) of the Multifamily Housing*
 12 *Property Disposition Reform Act of 1994 (42 U.S.C. 3547)*
 13 *is amended—*

14 (1) *by striking “State or unit of general local*
 15 *government” each place it appears and inserting*
 16 *“State, Indian Tribe, or unit of general local govern-*
 17 *ment”;*

18 (2) *in paragraph (1)(C), in the heading, by*
 19 *striking “STATE OR UNIT OF GENERAL LOCAL GOV-*
 20 *ERNMENT” and inserting “STATE, INDIAN TRIBE, OR*
 21 *UNIT OF GENERAL LOCAL GOVERNMENT”;* and

22 (3) *by adding at the end the following:*

23 “(5) *DEFINITION OF INDIAN TRIBE.—For pur-*
 24 *poses of this subsection, the term ‘Indian Tribe’*
 25 *means a federally recognized tribe, as defined in sec-*

1 *tion 4(13)(B) of the Native American Housing Assist-*
 2 *ance and Self-Determination Act of 1996 (25 U.S.C.*
 3 *4103(13)(B)).”.*

4 *(c) IMPLEMENTATION.—*

5 *(1) IN GENERAL.—Except as provided in para-*
 6 *graph (2), a designation of assistance under section*
 7 *13 of the Department of Housing and Urban Develop-*
 8 *ment Act, as added by subsection (a), shall only*
 9 *apply with respect to funds appropriated after the*
 10 *date of enactment of this Act.*

11 *(2) EXCEPTION.—If a grantee of assistance ad-*
 12 *ministered by the Secretary of Housing and Urban*
 13 *Development combines funds appropriated before and*
 14 *after the date of enactment of this Act to carry out*
 15 *a project, section 13 of the Department of and Urban*
 16 *Development Act, as added by subsection (a), shall*
 17 *not apply to that assistance.*

18 **SEC. 206. UNLOCKING HOUSING SUPPLY THROUGH**
 19 **STREAMLINED AND MODERNIZED REVIEWS**
 20 **ACT.**

21 *(a) DEFINITIONS.—In this section:*

22 *(1) INFILL PROJECT.—The term “infill project”*
 23 *means a project that—*

24 *(A) occurs within the geographic limits of a*
 25 *municipality;*

1 (B) is adequately served by existing utilities
2 and public services as required under applicable
3 law;

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

8 (D) will repurpose a vacant or underuti-
9 lized parcel of land, or a dilapidated or aban-
10 doned structure; and

11 (E) will serve a residential or commercial
12 purpose.

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

15 (b) *NEPA STREAMLINING FOR HUD HOUSING-RE-*
16 *LATED ACTIVITIES.*—

17 (1) *IN GENERAL.*—The Secretary shall, in ac-
18 cordance with section 553 of title 5, United States
19 Code, and section 103 of the National Environmental
20 Policy Act of 1969 (42 U.S.C. 4333), expand and re-
21 classify housing-related activities under the necessary
22 administrative regulations as follows:

23 (A) The following housing-related activities
24 shall be subject to regulations equivalent or sub-
25 stantially similar to the regulations entitled “ex-

1 *empt activities” as set forth in section 58.34 of*
2 *title 24, Code of Federal Regulations, as in effect*
3 *on January 1, 2025:*

4 *(i) Tenant-based rental assistance.*

5 *(ii) Supportive services, including*
6 *health care, housing services, permanent*
7 *housing placement, day care, nutritional*
8 *services, short-term payments for rent,*
9 *mortgage, or utility costs, and assistance in*
10 *gaining access to Federal Government and*
11 *State and local government benefits and*
12 *services.*

13 *(iii) Operating costs, including main-*
14 *tenance, security, operation, utilities, fur-*
15 *nishings, equipment, supplies, staff train-*
16 *ing, and recruitment and other incidental*
17 *costs.*

18 *(iv) Economic development activities,*
19 *including equipment purchases, inventory*
20 *financing, interest subsidies, operating ex-*
21 *penses, and similar costs not associated*
22 *with construction or expansion of existing*
23 *operations.*

24 *(v) Activities to assist home-buyers in*
25 *the purchase of existing dwelling units or*

1 *dwelling units under construction, includ-*
2 *ing closing costs and down payment assist-*
3 *ance, interest rate buydowns, and similar*
4 *activities that result in the transfer of title.*

5 *(vi) Affordable housing predevelopment*
6 *costs related to obtaining site options,*
7 *project financing, administrative costs and*
8 *fees for loan commitment, zoning approvals,*
9 *and other related activities that do not have*
10 *a physical impact.*

11 *(vii) Approval of supplemental assist-*
12 *ance, including insurance or guarantee, to a*
13 *project previously approved by the Sec-*
14 *retary.*

15 *(viii) Emergency home-owner or renter*
16 *assistance for the repair or replacement of*
17 *HVAC, hot water heaters, and other nec-*
18 *essary existing utilities required under ap-*
19 *plicable law.*

20 *(B) The following housing-related activities*
21 *shall be subject to regulations equivalent or sub-*
22 *stantially similar to the regulations entitled, (i)*
23 *“categorical exclusions not subject to section*
24 *58.5” and (ii) “categorical exclusions not subject*
25 *to the Federal laws and authorities cited in sec-*

1 *tion 50.4” in section 58.35(b) and section 50.19,*
2 *respectively of title 24, Code of Federal Regula-*
3 *tions, as in effect on January 1, 2025, if such*
4 *activities do not materially alter environmental*
5 *conditions and do not materially exceed the*
6 *original scope of the project:*

7 *(i) Acquisition, repair, improvement,*
8 *reconstruction, or rehabilitation of public*
9 *facilities and improvements (other than*
10 *buildings) if the facilities and improve-*
11 *ments are in place and will be retained in*
12 *the same use without change in size or ca-*
13 *capacity of more than 20 percent, including*
14 *replacement of water or sewer lines, recon-*
15 *struction of curbs and sidewalks, and re-*
16 *paving of streets.*

17 *(ii) Rehabilitation of 1-to-4 unit resi-*
18 *dential buildings, and existing housing-re-*
19 *lated infrastructure, such as repairs or re-*
20 *habilitation of existing wells, septic, or*
21 *utility lines that connect to that housing.*

22 *(iii) New construction, development,*
23 *demolition, acquisition, or disposition of up*
24 *to 4 scattered site existing dwelling units*

1 where there is a maximum of 4 units on
2 any 1 site.

3 (iv) Acquisitions (including leasing) of,
4 disposition of, or equity loans on an exist-
5 ing structure, or acquisition (including
6 leasing) of vacant land if the structure or
7 land acquired, financed, or disposed of will
8 be retained for the same use.

9 (C) The following housing-related activities
10 shall be subject to regulations equivalent or sub-
11 stantially similar to the regulations entitled, (i)
12 “categorical exclusions subject to section 58.5”
13 and (ii) “categorical exclusions subject to the
14 Federal laws and authorities cited in section
15 50.4” in section 58.35(a) and section 50.20, re-
16 spectively, of title 24, Code of Federal Regula-
17 tions, as in effect on January 1, 2025, if such
18 activities do not materially alter environmental
19 conditions and do not materially exceed the
20 original scope of the project:

21 (i) Acquisitions of open space or resi-
22 dential property, where such property will
23 be retained for the same use or will be con-
24 verted to open space to help residents relo-

1 *cate out of an area designated as a high-*
2 *risk area by the Secretary.*

3 *(ii) Conversion of existing office build-*
4 *ings into residential development, subject*
5 *to—*

6 *(I) a maximum number of units*
7 *to be determined by the Secretary; and*

8 *(II) a limitation on the change in*
9 *building size of not more than 20 per-*
10 *cent.*

11 *(iii) New construction, development,*
12 *demolition, acquisition, or disposition of 5*
13 *to 15 dwelling units where there is a max-*
14 *imum of 15 units on any 1 site. The units*
15 *can be 15 1-unit buildings or 1 15-unit*
16 *building, or any combination in between.*

17 *(iv) New construction, development,*
18 *demolition, acquisition, or disposition of 15*
19 *or more housing units developed on scat-*
20 *tered sites when there are not more than 15*
21 *housing units on any 1 site, and the sites*
22 *are more than a set number of feet apart as*
23 *determined by the Secretary.*

24 *(v) Rehabilitation of buildings and im-*
25 *provements in the case of a building for res-*

1 *idential use with 5 to 15 units, if the den-*
2 *sity is not increased beyond 15 units and*
3 *the land use is not changed.*

4 *(vi) Infill projects consisting of new*
5 *construction, rehabilitation, or development*
6 *of residential housing units.*

7 *(vii) The voluntary acquisition of*
8 *properties—*

9 *(I) located in—*

10 *(aa) a floodway;*

11 *(bb) a floodplain; or*

12 *(cc) any other area, clearly*
13 *delineated by the grantee; and*

14 *(II) that have been impacted by a*
15 *predictable environmental threat to the*
16 *safety and well-being of program bene-*
17 *ficiaries caused or exacerbated by a*
18 *federally declared disaster.*

19 *(c) IMPLEMENTATION.—For purposes of implementing*
20 *the streamlining of environmental review for housing-re-*
21 *lated activities under subsection (b), the agency actions car-*
22 *ried out under that subsection—*

23 *(1) shall only apply with respect to funds appro-*
24 *priated after the effective date of those actions; and*

1 (2) *shall not apply with respect to a grantee that*
 2 *combines funds appropriated before and after the ef-*
 3 *fective date of those actions to carry out a project.*

4 (d) *REPORT.—The Secretary shall submit to the Com-*
 5 *mittee on Banking, Housing, and Urban Affairs of the Sen-*
 6 *ate and the Committee on Financial Services of the House*
 7 *of Representatives an annual report during the 5-year pe-*
 8 *riod beginning on the date that is 2 years after the date*
 9 *of enactment of this Act that provides a summary of find-*
 10 *ings of reductions in review times and administrative cost*
 11 *reduction, with a particular focus on the affordable housing*
 12 *sector, as a result of the actions set forth in this section,*
 13 *and any recommendations of the Secretary for future con-*
 14 *gressional action with respect to revising categorical exclu-*
 15 *sions or exemptions under title 24, Code of Federal Regula-*
 16 *tions.*

17 **SEC. 207. GRANTS FOR PLANNING AND IMPLEMENTATION**
 18 **ASSOCIATED WITH AFFORDABLE HOUSING.**

19 (a) *DEFINITIONS.—In this section:*

20 (1) *ELIGIBLE ENTITY.—The term “eligible enti-*
 21 *ty” means—*

22 (A) *a State, insular area, metropolitan city,*
 23 *or urban county, 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); or*

1 (B) a regional planning agency or consortia
2 of regional planning agencies.

3 (2) *HOUSING PLAN.*—The term “housing plan”
4 means a plan to, with respect to an area within the
5 jurisdiction of an eligible entity—

6 (A) increase the amount of available hous-
7 ing to meet the demand for such housing and
8 any projected increase in the demand for such
9 housing;

10 (B) increase the affordability of housing;

11 (C) increase the accessibility of housing for
12 people with disabilities, including location-effi-
13 cient housing;

14 (D) preserve or improve the quality of hous-
15 ing;

16 (E) reduce barriers to housing development;
17 and

18 (F) coordinate with transportation-related
19 agencies.

20 (3) *HOUSING STRATEGY.*—The term “housing
21 strategy” means a housing strategy required under
22 section 105 of the Cranston-Gonzalez National Afford-
23 able Housing Act (42 U.S.C. 12705).

24 (4) *SECRETARY.*—The term “Secretary” means
25 the Secretary of Housing and Urban Development.

1 (b) *ESTABLISHMENT.*—Not later than 1 year after the
2 date of enactment of this Act, the Secretary shall establish
3 a program to award grants on a competitive basis to eligi-
4 ble entities to assist planning and implementation activi-
5 ties associated with affordable housing, except that such
6 grant awards may not be used for construction, alteration,
7 or repair work.

8 (c) *USE OF AMOUNTS.*—

9 (1) *BY REGIONAL PLANNING AGENCIES.*—If an
10 eligible entity that receives amounts under this sec-
11 tion is an eligible entity described in subsection
12 (a)(1)(B), the eligible entity shall use those amounts
13 to assist planning activities with respect to affordable
14 housing, including—

15 (A) the development of housing plans;

16 (B) the substantial improvement of State or
17 local housing strategies;

18 (C) the development of new regulatory re-
19 quirements and processes;

20 (D) updating zoning codes;

21 (E) increasing the capacity to conduct hous-
22 ing inspections;

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

1 (G) the development of local or regional
2 plans for community development; and

3 (H) the substantial improvement of commu-
4 nity development strategies, including strategies
5 designed to—

6 (i) increase the availability of afford-
7 able housing and access to affordable hous-
8 ing;

9 (ii) increase access to public transpor-
10 tation; and

11 (iii) advance sustainable or location-ef-
12 ficient community development goals.

13 (2) *BY STATES, INSULAR AREAS, METROPOLITAN*
14 *CITIES, AND URBAN COUNTIES.*—If an eligible entity
15 that receives amounts under this section is an eligible
16 entity described in subsection (a)(1)(A), the eligible
17 entity shall use those amounts to—

18 (A) implement and administer housing
19 strategies and housing plans;

20 (B) implement and administer any plans to
21 increase housing choice, address disparities in
22 housing needs, and provide greater access to op-
23 portunity;

1 (C) fund any community investments that
2 support goals identified in a housing strategy or
3 housing plan;

4 (D) implement and administer regulatory
5 requirements and processes with respect to re-
6 formed zoning codes;

7 (E) increase the capacity to conduct hous-
8 ing inspections;

9 (F) increase the capacity to reduce barriers
10 to housing supply elasticity and housing afford-
11 ability;

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

14 (H) fund any planning to increase—

15 (i) the availability of affordable hous-
16 ing and access to affordable housing;

17 (ii) access to public transportation;

18 and

19 (iii) any location-efficient community
20 development goals.

21 (3) *USE FOR ADMINISTRATIVE COSTS.*—A eligible
22 entity that receives amounts under this section may
23 not use more than 10 percent of those amounts for ad-
24 ministrative costs.

1 (d) *COORDINATION.*—To the extent practicable, the
2 Secretary shall coordinate with the Administrator of the
3 Federal Transit Administration in carrying out this sec-
4 tion.

5 (e) *EXPIRATION OF AUTHORITY.*—After the expiration
6 of the 5-year period beginning on the date of enactment of
7 this Act, the Secretary may not newly establish a program
8 as described in this section.

9 (f) *SUNSET.*—The program established under this sec-
10 tion shall terminate on the date that is 5 years after the
11 date of enactment of this Act.

12 **SEC. 208. INNOVATION FUND.**

13 (a) *DEFINITIONS.*—In this section:

14 (1) *ATTAINABLE HOUSING.*—The term “attain-
15 able housing” means housing that serves households
16 earning not more than 120 percent of the area me-
17 dian income, if the majority of the housing units are
18 affordable to households earning not more than 60
19 percent of the area median income.

20 (2) *ELIGIBLE ENTITY.*—The term “eligible enti-
21 ty” means—

22 (A) a metropolitan city or urban county, as
23 those terms are defined in section 102 of the
24 Housing and Community Development Act of
25 1974 (42 U.S.C. 5302), that has demonstrated

1 *an objective improvement in housing supply*
2 *growth, as determined by the Secretary, whose*
3 *methodology for determining such growth is pub-*
4 *lished in the Federal Register to allow for public*
5 *comment not less than 90 days before the date on*
6 *which the notice of funding opportunity is made*
7 *available; or*

8 *(B) a unit of general local government or*
9 *an Indian tribe, as those terms are defined in*
10 *section 102 of the Housing and Community De-*
11 *velopment Act of 1974 (42 U.S.C. 5302), that*
12 *has demonstrated an objective improvement in*
13 *housing supply growth, as determined by the*
14 *Secretary, whose methodology for determining*
15 *such improvement is published in the Federal*
16 *Register to allow for public comment not less*
17 *than 90 days before the date on which the notice*
18 *of funding opportunity is made available.*

19 (3) *SECRETARY.*—*The term “Secretary” means*
20 *the Secretary of Housing and Urban Development.*

21 (b) *ESTABLISHMENT OF A GRANT PROGRAM.*—

22 (1) *ESTABLISHMENT.*—*Not later than 1 year*
23 *after the date of enactment of this Act, the Secretary*
24 *shall establish a program to award grants on a com-*

1 *petitive basis to eligible entities that have increased*
2 *their local housing supply.*

3 (2) *LIST OF ELIGIBLE ENTITIES.*—*The Secretary*
4 *shall make a list of eligible entities publicly available*
5 *on the website of the Department of Housing and*
6 *Urban Development.*

7 (3) *ELIGIBLE PURPOSES.*—*An eligible entity re-*
8 *ceiving a grant under this section may use funds to—*

9 (A) *carry out any of the activities described*
10 *in section 105 of the Housing and Community*
11 *Development Act of 1974 (42 U.S.C. 5305);*

12 (B) *carry out any of the activities per-*
13 *mitted under the Local and Regional Project As-*
14 *sistance Program established under section 6702*
15 *of title 49, United States Code; and*

16 (C) *carry out initiatives of the eligible enti-*
17 *ty that facilitate the expansion of the supply of*
18 *attainable housing and that supplement initia-*
19 *tives the eligible entity has carried out, or is in*
20 *the process of carrying out, as specified in the*
21 *application submitted under paragraph (4).*

22 (4) *APPLICATION.*—

23 (A) *IN GENERAL.*—*An eligible entity seek-*
24 *ing a grant under this section shall submit to the*
25 *Secretary an application that provides—*

1 (i) a description of each purpose for
2 which the eligible entity will use the grant,
3 and an attestation that the grant will be
4 used only for 1 or more eligible purposes de-
5 scribed in paragraph (3);

6 (ii) data on characteristics of increased
7 housing supply during the 3-year period
8 ending on the date on which the application
9 is submitted, which may include whether
10 such housing—

11 (I) serves households at a range of
12 income levels; and

13 (II) has improved the quality and
14 affordability of housing in the jurisdic-
15 tion of the eligible entity;

16 (iii) a description of how each eligible
17 purpose described in clause (i) may address
18 a community need or advance an objective,
19 or an aspect of an objective, included in the
20 comprehensive housing affordability strat-
21 egy and community development plan of the
22 eligible entity under part 91 of title 24,
23 Code of Federal Regulations, or any suc-
24 cessor regulation (commonly referred to as a
25 “consolidated plan”); and

1 *(iv) a description of how the eligible*
2 *entity has carried out, or is in the process*
3 *of carrying out, initiatives that facilitate*
4 *the expansion of the supply of housing.*

5 *(B) INITIATIVES.—Initiatives that meet the*
6 *criteria described in paragraph (3)(C) include,*
7 *but shall not be limited to—*

8 *(i) increasing by-right uses, including*
9 *duplex, triplex, quadplex, and multifamily*
10 *buildings, in areas of opportunity;*

11 *(ii) revising or eliminating off-street*
12 *parking requirements to reduce the cost of*
13 *housing production;*

14 *(iii) revising minimum lot size re-*
15 *quirements, floor area ratio requirements,*
16 *set-back requirements, building heights, and*
17 *bans or limits on construction that allow*
18 *for denser and more affordable development;*

19 *(iv) instituting incentives to promote*
20 *dense development for communities where*
21 *increased density is needed;*

22 *(v) passing zoning overlays or other or-*
23 *dinances that enable the development of*
24 *mixed-income housing;*

1 (vi) streamlining regulatory require-
2 ments and shortening processes, increasing
3 code enforcement and permitting capacity,
4 reforming zoning codes, or other initiatives
5 that reduce barriers to increasing housing
6 supply and affordability;

7 (vii) eliminating restrictions against
8 accessory dwelling units and expanding
9 their by-right use;

10 (viii) using local tax incentives or pub-
11 lic financing to promote development of at-
12 tainable housing;

13 (ix) streamlining environmental regu-
14 lations;

15 (x) eliminating unnecessary manufac-
16 tured-housing or cooperative housing regula-
17 tions and restrictions;

18 (xi) minimizing the impact of over-
19 burdensome energy and water efficiency
20 standards on housing costs; and

21 (xii) other activities that reduce the
22 cost of construction, as determined by the
23 Secretary.

24 (5) GRANTS.—

1 (A) *IN GENERAL.*—*The Secretary shall*
2 *make not fewer than 25 grants on an annual*
3 *basis (unless amounts appropriated to provide*
4 *grant amounts consistent with subsection (b) are*
5 *insufficient, in which case fewer grants may be*
6 *awarded), with strong consideration of different*
7 *geographical areas and a relatively even spread*
8 *of rural, suburban, and urban communities.*

9 (B) *LIMITATIONS ON AWARDS.*—*No grant*
10 *awarded under this paragraph may be—*

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

12 (ii) *less than \$250,000.*

13 (C) *PRIORITY.*—*When awarding grants*
14 *under this paragraph, the Secretary shall give*
15 *priority to an eligible entity that has—*

16 (i) *demonstrated the use of innovative*
17 *policies, interventions, or programs for in-*
18 *creasing housing supply; and*

19 (ii) *demonstrated a marked improve-*
20 *ment in housing supply growth, as needed.*

21 (D) *GRANT ADMINISTRATION AND TERMS.*—
22 *Projects assisted under this section for activities*
23 *described in sector 23 of the North American In-*
24 *dustry Classification System shall be treated as*
25 *projects assisted under the Community Develop-*

1 *ment Block Grant program under title I of the*
2 *Housing and Community Development Act of*
3 *1974 (42 U.S.C. 5301 et seq.).*

4 *(c) RULES OF CONSTRUCTION.—Nothing in this sec-*
5 *tion shall be construed—*

6 *(1) to authorize the Secretary to mandate, super-*
7 *sede, or preempt any local zoning or land use policy;*
8 *or*

9 *(2) to affect the requirements of section 105(c)(1)*
10 *of the Cranston-Gonzalez National Affordable Hous-*
11 *ing Act (42 U.S.C. 12705(c)(1)).*

12 *(d) SUNSET.—The program established under this sec-*
13 *tion shall terminate on the date that is 7 years after the*
14 *date of enactment of this Act.*

15 *(e) AUTHORIZATION OF APPROPRIATIONS.—*

16 *(1) IN GENERAL.—There is authorized to be ap-*
17 *propriated to carry out this section \$200,000,000 for*
18 *each of fiscal years 2027 through 2031.*

19 *(2) ADJUSTMENT.—The amount authorized to be*
20 *appropriated under paragraph (1) shall be adjusted*
21 *for inflation based on the Consumer Price Index for*
22 *all Urban Customers published by the Bureau of*
23 *Labor Statistics of the Department of Labor.*

24 **SEC. 209. ACCELERATING HOME BUILDING ACT.**

25 *(a) DEFINITIONS.—In this section:*

1 (1) *AFFORDABLE HOUSING.*—The term “afford-
2 able housing” means housing for which the total
3 monthly housing cost payment is not more than 30
4 percent of the monthly household income for a house-
5 hold earning not more than 80 percent of the area
6 median income.

7 (2) *COVERED STRUCTURE.*—The term “covered
8 structure” means—

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

11 (B) includes—

12 (i) an accessory dwelling unit;

13 (ii) infill development;

14 (iii) a duplex;

15 (iv) a triplex;

16 (v) a fourplex;

17 (vi) a cottage court;

18 (vii) a courtyard building;

19 (viii) a townhouse;

20 (ix) a multiplex; and

21 (x) any other structure with not less
22 than 2 dwelling units that the Secretary
23 considers appropriate.

24 (3) *ELIGIBLE ENTITY.*—The term “eligible enti-
25 ty” means—

1 (A) a unit of general local government, as
2 defined in section 102(a) of the Housing and
3 Community Development Act of 1974 (42 U.S.C.
4 5302(a));

5 (B) a municipal membership organization;
6 and

7 (C) an Indian tribe, as defined in section
8 102(a) of the Housing and Community Develop-
9 ment Act of 1974 (42 U.S.C. 5302(a)).

10 (4) *HIGH OPPORTUNITY AREA*.—The term “high
11 opportunity area” has the meaning given the term in
12 section 1282.1 of title 12, Code of Federal Regula-
13 tions, or any successor regulation.

14 (5) *INFILL DEVELOPMENT*.—The term “infill de-
15 velopment” means residential development on small
16 parcels in previously established areas for replace-
17 ment with new or refurbished housing that utilizes ex-
18 isting utilities and infrastructure.

19 (6) *MIXED-INCOME HOUSING*.—The term “mixed-
20 income housing” means a housing development that is
21 comprised of housing units that promote differing lev-
22 els of affordability in the community.

23 (7) *PREREVIEWED DESIGNS*.—The term
24 “prereviewed designs”, also known as pattern books,
25 means sets of construction plans that are assessed and

1 *approved by localities for compliance with local*
2 *building and permitting standards to streamline and*
3 *expedite approval pathways for housing construction.*

4 (8) *RURAL AREA.*—*The term “rural area” means*
5 *any area other than a city or town that has a popu-*
6 *lation of less than 50,000 inhabitants.*

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

9 (b) *AUTHORITY.*—*The Secretary is authorized to*
10 *award grants to eligible entities utilizing funds appro-*
11 *priated for such purpose to select prereviewed designs of cov-*
12 *ered structures of mixed-income housing for use in the juris-*
13 *isdiction of the eligible entity, except that such grant awards*
14 *may not be used for construction, alteration, or repair work.*

15 (c) *CONSIDERATIONS.*—*In reviewing applications sub-*
16 *mitted by eligible entities for a grant under this section,*
17 *the Secretary shall consider—*

18 (1) *the need for affordable housing in the service*
19 *area of the eligible entity;*

20 (2) *the presence of high opportunity areas in the*
21 *jurisdiction of the eligible entity;*

22 (3) *coordination between the eligible entity and*
23 *a State agency; and*

1 (4) *coordination between the eligible entity and*
2 *State, local, and regional transportation planning*
3 *authorities.*

4 (d) *SET-ASIDE FOR RURAL AREAS.*—*Of the amount*
5 *made available in each fiscal year for grants under this*
6 *section, the Secretary shall ensure that not less than 10 per-*
7 *cent shall be used for grants to eligible entities that are lo-*
8 *cated in rural areas.*

9 (e) *REPORTS.*—*The Secretary shall require eligible en-*
10 *tities receiving grants under this section to report on—*

11 (1) *the impacts of the activities carried out using*
12 *the grant amounts in improving the production and*
13 *supply of affordable housing;*

14 (2) *the prereviewed designs selected using the*
15 *grant amounts in their communities;*

16 (3) *the number of permits issued for housing de-*
17 *velopment utilizing prereviewed designs; and*

18 (4) *the number of housing units produced in de-*
19 *velopments utilizing the prereviewed designs.*

20 (f) *AVAILABILITY OF INFORMATION.*—*The Secretary*
21 *shall—*

22 (1) *to the extent possible, encourage localities to*
23 *make publicly available through a website informa-*
24 *tion on the prereviewed designs selected and submitted*
25 *to the Secretary by eligible entities receiving grants*

1 *under this section, including information on the bene-*
 2 *fits of use of those designs; and*

3 (2) *collect, identify, and disseminate best prac-*
 4 *tices regarding such designs and make such informa-*
 5 *tion publicly available on the website of the Depart-*
 6 *ment of Housing and Urban Development.*

7 (g) *DESIGN ADOPTION AND REPAYMENT.*—*The Sec-*
 8 *retary may require an eligible entity to return to the Sec-*
 9 *retary any grant funds received under this section if the*
 10 *selected prereviewed designs submitted under this section*
 11 *have not been adopted during the 5-year period following*
 12 *receipt of the grant, unless that period is extended by the*
 13 *Secretary.*

14 (h) *TECHNICAL ASSISTANCE.*—*The Secretary may set*
 15 *aside not more than 5 percent of amounts appropriated in*
 16 *a fiscal year to provide technical assistance to grant recipi-*
 17 *ents under this section and pregrant technical assistance*
 18 *to prospective applicants.*

19 **SEC. 210. REVITALIZING EMPTY STRUCTURES INTO DESIR-**
 20 **ABLE ENVIRONMENTS (RESIDE) ACT.**

21 (a) *IN GENERAL.*—*Subtitle A of title II of the Cran-*
 22 *ston-Gonzalez National Affordable Housing Act (42 U.S.C.*
 23 *12741 et seq.) is amended by adding at the end the fol-*
 24 *lowing:*

1 **“SEC. 227. REVITALIZING EMPTY STRUCTURES INTO DESIR-**
2 **ABLE ENVIRONMENTS.**

3 “(a) *DEFINITIONS.—In this section:*

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

10 “(2) *CONVERTED HOUSING UNIT.—The term*
11 *‘converted housing unit’ means a housing unit that is*
12 *created using a covered grant.*

13 “(3) *COVERED GRANT.—The term ‘covered grant’*
14 *means a grant awarded under the Pilot Program.*

15 “(4) *ELIGIBLE ENTITY.—The term ‘eligible enti-*
16 *ty’ means a participating jurisdiction.*

17 “(5) *PILOT PROGRAM.—The term ‘Pilot Pro-*
18 *gram’ means the pilot program established under sub-*
19 *section (b).*

20 “(6) *VACANT AND ABANDONED BUILDING.—The*
21 *term ‘vacant and abandoned building’ means a prop-*
22 *erty—*

23 “(A) *that was constructed for use as a ware-*
24 *house, factory, mall, strip mall, or hotel, or for*
25 *another industrial or commercial use; and*

26 “(B)(i) *with respect to which—*

1 “(I) a code enforcement inspection has
2 determined that the property is not safe;
3 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 “(i) 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 have
17 the purpose of awarding grants on a competitive basis to
18 eligible entities to convert vacant and abandoned buildings
19 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 to
23 carry out the Pilot Program, the amount of a covered
24 grant shall be not less than \$1,000,000 and not more
25 than \$10,000,000.

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

6 “(d) *RELATION TO FORMULA ALLOCATION.*—A covered
7 grant awarded to an eligible entity shall be in addition to,
8 and shall not affect, the formula allocation for the eligible
9 entity under section 217.

10 “(e) *PRIORITY.*—In awarding covered grants, the Sec-
11 retary shall give priority to an eligible entity that—

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

14 “(2) will use the covered grant in a qualified op-
15 portunity zone (as defined in section 1400Z-1(a) of
16 the Internal Revenue Code of 1986);

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

24 “(4) has enacted ordinances to reduce regulatory
25 barriers to conversion of vacant and abandoned build-

1 *ings to housing, which shall not include any alter-*
2 *ation of an ordinance that governs safety and habit-*
3 *ability.*

4 “(f) *USE OF FUNDS.—An eligible entity may use a*
5 *covered grant for—*

6 “(1) *property acquisition;*

7 “(2) *demolition;*

8 “(3) *health hazard remediation;*

9 “(4) *site preparation;*

10 “(5) *construction, renovation, or rehabilitation;*

11 *or*

12 “(6) *the establishment, maintenance, or expan-*
13 *sion of community land trusts or housing coopera-*
14 *tives.*

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

24 “(h) *STUDY; REPORT.—Not later than 180 days after*
25 *the termination of the Pilot Program, the Secretary shall*

1 *study and submit to Congress a report on the impact of*
 2 *the Pilot Program on—*

3 “(1) *improving the tax base of local commu-*
 4 *nities;*

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

8 “(3) *increasing home-ownership; and*

9 “(4) *removing blight.*”.

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

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

15 **SEC. 211. HOUSING AFFORDABILITY ACT.**

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

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

19 (A) *in subsection (a), in the matter fol-*
 20 *lowing paragraph (7), by striking “(commencing*
 21 *in 2004” and all that follows through the period*
 22 *at the end and inserting the following: “, com-*
 23 *mencing on July 1, 2025. The adjustment of the*
 24 *Dollar Amounts shall be calculated by the Sec-*
 25 *retary using the percentage change in the Price*

1 *Deflator Index of Multifamily Residential Units*
2 *Under Construction released by the Bureau of*
3 *the Census from March of the previous year to*
4 *March of the year in which the adjustment is*
5 *made, or by the Secretary using an alternative*
6 *indicator after publishing information about*
7 *such alternative indicator in the Federal Reg-*
8 *ister for public comment if the Price Deflator*
9 *Index of Multifamily Residential Units Under*
10 *Construction is not available or published.”; and*

11 *(B) by amending subsection (b) to read as*
12 *follows:*

13 “(b) *PUBLICATION.*—

14 “(1) *IN GENERAL.*—*The Secretary shall publish*
15 *in the Federal Register any adjustments made to the*
16 *Dollar Amounts.*

17 “(2) *ROUNDING.*—*The dollar amount of any ad-*
18 *justment described in paragraph (1) shall be rounded*
19 *to the next lower dollar.”;*

20 (2) *in section 207(c)(3)(A) (12 U.S.C.*
21 *1713(c)(3)(A))—*

22 *(A) by striking “\$38,025” and inserting*
23 *“\$167,310”;*

24 *(B) by striking “\$42,120” and inserting*
25 *“\$185,328”;*

1 (C) by striking “\$50,310” and inserting
2 “\$221,364”;

3 (D) by striking “\$62,010” and inserting
4 “\$272,844”;

5 (E) by striking “\$70,200” and inserting
6 “\$308,880”;

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

9 (G) by striking “\$43,875” and inserting
10 “\$193,050”;

11 (H) by striking “\$49,140” and inserting
12 “\$216,216”;

13 (I) by striking “\$60,255” and inserting
14 “\$265,122”;

15 (J) by striking “\$75,465” and inserting
16 “\$332,046”; and

17 (K) by striking “\$85,328” and inserting
18 “\$375,443”;

19 (3) in section 213(b)(2) (12 U.S.C.
20 1715e(b)(2))—

21 (A) by striking “\$41,207” and inserting
22 “\$181,311”;

23 (B) by striking “\$47,511” and inserting
24 “\$209,048”;

1 (C) by striking “\$57,300” and inserting
2 “\$252,120”;

3 (D) by striking “\$73,343” and inserting
4 “\$322,709”;

5 (E) by striking “\$81,708” and inserting
6 “\$359,515”;

7 (F) by striking “\$43,875” and inserting
8 “\$193,050”;

9 (G) by striking “\$49,710” and inserting
10 “\$218,724”;

11 (H) by striking “\$60,446” and inserting
12 “\$265,962”;

13 (I) by striking “\$78,197” and inserting
14 “\$344,067”; and

15 (J) by striking “\$85,836” and inserting
16 “\$377,678”;

17 (4) in section 220(d)(3)(B)(iii)(I) (12 U.S.C.
18 1715k(d)(3)(B)(iii)(I))—

19 (A) by striking “\$38,025” and inserting
20 “\$167,310”;

21 (B) by striking “\$42,120” and inserting
22 “\$185,328”;

23 (C) by striking “\$50,310” and inserting
24 “\$221,364”;

1 (D) by striking “\$62,010” and inserting
2 “\$272,844”;

3 (E) by striking “\$70,200” and inserting
4 “\$308,880”;

5 (F) by striking “\$43,875” and inserting
6 “\$193,050”;

7 (G) by striking “\$49,140” and inserting
8 “\$216,216”;

9 (H) by striking “\$60,255” and inserting
10 “\$265,122”;

11 (I) by striking “\$75,465” and inserting
12 “\$332,046”; and

13 (J) by striking “\$85,328” and inserting
14 “\$375,443”;

15 (5) in section 221(d)(4)(i)(I) (12 U.S.C.
16 1715l(d)(4)(i)(I))—

17 (A) by striking “\$37,843” and inserting
18 “\$166,509”;

19 (B) by striking “\$42,954” and inserting
20 “\$188,997”;

21 (C) by striking “\$51,920” and inserting
22 “\$228,448”;

23 (D) by striking “\$65,169” and inserting
24 “\$286,744”;

1 (E) by striking “\$73,846” and inserting
2 “\$324,922”;

3 (F) by striking “\$40,876” and inserting
4 “\$179,854”;

5 (G) by striking “\$46,859” and inserting
6 “\$206,180”;

7 (H) by striking “\$56,979” and inserting
8 “\$250,708”;

9 (I) by striking “\$73,710” and inserting
10 “\$324,324”; and

11 (J) by striking “\$80,913” and inserting
12 “\$356,017”;

13 (6) in section 231(c)(2)(A) (12 U.S.C.
14 1715v(c)(2)(A))—

15 (A) by striking “\$35,978” and inserting
16 “\$166,509”;

17 (B) by striking “\$40,220” and inserting
18 “\$188,997”;

19 (C) by striking “\$48,029” and inserting
20 “\$228,448”;

21 (D) by striking “\$57,798” and inserting
22 “\$286,744”;

23 (E) by striking “\$67,950” and inserting
24 “\$324,922”;

1 (F) by striking “\$40,876” and inserting
2 “\$179,854”;

3 (G) by striking “\$46,859” and inserting
4 “\$206,180”;

5 (H) by striking “\$56,979” and inserting
6 “\$250,708”;

7 (I) by striking “\$73,710” and inserting
8 “\$324,324”; and

9 (J) by striking “\$80,913” and inserting
10 “\$356,017”; and

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

13 (A) by striking “\$42,048” and inserting
14 “\$185,011”;

15 (B) by striking “\$48,481” and inserting
16 “\$213,316”;

17 (C) by striking “\$58,469” and inserting
18 “\$257,263”;

19 (D) by striking “\$74,840” and inserting
20 “\$329,296”;

21 (E) by striking “\$83,375” and inserting
22 “\$366,850”;

23 (F) by striking “\$44,250” and inserting
24 “\$194,700”;

1 (G) by striking “\$50,724” and inserting
2 “\$223,186”;

3 (H) by striking “\$61,680” and inserting
4 “\$271,392”;

5 (I) by striking “\$79,793” and inserting
6 “\$351,089”; and

7 (J) by striking “\$87,588” and inserting
8 “\$385,387”.

9 (b) *RULE OF CONSTRUCTION.*—Nothing in this section
10 or the amendments made by this section may be construed
11 to limit the authority of the Secretary of Housing and
12 Urban Development to revise the statutory exceptions for
13 high-cost percentage and high-cost areas annual indexing.

14 (c) *MULTIFAMILY LOAN LIMIT STUDY.*—The Commis-
15 sioner of the Federal Housing Administration, in consulta-
16 tion with the Secretary of Housing and Urban Develop-
17 ment, shall conduct a study to assess the following in com-
18 parison to the loan limits prior to the amendments made
19 under this section:

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

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

1 *Development Appropriations Act, 2012 (Public Law 112–*
2 *55; 125 Stat. 673) is amended—*

3 (1) *in the second proviso, by striking “until Sep-*
4 *tember 30, 2029” and inserting “for fiscal year 2012*
5 *and each fiscal year thereafter”;*

6 (2) *in the fourth proviso, by striking “455,000”*
7 *and inserting “555,000”;*

8 (3) *in the twentieth proviso, as so designated be-*
9 *fore the date of enactment of this Act, by striking “or*
10 *other means:” and inserting “or other means, includ-*
11 *ing the adoption of a mandatory tenant lease and*
12 *management plan addendum for a property with as-*
13 *sistance converted, if not otherwise covered by another*
14 *program, under this demonstration.”; and*

15 (4) *by striking “vouchers to project-based vouch-*
16 *ers.” and inserting “vouchers to project-based vouch-*
17 *ers: Provided further, That the Secretary shall annu-*
18 *ally assess and publish findings regarding the impact*
19 *of the conversion of assistance under the First Compo-*
20 *nent of the demonstration with respect to the preser-*
21 *vation and improvement of public housing, the*
22 *amount of private sector leveraging resulting from*
23 *such conversion transactions, the prevalence of pre-*
24 *conversion residents remaining in or returning to the*
25 *property following conversion, and the effect of such*

1 *conversion on tenants, including the impact of such*
2 *conversion on the rights maintained by tenants as*
3 *enumerated in regulations and other documents con-*
4 *ferring rights upon tenants as developed by the Sec-*
5 *retary, and other matters the Secretary may deter-*
6 *mine appropriate: Provided further, That the Sec-*
7 *retary may take remediative action or impose civil*
8 *money penalties or other administrative sanctions for*
9 *material violations of a requirement under the First*
10 *and Second Components of this demonstration: Pro-*
11 *vided further, That nothing in the matter under this*
12 *heading shall be construed to diminish, impair, or*
13 *otherwise negatively affect the Rental Assistance Dem-*
14 *onstration property rights of owners or rights of ten-*
15 *ants, which shall remain enforceable by tenants, as*
16 *enumerated in current law, regulations, and other*
17 *agency guidance or notices as it relates to properties*
18 *converted under the First and Second Components of*
19 *the Rental Assistance Demonstration Program; Pro-*
20 *vided further, That any property owned by the public*
21 *housing agency shall be used to replace, create, pre-*
22 *serve, improve, or expand affordable housing supply,*
23 *including as part of mixed use developments, and no*
24 *conversion under the Rental Assistance Demonstra-*
25 *tion shall be used for sporting, private, or for-profit*

1 *purposes, excluding those which maintain or expand*
2 *housing supply which may use an affordable housing*
3 *tax credit or other housing affordability program.”.*

4 **SEC. 213. BUILD NOW ACT.**

5 (a) *DEFINITIONS.—In this section:*

6 (1) *COVERED RECIPIENT.—The term “covered re-*
7 *ipient” means a metropolitan city or urban county,*
8 *as those terms are defined in section 102 of the Hous-*
9 *ing and Community Development Act of 1974 (42*
10 *U.S.C. 5302), that receives funds under section 106.*

11 (2) *CURRENT ANNUAL GROWTH RATE.—The term*
12 *“current annual growth rate”, with respect to an eli-*
13 *gible recipient and a fiscal year, means the average*
14 *annual percentage increase in the number of housing*
15 *units in the jurisdiction of the eligible recipient, as*
16 *calculated by the Secretary, during the period—*

17 (A) *beginning with the third quarter of the*
18 *sixth preceding fiscal year; and*

19 (B) *ending with the third quarter of the*
20 *preceding fiscal year.*

21 (3) *ELIGIBLE RECIPIENT.—The term “eligible re-*
22 *ipient” means any covered recipient unless—*

23 (A)(i) *the median Small Area Fair Market*
24 *Rent in the jurisdiction of the covered recipient*
25 *is at or below the 60th percentile of median*

1 *Small Area Fair Market Rents in the jurisdic-*
2 *tions of all covered recipients; and*

3 *(ii) the median home value in the jurisdic-*
4 *tion of the covered recipient is below the median*
5 *home value for the United States;*

6 *(B) the annual rental vacancy rate in the*
7 *jurisdiction of the covered recipient is greater*
8 *than the national annual rental vacancy rate for*
9 *the most recent year available, as published by*
10 *the Bureau of the Census;*

11 *(C) during the 3-year period preceding the*
12 *date on which the Secretary allocates funds*
13 *under section 106, the jurisdiction of the covered*
14 *recipient has been the subject of a major disaster*
15 *or emergency declaration under section 401 or*
16 *501, respectively, of the Robert T. Stafford Dis-*
17 *aster Relief and Emergency Assistance Act (42*
18 *U.S.C. 5170, 5191); or*

19 *(D) the covered recipient lacks the legal au-*
20 *thority to enact or update zoning and permitting*
21 *ordinances.*

22 *(4) EXTREMELY HIGH-GROWTH RECIPIENT.—The*
23 *term “extremely high-growth recipient” means an eli-*
24 *gible recipient for which the current annual growth*
25 *rate is at or above 4 percent.*

1 (5) *HOUSING GROWTH IMPROVEMENT RATE.*—

2 *The term “housing growth improvement rate”, with*
3 *respect to an eligible recipient and a fiscal year,*
4 *means the quotient of—*

5 (A)(i) *the current annual growth rate of the*
6 *eligible recipient, minus*

7 (ii) *the prior annual growth rate of the eli-*
8 *gible recipient; and*

9 (B) *the sum obtained by adding the absolute*
10 *values of the current annual growth rate and the*
11 *prior annual growth rate of the eligible recipient.*

12 (6) *PRIOR ANNUAL GROWTH RATE.*—*The term*
13 *“prior annual growth rate”, with respect to an eligi-*
14 *ble recipient and a fiscal year, means the average an-*
15 *nuual percentage increase in the number of housing*
16 *units in the jurisdiction of the eligible recipient, as*
17 *calculated by the Secretary, during the period—*

18 (A) *beginning with the third quarter of the*
19 *11th preceding fiscal year; and*

20 (B) *ending with the third quarter of the*
21 *sixth preceding fiscal year.*

22 (7) *SECRETARY.*—*The term “Secretary” means*
23 *the Secretary of Housing and Urban Development.*

1 (8) *SECTION 106.*—*The term “section 106” means*
2 *section 106 of the Housing and Community Develop-*
3 *ment Act of 1974 (42 U.S.C. 5306).*

4 (b) *ADJUSTMENTS TO COMMUNITY DEVELOPMENT*
5 *BLOCK GRANT ALLOCATIONS.*—

6 (1) *IN GENERAL.*—*In allocating amounts to an*
7 *eligible recipient under section 106 for a fiscal year,*
8 *the Secretary shall adjust the allocation based on the*
9 *housing growth improvement rate of the eligible re-*
10 *recipient, in accordance with paragraph (2) of this sub-*
11 *section.*

12 (2) *ADJUSTMENTS.*—

13 (A) *HOUSING GROWTH IMPROVEMENT RATE*
14 *AT OR ABOVE MEDIAN; EXTREMELY HIGH-*
15 *GROWTH RECIPIENTS.*—

16 (i) *IN GENERAL.*—*If, with respect to a*
17 *fiscal year for which the allocation under*
18 *section 106 is being determined, the housing*
19 *growth improvement rate for an eligible re-*
20 *recipient is at or above the median housing*
21 *growth improvement rate for all eligible re-*
22 *ipients other than extremely high-growth*
23 *recipients, or if an eligible recipient is an*
24 *extremely high-growth recipient, the Sec-*
25 *retary shall allocate to the eligible recipient*

1 *for that fiscal year, in addition to the*
2 *amount that would otherwise be allocated to*
3 *the eligible recipient under section 106, a*
4 *bonus amount, as determined under clause*
5 *(i) of this subparagraph.*

6 *(ii) BONUS AMOUNT.—For purposes of*
7 *clause (i), the bonus amount for an eligible*
8 *recipient for a fiscal year shall be equal to*
9 *the product of—*

10 *(I) the aggregate amount by*
11 *which allocations to eligible recipients*
12 *are decreased under subparagraph (B)*
13 *for that fiscal year; and*

14 *(II) the quotient of—*

15 *(aa) the difference in the*
16 *number of housing units, between*
17 *the third quarter of the second*
18 *preceding fiscal year and the*
19 *third quarter of the preceding fis-*
20 *cal year, in the jurisdiction of the*
21 *eligible recipient, as calculated by*
22 *the Secretary; and*

23 *(bb) the difference in the*
24 *number of housing units, between*
25 *the third quarter of the second*

1 preceding fiscal year and the
2 third quarter of the preceding fis-
3 cal year, in the jurisdictions of all
4 eligible recipients that receive a
5 bonus amount under this para-
6 graph, as calculated by the Sec-
7 retary.

8 (B) *HOUSING GROWTH IMPROVEMENT RATE*
9 *BELOW MEDIAN.*—If, with respect to a fiscal year
10 for which the allocation under section 106 is
11 being determined, the housing growth improve-
12 ment rate for an eligible recipient is below the
13 median housing growth improvement rate for all
14 eligible recipients other than high-growth
15 outliers, the Secretary shall decrease the amount
16 that would otherwise be allocated to the eligible
17 recipient under section 106 for that fiscal year
18 by 10 percent.

19 (c) *CALCULATION OF HOUSING UNITS.*—

20 (1) *HOUSING AND URBAN DEVELOPMENT RE-*
21 *QUIREMENTS.*—In calculating the number of housing
22 units in the jurisdiction of an eligible recipient under
23 any provision of this section, the Secretary shall—

24 (A) use the Current Address Count Listing
25 Files and other data products, as needed, of the

1 *Bureau of the Census tabulated from the Master*
2 *Address File; and*

3 *(B) make calculations at the block level,*
4 *using boundaries that reflect the most current*
5 *boundaries.*

6 *(2) CENSUS BUREAU AND POSTAL SERVICE RE-*
7 *QUIREMENTS.—The Bureau of the Census and the*
8 *United States Postal Service shall provide any rel-*
9 *evant data to the Secretary upon request to assist the*
10 *Secretary in making a calculation described in para-*
11 *graph (1).*

12 *(3) ADJUSTMENT OF CALCULATION PERIODS.—*
13 *The Secretary may adjust the calculation periods*
14 *under subparagraphs (A) and (B) of subsection*
15 *(a)(2), subparagraphs (A) and (B) of subsection*
16 *(a)(6), and items (aa) and (bb) of subsection*
17 *(b)(2)(A)(i)(II) by not more than 2 months to*
18 *achieve alignment with the data provided by the Bu-*
19 *reau of the Census.*

20 *(d) ANNUAL REPORT ON HOUSING GROWTH IMPROVE-*
21 *MENT RATE.—Before allocating funds under section 106 for*
22 *a fiscal year, the Secretary shall publish a report that—*

23 *(1) includes the housing growth improvement*
24 *rate for each eligible recipient; and*

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

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

5 (B) the eligible recipients for which the allo-
6 cation under section 106 was decreased under
7 subsection (b)(2)(B) of this section.

8 (e) NOTIFICATION; IMPLEMENTATION DATES.—

9 (1) NOTIFICATION.—

10 (A) IN GENERAL.—Not later than 60 days
11 after the date of enactment of this Act, the Sec-
12 retary shall notify each eligible recipient of the
13 recipient’s housing growth improvement rate and
14 whether that housing growth improvement rate is
15 above, at, or below the median housing growth
16 improvement rate for all eligible recipients other
17 than extremely high-growth recipients.

18 (B) GUIDANCE.—As part of the notification
19 under subparagraph (A), the Secretary shall
20 share guidance, including resources developed by
21 the Department of Housing and Urban Develop-
22 ment, on best practices and recommendations for
23 policies to reduce regulatory barriers to housing
24 and increase housing supply.

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

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

8 ***TITLE III—MANUFACTURED***
 9 ***HOUSING FOR AMERICA***

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

11 (a) *IN GENERAL.*—*Section 603(6) of the National*
 12 *Manufactured Housing Construction and Safety Standards*
 13 *Act of 1974 (42 U.S.C. 5402(6)) is amended by striking*
 14 *“on a permanent chassis” and inserting “with or without*
 15 *a permanent chassis”.*

16 (b) *STANDARDS FOR MANUFACTURED HOMES BUILT*
 17 *WITHOUT A PERMANENT CHASSIS.*—*Section 604(a) of the*
 18 *National Manufactured Housing Construction and Safety*
 19 *Standards Act of 1974 (42 U.S.C. 5403(a)) is amended by*
 20 *adding the following:*

21 “(7) *STANDARDS FOR MANUFACTURED HOMES*
 22 *BUILT WITHOUT A PERMANENT CHASSIS.*—

23 “(A) *IN GENERAL.*—*The Secretary, in con-*
 24 *sultation with the consensus committee, shall*
 25 *issue revised standards for manufactured homes*

1 *built without a permanent chassis using the*
2 *process described in paragraph (4).*

3 “(B) *CREATING FINAL STANDARDS.—The*
4 *Secretary shall, after consulting and conferring*
5 *with the consensus committee, establish stand-*
6 *ards to ensure that manufactured homes without*
7 *a permanent chassis have—*

8 “(i) *a distinct label, with revenue gen-*
9 *erated to be deposited into the Manufac-*
10 *tured Housing Fees Trust Fund established*
11 *under section 620(e)(1), to be issued by the*
12 *Secretary distinguishing manufactured*
13 *home built without a permanent chassis*
14 *from manufactured homes built on a per-*
15 *manent chassis;*

16 “(ii) *a data plate, as described in sec-*
17 *tion 3280.5 of title 24, Code of Federal Reg-*
18 *ulations (or any successor regulation), dis-*
19 *tinguishing manufactured homes built with-*
20 *out a permanent chassis from manufactured*
21 *homes built on a permanent chassis; and*

22 “(iii) *a notation on any invoice pro-*
23 *duced by the manufacturer of a manufac-*
24 *tured home that is distinguishable from the*

1 *invoice for a manufactured home con-*
2 *structed with a permanent chassis.”.*

3 (c) *MANUFACTURED HOME CERTIFICATIONS.*—Section
4 *604 of the National Manufactured Housing Construction*
5 *and Safety Standards Act of 1974 (42 U.S.C. 5403) is*
6 *amended by adding at the end the following:*

7 “(i) *MANUFACTURED HOME CERTIFICATIONS.*—

8 “(1) *IN GENERAL.*—

9 “(A) *INITIAL CERTIFICATION.*—Subject to
10 *subparagraph (B), not later than 1 year after*
11 *the date of enactment of the 21st Century ROAD*
12 *to Housing Act, a State shall submit to the Sec-*
13 *retary an initial certification that the laws and*
14 *regulations of the State—*

15 “(i) *treat any manufactured home in*
16 *parity with a manufactured home (as de-*
17 *finied and regulated by the State); and*

18 “(ii) *subject a manufactured home*
19 *without a permanent chassis to the same*
20 *laws and regulations of the State as a man-*
21 *ufactured home built on a permanent chas-*
22 *sis, including with respect to financing,*
23 *title, insurance, manufacture, sale, taxes,*
24 *transportation, installation, and other areas*
25 *as the Secretary determines, after consulta-*

1 *tion with and approval by the consensus*
2 *committee, are necessary to give effect to the*
3 *purpose of this section.*

4 “(B) *STATE PLAN SUBMISSION.*—*Any State*
5 *plan submitted under section 623(b) shall con-*
6 *tain the required State certification under sub-*
7 *paragraph (A) and, if contained therein, no ad-*
8 *ditional or State certification under subpara-*
9 *graph (A) or paragraph (3).*

10 “(C) *EXTENDED DEADLINE.*—*With respect*
11 *to a State with a legislature that meets bienni-*
12 *ally, the deadline for the submission of the ini-*
13 *tial certification required under subparagraph*
14 *(A) shall be 2 years after the date of enactment*
15 *of the 21st Century ROAD to Housing Act.*

16 “(D) *LATE CERTIFICATION.*—

17 “(i) *NO WAIVER.*—*The Secretary may*
18 *not waive the prohibition described in para-*
19 *graph (5)(B) with respect to a certification*
20 *submitted after the deadline under subpara-*
21 *graph (A) or paragraph (3) unless the Sec-*
22 *retary approves the late certification.*

23 “(ii) *RULE OF CONSTRUCTION.*—*Noth-*
24 *ing in this subsection shall be construed to*
25 *prevent a State from submitting the initial*

1 *certification required under subparagraph*
2 *(A) after the required deadline under that*
3 *subparagraph.*

4 “(2) *FORM OF STATE CERTIFICATION NOT PRE-*
5 *SENTED IN A STATE PLAN.—The initial certification*
6 *required under paragraph (1)(A), if not submitted*
7 *with a State plan under paragraph (1)(B), shall con-*
8 *tain, in a form prescribed by the Secretary, an attes-*
9 *tation by an official that the State has taken the steps*
10 *necessary to ensure the veracity of the certification re-*
11 *quired under paragraph (1)(A), including, as nec-*
12 *essary, by—*

13 “(A) *amending the definition of ‘manufac-*
14 *tured home’ in the laws and regulations of the*
15 *State; and*

16 “(B) *directing State agencies to amend the*
17 *definition of ‘manufactured home’ in regulations.*

18 “(3) *ANNUAL RECERTIFICATION.—Not later than*
19 *a date to be determined by the Secretary each year,*
20 *a State shall submit to the Secretary an additional*
21 *certification that—*

22 “(A) *confirms the accuracy of the initial*
23 *certification submitted under subparagraph (A)*
24 *or (B) of paragraph (1); and*

1 “(B) certifies that any new laws or regula-
2 tions enacted or adopted by the State since the
3 date of the previous certification do not change
4 the veracity of the initial certification submitted
5 under paragraph (1)(A).

6 “(4) LIST.—The Secretary shall publish and
7 maintain in the Federal Register and on the website
8 of the Department of Housing and Urban Develop-
9 ment a list of States that are up to date with the sub-
10 mission of initial and subsequent certifications re-
11 quired under this subsection.

12 “(5) PROHIBITION.—

13 “(A) DEFINITION.—In this paragraph, the
14 term ‘covered manufactured home’ means a home
15 that is—

16 “(i) not considered a manufactured
17 home under the laws and regulations of a
18 State because the home is constructed with-
19 out a permanent chassis;

20 “(ii) considered a manufactured home
21 under the definition of the term in section
22 603; and

23 “(iii) constructed after the date of en-
24 actment of the 21st Century ROAD to
25 Housing Act.

1 “(B) *BUILDING, INSTALLATION, AND*
2 *SALE.—If a State does not submit a certification*
3 *under paragraph (1)(A) or (3) by the date on*
4 *which those certifications are required to be sub-*
5 *mitted—*

6 “(i) *with respect to a State in which*
7 *the State administers the installation of*
8 *manufactured homes, the State shall pro-*
9 *hibit the manufacture, installation, or sale*
10 *of a covered manufactured home within the*
11 *State; and*

12 “(ii) *with respect to a State in which*
13 *the Secretary administers the installation of*
14 *manufactured homes, the State and the Sec-*
15 *retary shall prohibit the manufacture, in-*
16 *stallation, or sale of a covered manufactured*
17 *home within the State.”.*

18 (d) *OTHER FEDERAL LAWS REGULATING MANUFAC-*
19 *TURED HOMES.—*

20 (1) *IN GENERAL.—The Secretary of Housing and*
21 *Urban Development may coordinate with the heads of*
22 *other Federal agencies to ensure that Federal agencies*
23 *treat a manufactured home (as defined in Federal*
24 *laws and regulations other than section 603 of the*
25 *National Manufactured Housing Construction and*

1 *Safety Standards Act of 1974 (42 U.S.C. 5402)) in*
2 *the same manner as a manufactured home (as defined*
3 *in section 603 of the National Manufactured Housing*
4 *Construction and Safety Standards Act of 1974 (42*
5 *U.S.C. 5402), as amended by this Act).*

6 (2) *ENERGY EFFICIENCY STANDARDS.—*

7 (A) *MANUFACTURED HOME DEFINED.—In*
8 *this paragraph, the term “manufactured home”*
9 *has the meaning given the term in section 603*
10 *of the National Manufactured Housing Construc-*
11 *tion and Safety Standards Act of 1974 (42*
12 *U.S.C. 5402), as amended by this Act.*

13 (B) *PROCESS.—No energy efficiency stand-*
14 *ards for manufactured homes developed by any*
15 *Federal agency shall have legal effect unless and*
16 *until adopted by the Department of Housing and*
17 *Urban Development pursuant to the consensus*
18 *standards and regulatory development process*
19 *described in section 604(a)(2) of the National*
20 *Manufactured Housing Construction and Safety*
21 *Standards Act of 1974 (42 U.S.C. 5403(a)(2)).*

22 (C) *MINIMUM STANDARDS.—The Secretary*
23 *of Housing and Urban Development shall—*

24 (i) *not later than 1 year after the date*
25 *of enactment of this Act, adopt minimum*

1 energy efficiency standards for manufac-
2 tured homes; and

3 (ii) not less frequently than once every
4 3 years after adopting the standards under
5 clause (i), update those standards.

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

9 (1) in paragraph (1), by striking “and” at the
10 end;

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

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

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

16 (f) *PREEMPTION*.—Nothing in this section or the
17 amendments made by this section may be construed as lim-
18 iting the scope of Federal preemption under section 604(d)
19 of the National Manufactured Housing Construction and
20 Safety Standards Act of 1974 (42 U.S.C. 5403(d)).

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

22 (a) *DEFINITIONS*.—In this section:

23 (1) *MANUFACTURED HOME*.—The term “manu-
24 factured home” has the meaning given the term in
25 section 603 of the National Manufactured Housing

1 *Construction and Safety Standards Act of 1974 (42*
2 *U.S.C. 5402).*

3 (2) *MODULAR HOME.*—*The term “modular*
4 *home” means a home that is constructed in a factory*
5 *in 1 or more modules, each of which meets applicable*
6 *State and local building codes of the area in which*
7 *the home will be located, and that are transported to*
8 *the home building site, installed on foundations, and*
9 *completed.*

10 (3) *SECRETARY.*—*The term “Secretary” means*
11 *the Secretary of Housing and Urban Development.*

12 (b) *FHA CONSTRUCTION FINANCING PROGRAMS.*—

13 (1) *IN GENERAL.*—*The Secretary shall conduct a*
14 *review of Federal Housing Administration construc-*
15 *tion financing programs to identify barriers to the*
16 *use of modular home methods.*

17 (2) *REQUIREMENTS.*—*In conducting the review*
18 *under paragraph (1), the Secretary shall—*

19 (A) *identify and evaluate regulatory and*
20 *programmatic features that restrict participa-*
21 *tion in construction financing programs by mod-*
22 *ular home developers, including construction*
23 *draw schedules; and*

24 (B) *identify administrative measures au-*
25 *thorized under section 525 of the National Hous-*

1 *ing Act (12 U.S.C. 1735f-3) to facilitate pro-*
2 *gram utilization by modular home developers.*

3 (3) *REPORT.*—*Not later than 1 year after the*
4 *date of enactment of this Act, the Secretary shall pub-*
5 *lish a report that describes the results of the review*
6 *conducted under paragraph (1), which shall include a*
7 *description of programmatic and policy changes that*
8 *the Secretary recommends to reduce or eliminate*
9 *identified barriers to the use of modular home meth-*
10 *ods in Federal Housing Administration construction*
11 *financing programs.*

12 (4) *RULEMAKING.*—

13 (A) *IN GENERAL.*—*Not later than 120 days*
14 *after the date on which the Secretary publishes*
15 *the report under paragraph (3), the Secretary*
16 *shall initiate a rulemaking to examine an alter-*
17 *native draw schedule for construction financing*
18 *loans provided to modular and manufactured*
19 *home developers, which shall include the ability*
20 *for interested stakeholders to provide robust pub-*
21 *lic comment.*

22 (B) *DETERMINATION.*—*Following the period*
23 *for public comment under subparagraph (A), the*
24 *Secretary shall—*

1 (i) issue a final rule regarding an al-
 2 ternative draw schedule described in sub-
 3 paragraph (A); or

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

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

10 (1) the utility of a standardized coding system
 11 for serializing and securing modules, streamlining de-
 12 sign and construction, and improving modular home
 13 innovation; and

14 (2) a means to coordinate a standardized code
 15 with financing incentives.

16 **SEC. 303. PROPERTY IMPROVEMENT AND MANUFACTURED**
 17 **HOUSING LOAN MODERNIZATION ACT.**

18 (a) *NATIONAL HOUSING ACT AMENDMENTS.*—

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

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

25 (B) in subsection (b)—

1 (i) in paragraph (1)—

2 (I) by striking subparagraph (A)

3 and inserting the following:

4 “(A) \$75,000 if made for the purpose of financ-

5 ing alterations, repairs, and improvements upon or

6 in connection with an existing single-family struc-

7 ture, including a manufactured home;”;

8 (II) in subparagraph (B)—

9 (aa) by striking “\$60,000”

10 and inserting “\$150,000”;

11 (bb) by striking “\$12,000”

12 and inserting “\$37,500”; and

13 (cc) by striking “an apart-

14 ment house or”;

15 (III) by striking subparagraphs

16 (C) and (D) and inserting the fol-

17 lowing:

18 “(C)(i) \$106,405 if made for the purpose of fi-

19 nancing the purchase of a single-section manufactured

20 home; and

21 “(i) \$195,322 if made for the purpose of financ-

22 ing the purchase of a multi-section manufactured

23 home;

24 “(D)(i) \$149,782 if made for the purpose of fi-

25 nancing the purchase of a single-section manufactured

1 *home and a suitably developed lot on which to place*
 2 *the home; and*

3 “(i) \$238,699 if made for the purpose of financ-
 4 *ing the purchase of a multi-section manufactured*
 5 *home and a suitably developed lot on which to place*
 6 *the home;”;*

7 *(IV) in subparagraph (E)—*

8 *(aa) by striking “\$23,226”*
 9 *and inserting “\$43,377”; and*

10 *(bb) by striking the period at*
 11 *the end and inserting a semicolon;*

12 *(V) in subparagraph (F), by strik-*
 13 *ing “and” at the end;*

14 *(VI) in subparagraph (G), by*
 15 *striking the period at the end and in-*
 16 *serting “; and”; and*

17 *(VII) by inserting after subpara-*
 18 *graph (G) the following:*

19 “(H) *such principal amount as the Secretary*
 20 *may prescribe if made for the purpose of financing*
 21 *the construction of an accessory dwelling unit.”;*

22 *(ii) in the matter immediately pre-*
 23 *ceding paragraph (2)—*

24 *(I) by striking “regulation” and*
 25 *inserting “notice”;*

1 (II) by striking “increase” and
2 inserting “set”;

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

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

14 (V) by adjusting the margins ap-
15 propriately;

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

21 (iv) by striking paragraph (9) and in-
22 serting the following:

23 “(9) ANNUAL INDEXING OF CERTAIN DOLLAR
24 AMOUNT LIMITATIONS.—The Secretary shall develop
25 or choose 1 or more methods of indexing in order to

1 *annually set the loan limits established in paragraph*
2 *(1), based on data the Secretary determines is appro-*
3 *priate for purposes of this section.”; and*

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

9 (2) *DEADLINE FOR DEVELOPMENT OR CHOICE OF*
10 *NEW INDEX; INTERIM INDEX.—*

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

19 (B) *INTERIM INDEX.—During the period be-*
20 *ginning on the date of enactment of this Act and*
21 *ending on the date on which the Secretary of*
22 *Housing and Urban Development develops or*
23 *chooses 1 or more methods of indexing as re-*
24 *quired under section 2(b)(9) of the National*
25 *Housing Act (12 U.S.C. 1703(b)(9)), as amended*

1 *by paragraph (1) of this subsection, the method*
2 *of indexing established by the Secretary under*
3 *such section 2(b)(9) before the date of enactment*
4 *of this Act shall apply.*

5 ***(b) HUD STUDY OF OFFSITE CONSTRUCTION.—***

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

7 ***(A) OFFSITE CONSTRUCTION HOUSING.—***
8 *The term “offsite construction housing” includes*
9 *manufactured homes and modular homes.*

10 ***(B) MANUFACTURED HOME.—The term***
11 *“manufactured home” means any home con-*
12 *structed in accordance with the construction and*
13 *safety standards established under the National*
14 *Manufactured Housing Construction and Safety*
15 *Standards Act of 1974 (42 U.S.C. 5401 et seq.).*

16 ***(C) MODULAR HOME.—The term “modular***
17 *home” means a home that is constructed in a*
18 *factory in 1 or more modules, each of which*
19 *meets applicable State and local building codes*
20 *of the area in which the home will be located,*
21 *and that are transported to the home building*
22 *site, installed on foundations, and completed.*

23 ***(2) STUDY.—Not later than 1 year after the date***
24 *of enactment of this section, the Secretary of Housing*
25 *and Urban Development shall conduct a study and*

1 submit to Congress a report on the cost effectiveness
2 of offsite construction housing that includes—

3 (A) an analysis of the advantages and the
4 impact of centralization in a factory and trans-
5 portation to a construction site on cost, preci-
6 sion, and materials waste;

7 (B) the extent to which offsite construction
8 housing meets housing quality standards under
9 the National Standards for the Physical Inspec-
10 tion of Real Estate, or other standards as the
11 Secretary may prescribe, compared to the extent
12 for site-built homes, for such standards;

13 (C) the expected replacement and mainte-
14 nance costs over the first 40 years of life of offsite
15 construction homes compared to those costs for
16 site-built homes; and

17 (D) opportunities for use beyond single-fam-
18 ily housing, such as applications in accessory
19 dwelling units, two- to four-unit housing, and
20 large multifamily housing.

21 **SEC. 304. PRICE ACT.**

22 (a) *IN GENERAL.*—Title I of the Housing and Commu-
23 nity Development Act of 1974 (42 U.S.C. 5301 *et seq.*) is
24 amended—

1 (1) in section 105(a) (42 U.S.C. 5305(a)), in the
2 matter preceding paragraph (1), by striking “*Activi-*
3 *ties*” and inserting “*Unless otherwise authorized*
4 *under section 123, activities*”; and

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

6 **“SEC. 123. PRESERVATION AND REINVESTMENT FOR COM-**
7 **MUNITY ENHANCEMENT.**

8 “(a) *DEFINITIONS.—In this section:*

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

17 “(2) *ELIGIBLE MANUFACTURED HOUSING COM-*
18 *MUNITY.—The term ‘eligible manufactured housing*
19 *community’ means a manufactured housing commu-*
20 *nity that—*

21 “(A) *is affordable to low- and moderate-in-*
22 *come persons, as determined by the Secretary,*
23 *but not more than 120 percent of the area me-*
24 *dian income; and*

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

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

9 “(3) *ELIGIBLE RECIPIENT.*—*The term ‘eligible*
10 *recipient’ means—*

11 “(A) *an eligible manufactured housing com-*
12 *munity;*

13 “(B) *a unit of general local government;*

14 “(C) *a housing authority;*

15 “(D) *a resident-owned community;*

16 “(E) *a resident-owned cooperative;*

17 “(F) *a nonprofit entity with housing exper-*
18 *tise or a consortium of such entities;*

19 “(G) *a community development financial*
20 *institution;*

21 “(H) *an Indian tribe;*

22 “(I) *a tribally designated housing entity;*

23 “(J) *the Department of Hawaiian Home*
24 *Lands;*

25 “(K) *a State; or*

1 “(L) any other entity that is—

2 “(i) an owner-operator of an eligible
3 manufactured housing community; and

4 “(ii) working with an eligible manu-
5 factured housing community.

6 “(4) INDIAN TRIBE.—The term ‘Indian tribe’ has
7 the meaning given the term ‘Indian tribe’ in section
8 4 of the Native American Housing Assistance and
9 Self-Determination Act of 1996 (25 U.S.C. 4103).

10 “(5) MANUFACTURED HOUSING COMMUNITY.—
11 The term ‘manufactured housing community’
12 means—

13 “(A) any community, court, park, or other
14 land under unified ownership developed and ac-
15 commodating, or equipped to accommodate, the
16 placement of manufactured homes, where—

17 “(i) spaces within such community are
18 or will be primarily used for residential oc-
19 cupancy;

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

22 “(iii) a majority of such occupied
23 spaces within the community are occupied
24 by manufactured homes, which may include
25 homes constructed prior to enactment of the

1 *Manufactured Home Construction and Safe-*
2 *ty Standards; or*

3 “(B) *any community that meets the defini-*
4 *tion of manufactured housing community used*
5 *for programs similar to the program under this*
6 *section.*

7 “(6) *RESIDENT HEALTH, SAFETY, AND ACCESSI-*
8 *BILITY ACTIVITIES.*—*The term ‘resident health, safety,*
9 *and accessibility activities’ means the reconstruction,*
10 *repair, or replacement of manufactured housing and*
11 *manufactured housing communities to—*

12 “(A) *protect the health and safety of resi-*
13 *dents;*

14 “(B) *address weatherization and reduce*
15 *utility costs; or*

16 “(C) *address accessibility needs for residents*
17 *with disabilities.*

18 “(7) *TRIBALLY DESIGNATED HOUSING ENTITY.*—
19 *The term ‘tribally designated housing entity’ has the*
20 *meaning given the term in section 4 of the Native*
21 *American Housing Assistance and Self-Determination*
22 *Act of 1996 (25 U.S.C. 4103).*

23 “(b) *ESTABLISHMENT.*—*There is authorized a com-*
24 *petitive grant program that the Secretary shall, by notice,*
25 *carry out to make awards utilizing funds appropriated for*

1 *such purpose to eligible recipients to carry out eligible*
2 *projects for development of or improvements to eligible man-*
3 *ufactured housing communities.*

4 “(c) *ELIGIBLE PROJECTS.*—

5 “(1) *IN GENERAL.*—*Amounts from grants under*
6 *this section may be used for—*

7 “(A) *community infrastructure, facilities,*
8 *utilities, and other land improvements in or*
9 *serving an eligible manufactured housing com-*
10 *munity;*

11 “(B) *reconstruction or repair of existing*
12 *housing within an eligible manufactured housing*
13 *community;*

14 “(C) *replacement of homes within an eligi-*
15 *ble manufactured housing community;*

16 “(D) *planning;*

17 “(E) *resident health, safety, and accessi-*
18 *bility activities in homes in an eligible manufac-*
19 *tured housing community;*

20 “(F) *land and site acquisition and infra-*
21 *structure for expansion or construction of an eli-*
22 *gible manufactured housing community;*

23 “(G) *resident and community services, in-*
24 *cluding relocation assistance, eviction preven-*
25 *tion, and down payment assistance; and*

1 “(H) any other activity that—

2 “(i) is approved by the Secretary con-
3 sistent with the requirements under this sec-
4 tion;

5 “(ii) improves the overall living condi-
6 tions of an eligible manufactured housing
7 community, which may include the addi-
8 tion or enhancement of shared spaces such
9 as community centers, recreational areas, or
10 other facilities that support resident well-
11 being and community engagement; and

12 “(iii) is necessary to protect the health
13 and safety of the residents of the eligible
14 manufactured housing community and the
15 long-term affordability and sustainability of
16 the community.

17 “(2) *REPLACEMENT*.—For purposes of subpara-
18 graphs (B) and (C) of paragraph (1), grants under
19 this section—

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

23 “(B) may only be used for disposition and
24 replacement of units described in subparagraph
25 (A), provided that any replacement housing com-

1 *plies with the Manufactured Home Construction*
2 *and Safety Standards or is another allowed type*
3 *of home, as determined by the Secretary.*

4 “(d) *PRIORITY.—In awarding grants under this sec-*
5 *tion, the Secretary shall prioritize applicants that will*
6 *carry out activities that primarily benefit low- and mod-*
7 *erate-income residents and preserve long-term housing af-*
8 *fordability for residents of eligible manufactured housing*
9 *communities.*

10 “(e) *WAIVERS.—The Secretary may waive or specify*
11 *alternative requirements for any provision of law or regula-*
12 *tion that the Secretary administers in connection with use*
13 *of amounts made available under this section other than*
14 *requirements related to fair housing, nondiscrimination,*
15 *labor standards, and the environment, upon a finding that*
16 *the waiver or alternative requirement is not inconsistent*
17 *with the overall purposes of this section and that the waiver*
18 *or alternative requirement is necessary to facilitate the use*
19 *of amounts made available under this section.*

20 “(f) *IMPLEMENTATION.—*

21 “(1) *IN GENERAL.—Any grant made under this*
22 *section shall be made pursuant to criteria for selec-*
23 *tion of recipients of such grants that the Secretary*
24 *shall by regulation establish and publish together with*

1 *any notification of availability of amounts under this*
 2 *section.*

3 “(2) *SET-ASIDE OF GRANT AMOUNTS.*—*The Sec-*
 4 *retary may set aside amounts provided under this*
 5 *section for grants to Indian tribes, tribally designated*
 6 *housing entities, and the Department of Hawaiian*
 7 *Home Lands.*

8 “(g) *SUNSET.*—*The program established under this*
 9 *section shall terminate on the date that is 7 years after the*
 10 *date of enactment of this section.*”

11 (b) *APPLICATION.*—*Grants made under section 123 of*
 12 *the Housing and Community Development Act of 1974, as*
 13 *added by subsection (a), after the date of enactment of this*
 14 *Act shall be carried out using amounts appropriated after*
 15 *the date of enactment of this Act.*

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

18 **SEC. 401. CREATING INCENTIVES FOR SMALL-DOLLAR LOAN**

19 **ORIGINATORS.**

20 (a) *DEFINITIONS.*—*In this section:*

21 (1) *DIRECTOR.*—*The term “Director” means the*
 22 *Director of the Bureau of Consumer Financial Protec-*
 23 *tion.*

24 (2) *SMALL-DOLLAR MORTGAGE.*—*The term*
 25 *“small-dollar mortgage” means a mortgage loan hav-*

1 *ing an original principal obligation of not more than*
2 *\$100,000 that is—*

3 *(A) secured by real property designed for 1*
4 *to 4 dwelling units; and*

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

8 *(ii) made, guaranteed, or insured by the*
9 *Department of Veterans Affairs;*

10 *(iii) made, guaranteed, or insured by the*
11 *Department of Agriculture; or*

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

16 *(b) REQUIREMENT REGARDING LOAN ORIGINATOR*
17 *COMPENSATION PRACTICES.—Not later than 270 days after*
18 *the date of enactment of this Act, the Director shall submit*
19 *to the Committee on Banking, Housing, and Urban Affairs*
20 *of the Senate and the Committee on Financial Services of*
21 *the House of Representatives a report on loan originator*
22 *compensation practices throughout the residential mortgage*
23 *market, including the relative frequency of loan originators*
24 *being compensated—*

25 *(1) with a salary;*

1 (2) *with a commission reflecting a fixed percent-*
2 *age of the amount of credit extended;*

3 (3) *with a commission based on a factor other*
4 *than a fixed percentage of the amount of credit ex-*
5 *tended;*

6 (4) *with a combination of salary and commis-*
7 *sion;*

8 (5) *on a loan volume basis; and*

9 (6) *with a commission reflecting a percentage of*
10 *the amount of credit extended, for which a minimum*
11 *or maximum compensation amount is set.*

12 (c) *COMMUNITY DEVELOPMENT FINANCIAL INSTITU-*
13 *TION LOAN ORIGINATORS.—In carrying out the report re-*
14 *quired under subsection (b), the Secretary shall, in coordi-*
15 *nation with relevant Federal agencies that regulate feder-*
16 *ally backed small-dollar mortgages and in consultation with*
17 *the Director of the Community Development Financial In-*
18 *stitutions Fund established under section 104 of the Com-*
19 *munity Development Banking and Financial Institutions*
20 *Act of 1994 (12 U.S.C. 4703), give due consideration to the*
21 *practices for compensating loan originators that are em-*
22 *ployed by or originate loans on behalf of community devel-*
23 *opment financial institutions.*

24 (d) *CONTENTS.—The report required under subsection*
25 *(b) shall include—*

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

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

7 **SEC. 402. SMALL-DOLLAR MORTGAGE POINTS AND FEES.**

8 (a) *SMALL-DOLLAR MORTGAGE DEFINED.*—*In this*
 9 *section, the term “small-dollar mortgage” means a mortgage*
 10 *with an original principal obligation of less than \$100,000.*

11 (b) *AMENDMENTS.*—*Not later than 270 days after the*
 12 *date of enactment of this Act, the Director of the Bureau*
 13 *of Consumer Financial Protection, in consultation with the*
 14 *Secretary of Housing and Urban Development and the Di-*
 15 *rector of the Federal Housing Finance Agency, shall evalu-*
 16 *ate the impact of the thresholds under section 1026.43 of*
 17 *title 12, Code of Federal Regulations (as in effect on the*
 18 *date of enactment of this Act), on small-dollar mortgage*
 19 *originations.*

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

21 (a) *APPRAISAL STANDARDS.*—

22 (1) *CERTIFICATION OR LICENSING.*—

23 (A) *IN GENERAL.*—*Section 202(g)(5) of the*
 24 *National Housing Act (12 U.S.C. 1708(g)(5)) is*
 25 *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 a Federal employee who has as their primary
8 duty conducting appraisal-related activities and who
9 chooses to become a State-licensed or certified real es-
10 tate appraiser need only to be licensed or certified in
11 1 State or territory to perform appraisals on mort-
12 gages insured by the Federal Housing Administration
13 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 Federal
20 Housing Administration under this subsection, which
21 shall include the completion of a course or seminar
22 that educates appraisers on those appraisal require-
23 ments, 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 cer-
3 tifying 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 be-
12 fore the effective date described in paragraph
13 (3)(C).

14 (2) *COMPLIANCE WITH VERIFIABLE EDUCATION*
15 *AND COMPETENCY REQUIREMENTS.*—On and after the
16 effective date described in paragraph (3)(C), no ap-
17 praiser may conduct an appraisal on a property se-
18 curing a mortgage to be insured by the Federal Hous-
19 ing 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 ef-
6 fect under paragraph (3)(C), the appraiser is in
7 compliance with subparagraph (C) of such sec-
8 tion 202(g)(5).

9 (3) *IMPLEMENTATION.*—Not later than the 240
10 days after the date of enactment of this Act, the Sec-
11 retary of Housing and Urban Development shall issue
12 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 paragraph*
2 *(1), shall be considered to fulfill the require-*
3 *ments under such subparagraphs; and*

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

6 *(C) takes effect not later than the date that*
7 *is 180 days after the date on which the Secretary*
8 *issues the mortgagee letter or guidance.*

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

18 *(c) STATE CREDENTIALLED TRAINEES.—*

19 *(1) MAINTENANCE ON NATIONAL REGISTRY.—*
20 *Section 1103(a) of the Financial Institutions Reform,*
21 *Recovery, and Enforcement Act of 1989 (12 U.S.C.*
22 *3332(a)) is amended—*

23 *(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 su-
3 pervisory or trainee program, a roster
4 listing individuals who have received a
5 State trainee credential” after “this
6 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, sanctions,
11 and disciplinary actions, including license, creden-
12 tial, and certification revocations, on a timely basis
13 to the national registry of the Appraisal Sub-
14 committee;”.

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

23 (3) *TRANSACTIONS REQUIRING THE SERVICES OF*
24 *A STATE CERTIFIED APPRAISER.*—Section 1113 of the

1 *Financial Institutions Reform, Recovery, and En-*
2 *forcement Act of 1989 (12 U.S.C. 3342) is 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 *PRAISERS.—In performing an appraisal under this section,*
9 *a State certified appraiser may use the assistance of a State*
10 *credentialed trainee appraiser or an unlicensed trainee ap-*
11 *praiser, except that the State certified appraiser assisted*
12 *by a trainee shall be liable for appraisal and valuation*
13 *work.”.*

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

18 *“(12) STATE CREDENTIALLED TRAINEE AP-*
19 *PRAISER.—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.*—Section
2 *1109(b) of the Financial Institutions Reform, Recov-*
3 *ery, and Enforcement Act of 1989 (12 U.S.C. 3338(b)) is*
4 *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 certifying*
11 *and licensing agencies and post-secondary institu-*
12 *tions, including trade and polytechnic schools, to sup-*
13 *port the carrying out of education and training ac-*
14 *tivities or other activities related to addressing ap-*
15 *praiser industry workforce needs, including recruiting*
16 *and retaining workforce talent, such as through schol-*
17 *arship assistance and career pipeline development,*
18 *and such agencies shall report on the use of funds and*
19 *outcomes.”.*

20 (e) *APPRAISAL SUBCOMMITTEE.*—Section 1011 of the
21 *Federal Financial Institutions Examination Council Act of*
22 *1978 (12 U.S.C. 3310) is amended, in the first sentence,*
23 *by inserting “the Department of Veterans Affairs, the Rural*
24 *Housing Service of the Department of Agriculture, the De-*

1 *partment of Housing and Urban Development,” after “Fi-*
 2 *nancial Protection,”.*

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

4 *Section 23 of the United States Housing Act of 1937*
 5 *(42 U.S.C. 1437u) is amended by adding at the end the*
 6 *following:*

7 “(p) *ESCROW EXPANSION PILOT PROGRAM.—*

8 “(1) *DEFINITIONS.—In this subsection:*

9 “(A) *COVERED FAMILY.—The term ‘covered*
 10 *family’ means a family that receives assistance*
 11 *under section 8 or 9 of this Act and is enrolled*
 12 *in the Pilot Program.*

13 “(B) *ELIGIBLE ENTITY.—The term ‘eligible*
 14 *entity’ means an entity described in subsection*
 15 *(c)(2).*

16 “(C) *PILOT PROGRAM.—The term ‘Pilot*
 17 *Program’ means the Pilot Program established*
 18 *under paragraph (2).*

19 “(D) *WELFARE ASSISTANCE.—The term*
 20 *‘welfare assistance’ has the meaning given the*
 21 *term in section 984.103 of title 24, Code of Fed-*
 22 *eral Regulations, or any successor regulation.*

23 “(2) *ESTABLISHMENT.—The Secretary may es-*
 24 *tablish a pilot program under which the Secretary*
 25 *shall select not more than 25 eligible entities to estab-*

1 *lish and manage escrow accounts for not more than*
2 *5,000 covered families, in accordance with this sub-*
3 *section.*

4 “(3) *ESCROW ACCOUNTS.—*

5 “(A) *IN GENERAL.—An eligible entity se-*
6 *lected to participate in the Pilot Program—*

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

17 “(ii) *notwithstanding any other provi-*
18 *sion of law, may use funds it controls under*
19 *section 8 or 9 for purposes of making the es-*
20 *crow deposit for covered families assisted*
21 *under, or residing in units assisted under,*
22 *section 8 or 9, respectively, provided such*
23 *funds are offset by the increase in the*
24 *amount of rent paid by the covered 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 eligible
9 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 en-
18 tity establishes the escrow account under
19 this subsection, if the covered family chooses
20 to continue to participate in the Pilot Pro-
21 gram after the date that is 5 years after the
22 date on which the eligible entity establishes
23 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-sufficiency*
8 *goal as approved by the eligible entity;*

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

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

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

24 “(E) *CONTRACT OR PLAN.—A covered fam-*
25 *ily is not required to complete a standard con-*

1 *tract of participation or an individual training*
2 *and services plan in order to participate in the*
3 *Pilot Program.*

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

12 “(5) *APPLICATION.—*

13 “(A) *IN GENERAL.—An eligible entity seek-*
14 *ing to participate in the Pilot Program shall*
15 *submit to the Secretary an application—*

16 “(i) *at such time, in such manner, and*
17 *containing such information as the Sec-*
18 *retary may require by notice; and*

19 “(ii) *that includes the number of pro-*
20 *posed covered families to be served by the el-*
21 *igible entity under this subsection.*

22 “(B) *GEOGRAPHIC AND ENTITY VARIETY.—*
23 *The Secretary shall ensure that eligible entities*
24 *selected to participate in the Pilot Program—*

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

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

7 “(6) NOTIFICATION AND OPT-OUT.—An eligible
8 entity participating in the Pilot Program shall—

9 “(A) notify covered families of their enroll-
10 ment in the Pilot Program;

11 “(B) provide covered families with a de-
12 tailed description of the Pilot Program, includ-
13 ing how the Pilot Program will impact their
14 rent and finances;

15 “(C) inform covered families that the fami-
16 lies cannot simultaneously participate in the
17 Pilot Program and the Family Self-Sufficiency
18 program under this section; and

19 “(D) provide covered families with the abil-
20 ity to elect not to participate in the Pilot Pro-
21 gram—

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

1 “(ii) at any point during the duration
2 of the Pilot Program.

3 “(7) *MAXIMUM RENTS.*—During the term of par-
4 ticipation by a covered family in the Pilot Program,
5 the amount of rent paid by the covered family shall
6 be calculated under the rental provisions of section 3
7 or 8(o), as applicable.

8 “(8) *PILOT PROGRAM TIMELINE.*—

9 “(A) *AWARDS.*—Not later than 1 year after
10 establishing the Pilot Program, the Secretary
11 shall select the eligible entities to participate in
12 the Pilot Program.

13 “(B) *ESTABLISHMENT AND TERM OF AC-*
14 *COUNTS.*—An eligible entity selected to partici-
15 pate in the Pilot Program shall—

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

19 “(ii) maintain those escrow accounts
20 for not less than 5 years, or until a deter-
21 mination is made for termination with FSS
22 escrow disbursement under section
23 984.303(k) of title 24, Code of Federal Reg-
24 ulations, or until the date the family ceases
25 to receive assistance under section 8 or 9,

1 *and, at the discretion of the covered family,*
2 *not more than 7 years after the date on*
3 *which the escrow account is established.*

4 “(9) *NONPARTICIPATION AND HOUSING ASSIST-*
5 *ANCE.—*

6 “(A) *IN GENERAL.—Assistance under sec-*
7 *tion 8 or 9 for a family that elects not to par-*
8 *ticipate in the Pilot Program shall not be de-*
9 *layed or denied by reason of such election.*

10 “(B) *NO TERMINATION.—Housing assist-*
11 *ance may not be terminated as a consequence of*
12 *participating, or not participating, in the Pilot*
13 *Program under this subsection for any period.*

14 “(10) *STUDY.—Not later than 10 years after the*
15 *date the Secretary selects eligible entities to partici-*
16 *pate in the Pilot Program under this subsection, the*
17 *Secretary shall, if awards were made, conduct a study*
18 *and submit to the Committee on Banking, Housing,*
19 *and Urban Affairs of the Senate and the Committee*
20 *on Financial Services of the House of Representatives*
21 *a report on outcomes for covered families under the*
22 *Pilot Program, which shall evaluate the effectiveness*
23 *of the Pilot Program in assisting families to achieve*
24 *economic independence and self-sufficiency, and the*

1 *impact coaching and supportive services, or the lack*
 2 *thereof, had on individual incomes.*

3 “(11) *WAIVERS.*—*To allow selected eligible enti-*
 4 *ties to effectively administer the Pilot Program and*
 5 *make the required escrow account deposits under this*
 6 *subsection, the Secretary may waive requirements*
 7 *under this section.*

8 “(12) *TERMINATION.*—*The Pilot Program under*
 9 *this subsection shall terminate on the date that is 10*
 10 *years after the date of enactment of this subsection.*

11 “(13) *ELIGIBLE USES OF APPROPRIATIONS.*—
 12 *Subject to the appropriation of funds, the Secretary*
 13 *may use funds—*

14 “(A) *for technical assistance related to im-*
 15 *plementation of the Pilot Program; and*

16 “(B) *to carry out an evaluation of the Pilot*
 17 *Program under paragraph (10).”.*

18 **SEC. 405. CHOICE IN AFFORDABLE HOUSING ACT.**

19 (a) *SATISFACTION OF INSPECTION REQUIREMENTS*
 20 *THROUGH PARTICIPATION IN OTHER HOUSING PRO-*
 21 *GRAMS.*—*Section 8(o)(8) of the United States Housing Act*
 22 *of 1937 (42 U.S.C. 1437f(o)(8)) is amended by adding at*
 23 *the end the following:*

1 “(I) *SATISFACTION OF INSPECTION RE-*
2 *QUIREMENTS THROUGH PARTICIPATION IN*
3 *OTHER HOUSING PROGRAMS.—*

4 “(i) *LOW-INCOME HOUSING TAX CRED-*
5 *IT-FINANCED BUILDINGS.—A dwelling unit*
6 *shall be deemed to meet the inspection re-*
7 *quirements under this paragraph if—*

8 “(I) *the dwelling unit is in a*
9 *building, the acquisition, rehabilita-*
10 *tion, or construction of which was done*
11 *by a building owner who may be eligi-*
12 *ble for low-income housing credits be-*
13 *cause the building had been allocated a*
14 *housing credit dollar amount under*
15 *section 42(h) of the Internal Revenue*
16 *Code of 1986 or is described in section*
17 *42(h)(4) of such Code (concerning*
18 *buildings that meet a criterion for a*
19 *certain amount of tax-exempt financ-*
20 *ing);*

21 “(II) *the dwelling unit, during the*
22 *preceding 12-month period, was phys-*
23 *ically inspected and satisfied the suit-*
24 *ability-for-occupancy requirement in*

1 *section 42(i)(3)(B)(ii) of such Code;*
2 *and*

3 *“(III) the applicable public hous-*
4 *ing agency performed the inspection*
5 *itself or is able to obtain the results of*
6 *the inspection described in subclause*
7 *(II).*

8 *“(ii) HOME INVESTMENT PARTNER-*
9 *SHIPS PROGRAM.—A dwelling shall be*
10 *deemed to meet the inspection requirements*
11 *under this paragraph if—*

12 *“(I) the dwelling unit is assisted*
13 *under the HOME Investment Partner-*
14 *ships Program under title II of the*
15 *Cranston-Gonzalez National Affordable*
16 *Housing Act (42 U.S.C. 12721 et seq.);*

17 *“(II) the dwelling unit was phys-*
18 *ically inspected and passed inspection*
19 *as part of the program described in*
20 *subclause (I) during the preceding 12-*
21 *month period; and*

22 *“(III) the applicable public hous-*
23 *ing agency is able to obtain the results*
24 *of the inspection described in subclause*
25 *(II).*

1 “(iii) *RURAL HOUSING SERVICE.*—A
2 *dwelling unit shall be deemed to meet the*
3 *inspection requirements under this para-*
4 *graph if—*

5 “(I) *the dwelling unit is assisted*
6 *by the Rural Housing Service of the*
7 *Department of Agriculture;*

8 “(II) *the dwelling unit was phys-*
9 *ically inspected and passed inspection*
10 *in connection with the assistance de-*
11 *scribed in subclause (I) during the pre-*
12 *ceding 12-month period; and*

13 “(III) *the applicable public hous-*
14 *ing agency is able to obtain the results*
15 *of the inspection described in subclause*
16 *(II).*

17 “(iv) *REMOTE OR VIDEO INSPEC-*
18 *TIONS.*—*When complying with inspection*
19 *requirements for a housing unit located in*
20 *a rural or small area using assistance*
21 *under this section, the Secretary may allow*
22 *a grantee to conduct a remote or video in-*
23 *spection of a unit if the remote or video in-*
24 *spection—*

25 “(I) *is thorough;*

1 “(II) does not misrepresent the
2 condition of the unit; and

3 “(III) provides the information
4 necessary to fully and accurately
5 evaluate the conditions of the unit to
6 ensure that the unit meets the relevant
7 standards.

8 “(v) *RULE OF CONSTRUCTION.*—*Noth-*
9 *ing in clause (i), (ii), (iii), or (iv) shall be*
10 *construed to affect the operation of a hous-*
11 *ing program described in, or authorized*
12 *under a provision of law described in, that*
13 *clause.”.*

14 (b) *PRE-APPROVAL OF UNITS.*—*Section 8(o)(8)(A) of*
15 *the United States Housing Act of 1937 (42 U.S.C.*
16 *1437f(o)(8)(A)) is amended by adding at the end the fol-*
17 *lowing:*

18 “(iv) *INITIAL INSPECTION PRIOR TO*
19 *LEASE AGREEMENT.*—

20 “(I) *DEFINITION.*—*In this clause,*
21 *the term ‘new landlord’ means an*
22 *owner of a dwelling unit who has not*
23 *previously entered into a housing as-*
24 *sistance payment contract with a pub-*

1 *lic housing agency under this sub-*
2 *section for any dwelling unit.*

3 “(II) *EARLY INSPECTION.*—Upon
4 *the request of a new landlord, a public*
5 *housing agency may inspect the dwell-*
6 *ing unit owned by the new landlord to*
7 *determine whether the unit meets the*
8 *housing quality standards under sub-*
9 *paragraph (B) before the unit is se-*
10 *lected by a tenant assisted under this*
11 *subsection.*

12 “(III) *EFFECT.*—An inspection
13 *conducted under subclause (II) that de-*
14 *termines that the dwelling unit meets*
15 *the housing quality standards under*
16 *subparagraph (B) shall satisfy this*
17 *subparagraph and subparagraph (C) if*
18 *the new landlord enters into a lease*
19 *agreement with a tenant assisted under*
20 *this subsection not later than 60 days*
21 *after the date of the inspection.*

22 “(IV) *INFORMATION WHEN FAMILY*
23 *IS SELECTED.*—When a public housing
24 *agency selects a family to participate*
25 *in the tenant-based assistance program*

1 *under this subsection, the public hous-*
 2 *ing agency shall include in the infor-*
 3 *mation provided to the family a list of*
 4 *dwelling units that have been inspected*
 5 *under subclause (II) and determined to*
 6 *meet the housing quality standards*
 7 *under subparagraph (B).”.*

8 **TITLE V—PROGRAM REFORM**

9 **SEC. 501. HOME INVESTMENT PARTNERSHIPS REAUTHOR-** 10 **IZATION AND REFORM ACT.**

11 *(a) AUTHORIZATION.—Section 205 of the Cranston-*
 12 *Gonzalez National Affordable Housing Act (42 U.S.C.*
 13 *12724) is amended to read as follows:*

14 **“SEC. 205. AUTHORIZATION OF PROGRAM.**

15 *“The HOME Investment Partnerships Program under*
 16 *subtitle A is hereby authorized.”.*

17 *(b) DEFINITION OF COMMUNITY HOUSING DEVELOP-*
 18 *MENT ORGANIZATION.—Section 104(6)(B) of the Cranston-*
 19 *Gonzalez National Affordable Housing Act (42 U.S.C.*
 20 *12704(6)(B)) is amended by striking “significant”.*

21 *(c) ASSISTANCE FOR LOW-INCOME FAMILIES.—Title II*
 22 *of the Cranston-Gonzalez National Affordable Housing Act*
 23 *(42 U.S.C. 12721 et seq.) is amended—*

24 *(1) in section 214(2) (42 U.S.C. 12742(2)), by*
 25 *striking “households that qualify as low-income fami-*

1 lies” and inserting “families with a household income
2 that does not exceed 100 percent of the median family
3 income of the area, as determined by the Secretary”;
4 and

5 (2) in section 271(c) (42 U.S.C. 12821(c))—

6 (A) in paragraph (1)(B), by striking “low-
7 income” and inserting “families with a house-
8 hold income that does not exceed 100 percent of
9 the median family income of the area as deter-
10 mined by the Secretary with adjustments for
11 smaller and larger families”; and

12 (B) in paragraph (2)(A), by striking “low-
13 income families” and inserting “families with a
14 household income that does not exceed 100 per-
15 cent of the median family income of the area as
16 determined by the Secretary with adjustments
17 for smaller and larger families”.

18 (d) *CHOICES MADE BY PARTICIPATING JURISDIC-*
19 *TIONS.*—Section 212(a)(2) of the Cranston-Gonzalez Na-
20 *tional Affordable Housing Act (42 U.S.C. 12742(a)(2)) is*
21 *amended to read as follows:*

22 “(2) *LIMITATION.*—The Secretary may not re-
23 strict the choice by a participating jurisdiction of re-
24 habilitation, substantial rehabilitation, new construc-
25 tion, reconstruction, acquisition, or other eligible

1 housing uses authorized in paragraph (1) unless the
2 restriction is explicitly authorized under section
3 223(2).”.

4 (e) *USE OF AMOUNTS BY CERTAIN JURISDICTIONS FOR*
5 *INFRASTRUCTURE IMPROVEMENTS.*—

6 (1) *IN GENERAL.*—Section 212(a) of the Cran-
7 ston-Gonzalez National Affordable Housing Act (42
8 U.S.C. 12742(a)) is amended by inserting after para-
9 graph (3) the following:

10 “(4) *INFRASTRUCTURE IMPROVEMENTS IN NON-*
11 *ENTITLEMENT AREAS.*—

12 “(A) *IN GENERAL.*—A participating juris-
13 diction may use funds provided under this sub-
14 title for infrastructure improvements, including
15 the installation or repair of water and sewer
16 lines, sidewalks, roads, and utility connections
17 if—

18 “(i) such participating jurisdiction
19 does not receive assistance under title I of
20 the Housing and Community Development
21 Act of 1974 (42 U.S.C. 5310); and

22 “(ii) such improvements are directly
23 related to, and located within or imme-
24 diately adjacent to—

1 “(I) housing assisted under this
2 subtitle; or

3 “(II) housing assisted under sec-
4 tion 42 of the Internal Revenue Code of
5 1986.

6 “(B) APPLICATION OF LABOR STAND-
7 ARDS.—The labor standards and requirements
8 set forth in section 110 of the Housing and Com-
9 munity Development Act of 1974 (42 U.S.C.
10 5310) shall apply to any infrastructure improve-
11 ment conducted using funds provided under this
12 subtitle.

13 “(C) RULE OF CONSTRUCTION.—Nothing in
14 this paragraph may be construed to impose any
15 requirements of the HOME Investment Partner-
16 ships program on housing that benefits from an
17 infrastructure improvement conducted using
18 funds provided under this subtitle but was not
19 otherwise assisted under the HOME Investment
20 Partnerships program.”.

21 (2) RULEMAKING.—Not later than 1 year after
22 the date of enactment of this Act, the Secretary of
23 Housing and Urban Development shall issue rules to
24 carry out the amendment made by paragraph (1).

1 (f) *PER UNIT INVESTMENT LIMITATIONS.*—Section
2 212(e)(1) of the Cranston-Gonzalez National Affordable
3 Housing Act (42 U.S.C. 12742(e)(1)) is amended by strik-
4 ing the second sentence.

5 (g) *AFFORDABLE RENTAL HOUSING QUALIFICA-*
6 *TIONS.*—Section 215(a) of the Cranston-Gonzalez National
7 Affordable Housing Act (42 U.S.C. 12745(a)) is amended
8 by adding at the end the following:

9 “(7) *QUALIFICATION EXCEPTION.*—Notwith-
10 standing paragraph (1)(A), a rental unit shall be
11 considered to qualify as affordable housing under this
12 title if—

13 “(A) the unit is occupied by a tenant re-
14 ceiving tenant-based rental assistance under sec-
15 tion 8 of the United States Housing Act of 1937
16 (42 U.S.C. 1437f);

17 “(B) the contribution of the tenant toward
18 rent does not exceed the amount permitted under
19 the assistance described in subparagraph (A);
20 and

21 “(C) the total rent for the unit does not ex-
22 ceed the amount approved by the public housing
23 agency administering the assistance described in
24 subparagraph (A).”.

1 (h) *AFFORDABLE HOME-OWNERSHIP HOUSING QUALI-*
2 *FICATIONS.*—Section 215 of the Cranston-Gonzalez Na-
3 *tional Affordable Housing Act (42 U.S.C. 12745) is amend-*
4 *ed—*

5 (1) *in subsection (b)—*

6 (A) *in paragraph (2), by redesignating sub-*
7 *paragraphs (A), (B), and (C) as clauses (i), (ii),*
8 *and (iii), respectively, and adjusting the mar-*
9 *gins accordingly;*

10 (B) *in paragraph (3)—*

11 (i) *in subparagraph (A), by redesign-*
12 *ating clauses (i) and (ii) as subclauses (I)*
13 *and (II), respectively, and adjusting the*
14 *margins accordingly; and*

15 (ii) *by redesignating subparagraphs*
16 *(A) and (B) as clauses (i) and (ii), respec-*
17 *tively, and adjusting the margins accord-*
18 *ingly;*

19 (C) *by redesignating paragraphs (1)*
20 *through (4) as subparagraphs (A) through (D),*
21 *respectively, and adjusting the margins accord-*
22 *ingly;*

23 (D) *by striking “Housing that is for home-*
24 *ownership” and inserting the following:*

1 “(1) *QUALIFICATION.—Housing that is for home-*
2 *ownership*”;

3 *(E) in paragraph (1), as so designated—*

4 *(i) in subparagraph (A), as so redesign-*
5 *ated—*

6 *(I) by striking “95 percent” and*
7 *inserting “110 percent”; and*

8 *(II) by inserting “(defined as the*
9 *amount borrowed by the homebuyer to*
10 *purchase the home, or the estimated*
11 *value after rehabilitation, which may*
12 *be adjusted to account for the limits on*
13 *future value imposed by the resale re-*
14 *striction)” after “purchase price”;*

15 *(ii) in subparagraph (B), as so redesi-*
16 *gnated, in the matter preceding clause (i),*
17 *by striking “whose family qualifies as a*
18 *low-income family” and inserting “with a*
19 *family income that does not exceed 100 per-*
20 *cent of the median family income of the*
21 *area as determined by the Secretary with*
22 *adjustments for smaller and larger fami-*
23 *lies”;*

24 *(iii) in subparagraph (C), as so redesi-*
25 *gnated—*

1 (I) in clause (i)(II)—

2 (aa) by striking “low-income
3 home-buyers” and inserting
4 “home-buyers with a household
5 income that does not exceed 100
6 percent of the median family in-
7 come of the area, as determined
8 by the Secretary with adjustments
9 for smaller and larger families”;
10 and

11 (bb) by striking “or” at the
12 end;

13 (II) in clause (ii), by striking
14 “and” at the end and inserting “or”;
15 and

16 (III) by adding at the end the fol-
17 lowing:

18 “(iii) maintain long-term affordability
19 through a shared equity ownership model, a
20 community land trust, a limited equity co-
21 operative, a community development cor-
22 poration, or other mechanism approved by
23 the Secretary, that preserves affordability
24 for future eligible home-buyers and ensures
25 compliance with the purposes of this title,

1 including through the use of purchase op-
2 tions, rights of first refusal, or other pre-
3 emptive rights to purchase housing;”;

4 (iv) in subparagraph (D), as so reded-
5 ignated, by striking the period at the end
6 and inserting “; and”; and

7 (v) by adding at the end the following:

8 “(E) is subject to restrictions that are estab-
9 lished by the participating jurisdiction and de-
10 termined by the Secretary to be appropriate, in-
11 cluding with respect to the useful life of the prop-
12 erty, to—

13 “(i) require that any subsequent pur-
14 chase of the property be—

15 “(I) only by a person who meets
16 the qualifications specified under sub-
17 paragraph (B); and

18 “(II) at a price that is determined
19 by a formula or method established by
20 the participating jurisdiction that pro-
21 vides the owner with a reasonable re-
22 turn on investment, which may include
23 a percentage of the cost of any im-
24 provements; or

1 “(ii) recapture the investment provided
2 under this title in order to assist other per-
3 sons in accordance with the requirements of
4 this title, except where there are no net pro-
5 ceeds or where the net proceeds are insuffi-
6 cient to repay the full amount of the assist-
7 ance.”; and

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

9 “(2) *PURCHASE BY COMMUNITY LAND TRUST OR*
10 *COOPERATIVE HOUSING CORPORATION.—Notwith-*
11 *standing subparagraph (C)(i) of paragraph (1) and*
12 *under terms determined by the Secretary, the Sec-*
13 *retary may permit a participating jurisdiction to*
14 *allow a community land trust, housing cooperative,*
15 *or a community development corporation that used*
16 *assistance provided under this subtitle for the develop-*
17 *ment of housing that meets the criteria under para-*
18 *graph (1), to acquire the housing—*

19 “(A) in accordance with the terms of the
20 preemptive purchase option, lease, covenant on
21 the land, or other similar legal instrument of the
22 community land trust or housing cooperative
23 when the terms and rights in the preemptive
24 purchase option, lease, covenant, or legal instru-

1 *ment are and remain subject to the requirements*
2 *of this title;*

3 “(B) *when the purchase is for—*

4 “(i) *the purpose of—*

5 “(I) *entering into the chain of*
6 *title;*

7 “(II) *enabling a purchase by a*
8 *person who meets the qualifications*
9 *specified under paragraph (1)(B) and*
10 *is on a waitlist maintained by the*
11 *community land trust or housing coop-*
12 *erative, subject to enforcement by the*
13 *participating jurisdiction of all appli-*
14 *cable requirements of this title, as de-*
15 *termined by the Secretary;*

16 “(III) *performing necessary reha-*
17 *ilitation and improvements; or*

18 “(IV) *adding a subsidy to pre-*
19 *serve affordability, which may be from*
20 *Federal or non-Federal sources; or*

21 “(ii) *another purpose determined ap-*
22 *propriate by the Secretary; and*

23 “(C) *if, within a reasonable period of time*
24 *after the applicable purpose under subparagraph*
25 *(B) of this paragraph is fulfilled, as determined*

1 *by the Secretary, the housing is then sold to a*
 2 *person who meets the qualifications specified*
 3 *under paragraph (1)(B).”; and*
 4 *(2) by adding at the end the following:*

5 “(c) *QUALIFICATION EXCEPTIONS FOR HOME-OWNER-*
 6 *SHIP.—*

7 “(1) *MILITARY MEMBERS.—A participating ju-*
 8 *risdiction, in accordance with terms established by the*
 9 *Secretary, may suspend or waive the income quali-*
 10 *fications described in subsection (b)(1)(B) with re-*
 11 *spect to housing that otherwise meets the criteria de-*
 12 *scribed in subsection (b)(1) if the owner of the hous-*
 13 *ing—*

14 “(A) *is a member of a regular component of*
 15 *the armed forces or a member of the National*
 16 *Guard on full-time National Guard duty, active*
 17 *Guard and Reserve duty, or inactive-duty train-*
 18 *ing (as those terms are defined in section 101 of*
 19 *title 10, United States Code); and*

20 “(B) *has received—*

21 “(i) *temporary duty orders to deploy*
 22 *with a military unit or military orders to*
 23 *deploy as an individual acting in support*
 24 *of a military operation, to a location that*
 25 *is not within a reasonable distance from the*

1 housing, as determined by the Secretary, for
2 a period of not less than 90 days; or

3 “(ii) orders for a permanent change of
4 station.

5 “(2) *HEIRS AND BENEFICIARIES OF DECEASED*
6 *OWNERS.*—Housing that meets the criteria described
7 in subsection (b)(1)(C) prior to the death of an owner
8 of such housing shall continue to qualify as affordable
9 housing under this title if—

10 “(A) the housing is the principal residence
11 of an heir or beneficiary of the deceased owner,
12 as defined by the Secretary; and

13 “(B) the heir or beneficiary, in accordance
14 with terms established by the Secretary, assumes
15 the duties and obligations of the deceased owner
16 with respect to funds provided under this title.”.

17 (i) *ELIMINATION OF EXPIRATION OF RIGHT TO DRAW*
18 *HOME INVESTMENT TRUST FUNDS.*—Section 218 of the
19 Cranston-Gonzalez National Affordable Housing Act (42
20 U.S.C. 12748) is amended—

21 (1) by striking subsection (g); and

22 (2) by redesignating subsection (h) as subsection
23 (g).

24 (j) *ADJUSTED RECAPTURE AND REUSE OF SET-ASIDE*
25 *FOR COMMUNITY HOUSING DEVELOPMENTAL ORGANIZA-*

1 TIONS.—Section 231(b) of the Cranston-Gonzalez National
 2 Affordable Housing Act (42 U.S.C. 12771(b)) is amended
 3 to read as follows:

4 “(b) *RECAPTURE AND REUSE.*—If any funds reserved
 5 under subsection (a) remain uninvested for a period of 24
 6 months, the Secretary shall make such funds available to
 7 the participating jurisdiction for any eligible activities
 8 under this title without regard to whether a community
 9 housing development organization materially participates
 10 in the use of such funds.”.

11 (k) *ASSET RECYCLING INFORMATION DISSEMINATION*
 12 *EXPANSION.*—Section 245(b)(2) of the Cranston-Gonzalez
 13 National Affordable Housing Act (42 U.S.C. 12785(b)(2))
 14 is amended by striking “95 percent” and inserting “110
 15 percent”.

16 (l) *ENVIRONMENTAL REVIEW REQUIREMENTS.*—

17 (1) *IN GENERAL.*—Section 288 of the Cranston-
 18 Gonzalez National Affordable Housing Act (42 U.S.C.
 19 12838) is amended by adding at the end the fol-
 20 lowing:

21 “(e) *CATEGORICAL EXEMPTIONS.*—The following cat-
 22 egories of activities carried out under this title shall be
 23 statutorily exempt from environmental review under the
 24 National Environmental Policy Act of 1969 (42 U.S.C.

1 4321 et seq.), and shall not require further review under
2 such Act:

3 “(1) New construction infill housing projects.

4 “(2) Acquisition of real property for affordable
5 housing purposes.

6 “(3) Rehabilitation projects carried out pursuant
7 to section 212(a)(1).

8 “(4) New construction projects of 15 units or
9 less.

10 “(f) REMOVING DUPLICATIVE REVIEWS.—

11 “(1) IN GENERAL.—To the extent practicable
12 and permitted by law, the Secretary shall ensure that
13 a project that has undergone an environmental review
14 under this section shall not be subject to a duplicative
15 environmental review solely due to the addition, sub-
16 stitution, or reallocation of other sources of Federal
17 assistance, if the scope, scale, and location of the
18 project remain substantially unchanged.

19 “(2) COORDINATION OF ENVIRONMENTAL REVIEW
20 RESPONSIBILITIES.—The Secretary shall, by regula-
21 tion, provide for coordination of environmental re-
22 view responsibilities with other Federal agencies to
23 streamline interagency compliance and avoid unnec-
24 essary duplication of effort under the National Envi-

1 *ronmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)*
2 *and other applicable laws.*

3 “(3) *RECOGNITION OF PRIOR REVIEWS BY RE-*
4 *SPONSIBLE ENTITIES.*—*A project may not be subject*
5 *to an environmental review under this section if a*
6 *substantially similar review has already been com-*
7 *pleted by an entity designated under section 104(g)(1)*
8 *of the Housing and Community Development Act of*
9 *1974 (42 U.S.C. 5304(g)(1)) or by another entity the*
10 *Secretary determines to have equivalent authority, if*
11 *the scope, scale, and location of the project remain*
12 *substantially unchanged.”.*

13 (2) *RULEMAKING.*—*Not later than 1 year after*
14 *the date of the enactment of this Act, the Secretary*
15 *shall issue such rules as the Secretary determines nec-*
16 *essary to carry out the amendment made by this sub-*
17 *section.*

18 (3) *APPLICABILITY.*—*Any activity generated*
19 *under this subsection would be subject to an author-*
20 *ization of appropriations.*

21 (4) *DEFINITION.*—*Section 104 of the Cranston-*
22 *Gonzalez National Affordable Housing Act (42 U.S.C.*
23 *12704) is amended by striking paragraph (25) and*
24 *inserting the following:*

1 “(25) *The term ‘infill housing project’ means a*
2 *residential housing project that—*

3 “(A) *is located within the geographic limits*
4 *of a municipality;*

5 “(B) *is adequately served by existing utili-*
6 *ties and public services as required under appli-*
7 *cable law;*

8 “(C) *is located on a site of previously dis-*
9 *turbed land of not more than 5 acres; and*

10 “(D) *is substantially surrounded by resi-*
11 *dential or commercial development, as deter-*
12 *mined by the Secretary.”.*

13 (m) *APPLICATION OF BUILD AMERICA, BUY AMERICA*
14 *REQUIREMENTS FOR HOME INVESTMENT PARTNERSHIPS*
15 *PROGRAM.—*

16 (1) *IN GENERAL.—Not later than 180 days after*
17 *the date of enactment of this Act, the Secretary of*
18 *Housing and Urban Development (in this subsection*
19 *referred to as the “Secretary”) shall complete a review*
20 *of the implementation of the Build America, Buy*
21 *America Act (title IV of division G of Public Law*
22 *117–58; 42 U.S.C. 8301 note) with respect to the ac-*
23 *tivities assisted under title II of the Cranston-Gon-*
24 *zalez National Affordable Housing Act (42 U.S.C.*
25 *12721 et seq.).*

1 (2) *UPDATED GUIDANCE.*—Not later than 90
2 days after the review described in subsection (a) is
3 completed, the Secretary shall issue updated guidance
4 to clarify the application of the Build America, Buy
5 America Act (title IV of division G of Public Law
6 117–58; 42 U.S.C. 8301 note) with respect to the ac-
7 tivities assisted under title II of the Cranston-Gon-
8 zalez National Affordable Housing Act (42 U.S.C.
9 12721 et seq.).

10 (3) *REPORT.*—Not later than 270 days after the
11 date of enactment of this Act, the Secretary shall sub-
12 mit to the Committee on Financial Services of the
13 House of Representatives and the Committee on
14 Banking, Housing, and Urban Affairs of the Senate
15 a report that describes—

16 (A) the results of the review required under
17 subsection (a); and

18 (B) the guidance issued as described in sub-
19 section (b).

20 (n) *APPLICATION OF OTHER SPECIFIED STATUTORY*
21 *REQUIREMENTS.*—Title II of the Cranston-Gonzalez Na-
22 *tional Affordable Housing Act (42 U.S.C. 12721 et seq.) is*
23 *amended by adding at the end the following:*

1 **“SEC. 291. NONAPPLICABILITY OF CERTAIN REQUIREMENTS**
 2 **FOR SMALL PROJECTS.**

3 *“Notwithstanding any other provision of law, the re-*
 4 *quirements of section 3 of the Housing and Urban Develop-*
 5 *ment Act of 1968 (12 U.S.C. 1701u), and any imple-*
 6 *menting regulations or guidance, shall not apply to an ac-*
 7 *tivity assisted under this title that involves rehabilitation,*
 8 *construction, or other development of housing if—*

9 *“(1) the recipient of assistance under this title*
 10 *is—*

11 *“(A) a State recipient pursuant to section*
 12 *216; or*

13 *“(B) a participating jurisdiction that re-*
 14 *ceived a total allocation of less than \$3,000,000*
 15 *in the most recent fiscal year pursuant to section*
 16 *216; and*

17 *“(2) the total number of dwelling units assisted*
 18 *as a part of such activity is not more than 50.”.*

19 *(o) REALLOCATION NOT AVAILABLE FOR CERTAIN JU-*
 20 *RISDICTIONS.—Section 217(d) of the Cranston-Gonzalez*
 21 *National Affordable Housing Act (42 U.S.C. 12747(d)) is*
 22 *amended—*

23 *(1) in paragraph (1), by striking the second sen-*
 24 *tence and inserting the following: “Subject to para-*
 25 *graph (4), jurisdictions eligible for such reallocations*
 26 *shall include participating jurisdictions and jurisdic-*

1 *tions meeting the requirements of this title, including*
 2 *the requirements in paragraphs (3), (4), and (5) of*
 3 *section 216.”; and*

4 *(2) by adding at the end the following:*

5 *“(4) REALLOCATION NOT AVAILABLE FOR CER-*
 6 *TAIN JURISDICTIONS.—The Secretary may decline to*
 7 *make a reallocation available to a jurisdiction eligible*
 8 *for such reallocation if such jurisdiction has failed to*
 9 *meet or comply with any requirement under this*
 10 *title.”.*

11 *(p) AMENDMENTS TO QUALIFICATION AS AFFORDABLE*
 12 *HOUSING.—Section 215(a)(1)(E) of the Cranston-Gonzalez*
 13 *National Affordable Housing Act (42 U.S.C. 12745(a)) is*
 14 *amended by striking “except upon a foreclosure by a lender*
 15 *(or upon other transfer in lieu of foreclosure) if such action*
 16 *(i) recognizes any contractual or legal rights of public agen-*
 17 *cies, nonprofit sponsors, or others to take actions that would*
 18 *avoid termination of low-income affordability in the case*
 19 *of foreclosure or transfer in lieu of foreclosure, and (ii) is*
 20 *not for the purpose of avoiding low-income affordability re-*
 21 *strictions, as determined by the Secretary; and” and insert-*
 22 *ing the following: “except—*

23 *“(i) upon a foreclosure by a lender (or*
 24 *upon other transfer in lieu of foreclosure) if*
 25 *such action—*

1 “(I) recognizes any contractual or
2 legal rights of public agencies, non-
3 profit sponsors, or others to take ac-
4 tions that would avoid termination of
5 low-income affordability in the case of
6 foreclosure or transfer in lieu of fore-
7 closure; and

8 “(II) is not for the purpose of
9 avoiding low-income affordability re-
10 strictions, as determined by the Sec-
11 retary; or

12 “(ii) where existing affordable housing
13 is no longer financially viable due to un-
14 foreseen acts or occurrences beyond the rea-
15 sonable contemplation or control of the par-
16 ticipating jurisdiction in which the afford-
17 able housing is located or the owner of the
18 affordable housing that significantly impact
19 the financial or physical condition of the af-
20 fordable housing, as determined by the Sec-
21 retary; and”.

22 (q) *TENANT AND PARTICIPANT PROTECTIONS FOR AF-*
23 *FORDABLE HOUSING.*—Section 225 of the Cranston-Gon-
24 zalez National Affordable Housing Act (42 U.S.C. 12755)
25 is amended by adding at the end the following:

1 “(e) *EXCEPTION.*—*Paragraphs (2), (3), and (4) of sub-*
2 *section (d) shall not apply to housing under this section*
3 *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 accom-*
11 *panied 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 the*
14 *United States Housing Act of 1937 (42 U.S.C. 1437f)*
15 *because of the status of the prospective tenant as a*
16 *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), as*
23 *determined by the Secretary.”.*

24 *(r) REVISION OF DEFINITION OF COMMUNITY LAND*
25 *TRUST.*—*Section 104 of the Cranston-Gonzalez National*

1 *Affordable Housing Act (42 U.S.C. 12704), as amended by*
2 *subsection (l)(4), is amended by adding at the end the fol-*
3 *lowing:*

4 “(26) *The term ‘community land trust’ means a*
5 *nonprofit entity, a State, a unit of local government,*
6 *or an instrumentality of a State or unit of local gov-*
7 *ernment that—*

8 “(A) *is not managed by, or an affiliate of,*
9 *a for profit organization;*

10 “(B) *has as a primary purpose of acquir-*
11 *ing, developing, or holding land to provide hous-*
12 *ing that is permanently affordable to low- and*
13 *moderate-income persons;*

14 “(C) *monitors properties to ensure afford-*
15 *ability is preserved;*

16 “(D) *provides housing that is permanently*
17 *affordable to low- and moderate-income persons*
18 *using a ground lease, deed covenant, or other*
19 *similar legally enforceable measure, determined*
20 *acceptable by the Secretary, that—*

21 “(i) *keeps housing affordable to low-*
22 *and moderate-income persons for not less*
23 *than 30 years; and*

1 “(ii) enables low- and moderate-income
2 persons to rent or purchase the housing for
3 home-ownership; and

4 “(E) maintains preemptive purchase op-
5 tions to purchase the property if such purchase
6 would allow the housing to remain affordable to
7 low-and moderate-income persons.”.

8 (s) *SET-ASIDE FOR COMMUNITY HOUSING DEVELOP-*
9 *MENT ORGANIZATIONS.*—Section 231(a) of the Cranston-
10 *Gonzalez National Affordable Housing Act (42 U.S.C.*
11 *12771(a)) is amended, in the first sentence, by striking “to*
12 *be developed, sponsored, or owned by community housing*
13 *development organizations” and inserting “when a commu-*
14 *nity housing development organization materially partici-*
15 *pates in the ownership or development of that housing, as*
16 *determined by the Secretary”.*

17 (t) *ADMINISTRATIVE REFORMS.*—

18 (1) *INCREASE IN PROGRAM ADMINISTRATION RE-*
19 *SOURCES.*—Section 220(b) of the Cranston-Gonzalez
20 *National Affordable Housing Act (42 U.S.C.*
21 *12750(b)) is amended—*

22 (A) *by striking paragraph (2);*

23 (B) *by striking “RECOGNITION.—” and all*
24 *that follows through “A contribution” and in-*
25 *serting “RECOGNITION.—A contribution”; and*

1 (C) by redesignating subparagraphs (A)
2 and (B) as paragraphs (1) and (2), respectively,
3 and adjusting the margins accordingly.

4 (2) *MODIFICATION OF JURISDICTIONS ELIGIBLE*
5 *FOR REALLOCATIONS.*—Section 217(d)(3) of the Cran-
6 ston-Gonzalez National Affordable Housing Act (42
7 U.S.C. 12747(d)(3)) is amended—

8 (A) in the paragraph heading, by striking
9 “LIMITATION” and inserting “LIMITATIONS”;
10 and

11 (B) by striking “Unless otherwise specified”
12 and inserting the following:

13 “(A) *REMOVAL OF PARTICIPATING JURIS-*
14 *DICTIONS FROM REALLOCATION.*—The Secretary
15 may, upon a finding that the participating ju-
16 risdiction has failed to meet or comply with the
17 requirements of this title, remove a participating
18 jurisdiction from participation in reallocations
19 of funds made available under this title.

20 “(B) *REALLOCATION TO SAME TYPE OF EN-*
21 *TITY.*—Unless otherwise specified”.

22 (3) *HOME PROPERTY INSPECTIONS.*—Section
23 226(b) of the Cranston-Gonzalez National Affordable
24 Housing Act (42 U.S.C. 12756(b)) is amended—

1 (A) by striking “Each participating juris-
2 diction” and inserting the following:

3 “(1) *IN GENERAL.*—Each participating jurisdic-
4 tion”; and

5 (B) by striking “Such review shall include”
6 and all that follows and inserting the following:

7 “(2) *ONSITE INSPECTIONS.*—

8 “(A) *INSPECTIONS BY UNITS OF GENERAL*
9 *LOCAL GOVERNMENT.*—A review conducted under
10 paragraph (1) by a participating jurisdiction
11 that is a unit of general local government shall
12 include an onsite inspection to determine com-
13 pliance with housing codes and other applicable
14 regulations.

15 “(B) *INSPECTIONS BY STATES.*—A review
16 conducted under paragraph (1) by a partici-
17 pating jurisdiction that is a State shall include
18 an onsite inspection to determine compliance
19 with a national standard as determined by the
20 Secretary.

21 “(3) *INCLUSION IN PERFORMANCE REPORT AND*
22 *PUBLICATION.*—A participating jurisdiction shall in-
23 clude in the performance report of the participating
24 jurisdiction submitted to the Secretary under section

1 108(a), and make available to the public, the results
2 of each review conducted under paragraph (1).”.

3 (4) *REVISIONS TO STRENGTHEN ENFORCEMENT*
4 *AND PENALTIES FOR NONCOMPLIANCE*.—Section 223
5 of the Cranston-Gonzalez National Affordable Hous-
6 ing Act (42 U.S.C. 12753) is amended—

7 (A) in the section heading, by striking
8 “**PENALTIES FOR MISUSE OF FUNDS**” and
9 inserting “**PROGRAM ENFORCEMENT AND**
10 **PENALTIES FOR NONCOMPLIANCE**”;

11 (B) in the matter preceding paragraph (1),
12 by inserting after “any provision of this sub-
13 title” the following: “, including any provision
14 applicable throughout the period required by sec-
15 tion 215(a)(1)(E) and applicable regulations,”;

16 (C) in paragraph (2), by striking “or” at
17 the end;

18 (D) in paragraph (3), by striking the pe-
19 riod at the end and inserting “; or”; and

20 (E) by adding at the end the following:

21 “(4) reduce payments to the participating juris-
22 diction under this subtitle by an amount equal to the
23 amount of such payments that were not expended by
24 the participating jurisdiction in accordance with this
25 title.”.

1 (u) MINIMUM ALLOCATIONS.—Section 217(b) of the
2 *Cranston-Gonzalez National Affordable Housing Act* (42
3 *U.S.C. 12747* (b)) is amended—

4 (1) in paragraph (2), by striking “\$500,000”
5 each place that term appears and inserting
6 “\$750,000”;

7 (2) in paragraph (3)—

8 (A) by striking “jurisdictions that are allo-
9 cated an amount of \$500,000 or more” and in-
10 sserting “jurisdictions that are allocated an
11 amount of \$750,000 or more”;

12 (B) by striking “that are allocated an
13 amount less than \$500,000” and inserting “that
14 are allocated an amount less than \$500,000 be-
15 fore the date of enactment of the 21st Century
16 *ROAD to Housing Act* or less than \$750,000 on
17 or after the date of enactment of the 21st Cen-
18 tury *ROAD to Housing Act*”; and

19 (C) by striking “, except as provided in
20 paragraph (4)”; and

21 (3) by striking paragraph (4).

22 (v) TECHNICAL AND CONFORMING AMENDMENTS.—
23 *The Cranston-Gonzalez National Affordable Housing Act*
24 (42 *U.S.C. 12701 et seq.*) is amended—

1 (1) by striking “*Stewart B. McKinney Homeless*
2 *Assistance Act*” each place that term appears and in-
3 sserting “*McKinney-Vento Homeless Assistance Act*”;

4 (2) by striking “*Committee on Banking, Finance*
5 *and Urban Affairs*” each place that term appears and
6 inserting “*Committee on Financial Services*”;

7 (3) in the table of contents in section 1(b) (*Pub-*
8 *lic 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) (*relat-*
17 *ing to the definition of the term “to demonstrate*
18 *to the Secretary*”) as paragraph (22); and

19 (B) by redesignating paragraph (24) (*relat-*
20 *ing to the definition of the term “insular area*”,
21 *as added by section 2(2) of Public Law 102–230*)
22 *as paragraph (23)*;

1 (5) in section 105(b)(8) (42 U.S.C. 12705(b)(8)),
2 by striking “subparagraphs” and inserting “para-
3 graphs”;

4 (6) in section 108(a)(1) (42 U.S.C. 12708(a)(1)),
5 by striking “section 105(b)(15)” and inserting “sec-
6 tion 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 per-
16 cent” and inserting “as determined by the
17 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 Hous-
3 ing and Community Development Act of
4 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 the
11 Departments of Veterans Affairs and Hous-
12 ing and Urban Development, and Inde-
13 pendent Agencies Appropriations Act, 1993
14 (Public Law 102–389; 106 Stat. 1581), as
15 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 “Sub-
2 committee on Housing and Urban Af-
3 fairs” and inserting “Subcommittee on
4 Housing, Transportation, and Commu-
5 nity Development”; and

6 (II) in clause (ii), by striking
7 “Subcommittee on Housing and Com-
8 munity Development of the Committee
9 on Banking, Finance and Urban Af-
10 fairs” and inserting “Subcommittee on
11 Housing and Insurance of the Com-
12 mittee on Financial Services”;

13 (10) in section 220(c) (42 U.S.C. 12750(c))—

14 (A) in paragraph (3), by striking “Sec-
15 retary” and all that follows and inserting “Sec-
16 retary;”;

17 (B) in paragraph (4), by striking “under
18 this title” and all that follows and inserting
19 “under this title;” and

20 (C) by redesignating paragraphs (6), (7),
21 and (8) as paragraphs (5), (6), and (7), respec-
22 tively;

23 (11) in section 225(d)(4)(B) (42 U.S.C.
24 12755(d)(4)(B)), by striking “for” the first place that
25 term appears; and

1 (12) in section 233 (42 U.S.C. 12773)—

2 (A) in subsection (b)(6), by striking “to
3 community land trusts (as such term is defined
4 in subsection (f))” and inserting “to community
5 land trusts (as such term is defined in section
6 104)”; and

7 (B) by striking subsection (f).

8 **SEC. 502. RURAL HOUSING SERVICE REFORM ACT.**

9 (a) *APPLICATION OF MULTIFAMILY MORTGAGE FORE-*
10 *CLOSURE PROCEDURES TO MULTIFAMILY MORTGAGES*
11 *HELD BY THE SECRETARY OF AGRICULTURE AND PRESER-*
12 *VATION OF THE RENTAL ASSISTANCE CONTRACT UPON*
13 *FORECLOSURE.*—

14 (1) *MULTIFAMILY MORTGAGE PROCEDURES.*—
15 Section 363(2)(F) of the Multifamily Mortgage Fore-
16 closure Act of 1981 (12 U.S.C. 3702(2)) is amended—

17 (A) by striking “or 515” and inserting
18 “515, or 538”; and

19 (B) by inserting “, 1490p–2” after “1485”.

20 (2) *PRESERVATION OF CONTRACT.*—Section
21 521(d) of the Housing Act of 1949 (42 U.S.C.
22 1490a(d)) is amended by adding at the end the fol-
23 lowing:

24 “(3) Notwithstanding any other provision of law, in
25 managing and disposing of any multifamily property that

1 *is owned or has a mortgage held by the Secretary, and dur-*
2 *ing the process of foreclosure on any property with a con-*
3 *tract for rental assistance under this section—*

4 “(A) *the Secretary shall maintain any rental as-*
5 *istance payments that are attached to any dwelling*
6 *units in the property; and*

7 “(B) *the rental assistance contract may be used*
8 *to provide further assistance to existing projects under*
9 *514, 515, or 516.”.*

10 **(b) STUDY ON RURAL HOUSING LOANS FOR HOUSING**
11 **FOR LOW- AND MODERATE-INCOME FAMILIES.**—*Not later*
12 *than 6 months after the date of enactment of this Act, the*
13 *Secretary of Agriculture shall conduct a study and submit*
14 *to Congress a publicly available report on the loan program*
15 *under section 521 of the Housing Act of 1949 (42 U.S.C.*
16 *1490a), including—*

17 (1) *the total amount provided by the Secretary*
18 *in subsidies under such section 521 to borrowers with*
19 *loans made pursuant to section 502 of such Act (42*
20 *U.S.C. 1472);*

21 (2) *how much of the subsidies described in para-*
22 *graph (1) are being recaptured; and*

23 (3) *the amount of time and costs associated with*
24 *recapturing those subsidies.*

1 (c) *STAFFING AND INFORMATION TECHNOLOGY UP-*
2 *GRADES.*—Utilizing funds appropriated for such purposes,
3 the Secretary of Agriculture may increase staffing capacity
4 and upgrade information technology to support all Rural
5 Housing Service programs.

6 (d) *TECHNICAL IMPROVEMENTS.*—

7 (1) *AUTHORIZATION OF APPROPRIATIONS.*—Uti-
8 lizing funds appropriated for such purposes, the Sec-
9 retary of Agriculture may make improvements to the
10 technology of the Rural Housing Service of the De-
11 partment of Agriculture used to process and manage
12 housing loans.

13 (2) *AVAILABILITY.*—Amounts appropriated pur-
14 suant to paragraph (1) shall remain available until
15 the date that is 5 years after the date of the appro-
16 priation.

17 (3) *TIMELINE.*—The Secretary of Agriculture
18 shall make the improvements described in paragraph
19 (1) during the 5-year period beginning on the date on
20 which amounts are appropriated under paragraph
21 (1).

22 (e) *PERMANENT ESTABLISHMENT OF HOUSING PRES-*
23 *ERVATION AND REVITALIZATION PROGRAM.*—Title V of the
24 Housing Act of 1949 (42 U.S.C. 1471 et seq.) is amended
25 by adding at the end the following:

1 **“SEC. 545. HOUSING PRESERVATION AND REVITALIZATION**
2 **PROGRAM.**

3 “(a) *ESTABLISHMENT.*—*The Secretary shall carry out*
4 *a program under this section for the preservation and revi-*
5 *talization of multifamily rental housing projects financed*
6 *under section 514, 515, or 516.*

7 “(b) *NOTICE OF MATURING LOANS.*—

8 “(1) *TO OWNERS.*—*On an annual basis, the Sec-*
9 *retary shall provide written notice to each owner of*
10 *a property financed under section 514, 515, or 516*
11 *that will mature within the 4-year period beginning*
12 *upon the provision of the notice, setting forth the op-*
13 *tions and financial incentives that are available to*
14 *facilitate the extension of the loan term or the option*
15 *to decouple a rental assistance contract pursuant to*
16 *subsection (f).*

17 “(2) *TO TENANTS.*—

18 “(A) *IN GENERAL.*—*On an annual basis,*
19 *for each property financed under section 514,*
20 *515, or 516, not later than the date that is 2*
21 *years before the date that the loan will mature,*
22 *the Secretary shall provide written notice to each*
23 *household residing in the property that informs*
24 *them of—*

25 “(i) *the date of the loan maturity;*

1 “(ii) the possible actions that may
2 happen with respect to the property upon
3 that maturity; and

4 “(iii) how to protect their right to re-
5 side in federally assisted housing, or how to
6 secure housing voucher, after that maturity.

7 “(B) LANGUAGE.—Notice under this para-
8 graph shall be provided in plain English and
9 shall be translated to other languages in the case
10 of any property located in an area in which a
11 significant number of residents speak such other
12 languages.

13 “(c) LOAN RESTRUCTURING.—Under the program
14 under this section, in any circumstance in which the Sec-
15 retary proposes a restructuring to an owner or an owner
16 proposes a restructuring to the Secretary, the Secretary
17 may restructure such existing housing loans, as the Sec-
18 retary considers appropriate, for the purpose of ensuring
19 that those projects have sufficient resources to preserve the
20 projects to provide safe and affordable housing for low-in-
21 come residents and farm laborers, by—

22 “(1) reducing or eliminating interest;

23 “(2) deferring loan payments;

24 “(3) subordinating, reducing, or reamortizing
25 loan debt;

1 “(4) *providing other financial assistance, includ-*
2 *ing advances, payments, and incentives (including*
3 *the ability of owners to obtain reasonable returns on*
4 *investment) required by the Secretary; and*

5 “(5) *permanently removing a portion of the*
6 *housing units from income restrictions when sus-*
7 *tained vacancies have occurred.*

8 “(d) *RENEWAL OF RENTAL ASSISTANCE.—*

9 “(1) *IN GENERAL.—When the Secretary proposes*
10 *to restructure a loan or agrees to the proposal of an*
11 *owner to restructure a loan pursuant to subsection*
12 *(c), the Secretary shall offer to renew the rental as-*
13 *istance contract under section 521(a)(2) for a term*
14 *that is the shorter of 20 years and the term of the re-*
15 *structured loan, subject to annual appropriations,*
16 *provided that the owner agrees to bring the property*
17 *up to such standards that will ensure maintenance of*
18 *the property as decent, safe, and sanitary housing for*
19 *the full term of the rental assistance contract.*

20 “(2) *ADDITIONAL RENTAL ASSISTANCE.—With*
21 *respect to a project described in paragraph (1), if*
22 *rental assistance is not available for all households in*
23 *the project for which the loan is being restructured*
24 *pursuant to subsection (c), the Secretary may extend*
25 *such additional rental assistance to unassisted house-*

1 *holds at that project as is necessary to make the*
2 *project safe and affordable to low-income households.*

3 “(e) *RESTRICTIVE USE AGREEMENTS.*—

4 “(1) *REQUIREMENT.*—*As part of the preserva-*
5 *tion and revitalization agreement for a project, the*
6 *Secretary shall obtain a restrictive use agreement that*
7 *is recorded and obligates the owner to operate the*
8 *project in accordance with this title.*

9 “(2) *TERM.*—

10 “(A) *NO EXTENSION OF RENTAL ASSIST-*
11 *ANCE CONTRACT.*—*Except when the Secretary*
12 *enters into a 20-year extension of the rental as-*
13 *sistance contract for a project, the term of the re-*
14 *strictive use agreement for the project shall be*
15 *consistent with the term of the restructured loan*
16 *for the project.*

17 “(B) *EXTENSION OF RENTAL ASSISTANCE*
18 *CONTRACT.*—*If the Secretary enters into a 20-*
19 *year extension of the rental assistance contract*
20 *for a project, the term of the restrictive use agree-*
21 *ment for the project shall be for the longer of—*

22 “(i) *20 years; or*

23 “(ii) *the remaining term of the loan*
24 *for that project.*

1 “(C) *TERMINATION.*—*The Secretary may*
2 *terminate the 20-year restrictive use agreement*
3 *for a project before the end of the term of the*
4 *agreement if the 20-year rental assistance con-*
5 *tract for the project with the owner is terminated*
6 *at any time for reasons outside the control of the*
7 *owner.*

8 “(f) *DECOUPLING OF RENTAL ASSISTANCE.*—

9 “(1) *RENEWAL OF RENTAL ASSISTANCE CON-*
10 *TRACT.*—*If the Secretary determines that a loan ma-*
11 *turing during the 4-year period beginning upon the*
12 *provision of the notice required under subsection*
13 *(b)(1) for a project cannot reasonably be restructured*
14 *in accordance with subsection (c) because it is not fi-*
15 *nancially feasible or the owner does not agree with the*
16 *proposed restructuring, and the project was operating*
17 *with rental assistance under section 521 and the re-*
18 *recipient is a borrower under section 514 or 515, the*
19 *Secretary may renew the rental assistance contract,*
20 *notwithstanding any requirement under section 521*
21 *that the recipient be a current borrower under section*
22 *514 or 515, for a term of 20 years, subject to annual*
23 *appropriations.*

24 “(2) *ADDITIONAL RENTAL ASSISTANCE.*—*With*
25 *respect to a project described in paragraph (1), if*

1 *rental assistance is not available for all households in*
2 *the project for which the loan is being restructured*
3 *pursuant to subsection (c), the Secretary may extend*
4 *such additional rental assistance to unassisted house-*
5 *holds at that project as is necessary to make the*
6 *project safe and affordable to low-income households.*

7 *“(3) RENTS.—*

8 *“(A) IN GENERAL.—Any agreement to ex-*
9 *tend the term of the rental assistance contract*
10 *under section 521 for a project shall obligate the*
11 *owner to continue to maintain the project as de-*
12 *cent, safe, and sanitary housing and to operate*
13 *the development as affordable housing in a man-*
14 *ner that meets the goals of this title.*

15 *“(B) RENT AMOUNTS.—Subject to subpara-*
16 *graph (C), in setting rents, the Secretary—*

17 *“(i) shall determine the maximum ini-*
18 *tial rent based on current fair market rents*
19 *established under section 8 of the United*
20 *States Housing Act of 1937 (42 U.S.C.*
21 *1437f); and*

22 *“(ii) may annually adjust the rent de-*
23 *termined under clause (i) by the operating*
24 *cost adjustment factor as provided under*
25 *section 524 of the Multifamily Assisted*

1 *Housing Reform and Affordability Act of*
2 *1997 (42 U.S.C. 1437f note).*

3 “(C) *HIGHER RENT.*—

4 “(i) *IN GENERAL.*—Subparagraph (B)
5 *shall not apply if the Secretary determines*
6 *that the budget-based needs of a project re-*
7 *quire a higher rent than the rent described*
8 *in subparagraph (B).*

9 “(ii) *RENT.*—*If the Secretary makes a*
10 *positive determination under clause (i), the*
11 *Secretary may approve a budget-based rent*
12 *level for the project.*

13 “(4) *CONDITIONS FOR APPROVAL.*—*Before the*
14 *approval of a rental assistance contract authorized*
15 *under this section, the Secretary shall require,*
16 *through an annual notice in the Federal Register, the*
17 *owner to submit to the Secretary a plan that identi-*
18 *fies financing sources and a timetable for renovations*
19 *and improvements determined to be necessary by the*
20 *Secretary to maintain and preserve the project.*

21 “(g) *MULTIFAMILY HOUSING TRANSFER TECHNICAL*
22 *ASSISTANCE.*—*Under the program under this section, the*
23 *Secretary may provide grants to qualified nonprofit organi-*
24 *zations, housing cooperative corporations, and public hous-*
25 *ing agencies to provide technical assistance, including fi-*

1 *nancial and legal services, to borrowers under loans under*
2 *this title for multifamily housing to facilitate the acquisi-*
3 *tion or preservation of such multifamily housing properties*
4 *in areas where the Secretary determines there is a risk of*
5 *loss of affordable housing.*

6 “(h) *ADMINISTRATIVE EXPENSES.*—Of any amounts
7 made available for the program under this section for any
8 fiscal year, the Secretary may use not more than \$1,000,000
9 for administrative expenses for carrying out such program.

10 “(i) *RULEMAKING.*—

11 “(1) *IN GENERAL.*—Not later than 180 days
12 after the date of enactment of the 21st Century *ROAD*
13 to Housing Act, the Secretary shall—

14 “(A) publish an advance notice of proposed
15 rulemaking; and

16 “(B) consult with appropriate stakeholders.

17 “(2) *INTERIM FINAL RULE.*—Not later than 1
18 year after the date of enactment of the 21st Century
19 *ROAD to Housing Act*, the Secretary shall publish an
20 interim final rule to carry out this section.”.

21 “(f) *RENTAL ASSISTANCE CONTRACT AUTHORITY.*—
22 Section 521(d) of the Housing Act of 1949 (42 U.S.C.
23 1490a(d)), as amended by this section, is amended—

24 (1) in paragraph (1)—

1 (A) by redesignating subparagraphs (B)
2 and (C) as subparagraphs (C) and (D), respec-
3 tively;

4 (B) by inserting after subparagraph (A) the
5 following:

6 “(B) upon request of an owner of a project fi-
7 nanced under section 514 or 515, the Secretary is au-
8 thorized to enter into renewal of such agreements for
9 a period of 20 years or the term of the loan, which-
10 ever is shorter, subject to amounts made available in
11 appropriations Acts;”;

12 (C) in subparagraph (C), as so redesign-
13 ated, by striking “subparagraph (A)” and in-
14 serting “subparagraphs (A) and (B)”; and

15 (D) in subparagraph (D), as so redesign-
16 ated, by striking “subparagraphs (A) and (B)”
17 and inserting “subparagraphs (A), (B), and
18 (C)”;

19 (2) in paragraph (2), by striking “shall” and in-
20 serting “may”; and

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

22 “(4) In the case of any rental assistance contract au-
23 thority that becomes available because of the termination
24 of assistance on behalf of an assisted family—

1 “(A) at the option of the owner of the rental
2 project, the Secretary shall provide the owner a period
3 of not more than 6 months before unused assistance
4 is made available pursuant to subparagraph (B) dur-
5 ing which the owner may use such authority to pro-
6 vide assistance on behalf of an eligible unassisted
7 family that—

8 “(i) is residing in the same rental project in
9 which the assisted family resided before the ter-
10 mination; or

11 “(ii) newly occupies a dwelling unit in the
12 rental project during that 6-month period; and

13 “(B) except for assistance used as provided in
14 subparagraph (A), the Secretary shall use such re-
15 maining authority to provide assistance on behalf of
16 eligible families residing in other rental projects
17 originally financed under section 514, 515, or 516.”.

18 (g) *MODIFICATIONS TO LOANS AND GRANTS FOR*
19 *MINOR IMPROVEMENTS TO FARM HOUSING AND BUILD-*
20 *INGS; INCOME ELIGIBILITY.*—Section 504(a) of the Housing
21 Act of 1949 (42 U.S.C. 1474(a)) is amended—

22 (1) in the first sentence, by inserting “and may
23 make a loan to an eligible low-income applicant”
24 after “applicant”; and

1 (2) by striking “\$7,500” and inserting
2 “\$15,000”.

3 (h) *RURAL COMMUNITY DEVELOPMENT INITIATIVE.*—
4 *Subtitle E of the Consolidated Farm and Rural Develop-*
5 *ment Act (7 U.S.C. 2009 et seq.) is amended by adding*
6 *at the end the following:*

7 **“SEC. 3810. RURAL COMMUNITY DEVELOPMENT INITIATIVE.**

8 “(a) *DEFINITIONS.*—*In this section:*

9 “(1) *ELIGIBLE ENTITY.*—*The term ‘eligible enti-*
10 *ty’ means—*

11 “(A) *a private, nonprofit community-based*
12 *housing or community development organization;*

13 “(B) *a rural community; or*

14 “(C) *a federally recognized Indian tribe.*

15 “(2) *ELIGIBLE INTERMEDIARY.*—*The term ‘eligi-*
16 *ble intermediary’ means a qualified—*

17 “(A) *private, nonprofit organization; or*

18 “(B) *public organization.*

19 “(b) *ESTABLISHMENT.*—*The Secretary shall establish*
20 *a Rural Community Development Initiative, under which*
21 *the Secretary shall provide grants, subject to the avail-*
22 *ability of appropriations, to eligible intermediaries to carry*
23 *out programs to provide financial and technical assistance*
24 *to eligible entities to develop the capacity and ability of*
25 *eligible entities to carry out projects to improve housing,*

1 *community facilities, and community and economic devel-*
2 *opment projects in rural areas.*

3 “(c) *AMOUNT OF GRANTS.*—*The amount of a grant*
4 *provided to an eligible intermediary under this section shall*
5 *be not more than \$500,000.*

6 “(d) *MATCHING FUNDS.*—

7 “(1) *IN GENERAL.*—*An eligible intermediary re-*
8 *ceiving a grant under this section shall provide*
9 *matching funds from other sources, including Federal*
10 *funds for related activities, in an amount not less*
11 *than the amount of the grant.*

12 “(2) *WAIVER.*—*The Secretary may waive para-*
13 *graph (1) with respect to a project that would be car-*
14 *ried out in a persistently poor rural region, as deter-*
15 *mined by the Secretary.”*

16 (i) *ANNUAL REPORT ON RURAL HOUSING PRO-*
17 *GRAMS.*—*Title V of the Housing Act of 1949 (42 U.S.C.*
18 *1471 et seq.), as amended by this section, is amended by*
19 *adding at the end the following:*

20 “**SEC. 546. ANNUAL REPORT.**

21 “(a) *IN GENERAL.*—*The Secretary shall submit to the*
22 *appropriate committees of Congress and publish on the*
23 *website of the Department of Agriculture an annual report*
24 *on rural housing programs carried out under this title,*

1 *which shall include significant details on the health of*
2 *Rural Housing Service programs, including—*

3 “(1) *raw data sortable by programs and by re-*
4 *gion regarding loan performance;*

5 “(2) *the housing stock of those programs, includ-*
6 *ing information on why properties end participation*
7 *in those programs, such as for maturation, prepay-*
8 *ment, foreclosure, or other servicing issues; and*

9 “(3) *risk ratings for properties assisted under*
10 *those programs.*

11 “(b) *PROTECTION OF INFORMATION.—The data in-*
12 *cluded in each report required under subsection (a) may*
13 *be aggregated or anonymized to protect participant finan-*
14 *cial or personal information.”.*

15 (j) *GAO REPORT ON RURAL HOUSING SERVICE TECH-*
16 *NOLOGY.—Not later than 1 year after the date of enactment*
17 *of this Act, the Comptroller General of the United States*
18 *shall submit to Congress a report that includes—*

19 (1) *an analysis of how the outdated technology*
20 *used by the Rural Housing Service impacts partici-*
21 *pants in the programs of the Rural Housing Service;*

22 (2) *an estimate of the amount of funding that is*
23 *needed to modernize the technology used by the Rural*
24 *Housing Service; and*

1 (3) *an estimate of the number and type of new*
2 *employees the Rural Housing Service needs to mod-*
3 *ernize the technology used by the Rural Housing*
4 *Service.*

5 (k) *ADJUSTMENT TO RURAL DEVELOPMENT VOUCHER*
6 *AMOUNT.—*

7 (1) *IN GENERAL.—Not later than 2 years after*
8 *the date of enactment of this Act, the Secretary of Ag-*
9 *riculture shall issue regulations to establish a process*
10 *for adjusting the voucher amount provided under sec-*
11 *tion 542 of the Housing Act of 1949 (42 U.S.C.*
12 *1490r) after the issuance of the voucher following an*
13 *interim or annual review of the amount of the vouch-*
14 *er.*

15 (2) *INTERIM REVIEW.—The interim review de-*
16 *scribed in paragraph (1) shall, at the request of a ten-*
17 *ant, allow for a recalculation of the voucher amount*
18 *when the tenant experiences a reduction in income,*
19 *change in family composition, or change in rental*
20 *rate.*

21 (3) *ANNUAL REVIEW.—*

22 (A) *IN GENERAL.—The annual review de-*
23 *scribed in paragraph (1) shall require tenants to*
24 *annually recertify the family composition of the*
25 *household and that the family income of the*

1 household does not exceed 80 percent of the area
2 median income at a time determined by the Sec-
3 retary of Agriculture.

4 (B) *CONSIDERATIONS.*—If a tenant does not
5 recertify the family composition and family in-
6 come of the household within the time frame re-
7 quired under subparagraph (A), the Secretary of
8 Agriculture—

9 (i) shall consider whether extenuating
10 circumstances caused the delay in recertifi-
11 cation; and

12 (ii) may alter associated consequences
13 for the failure to recertify based on those
14 circumstances.

15 (C) *EFFECTIVE DATE.*—Following the an-
16 nual review of a voucher under paragraph (1),
17 the updated voucher amount shall be effective on
18 the 1st day of the month following the expiration
19 of the voucher.

20 (4) *DEADLINE.*—The process established under
21 paragraph (1) shall require the Secretary of Agri-
22 culture to review and update the voucher amount de-
23 scribed in paragraph (1) for a tenant not later than
24 60 days before the end of the voucher term.

1 (l) *ELIGIBILITY FOR RURAL HOUSING VOUCHERS.*—
2 *Section 542 of the Housing Act of 1949 (42 U.S.C. 1490r)*
3 *is amended by adding at the end the following:*

4 “(c) *ELIGIBILITY OF HOUSEHOLDS IN SECTIONS 514,*
5 *515, AND 516 PROJECTS.*—*The Secretary may provide*
6 *rural housing vouchers under this section for any low-in-*
7 *come household (including those not receiving rental assist-*
8 *ance) residing for a term longer than the remaining term*
9 *of their lease that is in effect on the date of prepayment,*
10 *foreclosure, or mortgage maturity, in a property financed*
11 *with a loan under section 514 or 515 or a grant under*
12 *section 516 that has—*

13 “(1) *been prepaid with or without restrictions*
14 *imposed by the Secretary pursuant to section*
15 *502(c)(5)(G)(ii)(I);*

16 “(2) *been foreclosed; or*

17 “(3) *matured after September 30, 2005.*”.

18 (m) *AMOUNT OF VOUCHER ASSISTANCE.*—*Notwith-*
19 *standing any other provision of law, in the case of any*
20 *rural housing voucher provided pursuant to section 542 of*
21 *the Housing Act of 1949 (42 U.S.C. 1490r), the amount*
22 *of the monthly assistance payment for the household on*
23 *whose behalf the assistance is provided shall be determined*
24 *as provided in subsection (a) of such section 542, including*
25 *providing for interim and annual review of the voucher*

1 *amount in the event of a change in household composition*
2 *or income or rental rate.*

3 (n) *TRANSFER OF MULTIFAMILY RURAL HOUSING*
4 *PROJECTS.—Section 515 of the Housing Act of 1949 (42*
5 *U.S.C. 1485) is amended—*

6 (1) *in subsection (h), by adding at the end the*
7 *following:*

8 “(3) *TRANSFER TO NONPROFIT ORGANIZA-*
9 *TIONS.—A nonprofit or public body purchaser, in-*
10 *cluding a limited partnership with a general partner*
11 *with the principal purpose of providing affordable*
12 *housing, may purchase a property for which a loan*
13 *is made or insured under this section that has re-*
14 *ceived a market value appraisal, without addressing*
15 *rehabilitation needs at the time of purchase, if the*
16 *purchaser—*

17 “(A) *makes a commitment to address reha-*
18 *ilitation needs during ownership and long-term*
19 *use restrictions on the property; and*

20 “(B) *at the time of purchase, accepts long-*
21 *term use restrictions on the property.”; and*

22 (2) *in subsection (w)(1), in the first sentence in*
23 *the matter preceding subparagraph (A), by striking*
24 *“9 percent” and inserting “25 percent”.*

25 (o) *EXTENSION OF LOAN TERM.—*

1 (1) *IN GENERAL.*—Section 502(a)(2) of the
2 *Housing Act of 1949 (42 U.S.C. 1472(a)(2))* is
3 *amended—*

4 (A) *by inserting “(A)” before “The Sec-*
5 *retary”;*

6 (B) *in subparagraph (A), as so designated,*
7 *by striking “paragraph” and inserting “sub-*
8 *paragraph”;* and

9 (C) *by adding at the end the following:*

10 “(B) *The Secretary may refinance or modify the*
11 *period of any loan, including any refinanced loan,*
12 *made under this section in accordance with terms and*
13 *conditions as the Secretary shall prescribe, but in no*
14 *event shall the total term of the loan from the date of*
15 *the refinance or modification exceed 40 years.”.*

16 (2) *APPLICATION.*—*The amendment made under*
17 *paragraph (1) shall apply with respect to loans made*
18 *under section 502 of the Housing Act of 1949 (42*
19 *U.S.C. 1472) before, on, or after the date of enactment*
20 *of this Act.*

21 (p) *RELEASE OF LIABILITY FOR SECTION 502 GUAR-*
22 *ANTEED BORROWER UPON ASSUMPTION OF ORIGINAL*
23 *LOAN BY NEW BORROWER.*—Section 502(h) of the *Housing*
24 *Act of 1949 (42 U.S.C. 1472(h))* is amended—

1 (1) by striking paragraph (10) and inserting the
2 following:

3 “(10) *TRANSFER AND ASSUMPTION.*—Upon the
4 transfer of property for which a guaranteed loan
5 under this subsection was made, and the assumption
6 of the guaranteed loan by an approved eligible bor-
7 rower, the original borrower of a guaranteed loan
8 under this subsection shall be relieved of liability with
9 respect to the loan.”;

10 (2) by redesignating paragraph (16) as para-
11 graph (17); and

12 (3) by inserting after paragraph (15) the fol-
13 lowing:

14 “(16) *FEE.*—

15 “(A) *IN GENERAL.*—The mortgagee may
16 charge an assuming borrower a reasonable and
17 customary processing fee for an assumption re-
18 quest made under this subsection.

19 “(B) *MAXIMUM FEE.*—The Secretary shall
20 set a maximum allowable fee described in sub-
21 paragraph (A), which may be indexed for infla-
22 tion.”.

23 (q) *DEPARTMENT OF AGRICULTURE LOAN RESTRIC-*
24 *TIONS.*—

1 (1) *DEFINITIONS.*—*In this subsection, the terms*
2 *“State” and “tribal organization” have the meanings*
3 *given those terms in section 658P of the Child Care*
4 *and Development Block Grant Act of 1990 (42 U.S.C.*
5 *9858n).*

6 (2) *REVISION.*—*The Secretary of Agriculture*
7 *shall revise section 3555.102(c) of title 7, Code of Fed-*
8 *eral Regulations, to exclude from the restriction under*
9 *that section—*

10 (A) *a home-based business that is a licensed,*
11 *registered, or regulated child care provider under*
12 *State law or by a tribal organization; and*

13 (B) *an applicant that has applied to be-*
14 *come a licensed, registered, or regulated child*
15 *care provider under State law or by a tribal or-*
16 *ganization.*

17 (r) *LOAN GUARANTEES.*—*Section 502(h)(4) of the*
18 *Housing Act of 1949 (42 U.S.C. 1472(h)(4)) is amended—*

19 (1) *by redesignating subparagraphs (A), (B),*
20 *and (C) as clauses (i), (ii), and (iii), respectively,*
21 *and adjusting the margins accordingly;*

22 (2) *by striking “Loans may be guaranteed” and*
23 *inserting the following:*

1 “(A) *DEFINITION.*—*In this paragraph, the*
2 *term ‘accessory dwelling unit’ means a single,*
3 *habitable living unit—*

4 “(i) *with means of separate ingress*
5 *and egress;*

6 “(ii) *that is usually subordinate in*
7 *size;*

8 “(iii) *that can be added to, created*
9 *within, or detached from a primary 1-unit,*
10 *single-family dwelling; and*

11 “(iv) *in combination with a primary*
12 *1-unit, single-family dwelling, constitutes a*
13 *single interest in real estate.*

14 “(B) *SINGLE-FAMILY REQUIREMENT.*—
15 *Loans may be guaranteed”;* and
16 (3) *by adding at the end the following:*

17 “(C) *RULE OF CONSTRUCTION.*—*Nothing in*
18 *this paragraph shall be construed to prohibit the*
19 *leasing of an accessory dwelling unit or the use*
20 *of rental income derived from such a lease to*
21 *qualify for a loan guaranteed under this sub-*
22 *section—*

23 “(i) *after the date of enactment of the*
24 *21st Century ROAD to Housing Act; and*

1 “(ii) if the property that is the subject
2 of the loan was constructed before the date
3 of enactment of the 21st Century ROAD to
4 Housing Act.”.

5 (s) *APPLICATION REVIEW*.—

6 (1) *SENSE OF CONGRESS*.—It is the sense of
7 Congress, not later than 90 days after the date on
8 which the Secretary of Agriculture receives an appli-
9 cation for a loan, grant, or combined loan and grant
10 under section 502 or 504 of the Housing Act of 1949
11 (42 U.S.C. 1472, 1474), the Secretary of Agriculture
12 should—

13 (A) review the application;

14 (B) complete the underwriting;

15 (C) make a determination of eligibility with
16 respect to the application; and

17 (D) notify the applicant of determination.

18 (2) *REPORT*.—

19 (A) *IN GENERAL*.—Not later than 90 days
20 after the date of enactment of this Act, and an-
21 nually thereafter until the date described in sub-
22 paragraph (B), the Secretary of Agriculture shall
23 submit to the Committee on Banking, Housing,
24 and Urban Affairs of the Senate and the Com-

1 *mittee on Financial Services of the House of*
2 *Representatives a report—*

3 *(i) detailing the timeliness of eligibility*
4 *determinations and final determinations*
5 *with respect to applications under sections*
6 *502 and 504 of the Housing Act of 1949 (42*
7 *U.S.C. 1472, 1474), including justifications*
8 *for any eligibility determinations taking*
9 *longer than 90 days; and*

10 *(ii) that includes recommendations to*
11 *shorten the timeline for notifications of eli-*
12 *gibility determinations described in clause*
13 *(i) to not more than 90 days.*

14 *(B) DATE DESCRIBED.—The date described*
15 *in this subparagraph is the date on which, dur-*
16 *ing the preceding 5-year period, the Secretary of*
17 *Agriculture provides each eligibility determina-*
18 *tion described in subparagraph (A) during the*
19 *90-day period beginning on the date on which*
20 *each application is received.*

21 **SEC. 503. INCENTIVIZING LOCAL SOLUTIONS TO HOME-**
22 **LESSNESS.**

23 *Section 414 of the McKinney-Vento Homeless Assist-*
24 *ance Act (42 U.S.C. 11373) is amended by adding at the*
25 *end the following:*

1 “(f) *FUNDING CAP WAIVER AUTHORITY.*—

2 “(1) *IN GENERAL.*—*Notwithstanding any other*
3 *provision of law or regulation, a recipient may re-*
4 *quest a waiver to the expenditure limit established*
5 *pursuant to section 415(b) for amounts provided for*
6 *each of fiscal years 2027 through 2030.*

7 “(2) *WAIVER REQUEST.*—

8 “(A) *IN GENERAL.*—*A recipient seeking a*
9 *waiver described in paragraph (1) shall submit*
10 *to the Secretary a waiver request that includes*
11 *not more than the following:*

12 “(i) *A demonstration of local needs*
13 *and circumstances that necessitate a waiver.*

14 “(ii) *A detailed plan for how the re-*
15 *recipient intends to use funds.*

16 “(iii) *A justification for how the pro-*
17 *posed use of funds supports the most recent*
18 *Consolidated Plan submitted by the recipi-*
19 *ent.*

20 “(iv) *Any public input solicited under*
21 *subparagraph (B)(ii).*

22 “(B) *NOTIFICATION.*—*Each recipient*
23 *shall—*

24 “(i) *notify all subrecipients and local*
25 *Continuums of Care that serve the recipi-*

1 ent’s geographic area of the availability of
2 waivers under this subsection; and

3 “(ii) prior to the submission of a waiver
4 request under subparagraph (A), solicit
5 public input regarding the potential need
6 for and proposed uses of such waiver.

7 “(C) APPROVAL; PUBLICATION.—The Sec-
8 retary shall—

9 “(i) make all waiver requests submitted
10 under subparagraph (A) publicly available
11 on the website of the Department of Hous-
12 ing and Urban Development;

13 “(ii) not later than 60 days after the
14 date on which the Secretary receives a waiver
15 request under subparagraph (A), approve
16 or deny the request; and

17 “(iii) deny any waiver request sub-
18 mitted under subparagraph (A) by a recipi-
19 ent that relocates or threaten to relocate in-
20 dividuals or their property without pro-
21 viding emergency shelter, rapid rehousing,
22 transitional housing, permanent supportive
23 housing, or other permanent housing op-
24 tions.

25 “(3) REVOCATION.—

1 “(A) *IN GENERAL.*—A waiver approved
2 under this subsection shall remain in effect for
3 the duration of the period of performance of fis-
4 cal year 2027 through 2030 grants, unless the re-
5 cipient notifies the Secretary in writing that the
6 recipient wishes to revoke the waiver.

7 “(B) *NOTIFICATION.*—If a recipient intends
8 to revoke a waiver under subparagraph (A), the
9 recipient shall—

10 “(i) solicit input from subrecipients re-
11 garding the revocation before submitting the
12 revocation; and

13 “(ii) provide subrecipients with a sum-
14 mary of the input and the justification for
15 the revocation in its submittal prior to noti-
16 fying the Secretary in writing.

17 “(C) *PUBLICATION.*—The Secretary shall
18 publish any revocation of a waiver under sub-
19 paragraph (A) and the justification of the recipi-
20 ent for the waiver on the website of the Depart-
21 ment of Housing and Urban Development.”.

22 **SEC. 504. REFORMING DISASTER RECOVERY ACT.**

23 (a) *DEFINITIONS.*—In this section:

1 (1) *DEPARTMENT.*—*The term “Department”*
2 *means the Department of Housing and Urban Devel-*
3 *opment.*

4 (2) *FUND.*—*The term “Fund” means the Long-*
5 *Term Disaster Recovery Fund established under sub-*
6 *section (c).*

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

9 (b) *DUTIES OF THE DEPARTMENT OF HOUSING AND*
10 *URBAN DEVELOPMENT.*—

11 (1) *IN GENERAL.*—*The offices and officers of the*
12 *Department shall be responsible for—*

13 (A) *leading and coordinating the disaster-*
14 *related responsibilities of the Department under*
15 *the National Response Framework, the National*
16 *Disaster Recovery Framework, and the National*
17 *Mitigation Framework;*

18 (B) *coordinating and administering pro-*
19 *grams, policies, and activities of the Department*
20 *related to disaster relief, long-term recovery, re-*
21 *siliency, and mitigation, including disaster re-*
22 *covery assistance under title I of the Housing*
23 *and Community Development Act of 1974 (42*
24 *U.S.C. 5301 et seq.);*

1 (C) supporting disaster-impacted commu-
2 nities as those communities specifically assess,
3 plan for, and address the housing stock and
4 housing needs in the transition from emergency
5 shelters and interim housing to permanent hous-
6 ing of those displaced, especially among vulner-
7 able populations and extremely low-, low-, and
8 moderate-income households;

9 (D) collaborating with the Federal Emer-
10 gency Management Agency and the Small Busi-
11 ness Administration and across the Department
12 to align disaster-related regulations and policies,
13 including incorporation of consensus-based codes
14 and standards and insurance purchase require-
15 ments, and ensuring coordination and reducing
16 duplication among other Federal disaster recov-
17 ery programs;

18 (E) promoting best practices in mitigation
19 and resilient land use planning;

20 (F) coordinating technical assistance, in-
21 cluding mitigation, resiliency, and recovery
22 training and information on all relevant legal
23 and regulatory requirements, to entities that re-
24 ceive disaster recovery assistance under title I of
25 the Housing and Community Development Act of

1 1974 (42 U.S.C. 5301 et seq.) that demonstrate
2 capacity constraints; and

3 (G) supporting State, Tribal, and local gov-
4 ernments in developing, coordinating, and main-
5 taining their capacity for disaster resilience and
6 recovery and developing pre-disaster recovery
7 and hazard mitigation plans, in coordination
8 with the Federal Emergency Management Agen-
9 cy and other Federal agencies.

10 (2) *ESTABLISHMENT OF THE OFFICE OF DIS-*
11 *ASTER MANAGEMENT AND RESILIENCY.*—Section 4 of
12 the Department of Housing and Urban Development
13 Act (42 U.S.C. 3533) is amended by adding at the
14 end the following:

15 “(i) *OFFICE OF DISASTER MANAGEMENT AND RESIL-*
16 *IENCY.*—

17 “(1) *ESTABLISHMENT.*—There is established the
18 Office of Disaster Management and Resiliency.

19 “(2) *DUTIES.*—The Office of Disaster Manage-
20 ment and Resiliency shall—

21 “(A) be responsible for oversight and coordi-
22 nation of all departmental disaster preparedness
23 and response responsibilities; and

24 “(B) coordinate with the Federal Emer-
25 gency Management Agency, the Small Business

1 *Administration, and other offices of the Depart-*
2 *ment in supporting recovery and resilience ac-*
3 *tivities to provide a comprehensive approach in*
4 *working with communities.”.*

5 *(c) LONG-TERM DISASTER RECOVERY FUND.—*

6 (1) *ESTABLISHMENT.—There is established in*
7 *the Treasury of the United States an account to be*
8 *known as the “Long-Term Disaster Recovery Fund”.*

9 (2) *DEPOSITS, TRANSFERS, AND CREDIT.—*

10 (A) *IN GENERAL.—The Fund shall consist*
11 *of amounts appropriated, transferred, and cred-*
12 *ited to the Fund.*

13 (B) *TRANSFERS.—The following may be*
14 *transferred to the Fund:*

15 (i) *Amounts made available through*
16 *section 106(c)(4) of the Housing and Com-*
17 *munity Development Act of 1974 (42 U.S.C.*
18 *5306(c)(4)) as a result of actions taken*
19 *under section 104(e), 111, or 124(j) of such*
20 *Act.*

21 (ii) *Any unobligated balances available*
22 *until expended remaining or subsequently*
23 *recaptured from amounts appropriated for*
24 *any disaster and related purposes under the*
25 *heading “Community Development Fund”*

1 *in any Act prior to the establishment of the*
2 *Fund.*

3 (C) *USE OF TRANSFERRED AMOUNTS.—*
4 *Amounts transferred to the Fund shall be used*
5 *for the eligible uses described in paragraph (3).*

6 (3) *ELIGIBLE USES OF FUND.—*

7 (A) *IN GENERAL.—Amounts in the Fund*
8 *shall be available—*

9 (i) *to provide assistance in the form of*
10 *grants under section 124 of the Housing*
11 *and Community Development Act of 1974,*
12 *as added by subsection (d); and*

13 (ii) *for activities of the Department*
14 *that support the provision of such assist-*
15 *ance, including necessary salaries and ex-*
16 *penditures, information technology, and capac-*
17 *ity building, technical assistance, and pre-*
18 *disaster readiness.*

19 (B) *SET-ASIDE.—Of each amount appro-*
20 *priated for or transferred to the Fund, 3 percent*
21 *shall be made available for activities described in*
22 *subparagraph (A)(ii), which shall be in addition*
23 *to other amounts made available for those activi-*
24 *ties.*

1 (C) *TRANSFER OF FUNDS.*—*With respect to*
2 *amounts made available for use in accordance*
3 *with subparagraph (B)*—

4 (i) *amounts may be transferred to the*
5 *account under the heading for “Program*
6 *Offices—Salaries and Expenses—Communi-*
7 *ty Planning and Development”, or any*
8 *successor account, for the Department to*
9 *carry out activities described in subpara-*
10 *graph(B); and*

11 (ii) *amounts may be used for the ac-*
12 *tivities described in subparagraph (A)(ii)*
13 *and for the administrative costs of admin-*
14 *istering any funds appropriated to the De-*
15 *partment under the heading “Community*
16 *Planning and Development—Community*
17 *Development Fund” for any major disaster*
18 *declared under section 401 of the Robert T.*
19 *Stafford Disaster Relief and Emergency As-*
20 *sistance Act (42 U.S.C. 5170) in any Act*
21 *before the establishment of the Fund.*

22 (D) *INSPECTOR GENERAL.*—

23 (i) *IN GENERAL.*—*Not less than one-*
24 *tenth of 1 percent of each series of awards*
25 *the Secretary makes from the Fund shall be*

1 transferred to the account under the heading
2 “Office of Inspector General” for the De-
3 partment of Housing and Urban Develop-
4 ment to support audit activities and to in-
5 vestigate grantee noncompliance with pro-
6 gram requirements and waste, fraud, and
7 abuse as a result of appropriations made
8 available through the Fund.

9 (ii) AVAILABILITY.—Funding under
10 clause (i) shall not be made available to the
11 Office of Inspector General until 90 days
12 after the date on which the grantee plan or
13 supplemental plan for the grantee is ap-
14 proved by the Secretary under subsection (c)
15 or (f)(3)(C) of section 124 of the Housing
16 and Community Development Act of 1974,
17 as added by subsection (d), is approved by
18 the Secretary.

19 (4) INTERCHANGEABILITY OF PRIOR ADMINIS-
20 TRATIVE AMOUNTS.—Any amounts appropriated in
21 any Act prior to the establishment of the Fund and
22 transferred to the account under the heading “Pro-
23 gram Offices—Salaries and Expenses—Community
24 Planning and Development”, or any predecessor ac-
25 count, for the Department for the costs of admin-

1 *istering funds appropriated to the Department under*
2 *the heading “Community Planning and Develop-*
3 *ment—Community Development Fund” for any*
4 *major disaster declared under section 401 of the Rob-*
5 *ert T. Stafford Disaster Relief and Emergency Assist-*
6 *ance Act (42 U.S.C. 5170) shall be available for the*
7 *costs of administering any such funds provided by*
8 *any prior or future Act, notwithstanding the purposes*
9 *for which those amounts were appropriated and in*
10 *addition to any amount provided for the same pur-*
11 *poses in other appropriations Acts.*

12 (5) *AVAILABILITY OF AMOUNTS.—Amounts ap-*
13 *propriated, transferred, and credited to the Fund*
14 *shall remain available until expended.*

15 (6) *FORMULA ALLOCATION.—Use of amounts in*
16 *the Fund for grants shall be made by formula alloca-*
17 *tion in accordance with the requirements of section*
18 *124(a) of the Housing and Community Development*
19 *Act of 1974, as added by subsection (d).*

20 (d) *ESTABLISHMENT OF CDBG DISASTER RECOVERY*
21 *PROGRAM.—Title I of the Housing and Community Devel-*
22 *opment Act of 1974 (42 U.S.C. 5301 et seq.), as amended*
23 *by this Act, is amended—*

24 (1) *in section 102(a) (42 U.S.C. 5302(a))—*

25 (A) *in paragraph (20)—*

1 (i) by redesignating subparagraph (B)
2 as subparagraph (C);

3 (ii) in subparagraph (C), as so redesign-
4 ated, by inserting “or (B)” after “subpara-
5 graph (A)”; and

6 (iii) by inserting after subparagraph
7 (A) the following:

8 “(B) The term ‘persons of extremely low in-
9 come’ means families and individuals whose in-
10 come levels do not exceed household income levels
11 determined by the Secretary under section
12 3(b)(2) of the United States Housing Act of 1937
13 (42 U.S.C. 1437a(b)(2)(C)), except that the Sec-
14 retary may provide alternative definitions for
15 the Commonwealth of Puerto Rico, Guam, the
16 Commonwealth of the Northern Mariana Islands,
17 the United States Virgin Islands, and American
18 Samoa.”; and

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

20 “(25) The term ‘major disaster’ has the meaning
21 given the term in section 102 of the Robert T. Staf-
22 ford Disaster Relief and Emergency Assistance Act
23 (42 U.S.C. 5122).”;

24 (2) in section 106(c)(4) (42 U.S.C. 5306(c)(4))—

25 (A) in subparagraph (A)—

1 (i) by striking “declared by the Presi-
2 dent under the Robert T. Stafford Disaster
3 Relief and Emergency Assistance Act”;

4 (ii) by inserting “States for use in
5 nonentitlement areas and to” before “metro-
6 politan cities”; and

7 (iii) by inserting “major” after “af-
8 fected by the”;

9 (B) in subparagraph (C)—

10 (i) by striking “metropolitan city or”
11 and inserting “State, metropolitan city,
12 or”;

13 (ii) by striking “city or county” and
14 inserting “State, city, or county”; and

15 (iii) by inserting “major” before “dis-
16 aster”;

17 (C) in subparagraph (D), by striking “met-
18 ropolitan cities and” and inserting “States, met-
19 ropolitan cities, and”;

20 (D) in subparagraph (F)—

21 (i) by striking “metropolitan city or”
22 and inserting “State, metropolitan city,
23 or”; and

24 (ii) by inserting “major” before “dis-
25 aster”; and

1 (E) in subparagraph (G), by striking “met-

2 ropolitan city or” and inserting “State, metro-

3 politan city, or”;

4 (3) in section 122 (42 U.S.C. 5321), by striking

5 “disaster under title IV of the Robert T. Stafford Dis-

6 aster Relief and Emergency Assistance Act” and in-

7 serting “major disaster”; and

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

9 **“SEC. 124. COMMUNITY DEVELOPMENT BLOCK GRANT DIS-**

10 **ASTER RECOVERY PROGRAM.**

11 “(a) AUTHORIZATION, FORMULA, AND ALLOCATION.—

12 “(1) AUTHORIZATION.—The Secretary is author-

13 ized to make community development block grant dis-

14 aster recovery grants from the Long-Term Disaster

15 Recovery Fund established under section 504(c) of the

16 21st Century ROAD to Housing Act (in this section

17 referred to as the ‘Fund’) for necessary expenses for

18 activities authorized under subsection (f)(1) related to

19 disaster relief, long-term recovery, restoration of hous-

20 ing and infrastructure, economic revitalization, and

21 mitigation in the most impacted and distressed areas

22 resulting from a catastrophic major disaster.

23 “(2) GRANT AWARDS.—Grants shall be awarded

24 under this section to States, units of general local gov-

25 ernment, and Indian tribes based on capacity and the

1 *concentration of damage, as determined by the Sec-*
2 *retary, to support the efficient and effective adminis-*
3 *tration of funds.*

4 “(3) *SECTION 106 ALLOCATIONS.*—*Grants under*
5 *this section shall not be considered relevant to the for-*
6 *mula allocations made pursuant to section 106.*

7 “(4) *FEDERAL REGISTER NOTICE.*—

8 “(A) *IN GENERAL.*—*Not later than 30 days*
9 *after the date of enactment of this section, the*
10 *Secretary shall issue a notice in the Federal Reg-*
11 *ister containing the latest formula allocation*
12 *methodologies used to determine the total esti-*
13 *mate of unmet needs related to housing, economic*
14 *revitalization, and infrastructure in the most*
15 *impacted and distressed areas resulting from a*
16 *catastrophic major disaster.*

17 “(B) *PUBLIC COMMENT.*—*If the Secretary*
18 *has not already requested public comment on the*
19 *formula described in the notice required by sub-*
20 *paragraph (A), the Secretary shall solicit public*
21 *comments on—*

22 “(i) *the methodologies described in sub-*
23 *paragraph (A) and seek alternative methods*
24 *for formula allocation within a similar*
25 *total amount of funding;*

1 “(ii) the impact of formula methodolo-
2 gies on rural areas and Tribal areas;

3 “(iii) adjustments to improve targeting
4 to the most serious needs;

5 “(iv) objective criteria for grantee ca-
6 pacity and concentration of damage to in-
7 form grantee determinations and minimum
8 allocation thresholds; and

9 “(v) research and data to inform an
10 additional amount to be provided for miti-
11 gation depending on type of disaster, which
12 shall be up to 18 percent of the total esti-
13 mate of unmet needs.

14 “(5) REGULATIONS.—

15 “(A) IN GENERAL.—The Secretary shall, by
16 regulation, establish a formula to allocate assist-
17 ance from the Fund to the most impacted and
18 distressed areas resulting from a catastrophic
19 major disaster.

20 “(B) FORMULA REQUIREMENTS.—The for-
21 mula established under subparagraph (A)
22 shall—

23 “(i) set forth criteria to determine that
24 a major disaster is catastrophic, which cri-
25 teria shall consider the presence of a high

1 *concentration of damaged housing or busi-*
2 *nesses that individual, State, Tribal, and*
3 *local resources could not reasonably be ex-*
4 *pected to address without additional Fed-*
5 *eral assistance or other nationally encom-*
6 *passing data that the Secretary determines*
7 *are adequate to assess relative impact and*
8 *distress across geographic areas;*

9 *“(ii) include a methodology for identi-*
10 *fying most impacted and distressed areas,*
11 *which shall consider unmet serious needs re-*
12 *lated to housing, economic revitalization,*
13 *and infrastructure;*

14 *“(iii) include an allocation calculation*
15 *that considers the unmet serious needs re-*
16 *sulting from the catastrophic major disaster*
17 *and an additional amount up to 18 percent*
18 *for activities to reduce risks of loss resulting*
19 *from other natural disasters in the most im-*
20 *acted and distressed area, primarily for*
21 *the benefit of low- and moderate-income*
22 *persons, with particular focus on activities*
23 *that reduce repetitive loss of property and*
24 *critical infrastructure; and*

1 “(iv) establish objective criteria for
2 periodic review and updates to the formula
3 to reflect changes in available data.

4 “(C) *MINIMUM ALLOCATION THRESHOLD.*—
5 The Secretary shall, by regulation, establish a
6 minimum allocation threshold.

7 “(D) *INTERIM ALLOCATION.*—Until such
8 time that the Secretary issues final regulations
9 under this paragraph, the Secretary shall—

10 “(i) allocate assistance from the Fund
11 using the formula allocation methodology
12 published in accordance with paragraph
13 (4); and

14 “(ii) include an additional amount for
15 mitigation of up to 18 percent of the total
16 estimate of unmet need.

17 “(6) *ALLOCATION OF FUNDS.*—

18 “(A) *IN GENERAL.*—The Secretary shall—

19 “(i) except as provided in clause (ii),
20 not later than 90 days after the President
21 declares a major disaster, use best available
22 data to determine whether the major dis-
23 aster is catastrophic and qualifies for assist-
24 ance under the formula described in para-

1 graph (4) or (5), unless data is insufficient
2 to make this determination; and

3 “(ii) if the best available data is insuf-
4 ficient to make the determination required
5 under clause (i) within the 90-day period
6 described in that clause, determine whether
7 the major disaster qualifies when sufficient
8 data becomes available, but in no case shall
9 the Secretary make the determination later
10 than 120 days after the declaration of the
11 major disaster.

12 “(B) ANNOUNCEMENT OF ALLOCATION.—If
13 amounts are available in the Fund at the time
14 the Secretary determines that the major disaster
15 is catastrophic and qualifies for assistance under
16 the formula described in paragraph (4) or (5),
17 the Secretary shall immediately announce an al-
18 location for a grant under this section.

19 “(C) ADDITIONAL AMOUNTS.—If additional
20 amounts are appropriated to the Fund after
21 amounts are allocated under subparagraph (B),
22 the Secretary shall announce an allocation or
23 additional allocation (if a prior allocation under
24 subparagraph (B) was less than the formula cal-

1 *ulation) within 15 days of any such appropri-*
2 *ation.*

3 “(7) *PRELIMINARY FUNDING.*—

4 “(A) *IN GENERAL.*—*To speed recovery, the*
5 *Secretary is authorized to allocate and award*
6 *preliminary grants from the Fund before making*
7 *a determination under paragraph (6)(A) if the*
8 *Secretary projects, based on a preliminary as-*
9 *essment of impact and distress, that a major*
10 *disaster is catastrophic and would likely qualify*
11 *for funding under the formula described in para-*
12 *graph (4) or (5).*

13 “(B) *AMOUNT.*—

14 “(i) *MAXIMUM.*—*The Secretary may*
15 *award preliminary funding under subpara-*
16 *graph (A) in an amount that is not more*
17 *than \$5,000,000.*

18 “(ii) *SLIDING SCALE.*—*The Secretary*
19 *shall, by regulation, establish a sliding scale*
20 *for preliminary funding awarded under*
21 *subparagraph (A) based on the size of the*
22 *preliminary assessment of impact and dis-*
23 *tress.*

1 “(C) *USE OF FUNDS.*—*The uses of prelimi-*
2 *nary funding awarded under subparagraph (A)*
3 *shall be limited to eligible activities that—*

4 “(i) *in the determination of the Sec-*
5 *retary, will support faster recovery, improve*
6 *the ability of the grantee to assess unmet re-*
7 *covery needs, plan for the prevention of im-*
8 *proper payments, and reduce fraud, waste,*
9 *and abuse; and*

10 “(ii) *may include evaluating the in-*
11 *terim housing, permanent housing, and*
12 *supportive service needs of the disaster im-*
13 *pacted community, with special attention to*
14 *vulnerable populations, such as homeless*
15 *and low- to moderate-income households, to*
16 *inform the grantee action plan required*
17 *under subsection (c).*

18 “(D) *CONSIDERATION OF FUNDING.*—*Pre-*
19 *liminary funding awarded under subparagraph*
20 *(A)—*

21 “(i) *is not subject to the certification*
22 *requirements of subsection (h)(2); and*

23 “(ii) *shall not be considered when cal-*
24 *culating the amount of the grant used for*
25 *administrative costs, technical assistance,*

1 *and planning activities that are subject to*
2 *the requirements under subsection (f)(3).*

3 “(E) *WAIVER.*—*To expedite the use of pre-*
4 *liminary funding for activities described in this*
5 *paragraph, the Secretary may waive or specify*
6 *alternative requirements to the requirements of*
7 *this section in accordance with subsection (i).*

8 “(F) *AMENDED AWARD.*—

9 “(i) *IN GENERAL.*—*An award for pre-*
10 *liminary funding under subparagraph (A)*
11 *may be amended to add any subsequent*
12 *amount awarded because of a determination*
13 *by the Secretary that a major disaster is*
14 *catastrophic and qualifies for assistance*
15 *under the formula.*

16 “(ii) *APPLICABILITY.*—*Notwith-*
17 *standing subparagraph (D), amounts pro-*
18 *vided by an amendment under clause (i)*
19 *are subject to the requirements under sub-*
20 *sections (f)(1) and (h)(1) and other require-*
21 *ments on grant funds under this section.*

22 “(G) *TECHNICAL ASSISTANCE.*—*Concurrent*
23 *with the allocation of any preliminary funding*
24 *awarded under this paragraph, the Secretary*

1 *shall assign or provide technical assistance to the*
2 *recipient of the grant.*

3 “(b) *INTERCHANGEABILITY.*—

4 “(1) *IN GENERAL.*—*The Secretary is authorized*
5 *to approve the use of grants under this section to be*
6 *used interchangeably and without limitation for the*
7 *same activities in the most impacted and distressed*
8 *areas resulting from a declaration of another cata-*
9 *strophic major disaster that qualifies for assistance*
10 *under the formula established under paragraph (4) or*
11 *(5) of subsection (a) or a major disaster for which the*
12 *Secretary allocated funds made available under the*
13 *heading ‘Community Development Fund’ in any Act*
14 *prior to the establishment of the Fund.*

15 “(2) *REQUIREMENTS.*—*The Secretary shall es-*
16 *tablish requirements to expedite the use of grants*
17 *under this section for the purpose described in para-*
18 *graph (1).*

19 “(3) *EMERGENCY DESIGNATION.*—*Amounts*
20 *repurposed pursuant to this subsection that were pre-*
21 *viously designated by Congress as an emergency re-*
22 *quirement pursuant to the Balanced Budget and*
23 *Emergency Deficit Control Act of 1985 or a concur-*
24 *rent resolution on the budget are designated by the*
25 *Congress as being for an emergency requirement pur-*

1 *suant to section 4001(a)(1) of S. Con. Res. 14 (117th*
2 *Congress), the concurrent resolution on the budget for*
3 *fiscal year 2022, and to legislation establishing fiscal*
4 *year 2026 budget enforcement in the House of Rep-*
5 *resentatives.*

6 *“(c) GRANTEE PLANS.—*

7 *“(1) REQUIREMENT.—Not later than 90 days*
8 *after the date on which the Secretary announces a*
9 *grant allocation under this section, unless an exten-*
10 *sion is granted by the Secretary, the grantee shall*
11 *submit to the Secretary a plan for approval describ-*
12 *ing—*

13 *“(A) the activities the grantee will carry out*
14 *with the grant under this section;*

15 *“(B) the criteria of the grantee for award-*
16 *ing assistance and selecting activities;*

17 *“(C) how the use of the grant under this sec-*
18 *tion will address disaster relief, long-term recov-*
19 *ery, restoration of housing and infrastructure,*
20 *economic revitalization, and mitigation in the*
21 *most impacted and distressed areas;*

22 *“(D) how the use of the grant funds for*
23 *mitigation is consistent with hazard mitigation*
24 *plans submitted to the Federal Emergency Man-*
25 *agement Agency under section 322 of the Robert*

1 *T. Stafford Disaster Relief and Emergency As-*
2 *sistance Act (42 U.S.C. 5165);*

3 “(E) *the estimated amount proposed to be*
4 *used for activities that will benefit persons of low*
5 *and moderate income;*

6 “(F) *how the use of grant funds will repair*
7 *and replace existing housing stock for vulnerable*
8 *populations, including low- to moderate-income*
9 *households;*

10 “(G) *how the grantee will address the prior-*
11 *ities described in paragraph (5);*

12 “(H) *how uses of funds are proportional to*
13 *unmet needs, as required under paragraph (6);*

14 “(I) *for State grantees that plan to dis-*
15 *tribute grant amounts to units of general local*
16 *government, a description of the method of dis-*
17 *tribution; and*

18 “(J) *such other information as may be de-*
19 *termined by the Secretary in regulation.*

20 “(2) *PUBLIC CONSULTATION.—To permit public*
21 *examination and appraisal of the plan described in*
22 *paragraph (1), to enhance the public accountability of*
23 *grantee, and to facilitate coordination of activities*
24 *with different levels of government, when developing*

1 *the plan or substantial amendments proposed to the*
2 *plan required under paragraph (1), a grantee shall—*

3 *“(A) publish the plan before adoption;*

4 *“(B) provide citizens, affected units of gen-*
5 *eral local government, and other interested par-*
6 *ties with reasonable notice of, and opportunity to*
7 *comment on, the plan, with a public comment*
8 *period of not less than 14 days;*

9 *“(C) consider comments received before sub-*
10 *mission to the Secretary;*

11 *“(D) follow a citizen participation plan for*
12 *disaster assistance adopted by the grantee that,*
13 *at a minimum, provides for participation of*
14 *residents of the most impacted and distressed*
15 *area affected by the major disaster that resulted*
16 *in the grant under this section and other consid-*
17 *erations established by the Secretary; and*

18 *“(E) undertake any consultation with inter-*
19 *ested parties as may be determined by the Sec-*
20 *retary in regulation.*

21 *“(3) APPROVAL.—The Secretary shall—*

22 *“(A) by regulation, specify criteria for the*
23 *approval, partial approval, or disapproval of a*
24 *plan submitted under paragraph (1), including*
25 *approval of substantial amendments to the plan;*

1 “(B) review a plan submitted under para-
2 graph (1) upon receipt of the plan;

3 “(C) allow a grantee to revise and resubmit
4 a plan or substantial amendment to a plan
5 under paragraph (1) that the Secretary dis-
6 approves;

7 “(D) by regulation, specify criteria for
8 when the grantee shall be required to provide the
9 required revisions to a disapproved plan or sub-
10 stantial amendment under paragraph (1) for
11 public comment prior to resubmission of the plan
12 or substantial amendment to the Secretary; and

13 “(E) approve, partially approve, or dis-
14 approve a plan or substantial amendment under
15 paragraph (1) not later than 60 days after the
16 date on which the plan or substantial amend-
17 ment is received by the Secretary.

18 “(4) *LOW- AND MODERATE-INCOME OVERALL*
19 *BENEFIT.*—

20 “(A) *USE OF FUNDS.*—Not less than 70 per-
21 cent of a grant made under this section shall be
22 used for activities that benefit persons of low and
23 moderate income unless the Secretary—

24 “(i) specifically finds that—

1 “(I) there is compelling need to
2 reduce the percentage for the grant;
3 and

4 “(II) the housing needs of low-
5 and moderate-income persons have
6 been addressed; and

7 “(ii) issues a waiver and alternative
8 requirement specific to the grant pursuant
9 to subsection (i) to lower the percentage.

10 “(B) REGULATIONS.—The Secretary shall,
11 by regulation, establish protocols that reflect the
12 required use of funds under subparagraph (A),
13 including persons with extremely and very low
14 incomes.

15 “(5) PRIORITIZATION.—The grantee shall
16 prioritize activities that—

17 “(A) assist persons with extremely low-,
18 low-, and moderate-incomes and other vulnerable
19 populations to better recover from and withstand
20 future disasters;

21 “(B) address housing needs arising from a
22 disaster, or those needs present prior to a dis-
23 aster, including the needs of both renters and
24 homeowners;

1 “(C) *prolong the life of housing and infra-*
2 *structure;*

3 “(D) *use cost-effective means of preventing*
4 *harm to people and property and incorporate*
5 *protective features and redundancies; and*

6 “(E) *other measures that will assure the*
7 *continuation of critical services during future*
8 *disasters.*

9 “(6) *PROPORTIONAL ALLOCATION.—For each*
10 *specific disaster, a grantee under this section shall al-*
11 *locate grant funds proportional to unmet needs be-*
12 *tween housing activities for renters and homeowners,*
13 *economic revitalization, and infrastructure unless the*
14 *Secretary specifically finds that—*

15 “(A) *there is a compelling need for a dis-*
16 *proportional allocation among those unmet*
17 *needs; and*

18 “(B) *the disproportional allocation de-*
19 *scribed in subparagraph (A) is not inconsistent*
20 *with the requirements under paragraph (4).*

21 “(7) *DISASTER RISK MITIGATION.—*

22 “(A) *DEFINITION.—In this paragraph, the*
23 *term ‘hazard-prone areas’—*

24 “(i) *means areas identified by the Sec-*
25 *retary, in consultation with the Adminis-*

1 *trator of the Federal Emergency Manage-*
2 *ment Agency, at risk from natural hazards*
3 *that threaten property damage or health,*
4 *safety, and welfare, such as floods, wildfires*
5 *(including Wildland-Urban Interface*
6 *areas), earthquakes, lava inundation, tor-*
7 *nados, and high winds; and*

8 *“(ii) includes areas having special*
9 *flood hazards as identified under the Flood*
10 *Disaster Protection Act of 1973 (42 U.S.C.*
11 *4002 et seq.) or the National Flood Insur-*
12 *ance Act of 1968 (42 U.S.C. 4001 et seq.).*

13 *“(B) HAZARD-PRONE AREAS.—The Sec-*
14 *retary, in consultation with the Administrator of*
15 *the Federal Emergency Management Agency,*
16 *shall establish minimum construction standards,*
17 *insurance purchase requirements, and other re-*
18 *quirements for the use of grant funds in hazard-*
19 *prone areas.*

20 *“(C) SPECIAL FLOOD HAZARDS.—*

21 *“(i) IN GENERAL.—For the areas de-*
22 *scribed in subparagraph (A)(ii), the insur-*
23 *ance purchase requirements established*
24 *under subparagraph (B) shall meet or ex-*
25 *ceed the requirements under section 102(a)*

1 *of the Flood Disaster Protection Act of 1973*
2 *(42 U.S.C. 4012a(a)).*

3 “(ii) *TREATMENT AS FINANCIAL AS-*
4 *SISTANCE.—All grants under this section*
5 *shall be treated as financial assistance for*
6 *purposes of section 3(a)(3) of the Flood Dis-*
7 *aster Protection Act of 1973 (42 U.S.C.*
8 *4003(a)(3)).*

9 “(D) *CONSIDERATION OF FUTURE RISKS.—*
10 *The Secretary may consider future risks to pro-*
11 *tecting property and health, safety, and general*
12 *welfare, and the likelihood of those risks, when*
13 *making the determination of or modification to*
14 *hazard-prone areas under this paragraph.*

15 “(8) *RELOCATION.—*

16 “(A) *IN GENERAL.—The Uniform Reloca-*
17 *tion Assistance and Real Property Acquisition*
18 *Policies Act of 1970 (42 U.S.C. 4601 et seq.)*
19 *shall apply to activities assisted under this sec-*
20 *tion to the extent determined by the Secretary in*
21 *regulation, or as provided in waivers or alter-*
22 *native requirements authorized in accordance*
23 *with subsection (i).*

1 “(B) *POLICY.*—*Each grantee under this sec-*
2 *tion shall establish a relocation assistance policy*
3 *that—*

4 “(i) *minimizes displacement and de-*
5 *scribes the benefits available to persons dis-*
6 *placed as a direct result of acquisition, re-*
7 *habilitation, or demolition in connection*
8 *with an activity that is assisted by a grant*
9 *under this section; and*

10 “(ii) *includes any appeal rights or*
11 *other requirements that the Secretary estab-*
12 *lishes by regulation.*

13 “(d) *CERTIFICATIONS.*—*Any grant under this section*
14 *shall be made only if the grantee certifies to the satisfaction*
15 *of the Secretary that—*

16 “(1) *the grantee is in full compliance with the*
17 *requirements under subsection (c)(2);*

18 “(2) *for grants other than grants to Indian*
19 *tribes, the grant will be conducted and administered*
20 *in conformity with the Civil Rights Act of 1964 (42*
21 *U.S.C. 2000a et seq.) and the Fair Housing Act (42*
22 *U.S.C. 3601 et seq.);*

23 “(3) *the projected use of funds has been developed*
24 *so as to give maximum feasible priority to activities*
25 *that will benefit recipients described in subsection*

1 (c)(4)(A) and activities described in subsection (c)(5),
2 and may also include activities that are designed to
3 aid in the prevention or elimination of slum and
4 blight to support disaster recovery, meet other commu-
5 nity development needs having a particular urgency
6 because existing conditions pose a serious and imme-
7 diate threat to the health or welfare of the community
8 where other financial resources are not available to
9 meet such needs, and alleviate future threats to
10 human populations, critical natural resources, and
11 property that an analysis of hazards shows are likely
12 to result from natural disasters in the future;

13 “(4) the grant funds shall principally benefit
14 persons of low- and moderate-income as described in
15 subsection (c)(4)(A);

16 “(5) for grants other than grants to Indian
17 tribes, within 24 months of receiving a grant or at the
18 time of its 3- or 5-year update, whichever is sooner,
19 the grantee will review and make modifications to its
20 non-disaster housing and community development
21 plans and strategies required by subsections (c) and
22 (m) of section 104 to reflect the disaster recovery
23 needs identified by the grantee and consistency with
24 the plan under subsection (c)(1);

1 “(6) the grantee will not attempt to recover any
2 capital costs of public improvements assisted in whole
3 or part under this section by assessing any amount
4 against properties owned and occupied by persons of
5 low and moderate income, including any fee charged
6 or assessment made as a condition of obtaining access
7 to such public improvements, unless—

8 “(A) funds received under this section are
9 used to pay the proportion of such fee or assess-
10 ment that relates to the capital costs of such pub-
11 lic improvements that are financed from revenue
12 sources other than under this chapter; or

13 “(B) for purposes of assessing any amount
14 against properties owned and occupied by per-
15 sons of moderate income, the grantee certifies to
16 the Secretary that the grantee lacks sufficient
17 funds received under this section to comply with
18 the requirements of subparagraph (A);

19 “(7) the grantee will comply with the other pro-
20 visions of this title that apply to assistance under this
21 section and with other applicable laws;

22 “(8) the grantee will follow a relocation assist-
23 ance policy that includes any minimum requirements
24 identified by the Secretary; and

1 “(9) the grantee will adhere to construction
2 standards, insurance purchase requirements, and
3 other requirements for development in hazard-prone
4 areas described in subsection (c)(7).

5 “(e) *PERFORMANCE REVIEWS AND REPORTING.*—

6 “(1) *IN GENERAL.*—The Secretary shall, on not
7 less frequently than an annual basis until the closeout
8 of a particular grant allocation, make such reviews
9 and audits as may be necessary or appropriate to de-
10 termine whether a grantee under this section has—

11 “(A) carried out activities using grant
12 funds in a timely manner;

13 “(B) met the performance targets established
14 by paragraph (2);

15 “(C) carried out activities using grant
16 funds in accordance with the requirements of
17 this section, the other provisions of this title that
18 apply to assistance under this section, and other
19 applicable laws; and

20 “(D) a continuing capacity to carry out ac-
21 tivities in a timely manner.

22 “(2) *PERFORMANCE TARGETS.*—The Secretary
23 shall develop and make publicly available critical
24 performance targets for review, which shall include
25 spending thresholds for each year from the date on

1 *which funds are obligated by the Secretary to the*
2 *grantee until such time all funds have been expended.*

3 “(3) *FAILURE TO MEET TARGETS.*—

4 “(A) *SUSPENSION.*—*If a grantee under this*
5 *section fails to meet 1 or more critical perform-*
6 *ance targets under paragraph (2), the Secretary*
7 *may temporarily suspend the grant.*

8 “(B) *PERFORMANCE IMPROVEMENT PLAN.*—
9 *If the Secretary suspends a grant under subpara-*
10 *graph (A), the Secretary shall provide to the*
11 *grantee a performance improvement plan with*
12 *the specific requirements needed to lift the sus-*
13 *pension within a defined time period.*

14 “(C) *REPORT.*—*If a grantee fails to meet*
15 *the spending thresholds established under para-*
16 *graph (2), the grantee shall submit to the Sec-*
17 *retary, the appropriate committees of Congress,*
18 *and each member of Congress who represents a*
19 *district or State of the grantee a written report*
20 *identifying technical capacity, funding, or other*
21 *Federal or State impediments affecting the abil-*
22 *ity of the grantee to meet the spending thresh-*
23 *olds.*

24 “(4) *COLLECTION OF INFORMATION AND REPORT-*
25 *ING.*—

1 “(A) *REQUIREMENT TO REPORT.*—A grant-
2 *ee under this section shall provide to the Sec-*
3 *retary such information as the Secretary may*
4 *determine necessary for adequate oversight of the*
5 *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 Gen-*
10 *eral for the Department of Housing and Urban*
11 *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 allocated*
21 *and expended to benefit low- and moderate-*
22 *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 ac-
5 tions as may be necessary to ensure that person-
6 ally 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 may,
12 upon a formal request from researchers,
13 make disaggregated information available to
14 the requestor that is specific and relevant to
15 the research being conducted, and for the
16 purposes of researching program impact
17 and efficacy.

18 “(ii) PRIVACY PROTECTIONS.—In mak-
19 ing information available under clause (i),
20 the Secretary shall protect personally iden-
21 tifiable information as required under sec-
22 tion 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 this*
2 *section—*

3 “(A) *may include activities permitted under*
4 *section 105 or other activities permitted by the*
5 *Secretary by waiver or alternative requirement*
6 *pursuant to subsection (i); and*

7 “(B) *shall be related to disaster relief, long-*
8 *term recovery, restoration of housing and infra-*
9 *structure, economic revitalization, and mitiga-*
10 *tion in the most impacted and distressed areas*
11 *resulting from the major disaster for which the*
12 *grant was awarded.*

13 “(2) *PROHIBITION.*—*Grant funds under this sec-*
14 *tion may not be used for costs reimbursable by, or for*
15 *which funds have been made available by, the Federal*
16 *Emergency Management Agency or the United States*
17 *Army Corps of Engineers.*

18 “(3) *ADMINISTRATIVE COSTS, TECHNICAL AS-*
19 *SISTANCE, AND PLANNING.*—

20 “(A) *IN GENERAL.*—*The Secretary shall es-*
21 *tablish 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, com-*
25 *plexity of recovery, and other factors as deter-*

1 *mined by the Secretary, but not to exceed 8 per-*
2 *cent for administration and 20 percent in total.*

3 “(B) *AVAILABILITY.*—*Amounts available for*
4 *administrative costs for a grant under this sec-*
5 *tion shall be available for eligible administrative*
6 *costs of the grantee for any grant made under*
7 *this section, without regard to a particular dis-*
8 *aster.*

9 “(C) *SUPPLEMENTAL PLAN.*—

10 “(i) *IN GENERAL.*—*Grantees may sub-*
11 *mit to the Secretary an optional supple-*
12 *mental plan to the grantee plan required*
13 *under this title specifically for administra-*
14 *tive costs, which shall include a description*
15 *of the use of all grant funds for administra-*
16 *tive costs, including for any eligible pre-*
17 *award program administrative costs, and*
18 *how such uses will prepare the grantee to*
19 *more effectively and expeditiously admin-*
20 *ister funds provided under the full plan.*

21 “(ii) *USE OF FUNDS.*—*If a supple-*
22 *mental plan is approved under clause (i), a*
23 *grantee may draw down the aforementioned*
24 *administrative funds before the full grantee*
25 *plan is approved.*

1 “(iii) *WAIVERS.*—*In carrying out this*
2 *subparagraph, the Secretary may include*
3 *any waivers or alternative requirements in*
4 *accordance with subsection (i).*

5 “(4) *PROGRAM INCOME.*—*Notwithstanding any*
6 *other provision of law, any grantee under this section*
7 *may retain program income that is realized from*
8 *grants made by the Secretary under this section if the*
9 *grantee agrees that the grantee will utilize the pro-*
10 *gram income in accordance with the requirements for*
11 *grants under this section, except that the Secretary*
12 *may—*

13 “(A) *by regulation, exclude from consider-*
14 *ation as program income any amounts deter-*
15 *mined to be so small that compliance with this*
16 *paragraph creates an unreasonable administra-*
17 *tive burden on the grantee; or*

18 “(B) *permit the grantee to transfer remain-*
19 *ing program income to the other grants of the*
20 *grantee under this title upon closeout of the*
21 *grant.*

22 “(5) *PROHIBITION ON USE OF ASSISTANCE FOR*
23 *EMPLOYMENT RELOCATION ACTIVITIES.*—

24 “(A) *IN GENERAL.*—*Grants under this sec-*
25 *tion may not be used to assist directly in the re-*

1 *location of any industrial or commercial plant,*
2 *facility, or operation, from one area to another*
3 *area, if the relocation is likely to result in a sig-*
4 *nificant loss of employment in the labor market*
5 *area from which the relocation occurs.*

6 “(B) *APPLICABILITY.*—*The prohibition*
7 *under subparagraph (A) shall not apply to a*
8 *business that was operating in the disaster-de-*
9 *clared labor market area before the incident date*
10 *of the applicable disaster and has since moved,*
11 *in whole or in part, from the affected area to an-*
12 *other State or to a labor market area within the*
13 *same State to continue business.*

14 “(6) *REQUIREMENTS.*—*Grants under this section*
15 *are subject to the requirements of this section, the*
16 *other provisions of this title that apply to assistance*
17 *under this section, and other applicable laws, unless*
18 *modified by waivers or alternative requirements in*
19 *accordance with subsection (i).*

20 “(g) *ENVIRONMENTAL REVIEW.*—

21 “(1) *ADOPTION.*—*A recipient of funds provided*
22 *under this section that uses the funds to supplement*
23 *Federal assistance provided under section 203, 402,*
24 *403, 404, 406, 407, 408(c)(4), 428, or 502 of the Rob-*
25 *ert T. Stafford Disaster Relief and Emergency Assist-*

1 *ance Act (42 U.S.C. 5170a, 5170b, 5170c, 5172, 5173,*
2 *5174(c)(4), 5189f, 5192) may adopt, without review*
3 *or public comment, any environmental review, ap-*
4 *proval, or permit performed by a Federal agency, and*
5 *such adoption shall satisfy the responsibilities of the*
6 *recipient with respect to such environmental review,*
7 *approval, or permit under section 104(g)(1), so long*
8 *as the actions covered by the existing environmental*
9 *review, approval, or permit and the actions proposed*
10 *for these supplemental funds are substantially the*
11 *same.*

12 *“(2) APPROVAL OF RELEASE OF FUNDS.—Not-*
13 *withstanding section 104(g)(2), the Secretary or a*
14 *State may, upon receipt of a request for release of*
15 *funds and certification, immediately approve the re-*
16 *lease of funds for an activity or project to be assisted*
17 *under this section if the recipient has adopted an en-*
18 *vironmental review, approval, or permit under para-*
19 *graph (1) or the activity or project is categorically ex-*
20 *cluded from review under the National Environ-*
21 *mental Policy Act of 1969 (42 U.S.C. 4321 et seq.).*

22 *“(3) UNITS OF GENERAL LOCAL GOVERNMENT.—*
23 *The provisions of section 104(g)(4) shall apply to as-*
24 *sistance under this section that a State distributes to*
25 *a unit of general local government.*

1 “(h) *FINANCIAL CONTROLS AND PROCEDURES.*—

2 “(1) *IN GENERAL.*—*The Secretary shall develop*
3 *requirements and procedures to demonstrate that a*
4 *grantee under this section—*

5 “(A) *has adequate financial controls and*
6 *procurement processes;*

7 “(B) *has adequate procedures to detect and*
8 *prevent fraud, waste, abuse, and duplication of*
9 *benefit; and*

10 “(C) *maintains a comprehensive and pub-*
11 *licly accessible website.*

12 “(2) *CERTIFICATION.*—*Before making a grant*
13 *under this section, the Secretary shall certify that the*
14 *grantee has in place proficient processes and proce-*
15 *dures to comply with the requirements developed*
16 *under paragraph (1), as determined by the Secretary.*

17 “(3) *COMPLIANCE BEFORE ALLOCATION.*—*The*
18 *Secretary may permit a State, unit of general local*
19 *government, or Indian tribe to demonstrate compli-*
20 *ance with the requirements for adequate financial*
21 *controls developed under paragraph (1) before a dis-*
22 *aster occurs and before receiving an allocation for a*
23 *grant under this section.*

24 “(4) *DUPLICATION OF BENEFITS.*—

1 “(A) *IN GENERAL.*—Funds made available
2 under this section shall be used in accordance
3 with section 312 of the Robert T. Stafford Dis-
4 aster Relief and Emergency Assistance Act (42
5 U.S.C. 5155) and such rules as may be pre-
6 scribed under such section 312.

7 “(B) *PENALTIES.*—In any case in which
8 the use of grant funds under this section results
9 in a prohibited duplication of benefits, the grant-
10 ee shall—

11 “(i) apply an amount equal to the
12 identified duplication to any allowable costs
13 of the award consistent with an actual, im-
14 mediate cash requirement;

15 “(ii) remit any excess amounts to the
16 Secretary to be credited to the obligated,
17 undisbursed balance of the grant consistent
18 with requirements on Federal payments ap-
19 plicable to such grantee; and

20 “(iii) if excess amounts under clause
21 (ii) are identified after the period of per-
22 formance or after the closeout of the award,
23 remit such amounts to the Secretary to be
24 credited to the Fund.

1 “(C) *FAILURE TO COMPLY.*—Any grantee
2 provided funds under this section or from prior
3 appropriations Acts under the heading ‘Communi-
4 ty Development Fund’ for purposes related to
5 major disasters that fails to comply with section
6 312 of the Robert T. Stafford Disaster Relief and
7 Emergency Assistance Act (42 U.S.C. 5155) or
8 fails to satisfy penalties to resolve a duplication
9 of benefits shall be subject to remedies for non-
10 compliance under section 111, unless the Sec-
11 retary publishes a determination in the Federal
12 Register that it is not in the best interest of the
13 Federal Government to pursue remedial actions.

14 “(i) *WAIVERS AND ALTERNATIVE REQUIREMENTS.*—

15 “(1) *IN GENERAL.*—In administering grants
16 under this section, the Secretary may waive, or speci-
17 fy alternative requirements for, any provision of any
18 statute or regulation that the Secretary administers
19 in connection with the obligation by the Secretary or
20 the use by the grantee of those funds (except for re-
21 quirements related to fair housing, nondiscrimina-
22 tion, labor standards, the environment, and the re-
23 quirements of this section that do not expressly au-
24 thorize modifications by waiver or alternative re-
25 quirement), if the Secretary makes a public finding

1 *that good cause exists for the waiver or alternative re-*
2 *quirement.*

3 “(2) *EFFECTIVE DATE.*—*A waiver or alternative*
4 *requirement described in paragraph (1) shall not take*
5 *effect before the date that is 5 days after the date of*
6 *publication of the waiver or alternative requirement*
7 *on the website of the Department of Housing and*
8 *Urban Development or the effective date for any regu-*
9 *lation published in the Federal Register.*

10 “(3) *PUBLIC NOTIFICATION.*—*The Secretary shall*
11 *notify the public of all waivers or alternative require-*
12 *ments described in paragraph (1) in accordance with*
13 *the requirements of section 7(q)(3) of the Department*
14 *of Housing and Urban Development Act (42 U.S.C.*
15 *3535(q)(3)).*

16 “(j) *UNUSED AMOUNTS.*—

17 “(1) *DEADLINE TO USE AMOUNTS.*—*A grantee*
18 *under this section shall use an amount equal to the*
19 *grant within 6 years beginning on the date on which*
20 *the Secretary obligates the amounts to the grantee, as*
21 *such period may be extended under paragraph (4).*

22 “(2) *RECAPTURE.*—*The Secretary shall recap-*
23 *ture and credit to the Fund any amount that is un-*
24 *used by a grantee under this section upon the earlier*
25 *of—*

1 “(A) the date on which the grantee notifies
2 the Secretary that the grantee has completed all
3 activities identified in the disaster grantee’s plan
4 under subsection (c); or

5 “(B) the expiration of the 6-year period de-
6 scribed in paragraph (1), as such period may be
7 extended under paragraph (4).

8 “(3) *RETENTION OF FUNDS.*—Notwithstanding
9 paragraph (1), the Secretary—

10 “(A) shall allow a grantee under this sec-
11 tion to retain amounts needed to close out
12 grants; and

13 “(B) may allow a grantee under this section
14 to retain up to 10 percent of the remaining
15 funds to support maintenance of the minimal ca-
16 pacity to launch a new program in the event of
17 a future disaster and to support pre-disaster
18 long-term recovery and mitigation planning.

19 “(4) *EXTENSION OF PERIOD FOR USE OF*
20 *FUNDS.*—The Secretary may extend the 6-year period
21 described in paragraph (1) by not more than 4 years,
22 or not more than 6 years for mitigation activities,
23 if—

24 “(A) the grantee submits to the Secretary—

1 “(i) written documentation of the exi-
2 gent circumstances impacting the ability of
3 the grantee to expend funds that could not
4 be anticipated; or

5 “(ii) a justification that such request is
6 necessary due to the nature and complexity
7 of the program and projects; and

8 “(B) the Secretary submits a written jus-
9 tification for the extension to the Committee on
10 Appropriations and the Committee on Banking,
11 Housing, and Urban Affairs of the Senate and
12 the Committee on Appropriations and the Com-
13 mittee on Financial Services of the House of
14 Representatives that specifies the period of that
15 extension.

16 “(k) *DEFINITION.*—In this section, the term ‘Indian
17 tribe’ has the meaning given the term in section 4 of the
18 Native American Housing Assistance and Self-Determina-
19 tion Act of 1996 (25 U.S.C. 4103).”.

20 (e) *REGULATIONS.*—

21 (1) *PROPOSED RULES.*—Following consultation
22 with the Federal Emergency Management Agency, the
23 Small Business Administration, and other Federal
24 agencies, not later than 6 months after the date of en-
25 actment of this Act, the Secretary shall issue proposed

1 *rules to carry out this section and the amendments*
2 *made by this section and shall provide a 90-day pe-*
3 *riod for submission of public comments on those pro-*
4 *posed rules.*

5 (2) *FINAL RULES.—Not later than 1 year after*
6 *the date of enactment of this Act, the Secretary shall*
7 *issue final regulations to carry out section 124 of the*
8 *Housing and Community Development Act of 1974,*
9 *as added by subsection (d).*

10 (f) *COORDINATION OF DISASTER RECOVERY ASSIST-*
11 *ANCE, BENEFITS, AND DATA WITH OTHER FEDERAL AGEN-*
12 *CIES.—*

13 (1) *COORDINATION OF DISASTER RECOVERY AS-*
14 *SISTANCE.—In order to ensure a comprehensive ap-*
15 *proach to Federal disaster relief, long-term recovery,*
16 *restoration of housing and infrastructure, economic*
17 *revitalization, and mitigation in the most impacted*
18 *and distressed areas resulting from a catastrophic*
19 *major disaster, the Secretary shall coordinate with the*
20 *Federal Emergency Management Agency, to the great-*
21 *est extent practicable, in the implementation of assist-*
22 *ance authorized under section 124 of the Housing and*
23 *Community Development Act of 1974, as added by*
24 *subsection (d).*

1 (2) *DATA SHARING AGREEMENTS.*—To support
2 the coordination of data to prevent duplication of
3 benefits with other Federal disaster recovery programs
4 while also expediting recovery and reducing burden
5 on disaster survivors, the Department shall establish
6 data sharing agreements that safeguard privacy with
7 relevant Federal agencies to ensure disaster benefits
8 effectively and efficiently reach intended beneficiaries,
9 while using effective means of preventing harm to
10 people and property.

11 (3) *DATA TRANSFER FROM FEMA AND SBA TO*
12 *HUD.*—As permitted and deemed necessary for effi-
13 cient program execution, and consistent with a com-
14 puter matching agreement entered into under para-
15 graph (6)(A), the Administrator of the Federal Emer-
16 gency Management Agency and the Administrator of
17 the Small Business Administration shall provide data
18 on disaster applicants to the Department, including,
19 when necessary, personally identifiable information,
20 disaster recovery needs, and resources determined eli-
21 gible for, and amounts expended, to the Secretary for
22 all major disasters declared by the President pursuant
23 to section 401 of Robert T. Stafford Disaster Relief
24 and Emergency Assistance Act (42 U.S.C. 5170) for

1 *the purpose of providing additional assistance to dis-*
2 *aster survivors and prevent duplication of benefits.*

3 (4) *DATA TRANSFERS FROM HUD TO HUD*
4 *GRANTEES.—The Secretary is authorized to provide*
5 *to grantees under section 124 of the Housing and*
6 *Community Development Act of 1974, as added by*
7 *subsection (d), offices of the Department, technical as-*
8 *istance providers, and lenders information that in*
9 *the determination of the Secretary is reasonably*
10 *available and appropriate to inform the provision of*
11 *assistance after a major disaster, including informa-*
12 *tion provided to the Secretary by the Administrator*
13 *of the Federal Emergency Management Agency, the*
14 *Administrator of the Small Business Administration,*
15 *or other Federal agencies.*

16 (5) *DATA TRANSFERS FROM HUD GRANTEES TO*
17 *HUD, FEMA, AND SBA.—*

18 (A) *REPORTING.—Grantees under section*
19 *124 of the Housing and Community Develop-*
20 *ment Act of 1974, as added by subsection (d),*
21 *shall report information requested by the Sec-*
22 *retary on households, businesses, and other enti-*
23 *ties assisted and the type of assistance provided.*

24 (B) *SHARING INFORMATION.—The Secretary*
25 *shall share information collected under subpara-*

1 *graph (A) with the Federal Emergency Manage-*
2 *ment Agency, the Small Business Administra-*
3 *tion, and other Federal agencies to support the*
4 *planning and delivery of disaster recovery and*
5 *mitigation assistance and other related purposes.*

6 *(6) PRIVACY PROTECTION.—*

7 *(A) IN GENERAL.—The Secretary may make*
8 *and receive data transfers authorized under this*
9 *subsection, including the use and retention of*
10 *that data for computer matching programs, to*
11 *inform the provision of assistance, assess disaster*
12 *recovery needs, and prevent the duplication of*
13 *benefits and other waste, fraud, and abuse, pro-*
14 *vided that—*

15 *(i) the Secretary enters an information*
16 *sharing agreement or a computer matching*
17 *agreement, when required by section 522a of*
18 *title 5, United States Code (commonly*
19 *known as the “Privacy Act of 1974”), with*
20 *the Administrator of the Federal Emergency*
21 *Management Agency, the Administrator of*
22 *the Small Business Administration, or other*
23 *Federal agencies covering the transfer of*
24 *data; and*

1 (ii) the Secretary publishes intent to
2 disclose data in the Federal Register.

3 (B) DATA SHARING AGREEMENT.—Notwith-
4 standing clauses (i) and (ii) of subparagraph
5 (A), section 552a of title 5, United States Code,
6 or any other law, the Secretary is authorized to
7 share data with an entity identified in para-
8 graph (4), and the entity is authorized to use the
9 data as described in this section, if the Secretary
10 enters a data sharing agreement with the entity
11 before sharing or receiving any information
12 under transfers authorized by this section, which
13 data sharing agreement shall—

14 (i) in the determination of the Sec-
15 retary, include measures adequate to safe-
16 guard the privacy and personally identifi-
17 able information of individuals; and

18 (ii) include provisions that describe
19 how the personally identifiable information
20 of an individual will be adequately safe-
21 guarded and protected, which requires con-
22 sultation with the Secretary and the head of
23 each Federal agency the data of which is
24 being shared subject to the agreement.

1 (g) *SUNSET.*—*The program under section 124 of the*
2 *Housing and Community Development Act of 1974, as*
3 *added by subsection (d) shall terminate on the date that*
4 *is 3 years after the date of enactment of this Act.*

5 (h) *SENSE OF CONGRESS.*—*It is the sense of Congress*
6 *that, should Congress opt to appropriate funds for disaster*
7 *recovery through a similar successor program following the*
8 *sunset date, subsection (g) shall not preclude Congress from*
9 *doing so.*

10 (i) *APPLICATION.*—*Grants made under section 124 of*
11 *the Housing and Community Development Act of 1974, as*
12 *added by subsection (d), after the date of enactment of this*
13 *Act shall be carried out using amounts appropriated after*
14 *the date of enactment of this Act.*

15 **SEC. 505. 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 sec-*
20 *tion 204 of the Departments of Veterans Affairs and*
21 *Housing and Urban Development, and Independent*
22 *Agencies Appropriations Act, 1996 (42 U.S.C. 1437f*
23 *note).*

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

1 **(b) AUTHORIZATION OF ADDITIONAL PUBLIC HOUSING**
2 **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 Oppor-*
13 *tunity and Pathways to Independence Cohort”.*

14 **(c) WAIVER AUTHORITY.**—

15 **(1) IN GENERAL.**—*Subject to this subsection, the*
16 *authority of the Secretary to grant waivers to agen-*
17 *cies admitted to the Moving to Work demonstration*
18 *under this section or to designate policy changes as*
19 *part of a cohort design under this section shall be*
20 *limited to the Moving to Work waivers codified as of*
21 *January 2025 in Appendix I of the document of the*
22 *Department of Housing and Urban Development enti-*
23 *tled “Operations Notice for the Expansion of the Mov-*
24 *ing to Work Demonstration Program” (FR–5994–N–*
25 *05) published in the Federal Register on August 28,*

1 2020, as amended by the notice entitled “Operations
2 Notice for Expansion of the Moving to Work Dem-
3 onstration Program Technical Revisions” (FR–5994–
4 N–06) published in the Federal Register on March 20,
5 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 pur-
10 poses 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 new
23 cohort under this section.

24 (4) *POLICY OPTIONS.*—In carrying out the Mov-
25 ing to Work demonstration cohort established under

1 *this section, the Secretary may consider policy op-*
2 *tions to provide opt-out savings or escrow accounts*
3 *and report positive rental payments to consumer re-*
4 *porting agencies (as defined in section 603 of the Fair*
5 *Credit Reporting Act (15 U.S.C. 1681a)) with resi-*
6 *dent consent.*

7 *(d) FUNDING AND USE OF FUNDS.—*

8 *(1) IN GENERAL.—Public housing agencies in the*
9 *cohort authorized under this section may expend not*
10 *more than 5 percent of the amounts those public hous-*
11 *ing agencies receive in any fiscal year for housing as-*
12 *sistance payments under section 8(o) of the United*
13 *States Housing Act of 1937 (42 U.S.C. 1437f(o)) for*
14 *purposes other than such housing assistance pay-*
15 *ments.*

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 public*

1 *housing agencies that do not participate in the*
2 *Moving to Work demonstration, except that the*
3 *Secretary shall provide public housing agencies*
4 *funding to renew any funds expended under this*
5 *subsection, with an adjustment for inflation.*

6 (B) *ADMINISTRATIVE FEES.*—*The amount*
7 *of funding public housing agencies receive for ad-*
8 *ministrative fees under section 8(q) of the United*
9 *States Housing Act of 1937 (42 U.S.C. 1437f(q)),*
10 *public housing operating subsidies under section*
11 *9(e) of the United States Housing Act of 1937*
12 *(42 U.S.C. 1437g(e)), and public housing capital*
13 *funding under section 9(d) of the United States*
14 *Housing Act of 1937 (42 U.S.C. 1437g(d)) shall*
15 *be determined according to the same funding for-*
16 *mula applicable to public housing agencies that*
17 *do not participate in the Moving to Work dem-*
18 *onstration.*

19 (e) *SELECTION REQUIREMENTS.*—*The Secretary shall*
20 *select public housing agencies designated under this section*
21 *through a competitive process, as determined by the Sec-*
22 *retary, with the following parameters:*

23 (1) *No public housing agency shall be granted*
24 *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 under*
4 *this section, not more than 12 shall administer 1,000*
5 *or fewer aggregate housing vouchers and public hous-*
6 *ing units, not more than 8 shall administer between*
7 *1,001 and 6,000 aggregate housing vouchers and pub-*
8 *lic housing units, and not more than 5 shall admin-*
9 *ister between 6,001 and 27,000 aggregate housing*
10 *vouchers and public housing units.*

11 (3) *Selection of public housing agencies under*
12 *this section shall be based on ensuring the geographic*
13 *diversity of Moving to Work demonstration public*
14 *housing agencies.*

15 (4) *Within the requirements under paragraphs*
16 *(1) through (3), the Secretary shall prioritize selecting*
17 *public housing agencies that serve families with chil-*
18 *dren and youth aging out of foster care at a rate*
19 *above the national average.*

20 (f) *REQUIREMENTS FOR SELECTED PUBLIC HOUSING*
21 *AGENCIES.—Consistent with section 204(c)(3) of the De-*
22 *partments of Veterans Affairs and Housing and Urban De-*
23 *velopment, and Independent Agencies Appropriations Act,*
24 *1996 (42 U.S.C. 1437f note), public housing agencies se-*

1 lected for the Moving to Work demonstration under this sec-
2 tion 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 Hous-
6 ing 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 total
14 number of eligible low-income families as would have
15 been served had the amounts not been combined;

16 (4) maintain a comparable mix of families (by
17 family size) as would have been provided had the
18 amounts not been used under the Moving to Work
19 demonstration; and

20 (5) assure that housing assisted under the Mov-
21 ing to Work demonstration meets housing quality
22 standards established or approved by the Secretary.

23 (g) NONCOMPLIANCE.—

24 (1) IN GENERAL.—If the Secretary finds that a
25 public housing agency participating in the cohort au-

1 *thorized under this section is not in compliance with*
2 *the requirements under this section, the Secretary*
3 *shall make a determination of noncompliance.*

4 (2) *COMPLIANCE.*—*Upon making a determina-*
5 *tion under paragraph (1), the Secretary shall develop*
6 *a process to bring the public housing agency into*
7 *compliance.*

8 (3) *REMOVAL.*—*If a public housing agency can-*
9 *not be brought into compliance under the process de-*
10 *veloped under paragraph (2), the Secretary shall re-*
11 *move the participating public housing agency from*
12 *the cohort and replace it with a similarly qualified*
13 *public housing agency currently not in the cohort cho-*
14 *sen in the manner described in subsection (e).*

15 (4) *NOTIFICATION.*—*Upon removing a public*
16 *housing agency under paragraph (3), the Secretary*
17 *shall immediately submit to the Committee on Bank-*
18 *ing, Housing, and Urban Affairs of the Senate and*
19 *the Committee on Financial Services of the House of*
20 *Representatives—*

21 (A) *a notification of the removal; and*

22 (B) *a report on the active steps the Sec-*
23 *retary is taking to replace the public housing*
24 *agency with a new public housing agency.*

1 (h) *COMPREHENSIVE MOVING TO WORK REPORTING*
2 *AND OVERSIGHT REQUIREMENTS.*—

3 (1) *COHORT RESEARCH.*—

4 (A) *IN GENERAL.*—*The Secretary shall con-*
5 *tinue ongoing research investigations commenced*
6 *as part of the assessment of the cohorts estab-*
7 *lished under section 239 of the Department of*
8 *Housing and Urban Development Appropria-*
9 *tions Act, 2016 (42 U.S.C. 1437f note; Public*
10 *Law 114–113), make public all products com-*
11 *pleted as part of those investigations, and keep*
12 *such products online for at least 5 years.*

13 (B) *COORDINATION.*—*The Secretary shall*
14 *coordinate with the advisory committee estab-*
15 *lished under section 239 of the Department of*
16 *Housing and Urban Development Appropria-*
17 *tions Act, 2016 (42 U.S.C. 1437f note; Public*
18 *Law 114–113) to establish a research program to*
19 *evaluate the outcomes and efficacy of the fol-*
20 *lowing for all Moving to Work demonstration*
21 *agencies designated under the authority under*
22 *such section and this section:*

23 (i) *The waivers granted to each cohort*
24 *and whether those waivers accomplish the*
25 *goals of achieving greater cost effectiveness*

1 *and administrative capacity, incentivizing*
2 *families to become economically self-suffi-*
3 *cient, and increasing housing choice.*

4 *(ii) The additional flexibilities granted*
5 *to individual public housing agencies under*
6 *each cohort.*

7 *(iii) How the flexibilities described in*
8 *clause (ii) were used for local, non-tradi-*
9 *tional activities.*

10 (2) *COMPREHENSIVE REPORTING REQUIRE-*
11 *MENT.—Not later than 180 days after the date of en-*
12 *actment of this Act, and annually thereafter, the Sec-*
13 *retary shall submit to the Committee on Banking,*
14 *Housing, and Urban Affairs of the Senate and the*
15 *Committee on Financial Services of the House of Rep-*
16 *resentatives a report that contains the following for*
17 *each Moving to Work demonstration cohort under sec-*
18 *tion 204 of the Departments of Veterans Affairs and*
19 *Housing and Urban Development, and Independent*
20 *Agencies Appropriations Act, 1996 (42 U.S.C. 1437f*
21 *note), section 239 of the Department of Housing and*
22 *Urban Development Appropriations Act, 2016 (42*
23 *U.S.C. 1437f note; Public Law 114–113), and this*
24 *section:*

1 (A) *The annual administrative plans of*
2 *each Moving to Work demonstration public hous-*
3 *ing agency.*

4 (B) *Assessments of longitudinal data, in-*
5 *cluding data on units, households, and outcomes,*
6 *which shall be evaluated to compare changes in*
7 *the following trends before and after Moving to*
8 *Work demonstration designation:*

9 (i) *Impacts on tenants based on the fol-*
10 *lowing, disaggregated by the public housing*
11 *program and the housing choice voucher*
12 *program:*

13 (I) *Eviction rates.*

14 (II) *Hardship policy usage.*

15 (III) *Share of rent covered by a*
16 *household.*

17 (IV) *Turnover, including the*
18 *number of household moves with or*
19 *without continued assistance.*

20 (V) *Reasons for exit from the pro-*
21 *gram.*

22 (VI) *The number and characteris-*
23 *tics of households served, including*
24 *households with a non-elderly family*
25 *member with a disability, households*

1 *with 3 or more minors, homelessness*
2 *status at the time of admission, and*
3 *average and median income as a per-*
4 *cent of area median income.*

5 *(ii) Impacts on public housing agency*
6 *operations based on the following:*

7 *(I) The number of units, broken*
8 *down by type.*

9 *(II) The size, including the num-*
10 *ber of bedrooms per unit, accessibility,*
11 *affordability, and quality of units.*

12 *(III) The length of each waitlist*
13 *maintained and average wait times.*

14 *(IV) Changes in capital backlog*
15 *needs and surplus fund and reserve*
16 *levels.*

17 *(V) The number of public housing*
18 *units undergoing a conversion under*
19 *the rental assistance demonstration*
20 *program authorized under the Depart-*
21 *ment of Housing and Urban Develop-*
22 *ment Appropriations Act, 2012 (Public*
23 *Law 112–55; 125 Stat. 673) or demoli-*
24 *tion or disposition projects under sec-*
25 *tion 18 of the United States Housing*

1 *Act of 1937 (42 U.S.C. 1437p), includ-*
2 *ing the number of units lost and the lo-*
3 *cation of any replacement housing re-*
4 *sulting from demolition or disposition.*

5 *(VI) The share of project-based*
6 *vouchers compared to tenant-based*
7 *vouchers.*

8 *(VII) The following annual hous-*
9 *ing choice voucher data:*

10 *(aa) Voucher unit utilization*
11 *rates.*

12 *(bb) Voucher budget utiliza-*
13 *tion rates.*

14 *(cc) Annualized voucher suc-*
15 *cess rate.*

16 *(dd) Demographic composi-*
17 *tion of households issued vouchers*
18 *compared to utilized vouchers.*

19 *(ee) Average time to lease-up.*

20 *(ff) Average cost per voucher.*

21 *(gg) Average cost per land-*
22 *lord incentive.*

23 *(hh) Ratio of the proportion*
24 *of voucher households living in*
25 *concentrated low-income areas to*

1 *the proportion of renter-occupied*
2 *units in concentrated low-income*
3 *areas.*

4 *(ii) Characteristics of census*
5 *tracts where voucher recipients re-*
6 *side.*

7 *(VIII) How the public housing*
8 *agency met each of the statutory re-*
9 *quirements in section 204(c)(3) of the*
10 *Departments of Veterans Affairs and*
11 *Housing and Urban Development, and*
12 *Independent Agencies Appropriations*
13 *Act, 1996 (42 U.S.C. 1437f note).*

14 *(iii) Impacts on public housing staff-*
15 *ing and capacity, including the average*
16 *public housing agency operating, adminis-*
17 *trative, and housing assistance payment ex-*
18 *penditures per household per month.*

19 *(C) Legislative recommendations for flexi-*
20 *bilities that could be expanded to all public hous-*
21 *ing agencies and how each flexibility enhances*
22 *housing choice, affordability, and administrative*
23 *capacity and efficiency for public housing agen-*
24 *cies.*

25 *(3) PUBLIC AVAILABILITY.—*

1 (A) *IN GENERAL.*—*The Secretary shall*
2 *maintain all reports submitted pursuant to this*
3 *section in a manner that is publicly available,*
4 *accessible, and searchable on the website of the*
5 *Department of Housing and Urban Development*
6 *for not less than 5 years.*

7 (B) *OTHER INFORMATION.*—

8 (i) *IN GENERAL.*—*The Secretary shall*
9 *make the annual plan of the Moving to*
10 *Work demonstration, the Section 8 adminis-*
11 *trative plan, and the admission and contin-*
12 *ued occupancy policy for each year publicly*
13 *available in 1 location on the website of the*
14 *Department of Housing and Urban Devel-*
15 *opment for not less than 5 years.*

16 (ii) *DATABASE.*—*The Secretary may*
17 *establish a searchable database on the*
18 *website of the Department of Housing and*
19 *Urban Development to track the types of*
20 *flexibilities into which Moving to Work*
21 *demonstration public housing agencies have*
22 *opted or for which a waiver was approved*
23 *by the Secretary, disaggregated by the year*
24 *such flexibilities were adopted or approved.*

1 **TITLE VI—VETERANS AND**
2 **HOUSING**

3 **SEC. 601. MILITARY SERVICE QUESTION.**

4 (a) *IN GENERAL.*—Subpart A of part 2 of the Federal
5 *Housing Enterprises Financial Safety and Soundness Act*
6 *of 1992 (12 U.S.C. 4541 et seq.) is amended by adding at*
7 *the end the following:*

8 **“SEC. 1329. UNIFORM RESIDENTIAL LOAN APPLICATION.**

9 *“Not later than 6 months after the date of enactment*
10 *of this section, the Director shall, by regulation or order,*
11 *require each enterprise to include a disclosure below the*
12 *military service question, which shall be above the signature*
13 *line, on the form known as the Uniform Residential Loan*
14 *Application stating, ‘If yes, you may qualify for a VA*
15 *Home Loan. Consult your lender regarding eligibility.’”.*

16 (b) *GAO STUDY.*—Not later than 18 months after the
17 *date of enactment of this Act, the Comptroller General of*
18 *the United States shall conduct a study and submit to Con-*
19 *gress a report on whether or not less than 80 percent of*
20 *lenders using the Uniform Residential Loan Application*
21 *have included on that form the disclaimer required under*
22 *section 1329 of the Federal Housing Enterprises Financial*
23 *Safety and Soundness Act of 1992, as added by subsection*
24 *(a).*

1 **SEC. 602. HOUSING UNHOUSED DISABLED VETERANS ACT.**

2 (a) *EXCLUSION OF CERTAIN DISABILITY BENEFITS.*—

3 *Section 3(b)(4)(B) of the United States Housing Act of 1937*

4 *(42 U.S.C. 1437a(b)(4)(B)) is amended—*

5 (1) *by redesignating clauses (iv) and (v) as*

6 *clauses (vi) and (vii), respectively; and*

7 (2) *by inserting after clause (iii) the following:*

8 “(iv) *for the purpose of determining*

9 *income eligibility with respect to the sup-*

10 *ported housing program under section*

11 *8(o)(19), any disability benefits received*

12 *under chapter 11 or chapter 15 of title 38,*

13 *United States Code, received by a veteran,*

14 *except that this exclusion shall not apply to*

15 *the income in the definition of adjusted in-*

16 *come;*

17 “(v) *for the purpose of determining in-*

18 *come eligibility with respect to any house-*

19 *hold receiving rental assistance under the*

20 *supported housing program under section*

21 *8(o)(19) as it relates to eligibility for other*

22 *types of housing assistance, any disability*

23 *benefits received under chapter 11 or chap-*

24 *ter 15 of title 38, United States Code, re-*

25 *ceived by a veteran, but such amounts shall*

1 *not be excluded from income when deter-*
2 *mining adjusted income;”.*

3 **(b) TREATMENT OF CERTAIN DISABILITY BENEFITS.—**

4 **(1) IN GENERAL.—***When determining the eligi-*
5 *bility of a veteran to rent a residential dwelling unit*
6 *constructed on Department property on or after the*
7 *date of enactment of this Act, for which assistance is*
8 *provided as part of a housing assistance program ad-*
9 *ministered by the Secretary, the Secretary shall ex-*
10 *clude from income any disability benefits received*
11 *under chapter 11 or chapter 15 of title 38, United*
12 *States Code by such person.*

13 **(2) DEFINITIONS.—***In this subsection:*

14 **(A) DEPARTMENT PROPERTY.—***The term*
15 *“Department property” has the meaning given*
16 *the term in section 901 of title 38, United States*
17 *Code.*

18 **(B) SECRETARY.—***The term “Secretary”*
19 *means the Secretary of Housing and Urban De-*
20 *velopment.*

21 **SEC. 603. VETERANS AFFAIRS LOAN INFORMED DISCLO-**
22 **SURE (VALID) ACT.**

23 **(a) FHA INFORMED CONSUMER CHOICE DISCLO-**
24 **SURE.—**

1 (1) *INCLUSION OF INFORMATION RELATING TO VA*
2 *LOANS.*—*Subparagraph (A) of section 203(f)(2) of the*
3 *National Housing Act (12 U.S.C. 1709(f)(2)(A)) is*
4 *amended—*

5 (A) *by striking “ratio in” and inserting*
6 *“ratio—*

7 *“(i) in”; and*

8 (B) *by adding at the end the following:*

9 *“(ii) in connection with a loan guar-*
10 *anteed or insured under chapter 37 of title*
11 *38, United States Code, assuming pre-*
12 *vailing interest rates; and”.*

13 (2) *RULE OF CONSTRUCTION.*—*Nothing in the*
14 *amendments made by paragraph (1) shall be con-*
15 *strued to require an original lender to determine*
16 *whether a prospective borrower is eligible for any loan*
17 *included in the notice required under section 203(f) of*
18 *the National Housing Act (12 U.S.C. 1709(f)).*

19 (b) *MILITARY SERVICE QUESTION.*—

20 (1) *IN GENERAL.*—*Subpart A of part 2 of sub-*
21 *title A of the Federal Housing Enterprises Financial*
22 *Safety and Soundness Act of 1992 (12 U.S.C. 4541*
23 *et seq.), as amended by section 601(a) of this Act, is*
24 *amended by adding at the end the following:*

1 **“SEC. 1330. UNIFORM RESIDENTIAL LOAN APPLICATION.**

2 *“Not later than 6 months after the date of enactment*
 3 *of this section, the Director shall require each enterprise*
 4 *to—*

5 *“(1) include a military service question on the*
 6 *form known as the Uniform Residential Loan Appli-*
 7 *cation to include selection options of ‘Yes’, ‘No’, and*
 8 *‘Prefer Not To Answer’; and*

9 *“(2) position the question described in para-*
 10 *graph (1) above the signature line of the Uniform*
 11 *Residential Loan Application.”.*

12 *(2) RULEMAKING.—Not later than 6 months*
 13 *after the date of enactment of this Act, the Director*
 14 *of the Federal Housing Finance Agency shall issue a*
 15 *rule to carry out the amendment made by this sec-*
 16 *tion.*

17 **TITLE VII—OVERSIGHT AND**
 18 **ACCOUNTABILITY**

19 **SEC. 701. REQUIRING ANNUAL TESTIMONY AND OVERSIGHT**
 20 **FROM HOUSING REGULATORS.**

21 *Section 7 of the Department of Housing and Urban*
 22 *Development Act (42 U.S.C. 3535) is amended by adding*
 23 *at the end the following:*

24 *“(u) ANNUAL TESTIMONY.—The Secretary shall ap-*
 25 *pear before the Committee on Banking, Housing, and*
 26 *Urban Affairs of the Senate and the Committee on Finan-*

1 *cial Services of the House of Representatives at an annual*
2 *hearing and present testimony regarding the operations of*
3 *the Department during the preceding year, including—*

4 “(1) *the current programs and operations of the*
5 *Department;*

6 “(2) *the physical condition of all public housing*
7 *and other housing assisted by the Department;*

8 “(3) *the financial health of the mortgage insur-*
9 *ance funds of the Federal Housing Agency;*

10 “(4) *oversight by the Department of grantees and*
11 *subgrantees for purposes of preventing waste, fraud,*
12 *and abuse;*

13 “(5) *the progress made by the Federal Govern-*
14 *ment in ending the affordable housing and homeless-*
15 *ness crises;*

16 “(6) *the capacity of the Department to deliver on*
17 *its statutory mission; and*

18 “(7) *other ongoing activities of the Department,*
19 *as appropriate.”.*

20 **SEC. 702. FHA REPORTING REQUIREMENTS ON SAFETY AND**
21 **SOUNDNESS.**

22 *Section 202(a) of the National Housing Act (12 U.S.C.*
23 *1708(a)) is amended by adding at the end the following:*

24 “(8) **OTHER REQUIRED REPORTING.**—*The Sec-*
25 *retary shall—*

1 “(A) submit to Congress monthly reports on
2 the capital ratio required under section
3 205(f)(2); and

4 “(B) notify Congress as soon as practicable
5 after the Fund falls below the capital ratio re-
6 quired under section 205(f)(2).”.

7 **SEC. 703. UNITED STATES INTERAGENCY COUNCIL ON**
8 **HOMELESSNESS OVERSIGHT.**

9 Section 203(a) of the McKinney-Vento Homeless As-
10 sistance Act (42 U.S.C. 11313(a)) is amended—

11 (1) in paragraph (1)—

12 (A) by striking “Homeless Emergency As-
13 sistance and Rapid Transition to Housing Act of
14 2009” and inserting “21st Century ROAD to
15 Housing Act”; and

16 (B) by striking “update such plan annu-
17 ally” and inserting “submit to the President and
18 Congress a report every year thereafter that in-
19 cludes—

20 “(A) the status of completion of the plan;
21 and

22 “(B) any modifications that were made to
23 the plan and the reasons for those modifica-
24 tions;”;

1 (2) by redesignating paragraphs (10) through
2 (13) as paragraphs (11) through (14), respectively;

3 (3) by redesignating the second paragraph (9)
4 (relating to collecting and disseminating information)
5 as paragraph (10);

6 (4) in paragraph (13), as so redesignated, by
7 striking “and” at the end;

8 (5) in paragraph (14), as so redesignated, by
9 striking the period at the end and inserting “; and”;
10 and

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

12 “(15) testify annually before Congress, if re-
13 quested.”.

14 **SEC. 704. APPRAISAL MODERNIZATION ACT.**

15 (a) *RECONSIDERATION OF VALUE.*—

16 (1) *FEDERALLY BACKED MORTGAGE LOAN DE-*
17 *FINED.*—In this subsection, the term “federally backed
18 mortgage loan” has the meaning given the term in
19 section 4022 of the CARES Act (15 U.S.C. 9056).

20 (2) *REQUIREMENT.*—The Secretary of Agri-
21 culture, the Secretary of Veterans Affairs, the Com-
22 missioner of the Federal Housing Administration,
23 and the Director of the Federal Housing Finance
24 Agency shall each implement and maintain require-
25 ments that creditors of a federally backed mortgage

1 *loan have a review and resolution procedure for a*
2 *consumer-initiated reconsideration of value or subse-*
3 *quent appraisal in connection with a consumer credit*
4 *transaction secured by a consumer’s principal dwell-*
5 *ing.*

6 *(b) PUBLIC APPRAISAL DATABASE.—*

7 *(1) COVERED AGENCIES DEFINED.—In this sub-*
8 *section, the term “covered agencies” means—*

9 *(A) the Federal Housing Finance Agency,*
10 *on behalf of the Federal National Mortgage Asso-*
11 *ciation and the Federal Home Loan Mortgage*
12 *Corporation;*

13 *(B) the Department of Housing and Urban*
14 *Development, including the Federal Housing Ad-*
15 *ministration;*

16 *(C) the Department of Agriculture; and*

17 *(D) the Department of Veterans Affairs.*

18 *(2) FEASIBILITY REPORT.—Not later than 240*
19 *days after the date of enactment of this Act, the*
20 *Comptroller General of the United States shall submit*
21 *to Congress a public report assessing the feasibility of*
22 *creating a publicly available appraisal database that*
23 *consists of a searchable and downloadable appraisal-*
24 *level public use file that consolidates appraisal data*
25 *held or aggregated by covered agencies, including—*

1 (A) *the costs and benefits associated with es-*
2 *ablishing and maintaining the public database;*

3 (B) *the benefits and risks associated with*
4 *the Federal Housing Finance Agency or the Bu-*
5 *reau of Consumer Financial Protection being re-*
6 *sponsible for the public database and whether*
7 *there is another Federal agency best suited for*
8 *implementing and administering such database;*

9 (C) *any safety and soundness, antitrust, or*
10 *consumer privacy-related risks associated with*
11 *making certain appraisal data factors publicly*
12 *available, including whether—*

13 (i) *there are any existing legal require-*
14 *ments, including under the Home Mortgage*
15 *Disclosure Act of 1975 (12 U.S.C. 2801 et*
16 *seq.) and section 552 of title 5, United*
17 *States Code (commonly known as the “Free-*
18 *dom of Information Act”), or additional ac-*
19 *tions Federal agencies could take to miti-*
20 *gate such risks, such as modifying or aggre-*
21 *gating data or eliminating personally iden-*
22 *tifiable information; and*

23 (ii) *there are any data factors that, if*
24 *made public, may violate conduct, ethics, or*
25 *other professional standards as they relate*

1 to appraisals and appraisal or valuation
2 professionals;

3 (D) the feasibility of consolidating or
4 matching appraisal data held by covered agen-
5 cies with corresponding data that are required
6 and made public under the Home Mortgage Dis-
7 closure Act of 1975 (12 U.S.C. 2801 et seq.);

8 (E) whether the publication of any ap-
9 praisal data factors may pose unfair business
10 advantages within the valuation industry;

11 (F) the feasibility of including all valuation
12 data held by covered agencies, including data
13 produced by automated valuation models;

14 (G) the feasibility and benefits of making
15 the full appraisal dataset, including any modi-
16 fied fields, available to—

17 (i) Federal agencies, including for pur-
18 poses related to enforcement and supervision
19 responsibilities;

20 (ii) relevant State licensing, super-
21 vision, and enforcement agencies and State
22 attorneys general;

23 (iii) approved researchers, including
24 academics and nonprofit organizations that,
25 in connection with their mission, work to

1 *ensure the fairness and consistency of home*
2 *valuations, including appraisals; and*

3 *(iv) any other entities identified by the*
4 *Comptroller General as having a compelling*
5 *use for disaggregated data;*

6 *(H) what appraisal data are already avail-*
7 *able in the public domain; and*

8 *(I) the feasibility of incorporating legacy*
9 *data held by covered agencies during the period*
10 *beginning on January 1, 2017, and ending on*
11 *the date of enactment of this Act, and whether*
12 *there are specific data points not easily consoli-*
13 *dated or matched, as described in subparagraph*
14 *(D), with more recent data.*

15 (3) *PURPOSE.*—*The database described in para-*
16 *graph (2) shall be used to provide the public, the Fed-*
17 *eral Government, and State governments with resi-*
18 *dential real estate appraisal data to help determine*
19 *whether financial institutions, appraisal management*
20 *companies, appraisers, valuation technologies, such as*
21 *automated valuation models, and other valuation pro-*
22 *fessionals are effectively serving the entire housing*
23 *market.*

24 (4) *CONSULTATION.*—*As part of the information*
25 *used in the report required under paragraph (2), the*

1 *Comptroller General of the United States shall con-*
2 *duct interviews with—*

3 *(A) relevant Federal agencies;*

4 *(B) relevant State licensing, supervision,*
5 *and enforcement agencies and State attorneys*
6 *general;*

7 *(C) appraisers and other home valuation*
8 *industry professionals;*

9 *(D) mortgage lending institutions;*

10 *(E) fair housing and fair lending experts;*

11 *and*

12 *(F) any other relevant stakeholders as deter-*
13 *mined by the Comptroller General.*

14 *(5) HEARING.—Upon the completion of the re-*
15 *port under paragraph (2), the Committee on Bank-*
16 *ing, Housing, and Urban Affairs of the Senate and*
17 *the Committee on Financial Services of the House of*
18 *Representatives shall each hold a hearing on the find-*
19 *ings of the report and the feasibility of establishing a*
20 *public appraisal-level appraisal database.*

1 **TITLE VIII—ACCOUNTABILITY,**
2 **COORDINATION, STUDIES,**
3 **AND REPORTING**

4 **SEC. 801. HUD-USDA-VA INTERAGENCY COORDINATION**
5 **ACT.**

6 (a) *MEMORANDUM OF UNDERSTANDING.*—The Sec-
7 retary of Housing and Urban Development, the Secretary
8 of Agriculture, and the Secretary of Veterans Affairs shall
9 establish a memorandum of understanding, or other appro-
10 priate interagency agreement, to share relevant housing-re-
11 lated research and market data that facilitate evidence-
12 based policymaking.

13 (b) *INTERAGENCY REPORT.*—

14 (1) *REPORT.*—Not later than 180 days after the
15 date of enactment of this Act, the Secretary of Hous-
16 ing and Urban Development, the Secretary of Agri-
17 culture, and the Secretary of Veterans Affairs shall
18 jointly submit to the Committee on Banking, Hous-
19 ing, and Urban Affairs of the Senate and the Com-
20 mittee on Financial Services of the House of Rep-
21 resentatives a report containing—

22 (A) a description of opportunities for in-
23 creased collaboration between the Secretary of
24 Housing and Urban Development, the Secretary
25 of Agriculture, and the Secretary of Veterans Af-

1 *fairs to reduce inefficiencies in housing pro-*
2 *grams;*

3 *(B) a list of Federal laws (including regula-*
4 *tions) that adversely affect the availability and*
5 *affordability of new construction of assisted*
6 *housing and single-family and multifamily resi-*
7 *dential housing subject to mortgages insured*
8 *under title II of the National Housing Act (12*
9 *U.S.C. 1707 et seq.), insured, guaranteed, or*
10 *made by the Secretary of Agriculture under title*
11 *V of the Housing Act of 1949 (42 U.S.C. 1471*
12 *et seq.), or insured, guaranteed, or made by the*
13 *Secretary of Veterans Affairs under chapter 37 of*
14 *title 38, United States Code; and*

15 *(C) recommendations for Congress regard-*
16 *ing the Federal laws (including regulations) de-*
17 *scribed in subparagraph (B).*

18 *(2) PUBLICATION.—The report required under*
19 *paragraph (1) shall, prior to submission under this*
20 *subsection, be published in the Federal Register and*
21 *open for comment for a period of 30 days.*

22 **SEC. 802. STREAMLINING RURAL HOUSING ACT.**

23 *(a) IN GENERAL.—Not later than 180 days after the*
24 *date of enactment of this Act, the Secretary of Housing and*

1 *Urban Development and the Secretary of Agriculture shall*
2 *enter into a memorandum of understanding to—*

3 (1) *evaluate categorical exclusions under the en-*
4 *vironmental review process for housing projects fund-*
5 *ed by amounts from the Department of Housing and*
6 *Urban Development and the Department of Agri-*
7 *culture;*

8 (2) *develop a process to designate a lead agency*
9 *and streamline adoption of Environmental Impact*
10 *Statements and Environmental Assessments approved*
11 *by the other Department to construct housing projects*
12 *funded by both agencies;*

13 (3) *maintain compliance with environmental*
14 *regulations under part 58 of title 24, Code of Federal*
15 *Regulations, as in effect on January 1, 2025, except*
16 *as required to amend, add, or remove categorical ex-*
17 *clusions identified under section 58.35 of title 24,*
18 *Code of Federal Regulations, through standard rule-*
19 *making procedures; and*

20 (4) *evaluate the feasibility of a joint physical in-*
21 *spection process for housing projects funded by*
22 *amounts from the Department of Housing and Urban*
23 *Development and the Department of Agriculture.*

24 (b) *REPORT.—Not later than 1 year after the date of*
25 *enactment of this Act, the Secretary of Housing and Urban*

1 *Development and the Secretary of Agriculture shall submit*
2 *to the Committee on Banking, Housing, and Urban Affairs*
3 *of the Senate and the Committee on Financial Services of*
4 *the House of Representatives a report that includes rec-*
5 *ommendations for legislative, regulatory, or administrative*
6 *actions—*

7 (1) *to improve the efficiency and effectiveness of*
8 *housing projects funded by amounts from the Depart-*
9 *ment of Housing and Urban Development and the*
10 *Department of Agriculture; and*

11 (2) *that do not materially, with respect to resi-*
12 *dents of housing projects described in paragraph*
13 *(1)—*

14 (A) *reduce the safety of those residents;*

15 (B) *shift long-term costs onto those resi-*
16 *dents; or*

17 (C) *undermine the environmental standards*
18 *of those residents.*

19 **SEC. 803. IMPROVING SELF-SUFFICIENCY OF FAMILIES IN**
20 **HUD-SUBSIDIZED HOUSING.**

21 (a) *IN GENERAL.—*

22 (1) *STUDY.—Subject to subsection (b), the Sec-*
23 *retary of Housing and Urban Development shall con-*
24 *duct a study on the implementation of work require-*
25 *ments implemented prior to the date of enactment of*

1 *this Act by public housing agencies described in para-*
2 *graph (4) participating in the Moving to Work dem-*
3 *onstration authorized under section 204 of the De-*
4 *partments of Veterans Affairs and Housing and*
5 *Urban Development, and Independent Agencies Ap-*
6 *propriations Act, 1996 (42 U.S.C. 1437f note).*

7 (2) *SCOPE.*—*The study required under para-*
8 *graph (1) shall—*

9 (A) *consider the short-, medium-, and long-*
10 *term benefits and challenges of work require-*
11 *ments on public housing agencies described in*
12 *paragraph (4) and on program participants who*
13 *are subject to such requirements, including the*
14 *effects work requirements have on homelessness*
15 *rates, poverty rates, asset building, earnings*
16 *growth, job attainment and retention, and public*
17 *housing agencies' administrative capacity; and*

18 (B) *include quantitative and qualitative*
19 *evidence, including interviews with program*
20 *participants described in subparagraph (A) and*
21 *their respective resident councils.*

22 (3) *REPORT.*—*Not later than 1 year after the*
23 *date of enactment of this Act, the Secretary shall sub-*
24 *mit to the Committee on Banking, Housing, and*
25 *Urban Affairs of the Senate and the Committee on*

1 *Financial Services of the House of Representatives a*
2 *report on the initial findings of the study required*
3 *under paragraph (1).*

4 (4) *PUBLIC HOUSING AGENCIES DESCRIBED.—*
5 *The public housing agencies described in this para-*
6 *graph are public housing agencies that, as part of an*
7 *application to participate in the demonstration au-*
8 *thorized under section 204 of the Departments of Vet-*
9 *erans Affairs and Housing and Urban Development,*
10 *and Independent Agencies Appropriations Act, 1996*
11 *(42 U.S.C. 1437f note), submit a proposal identifying*
12 *work requirements as an innovative proposal.*

13 (b) *DETERMINATION.—The requirement under sub-*
14 *section (a) shall apply if the Secretary of Housing and*
15 *Urban Development determines that—*

16 (1) *there are a sufficient number of public hous-*
17 *ing agencies described in subsection (a)(4) such that*
18 *the Secretary of Housing and Urban Development*
19 *can rigorously evaluate the impact of the implementa-*
20 *tion of work requirements described in that sub-*
21 *section; and*

22 (2) *the study would not negatively impact low-*
23 *income families receiving assistance through a public*
24 *housing agency described in subsection (a)(4).*

1 **SEC. 804. GAO STUDIES.**

2 (a) *WORKFORCE HOUSING STUDY.*—

3 (1) *MIDDLE-INCOME HOUSEHOLD DEFINED.*—*In*
4 *this subsection, the term “middle-income household”*
5 *means a household with an income above 80 percent*
6 *but that does not exceed 120 percent of the median*
7 *family income of the area, as determined by the Sec-*
8 *retary of Housing and Urban Development with ad-*
9 *justments for smaller and larger families.*

10 (2) *STUDY.*—*Not later than 1 year after the date*
11 *of enactment of this Act, the Comptroller General of*
12 *the United States shall conduct a study and submit*
13 *to Congress a report that—*

14 (A) *identifies obstacles middle-income*
15 *households face when looking to secure affordable*
16 *housing;*

17 (B) *identifies geographic areas where hous-*
18 *ing is the most unaffordable and unavailable for*
19 *middle-income households;*

20 (C) *includes a list of Federal housing pro-*
21 *grams, including Federal tax credits, grants, and*
22 *loan programs, that are not available to middle-*
23 *income households due to their income status, in-*
24 *cluding Federal housing programs designed to*
25 *promote affordability;*

1 (D) recommends income and other param-
2 eters to establish a clear and consistent Federal
3 definition for the term “workforce housing” for
4 use when describing the segment of housing that
5 could be made available to those middle-income
6 households in Federal housing programs if fund-
7 ing commensurate with the additional eligibility
8 were to be made available; and

9 (E) analyzes how to modify or newly de-
10 velop new Federal housing programs and incen-
11 tives to include “workforce housing” if funding
12 commensurate with the additional eligibility
13 were to be made available.

14 (b) *HOUSING FOR ELDERLY OR DISABLED.*—Not later
15 than 1 year after the date of enactment of this Act, the
16 Comptroller General of the United States shall carry out
17 a study and submit to Congress a report that identifies op-
18 tions to remove barriers and improve housing for persons
19 who are elderly or disabled, including any potential im-
20 pacts of providing capital advances for—

21 (1) the program for supportive housing for the
22 elderly under section 202 of the Housing Act of 1959
23 (12 U.S.C. 1701q); and

24 (2) the program for supportive housing for per-
25 sons with disabilities under section 811 of the Cran-

1 *ston-Gonzalez National Affordable Housing Act (42*
2 *U.S.C. 8013).*

3 *(c) PROXIMITY OF HOUSING TO SUPERFUND SITES.—*
4 *Not later than 1 year after the date of enactment of this*
5 *Act, the Comptroller General of the United States shall*
6 *carry out a study and submit to Congress a report that*
7 *identifies how many residential dwelling units, and how*
8 *many dwelling units that are a part of public housing (as*
9 *defined in section 3(b) of the United States Housing Act*
10 *of 1937 (42 U.S.C. 1437a(b))), are located less than 1 mile*
11 *from a site that is included on the National Priorities List*
12 *established pursuant to section 105 of the Comprehensive*
13 *Environmental Response, Compensation, and Liability Act*
14 *of 1980 (42 U.S.C. 9605).*

15 *(d) RESIDENTIAL HEIRS PROPERTY.—Not later than*
16 *1 year after the date of enactment of this Act, the Comp-*
17 *troller General of the United States shall carry out a study*
18 *and submit to the Committee on Banking, Housing, and*
19 *Urban Affairs of the Senate and the Committee on Finan-*
20 *cial Services of the House of Representatives a report that—*

21 *(1) establishes a comprehensive definition of resi-*
22 *dential heirs property, or family land inherited with-*
23 *out a will or legal documentation of ownership;*

24 *(2) examines the occurrence of and consequences*
25 *to owners of residential heirs property, and provides*

1 *an estimate regarding the number of current residen-*
2 *tial heirs properties;*

3 *(3) describes the objectives and requirements of*
4 *the Uniform Partition of Heirs Property Act as ap-*
5 *proved by the National Conference of Commissioners*
6 *on Uniform State Laws in 2010;*

7 *(4) details the various resources that may be*
8 *available to the owners of residential heirs properties,*
9 *including housing counseling, legal services, and fi-*
10 *nancial assistance to resolve residential heirs property*
11 *title issues from the Federal Government, nonprofit*
12 *organizations, and institutions of higher education;*
13 *and*

14 *(5) makes recommendations with respect to how*
15 *to reduce the number of residential heirs properties,*
16 *including—*

17 *(A) by incentivizing States and other jurisdic-*
18 *tions which enact or adopt the Uniform Par-*
19 *tition of Heirs Property Act or similar such re-*
20 *forms;*

21 *(B) by awarding grants to States and other*
22 *jurisdictions to assist residents of those States*
23 *and jurisdictions to establish and document*
24 *property ownership rights or settle a decedent's*
25 *estate;*

- 1 (C) by awarding grants to entities that—
- 2 (i) provide housing counseling, legal
- 3 assistance, and financial assistance to
- 4 home-owners and their heirs relating to title
- 5 clearing and home retention efforts of heirs’
- 6 property; and
- 7 (ii) target services to low- and mod-
- 8 erate-income persons or provide services in
- 9 neighborhoods that have a high concentra-
- 10 tion of low- and moderate-income persons;
- 11 and
- 12 (D) by conducting other activities that as-
- 13 sist individuals to clear title with respect to
- 14 heirs’ property and with general estate planning.

15 **SEC. 805. IMPROVING PUBLIC HOUSING AGENCY ACCOUNT-**

16 **ABILITY.**

17 (a) *DEFINITIONS.*—*In this section:*

18 (1) *COVERED PUBLIC HOUSING AGENCY.*—*The*

19 *term “covered public housing agency” means a public*

20 *housing agency (as defined in section 3(b) of the*

21 *United States Housing Act of 1937 (42 U.S.C.*

22 *1437a(b))) for which an administrative or judicial re-*

23 *ceiver or Federal monitor was appointed.*

1 (2) *INSPECTOR GENERAL.*—*The term “Inspector*
2 *General” means the Inspector General of the Depart-*
3 *ment of Housing and Urban Development.*

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

6 (b) *REQUIRED NOTICE.*—*The Secretary shall require*
7 *each covered public housing agency to provide a notice each*
8 *year to the Secretary that—*

9 (1) *indicates that if a receiver or Federal mon-*
10 *itor remains appointed for the covered public housing*
11 *agency as of October 1 of the calendar year to which*
12 *the notice relates;*

13 (2) *provides the date on which the receiver or*
14 *Federal monitor was first appointed and the projected*
15 *date, if known, the appointment of the receiver or*
16 *Federal monitor will be terminated; and*

17 (3) *identifies the current receiver or Federal*
18 *monitor appointed to oversee the public housing agen-*
19 *cy.*

20 (c) *FEDERAL MONITOR AND RECEIVER TRANS-*
21 *PARENCY.*—

22 (1) *IN GENERAL.*—*Notwithstanding any other*
23 *provision of law, not later than October 1 of each*
24 *year, each receiver or Federal monitor that is cur-*
25 *rently appointed to oversee a covered public housing*

1 *agency shall provide to the Committee on Financial*
2 *Services of the House of Representatives and the Com-*
3 *mittee on Banking, Housing, and Urban Affairs of*
4 *the Senate a written assessment that—*

5 *(A) describes the management and oversight*
6 *activities of the receiver or Federal monitor for*
7 *the covered public housing agency;*

8 *(B) identifies the significant factors that led*
9 *to the appointment of the receiver or Federal*
10 *monitor for the covered public housing agency;*

11 *(C) identifies the factors that remain unre-*
12 *solved at the covered public housing agency that*
13 *have led to the continued oversight of the receiver*
14 *or Federal monitor; and*

15 *(D) includes a timeline developed by the re-*
16 *ceiver or Federal monitor that projects when the*
17 *factors identified under subparagraphs (B) and*
18 *(C) will be resolved.*

19 *(2) ADDITIONAL INFORMATION.—In addition to*
20 *the written assessment required in paragraph (1),*
21 *upon written request by the Committee on Banking,*
22 *Housing, and Urban Affairs of the Senate or the*
23 *Committee on Financial Services of the House of Rep-*
24 *resentatives, each receiver or Federal monitor ap-*
25 *pointed to oversee a covered public housing agency*

1 *shall promptly furnish additional or supplemental in-*
2 *formation requested by the Committee on Banking,*
3 *Housing, and Urban Affairs of the Senate or the*
4 *Committee on Financial Services of the House of Rep-*
5 *resentatives with respect to the covered public housing*
6 *agency that such receiver or Federal monitor is ap-*
7 *pointed to oversee, including presenting testimony*
8 *upon request.*

9 *(d) DISCLOSURE REQUIRED.—The Secretary shall, not*
10 *later than 1 year after the date of enactment of this Act,*
11 *require each covered public housing agency to publicly dis-*
12 *close, on the website of the covered public housing agency,*
13 *with respect to each contract entered into by such covered*
14 *public housing agency in the preceding year, the following*
15 *information:*

16 *(1) All material information about the contract,*
17 *including the goods and service provided.*

18 *(2) The identity of the vendor selected to receive*
19 *the contract.*

20 *(3) The date of the solicitation of the contract.*

21 *(4) The relevant information pertaining to the*
22 *bids and quotes solicited for the contract.*

23 *(5) The name of the official who solicited the*
24 *contract.*

1 (e) *INSPECTOR GENERAL REVIEW.*—Not later than
2 180 days after receiving a written request from the Com-
3 mittee on Financial Services of the House of Representa-
4 tives or the Committee on Banking, Housing, and Urban
5 Affairs of the Senate, the Inspector General shall provide
6 to the requesting committee an analysis of—

7 (1) *the status of any covered public housing*
8 *agency’s compliance with any agreements entered into*
9 *between the covered public housing agency and the*
10 *Department of Housing and Urban Development, in-*
11 *cluding specific areas of deficiency and progress to-*
12 *ward compliance;*

13 (2) *a review of actions taken by the receiver or*
14 *Federal monitor appointed to oversee a covered public*
15 *housing agency and any private sector housing devel-*
16 *opment partners pursuant to such agreement, includ-*
17 *ing any gaps in oversight by the receiver or Federal*
18 *monitor;*

19 (3) *an assessment of the physical conditions of*
20 *housing provided by the covered public housing agen-*
21 *cy, including the status of the covered public housing*
22 *agency’s compliance with relevant health and safety*
23 *requirements;*

24 (4) *an examination of any allegations of waste,*
25 *fraud, abuse or violations of Federal law committed*

1 *by employees or contractors of the covered public*
 2 *housing agency;*

3 *(5) any additional pertinent information, as de-*
 4 *termined necessary and appropriate by the inspector*
 5 *general; and*

6 *(6) any recommendations of the inspector gen-*
 7 *eral that relate to how to improve the compliance of*
 8 *the covered public housing agency with any agree-*
 9 *ments entered into with the Department of Housing*
 10 *and Urban Development or enhance the oversight of*
 11 *the receiver or Federal monitor over such covered pub-*
 12 *lic housing agency.*

13 **TITLE IX—STRENGTHENING**
 14 **COMMUNITY BANKS’ ROLE IN**
 15 **HOUSING**

16 **SEC. 901. COMMUNITY BANK DEPOSIT ACCESS.**

17 *(a) IN GENERAL.—Section 29 of the Federal Deposit*
 18 *Insurance Act (12 U.S.C. 1831f) is amended by adding at*
 19 *the end the following:*

20 *“(j) LIMITED EXCEPTION FOR CUSTODIAL DEPOS-*
 21 *ITS.—*

22 *“(1) IN GENERAL.—Custodial deposits of an eli-*
 23 *gible institution shall not be considered to be funds*
 24 *obtained, directly or indirectly, by or through a de-*
 25 *posit broker to the extent that the total amount of*

1 *such custodial deposits does not exceed an amount*
2 *equal to 20 percent of the total liabilities of the eligi-*
3 *ble institution.*

4 “(2) *DEFINITIONS.—In this subsection:*

5 “(A) *CUSTODIAL DEPOSIT.—The term ‘cus-*
6 *todial deposit’ means a deposit that is not depos-*
7 *ited at an insured depository institution in re-*
8 *turn for fees paid by the insured depository in-*
9 *stitution pursuant to an agreement with a third*
10 *party and that would otherwise be considered to*
11 *be obtained, directly or indirectly, by or through*
12 *a deposit broker, if the deposit is deposited at 1*
13 *or more insured depository institutions, for the*
14 *purpose of providing or maintaining deposit in-*
15 *surance for the benefit of a third party, by or*
16 *through any of the following, each acting in a*
17 *formal custodial or fiduciary capacity for the*
18 *benefit of a third party:*

19 “(i) *An insured depository institution*
20 *serving as agent, trustee, or custodian.*

21 “(ii) *A trust entity controlled by an*
22 *insured depository institution serving as*
23 *agent, trustee, or custodian.*

24 “(iii) *A State-chartered trust company*
25 *serving as agent, trustee, or custodian.*

1 “(iv) *A plan administrator or invest-*
2 *ment advisor, acting in a formal custodial*
3 *or fiduciary capacity for the benefit of a*
4 *plan.*

5 “(B) *ELIGIBLE INSTITUTION.*—*The term ‘el-*
6 *igible institution’ means an insured depository*
7 *institution that accepts custodial deposits, if the*
8 *insured depository institution has less than*
9 *\$10,000,000,000 in total assets as reported on the*
10 *consolidated report of condition and income as*
11 *reported quarterly to the appropriate Federal*
12 *banking agency and—*

13 “(i)(I) *when most recently examined*
14 *under section 10(d) was assigned a com-*
15 *posite rating of 1, 2, or 3 under the Uni-*
16 *form Financial Institutions Rating System*
17 *(or an equivalent rating under a com-*
18 *parable rating system); and*

19 “(II) *is well capitalized; or*

20 “(ii) *has obtained a waiver pursuant*
21 *to subsection (c).*

22 “(C) *PLAN.*—*The term ‘plan’ has the mean-*
23 *ing given the term in section 3 of the Employee*
24 *Retirement Income Security Act of 1974 (29*
25 *U.S.C. 1002).*

1 “(D) *PLAN ADMINISTRATOR*.—The term
2 ‘*plan administrator*’ has the meaning given the
3 term ‘*administrator*’ in section 3 of the *Em-*
4 *ployee Retirement Income Security Act of 1974*
5 (29 U.S.C. 1002).

6 “(E) *WELL CAPITALIZED*.—The term ‘*well*
7 *capitalized*’ has the meaning given the term in
8 section 38(b).”.

9 (b) *INTEREST RATE RESTRICTION*.—Section 29 of the
10 *Federal Deposit Insurance Act (12 U.S.C. 1831f)*, as
11 amended by subsection (a), is further amended by adding
12 at the end the following:

13 “(k) *RESTRICTION ON INTEREST RATE PAID ON CER-*
14 *TAIN CUSTODIAL DEPOSITS*.—

15 “(1) *DEFINITIONS*.—In this subsection—

16 “(A) the terms ‘*custodial deposit*’, ‘*eligible*
17 *institution*’, and ‘*well capitalized*’ have the
18 meanings given those terms in subsection (j); and

19 “(B) the term ‘*covered insured depository*
20 *institution*’ means an insured depository institu-
21 tion that while acting as an eligible institution
22 under subsection (j), accepts custodial deposits
23 while not well capitalized.

24 “(2) *PROHIBITION*.—A covered insured deposi-
25 tory institution may not pay a rate of interest on

1 *custodial deposits that are accepted while not well*
2 *capitalized that, at the time the funds or custodial de-*
3 *posits are accepted, significantly exceeds the limit set*
4 *forth in paragraph (3).*

5 “(3) *LIMIT ON INTEREST RATES.*—*The limit on*
6 *the rate of interest referred to in paragraph (2) shall*
7 *be not greater than—*

8 “(A) *the rate paid on deposits of similar*
9 *maturity in the normal market area of the cov-*
10 *ered insured depository institution for deposits*
11 *accepted in the normal market area of the cov-*
12 *ered insured depository institution; or*

13 “(B) *the national rate paid on deposits of*
14 *comparable maturity, as established by the Cor-*
15 *poration, for deposits accepted outside the nor-*
16 *mal market area of the covered insured deposi-*
17 *tory institution.*”.

18 **SEC. 902. KEEPING DEPOSITS LOCAL.**

19 (a) *AMOUNT OF RECIPROCAL DEPOSITS THAT ARE*
20 *NOT CONSIDERED TO BE FUNDS OBTAINED BY OR*
21 *THROUGH A DEPOSIT BROKER.*—*Section 29(i) of the Fed-*
22 *eral Deposit Insurance Act (12 U.S.C. 1831f(i)) is amended*
23 *by striking paragraph (1) and inserting the following:*

24 “(1) *IN GENERAL.*—*The sum of the following*
25 *amounts of reciprocal deposits of an agent institution*

1 shall not be considered to be funds obtained, directly
2 or indirectly, by or through a deposit broker:

3 “(A) An amount equal to 50 percent of the
4 portion of the total liabilities of the agent insti-
5 tution that is less than or equal to
6 \$1,000,000,000.

7 “(B) An amount equal to 40 percent of the
8 portion, if any, of the total liabilities of the
9 agent institution that is greater than
10 \$1,000,000,000, but less than or equal to
11 \$10,000,000,000.

12 “(C) An amount equal to 30 percent of the
13 portion, if any, of the total liabilities of the
14 agent institution that is greater than
15 \$10,000,000,000, but less than or equal to
16 \$96,333,333,333.”

17 (b) *DEFINITION OF AGENT INSTITUTION.*—Section
18 29(i)(2)(A)(i)(I) of the Federal Deposit Insurance Act (12
19 U.S.C. 1831f(i)(2)(A)(i)) is amended by striking “was
20 found to have a composite condition of outstanding or good”
21 and inserting “was assigned a CAMELS rating of 1, 2, or
22 3 under the Uniform Financial Institutions Rating System
23 (or an equivalent rating under a comparable rating sys-
24 tem)”.

25 (c) *RECIPROCAL DEPOSITS STUDY.*—

1 (1) *IN GENERAL.*—*The Federal Deposit Insur-*
2 *ance Corporation, in consultation with the Board of*
3 *Governors of the Federal Reserve System, shall carry*
4 *out a study on reciprocal deposits.*

5 (2) *CONTENTS.*—*The study required under para-*
6 *graph (1) shall include—*

7 (A) *an analysis of how reciprocal deposits*
8 *have performed since 2018, which shall in-*
9 *clude—*

10 (i) *the use of quantitative and quali-*
11 *tative data;*

12 (ii) *a breakdown of the usage of recip-*
13 *rocal deposits by size of insured depository*
14 *institution;*

15 (iii) *the usage of reciprocal deposits*
16 *during periods of stress; and*

17 (iv) *an analysis, to the extent prac-*
18 *ticable, of end-user depositors, such as mu-*
19 *nicipalities, businesses, and nonprofit orga-*
20 *nizations, that drive demand for reciprocal*
21 *products;*

22 (B) *an analysis, to the extent practicable, of*
23 *how reciprocal deposits compare to other deposit*
24 *arrangements; and*

1 (C) an analysis of the benefits and potential
2 risks of reciprocal deposits.

3 (3) *REPORT.*—Not later than 6 months after the
4 date of enactment of this Act, the Federal Deposit In-
5 surance Corporation shall issue a report to the Com-
6 mittee on Financial Services of the House of Rep-
7 resentatives and the Committee on Banking, Housing,
8 and Urban Affairs of the Senate containing all find-
9 ings and determinations made in carrying out the
10 study required under paragraph (1).

11 **SEC. 903. TAILORED REGULATORY UPDATES FOR SUPER-**
12 **VISORY TESTING.**

13 Section 10(d) of the Federal Deposit Insurance Act (12
14 U.S.C. 1820(d)) is amended—

15 (1) in paragraph (4)(A), by striking
16 “\$3,000,000,000” and inserting “\$6,000,000,000”;
17 and

18 (2) in paragraph (10), by striking
19 “\$3,000,000,000” and inserting “\$6,000,000,000”.

20 **SEC. 904. CREDIT UNION BOARD MODERNIZATION.**

21 Section 113 of the Federal Credit Union Act (12
22 U.S.C. 1761b) is amended—

23 (1) by striking “monthly” each place such term
24 appears;

1 (2) *in the matter preceding paragraph (1), by*
2 *striking “The board of directors” and inserting the*
3 *following:*

4 “(a) *IN GENERAL.—The board of directors*”;

5 (3) *in subsection (a) (as so designated), by strik-*
6 *ing “shall meet at least once a month and”; and*

7 (4) *by adding at the end the following:*

8 “(b) *MEETINGS.—The board of directors of a Federal*
9 *credit union shall meet as follows:*

10 “(1) *With respect to a de novo Federal credit*
11 *union, not less frequently than monthly during each*
12 *of the first five years of the existence of such Federal*
13 *credit union.*

14 “(2) *Not less than six times annually, with at*
15 *least one meeting held during each fiscal quarter,*
16 *with respect to a Federal credit union—*

17 “(A) *with a composite rating of either 1 or*
18 *2 under the Uniform Financial Institutions Rat-*
19 *ing System (or an equivalent rating under a*
20 *comparable rating system); and*

21 “(B) *with a capability of management rat-*
22 *ing under such composite rating of either 1 or 2.*

23 “(3) *Not less frequently than once a month, with*
24 *respect to a Federal credit union—*

1 “(A) with a composite rating of either 3, 4,
2 or 5 under the Uniform Financial Institutions
3 Rating System (or an equivalent rating under a
4 comparable rating system); or

5 “(B) with a capability of management rat-
6 ing under such composite rating of either 3, 4,
7 or 5.”.

8 **SEC. 905. SYSTEMIC RISK AUTHORITY TRANSPARENCY.**

9 (a) *GAO REVIEW*.—Section 13(c)(4)(G)(iv) of the Fed-
10 eral Deposit Insurance Act (12 U.S.C. 1823(c)(4)(G)(iv))
11 is amended to read as follows:

12 “(iv) *GAO REVIEW*.—

13 “(I) *IN GENERAL*.—The Comp-
14 troller General of the United States
15 shall, not later than 60 days after a
16 determination is made under clause
17 (i), and again 180 days thereafter, re-
18 view and report to the Congress on the
19 determination under clause (i), includ-
20 ing—

21 “(aa) the basis for the deter-
22 mination;

23 “(bb) the purpose for which
24 any action was taken pursuant to
25 such clause;

1 “(cc) the likely effect of the
2 determination and such action on
3 the incentives and conduct of in-
4 sured depository institutions and
5 uninsured depositors;

6 “(dd) any mismanagement
7 by the executives and board of the
8 insured depository institution
9 that contributed to the failure of
10 the insured depository institution;

11 “(ee) a review of the com-
12 pensation practices of the insured
13 depository institution;

14 “(ff) any supervisory or reg-
15 ulatory shortcomings with respect
16 to the appropriate Federal bank-
17 ing agency of the insured deposi-
18 tory institution;

19 “(gg) any actions taken by
20 the Federal banking regulators,
21 Financial Stability Oversight
22 Council, Department of the Treas-
23 ury, and other relevant financial
24 regulators in relation to the fail-

1 *ure of the insured depository in-*
2 *stitution; and*

3 *“(hh) any additional rel-*
4 *evant entities or activities that*
5 *may have contributed to the fail-*
6 *ure of the insured depository in-*
7 *stitution, including with respect*
8 *to auditing, accounting, credit*
9 *rating agencies, investment bank*
10 *underwriters, and emergency li-*
11 *quidity options such as loans*
12 *from the Federal reserve banks or*
13 *advances through the Federal*
14 *Home Loan Bank system.*

15 *“(II) RULE OF CONSTRUCTION.—*
16 *Nothing in this clause or a report*
17 *issued pursuant to this clause may be*
18 *construed to limit the authority of a*
19 *Federal agency to enforce violations of*
20 *Federal statutes, rules, or orders.”.*

21 *(b) APPROPRIATE FEDERAL BANKING AGENCY RE-*
22 *PORT.—Section 13(c) of the Federal Deposit Insurance Act*
23 *(12 U.S.C. 1823(c)) is amended by adding at the end the*
24 *following:*

1 “(12) *APPROPRIATE FEDERAL BANKING AGENCY*
2 *REPORT.*—

3 “(A) *IN GENERAL.*—*The appropriate Fed-*
4 *eral banking agency of an insured depository in-*
5 *stitution about which a determination is made*
6 *under paragraph (4)(G)(i) shall, not later than*
7 *90 days after the date of such determination,*
8 *and again 210 days thereafter, submit a report*
9 *to the Congress that discloses the following:*

10 “(i) *Subject to such redactions as the*
11 *appropriate Federal banking agency deter-*
12 *mines appropriate to protect personally*
13 *identifiable information about customers*
14 *and other financial institutions (as such*
15 *term is defined under section*
16 *11(e)(9)(D))—*

17 “(I) *all reports of examination*
18 *and inspection that relate to the failed*
19 *insured depository institution in the*
20 *previous 3-year period;*

21 “(II) *all formal communications*
22 *of a material supervisory determina-*
23 *tion conveyed to the failed insured de-*
24 *pository institution in the previous 3-*
25 *year period; and*

1 “(III) any additional exam re-
2 ports and correspondence that the ap-
3 propriate Federal banking agency de-
4 termines may be relevant to the failure
5 of the insured depository institution.

6 “(ii) An examination of any mis-
7 management by the executives and board of
8 the insured depository institution that con-
9 tributed to the failure of the insured depository
10 institution.

11 “(iii) Any supervisory or regulatory
12 shortcomings by such appropriate Federal
13 banking agency with respect to the insured
14 depository institution.

15 “(iv) Any dynamics that the appro-
16 priate Federal banking agency determines
17 may have contributed to the failure of the
18 insured depository institution.

19 “(v) Any supervisory, regulatory, or
20 legislative recommendations such appro-
21 priate Federal banking agency may have to
22 improve the safety and soundness of simi-
23 larly situated insured depository institu-
24 tions, the banking system, and financial
25 stability.

1 “(B) *PROTECTION OF SENSITIVE INFORMA-*
2 *TION.*—

3 “(i) *EFFECT ON PRIVILEGE.*—*The pro-*
4 *vision of any information by a Federal*
5 *banking agency under this paragraph may*
6 *not be construed as—*

7 “(I) *waiving, destroying, or other-*
8 *wise affecting any privilege applicable*
9 *to the information; or*

10 “(II) *waiving any exemption ap-*
11 *plicable to the information under sec-*
12 *tion 552 of title 5, United States Code*
13 *(commonly known as the ‘Freedom of*
14 *Information Act’).*

15 “(ii) *TRANSPARENCY.*—

16 “(I) *IN GENERAL.*—*A Federal*
17 *banking agency shall publish materials*
18 *contained in a report required under*
19 *subparagraph (A) to the fullest extent*
20 *possible to promote transparency.*

21 “(II) *CONSULTATION ON OMITTING*
22 *MATERIALS.*—*If a Federal banking*
23 *agency determines particular materials*
24 *described under subclause (I) should*
25 *not be published, the Federal banking*

1 *agency shall consult with the chair and*
2 *ranking member of the Committee on*
3 *Financial Services of the House of*
4 *Representatives and the chair and*
5 *ranking member of the Committee on*
6 *Banking, Housing, and Urban Affairs*
7 *of the Senate.*

8 *“(III) OMITTING MATERIALS.—If,*
9 *after the consultation required under*
10 *subclause (II), the Federal banking*
11 *agency determines there is a substan-*
12 *tial public interest in not publishing*
13 *such materials, the Federal banking*
14 *agency shall provide those materials to*
15 *the Committee on Financial Services of*
16 *the House of Representatives and the*
17 *Committee on Banking, Housing, and*
18 *Urban Affairs of the Senate with a*
19 *written explanation describing the rea-*
20 *sons for not publishing those materials.*

21 *“(iii) PRIVILEGE.—For purposes of*
22 *this subparagraph, the term ‘privilege’ in-*
23 *cludes any work-product, attorney-client, or*
24 *other privilege recognized under Federal or*
25 *State law.*

1 “(C) *REPORT EXTENSION.*—A Federal
2 *banking agency may extend a deadline described*
3 *under subparagraph (A) for an additional 60*
4 *days, if the Federal banking agency—*

5 “(i) *faces ongoing circumstances that*
6 *require the Federal banking agency to*
7 *prioritize activities to promote stability of*
8 *the United States banking system; and*

9 “(ii) *notifies the Congress of such ex-*
10 *tension and the reasons for such extension.*

11 “(D) *CONSOLIDATED REPORTS.*—A Federal
12 *banking agency may consolidate multiple reports*
13 *required under this paragraph so long as the in-*
14 *dividual reports being consolidated all meet the*
15 *timing requirements under this paragraph.*

16 “(E) *RULE OF CONSTRUCTION.*—Nothing in
17 *this paragraph or reports or materials provided*
18 *pursuant to this paragraph may be construed to*
19 *limit the authority of a Federal agency to en-*
20 *force violations of Federal statutes, rules, or or-*
21 *ders.”.*

22 **SEC. 906. ADVANCING THE MENTOR-PROTÉGÉ PROGRAM**
23 **FOR SMALL FINANCIAL INSTITUTIONS.**

24 *Section 308 of the Financial Institutions Reform, Re-*
25 *covery, and Enforcement Act of 1989 (12 U.S.C. 1463 note)*

1 *is amended by adding at the end the following new sub-*
2 *section:*

3 “(d) *FINANCIAL AGENT MENTOR-PROTÉGÉ PRO-*
4 *GRAM.—*

5 “(1) *IN GENERAL.—The Secretary shall establish*
6 *a program to be known as the ‘Financial Agent Men-*
7 *tor-Protégé Program’ (in this subsection referred to as*
8 *the ‘Program’) under which a financial agent des-*
9 *ignated by the Secretary or a large financial institu-*
10 *tion may serve as a mentor, under guidance or regu-*
11 *lations prescribed by the Secretary, to a small finan-*
12 *cial institution to allow such small financial institu-*
13 *tion—*

14 “(A) *to be prepared to perform as a finan-*
15 *cial agent; or*

16 “(B) *to improve capacity to provide services*
17 *to the customers of the small financial institu-*
18 *tion.*

19 “(2) *OUTREACH.—The Secretary shall hold out-*
20 *reach events to promote the participation of financial*
21 *agents, large financial institutions, and small finan-*
22 *cial institutions in the Program at least once a year.*

23 “(3) *EXCLUSION.—The Secretary shall issue*
24 *guidance or regulations to establish a process under*
25 *which a financial agent, large financial institution,*

1 or small financial institution may be excluded from
2 participation in the Program.

3 “(4) *REPORT.*—The Secretary shall report to
4 Congress information pertaining to the Program, in-
5 cluding—

6 “(A) the number of financial agents, large
7 financial institutions, and small financial insti-
8 tutions participating in such Program; and

9 “(B) the number of outreach events de-
10 scribed in paragraph (2) held during the year
11 covered by such report.

12 “(5) *DEFINITIONS.*—In this subsection:

13 “(A) *FINANCIAL AGENT.*—The term ‘finan-
14 cial agent’ means any national banking associa-
15 tion designated by the Secretary to be employed
16 as a financial agent of the Government.

17 “(B) *LARGE FINANCIAL INSTITUTION.*—The
18 term ‘large financial institution’ means any en-
19 tity regulated by the Comptroller of the Cur-
20 rency, the Board of Governors of the Federal Re-
21 serve System, the Federal Deposit Insurance Cor-
22 poration, or the National Credit Union Adminis-
23 tration that has total consolidated assets greater
24 than or equal to \$50,000,000,000.

1 “(C) *RURAL DEPOSITORY INSTITUTION.*—
2 *The term ‘rural depository institution’ means a*
3 *depository institution (as defined in section 3 of*
4 *the Federal Deposit Insurance Act (12 U.S.C.*
5 *1813))—*

6 “(i) *with total consolidated assets of*
7 *less than \$10,000,000,000; and*

8 “(ii) *located in a rural area, as de-*
9 *defined under section 1026.35(b)(2)(iv)(A) of*
10 *title 12, Code of Federal Regulations.*

11 “(D) *SECRETARY.*—*The term ‘Secretary’*
12 *means the Secretary of the Treasury.*

13 “(E) *SMALL FINANCIAL INSTITUTION.*—*The*
14 *term ‘small financial institution’ means—*

15 “(i) *any entity regulated by the Comp-*
16 *troller of the Currency, the Board of Gov-*
17 *ernors of the Federal Reserve System, the*
18 *Federal Deposit Insurance Corporation, or*
19 *the National Credit Union Administration*
20 *that has total consolidated assets less than*
21 *or equal to \$2,000,000,000;*

22 “(ii) *a minority depository institution;*
23 *or*

24 “(iii) *a rural depository institution.*”.

1 **SEC. 907. AMERICAN ACCESS TO BANKING.**

2 (a) *STREAMLINING APPLICATION PROCESS AND RE-*
3 *VIEW OF CAPITAL RAISING BY DE NOVO REGULATED INSTI-*
4 *TUTIONS.*—

5 (1) *IN GENERAL.*—*Each of the Federal financial*
6 *institutions regulatory agencies shall—*

7 (A) *for the purpose of streamlining the*
8 *process of applying to become a de novo regu-*
9 *lated institution, conduct a review of any appli-*
10 *cation forms related to such process;*

11 (B) *to the extent practicable, gather infor-*
12 *mation needed from applicants seeking to become*
13 *a de novo regulated institution from other Fed-*
14 *eral Government agencies or public sources to*
15 *minimize information requests of such appli-*
16 *cants; and*

17 (C) *in consultation with the Securities and*
18 *Exchange Commission, review how de novo regu-*
19 *lated institutions raise capital while maintain-*
20 *ing investor protections, including the impact*
21 *of—*

22 (i) *general capital raising restrictions;*
23 *and*

24 (ii) *capital raising restrictions related*
25 *to individuals who are not accredited inves-*
26 *tors.*

1 (2) *REPORT.*—Not later than 1 year after the
2 date of enactment of this Act, and annually for 5
3 years thereafter, each of the Federal financial institu-
4 tions regulatory agencies shall submit to the Com-
5 mittee on Financial Services of the House of Rep-
6 resentatives and the Committee on Banking, Housing,
7 and Urban Affairs of the Senate and publish on a
8 public website of such agency a report that con-
9 tains—

10 (A) a description of the actions taken by
11 such agency pursuant to paragraph (1); and

12 (B) as appropriate, any administrative or
13 legislative recommendations with respect to the
14 purpose described in paragraph (1)(C).

15 (b) *IMPROVING COMMUNICATION WITH DE NOVO REG-*
16 *ULATED INSTITUTIONS.*—

17 (1) *IN GENERAL.*—Each of the Federal financial
18 institutions regulatory agencies shall, at the request of
19 an applicant to become a de novo regulated institu-
20 tion, designate an employee of the agency as a case-
21 worker, who may perform such duty in addition to
22 the other duties of the employee.

23 (2) *CASEWORKER DUTIES.*—Each caseworker de-
24 scribed in paragraph (1) shall, to the maximum ex-
25 tent practicable—

1 (A) meet with the lead organizers applying
2 to become a de novo regulated institution to pro-
3 vide a tutorial with respect to the application
4 process; and

5 (B) be the primary point of contact of the
6 respective Federal financial institutions regu-
7 latory agency for such organizers during the ap-
8 plication process.

9 (3) NEW CASEWORKER.—Each agency described
10 in paragraph (1) may designate a new caseworker, as
11 appropriate, to support continuity based on staffing
12 and responsibilities assigned to the current case-
13 worker.

14 (c) DE NOVO MENTOR-PROTÉGÉ PARTNERSHIPS.—

15 (1) IN GENERAL.—At the request of an institu-
16 tion that seeks to become a de novo regulated institu-
17 tion, each of the Federal financial institutions regu-
18 latory agencies shall, to the maximum extent prac-
19 ticable, provide a list to such institution of similar
20 types of institutions that—

21 (A) were recently approved to become a de
22 novo regulated institution; and

23 (B) are interested in volunteering to serve
24 as a mentor to provide advice about the de novo
25 application process.

1 (2) *MENTORSHIP INFORMATION.*—Not later than
2 1 year after the date of enactment of this Act, each
3 of the Federal financial institutions regulatory agen-
4 cies shall provide public information and directions
5 on how an institution may request a mentor or serve
6 as a mentor as described in paragraph (1).

7 (d) *STATE AND STAKEHOLDER ENGAGEMENT PLAN.*—

8 (1) *IN GENERAL.*—Each of the Federal financial
9 institutions regulatory agencies shall develop a plan
10 to—

11 (A) regularly consult with State regulators
12 to promote cooperation between State and Fed-
13 eral banking and credit union agencies in the
14 creation of de novo regulated institutions, in-
15 cluding responding to any State regulator that
16 requests assistance on how a State-chartered fi-
17 nancial institution can request Federal insur-
18 ance;

19 (B) regularly consult with stakeholders, in-
20 cluding applicants to become de novo regulated
21 institutions and recently approved regulated in-
22 stitutions, to inform any reforms that may sup-
23 port the creation of de novo regulated institu-
24 tions, including rural institutions, community

1 *development financial institutions, and minority*
2 *depository institutions; and*

3 (C) *provide guidance, training material,*
4 *and regular workshops to assist any interested*
5 *parties to understand such agencies' processes.*

6 (2) *SUBMISSION TO CONGRESS.—*

7 (A) *IN GENERAL.—Not later than 2 years*
8 *after the date of enactment of this Act, and every*
9 *5 years thereafter, each of the Federal financial*
10 *institutions regulatory agencies shall submit to*
11 *the Committee on Financial Services of the*
12 *House of Representatives and the Committee on*
13 *Banking, Housing, and Urban Affairs of the*
14 *Senate the respective plan of such agency de-*
15 *scribed in paragraph (1).*

16 (B) *PUBLIC COMMENT.—With respect to de-*
17 *veloping the plan described in paragraph (1),*
18 *each of the Federal financial institutions regu-*
19 *latory agencies shall—*

20 (i) *provide an opportunity for public*
21 *comments; and*

22 (ii) *take such public comments into*
23 *consideration.*

24 (e) *DEFINITIONS.—*

25 (1) *IN GENERAL.—In this section:*

1 (A) *FEDERAL BANKING AGENCY*.—*The term*
2 *“Federal banking agency” has the meaning given*
3 *the term in section 3 of the Federal Deposit In-*
4 *surance Act (12 U.S.C. 1813).*

5 (B) *FEDERAL FINANCIAL INSTITUTIONS*
6 *REGULATORY AGENCIES*.—*The term “Federal fi-*
7 *nancial institutions regulatory agencies” has the*
8 *meaning given the term in section 1003 of the*
9 *Federal Financial Institutions Examination*
10 *Council Act of 1978 (12 U.S.C. 3302).*

11 (C) *REGULATED INSTITUTION*.—*The term*
12 *“regulated institution” means—*

13 (i) *with respect to a Federal banking*
14 *agency, a depository institution (as such*
15 *term is defined in section 3 of the Federal*
16 *Deposit Insurance Act (12 U.S.C. 1813)) for*
17 *which the Federal banking agency is the ap-*
18 *propriate Federal banking agency (as such*
19 *term is defined in such section 3); and*

20 (ii) *with respect to the National Credit*
21 *Union Administration, an insured credit*
22 *union (as such term is defined in section*
23 *101 of the Federal Credit Union Act (12*
24 *U.S.C. 1752)).*

1 (D) *STATE*.—The term “State” means each
2 of the several States, the District of Columbia,
3 and each territory of the United States.

4 (E) *STATE REGULATOR*.—The term “State
5 regulator” means—

6 (i) with respect to a Federal banking
7 agency, a State banking regulator; and

8 (ii) with respect to the National Credit
9 Union Administration, the State regulatory
10 agency having jurisdiction over a State
11 credit union (as such term is defined in sec-
12 tion 101 of the Federal Credit Union Act
13 (12 U.S.C. 1752)).

14 (2) *RULE OF CONSTRUCTION*.—For purposes of
15 this section, the process of applying to become a de
16 novo regulated institution shall include the process of
17 applying for Federal deposit insurance, Federal share
18 insurance, or membership in the Federal Reserve Sys-
19 tem.

20 **SEC. 908. PROMOTING NEW BANK FORMATION.**

21 (a) *PILOT PHASE-IN OF CAPITAL STANDARDS*.—The
22 Federal banking agencies may issue rules that provide for
23 a 2-year phase-in period for a qualifying community bank
24 or its depository institution holding company to meet any
25 Federal capital requirements that would otherwise be appli-

1 cable to the qualifying community bank or its depository
2 institution holding company, beginning on—

3 (1) the date on which the qualifying community
4 bank became an insured depository institution; or

5 (2) in the case of its depository institution hold-
6 ing company, the date on which the qualifying com-
7 munity bank of the depository institution holding
8 company became an insured depository institution.

9 (b) *PILOT CHANGES TO BUSINESS PLANS.*—

10 (1) *IN GENERAL.*—During the 2-year period be-
11 ginning on the date on which a qualifying commu-
12 nity bank became an insured depository institution,
13 the qualifying community bank or its depository in-
14 stitution holding company may request to deviate
15 from a business plan that has been approved by the
16 appropriate Federal banking agency by submitting a
17 request to such agency pursuant to this section.

18 (2) *REVIEW OF CHANGES.*—The appropriate
19 Federal banking agency shall, not later than the end
20 of the 180-day period beginning on the receipt of a
21 request under paragraph (1)—

22 (A) approve, conditionally approve, or deny
23 such request; and

24 (B) notify the applicant of such decision
25 and, if the agency denies the request—

1 (i) provide the applicant with the rea-
2 son for such denial; and

3 (ii) suggest changes to the request that,
4 if adopted, would allow the agency to ap-
5 prove such request.

6 (3) *RESULT OF FAILURE TO ACT.*—If the appro-
7 priate Federal banking agency fails to approve or
8 deny a request within the 90-day period required
9 under paragraph (2), such request shall be deemed to
10 be approved.

11 (c) *PILOT PROGRAM STUDY.*—

12 (1) *STUDY.*—The Federal banking agencies shall,
13 jointly, carry out a study on the impact of the pilot
14 program carried out pursuant to subsections (a) and
15 (b) of this section on the formation of *de novo* insured
16 depository institutions, including such institutions
17 which are rural depository institutions, community
18 development financial institutions, and minority de-
19 pository institutions, taking into account safety and
20 soundness, promoting competition, and expanding ac-
21 cess to affordable financial products and services to
22 underserved communities.

23 (2) *REPORT TO CONGRESS.*—Not later than De-
24 cember 31, 2031, the Federal banking agencies shall,
25 jointly, issue a report to the Committee on Financial

1 *Services of the House of Representatives and the Com-*
2 *mittee on Banking, Housing, and Urban Affairs of*
3 *the Senate containing all findings and determina-*
4 *tions made in carrying out the study required under*
5 *paragraph (1).*

6 *(d) STUDY ON DE NOVO INSURED DEPOSITORY INSTI-*
7 *TUTIONS.—*

8 *(1) STUDY.—The Federal banking agencies shall,*
9 *jointly, carry out a study on—*

10 *(A) the principal causes for the low number*
11 *of de novo insured depository institutions in the*
12 *10-year period ending on the date of enactment*
13 *of this subsection;*

14 *(B) ways to promote more de novo insured*
15 *depository institutions in areas currently under-*
16 *served by insured depository institutions; and*

17 *(C) ways to ensure de novo depository insti-*
18 *tutions, including institutions which are rural*
19 *depository institutions, community development*
20 *financial institutions, and minority depository*
21 *institutions, can utilize the Community Bank*
22 *Leverage Ratio.*

23 *(2) REPORT TO CONGRESS.—Not later than the*
24 *end of the 1-year period beginning on the date of en-*
25 *actment of this Act, the Federal banking agencies*

1 shall, jointly, issue a report to the Committee on Fi-
2 nancial Services of the House of Representatives and
3 the Committee on Banking, Housing, and Urban Af-
4 fairs of the Senate containing all findings and deter-
5 minations made in carrying out the study required
6 under paragraph (1).

7 (e) DEFINITIONS.—In this section:

8 (1) APPROPRIATE FEDERAL BANKING AGENCY.—
9 The term “appropriate Federal banking agency” has
10 the meaning given the term in section 3 of the Federal
11 Deposit Insurance Act (12 U.S.C. 1813).

12 (2) DEPOSITORY INSTITUTION.—The term “de-
13 pository institution” has the meaning given the term
14 in section 3 of the Federal Deposit Insurance Act (12
15 U.S.C. 1813).

16 (3) DEPOSITORY INSTITUTION HOLDING COM-
17 PANY.—The term “depository institution holding com-
18 pany” has the meaning given the term in section 3
19 of the Federal Deposit Insurance Act (12 U.S.C.
20 1813).

21 (4) FEDERAL BANKING AGENCY.—The term
22 “Federal banking agency” has the meaning given the
23 term in section 3 of the Federal Deposit Insurance
24 Act (12 U.S.C. 1813).

1 (5) *INSURED DEPOSITORY INSTITUTION.*—*The*
2 *term “insured depository institution” has the mean-*
3 *ing given the term in section 3 of the Federal Deposit*
4 *Insurance Act (12 U.S.C. 1813).*

5 (6) *QUALIFYING COMMUNITY BANK.*—*The term*
6 *“qualifying community bank” means a depository in-*
7 *stitution that—*

8 (A) *including its holding company and all*
9 *of its subsidiaries and affiliates, has total com-*
10 *bined assets of less than \$10,000,000,000; and*

11 (B) *became an insured depository institu-*
12 *tion between January 1, 2026, and December 31,*
13 *2028.*

14 **SEC. 909. RURAL DEPOSITORIES REVITALIZATION STUDY.**

15 (a) *STUDY.*—*The Federal banking agencies shall,*
16 *jointly, carry out a study—*

17 (1) *to identify methods to improve the growth,*
18 *capital adequacy, and profitability of depository in-*
19 *stitutions in the United States that primarily serve*
20 *rural areas; and*

21 (2) *to identify Federal statutes (other than ap-*
22 *propriations Acts) or regulations of the Federal bank-*
23 *ing agencies that limit—*

24 (A) *the methods identified under paragraph*

25 (1); *or*

1 (B) *the establishment of de novo depository*
2 *institutions in rural areas.*

3 (b) *REPORT.*—*Not later than 1 year after the date of*
4 *enactment of this Act, the Federal banking agencies shall,*
5 *jointly, issue a report to Congress containing all findings*
6 *and determinations made in carrying out the study re-*
7 *quired under subsection (a).*

8 (c) *STUDY ON RURAL CREDIT UNIONS.*—*The National*
9 *Credit Union Administration shall carry out a study—*

10 (1) *to identify methods to improve the growth,*
11 *capital adequacy, and profitability of credit unions*
12 *in the United States that primarily serve rural areas;*
13 *and*

14 (2) *to identify Federal statutes (other than ap-*
15 *propriations Acts) or regulations of the National*
16 *Credit Union Administration that limit—*

17 (A) *the methods identified under paragraph*
18 (1); *or*

19 (B) *the establishment of de novo credit*
20 *unions in rural areas.*

21 (d) *REPORT ON RURAL CREDIT UNIONS.*—*Not later*
22 *than 1 year after the date of enactment of this Act, the Na-*
23 *tional Credit Union Administration shall issue a report to*
24 *Congress containing all findings and determinations made*
25 *in carrying out the study required under subsection (c).*

1 (e) *DEFINITIONS.*—*In this section:*

2 (1) *DEPOSITORY INSTITUTION.*—*The term “de-*
3 *pository institution” has the meaning given that term*
4 *in section 3 of the Federal Deposit Insurance Act (12*
5 *U.S.C. 1813).*

6 (2) *FEDERAL BANKING AGENCIES.*—*The term*
7 *“Federal banking agencies” means the Board of Gov-*
8 *ernors of the Federal Reserve System, the Comptroller*
9 *of the Currency, and the Federal Deposit Insurance*
10 *Corporation.*

11 (3) *RURAL.*—*With respect to an area, the term*
12 *“rural” has the meaning given that term in section*
13 *1026.35(b)(2)(iv)(A) of title 12, Code of Federal Regu-*
14 *lations.*

15 **TITLE X—HOME-OWNERSHIP**
16 **FOR MAIN STREET AMERICA**

17 **SEC. 1001. HOMES ARE FOR PEOPLE, NOT CORPORATIONS.**

18 (a) *DEFINITIONS.*—*In this section:*

19 (1) *CONSUMER REPORTING AGENCY.*—*The term*
20 *“consumer reporting agency” has the meaning given*
21 *the term in section 603 of the Fair Credit Reporting*
22 *Act (15 U.S.C. 1681a).*

23 (2) *EXCEPTED PURCHASE.*—*The term “excepted*
24 *purchase” means any purchase of a single-family*
25 *home that is—*

1 (A) newly constructed, renovated, or a rental
2 conversion for sale by a large institutional investor
3 and not as a residence rented pending
4 sale;

5 (B) pursuant to a build-to-rent program
6 where the large institutional investor purchases,
7 constructs, or constructs and retains a newly
8 constructed single-family homes to be managed
9 as a rental property, whether as part of a community
10 made up exclusively of renter-occupied
11 single-family homes or as part of a community
12 made up of single-family homes that are both
13 owner- and renter-occupied;

14 (C) pursuant to a renovate-to-rent program
15 that—

16 (i) substantially rehabilitates single-
17 family homes that do not meet structural or
18 core system elements of local building codes;
19 and

20 (ii) makes improvements in an aggregate
21 dollar amount of not less than 15 percent
22 of the purchase price of the single-family
23 home;

24 (D) pursuant to a homeownership program
25 that—

1 (i) requires rental payments and any
2 other fees that are not greater than those
3 collected by the large institutional investor
4 on other similarly situated single-family
5 homes not covered by the eligible homeown-
6 ership program;

7 (ii) is subject to a contract between the
8 large institutional investor and renter that
9 shall be considered a consumer credit trans-
10 action secured by a dwelling or real prop-
11 erty;

12 (iii) provides for positive reporting of
13 rental payments to consumer reporting
14 agencies for any renter, who shall be in-
15 formed of and opts into such reporting; and

16 (iv) requires contribution of meaning-
17 ful financial support from the large institu-
18 tional investor, including price concessions,
19 for the purchase of the single-family home
20 by the renter;

21 (E) pursuant to a program to boost home-
22 ownership that—

23 (i) provides for positive reporting of
24 rental payments to consumer reporting

1 agencies for any renter, who shall be in-
2 formed of and opts into such reporting;

3 (ii) provides for the right of first re-
4 fusal and a 30-day “first look” period; and

5 (iii) may entail the meaningful finan-
6 cial support from the large institutional in-
7 vestor, including price concessions, for the
8 purchase of a single-family home by the
9 renter (whether it is the home the renter oc-
10 cupies or another home);

11 (F) in connection with the satisfaction of
12 debts previously contracted in good faith and
13 where the large institutional investor has the
14 right to repossess the single-family home under
15 such contract;

16 (G) undertaken by a mortgage servicer,
17 lender, or other entity that has a legal right to
18 a single-family home, for the purpose of loss
19 mitigation or compliance with servicing or in-
20 vestor obligations, and not as a long-term invest-
21 ment strategy, and is solely as a result of—

22 (i) a foreclosure;

23 (ii) a deed-in-lieu of foreclosure;

24 (iii) enforcement of a mortgage, deed of
25 trust, or other security interest; or

1 (iv) operation of law following bor-
2 rower default;

3 (H) purchased from another large institu-
4 tional investor that either owned the single-fam-
5 ily home on the date of enactment of this Act or
6 purchased the single-family home in compliance
7 with this section;

8 (I) purchased from an investor not covered
9 under this section, so long as the purchase oc-
10 curred not more than 2 years after the effective
11 date under subsection (f);

12 (J) newly constructed, renovated, or a rent-
13 al conversion that is intended and operated for
14 occupancy as part of a community for house-
15 holds with 1 or more members aged 55 years or
16 older, and satisfies visitability standards estab-
17 lished by the Secretary of Housing and Urban
18 Development; or

19 (K) purchased through a single purchase or
20 combination or series of purchases described in
21 subparagraphs (A) through (J).

22 (3) *LARGE INSTITUTIONAL INVESTOR.*—

23 (A) *IN GENERAL.*—The term “large institu-
24 tional investor”—

1 (i) means an investment fund, corpora-
2 tion, general or limited partnership, limited
3 liability company, joint venture, associa-
4 tion, or other for-profit entity that is a legal
5 entity structured in a manner that is not
6 aforementioned that—

7 (I) is engaged, in whole or in
8 part, in the business of investing in,
9 owning, renting, managing, or holding
10 single-family homes; and

11 (II) alone or in concert with 1 or
12 more other entities, beginning after the
13 date of enactment of this Act, directly
14 or indirectly has investment control of
15 not less than 350 single-family homes
16 in the aggregate, not including any
17 single-family home purchased in an ex-
18 cepted purchase made after the date of
19 enactment of this Act; and

20 (ii) does not include any local, State,
21 Tribal, or Federal government entity or in-
22 strumentality thereof.

23 (B) *RULE OF CONSTRUCTION.*—For pur-
24 poses of this paragraph, an entity has direct or

1 *indirect investment control over a single-family*
2 *home if the entity—*

3 *(i) owns, or has primary authority or*
4 *fiduciary responsibility to make material*
5 *investment or management decisions relat-*
6 *ing to, the single-family home;*

7 *(ii) is, or directly or indirectly con-*
8 *trols, the general partner or managing*
9 *member of the entity that owns the single-*
10 *family home;*

11 *(iii) is or controls the investment man-*
12 *ager, management company, or investment*
13 *advisor of the entity that owns the single-*
14 *family home;*

15 *(iv) owns or controls more than 25*
16 *percent of any class of equity interests of the*
17 *entity that owns the single-family home, un-*
18 *less such entity is a passive investor; or*

19 *(v) otherwise controls the entity that*
20 *owns the single-family home.*

21 (4) *PURCHASE.—The term “purchase” includes*
22 *any purchase, transfer, or other acquisition of a sin-*
23 *gle family home, including through mergers, acquisi-*
24 *tions, construction, foreclosures, or bulk purchases,*
25 *whether or not for cash consideration.*

1 (5) *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; and*

6 (B) *does not include a manufactured home,*
7 *as defined in section 603 of the National Manu-*
8 *factured Housing Construction and Safety*
9 *Standards Act of 1974 (42 U.S.C. 5402).*

10 (b) *PROHIBITION ON PURCHASES BY LARGE INSTITU-*
11 *TIONAL INVESTORS.*—

12 (1) *IN GENERAL.*—*No large institutional investor*
13 *may purchase, or enter into a contract to directly or*
14 *indirectly purchase, any single-family home.*

15 (2) *EXCEPTIONS.*—*The prohibition under para-*
16 *graph (1) shall not apply to—*

17 (A) *any excepted purchase; or*

18 (B) *any purchase of a single-family home*
19 *in connection with a restructuring or other reor-*
20 *ganization of ownership of single-family homes*
21 *that were owned or purchased on or before the*
22 *date of enactment of this Act.*

23 (3) *RULE OF CONSTRUCTION.*—*Nothing in this*
24 *section may be construed to—*

1 (A) require any large institutional investor
2 to divest or otherwise sell any single-family home
3 purchased before the date of enactment of this
4 Act; or

5 (B) prevent the filing of a petition, or other-
6 wise affect any bankruptcy proceeding, under
7 title 11, United States Code.

8 (4) IMPLEMENTATION.—

9 (A) IN GENERAL.—In consultation with the
10 Secretary of Housing and Urban Development,
11 the Director of Federal Housing Finance Agency,
12 and the Chair of the Securities and Exchange
13 Commission, the Secretary of the Treasury may
14 issue regulations in accordance with the notice
15 and comment rulemaking procedures under sec-
16 tion 553 of title 5, United States Code, to carry
17 out the purposes of this section, including regula-
18 tions to—

19 (i) minimize market disruptions upon
20 identifying a risk of material negative im-
21 pact on the housing market, including an
22 impact on the ability of market partici-
23 pants to dispose of single-family homes in
24 an orderly fashion; and

1 (ii) mitigate, to the extent possible,
2 negative impacts on consumers and commu-
3 nities.

4 (B) *RULE OF CONSTRUCTION.*—For the
5 avoidance of doubt, no regulation issued under
6 subparagraph (A) may amend the definitions of
7 the terms defined under subsection (a), including
8 to—

9 (i) alter the scope of excepted purchases
10 in a manner that would undermine the goal
11 of expanding the number of single-family
12 homes available to individual households for
13 purchase;

14 (ii) alter any type of excepted purchase
15 in a manner that would undermine the goal
16 of expanding the number of single-family
17 homes available to individual households for
18 purchase;

19 (iii) add any category of large institu-
20 tional investor as an eligible class if not de-
21 termined by this section; or

22 (iv) alter the quantitative threshold in
23 the definition of “large institutional inves-
24 tor”.

25 (c) *RENTER OUTREACH RESOURCE ESTABLISHED.*—

1 (1) *IN GENERAL.*—*The Secretary of Housing and*
2 *Urban Development (in this subsection referred to as*
3 *the “Secretary”)* shall, not later than 180 days after
4 *the date of enactment of this Act, establish a renter*
5 *outreach resource that consists of a toll-free telephone*
6 *number and a public website designed to assist rent-*
7 *ers of residential properties owned by a large institu-*
8 *tional investor in—*

9 (A) *notifying Federal agencies about dis-*
10 *putes relating to the rental of such properties,*
11 *including disputes about potential violations of*
12 *Federal law;*

13 (B) *sharing information about such dis-*
14 *putes with other Federal agencies, including*
15 *other Federal agencies that manage similar dis-*
16 *putes;*

17 (C) *monitoring such disputes; and*

18 (D) *resolving such disputes, to the extent*
19 *practicable.*

20 (2) *RESPONSE TO OUTREACH.*—

21 (A) *IN GENERAL.*—*The Secretary shall es-*
22 *tablish reasonable procedures to—*

23 (i) *promptly respond, in writing where*
24 *appropriate, to a renter who provides infor-*
25 *mation to the Secretary about a dispute*

1 *using the renter outreach resource estab-*
2 *lished under paragraph (1); and*

3 *(ii) document such responses.*

4 *(B) CONTENTS.—Responses provided under*
5 *subparagraph (A) shall include, where appro-*
6 *priate, information about—*

7 *(i) steps that have been taken by the*
8 *Secretary or another Federal agency in re-*
9 *sponse to the information about the dispute*
10 *provided by the renter, including deter-*
11 *mining the appropriate large institutional*
12 *investor involved as described in paragraph*
13 *(3);*

14 *(ii) any responses received by the Sec-*
15 *retary or another Federal agency from the*
16 *large institutional investor related to such*
17 *dispute; and*

18 *(iii) any outcome of the dispute, to the*
19 *extent practicable.*

20 *(3) INVESTIGATION OF POTENTIAL VIOLATIONS*
21 *OF FEDERAL LAW.—*

22 *(A) IN GENERAL.—The Secretary shall*
23 *promptly process and investigate any informa-*
24 *tion relating to a dispute received through the*
25 *renter outreach resource established under para-*

1 *graph (1) about a potential violation of Federal*
2 *law that is received from a renter of a residen-*
3 *tial property owned by a large institutional in-*
4 *vestor through the renter outreach resource estab-*
5 *lished under paragraph (1), including—*

6 *(i) requesting information from a large*
7 *institutional investor;*

8 *(ii) determining the appropriate large*
9 *institutional investor involved in the dis-*
10 *pute; and*

11 *(iii) sharing information about such*
12 *potential violation of Federal law with any*
13 *relevant Federal agencies, as the Secretary*
14 *may determine appropriate.*

15 *(B) RESPONSES TO REQUESTS FOR INFOR-*
16 *MATION.—Upon request for information made*
17 *pursuant to subparagraph (A), the Secretary*
18 *shall provide a large institutional investor the*
19 *opportunity to respond, including regarding*
20 *whether such large institutional investor cur-*
21 *rently owns the property described in such re-*
22 *quest for information.*

23 *(4) INFORMATION FOR APPROPRIATE STATE AU-*
24 *THORITY.—When the Secretary receives information*
25 *about a potential violation of State law or about a*

1 *dispute received through the renter outreach resource,*
2 *from a renter of a residential property owned by a*
3 *large institutional investor through the renter out-*
4 *reach resource established under paragraph (1), the*
5 *Secretary shall, at a minimum, provide the renter*
6 *with contact information for the appropriate, State-*
7 *specific, State authority authorized to process and in-*
8 *vestigate such information.*

9 (5) NOTICE ABOUT RENTER OUTREACH RE-
10 SOURCE.—Each large institutional investor shall—

11 (A) provide to each renter of a residential
12 property owned by such investor at the time such
13 renter first occupies such home and annually
14 thereafter—

15 (i) written notice about the renter out-
16 reach resource established under paragraph
17 (1); and

18 (ii) the name, phone number, and
19 email address of the person or entity re-
20 sponsible for receiving and addressing
21 renter disputes for the large institutional
22 investor, and update the name, phone num-
23 ber, and email address within 30 days if
24 such information changes prior to the subse-

1 *quent time at which such notice is required*
2 *to be provided; and*

3 *(B) prominently feature information about*
4 *the renter outreach resource established under*
5 *paragraph (1) on a public website of such inves-*
6 *tor that is accessible by such renter.*

7 *(6) ANNUAL REPORT TO THE CONGRESS.—*

8 *(A) IN GENERAL.—The Secretary shall, not*
9 *later than March 31 of each year, submit to the*
10 *Congress a public report which analyzes and ag-*
11 *gregates the information received or obtained*
12 *pursuant to this subsection during the prior year*
13 *that includes—*

14 *(i) information about the types and the*
15 *number of disputes received about potential*
16 *violations of Federal law;*

17 *(ii) information about the types and*
18 *the number of disputes received about poten-*
19 *tial violations of State law;*

20 *(iii) where practicable, information*
21 *about the resolution of such disputes; and*

22 *(iv) information provided to the Sec-*
23 *retary of Housing and Urban Development*
24 *under paragraph (8).*

1 (B) *ANONYMIZATION OF DATA.*—Any data
2 included in a report that is submitted under this
3 paragraph shall be aggregated or anonymized so
4 as to protect any individual dispute or person-
5 ally identifiable information received through the
6 renter outreach resource.

7 (7) *PROTECTION OF PERSONAL INFORMATION.*—
8 In complying with the requirements of this subsection,
9 the Secretary shall take such measures as the Sec-
10 retary determines are necessary to provide for the
11 protection of personally identifiable information re-
12 ceived through the renter outreach resource in a man-
13 ner that conforms with existing standards for protec-
14 tion of the confidentiality of personally identifiable
15 information.

16 (8) *ANNUAL NOTIFICATION.*—Not later than 180
17 days after the date of the enactment of this Act, and
18 not later than December 31st of each year thereafter,
19 each person or entity that satisfies the definition of
20 a large institutional investor, as such term is defined
21 in subsection (a), shall—

22 (A) notify the Secretary each year whether
23 such owner is a large institutional investor as
24 defined in subsection (a); and

1 (B) in such notification, identify how many
2 single-family homes such large institutional in-
3 vestor has direct or indirect investment control of
4 as of the date of the submission of such notice,
5 and the city and State where each such single-
6 family home is located, unless such large institu-
7 tional investor owns 10 or fewer single-family
8 homes in such city.

9 (d) ENFORCEMENT.—

10 (1) CIVIL PENALTIES.—The Secretary of the
11 Treasury, or the Attorney General at the request of
12 the Secretary of the Treasury, may bring an action
13 against a large institutional investor that violates
14 subsection (b) for a civil penalty in an amount that
15 is not more than \$1,000,000 per violation, or 3 times
16 the purchase price of the property involved, whichever
17 is greater.

18 (2) TRANSFER TO HUD FOR HOMEOWNERSHIP
19 EXPANSION ACTIVITIES.—For fiscal year 2027 and
20 each fiscal year thereafter, to the extent and in the
21 amounts provided in advance in appropriations Acts,
22 civil penalties assessed under this section shall be
23 transferred to and available to the Secretary of Hous-
24 ing and Urban Development to provide additional
25 funding for the HOME Investment Partnerships pro-

1 *gram under subtitle A of title II of the Cranston-Gon-*
2 *zalez National Affordable Housing Act (42 U.S.C.*
3 *12741 et seq.), to be allocated in accordance with the*
4 *formula under that program, for new construction,*
5 *acquisition, and rehabilitation of single-family homes*
6 *and to provide assistance grants to first-time home-*
7 *buyers, which may be for downpayments, closing*
8 *costs, and interest rate buydowns.*

9 *(e) STUDIES ON LARGE INSTITUTIONAL INVESTORS.—*

10 *(1) GAO REPORT.—Not later than 2 years after*
11 *the date on which the prohibition under subsection*
12 *(b)(1) takes effect, and again not later than 10 years*
13 *after that date, the Comptroller General of the United*
14 *States shall submit to the Committee on Banking,*
15 *Housing and Urban Affairs of the Senate and the*
16 *Committee on Financial Services of the House of Rep-*
17 *resentatives a report on—*

18 *(A) the impact of the ownership by large in-*
19 *stitutional investors of single-family homes on*
20 *housing availability and affordability for renters*
21 *and homebuyers; and*

22 *(B) the effectiveness of this section in reduc-*
23 *ing demand by large institutional investors for*
24 *single-family homes and expanding homeowner-*
25 *ship for renters and homebuyers.*

1 (2) *HUD REPORT.*—Not later than 2 years after
2 the date on which the prohibition under subsection
3 (b)(1) takes effect, and again not later than 10 years
4 after that date, the Secretary of the Housing and
5 Urban Development, in consultation with the Sec-
6 retary of the Treasury, the Administrator of the
7 Rural Housing Service, the Executive Director of the
8 Loan Guaranty Service of the Department of Veterans
9 Affairs, the Chair of Securities and Exchange Com-
10 mission, and the Director of the Federal Housing Fi-
11 nance Agency, shall submit to the Committee on
12 Banking, Housing and Urban Affairs of the Senate
13 and the Committee on Financial Services of the
14 House of Representatives a report on—

15 (A) whether there should be adjustments to
16 the definition of the term “large institutional in-
17 vestor”;

18 (B) the financial impact of this section on
19 large institutional investors, renters, and home-
20 buyers; and

21 (C) any legislative recommendations regard-
22 ing ways to improve the authorities provided
23 under this section to increase the supply and af-
24 fordability of single-family homes for purchase
25 by individual homebuyers.

1 (3) *SENSE OF CONGRESS.*—*It is the sense of*
2 *Congress that—*

3 (A) *this section is intended to expand the*
4 *number of single-family homes available to indi-*
5 *viduals for purchase and is aimed at preserving*
6 *and expanding the supply of single-family homes*
7 *available to individuals; and*

8 (B) *any further study on the effectiveness of*
9 *this section and any legislative recommendations*
10 *therefrom should consider this sense of Congress.*

11 (f) *EFFECTIVE DATE.*—*The requirements and prohibi-*
12 *tions under subsections (b) and (d) of this section—*

13 (1) *shall take effect on the date that is 180 days*
14 *after the date of enactment of this Act; and*

15 (2) *are repealed on the date that is 15 years*
16 *after the effective date under paragraph (1).*

17 **TITLE XI—CENTRAL BANK**
18 **DIGITAL CURRENCY**

19 **SEC. 1101. CENTRAL BANK DIGITAL CURRENCY.**

20 *The Federal Reserve Act (12 U.S.C. 221 et seq.) is*
21 *amended by inserting after section 16 (12 U.S.C. 411 et*
22 *seq.) the following:*

23 **“SEC. 16A. CENTRAL BANK DIGITAL CURRENCY.**

24 **“(a) DEFINITIONS.**—*In this section:*

1 “(1) *CENTRAL BANK DIGITAL CURRENCY.*—*The*
2 *term ‘central bank digital currency’ means a digital*
3 *asset that—*

4 “(A) *is denominated in United States dol-*
5 *lars;*

6 “(B) *is a United States currency;*

7 “(C) *is a direct liability of the Federal Re-*
8 *serve System; and*

9 “(D) *is widely available to the general pub-*
10 *lic.*

11 “(2) *DIGITAL ASSET.*—*The term ‘digital asset’*
12 *has the meaning given the term in section 2 of the*
13 *GENIUS Act (12 U.S.C. 5901).*

14 “(b) *PROHIBITION.*—*Except as provided in subsection*
15 *(c), the Board of Governors of the Federal Reserve System*
16 *or a Federal reserve bank may not issue or create a central*
17 *bank digital currency or any digital asset that is substan-*
18 *tially similar to a central bank digital currency directly*
19 *or indirectly through a financial institution or other inter-*
20 *mediary.*

21 “(c) *EXCEPTION.*—*Subsection (b) shall not prohibit*
22 *any dollar-denominated currency that is open,*
23 *permissionless, and private, and fully preserves the privacy*
24 *protections of United States coins and physical currency.*

1 “(d) *SUNSET.*—*This provisions of this section shall*
2 *cease to be effective on December 31, 2030.*”

3 “(e) *RULE OF CONSTRUCTION.*—*Nothing in this sec-*
4 *tion shall be construed to allow the Board of Governors of*
5 *the Federal Reserve System to issue a central bank digital*
6 *currency or any digital asset that is substantially similar*
7 *to a central bank digital currency directly or indirectly ab-*
8 *sent authorization by an Act of Congress.”.*

9 ***TITLE XII—MISCELLANEOUS***

10 ***SEC. 1201. SEVERABILITY.***

11 *If any provision of this Act, or the application thereof*
12 *to any person or circumstance, is held invalid, the remain-*
13 *der of the Act, and the application of such provisions to*
14 *other persons or circumstances, shall not be affected thereby.*

15 ***SEC. 1202. NO ADDITIONAL FUNDS AUTHORIZED.***

16 *No additional funds are authorized to be appropriated*
17 *to carry out the requirements of this Act or any amendment*
18 *made by this Act.*

Attest:

Secretary.

119TH CONGRESS
2^D SESSION

H.R. 6644

**SENATE AMENDMENT TO
HOUSE AMENDMENT TO
SENATE AMENDMENT**