

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## PUBLIC AND INDIAN HOUSING PROGRAMS

### Federal Funds

#### TRANSFORMING RENTAL ASSISTANCE

*For conversion of properties assisted under section 9 of the U. S. Housing Act of 1937, (hereinafter, "the Act"), the moderate rehabilitation program, the rent supplement program under section 101 of the Housing and Urban Development Act of 1965, or the rental assistance program under section 236(f)(2) of the National Housing Act, to properties with assistance under section 8(o)(13) of the Act or to other project-based rental assistance under section 8 of the Act, including the cost of administrative fees of such new assistance contracts and any supplemental costs of the first year of assistance through such procedures as the Secretary may establish, \$200,000,000, to be available until September 30, 2015: Provided, That notwithstanding sections 3 and 16 of the Act, the conversion of assistance under this heading shall not be the basis for re-screening or termination of assistance or eviction of any tenant family in a property with assistance converted pursuant to this heading and such a family shall not be considered a new admission for any purpose, including compliance with income targeting requirements: Provided further, That the Secretary shall select properties for conversion and award funds for assistance and administrative fees through a competitive process, except that for conversion of properties assisted under the moderate rehabilitation program, the rent supplement program under section 101 of the Housing and Urban Development Act of 1965, or the rental assistance program under section 236 of the National Housing Act, the Secretary may select properties for conversion and award funds through such other procedure as the Secretary may establish: Provided further, That any procedure established pursuant to the preceding proviso, including the criteria for conversion, shall be published by notice in the Federal Register no later than 15 days before any property is converted: Provided further, That the Secretary may waive, or specify alternative requirements for, any provision of section 8(o)(13) (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) or any provision that governs the use of assistance from which a property is converted pursuant to this heading or funds made available under the headings of "Public Housing Capital Fund," "Public Housing Operating Fund," and "Project-Based Rental Assistance," under this Act or any prior Act for properties converted under this heading, upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective conversion of the contracts provided for under this heading: Provided further, That the Secretary shall publish by notice in the Federal Register any waivers or alternative requirements pursuant to the preceding proviso no later than 10 days before the effective date of such notice.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

#### Program and Financing (in millions of dollars)

Identification code 86-0406-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Rental Assistance .....			50
0900 Total new obligations (object class 41.0) .....			50
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			200
1930 Total budgetary resources available .....			200
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....			150
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			
3030 Obligations incurred, unexpired accounts .....			50
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			50

Budget authority and outlays, net:			
Discretionary:			
4000	Budget authority, gross .....		200
4180	Budget authority, net (total) .....		200
4190	Outlays, net (total) .....		

Over the last 75 years, the Federal Government has invested billions in the development and maintenance of public housing and other multifamily rental housing. This housing serves a vulnerable population, including extremely low-income families, seniors, and people with disabilities, who rely on it and have few if any equally affordable housing options. To preserve this large Federal investment and respond to the growing demand for affordable rental housing, the Administration proposes \$200 million for a Transforming Rental Assistance (TRA) demonstration. This initiative will help preserve the HUD-assisted inventory by leveraging private financing for capital improvements and by offering a more attractive renewal option to private owners who otherwise may choose to opt-out of HUD's rental assistance programs.

The public housing inventory has an estimated capital needs backlog of \$20 to \$30 billion. Given current fiscal constraints, the Administration supports alternative means, other than direct capital grants, for addressing this large backlog. Beyond the public housing stock, the Section 8 Moderate Rehabilitation (25,000 units), Rent Supplement (12,700 units), and Rental Assistance Payment (12,900 units) programs either do not offer owners the option to renew their subsidy contracts upon expiration, thereby risking the loss of affordable housing units tied to those contracts, or do not allow owners to renew on terms that attract sufficient capital to preserve long-term affordability.

To begin to address these preservation challenges, the Budget proposes a demonstration and rigorous assessment of the conversion of up to 263,000 units under the Public Housing, Moderate Rehabilitation, Rent Supplement, and Rental Assistance Payment programs to long-term Section 8 rental assistance contracts or project-based vouchers. This demonstration will test TRA conversions as a tool for: (1) preserving public housing and other HUD-assisted units by, among other features, increasing access to private capital and management techniques; (2) creating mixed-income communities; and (3) increasing housing choice for residents.

Participation in the TRA demonstration will be voluntary, with properties primarily selected for conversion by competition. HUD intends through the conversion process to assure the physical and financial sustainability of properties and enable owners to leverage private financing to address immediate and long-term capital needs and implement energy-efficiency improvements. Residents of converted properties, should they opt to move, will have access to tenant-based rental assistance as it becomes available (i.e., the resident choice option) without reducing the number of units with project-based assistance. The Department will conduct an assessment of the demonstration focusing on the following: (1) characteristics of properties selected through the competition; (2) impacts of TRA policies, including rent setting and the resident choice option, on converted properties and residents; (3) the amounts and sources of private financing leveraged for rehabilitation; and (4) HUD capacity to implement conversions.

## TENANT-BASED RENTAL ASSISTANCE

For activities and assistance for the provision of tenant-based rental assistance authorized under the United States Housing Act of 1937, as amended (42 U.S.C. 1437 et seq.) ("the Act" herein), not otherwise provided for, \$15,222,569,082, to remain available until expended, shall be available on October 1, 2011 (in addition to the \$4,000,000,000 previously appropriated under this heading that will become available on October 1, 2011), and \$4,000,000,000, to remain available until expended, shall be available on October 1, 2012: Provided, That of the amounts made available under this heading are provided as follows:

(1) No less than \$17,143,836,548 shall be available for renewals of expiring section 8 tenant-based annual contributions contracts (including renewals of enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act) and including renewal of incremental vouchers: Provided, That notwithstanding any other provision of law, from amounts provided under this paragraph and any carryover, the Secretary for the calendar year 2012 funding cycle shall provide renewal funding for each public housing agency based on validated voucher management system (VMS) leasing and cost data for the prior calendar year and by applying an inflation factor as established by the Secretary by notice published in the Federal Register, and by making any necessary adjustments for the costs associated with the first-time renewal of vouchers under this paragraph including tenant protection, and HOPE VI vouchers: Provided further, That public housing agencies participating in the Moving to Work (MTW) demonstration shall be funded pursuant to their MTW agreements: Provided further, That the Secretary may offset public housing agencies' calendar year 2012 allocations by the excess amount of agencies' net restricted assets accounts as established by the Secretary by notice published in the Federal Register: Provided further, That MTW agencies may also be subject to an offset, as determined by the Secretary, from the agencies' calendar year 2012 Moving to Work funding allocation: Provided further, That the Secretary shall use any such offset to first avoid or reduce the proration of renewal funding allocations and then on the basis of need and performance, as established by the Secretary by notice published in the Federal Register: Provided further, That the Secretary shall, to the extent necessary to stay within the amount specified under this paragraph, pro rate each public housing agency's allocation, including MTW agency allocations, otherwise established pursuant to this paragraph: Provided further, That except as provided in the following provisos, the entire amount specified under this paragraph shall be obligated to the public housing agencies based on the allocation and pro rata method described above, and the Secretary shall notify public housing agencies of their annual budget not later than 60 days after enactment of this Act: Provided further, That the Secretary may extend the 60-day notification period with prior written notice to the House and Senate Committees on Appropriations: Provided further, That up to \$135,000,000 shall be available only: (1) to adjust the allocations for public housing agencies, after application for an adjustment by a public housing agency that experienced a significant increase, as determined by the Secretary, in renewal costs of tenant-based rental assistance resulting from unforeseen circumstances or from portability under section 8(r) of the Act; (2) for adjustments for public housing agencies with voucher leasing rates at the end of the Calendar Year that exceed the average leasing for the 12-month period used to establish the allocation; (3) for vouchers that were not in use during the 12-month period in order to be available to meet a commitment pursuant to section 8(o)(13) of the Act; (4) for any increase in the costs associated with deposits to family self-sufficiency program escrow accounts; (5) to adjust allocations for public housing agencies to prevent termination of assistance to families receiving assistance under the disaster voucher program, as authorized by Public Law 109-148 under the heading "Tenant-Based Rental Assistance"; (6) for adjustments for the costs associated with HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers; (7) for adjustments for public housing agencies that experienced a significant increase, as determined by the Secretary, in renewal costs as a result of participation in the Small Area Fair Market Rent Demonstration: Provided further, That the Secretary shall allocate amounts under the previous proviso based on need as determined by the Secretary;

(2) \$75,000,000 shall be for section 8 rental assistance for relocation and replacement of housing units that are demolished or disposed of pursuant to Section 18 of the Act, conversion of section 23 projects to

assistance under section 8, the family unification program under section 8(x) of the Act, relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency, enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act, HOPE VI vouchers, mandatory and voluntary conversions, and tenant protection assistance including replacement and relocation assistance or for project based assistance to prevent the displacement of unassisted elderly tenants currently residing in section 202 properties financed between 1959 and 1974 that are refinanced pursuant to Public Law 106-569, as amended, or under the authority as provided under this Act: Provided further, That when a public housing development is submitted for demolition or disposition under Section 18 of the Act, the Secretary may provide section 8 rental assistance when the units pose an imminent health and safety risk to residents;

(3) \$1,647,780,434 shall be for administrative and other expenses of public housing agencies in administering the section 8 tenant-based rental assistance program, of which up to \$50,000,000 shall be available to the Secretary to allocate to public housing agencies that need additional funds to administer their section 8 programs, including fees associated with section 8 tenant protection rental assistance, the administration of disaster related vouchers, Veterans Affairs Supportive Housing vouchers, and other incremental vouchers: Provided, That no less than \$1,597,780,434 of the amount provided in this paragraph shall be allocated to public housing agencies for the calendar year 2012 funding cycle based on section 8(q) of the Act (and related Appropriation Act provisions) as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998 (Public Law 105-276): Provided further, That if the amounts made available under this paragraph are insufficient to pay the amounts determined under the previous proviso, the Secretary may decrease the amounts allocated to agencies by a uniform percentage applicable to all agencies receiving funding under this paragraph or may, to the extent necessary to provide full payment of amounts determined under the previous proviso, utilize unobligated balances, including recaptures and carryovers, remaining from funds appropriated to the Department of Housing and Urban Development under this heading, from prior fiscal years, notwithstanding the purposes for which such amounts were appropriated: Provided further, That amounts provided under this paragraph shall be only for activities related to the provision of tenant-based rental assistance authorized under section 8, including related development activities;

(4) \$60,000,000 shall be available for family self-sufficiency coordinators under section 23 of the Act;

(5) \$114,046,000 for renewal of tenant-based assistance contracts under section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), as amended, entered into prior to fiscal year 2007;

(6) Up to \$50,000,000 for incremental tenant-based assistance for eligible families assisted under the Disaster Housing Assistance Program for Hurricanes Ike and Gustav: Provided, That these vouchers will not be re-issued when families leave the program;

(7) \$56,906,100 for incremental voucher assistance under section 8(o) of the United States Housing Act of 1937, for two competitive demonstration programs to address the needs of families and individuals who are homeless or at risk of homelessness, as defined by the Secretary of Housing and Urban Development, to be administered by the Department of Housing and Urban Development in conjunction with the Department of Health and Human Services and the Department of Education: Provided, That one demonstration program shall make funding available to public housing agencies that: (1) partner with eligible state or local entities responsible for distributing Temporary Assistance for Needy Families (TANF) and other health and human services as designated by the Secretary of the Department of Health and Human Services, and (2) partner with school homelessness liaisons funded through the Department of Education's Education for Homeless Children and Youths program: Provided further, That the other demonstration program shall make funding available to public housing agencies that partner with eligible state Medicaid agencies and state behavioral health entities as designated by the Secretary of the Department of Health and Human Services to provide housing in conjunction with Medicaid case management, substance abuse treatment, and mental health services: Provided further, That the Secretary of Housing and Urban Development shall make the funding specified in this subsection available through such

allocation procedures as the Secretary determines to be appropriate, notwithstanding section 213 of the Housing and Community Development Act of 1974 (42 U.S.C. 1439) and section 204 (competition provision) of this title, to entities with demonstrated experience and that meet such other requirements as determined by the Secretary: Provided further, That the Secretary of Housing and Urban Development may waive, or specify alternative requirements for any provision of any statute or regulation that the Secretary of Housing and Urban Development administers in connection with the use of funds made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of such voucher assistance: Provided further, That the Secretary shall publish in the Federal Register the alternative requirements (including waivers of any statute or regulation necessary to establish those alternative requirements) that the Secretary administers pursuant to this subsection no later than 10 days before the effective date of such alternative requirements: Provided further, That assistance made available under this subsection shall continue to remain available for these purposes upon turn-over;

(8) \$75,000,000 for incremental rental voucher assistance for use through a supported housing program administered in conjunction with the Department of Veterans Affairs as authorized under section 8(o)(19) of the United States Housing Act of 1937: Provided, That, notwithstanding section 204 (competition provision) of this title, the Secretary of Housing and Urban Development shall make such funding available to public housing agencies that partner with eligible VA Medical Centers, or other entities as designated by the Secretary of the Department of Veterans Affairs, based on: (1) geographical need for such assistance as identified by the Secretary of the Department of Veterans Affairs; (2) public housing agency administrative performance; and (3) other factors as specified by the Secretary of Housing and Urban Development in consultation with the Secretary of the Department of Veterans Affairs: Provided further, That the Secretary of Housing and Urban Development, in consultation with the Secretary of the Department of Veterans Affairs, may waive or specify alternative requirements for, any provision of any statute or regulation that the Secretary of Housing and Urban Development administers in connection with the use of funds made available in this paragraph, except for requirements related to fair housing, nondiscrimination, labor standards, and the environment, upon a finding by the Secretary that any such waivers or alternative requirements are necessary for the effective delivery and administration of such voucher assistance provided in this paragraph: Provided further, That assistance made available under this paragraph shall continue to remain available for homeless veterans upon turn-over.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0302-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Tenant Protection .....	143	150	75
0002 Administrative Fees .....	1,539	1,620	1,648
0003 Family Self Sufficiency Coordinators .....	50	60	60
0006 Contract Renewals .....	16,216	16,451	17,144
0008 Veterans Affairs Supportive Housing Vouchers .....	71	81	75
0009 Family Unification Program Vouchers .....	16	15	15
0010 Nonelderly Disabled Vouchers .....	33	8	
0011 Disaster Displacement Assistance .....	3	1	
0012 Disaster Housing Assistance Program .....			50
0013 Section 811 Mainstream Vouchers .....			114
0014 Homeless Special Needs Vouchers .....			57
0900 Total new obligations (object class 41.0) .....	18,071	18,386	19,238
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	291	306	104
1021 Recoveries of prior year unpaid obligations .....	2		
1050 Unobligated balance (total) .....	293	306	104
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	14,184	14,184	15,223

1120 Appropriations transferred to other accounts .....	-100		
1160 Appropriation, discretionary (total) .....	14,084	14,184	15,223
Advance appropriations, discretionary:			
1170 Advance appropriation .....	4,000	4,000	4,000
1900 Budget authority (total) .....	18,084	18,184	19,223
1930 Total budgetary resources available .....	18,377	18,490	19,327
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	306	104	89
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	1,672	1,754	1,549
3030 Obligations incurred, unexpired accounts .....	18,071	18,386	19,238
3031 Obligations incurred, expired accounts .....	1		
3040 Outlays (gross) .....	-17,987	-18,591	-19,430
3080 Recoveries of prior year unpaid obligations, unexpired .....	-2		
3081 Recoveries of prior year unpaid obligations, expired .....	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	1,754	1,549	1,357
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	18,084	18,184	19,223
Outlays, gross:			
4010 Outlays from new discretionary authority .....	16,214	16,837	17,777
4011 Outlays from discretionary balances .....	1,773	1,754	1,653
4020 Outlays, gross (total) .....	17,987	18,591	19,430
4180 Budget authority, net (total) .....	18,084	18,184	19,223
4190 Outlays, net (total) .....	17,987	18,591	19,430

The 2012 Budget provides \$19.2 billion for the Tenant-Based Rental Assistance Program (also known as the Housing Choice Voucher program). The Housing Choice Voucher program provides housing assistance to over two million extremely low- to very low-income families to rent in the neighborhoods of their choice. This is the Federal government's largest and most income-targeted program for assisting very low-income families to rent decent, safe and sanitary housing in the private market. About 2,400 state and local Public Housing Authorities (PHAs) administer the Housing Choice Voucher program.

In addition to funding vouchers anticipated to be under lease by 2012, the Budget provides new vouchers to make progress on HUD's high priority performance goals for increasing the number of families receiving rental assistance and for reducing the number of homeless veterans. The Budget includes \$114 million to renew nearly 15,000 Mainstream vouchers for Housing for Persons with Disabilities previously funded from the Section 811 account; \$75 million in new vouchers for homeless veterans through the HUD-Veteran Affairs Supportive Housing (HUD-VASH) program; \$60 million to support the Family Self-Sufficiency program; and \$57 million in new HUD-Department of Health and Human Services vouchers for homeless and at-risk homeless families with children and persons with disabilities in support of the Federal Strategic Plan to Prevent and End Homelessness. The account also includes \$75 million for tenant protection vouchers, which are provided when certain actions occur beyond the control of the residents, such as public housing demolition or disposition, or when landlords terminate their Project-Based Rental Assistance contracts.

The Administration maintains its commitment to continually improve the management of the Housing Choice Voucher program. For 2012, the Administration proposes to: 1) design a comprehensive development strategy to improve HUD information technology systems to better manage and administer the Housing Choice Voucher program, including continued assistance to PHAs to better manage funds and increase leasing rates responsibly; 2) develop an improved Section 8 Management Assessment Program with revised indicators that will strengthen oversight (including possible on-site assessments), improve quality control, and establish performance metrics; 3) continue the study to develop a formula to allocate administrative fees based on the cost

TENANT-BASED RENTAL ASSISTANCE—Continued

of an efficiently managed PHA operating the Housing Choice Voucher program; 4) develop a study to evaluate current housing quality standards and improve the unit inspection process; and 5) eliminate the cap restriction imposed by past Appropriations Acts on the number of families that each PHA may serve.

The 2012 Budget also includes key provisions that improve HUD's three largest rental assistance programs: Housing Choice Vouchers, Project-Based Rental Assistance, and Public Housing. The proposal: 1) broadens the extremely low-income targeting requirement by applying it to families with the higher of 30 percent of Area Median Income or the federal poverty level; 2) increases the standard deduction for elderly and disabled households from \$400 to \$675 and raises the deduction for excess medical expenses from 3% to 10% of income; 3) streamlines the program by permitting 3 year annual re-certification for fixed-income families; 4) provides PHAs the authority to approve exception rents for disabled voucher households; 5) enables HUD to produce more timely Fair Market Rent data on an annual basis; and 6) authorizes a rent demonstration project.

HOUSING CERTIFICATE FUND  
(CANCELLATION)

*Unobligated balances, including recaptures and carryover, remaining from funds appropriated to the Department of Housing and Urban Development under this heading, the heading "Annual Contributions for Assisted Housing" and the heading "Project-Based Rental Assistance", for fiscal year 2012 and prior years may be used for renewal of or amendments to section 8 project-based contracts and for performance-based contract administrators, notwithstanding the purposes for which such funds were appropriated: Provided, That any obligated balances of contract authority from fiscal year 1974 and prior that have been terminated are hereby permanently cancelled: Provided further, That amounts heretofore recaptured, or recaptured during the current fiscal year, from project-based Section 8 contracts from source years fiscal year 1975 through fiscal year 1987 are hereby permanently cancelled, and an amount of additional new budget authority, equivalent to the amount permanently cancelled is hereby appropriated, to remain available until expended, for the purposes set forth under this heading, in addition to amounts otherwise available.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86-0319-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Contract Renewals .....	121	58	50
0002 Contract Administrators .....	85		
0005 Section 8 Amendments .....	18	58	50
0900 Total new obligations (object class 41.0) .....	224	116	100
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	121	16	
1021 Recoveries of prior year unpaid obligations .....	141	100	100
1025 Unobligated balance of contract authority withdrawn .....	-22		
1050 Unobligated balance (total) .....	240	116	100
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	175	50	50
1131 Unobligated balance of appropriations permanently reduced .....	-175	-50	-50
1160 Appropriation, discretionary (total) .....			
Appropriations, mandatory:			
1200 Appropriation .....	851	5	
1238 Appropriations applied to liquidate contract authority .....	-851	-5	

1260	Appropriations, mandatory (total) .....			
1900	Budget authority (total) .....			
1930	Total budgetary resources available .....	240	116	100
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	16		
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	5,602	4,393	3,294
3030	Obligations incurred, unexpired accounts .....	224	116	100
3040	Outlays (gross) .....	-1,292	-1,115	-950
3080	Recoveries of prior year unpaid obligations, unexpired .....	-141	-100	-100
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	4,393	3,294	2,344
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....			
Outlays, gross:				
4010	Outlays from new discretionary authority .....	26	25	25
4011	Outlays from discretionary balances .....	1,059	1,090	925
4020	Outlays, gross (total) .....	1,085	1,115	950
Mandatory:				
4090	Budget authority, gross .....			
Outlays, gross:				
4101	Outlays from mandatory balances .....	207		
4180	Budget authority, net (total) .....			
4190	Outlays, net (total) .....	1,292	1,115	950
<b>Memorandum (non-add) entries:</b>				
5052	Obligated balance, SOY: Contract authority .....	879	5	
5053	Obligated balance, EOY: Contract authority .....	5		

Until 2005, the Housing Certificate Fund provided funding to both the project-based and tenant-based components of the Section 8 program. Project-based Rental Assistance and Tenant-based Rental Assistance are now funded in separate accounts. The Housing Certificate Fund retains and recovers balances from previous years' appropriations.

PROJECT-BASED RENTAL ASSISTANCE

*For activities and assistance for the provision of project-based subsidy contracts under the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) ("the Act"), not otherwise provided for, \$9,035,000,000, to remain available until expended, shall be available on October 1, 2011 (in addition to the \$393,672,000 previously appropriated under this heading that will become available October 1, 2011), and \$400,000,000, to remain available until expended, shall be available on October 1, 2012: Provided, That the amounts made available under this heading shall be available for expiring or terminating section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for amendments to section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11401), for renewal of section 8 contracts for units in projects that are subject to approved plans of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990, and for administrative and other expenses associated with project-based activities and assistance funded under this paragraph: Provided further, That of the total amounts provided under this heading, not to exceed \$289,000,000 shall be available for performance-based contract administrators for section 8 project-based assistance: Provided further, That the Secretary of Housing and Urban Development may also use such amounts in the previous proviso for performance-based contract administrators for the administration of: interest reduction payments pursuant to section 236(a) of the National Housing Act (12 U.S.C. 1715z-1(a)); rent supplement payments pursuant to section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s); section 236(f)(2) rental assistance payments (12 U.S.C. 1715z-1(f)(2)); project rental assistance contracts for the elderly under section 202(c)(2) of the Housing Act of 1959 (12 U.S.C. 1701q); project rental assistance contracts for supportive housing for persons with disabilities under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(d)(2)); project assistance contracts pursuant to section 202(h) of the*

*Housing Act of 1959 (Public Law 86-372; 73 Stat. 667); and loans under section 202 of the Housing Act of 1959 (Public Law 86-372; 73 Stat. 667): Provided further, That amounts recaptured under this heading, the heading "Annual Contributions for Assisted Housing", or the heading "Housing Certificate Fund" may be used for renewals of or amendments to section 8 project-based contracts or for performance-based contract administrators, notwithstanding the purposes for which such amounts were appropriated.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0303-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Contract Renewals .....	7,930	7,778	8,458
0002 Contract Renewals (Recovery Act) .....	19	.....	.....
0003 Section 8 Amendments .....	583	656	672
0004 Contract Administrators .....	232	232	289
0005 Vouchers for Disaster Relief .....	3	2	.....
0006 Tenant Information and Outreach .....	.....	10	10
0900 Total new obligations (object class 41.0) .....	8,767	8,678	9,429
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	168	127	1
1021 Recoveries of prior year unpaid obligations .....	168	.....	.....
1050 Unobligated balance (total) .....	336	127	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	8,158	8,158	9,035
Advance appropriations, discretionary:			
1170 Advance appropriation .....	400	394	394
1900 Budget authority (total) .....	8,558	8,552	9,429
1930 Total budgetary resources available .....	8,894	8,679	9,430
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	127	1	1
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	4,691	5,008	4,834
3030 Obligations incurred, unexpired accounts .....	8,767	8,678	9,429
3040 Outlays (gross) .....	-8,282	-8,852	-9,378
3080 Recoveries of prior year unpaid obligations, unexpired .....	-168	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	5,008	4,834	4,885
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	8,558	8,552	9,429
Outlays, gross:			
4010 Outlays from new discretionary authority .....	4,034	5,289	5,815
4011 Outlays from discretionary balances .....	4,248	3,563	3,563
4020 Outlays, gross (total) .....	8,282	8,852	9,378
4180 Budget authority, net (total) .....	8,558	8,552	9,429
4190 Outlays, net (total) .....	8,282	8,852	9,378

The Budget requests \$9.4 billion for project-based rental assistance, of which \$400 million is requested as an advance appropriation to become available in 2013.

The Project-Based Rental Assistance program assists approximately 1.3 million extremely low- to low-income households in obtaining decent, safe, and sanitary housing in private accommodations. Project-based rental assistance serves families, elderly households and disabled households and provides transitional housing for the homeless. Through this funding, HUD supports approximately 18,000 contracts with private owners of multifamily housing by paying the difference between what a household can afford, generally 30 percent of its eligible income, and the approved market-based rent for a housing unit. Program activities include the following:

**Contract Renewals and Amendments.**—These activities provide funding for HUD to renew expiring contracts and amend contracts

that have not expired but require additional funding for HUD to meet remaining payment obligations. These funds cover the direct housing costs of families in the program. Currently, 83 percent of contracts are renewed annually; the other 17 percent are long-term contracts funded with previous appropriations, of which one-third will need amendment funding in 2012. Appropriations for these activities are supplemented with recoveries of excess balances remaining on expired contracts that utilized less than anticipated resources during their initial terms.

**Contract Administrators.**—This activity funds the local level administration of the program through HUD contracts with performance-based contract administrators. These entities, which are typically public housing authorities or state housing finance agencies, are responsible for conducting on-site management reviews of assisted properties; adjusting contract rents; reviewing, processing, and paying monthly vouchers submitted by owners; renewing contracts with property owners; and responding to health and safety issues at properties. The Budget requests up to \$289 million for this set-aside.

**Tenant Resource Network Grants.**—The Budget provides up to \$10 million for tenant resource network grants. These grants will provide financial assistance to tenant groups, nonprofit organizations, and public entities for building the capacity of tenant organizations and furthering the purposes of the Mark-to-Market program, including preservation of low-income housing and tenant services. The authority for these funds is provided under Section 514(f) of the Multifamily Assisted Housing Reform and Affordability Act (MAHRA) of 1997 (42 U.S.C. 1437f note).

**PUBLIC HOUSING CAPITAL FUND**

*For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) (the "Act"), \$2,405,345,000, to remain available until September 30, 2015: Provided, That notwithstanding any other provision of law or regulation, during fiscal year 2012 the Secretary of Housing and Urban Development may not delegate to any Department official other than the Deputy Secretary and the Assistant Secretary for Public and Indian Housing any authority under paragraph (2) of section 9(j) regarding the extension of the time periods under such section: Provided further, That for purposes of such section 9(j), the term "obligate" means, with respect to amounts, that the amounts are subject to a binding agreement that will result in outlays, immediately or in the future: Provided further, That up to \$15,345,000 shall be to support the ongoing Public Housing Financial and Physical Assessment activities: Provided further, That of the total amount provided under this heading, not to exceed \$20,000,000, shall be available for the Secretary to make grants, notwithstanding section 204 of this Act, to public housing agencies for emergency capital needs, including needs resulting from unforeseen or unpreventable emergencies and natural disasters excluding Presidentially declared emergencies and natural disasters under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.) occurring in fiscal year 2012: Provided further, That of the total amount provided under this heading up to \$5,000,000 is to support the costs of administrative and judicial receiverships: Provided further, That from the funds made available under this heading, the Secretary shall provide bonus awards in fiscal year 2012 to public housing agencies that are designated high performers.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0304-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Capital Grants .....	2,374	2,398	2,365

PUBLIC HOUSING CAPITAL FUND—Continued  
Program and Financing—Continued

Identification code 86-0304-0-1-604		2010 actual	CR	2012 est.
0002	Modernization Technical Assistance .....	5	6	.....
0003	Emergency/Disaster Reserve .....	23	30	20
0006	Resident Opportunities and Supportive Services .....	44	97	.....
0007	Administrative Receivership .....	10	17	5
0008	Financial and Physical Assessment Support .....	14	16	15
0009	Early Childhood Education Facilities .....	.....	35	35
0011	Recovery Act .....	16	.....	.....
0900	Total new obligations .....	2,486	2,599	2,440
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	128	187	35
1021	Recoveries of prior year unpaid obligations .....	136	.....	.....
1025	Unobligated balance of contract authority withdrawn .....	-68	.....	.....
1029	Other balances withdrawn .....	.....	-53	.....
1050	Unobligated balance (total) .....	196	134	35
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	2,500	2,500	2,405
1120	Appropriations transferred to other accounts .....	-25	.....	.....
1160	Appropriation, discretionary (total) .....	2,475	2,500	2,405
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	2	.....	.....
1900	Budget authority (total) .....	2,477	2,500	2,405
1930	Total budgetary resources available .....	2,673	2,634	2,440
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	187	35	.....
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	10,629	7,762	6,445
3030	Obligations incurred, unexpired accounts .....	2,486	2,599	2,440
3040	Outlays (gross) .....	-5,211	-3,916	-3,353
3080	Recoveries of prior year unpaid obligations, unexpired .....	-136	.....	.....
3081	Recoveries of prior year unpaid obligations, expired .....	-6	.....	.....
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	7,762	6,445	5,532
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	2,475	2,500	2,405
Outlays, gross:				
4010	Outlays from new discretionary authority .....	63	63	60
4011	Outlays from discretionary balances .....	4,248	3,853	3,293
4020	Outlays, gross (total) .....	4,311	3,916	3,353
Mandatory:				
4090	Budget authority, gross .....	2	.....	.....
Outlays, gross:				
4100	Outlays from new mandatory authority .....	2	.....	.....
4101	Outlays from mandatory balances .....	898	.....	.....
4110	Outlays, gross (total) .....	900	.....	.....
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources .....	-2	.....	.....
4160	Budget authority, net (mandatory) .....	.....	.....	.....
4170	Outlays, net (mandatory) .....	898	.....	.....
4180	Budget authority, net (total) .....	2,475	2,500	2,405
4190	Outlays, net (total) .....	5,209	3,916	3,353
<b>Memorandum (non-add) entries:</b>				
5052	Obligated balance, SOY: Contract authority .....	68	.....	.....
5053	Obligated balance, EOY: Contract authority .....	.....	.....	.....

The Public Housing Capital Fund, a formula-driven program based on estimated need, is designed to respond to the capital and management improvement requirements of public housing. The program preserves and enhances a valuable affordable housing resource, which serves approximately 1.2 million families with limited incomes. Of those families, 30 percent are elderly and 34 percent are disabled.

Of the \$2.4 billion requested for this program, over \$2.3 billion will fund capital grants to public housing authorities. The balance

includes up to \$15 million for public housing financial and physical assessment support, up to \$20 million for emergency capital needs resulting from non-Presidentially declared emergencies and natural disasters, and up to \$5 million for administrative and judicial receiverships.

## Object Classification (in millions of dollars)

Identification code 86-0304-0-1-604		2010 actual	CR	2012 est.
41.0	Direct obligations: Grants, subsidies, and contributions .....	2,484	2,599	2,440
99.0	Reimbursable obligations: reimbursable obligations .....	2	.....	.....
99.9	Total new obligations .....	2,486	2,599	2,440

## PUBLIC HOUSING OPERATING FUND

For 2012 payments to public housing agencies (PHAs) for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(e)), \$3,961,850,000: Provided, That, in determining public housing agencies' (PHAs), including Moving to Work (MTW) agencies', calendar year 2012 funding allocations under this heading, the Secretary shall take into account PHAs' excess operating reserves, as determined by the Secretary: Provided further, That if sufficient reserve-level data are not available with respect to the previous proviso, the Secretary may make a pro rata reduction in funding provided under this heading to PHAs, including MTW agencies.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

## Program and Financing (in millions of dollars)

Identification code 86-0163-0-1-604		2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>				
0001	Operating Subsidy .....	4,754	4,775	3,962
0900	Total new obligations (object class 41.0) .....	4,754	4,775	3,962
<b>Budgetary Resources:</b>				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	4,775	4,775	3,962
1120	Appropriations transferred to other accounts .....	-15	.....	.....
1160	Appropriation, discretionary (total) .....	4,760	4,775	3,962
1930	Total budgetary resources available .....	4,760	4,775	3,962
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-6	.....	.....
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	1,185	1,335	1,337
3030	Obligations incurred, unexpired accounts .....	4,754	4,775	3,962
3040	Outlays (gross) .....	-4,603	-4,773	-4,190
3081	Recoveries of prior year unpaid obligations, expired .....	-1	.....	.....
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	1,335	1,337	1,109
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	4,760	4,775	3,962
Outlays, gross:				
4010	Outlays from new discretionary authority .....	3,429	3,438	2,853
4011	Outlays from discretionary balances .....	1,174	1,335	1,337
4020	Outlays, gross (total) .....	4,603	4,773	4,190
4180	Budget authority, net (total) .....	4,760	4,775	3,962
4190	Outlays, net (total) .....	4,603	4,773	4,190

The Budget request of \$3.962 billion, coupled with \$1 billion from Public Housing Authorities' (PHAs) operating reserves, will fund 100 percent of PHAs' estimated eligibility for operating subsidies under the Operating Fund formula (\$4.962 billion total).

Operating subsidies are provided to PHAs to assist in funding the operation and maintenance expenses of public housing units in accordance with Section 9(e) of the United States Housing Act of 1937.

Many PHAs are currently holding significant operating reserves accumulated primarily from prior-year appropriations for the Operating Fund program. Operating reserves represent cash available to PHAs for operating expenses and other eligible activities under the program. The Budget proposes to reduce funding allocations to PHAs that have more than sufficient (i.e., excess) reserve levels. PHAs that receive reduced allocations will be able to maintain adequate reserve levels to protect against unforeseen circumstances such as emergency operating needs, declining tenant incomes, or spikes in utility prices.

The tables below display the sources of PHAs' revenue and expenditures by category and are based on annual financial statements reported during calendar year 2009.

**Sources of PHAs' Operating Revenue**

(in millions of dollars)

Category	Annual income	Percent of total
Operating Subsidies .....	\$4,744	61%
Dwelling Rental .....	\$2,651	34%
Other Income .....	365	5%
<b>Total, Operating Revenue .....</b>	<b>\$7,760</b>	<b>100%</b>

*Operating Subsidies.*—Represent HUD's contributions to a PHA's operating budget. After consultation with PHAs, HUD adopted the current formula in 2007 based on the congressionally sanctioned cost study conducted by the Harvard Graduate School of Design. HUD sets a formula-determined project expense level (PEL) for each project and separately computes the project utility expense level (UEL) and audit costs. The subsidy is the projected PEL, UEL, and allowable add-on expenses minus projected dwelling rental income.

*Dwelling Rental.*—Income derived from tenants' rents.

*Other Income.*—Includes income from other sources such as renting rooftop space for signs or broadcasting, and from operating services for tenants, such as laundromats or day care centers.

**PHAs' Operating Expenditures**

(in millions of dollars)

Category	Annual expenditures	Percent of total
Utilities .....	\$1,539	22%
Administration .....	\$2,097	30%
Maintenance .....	\$2,189	31%
General Operating Expenses .....	\$773	11%
Tenant Services .....	\$194	3%
Protective Services .....	\$181	3%
<b>Total, Operating Expenses .....</b>	<b>\$6,973</b>	<b>100%</b>

*Utilities.*— Includes water, sewer, electricity, gas, and fuel.

*Administration.*— Includes administrative salaries, legal expenses, staff training, travel, accounting fees, auditing fees, sundry, and outside management costs.

*Maintenance.*—Consists of expenses for labor, materials, contracts, and garbage fees associated with the day-to-day operation of the public housing authority.

*General Operating Expenses.*—Includes insurance, payments made to local governments in lieu of taxes, terminal leave pay-

ments, employee benefit contributions, collection losses, interest on administrative and sundry notes, and other general expenses.

*Tenant Services.*—Covers salaries, recreation, publication, contract costs, training, and other expenses.

*Protective Services.*—Includes expenses for labor, materials, and contract costs.

**DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING**

**Program and Financing** (in millions of dollars)

Identification code 86-0197-0-1-604	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	1	1	1
1930 Total budgetary resources available .....	1	1	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1	1	1
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	1	1	1
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	1	1	1
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

No new appropriations have been provided for the Public Housing Drug Elimination Grants program since 2001.

**CHOICE NEIGHBORHOODS**

*For competitive grants under the Choice Neighborhoods Initiative for transformation, rehabilitation and replacement housing needs of both public and HUD-assisted housing and to transform neighborhoods of poverty into functioning, sustainable mixed income neighborhoods with appropriate services, schools, public assets, transportation and access to jobs, \$250,000,000, to remain available until September 30, 2014: Provided, That not to exceed \$10,000,000 of funds made available under this heading may be used for technical assistance and contract expertise, including training and the cost of necessary travel for participants in such training, to be provided directly or indirectly through grants, contracts or cooperative agreements by or to officials of the Department and to public housing agencies and residents: Provided further, That grant funds may be used for resident and community services, community development and affordable housing needs in the community, and for conversion of vacant, foreclosed and other blighted properties in the neighborhood to affordable housing: Provided further, That grantees shall undertake comprehensive local planning with input from residents and the community, and that grantees shall provide a match in state, local, other Federal or private funds: Provided further, That grantees may include local governments, public housing authorities, non-profits and for-profit developers, and that such grantees shall create partnerships with other local organizations including assisted housing owners, service agencies and resident organizations: Provided further, That the Secretary shall consult with the Secretaries of Education, Labor, Transportation, Health and Human Services, Agriculture, Commerce, the Attorney General and the Administrator of the Environmental Protection Agency to coordinate and leverage other appropriate Federal resources: Provided further, That no more than ten percent of funds made available under this heading may be provided for planning grants to assist communities in developing comprehensive strategies for implementing this program in conjunction with community notice and input: Provided further, That the Secretary shall develop and publish guidelines for the use of such competitive funds, including but not limited to eligible activities, program requirements, and performance metrics: Provided further, That not to exceed \$5,000,000 of funds made available under this heading and any funds transferred to HUD from the Departments of Health and Human Services, Education, and Justice may be used for a Neighborhood Revitalization Grant (NRG) initiative: Provided further, That the NRG initiative shall provide competitive grants to local governments or organizations partnering with local*

CHOICE NEIGHBORHOODS—Continued

*governments to fill key gaps that would otherwise hamper revitalization activities, build organizational capacity for collaborative data utilization and evidence-based planning, and for other neighborhood revitalization activities as determined by the Secretary: Provided further, That all balances of amounts made available for the Choice Neighborhoods Initiative under the heading Revitalization of Severely Distressed Public Housing (HOPE VI) shall be transferred to this account.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86–0349–0–1–604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Choice Neighborhoods Grants .....			65
0900 Total new obligations (object class 41.0) .....			65
<b>Budgetary Resources:</b>			
Unobligated balance:			
1011 Unobligated balance transferred from other accounts .....			65
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			250
1930 Total budgetary resources available .....			315
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....			250
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			
3030 Obligations incurred, unexpired accounts .....			65
3040 Outlays (gross) .....			–7
3061 Unpaid obligations transferred from other accounts .....			65
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			123
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			250
Outlays, gross:			
4010 Outlays from new discretionary authority .....			7
4180 Budget authority, net (total) .....			250
4190 Outlays, net (total) .....			7

The Budget proposes \$250 million for the Choice Neighborhoods Initiative to continue the transformation of neighborhoods of poverty into functioning, sustainable mixed-income neighborhoods with appropriate services, schools, public assets, transportation, and access to jobs. The goal of the program, first funded in 2010, is to demonstrate that concentrated and coordinated neighborhood investments from multiple sources can transform a distressed neighborhood and improve the quality of life of current and future residents. HUD expects to award its first Choice Neighborhoods planning and implementation grants in March and September 2011, respectively.

Choice Neighborhoods implementation grants primarily fund the preservation, rehabilitation, and transformation of public housing and other HUD-assisted multifamily rental housing. These grants build on the successes of public housing transformation under HOPE VI with a broader approach to concentrated poverty. Grantees include not only public housing authorities but also local governments, non-profits and for-profit developers. Grant funds can be used for resident and community services, community development and affordable housing activities in surrounding communities, and multifamily or single family property disposition, including the conversion of these properties to affordable housing. The Budget will fund 5 to 7 implementation grants.

Grantees are required to undertake comprehensive local planning with input from residents and the community. A strong

emphasis is placed on local community planning for school and educational improvements, including early childhood initiatives. Up to ten percent of the request will fund 50 to 75 planning grants to assist local partnerships to develop strong proposals for future implementation grant competitions.

The Budget also emphasizes coordination with other Federal agencies, notably the Departments of Education, Justice, Health and Human Services and Treasury, through the White House Neighborhood Revitalization Initiative. To complement Choice Neighborhoods and other existing Federal investments in distressed neighborhoods and to strengthen interagency coordination, the 2012 Budget proposes a Neighborhood Revitalization Grant (NRG) initiative. This initiative will award grants of \$3-\$5 million to approximately 4 to 7 high-need neighborhoods to: (1) fill key gaps that would otherwise hamper revitalization; (2) build organizational capacity for data utilization and evidence-based planning; and (3) leverage and target large and flexible funding sources from Federal agencies, as well as State, local, and private dollars. The NRG initiative is funded by \$5 million from Choice Neighborhoods and contributions of up to \$5 million from each of the following Departments: Education, Justice, and Health and Human Services.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86–0218–0–1–604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 HOPE VI Grants .....	119	125	125
0002 HOPE VI Technical Assistance .....	1	9	10
0003 Choice Neighborhoods Initiative .....		65	
0900 Total new obligations (object class 41.0) .....	120	199	135
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	118	199	200
1010 Unobligated balance transferred to other accounts .....			–65
1021 Recoveries of prior year unpaid obligations .....	3		
1050 Unobligated balance (total) .....	121	199	135
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	200	200	
1120 Appropriations transferred to other accounts .....	–2		
1160 Appropriation, discretionary (total) .....	198	200	
1930 Total budgetary resources available .....	319	399	135
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	199	200	
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	632	564	558
3030 Obligations incurred, unexpired accounts .....	120	199	135
3040 Outlays (gross) .....	–185	–205	–246
3060 Unpaid obligations transferred to other accounts .....			–65
3080 Recoveries of prior year unpaid obligations, unexpired .....	–3		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	564	558	382
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	198	200	
Outlays, gross:			
4010 Outlays from new discretionary authority .....		5	
4011 Outlays from discretionary balances .....	185	200	246
4020 Outlays, gross (total) .....	185	205	246
4180 Budget authority, net (total) .....	198	200	

4190	Outlays, net (total)	185	205	246
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The HOPE VI program, in coordination with funding from the Public Housing Capital Fund, has accomplished its goal of contributing to the demolition of 100,000 severely distressed public housing units. The Budget proposes no additional funds for this program. Instead, the Budget proposes to build on the success of HOPE VI with its Choice Neighborhoods Initiative. First funded in 2010, Choice Neighborhoods makes a broad range of transformative investments in high-poverty neighborhoods where public housing and other HUD-assisted housing is concentrated. HUD expects to award its first Choice Neighborhoods planning and implementation grants in March and September 2011, respectively.

Remaining balances of HOPE VI grants will spend out over several years as redevelopment projects are completed. Cumulative results of the HOPE VI program as of September 30, 2010 are as follows: 73,167 households relocated; 96,017 units demolished; 83,951 units (new and rehabilitated) completed; and 82,425 completed units occupied.

NATIVE AMERICAN HOUSING BLOCK GRANTS

*For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), \$700,000,000, to remain available until expended: Provided, That, notwithstanding the Native American Housing Assistance and Self-Determination Act of 1996, to determine the amount of the allocation under title I of such Act for each Indian tribe, the Secretary shall apply the formula under section 302 of such Act with the need component based on single-race Census data and with the need component based on multi-race Census data, and the amount of the allocation for each Indian tribe shall be the greater of the two resulting allocation amounts: Provided further, That of the amount provided under this heading, \$2,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: Provided further, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed \$20,000,000.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86–0313–0–1–604		2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>				
0010	Indian Housing Block Grants	745	761	698
0011	Technical Assistance	7	12	
0012	NAIHC	4	4	
0014	Recovery Act	6	3	
0091	Direct program activities, subtotal	762	780	698
Credit program obligations:				
0702	Loan guarantee subsidy		2	2
0707	Reestimates of loan guarantee subsidy		1	
0791	Direct program activities, subtotal		3	2
0900	Total new obligations (object class 41.0)	762	783	700
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	141	88	5
1021	Recoveries of prior year unpaid obligations	9		
1050	Unobligated balance (total)	150	88	5
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	700	700	700

1930	Total budgetary resources available	850	788	705
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	88	5	5
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	1,472	1,369	1,319
3030	Obligations incurred, unexpired accounts	762	783	700
3040	Outlays (gross)	-856	-833	-730
3080	Recoveries of prior year unpaid obligations, unexpired	-9		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	1,369	1,319	1,289
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross	700	700	700
Outlays, gross:				
4010	Outlays from new discretionary authority	203	207	207
4011	Outlays from discretionary balances	653	626	523
4020	Outlays, gross (total)	856	833	730
4180	Budget authority, net (total)	700	700	700
4190	Outlays, net (total)	856	833	730

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86–0313–0–1–604		2010 actual	CR	2012 est.
Guaranteed loan levels supportable by subsidy budget authority:				
215001	Title VI Indian Federal Guarantees Program	3	20	20
215999	Total loan guarantee levels	3	20	20
Guaranteed loan subsidy (in percent):				
232001	Title VI Indian Federal Guarantees Program	11.18	10.20	10.80
232999	Weighted average subsidy rate	11.18	10.20	10.80
Guaranteed loan subsidy budget authority:				
233001	Title VI Indian Federal Guarantees Program		2	2
233999	Total subsidy budget authority		2	2
Guaranteed loan subsidy outlays:				
234001	Title VI Indian Federal Guarantees Program		2	2
234999	Total subsidy outlays		2	2
Guaranteed loan upward reestimates:				
235001	Title VI Indian Federal Guarantees Program		1	
235999	Total upward reestimate budget authority		1	
Guaranteed loan downward reestimates:				
237001	Title VI Indian Federal Guarantees Program	-3	-3	
237999	Total downward reestimate subsidy budget authority	-3	-3	

Title I of the Native American Housing Assistance and Self-Determination Act (NAHASDA) of 1996 (P.L. 104–330) authorized the Native American Housing Block Grant program. This program provides an allocation of funds on a formula basis to Indian tribes and their tribally designated housing entities to help them address housing needs within their communities. HUD has determined, using 2000 Census data, that 273,658 American Indian/Alaska Native households, out of 965,684, have "severe housing needs." This is defined as a lack of basic plumbing or kitchen facilities, having more than 1.01 persons per room, or having a cost burden of over 50 percent of income. According to the Senate Committee on Indian Affairs, in 2002, 90,000 Indian families were homeless or underhoused. On tribal lands, 28 percent of Indian households were found to be overcrowded or to lack adequate plumbing and kitchen facilities, compared to 5.4 percent of national households.

The Budget includes \$700 million for the total activities of this program in 2012. Because of the appropriations provided in the Recovery Act, direct program output, as measured by outlays, will be at historically high levels in 2011.

The Native American Housing Block Grant program includes a guaranteed loan provision (Title VI). A guarantee level of \$20 million is proposed for this loan guarantee program for 2012. A primary goal of the Title VI program is to encourage private lenders to provide financing in Indian Country. Therefore, the program provides for the Federal guarantee of notes or other

NATIVE AMERICAN HOUSING BLOCK GRANTS—Continued obligations issued by Indian tribes or tribally designated housing entities for the purpose of financing affordable housing activities described in section 202 of the Act.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1998 and beyond (including modifications of guarantees that resulted from obligations in any given year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

NATIVE HAWAIIAN HOUSING BLOCK GRANT

For the Native Hawaiian Housing Block Grant program, as authorized under title VIII of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4111 et seq.), \$10,000,000, to remain available until expended.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86-0235-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Native Hawaiian Housing Block Grant	13	29	10
0900 Total new obligations (object class 41.0)	13	29	10
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	17	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	13	13	10
Spending authority from offsetting collections, discretionary:			
1700 Collected	16		
1900 Budget authority (total)	29	13	10
1930 Total budgetary resources available	30	30	11
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	17	1	1
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	15	20	33
3030 Obligations incurred, unexpired accounts	13	29	10
3040 Outlays (gross)	-8	-16	-8
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	20	33	35
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross	29	13	10
Outlays, gross:			
4010 Outlays from new discretionary authority		1	1
4011 Outlays from discretionary balances	8	15	7
4020 Outlays, gross (total)	8	16	8
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources	-16		
4070 Budget authority, net (discretionary)	13	13	10
4080 Outlays, net (discretionary)	-8	16	8
4180 Budget authority, net (total)	13	13	10
4190 Outlays, net (total)	-8	16	8

The Hawaiian Homelands Homeownership Act of 2000 (P.L. 106-568) amended the Native American Housing Assistance and Self-Determination Act of 1996 by adding Title VIII, which authorized the Native Hawaiian Housing Block Grant program. This program provides an allocation of funds to assist and promote affordable housing activities to develop, maintain and oper-

ate affordable housing for eligible low-income Native Hawaiian families.

It authorizes annual grants to the Department of Hawaiian Home Lands (DHHL) for housing and housing-related assistance, pursuant to an annual housing plan, within the area in which DHHL is authorized to provide that assistance. DHHL uses performance measures and benchmarks that are based on the needs and priorities established in its five- and one-year housing plans. The Budget requests \$10 million for this program.

LOW-RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES

Program and Financing (in millions of dollars)

Identification code 86-4098-0-3-604	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	587		
1825 Spending authority from offsetting collections applied to repay debt	-587		
1850 Spending auth from offsetting collections, mand (total)			
1900 Budget authority (total)			
1930 Total budgetary resources available			
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	148		
3040 Outlays (gross)	-148		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross			
Outlays, gross:			
4101 Outlays from mandatory balances	148		
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-587		
4160 Budget authority, net (mandatory)	-587		
4170 Outlays, net (mandatory)	-439		
4180 Budget authority, net (total)	-587		
4190 Outlays, net (total)	-439		
<b>Status of Direct Loans (in millions of dollars)</b>			
Identification code 86-4098-0-3-604	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	587	587	587
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year	587	587	587
<b>Status of Guaranteed Loans (in millions of dollars)</b>			
Identification code 86-4098-0-3-604	2010 actual	CR	2012 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	456	456	456
2251 Repayments and prepayments			
2290 Outstanding, end of year	456	456	456
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			

The Low-Rent Public Housing Loan Fund provides direct Federal loans to fund remaining Public Housing Agency (PHA) and Indian Housing Authority (IHA) construction, acquisition, and modernization activities reserved under the Annual Contributions appropriation through 1986. These loans are made by borrowing from the Treasury. Under legislation enacted during 1986 (P.L.

99–272), amounts borrowed from the Treasury are forgiven at the end of each fiscal year and the loans to PHAs/IHAs are forgiven as construction, acquisition, and modernization activities are completed. Since 1987, new reservations of capital funds for construction, acquisition, and modernization activities have been provided directly from the Public Housing Capital Fund appropriations.

**Balance Sheet** (in millions of dollars)

Identification code 86–4098–0–3–604	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	148	
1601 Direct loans, gross .....	588	
1602 Interest receivable .....	36	
1604 Direct loans and interest receivable, net .....	624	
1699 Value of assets related to direct loans .....	624	
1999 Total assets .....	772	
<b>LIABILITIES:</b>		
Federal liabilities:		
2102 Interest payable .....	71	
2104 Resources payable to Treasury .....	587	
2999 Total liabilities .....	658	
<b>NET POSITION:</b>		
3100 Appropriated capital .....	121	8
3300 Cumulative results of operations .....	–7	–8
3999 Total net position .....	114	
4999 Total liabilities and net position .....	772	

**INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT**

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z), \$7,000,000, to remain available until expended: Provided, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, up to \$428,000,000: Provided further, That up to \$750,000 shall be for administrative contract expenses including management processes and systems to carry out the loan guarantee program.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86–0223–0–1–371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0702 Loan guarantee subsidy .....	4	4	8
0707 Reestimates of loan guarantee subsidy .....	1	1	
0709 Administrative expenses .....	1	1	1
0900 Total new obligations .....	5	6	9
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	1	5	7
1021 Recoveries of prior year unpaid obligations .....	1		
1050 Unobligated balance (total) .....	2	5	7
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	7	7	7
Appropriations, mandatory:			
1200 Appropriation .....	1	1	
1900 Budget authority (total) .....	8	8	7
1930 Total budgetary resources available .....	10	13	14
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	5	7	5

**Change in obligated balance:**

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	5	2	
3030 Obligations incurred, unexpired accounts .....	5	6	9
3040 Outlays (gross) .....	–7	–8	–9
3080 Recoveries of prior year unpaid obligations, unexpired .....	–1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	2		

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	7	7	7
Outlays, gross:			
4010 Outlays from new discretionary authority .....	3	6	6
4011 Outlays from discretionary balances .....	3	1	3
4020 Outlays, gross (total) .....	6	7	9
Mandatory:			
4090 Budget authority, gross .....	1	1	
Outlays, gross:			
4100 Outlays from new mandatory authority .....	1	1	
4180 Budget authority, net (total) .....	8	8	7
4190 Outlays, net (total) .....	7	8	9

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 86–0223–0–1–371	2010 actual	CR	2012 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Indian Housing Loan Guarantee .....	536	482	428
215999 Total loan guarantee levels .....	536	482	428
Guaranteed loan subsidy (in percent):			
232001 Indian Housing Loan Guarantee .....	0.68	0.83	1.46
232999 Weighted average subsidy rate .....	0.68	0.83	1.46
Guaranteed loan subsidy budget authority:			
233001 Indian Housing Loan Guarantee .....	4	4	7
233999 Total subsidy budget authority .....	4	4	7
Guaranteed loan subsidy outlays:			
234001 Indian Housing Loan Guarantee .....	5	5	8
234999 Total subsidy outlays .....	5	5	8
Guaranteed loan upward reestimates:			
235001 Indian Housing Loan Guarantee .....	1	2	
235999 Total upward reestimate budget authority .....	1	2	
Guaranteed loan downward reestimates:			
237001 Indian Housing Loan Guarantee .....	–8	–4	
237999 Total downward reestimate subsidy budget authority .....	–8	–4	
Administrative expense data:			
3510 Budget authority .....		7	1
3590 Outlays from new authority .....		1	1

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 1992 and beyond (including modifications of guarantees that resulted from obligations in any year). The subsidy amounts are estimated on a net present value basis. The administrative expenses are shown on a cash basis.

This program provides access to sources of private financing for Indian families, Indian tribes, and their tribally designated housing entities who otherwise could not acquire housing financing because of the unique legal status of Indian trust land. The Budget proposes \$7 million to support additional loan guarantee activity and to provide managerial and systems support. The program has issued 12,062 loan guarantees totaling \$1.82 billion since 1995, with 48 percent of the activity occurring in 2009 and 2010. Program growth for 2012 is expected to increase by 30 percent, representing almost \$830 million in obligated lending authority, comprised of 5,188 loans. Even through the national foreclosure crisis, the program maintains a claims rate of less than one percent.

## INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT—Continued

## Object Classification (in millions of dollars)

Identification code 86-0223-0-1-371	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services from non-federal sources .....		1	1
41.0 Grants, subsidies, and contributions .....	5	5	8
99.9 Total new obligations .....	5	6	9

## INDIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-4104-0-3-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0711 Default claim payments on principal .....	9	12	14
0712 Default claim payments on interest .....		1	2
0713 Payment of interest to Treasury .....		1	1
0742 Downward reestimate paid to receipt account .....	8	3	
0743 Interest on downward reestimates .....	1		
0900 Total new obligations .....	18	17	17
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	37	36	34
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	5	5	
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	15	12	12
1801 Change in uncollected payments, Federal sources .....	-3	-2	
1850 Spending auth from offsetting collections, mand (total) .....	12	10	12
1900 Financing authority (total) .....	17	15	12
1930 Total budgetary resources available .....	54	51	46
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	36	34	29
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			7
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-5	-2	
3020 Obligated balance, start of year (net) .....	-5	-2	7
3030 Obligations incurred, unexpired accounts .....	18	17	17
3040 Financing disbursements (gross) .....	-18	-10	
3050 Change in uncollected pymts, Fed sources, unexpired .....	3	2	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....		7	24
3091 Uncollected pymts, Fed sources, end of year .....	-2		
3100 Obligated balance, end of year (net) .....	-2	7	24
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....	17	15	12
Financing disbursements:			
4110 Financing disbursements, gross .....	18	10	
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources: Payments from program account .....	-7	-8	-8
4122 Interest on uninvested funds .....	-1	-1	-1
4123 Non-Federal sources .....	-7	-3	-3
4130 Offsets against gross financing auth and disbursements (total) .....	-15	-12	-12
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired .....	3	2	
4160 Financing authority, net (mandatory) .....	5	5	
4170 Financing disbursements, net (mandatory) .....	3	-2	-12
4180 Financing authority, net (total) .....	5	5	
4190 Financing disbursements, net (total) .....	3	-2	-12

## Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4104-0-3-604	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	536	482	428
2121 Limitation available from carry-forward .....	92	92	92
2143 Uncommitted limitation carried forward .....	-92	-92	-92
2150 Total guaranteed loan commitments .....	536	482	428
2199 Guaranteed amount of guaranteed loan commitments .....	536	482	428
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	1,173	1,708	2,614
2231 Disbursements of new guaranteed loans .....	544	919	428
2251 Repayments and prepayments .....			-40
2263 Adjustments: Terminations for default that result in claim payments .....	-9	-13	-16
2290 Outstanding, end of year .....	1,708	2,614	2,986
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	1,708	2,614	2,986

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

## Balance Sheet (in millions of dollars)

Identification code 86-4104-0-3-604	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	32	34
1999 Total assets .....	32	34
<b>LIABILITIES:</b>		
2103 Federal liabilities: Debt Payable to Treasury .....	5	10
Non-Federal liabilities:		
2204 Liabilities for loan guarantees .....	13	4
2207 Unearned revenues and advances .....	14	20
2999 Total liabilities .....	32	34
4999 Total liabilities and net position .....	32	34

## NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-0233-0-1-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0702 Loan guarantee subsidy .....	1	1	2
0900 Total new obligations (object class 41.0) .....	1	1	2
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	4	4	4
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	1	1	
1930 Total budgetary resources available .....	5	5	4
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	4	4	2
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			
3030 Obligations incurred, unexpired accounts .....	1	1	2
3040 Outlays (gross) .....	-1	-1	-2

3090	Obligated balance, end of year (net): Unpaid obligations, end of year (gross) .....			
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	1	1	
Outlays, gross:				
4010	Outlays from new discretionary authority .....	1	1	
4011	Outlays from discretionary balances .....			2
4020	Outlays, gross (total) .....	1	1	2
4180	Budget authority, net (total) .....	1	1	
4190	Outlays, net (total) .....	1	1	2

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 86-0233-0-1-371	2010 actual	CR	2012 est.	
Guaranteed loan levels supportable by subsidy budget authority:				
215001	Native Hawaiian Housing Loan Guarantees .....	42	42	42
215999	Total loan guarantee levels .....	42	42	42
Guaranteed loan subsidy (in percent):				
232001	Native Hawaiian Housing Loan Guarantees .....	2.52	0.83	0.93
232999	Weighted average subsidy rate .....	2.52	0.83	0.93
Guaranteed loan subsidy budget authority:				
233001	Native Hawaiian Housing Loan Guarantees .....	1	1	1
233999	Total subsidy budget authority .....	1	1	1
Guaranteed loan subsidy outlays:				
234001	Native Hawaiian Housing Loan Guarantees .....	1	1	1
234999	Total subsidy outlays .....	1	1	1

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the loan guarantees committed in 2001 and beyond (including modifications of guarantees that resulted from obligations in any year). The subsidy amounts are estimated on a net present value basis. The administrative expenses are shown on a cash basis.

This program provides access to sources of private financing to eligible Native Hawaiian families who reside on the Hawaiian Home Lands and who otherwise could not acquire private financing because of the unique legal status of the Hawaiian Home Lands. No funds are requested for 2012 as there are sufficient unobligated balances to meet program demand.

**NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-4351-0-3-371	2010 actual	CR	2012 est.	
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	1	2	3
Financing authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	1	1	1
1930	Total budgetary resources available .....	2	3	4
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	2	3	4
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	1	1	1
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	1	1	1
<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Financing authority, gross .....	1	1	1
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources: Payments from program account .....	-1	-1	-1
4160	Financing authority, net (mandatory) .....			
4170	Financing disbursements, net (mandatory) .....	-1	-1	-1
4180	Financing authority, net (total) .....			

4190	Financing disbursements, net (total) .....	-1	-1	-1
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**Status of Guaranteed Loans** (in millions of dollars)

Identification code 86-4351-0-3-371	2010 actual	CR	2012 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders .....	42	42	42
2121	Limitation available from carry-forward .....	212	212	212
2143	Uncommitted limitation carried forward .....	-212	-212	-212
2150	Total guaranteed loan commitments .....	42	42	42
2199	Guaranteed amount of guaranteed loan commitments .....	42	42	42
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	80	101	122
2231	Disbursements of new guaranteed loans .....	21	21	21
2290	Outstanding, end of year .....	101	122	143
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	28	28	28

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the government resulting from the loan guarantees committed in 2001 and beyond (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

**Balance Sheet** (in millions of dollars)

Identification code 86-4351-0-3-371	2009 actual	2010 actual
<b>ASSETS:</b>		
1101	Federal assets: Fund balances with Treasury .....	1
1999	Total assets .....	1
<b>LIABILITIES:</b>		
2204	Non-Federal liabilities: Liabilities for loan guarantees .....	1
2999	Total liabilities .....	1
4999	Total liabilities and net position .....	1

**TITLE VI INDIAN FEDERAL GUARANTEES FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-4244-0-3-604	2010 actual	CR	2012 est.	
<b>Obligations by program activity:</b>				
Credit program obligations:				
0711	Default claim payments on principal .....	1	1	
0712	Default claim payments on interest .....	1	1	
0742	Downward reestimate paid to receipt account .....	2	2	
0743	Interest on downward reestimates .....	1	1	
0900	Total new obligations .....	3	5	2
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	13	11	10
Financing authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	1	4	2
1930	Total budgetary resources available .....	14	15	12
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	11	10	10
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....			2
3030	Obligations incurred, unexpired accounts .....	3	5	2
3040	Financing disbursements (gross) .....	-3	-3	

TITLE VI INDIAN FEDERAL GUARANTEES FINANCING ACCOUNT—Continued  
Program and Financing—Continued

Identification code 86-4244-0-3-604	2010 actual	CR	2012 est.
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....		2	4
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....	1	4	2
Financing disbursements:			
4110 Financing disbursements, gross .....	3	3	
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources .....		-3	-2
4122 Interest on uninvested funds .....	-1	-1	
4130 Offsets against gross financing auth and disbursements (total) .....	-1	-4	-2
4160 Financing authority, net (mandatory) .....			
4170 Financing disbursements, net (mandatory) .....	2	-1	-2
4180 Financing authority, net (total) .....			
4190 Financing disbursements, net (total) .....	2	-1	-2

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4244-0-3-604	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	3	20	20
2121 Limitation available from carry-forward .....	32	32	32
2143 Uncommitted limitation carried forward .....	-32	-32	-32
2150 Total guaranteed loan commitments .....	3	20	20
2199 Guaranteed amount of guaranteed loan commitments .....	3	20	20
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	106	114	122
2231 Disbursements of new guaranteed loans .....	13	15	15
2251 Repayments and prepayments .....	-5	-5	-5
2263 Adjustments: Terminations for default that result in claim payments .....		-2	-2
2290 Outstanding, end of year .....	114	122	130
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	114	115	115

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

Balance Sheet (in millions of dollars)

Identification code 86-4244-0-3-604	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury .....	13	11
1999 Total assets .....	13	11
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	13	11
2999 Total liabilities .....	13	11
4999 Total liabilities and net position .....	13	11

COMMUNITY PLANNING AND DEVELOPMENT  
Federal Funds

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901 et seq.), \$335,000,000, to remain available until September 30, 2013, except that amounts allocated pursuant to section 854(c)(3) of such Act shall remain available until September 30, 2014: Provided, That the Secretary shall renew all expiring contracts for permanent supportive housing that were funded under section 854(c)(3) of such Act that meet all program requirements before awarding funds for new contracts and activities authorized under this section.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86-0308-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 HOPWA Formula Grants .....	290	292	280
0002 HOPWA Competitive Grants .....	23	37	34
0003 Technical Assistance .....	1		
0900 Total new obligations (object class 41.0) .....	314	329	314
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	93	111	117
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	335	335	335
1120 Appropriations transferred to other accounts .....	-3		
1160 Appropriation, discretionary (total) .....	332	335	335
1930 Total budgetary resources available .....	425	446	452
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	111	117	138
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	434	453	461
3030 Obligations incurred, unexpired accounts .....	314	329	314
3040 Outlays (gross) .....	-294	-321	-325
3081 Recoveries of prior year unpaid obligations, expired .....	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	453	461	450
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	332	335	335
Outlays, gross:			
4010 Outlays from new discretionary authority .....	1	3	3
4011 Outlays from discretionary balances .....	293	318	322
4020 Outlays, gross (total) .....	294	321	325
4180 Budget authority, net (total) .....	332	335	335
4190 Outlays, net (total) .....	294	321	325

The Housing Opportunities for Persons with AIDS (HOPWA) program is the only Federal program dedicated to address the urgent housing needs of low-income Americans living with HIV and AIDS. HOPWA funding provides States and localities with resources and incentives to devise long-term comprehensive strategies for planning and providing housing and supportive services to meet the complex, multiple needs of persons living with HIV and AIDS and their families. HOPWA funds have been demonstrated to help reduce the risk of homelessness, increase housing stability, and improve access to HIV care and health outcomes for program participants.

Ninety percent of HOPWA funds are distributed to States and eligible metropolitan areas according to a formula, which is based on the number of AIDS cases in the jurisdiction and incidence of AIDS in metropolitan areas. The remaining ten percent is

awarded competitively to States, local governments, and private nonprofit entities, for projects of national significance. Awards are also made to States and local governments for projects in jurisdictions that do not qualify for a formula allocation. HUD provides funding priority to the renewal of expiring competitive projects that provide permanent supportive housing. The \$335 million requested for 2012 will support outcome goals in which assisted households will achieve housing stability in permanent housing.

COMMUNITY DEVELOPMENT FUND

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, \$3,781,368,000, to remain available until September 30, 2014, unless otherwise specified: Provided, That of the total amount provided, \$3,691,368,000 is for carrying out the community development block grant program under Title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301 et seq.): Provided further, That unless explicitly provided for under this heading (except for planning grants provided in the second paragraph and amounts made available under the third paragraph), not to exceed 20 percent of any grant made with funds appropriated under this heading shall be expended for planning and management development and administration: Provided further, That \$65,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of such Act, of which, notwithstanding any other provision of law (including section 204 of this Act), up to \$3,960,000 may be used for emergencies that constitute imminent threats to health and safety.

Of the amounts made available under this heading, \$25,000,000 shall be made available for the Rural Innovation Fund for grants to Indian tribes, State housing finance agencies, State community and/or economic development agencies, local rural nonprofits and community development corporations to address the problems of concentrated rural housing distress and community poverty: Provided, That of the funding made available under the previous proviso, at least \$5,000,000 shall be made available to promote economic development and entrepreneurship for federally recognized Indian Tribes, through activities including the capitalization of revolving loan programs and business planning and development, and technical assistance to increase capacity through training and outreach activities.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86–0162–0–1–451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Community Development Formula Grants .....	3,872	4,625	3,691
0003 Indian Tribes .....	66	66	66
0004 Special Purpose Grants .....	2	6	.....
0007 Economic Development Initiative Grants .....	186	354	.....
0008 Neighborhood Initiative Demonstration .....	20	44	.....
0010 Disaster Assistance .....	4,304	713	200
0011 Recovery Act, CDBG .....	18	.....	.....
0012 Recovery Act, NSP Competitive .....	1,980	.....	.....
0013 Sustainable Communities .....	.....	148	150
0014 Rural Fund .....	.....	25	25
0015 University Fund .....	21	28	.....
0016 Administration, Operations, and Management .....	3	.....	.....
0017 Guam .....	.....	.....	23
0900 Total new obligations (object class 41.0) .....	10,472	6,009	4,155
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	7,969	2,000	441
1021 Recoveries of prior year unpaid obligations .....	1	.....	.....
1050 Unobligated balance (total) .....	7,970	2,000	441
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	4,550	4,450	3,781

1120	Appropriations transferred to other accounts .....	–45	.....	.....
1121	Appropriations transferred from other accounts .....	.....	.....	23
1160	Appropriation, discretionary (total) .....	4,505	4,450	3,804
1930	Total budgetary resources available .....	12,475	6,450	4,245
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	–3	.....	.....
1941	Unexpired unobligated balance, end of year .....	2,000	441	90
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	17,348	20,763	18,716
3030	Obligations incurred, unexpired accounts .....	10,472	6,009	4,155
3040	Outlays (gross) .....	–7,043	–8,056	–7,807
3080	Recoveries of prior year unpaid obligations, unexpired .....	–1	.....	.....
3081	Recoveries of prior year unpaid obligations, expired .....	–13	.....	.....
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	20,763	18,716	15,064
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	4,505	4,450	3,804
Outlays, gross:				
4010	Outlays from new discretionary authority .....	27	45	38
4011	Outlays from discretionary balances .....	7,016	8,011	7,769
4020	Outlays, gross (total) .....	7,043	8,056	7,807
4180	Budget authority, net (total) .....	4,505	4,450	3,804
4190	Outlays, net (total) .....	7,043	8,056	7,807

The Community Development Fund account includes the Community Development Block Grant (CDBG) and other community and economic development programs administered by the Department of Housing and Urban Development (HUD). The CDBG program provides over 1,200 flexible annual formula grants to the States, Insular Areas, and local governments to benefit mainly low- to moderate-income persons. The funding is used for a wide range of community and economic development activities, such as public infrastructure improvements, housing rehabilitation and construction, job creation and retention, and public services (e.g., child care). Seventy percent of the CDBG formula grants are distributed to mainly urban areas (entitlement communities), and 30 percent to the States (non-entitlement communities).

The 2012 Budget funds the CDBG formula grant program at \$3.7 billion to assist State and local governments address local priorities and needs. This reduced amount reflects the need to balance Federal budget constraints with the difficult fiscal conditions confronting State and local governments. The Administration will work with State and local governments to better leverage CDBG formula funds to make progress on projects focused on economic growth. For example, the Administration will work with grantees to complement CDBG formula funds with other Federal investments, such as Sustainable Communities, Growth Zones, and Neighborhood Revitalization initiatives to help stabilize and revitalize local economies.

The Indian Community Development program will continue to be funded at \$65 million. This program provides eligible grantees with direct grants for use in developing viable Indian and Alaska Native Communities, including decent housing, a suitable living environment, and economic opportunities, primarily for low- and moderate-income persons.

This account also includes \$25 million for the Rural Innovation Fund in 2012. The Rural Innovation Fund will provide grants to a range of entities to address the problems of concentrated rural housing distress and community poverty.

The 2012 Budget requests that the Sustainable Communities Initiative be funded as an independent account, and establishes an Office of Sustainable Housing and Communities, which administers the initiative, as a separate program bureau.

This account also reflects prior year CDBG disaster supplemental spending, the 2009 American Recovery and Reinvestment Act

COMMUNITY DEVELOPMENT FUND—Continued

funding of \$1 billion in CDBG formula grants, and \$2 billion for Neighborhood Stabilization Program (NSP) II competitive grants. The NSP grants are for emergency assistance for the redevelopment of abandoned and foreclosed homes. Both the \$3.92 billion NSP funding from the Housing and Economic Recovery Act of 2008 and the \$1 billion from the Dodd-Frank Wall Street Financial Reform and Consumer Protection Act are mandatory appropriations and are reflected in a separate account.

EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES/RENEWAL COMMUNITIES  
**Program and Financing** (in millions of dollars)

Identification code 86-0315-0-1-451	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
1930 Total budgetary resources available .....			
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....		1	
3040 Outlays (gross) .....	-35	-1	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	1		
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	35	1	
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	35	1	

No new appropriation is requested for the Empowerment Zone (EZ) and Renewal Community (RC) programs in the 2012 Budget. The EZs' tax incentives were extended through December 31, 2011, while the tax incentives for RCs expired on December 31, 2009.

The Budget includes a proposal for a new national competition to identify 20 growth zones (likely 14 urban zones and 6 rural zones) across the country. Growth Zones are designed to build on the success of Empowerment Zones, and will provide streamlined support to distressed communities. These zones will receive flexible grants for planning, seed capital, technical assistance, or other costs through the Economic Development Administration (EDA), as well as federal program flexibility, and two tax incentives: an employment incentive and an investment incentive. The competitive application process will reward communities that face distress and show promise for growth. The Department of Housing and Urban Development (HUD) will partner with EDA to help select urban zones, and HUD will also provide technical support to make the zones successful.

BROWNFIELDS REDEVELOPMENT

**Program and Financing** (in millions of dollars)

Identification code 86-0314-0-1-451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Cleanup and develop contaminated sites .....	6	10	7
0900 Total new obligations (object class 41.0) .....	6	10	7
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	8	18	26
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	18	18	
1930 Total budgetary resources available .....	26	36	26

<b>Memorandum (non-add) entries:</b>			
1940 Unobligated balance expiring .....	-2		
1941 Unexpired unobligated balance, end of year .....	18	26	19
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	72	55	65
3030 Obligations incurred, unexpired accounts .....	6	10	7
3040 Outlays (gross) .....	-17		-3
3081 Recoveries of prior year unpaid obligations, expired .....	-6		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	55	65	69

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	18	18	
Outlays, gross:			
4011 Outlays from discretionary balances .....	17		3
4180 Budget authority, net (total) .....	18	18	
4190 Outlays, net (total) .....	17		3

The 2012 Budget requests no funding for the Brownfields Economic Development Initiative (BEDI) program. BEDI is a competitive grant program designed to assist cities with the redevelopment of brownfield sites for the purposes of economic development and job creation. Brownfields are abandoned, idled, and underused industrial and commercial facilities and land where expansion and redevelopment is burdened by real or potential environmental contamination. The program is relatively small and local governments have access to other public and private funds, including the larger Community Development Block Grant (CDBG), which can serve similar purposes.

HOME INVESTMENT PARTNERSHIPS PROGRAM

*For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, \$1,650,000,000, to remain available until September 30, 2014: Provided, That, funds provided in prior appropriations Acts for technical assistance, that were made available for Community Housing Development Organizations technical assistance, and that still remain available, may be used for HOME technical assistance notwithstanding the purposes for which such amounts were appropriated.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0205-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 HOME Investment Program .....	1,839	1,829	1,673
0002 Technical Assistance .....	18	2	
0004 Tax Credit Assistance Program .....		16	
0900 Total new obligations (object class 41.0) .....	1,857	1,847	1,673
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	288	261	239
1021 Recoveries of prior year unpaid obligations .....	23		
1050 Unobligated balance (total) .....	311	261	239
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	1,825	1,825	1,650
1120 Appropriations transferred to other accounts .....	-18		
1160 Appropriation, discretionary (total) .....	1,807	1,825	1,650
1930 Total budgetary resources available .....	2,118	2,086	1,889
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	261	239	216
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	7,283	6,300	5,454

3030	Obligations incurred, unexpired accounts .....	1,857	1,847	1,673
3040	Outlays (gross) .....	-2,811	-2,693	-2,169
3080	Recoveries of prior year unpaid obligations, unexpired .....	-23		
3081	Recoveries of prior year unpaid obligations, expired .....	-6		
	Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	6,300	5,454	4,958
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	1,807	1,825	1,650
Outlays, gross:				
4010	Outlays from new discretionary authority .....	9	18	17
4011	Outlays from discretionary balances .....	2,802	2,675	2,152
4020	Outlays, gross (total) .....	2,811	2,693	2,169
4180	Budget authority, net (total) .....	1,807	1,825	1,650
4190	Outlays, net (total) .....	2,811	2,693	2,169

The HOME Investment Partnerships Program is authorized by the National Affordable Housing Act (P.L. 101-625), as amended. This program provides flexible annual formula grant assistance to States and units of local government to increase the supply of affordable housing and expand homeownership for low- to very-low income persons. Sixty percent of the formula grant funds is awarded to participating local governments and 40 percent is awarded to states. These communities often use the funds in partnership with local non-profit organizations to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people. Projects funded by HOME often leverage private dollars and are used in conjunction with the Low-Income Housing Tax Credit, Community Development Block Grant, and local funds. The Budget requests \$1.65 billion for HOME and does not provide separate funding for the Self-Help Homeownership Opportunity Program (SHOP), as all SHOP activities are eligible under the HOME program.

Over time, the funding provided in the 2012 Budget is estimated to result in the production of almost 72,215 units of affordable housing through new construction, rehabilitation, and/or acquisition. It is also estimated that communities will use a portion of their funding to support tenant-based rental assistance for over 17,955 units.

This account also reflects a \$2.25 billion special allocation of HOME funds provided under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5), called the Tax Credit Assistance Program (TCAP). By 2012, TCAP will have accelerated the production and preservation of over 35,000 units of affordable housing that received an award of Low-Income Housing Tax Credits.

Both HOME and TCAP funds will contribute to HUD's high priority performance goal to increase the number of families served by its rental housing programs.

HOUSING TRUST FUND

The Housing Trust Fund was originally authorized in the Housing and Economic Recovery Act of 2008 (Pub. L. 110-289) under section 1338 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 1301 et seq.) with a dedicated funding stream from assessments on Fannie Mae and Freddie Mac. However, the Federal Housing Finance Agency has indefinitely suspended these assessments. The Budget proposes to fund the Housing Trust Fund through legislation directing \$1 billion to capitalize the fund.

The purpose of the Housing Trust Fund is to provide grants to States to increase and preserve the supply of affordable rental housing and homeownership opportunities for extremely low- and very low-income families, and help address the growing shortage of affordable housing for these families. This program

is similar to HOME, but is more income-targeted. The funding will be distributed by formula to States or State-designated entities that will target resources to areas with substantial needs. The funding will be used for production, preservation, and rehabilitation of affordable rental housing and for production, preservation, and rehabilitation of housing for homeownership (limited to 10 percent of the funding). Of the total amounts made available, not less than 75 percent shall be used to benefit extremely low-income households, for whom the affordable housing shortage problem is most acute. Over time, the funding provided for the Housing Trust Fund in 2012 is expected to produce approximately 36,000 affordable units.

HOUSING TRUST FUND

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-5553-4-2-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Housing Trust Fund .....			1,000
0900 Total new obligations (object class 41.0) .....			1,000
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....			1,000
1930 Total budgetary resources available .....			1,000
<b>Change in obligated balance:</b>			
3030 Obligations incurred, unexpired accounts .....			1,000
3040 Outlays (gross) .....			-10
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			990
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....			1,000
Outlays, gross:			
4100 Outlays from new mandatory authority .....			10
4180 Budget authority, net (total) .....			1,000
4190 Outlays, net (total) .....			10

CAPACITY BUILDING

For capacity building activities authorized under section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), \$50,000,000, to remain available until September 30, 2014, of which not less than \$5,000,000 may be made available for rural capacity building activities.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86-0405-0-1-451	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			50
1930 Total budgetary resources available .....			50
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....			50
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			50
4180 Budget authority, net (total) .....			50
4190 Outlays, net (total) .....			

CAPACITY BUILDING—Continued

The Capacity Building for Community Development and Affordable Housing program is authorized by Section 4 of the HUD Demonstration Act of 1993. The 2012 Budget requests \$50 million for the program, which generates a required match of three dollars from private sources, for a total of \$200 million for program activities. The Capacity Building program provides grants to national intermediaries to develop, enhance, and strengthen the technical and administrative capabilities of community development corporations to carry out community development and affordable housing activities for low- and moderate-income persons.

SELF-HELP AND ASSISTED HOMEOWNERSHIP OPPORTUNITY PROGRAM

Program and Financing (in millions of dollars)

Identification code 86-0176-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Self Help Housing Opportunity Program .....	27	27	27
0002 Capacity Building .....	34	49	49
0003 Housing Assistance Council .....	5	5	.....
0900 Total new obligations (object class 41.0) .....	66	81	76
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	61	76	77
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	82	82	.....
1120 Appropriations transferred to other accounts .....	-1	.....	.....
1160 Appropriation, discretionary (total) .....	81	82	.....
1930 Total budgetary resources available .....	142	158	77
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	76	77	1
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	96	111	130
3030 Obligations incurred, unexpired accounts .....	66	81	76
3040 Outlays (gross) .....	-51	-62	-70
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	111	130	136
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	81	82	.....
Outlays, gross:			
4011 Outlays from discretionary balances .....	51	62	70
4180 Budget authority, net (total) .....	81	82	.....
4190 Outlays, net (total) .....	51	62	70

The 2012 Budget requests no appropriations for the Self-Help and Assisted Homeownership Opportunity Program (SHOP). Activities under the Capacity Building for Community Development and Affordable Housing Program are requested separately under the Capacity Building account.

SHOP is authorized by Section 11 of the Housing Opportunity Program Extension Act of 1996, and provides funds to increase the ability of non-profit organizations to leverage funds from other sources to assist low-income homebuyers willing to contribute "sweat equity" toward the construction of their houses. The Administration plans to encourage State and local government grantees of the larger HOME Investment Partnerships Program to fund SHOP projects, as the HOME statute includes the same eligible activities.

NEIGHBORHOOD STABILIZATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 86-0344-0-1-451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Neighborhood Stabilization Program .....	.....	1,000	.....
0900 Total new obligations (object class 41.0) .....	.....	1,000	.....
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	.....	1,000	.....
1930 Total budgetary resources available .....	.....	1,000	.....
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	3,804	2,244	1,754
3030 Obligations incurred, unexpired accounts .....	.....	1,000	.....
3040 Outlays (gross) .....	-1,560	-1,490	-754
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	2,244	1,754	1,000
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	.....	1,000	.....
Outlays, gross:			
4100 Outlays from new mandatory authority .....	.....	100	.....
4101 Outlays from mandatory balances .....	1,560	1,390	754
4110 Outlays, gross (total) .....	1,560	1,490	754
4180 Budget authority, net (total) .....	.....	1,000	.....
4190 Outlays, net (total) .....	1,560	1,490	754

The Neighborhood Stabilization Program (NSP) was authorized by the Housing and Economic Recovery Act of 2008 (HERA) and funded at \$3.92 billion. In response to the foreclosure crisis, HERA directed HUD to develop a formula to distribute the funds to State and local governments with the greatest need. To determine the areas with the greatest need, the allocation formula had to be based on home foreclosures, subprime loans, and mortgage defaults or delinquencies. Grantees may use NSP funds for a number of eligible activities, including establishing financing mechanisms; purchasing and rehabilitating abandoned or foreclosed properties; establishing land banks; demolishing blighted structures; and redeveloping vacant or demolished property. NSP grantees must use at least 25 percent of the funds appropriated for the purchase and redevelopment of abandoned or foreclosed residential properties that will be used to house individuals or families whose incomes do not exceed 50 percent of the area median income. In addition, all activities funded by NSP must benefit low- and moderate-income persons whose income does not exceed 120 percent of area median income.

In September 2008, HUD announced direct NSP allocations to 309 jurisdictions, including all 50 states, Puerto Rico and the Insular Areas. Pursuant to HERA, grantees had 18 months from the date funds were made available to obligate the funds. By September 30, 2010, NSP1 grantees obligated 99.7 percent of their funds and disbursed 53 percent of funds by January 3, 2011.

The American Recovery and Reinvestment Act of 2009 (ARRA) made several changes to the NSP program as enacted by HERA and appropriated an additional \$2 billion in funding for the NSP program. The ARRA funding for NSP2 is reflected within the Community Development Fund account. In January 2010, HUD announced 56 awards under the NSP2 program and all funds were obligated on February 11, 2010. NSP2 grantees have until February 11, 2012, to expend 50 percent of their grant funds and must expend 100 percent by February 11, 2013.

The Dodd-Frank Financial Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) appropriated an additional \$1 billion for a third iteration of NSP (NSP3) in July 2010. The Depart-

ment announced a formula allocation of these funds to 283 entities consisting of State and local governments in September 2010. Grantees are to submit their plans for using the NSP3 funds not later than March 2011 and, from the date HUD makes the funds available, grantees will have two years to expend 50 percent of the grant and three years to expend 100 percent.

**HOMELESS ASSISTANCE GRANTS  
(INCLUDING TRANSFER OF FUNDS)**

*For the emergency solutions grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the continuum of care program as authorized under subtitle C of title IV of such Act; and the rural housing stability assistance program as authorized under subtitle D of title IV of such Act, \$2,372,000,000, of which \$2,367,000,000 shall remain available until September 30, 2014, and of which \$5,000,000 shall remain available until expended for project-based rental assistance rehabilitation with 10-year grant terms and any rental assistance amounts that are recaptured under such continuum of care program shall remain available until expended: Provided, That up to \$286,000,000 of the funds appropriated under this heading shall be available for such emergency solutions grants program: Provided further, That no less than \$2,025,000,000 of the funds appropriated under this heading shall be available for such continuum of care and rural housing stability assistance programs: Provided further, That up to \$50 million of the funds made available under this heading shall be available to make incentive payments, including payments to cover the cost of service coordinators, as determined by the Secretary, to Public Housing Authorities and owners assisted under Sections 8 and 9 of the U.S. Housing Act of 1937 that agree to serve additional homeless households: Provided further, That up to \$6,000,000 of the funds appropriated under this heading shall be available for the national homeless data analysis project: Provided further, That for all match requirements applicable to funds made available under this heading for this fiscal year and prior years, a grantee may use (or could have used) as a source of match funds other funds administered by the Secretary and other Federal agencies unless there is (or was) a specific statutory prohibition on any such use of any such funds: Provided further, That the Secretary shall renew on an annual basis expiring contracts or amendments to contracts funded under the continuum of care program if the program is determined to be needed under the applicable continuum of care and meets appropriate program requirements and financial standards, as determined by the Secretary: Provided further, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act, and the Welfare-to-Work grant program: Provided further, That all balances for Shelter Plus Care renewals previously funded from the Shelter Plus Care Renewal account and transferred to this account shall be available, if recaptured, for continuum of care renewals in fiscal year 2012.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86–0192–0–1–604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Homeless Assistance Grants .....	1,771	1,715	.....
0002 National Homeless Data Analysis Project .....	.....	6	6
0003 Technical Assistance .....	6	5	.....
0005 Section 8 Moderate Rehabilitation SRO .....	4	.....	.....
0006 RRH Demonstration .....	25	.....	.....
0007 Recovery Act - HPRP .....	7	.....	.....
0008 Homeless Veterans Demonstration .....	.....	11	.....
0009 Continuum of Care (SPC, SHP, Rural) .....	.....	.....	1,733
0010 Emergency Solutions Grants - Formula .....	.....	.....	229

0900 Total new obligations (object class 41.0) .....	1,813	1,737	1,968
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	2,086	2,170	2,348
1021 Recoveries of prior year unpaid obligations .....	60	50	45
1050 Unobligated balance (total) .....	2,146	2,220	2,393
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	1,865	1,865	2,372
1120 Appropriations transferred to other accounts .....	-13	.....	.....
1160 Appropriation, discretionary (total) .....	1,852	1,865	2,372
1930 Total budgetary resources available .....	3,998	4,085	4,765
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-15	.....	.....
1941 Unexpired unobligated balance, end of year .....	2,170	2,348	2,797
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	3,536	3,130	2,485
3030 Obligations incurred, unexpired accounts .....	1,813	1,737	1,968
3040 Outlays (gross) .....	-2,026	-2,332	-2,142
3080 Recoveries of prior year unpaid obligations, unexpired .....	-60	-50	-45
3081 Recoveries of prior year unpaid obligations, expired .....	-133	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	3,130	2,485	2,266
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	1,852	1,865	2,372
Outlays, gross:			
4010 Outlays from new discretionary authority .....	5	19	24
4011 Outlays from discretionary balances .....	2,021	2,313	2,118
4020 Outlays, gross (total) .....	2,026	2,332	2,142
4180 Budget authority, net (total) .....	1,852	1,865	2,372
4190 Outlays, net (total) .....	2,026	2,332	2,142

In 2012, the Administration will continue the implementation of the HEARTH Act, legislation that combined HUD's three competitive grant programs—Shelter Plus Care, Supportive Housing, and Section 8 Moderate Rehabilitation Single Room Occupancy—into a single Continuum of Care program with flexibility to better meet community needs. Also, the HEARTH Act replaced the existing Emergency Shelter Grants program with the Emergency Solutions Grant program which places a larger focus on homelessness prevention. Finally, the legislation created the Rural Housing Stability Assistance program, which dedicates resources to preventing and ending homelessness in rural areas nationwide. The Administration is beginning implementation of HEARTH by issuing regulations in 2011.

The Homeless Assistance Grants account provides funds for the Emergency Solutions Grant (ESG), Continuum of Care (CoC), and the Rural Housing Stability Assistance programs. These programs, which award funds through formula and competitive processes, enable localities to shape and implement comprehensive, flexible, coordinated approaches to address the multiple issues of homelessness. In addition, the Administration proposes a new initiative in 2012 that provides incentives for public housing authorities and private owners of HUD-assisted housing to serve more homeless households in high-need areas. Many communities have made great strides in creating comprehensive approaches to ending chronic homelessness through the development of local plans.

The Budget requests \$2.37 billion for a wide range of activities to assist homeless persons and prevent future homelessness. HUD estimates it will use \$1.91 billion for competitive renewals in the CoC program, \$286 million for the Emergency Solutions Grant Program, \$50 million in incentives for public housing agencies and private owners of HUD-assisted housing to serve additional homeless households in high-need areas, and approximately \$130 million for new competitive projects in the CoC, the

HOMELESS ASSISTANCE GRANTS—Continued

Rural Housing Stability Assistance program, the homeless data analysis project, and authorized administrative costs.

The 2012 Budget helps make progress toward ending homelessness by supporting the goals of "Opening Doors: the Federal Strategic Plan to Prevent and End Homelessness," which was published by the U.S. Interagency Council on Homelessness in 2010.

PERMANENT SUPPORTIVE HOUSING

Program and Financing (in millions of dollars)

Identification code 86-0342-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0011 Housing Vouchers .....	3	3	3
0900 Total new obligations (object class 41.0) .....	3	3	3
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	16	13	10
1930 Total budgetary resources available .....	16	13	10
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	13	10	7
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	53	45	38
3030 Obligations incurred, unexpired accounts .....	3	3	3
3040 Outlays (gross) .....	-11	-10	-10
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	45	38	31
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	11	10	10
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	11	10	10

This program was created by the Supplemental Appropriations Act, 2008 (P.L. 110-252), which provided \$73 million for permanent supportive housing assistance as referenced in the Road Home Program of the Louisiana Recovery Authority (LRA). Of the total amount appropriated, \$50 million is for permanent supportive housing, which serves approximately 1,000 homeless individuals and families living with disabilities. These grants are administered under the Shelter Plus Care program, as authorized under subtitle F of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11403 et seq.). The LRA would be eligible to apply for Homeless Assistance Grants to renew this assistance. Additionally, this account provides \$23 million in project-based rental assistance vouchers to LRA to support an estimated 2,000 elderly and disabled disaster victims, as authorized, under section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)). Beginning in 2010, these vouchers are funded within the Tenant-Based Rental Assistance account as they are renewed.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

Program and Financing (in millions of dollars)

Identification code 86-0324-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Rural Housing and Economic Development .....	16	7	
0002 Indian Tribes Development .....	6		
0003 Indian Tribes Technical Assistance .....	1		

0900 Total new obligations (object class 41.0) .....	23	7	
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	29	7	
1021 Recoveries of prior year unpaid obligations .....	1		
1050 Unobligated balance (total) .....	30	7	
1930 Total budgetary resources available .....	30	7	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	7		
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	38	46	35
3030 Obligations incurred, unexpired accounts .....	23	7	
3040 Outlays (gross) .....	-14	-18	-15
3080 Recoveries of prior year unpaid obligations, unexpired .....	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	46	35	20
<b>Budget authority and outlays, net:</b>			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances .....	14	18	15
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	14	18	15

The Rural Housing and Economic Development (RHED) program was created to encourage innovative approaches to serving the housing and economic development needs of the nation's rural communities. The 2012 Budget does not provide funding for the RHED program. Instead, the Administration requests funding for the Rural Innovation Fund, a set-aside within the Community Development Fund account, which builds on the successes of the RHED program.

REVOLVING FUND (LIQUIDATING PROGRAMS)

Program and Financing (in millions of dollars)

Identification code 86-4015-0-3-451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Revolving Fund .....	1	1	1
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	1	1	1
1900 Budget authority (total) .....	1	1	1
1930 Total budgetary resources available .....	1	1	1
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	5	6	6
3030 Obligations incurred, unexpired accounts .....	1	1	1
3040 Outlays (gross) .....		-1	-1
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	6	6	6
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	1	1	1
Outlays, gross:			
4100 Outlays from new mandatory authority .....		1	1
4180 Budget authority, net (total) .....	1	1	1
4190 Outlays, net (total) .....		1	1

Status of Direct Loans (in millions of dollars)

Identification code 86-4015-0-3-451	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	6	5	5
1263 Write-offs for default: Direct loans .....	-1		
1290 Outstanding, end of year .....	5	5	5

The Revolving Fund (liquidating programs) was established by the Independent Offices Appropriations Act of 1955 for the efficient liquidation of assets acquired under a number of housing and urban development programs, all of which are no longer active. The operational expenses are financed from a permanent, indefinite appropriation to administer the remaining repayments of loans and recaptures in the portfolio. Annually, any amounts in the account are returned as a dividend to the Treasury.

The Section 312 loan program portfolio, which provided first and junior lien financing at below market interest rates for the rehabilitation of homes in low-income neighborhoods, constituted a large portion of the account activities. This program ceased to originate new loans over 10 years ago. Since the sale of the Section 312 loan portfolio to the private sector in 2001, activity in this account has been minimal.

**Balance Sheet** (in millions of dollars)

Identification code 86-4015-0-3-451	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	5	7
1601 Direct loans, gross .....	5	5
1603 Allowance for estimated uncollectible loans and interest (-) .....	-5	-5
1604 Direct loans and interest receivable, net .....		
1606 Foreclosed property .....	2	1
1699 Value of assets related to direct loans .....	2	1
1999 Total assets .....	7	8
<b>LIABILITIES:</b>		
2207 Non-Federal liabilities: Other .....	1	1
2999 Total liabilities .....	1	1
<b>NET POSITION:</b>		
3100 Appropriated capital .....	6	7
3999 Total net position .....	6	7
4999 Total liabilities and net position .....	7	8

**Object Classification** (in millions of dollars)

Identification code 86-4015-0-3-451	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
25.2 Other services from non-federal sources .....	1		
32.0 Land and structures .....		1	1
99.9 Total new obligations .....	1	1	1

**COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT**

Subject to section 502 of the Congressional Budget Act of 1974, during fiscal year 2012, commitments to guarantee loans under section 108 of the Housing and Community Development Act of 1974, any part of which is guaranteed, shall not exceed a total principal amount of \$500,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in subsection (k) of such section 108; Provided, That the Secretary shall collect fees from borrowers, notwithstanding subsection (m) of such section 108, to result in a credit subsidy cost of zero, and such fees such be collected in accordance with section 502(7) of the Congressional Budget Act of 1974.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0198-0-1-451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
<b>Credit program obligations:</b>			
0702 Loan guarantee subsidy .....	4	6	

0707 Reestimates of loan guarantee subsidy .....	3	2	
0900 Total new obligations (object class 33.0) .....	7	8	

**Budgetary Resources:**

<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	2	4	5
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	6	6	
<b>Appropriations, mandatory:</b>			
1200 Appropriation .....	3	3	
1900 Budget authority (total) .....	9	9	
1930 Total budgetary resources available .....	11	13	5
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	4	5	5

**Change in obligated balance:**

<b>Obligated balance, start of year (net):</b>			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	13	12	10
3030 Obligations incurred, unexpired accounts .....	7	8	
3040 Outlays (gross) .....	-6	-10	-6
3081 Recoveries of prior year unpaid obligations, expired .....	-2		
<b>Obligated balance, end of year (net):</b>			
3090 Unpaid obligations, end of year (gross) .....	12	10	4

**Budget authority and outlays, net:**

<b>Discretionary:</b>			
4000 Budget authority, gross .....	6	6	
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....		1	
4011 Outlays from discretionary balances .....	3	6	6
4020 Outlays, gross (total) .....	3	7	6
<b>Mandatory:</b>			
4090 Budget authority, gross .....	3	3	
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority .....	3	3	
4180 Budget authority, net (total) .....	9	9	
4190 Outlays, net (total) .....	6	10	6

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 86-0198-0-1-451	2010 actual	CR	2012 est.
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
215001 Community development loan guarantee levels .....	166	275	500
215999 Total loan guarantee levels .....	166	275	500
<b>Guaranteed loan subsidy (in percent):</b>			
232001 Community development loan guarantee levels .....	2.40	2.34	0.00
232999 Weighted average subsidy rate .....	2.40	2.34	0.00
<b>Guaranteed loan subsidy budget authority:</b>			
233001 Community development loan guarantee levels .....	4	6	
233999 Total subsidy budget authority .....	4	6	
<b>Guaranteed loan subsidy outlays:</b>			
234001 Community development loan guarantee levels .....	3	5	5
234999 Total subsidy outlays .....	3	5	5
<b>Guaranteed loan upward reestimates:</b>			
235001 Community development loan guarantee levels .....	3	2	
235999 Total upward reestimate budget authority .....	3	2	
<b>Guaranteed loan downward reestimates:</b>			
237001 Community development loan guarantee levels .....	-17	-14	
237999 Total downward reestimate subsidy budget authority .....	-17	-14	

The 2012 Budget increases the guaranteed loan limit to \$500 million, but does not request appropriations for the Community Development Loan Guarantee program (Section 108). Carryover loan guarantee credit subsidy in this account will continue to be used until exhausted. The Budget requires that the program operate at a zero credit subsidy cost and provides for the collection of fees to fund program costs. Program activities include economic development projects, housing rehabilitation, public facilities rehabilitation, construction or installation for the benefit of low-to moderate-income persons, or to aid in the prevention of slums.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the loan guarantees committed since 1992, including modifications of direct loans

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM  
ACCOUNT—Continued

or loan guarantees that resulted from obligations or commitments in any year. The subsidy amounts are estimated on a present value basis.

COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4096-0-3-451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0742 Downward reestimate paid to receipt account .....	11	8	.....
0743 Interest on downward reestimates .....	6	6	.....
0900 Total new obligations .....	17	14	.....
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	114	107	104
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	11	11	9
1801 Change in uncollected payments, Federal sources .....	-1	.....	.....
1850 Spending auth from offsetting collections, mand (total) .....	10	11	9
1930 Total budgetary resources available .....	124	118	113
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	107	104	113
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	.....	.....	14
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-13	-12	-12
3020 Obligated balance, start of year (net) .....	-13	-12	2
3030 Obligations incurred, unexpired accounts .....	17	14	.....
3040 Financing disbursements (gross) .....	-17	.....	.....
3050 Change in uncollected pymts, Fed sources, unexpired .....	1	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	.....	14	14
3091 Uncollected pymts, Fed sources, end of year .....	-12	-12	-12
3100 Obligated balance, end of year (net) .....	-12	2	2
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....	10	11	9
Financing disbursements:			
4110 Financing disbursements, gross .....	17	.....	.....
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal Sources: Payments from Program Account .....	-6	-7	-5
4122 Interest on uninvested funds .....	-5	-4	-4
4130 Offsets against gross financing auth and disbursements (total) .....	-11	-11	-9
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired .....	1	.....	.....
4160 Financing authority, net (mandatory) .....	.....	.....	.....
4170 Financing disbursements, net (mandatory) .....	6	-11	-9
4180 Financing authority, net (total) .....	.....	.....	.....
4190 Financing disbursements, net (total) .....	6	-11	-9

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4096-0-3-451	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	166	275	500
2150 Total guaranteed loan commitments .....	166	275	500
2199 Guaranteed amount of guaranteed loan commitments .....	166	275	500
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	2,219	2,119	2,079
2231 Disbursements of new guaranteed loans .....	150	210	210
2251 Repayments and prepayments .....	-250	-250	-250

2290 Outstanding, end of year .....	2,119	2,079	2,039
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	2,119	2,079	2,039

*Guaranteed loans.*—The 2012 Budget does not request appropriated funding for the Section 108 Loan Guarantee program. The Administration requests a legislative change to allow HUD to collect fees to offset credit subsidy costs and make related adjustments to the program. The financing account shows the status of privately financed guaranteed loan commitments made in and after 1992. An accompanying liquidating account shows activity for Federal Financing Bank (FFB) direct loan activity obligated prior to July 1, 1986, and any pre-1992 loan guarantee activity.

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

Balance Sheet (in millions of dollars)

Identification code 86-4096-0-3-451	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	102	96
1999 Total assets .....	102	96
<b>LIABILITIES:</b>		
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	102	96
2999 Total liabilities .....	102	96
4999 Total liabilities and net position .....	102	96

COMMUNITY DEVELOPMENT LOAN GUARANTEES LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4097-0-3-451	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
1930 Total budgetary resources available .....	.....	.....	.....
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-3	-3	-3
Obligated balance, end of year (net):			
3091 Uncollected pymts, Fed sources, end of year .....	-3	-3	-3
4180 Budget authority, net (total) .....	.....	.....	.....
4190 Outlays, net (total) .....	.....	.....	.....

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4097-0-3-451	2010 actual	CR	2012 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	19	15	10
2251 Repayments and prepayments .....	-4	-5	-5
2290 Outstanding, end of year .....	15	10	5
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	15	10	5

*Guaranteed loans.* Guaranteed loan assistance under the Community Development Loan Guarantee (Section 108) program is provided to eligible communities to finance economic development activities, such as housing rehabilitation, development or expansion.

sion of public facilities, acquisition of real property, and rehabilitation of publicly owned real property.

As required by the Federal Credit Reform Act of 1990, this liquidating account records all cash flows to and from the Government resulting from FFB direct loans for which loan guarantees were committed prior to 1992. This account is shown on a cash basis.

**Balance Sheet** (in millions of dollars)

Identification code 86-4097-0-3-451	2009 actual	2010 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	-3	-3
Investments in US securities:		
1106 Receivables, net .....	3	3
1999 Total assets .....		

**HOUSING PROGRAMS**

**Federal Funds**

**HOUSING FOR THE ELDERLY**

*For capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance for the elderly under section 202(c)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for senior preservation rental assistance contracts, as authorized by section 811(e) of the American Housing and Economic Opportunity Act of 2000, as amended, and for supportive services associated with the housing, \$757,000,000, to remain available until September 30, 2015: Provided, That amounts for project rental assistance contracts are to remain available through fiscal year 2025 for the liquidation of valid obligations incurred: Provided further, That of the amount provided under this heading, up to \$91,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects, and of which up to \$20,000,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2) for conversion of eligible projects under such section to assisted living, service-enriched housing, or related use for substantial and emergency repairs as determined by the Secretary: Provided further, That amounts under this heading shall be available for Real Estate Assessment Center inspections and inspection-related activities associated with section 202 capital advance projects: Provided further, That the Secretary may waive the provisions of section 202 governing the terms and conditions of project rental assistance, except that the initial contract term for such assistance shall not exceed 5 years in duration.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0320-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Expansion .....	314	462	311
0002 Rental assistance renewal and operating expenses .....	266	392	552
0900 Total new obligations (object class 41.0) .....	580	854	863
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	734	978	949
1021 Recoveries of prior year unpaid obligations .....	12		
1050 Unobligated balance (total) .....	746	978	949
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	825	825	757
1120 Appropriations transferred to other accounts .....	-8		

1160 Appropriation, discretionary (total) .....	817	825	757
1930 Total budgetary resources available .....	1,563	1,803	1,706
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-5		
1941 Unexpired unobligated balance, end of year .....	978	949	843

**Change in obligated balance:**

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	3,473	3,073	3,026
3030 Obligations incurred, unexpired accounts .....	580	854	863
3040 Outlays (gross) .....	-960	-901	-826
3080 Recoveries of prior year unpaid obligations, unexpired .....	-12		
3081 Recoveries of prior year unpaid obligations, expired .....	-8		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	3,073	3,026	3,063

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	817	825	757
Outlays, gross:			
4010 Outlays from new discretionary authority .....	82	47	43
4011 Outlays from discretionary balances .....	878	854	783
4020 Outlays, gross (total) .....	960	901	826
4180 Budget authority, net (total) .....	817	825	757
4190 Outlays, net (total) .....	960	901	826

The Housing for the Elderly program (Section 202) provides capital advance grants and operating subsidies to nonprofit sponsors to construct and operate supportive housing for very low-income elderly households, including frail elderly. The 2012 Budget provides \$259 million to renew and amend operating subsidy contracts for existing Section 202 housing, and includes \$387 million to expand the number of housing units assisted by this program through new awards. In addition, the Budget provides \$91 million to support service coordinators who work on-site to help residents obtain critical services, such as benefit counseling. The Budget also provides \$20 million for converting elderly housing units to assisted living facilities and service-enriched housing to allow very low-income frail elderly residents to age in place.

The Administration's efforts to improve the efficiency and efficacy of the Section 202 program are aided by the recently enacted Section 202 Supportive Housing for the Elderly Act of 2010 (P.L. 111-372). The Act amends Section 202 of the Housing Act of 1959 (12 U.S.C. 1701q) and provides new authorities to HUD, including new flexibilities to ensure that existing Section 202 properties are not lost as affordable housing stock as owners opt out of their responsibilities through pre-payment. The 2012 Budget supports the new flexibility to provide senior preservation rental assistance contracts to ensure continued affordability for elderly residents living in older existing Section 202 properties that are at-risk of being lost as affordable housing stock.

Building on this Act, the Administration is seeking further reforms, both legislative and administrative, to permit a new generation of Section 202 housing targeted at populations most at need of affordable housing where the greatest savings can be realized to state and federal health care budgets through reduced institutionalization and emergency room utilization. These reforms will create and sustain more affordable units at a lower initial cost than under the status quo, streamline and modernize the program to reduce administrative processing, increase the likelihood of successful completion within a shorter timeframe, and ensure that Section 202 units serve as a platform for elderly persons to live independently and age in place.

**HOUSING FOR THE ELDERLY**

	2010 actual	2011 est.	2012 est.
Units eligible for payment .....	108,297	115,838	123,908

## HOUSING FOR PERSONS WITH DISABILITIES

For supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013), \$196,000,000, to remain available until September 30, 2015: Provided, That amounts for project rental assistance contracts are to remain available through fiscal year 2025 for the liquidation of valid obligations incurred: Provided further, That the Secretary may amend and renew funding for expiring contracts for project rental assistance under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act for up to a 1-year term: Provided further, That the Secretary may waive the provisions of section 811 governing the terms and conditions of project rental assistance, except that the initial contract term for such assistance shall not exceed 5 years in duration: Provided further, That amounts made available under this heading shall be available for Real Estate Assessment Center inspections and inspection-related activities associated with section 811 Capital Advance Projects.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

## Program and Financing (in millions of dollars)

Identification code 86–0237–0–1–604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Expansion .....	81	123	175
0002 Rental assistance renewal and operating expenses .....	135	180	90
0900 Total new obligations (object class 41.0) .....	216	303	265
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	170	255	252
1021 Recoveries of prior year unpaid obligations .....	4		
1050 Unobligated balance (total) .....	174	255	252
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	300	300	196
1120 Appropriations transferred to other accounts .....	–3		
1160 Appropriation, discretionary (total) .....	297	300	196
1930 Total budgetary resources available .....	471	555	448
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	255	252	183
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	954	839	826
3030 Obligations incurred, unexpired accounts .....	216	303	265
3040 Outlays (gross) .....	–326	–316	–289
3080 Recoveries of prior year unpaid obligations, unexpired .....	–4		
3081 Recoveries of prior year unpaid obligations, expired .....	–1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	839	826	802
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	297	300	196
Outlays, gross:			
4010 Outlays from new discretionary authority .....	49	30	20
4011 Outlays from discretionary balances .....	277	286	269
4020 Outlays, gross (total) .....	326	316	289
4180 Budget authority, net (total) .....	297	300	196
4190 Outlays, net (total) .....	326	316	289

The Housing for Persons with Disabilities program (Section 811) provides capital advance grants and operating subsidies to nonprofit sponsors to construct and operate supportive housing for very low-income people with disabilities. The 2012 Budget provides \$85 million to renew and amend operating subsidy contracts for existing Section 811 housing, and includes \$111 million to expand the number of housing units assisted by this program through new awards. The 2012 Budget also reflects the shift of fiscal responsibility of the Section 811 Mainstream Vouchers program to the Tenant-Based Rental Assistance program.

In 2012, the Administration will also implement new authorities provided under the recently enacted Frank Melville Supportive Housing Investment Act of 2010 (P.L. 111–374). In particular, the Act authorizes HUD to allocate Section 811 operating assistance through States that demonstrate an integrated health care and housing approach to serving disabled households. HUD will delegate authority to these States to identify and fund supportive housing projects in line with State priorities; these projects must be fully leveraged with other capital resources and only require Section 811 for operating assistance. This authority, as with others in this Act, provides a strong first step in reforming Section 811 to make it more efficient and effective.

Building on this Act, the Administration is seeking further reforms, both legislative and administrative, to enable a new generation of Section 811 housing targeted at populations most in need of affordable housing, where the greatest savings can be realized to state and federal health care budgets through reduced institutionalization and emergency room utilization. These reforms will create and sustain more affordable units at a lower initial cost than under the status quo, streamline and modernize the program to reduce administrative processing, increase the likelihood of successful completion within a shorter timeframe, and ensure that Section 811 units serve as a platform for disabled persons to live independently in integrated community-based settings.

## HOUSING FOR PERSONS WITH DISABILITIES

	2010 actual	2011 est.	2012 est.
Units eligible for payment .....	31,150	33,318	35,637

## HOUSING COUNSELING ASSISTANCE

For contracts, grants, and other assistance excluding loans, as authorized under section 106 of the Housing and Urban Development Act of 1968, as amended, \$88,000,000, including up to \$3,500,000 for administrative contract services, to remain available until September 30, 2013: Provided, That funds shall be used for providing counseling and advice to tenants and homeowners, both current and prospective, with respect to property maintenance, financial management / literacy, and such other matters as may be appropriate to assist them in improving their housing conditions, meeting their financial needs, and fulfilling the responsibilities of tenancy or homeownership; for program administration; and for housing counselor training.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

## Program and Financing (in millions of dollars)

Identification code 86–0156–0–1–604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Housing Counseling Assistance .....	63	84	84
0002 Administrative Contract Services .....	2	3	4
0900 Total new obligations (object class 41.0) .....	65	87	88
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	65	87	87
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	88	87	88
1120 Appropriations transferred to other accounts .....	–1		
1160 Appropriation, discretionary (total) .....	87	87	88
1930 Total budgetary resources available .....	152	174	175
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	87	87	87

<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	25	29
3030	Obligations incurred, unexpired accounts	65	87
3040	Outlays (gross)	-40	-83
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	25	29
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross	87	87
Outlays, gross:			
4010	Outlays from new discretionary authority	9	9
4011	Outlays from discretionary balances	40	74
4020	Outlays, gross (total)	40	83
4180	Budget authority, net (total)	87	87
4190	Outlays, net (total)	40	83

The Housing Counseling Assistance Program provides comprehensive housing counseling services to eligible homeowners and tenants through grants to non-profit intermediaries, state governmental entities, and other agencies with local to national presences. Eligible counseling activities include pre- and post-purchase education, personal financial management, reverse mortgage product education, foreclosure prevention/mitigation, and rental counseling. The Housing Counseling Assistance Program supports the delivery of a wide variety of housing counseling services to homebuyers, homeowners, low- to moderate-income renters, and elderly citizens including the Administration's current foreclosure mitigation efforts. The primary objectives of the Housing Counseling program are to expand homeownership opportunities, improve access to affordable housing, prevent foreclosure, increase financial literacy, and aid in HUD's commitment to bridging the minority homeownership gap. Additionally, the program supports a significant number of individuals with FHA-insured loans, which helps maintain the financial soundness of the FHA insurance funds.

The 2012 Budget includes \$88 million for this program, continuing the level appropriated in 2010.

**GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING, RECOVERY ACT**

**Program and Financing** (in millions of dollars)

Identification code 86-0306-0-1-604			
	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001	Direct Grants	167	
Credit program obligations:			
0701	Direct loan subsidy	69	
0900	Total new obligations (object class 41.0)	236	
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	236	
1930	Total budgetary resources available	236	
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year		
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)	12	54
3030	Obligations incurred, unexpired accounts	236	
3040	Outlays (gross)	-68	-54
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	180	54
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross	68	54
Outlays, gross:			
4011	Outlays from discretionary balances	126	22
4180	Budget authority, net (total)	68	54
4190	Outlays, net (total)	68	54

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 86-0306-0-1-604			
	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001	Energy Retrofit Loans	83	
115999	Total direct loan levels	83	
Direct loan subsidy (in percent):			
132001	Energy Retrofit Loans	82.30	0.00
132999	Weighted average subsidy rate	82.30	0.00
Direct loan subsidy budget authority:			
133001	Energy Retrofit Loans	68	
133999	Total subsidy budget authority	68	
Direct loan subsidy outlays:			
134001	Energy Retrofit Loans	46	
134999	Total subsidy outlays	46	

The Green Retrofit Program (GRP) offers grants and loans to owners of eligible HUD-assisted multifamily housing properties to fund Green Retrofits, which are intended to reduce ongoing utility consumption, benefit resident health, and benefit the environment. This program is funded under Title XII of the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). This account includes funds for grants, direct loan credit subsidy, and administrative expenses. All loan cash flows are recorded in the corresponding financing account (86-4589).

**ENERGY INNOVATION FUND**

**Program and Financing** (in millions of dollars)

Identification code 86-0401-0-1-272			
	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001	Energy Efficient Mortgage Innovation Pilot	25	
0002	Multifamily Energy Pilot	24	
0900	Total new obligations (object class 41.0)	49	
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1	49	50
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation	50	50
1120	Appropriations transferred to other accounts	-1	
1160	Appropriation, discretionary (total)	49	50
1930	Total budgetary resources available	49	50
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year	49	50
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)		33
3030	Obligations incurred, unexpired accounts	49	
3040	Outlays (gross)	-16	-22
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	33	11
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross	49	50
Outlays, gross:			
4011	Outlays from discretionary balances	16	22
4180	Budget authority, net (total)	49	50
4190	Outlays, net (total)	16	22

The objective of the Energy Innovation Fund is to provide support for promising local initiatives that can be replicated across the nation and to stimulate and enhance private investment in cost-saving energy efficiency retrofits of existing housing, through improved use of FHA single family and multifamily mortgage products.

ENERGY INNOVATION FUND—Continued

The Energy Innovation Fund is being used to develop an Energy Efficient Mortgage Innovation pilot program which will extend the benefits of the Title I Energy Efficient Property Improvement loan programs to more homeowners. HUD is also exploring a federal partnership with national home energy rating organizations to streamline energy audit procedures, and with an emerging home performance remodeling industry to ensure quality installation of recommended energy conservation measures.

HUD is developing a Multifamily Energy Pilot (MEP), which may include financial incentives for borrowers in the following FHA Multifamily programs: Mortgage Insurance for Supplemental Loans for Multifamily Projects, Section 241(a); Mortgage Insurance for Purchase or Refinancing of Existing Multifamily Rental Housing, Section 223(f); and Mortgage Insurance for Rental and Cooperative Housing, Sections 221(d)(3) and 221(d)(4). The MEP program will target property owners and developers seeking energy efficiency improvements in multifamily rehabilitation projects.

No new funds are requested for 2012 as it is anticipated that the 2010 appropriations of \$50 million will fund significant pilot program activity through 2012.

EMERGENCY HOMEOWNERS' RELIEF FUND

Program and Financing (in millions of dollars)

Identification code 86-0407-0-1-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0701 Direct loan subsidy .....		723	
0709 Administrative expenses .....		46	
0715 Grants .....		214	
0900 Total new obligations .....		983	
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....			17
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....		1,000	
1930 Total budgetary resources available .....		1,000	17
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....		17	17
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			
3030 Obligations incurred, unexpired accounts .....		983	
3040 Outlays (gross) .....		-983	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			
Mandatory:			
4090 Budget authority, gross .....		1,000	
Outlays, gross:			
4100 Outlays from new mandatory authority .....		983	
4180 Budget authority, net (total) .....		1,000	
4190 Outlays, net (total) .....		983	

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0407-0-1-371	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Emergency Homeowners' Relief .....		740	
115999 Total direct loan levels .....		740	
Direct loan subsidy (in percent):			
132001 Emergency Homeowners' Relief .....		97.72	0.00
132999 Weighted average subsidy rate .....		97.72	0.00

Direct loan subsidy budget authority:			
133001 Emergency Homeowners' Relief .....		723	
133999 Total subsidy budget authority .....		723	
Direct loan subsidy outlays:			
134001 Emergency Homeowners' Relief .....		723	
134999 Total subsidy outlays .....		723	
Administrative expense data:			
3510 Budget authority .....		260	
3590 Outlays from new authority .....		260	

The Emergency Homeowners Loan Program (EHLPL), authorized by the Dodd-Frank Wall Street Reform and Consumer Protection Act (P.L. 111-203), provides up to \$1 billion in emergency mortgage assistance to homeowners who are unemployed or underemployed due to economic or medical conditions. EHLPL offers an eligible homeowner a declining balance, deferred payment, non-recourse, zero interest subordinate loan of up to \$50,000 to assist with paying all arrearages on the homeowners first mortgage and up to 24 consecutive months of first mortgage assistance payments. EHLPL provides assistance to homeowners in Puerto Rico and the 32 states not assisted by the Treasury Department's Innovation Fund for Hardest Hit Housing Markets program. States with existing programs that provide substantially similar assistance to homeowners are receiving grants to provide EHLPL assistance through such programs. EHLPL is administered as a Federal direct loan program in the remaining States. The program became effective October 1, 2010. Funds are available without fiscal year limitation. However, only homeowners enrolled in the program by September 30, 2011 are eligible for assistance. As required by the Federal Credit Reform Act of 1990, this account records the administrative expenses for EHLPL, as well as the subsidy costs, associated with the direct loans obligated. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 86-0407-0-1-371	2010 actual	CR	2012 est.
Direct obligations:			
25.1 Advisory and assistance services .....		46	
41.0 Grants, subsidies, and contributions .....		937	
99.9 Total new obligations .....		983	

EMERGENCY HOMEOWNERS' RELIEF FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4357-0-3-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0710 Direct loan obligations .....		740	
0900 Total new obligations .....		740	
<b>Budgetary Resources:</b>			
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....		14	
Spending authority from offsetting collections, mandatory:			
1800 Collected .....		726	4
1900 Financing authority (total) .....		740	4
1930 Total budgetary resources available .....		740	4
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....			4
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			328
3030 Obligations incurred, unexpired accounts .....		740	
3040 Financing disbursements (gross) .....		-412	-229

3090	Obligated balance, end of year (net): Unpaid obligations, end of year (gross) .....	328	99
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090	Financing authority, gross .....	740	4
Financing disbursements:			
4110	Financing disbursements, gross .....	412	229
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120	Federal sources .....	-723	
4123	Repayments of principal, net .....	-3	-4
4130	Offsets against gross financing auth and disbursements (total) .....	-726	-4
4160	Financing authority, net (mandatory) .....	14	
4170	Financing disbursements, net (mandatory) .....	-314	225
4180	Financing authority, net (total) .....	14	
4190	Financing disbursements, net (total) .....	-314	225

**Status of Direct Loans** (in millions of dollars)

Identification code 86-4357-0-3-371	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans .....	740	
1150	Total direct loan obligations .....	740	
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....		393
1231	Disbursements: Direct loan disbursements .....	412	229
1251	Repayments: Repayments and prepayments .....	-3	-4
Write-offs for default:			
1263	Direct loans .....	-16	-24
1264	Other adjustments, net (+ or -) .....		
1290	Outstanding, end of year .....	393	594

This non-budgetary account records all cash flows to and from the Government resulting from the loan guarantees (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals. No administrative expenses can be recorded in the financing account.

**OTHER ASSISTED HOUSING PROGRAMS**

**RENTAL HOUSING ASSISTANCE**

For amendments to contracts under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s) and section 236(f)(2) of the National Housing Act (12 U.S.C. 1715z-1) in State-aided, non-insured rental housing projects, \$15,733,000, to remain available until expended.

**RENT SUPPLEMENT**

( CANCELLATION )

Of the amounts recaptured from terminated contracts under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s) and section 236 of the National Housing Act (12 U.S.C. 1715z-1) \$6,600,000 are hereby permanently cancelled: Provided, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0206-0-1-999	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001	Rent supplement .....	4	12

0002	Homeownership and rental housing assistance (Sections 235 and 236) .....	10	29	11
0900	Total new obligations .....	14	41	16

**Budgetary Resources:**

Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	893	322	350
1020	Adjustment of unobligated bal brought forward, Oct 1 (unobligated balance of contract authority withdrawn) .....	-525		
1021	Recoveries of prior year unpaid obligations .....	51	70	70
1025	Unobligated balance of contract authority withdrawn .....	-51		
1050	Unobligated balance (total) .....	368	392	420
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	40	40	16
1131	Unobligated balance permanently reduced .....	-72	-41	-7
1160	Appropriation, discretionary (total) .....	-32	-1	9
Appropriations, mandatory:				
1200	Appropriation .....	740	690	690
1238	Appropriations applied to liquidate contract authority .....	-740	-690	-690
1260	Appropriations, mandatory (total) .....			
1900	Budget authority (total) .....	-32	-1	9
1930	Total budgetary resources available .....	336	391	429
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	322	350	413

**Change in obligated balance:**

Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	3,584	3,026	2,513
3030	Obligations incurred, unexpired accounts .....	14	41	16
3040	Outlays (gross) .....	-521	-484	-440
3080	Recoveries of prior year unpaid obligations, unexpired .....	-51	-70	-70
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	3,026	2,513	2,019

**Budget authority and outlays, net:**

Discretionary:				
4000	Budget authority, gross .....	-32	-1	9
Outlays, gross:				
4010	Outlays from new discretionary authority .....		20	8
4011	Outlays from discretionary balances .....	521	464	432
4020	Outlays, gross (total) .....	521	484	440
Mandatory:				
4090	Budget authority, gross .....			
4180	Budget authority, net (total) .....	-32	-1	9
4190	Outlays, net (total) .....	521	484	440

**Memorandum (non-add) entries:**

5050	Unobligated balance, SOY: Contract authority .....		171	18
5051	Unobligated balance, EOY: Contract authority .....	171	18	
5052	Obligated balance, SOY: Contract authority .....	3,354	3,026	2,489
5053	Obligated balance, EOY: Contract authority .....	3,026	2,489	1,799

The Other Assisted Housing Account contains the programs listed below:

**Rent supplement.**—Rent supplement assistance payments will continue to be made on behalf of qualified low-income tenants in approximately 12,700 units that have not converted to Section 8.

**Section 235.**—The Housing and Urban-Rural Recovery Act of 1983 (P.L. 98-181) authorized a restructured Section 235 (Homeownership Assistance) program that provided homeowners a 10-year interest reduction subsidy on their mortgages.

**Section 236.**—The Housing and Urban Development Act of 1968, as amended, authorizes the Section 236 Rental Housing Assistance Program, which subsidizes the monthly mortgage payment that an owner of a rental or cooperative project is required to make. This interest subsidy reduces rents for lower income tenants. Some Section 236 properties (12,900 units) also have rental assistance contacts with HUD through the Rental Assistance Payment (RAP) program.

The Budget requests funding to amend Rent Supplement and RAP contracts in state-aided multifamily housing projects to address cost increases beyond the maximum annual payment limitation previously established for the affected contracts. As

OTHER ASSISTED HOUSING PROGRAMS—Continued

some of these rental assistance contracts are terminated due to prepayments or other reasons, remaining balances are recovered. The account includes language to cancel the amounts recovered from projects where rental assistance has been terminated.

The table below provides a summary of outlays by program.

SUMMARY OF OUTLAYS

(in millions of dollars)

	2010 actual	2011 est.	2012 est.
Total .....	521	484	440
Rent supplement .....	47	42	37
Homeownership assistance (Section 235) .....	4	4	3
Rental housing assistance (Section 236) .....	467	436	398
College housing grants .....	3	2	2

Object Classification (in millions of dollars)

Identification code 86-0206-0-1-999	2010 actual	CR	2012 est.
41.0 Direct obligations: Grants, subsidies, and contributions .....	13	41	16
99.0 Reimbursable obligations: reimbursable obligations .....	1		
99.9 Total new obligations .....	14	41	16

HOMEOWNERSHIP AND OPPORTUNITY FOR PEOPLE EVERYWHERE GRANTS (HOPE GRANTS)

Program and Financing (in millions of dollars)

Identification code 86-0196-0-1-604	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	1	1	1
1930 Total budgetary resources available .....	1	1	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1	1	1
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

The Homeownership and Opportunity for People Everywhere Program, funded from 1992-1995, provided affordable homeownership opportunities for low-income families. Units were converted to homeownership from public and Indian housing properties in HOPE I, from FHA-insured and Government-held multifamily properties in HOPE II, and from Government-owned or -held single family properties in HOPE III. HOPE Grants were used for property acquisition, rehabilitation, mortgage subsidies, security measures, and technical assistance. In addition, grants have been devoted to counseling and training of residents, and other activities intended to help them become economically self-sufficient homeowners. This schedule reflects the expenditure of prior year balances.

PAYMENT TO MANUFACTURED HOUSING FEES TRUST FUND

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.), up to \$14,000,000, to remain available until expended, of which \$7,000,000 is to be derived from the Manufactured Housing Fees Trust Fund: Provided, That not to exceed the total amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: Provided further, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year 2012 so as to result in a final fiscal year 2012 appropriation from the general fund estimated at not more than \$7,000,000 and fees pursuant to such section 620 shall be modified as necessary to ensure

such a final fiscal year 2012 appropriation: Provided further, That for the dispute resolution and installation programs, the Secretary of Housing and Urban Development may assess and collect fees from any program participant: Provided further, That such collections shall be deposited into the Fund, and the Secretary, as provided herein, may use such collections, as well as fees collected under section 620, for necessary expenses of such Act: Provided further, That notwithstanding the requirements of section 620 of such Act, the Secretary may carry out responsibilities of the Secretary under such Act through the use of approved service providers that are paid directly by the recipients of their services.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86-0234-0-1-376	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Payment to Trust Fund .....	9	9	7
0900 Total new obligations (object class 94.0) .....	9	9	7
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	9	9	7
1930 Total budgetary resources available .....	9	9	7
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			
3030 Obligations incurred, unexpired accounts .....	9	9	7
3040 Outlays (gross) .....	-9	-9	-7
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	9	9	7
Outlays, gross:			
4010 Outlays from new discretionary authority .....	9	9	7
4180 Budget authority, net (total) .....	9	9	7
4190 Outlays, net (total) .....	9	9	7

The Budget provides a total of \$14 million to support activities authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended, including the development and enforcement of manufactured housing construction standards, as well as the development and implementation of new installation and dispute resolution programs required by the Manufactured Housing Improvement Act of 2000. In 2012, HUD estimates that \$7 million will be collected in fees and deposited into the Manufactured Housing Fees Trust Fund.

GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4589-0-3-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0710 Direct loan obligations .....	83		
0713 Payment of interest to Treasury .....	1		
0900 Total new obligations .....	84		
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	3	1	1
1020 Adjustment of unobligated bal brought forward, Oct 1 .....	-3		
1050 Unobligated balance (total) .....		1	1
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	26		

Spending authority from offsetting collections, mandatory:			
1800	Collected .....	46	
1801	Change in uncollected payments, Federal sources .....	23	
1825	Spending authority from offsetting collections applied to repay debt .....	-10	
1850	Spending auth from offsetting collections, mand (total) .....	59	
1900	Financing authority (total) .....	85	
1930	Total budgetary resources available .....	85	1 1
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	1	1 1

**Change in obligated balance:**

Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	28	
3030	Obligations incurred, unexpired accounts .....	84	
3040	Financing disbursements (gross) .....	-56	-28
3050	Change in uncollected pymts, Fed sources, unexpired .....	-23	
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	28	
3091	Uncollected pymts, Fed sources, end of year .....	-23	
3100	Obligated balance, end of year (net) .....	5	

**Financing authority and disbursements, net:**

Mandatory:			
4090	Financing authority, gross .....	85	
Financing disbursements:			
4110	Financing disbursements, gross .....	56	28
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120	Federal sources .....	-45	
4122	Interest on uninvested funds .....	-1	
4130	Offsets against gross financing auth and disbursements (total) .....	-46	
Additional offsets against financing authority only (total):			
4140	Change in uncollected pymts, Fed sources, unexpired .....	-23	
4160	Financing authority, net (mandatory) .....	16	
4170	Financing disbursements, net (mandatory) .....	10	28
4180	Financing authority, net (total) .....	16	
4190	Financing disbursements, net (total) .....	10	28

**Status of Direct Loans (in millions of dollars)**

Identification code 86-4589-0-3-604			
Position with respect to appropriations act limitation on obligations:			
1131	Direct loan obligations exempt from limitation .....	83	
1150	Total direct loan obligations .....	83	
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....	56	83
1231	Disbursements: Direct loan disbursements .....	56	27
1290	Outstanding, end of year .....	56	83 83

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans in the Green Retrofit Program, which received one-time funding in the Recovery Act (P.L. 111-5). The program account is displayed under "Green Retrofit Program for Multifamily Housing, Recovery Act" (86-0306).

**Balance Sheet (in millions of dollars)**

Identification code 86-4589-0-3-604		
Group heading		
ASSETS:		
1101	Federal assets: Fund balances with Treasury .....	6
Net value of assets related to post-1991 direct loans receivable:		
1401	Direct loans receivable, gross .....	56
1405	Allowance for subsidy cost (-) .....	-46
1499	Net present value of assets related to direct loans .....	10
1999	Total assets .....	16
LIABILITIES:		
2103	Federal liabilities: Debt .....	16
2999	Total liabilities .....	16

NET POSITION:		
3999	Total net position .....	
4999	Total liabilities and net position .....	16

**INTERSTATE LAND SALES**

**Special and Trust Fund Receipts (in millions of dollars)**

Identification code 86-5270-0-2-376			
2010 actual CR 2012 est.			
0100	Balance, start of year .....		1
Receipts:			
0200	Interstate Land Sales Fund .....	1	1
0400	Total: Balances and collections .....	1	2
Appropriations:			
0500	Interstate Land Sales .....		-1
0799	Balance, end of year .....	1	1

**Program and Financing (in millions of dollars)**

Identification code 86-5270-0-2-376			
2010 actual CR 2012 est.			
<b>Obligations by program activity:</b>			
0001	Transfer to salaries and expenses .....		1
0900	Total new obligations (object class 25.2) .....		1
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1201	Appropriation (special fund) .....		1
1930	Total budgetary resources available .....		1
<b>Change in obligated balance:</b>			
3030	Obligations incurred, unexpired accounts .....		1
3040	Outlays (gross) .....		-1
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090	Budget authority, gross .....		1
Outlays, gross:			
4100	Outlays from new mandatory authority .....		1
4180	Budget authority, net (total) .....		1
4190	Outlays, net (total) .....		1

The Interstate Land Sales Full Disclosure Act provides protection to the public with respect to purchase or leases of subdivision lots. Statements of record must be filed with the Secretary before subdivisions with 100 or more lots may be sold in interstate commerce, except when the subdivision is eligible for exemption.

The Secretary is authorized to charge a fee, to be paid by the developer when filing a statement of record. The fee receipts are permanently appropriated and help finance a portion of the direct administrative expenses incurred in program operations.

**RENTAL HOUSING ASSISTANCE FUND**

**Program and Financing (in millions of dollars)**

Identification code 86-4041-0-3-604			
2010 actual CR 2012 est.			
<b>Obligations by program activity:</b>			
0801	Transfer to HUD's Flexible Subsidy Fund .....	3	4
0900	Total new obligations (object class 94.0) .....	3	4
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	3	3 1
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800	Collected .....	3	2 2
1930	Total budgetary resources available .....	6	5 3

RENTAL HOUSING ASSISTANCE FUND—Continued  
Program and Financing—Continued

Identification code 86-4041-0-3-604	2010 actual	CR	2012 est.
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	3	1	3
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....			2
3030 Obligations incurred, unexpired accounts .....	3	4	
3040 Outlays (gross) .....	-3	-2	-2
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....		2	
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	3	2	2
Outlays, gross:			
4100 Outlays from new mandatory authority .....		2	2
4101 Outlays from mandatory balances .....	3		
4110 Outlays, gross (total) .....	3	2	2
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-3	-2	-2
4160 Budget authority, net (mandatory) .....			
4170 Outlays, net (mandatory) .....			
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

The Housing and Urban Development Act of 1968 authorized the Secretary to establish a revolving fund into which rental collections in excess of the established basic rents for units in Section 236 subsidized projects would be deposited.

The Housing and Community Development Amendment of 1978 authorized the Secretary, subject to approval in appropriation acts, to transfer excess rent collections received after 1978 to the Troubled Projects Operating Subsidy program, renamed the Flexible Subsidy Fund. Prior to that time, collections were used for paying tax and utility increases in Section 236 projects. The Housing and Community Development Act of 1980 amended the 1978 Act by authorizing the transfer of excess rent collections regardless of when collected. The Budget proposes appropriation language in the general provisions at the end of this budget chapter to eliminate the mandatory transfer of excess resources from the Rental Housing Assistance Fund to the Flexible Subsidy Fund. These excess resources cannot be spent under existing law in either account, making the transfer unnecessary.

Object Classification (in millions of dollars)

Identification code 86-4041-0-3-604	2010 actual	CR	2012 est.
<b>Reimbursable obligations:</b>			
94.0 Financial transfers .....	3	4	
99.0 Reimbursable obligations .....	3	4	

FLEXIBLE SUBSIDY FUND

Program and Financing (in millions of dollars)

Identification code 86-4044-0-3-604	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	128	164	190
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	36	26	22
1930 Total budgetary resources available .....	164	190	212
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	164	190	212

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross .....	36	26	22
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-3	-3	
4033 Non-Federal sources .....	-33	-23	-22
4040 Offsets against gross budget authority and outlays (total) ....	-36	-26	-22
4070 Budget authority, net (discretionary) .....			
4080 Outlays, net (discretionary) .....	-36	-26	-22
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	-36	-26	-22

Status of Direct Loans (in millions of dollars)

Identification code 86-4044-0-3-604	2010 actual	CR	2012 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	609	583	563
1251 Repayments: Repayments and prepayments .....	-26	-20	-20
1290 Outstanding, end of year .....	583	563	543

The Flexible Subsidy Fund assisted financially troubled subsidized projects under certain Federal Housing Administration (FHA) authorities. The subsidies were intended to prevent potential losses to the FHA fund resulting from project insolvency and to preserve these projects as a viable source of housing for low and moderate-income tenants. Priority was given to projects with Federal insurance-in-force and then to those with mortgages that had been assigned to the Department of Housing and Urban Development. The budget proposes appropriation language in the general provisions at the end of this budget chapter to eliminate the transfer of excess resources from the Rental Housing Assistance Fund to the Flexible Subsidy Fund. These excess funds cannot be spent under existing law in either account, making the transfer unnecessary. The excess funds will be withdrawn.

Balance Sheet (in millions of dollars)

Identification code 86-4044-0-3-604	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	128	164
1601 Direct loans, gross .....	609	582
1602 Interest receivable .....	106	108
1603 Allowance for estimated uncollectible loans and interest (-) .....	-639	-617
1699 Value of assets related to direct loans .....	76	73
1999 Total assets .....	204	237
<b>LIABILITIES:</b>		
2999 Total liabilities .....		
<b>NET POSITION:</b>		
3100 Appropriated capital .....	-376	-376
3300 Cumulative results of operations .....	580	613
3999 Total net position .....	204	237
4999 Total liabilities and net position .....	204	237

HOME OWNERSHIP PRESERVATION ENTITY FUND FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4353-0-3-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0711 Default claim payments on principal .....		1	1
0712 Default claim payments on interest .....			1
0900 Total new obligations .....		1	2

<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	1	5	7
Financing authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	4	3	1
1930	Total budgetary resources available .....	5	8	8
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	5	7	6
<hr/>				
<b>Change in obligated balance:</b>				
3030	Obligations incurred, unexpired accounts .....		1	2
3040	Financing disbursements (gross) .....		-1	-2
<hr/>				
<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Financing authority, gross .....	4	3	1
Financing disbursements:				
4110	Financing disbursements, gross .....		1	2
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Positive subsidy from HOPE Bonds .....	-3	-2	
4123	Premiums .....	-1	-1	
4123	Recoveries on defaults .....			-1
4130	Offsets against gross financing auth and disbursements (total) .....	-4	-3	-1
4160	Financing authority, net (mandatory) .....			
4170	Financing disbursements, net (mandatory) .....	-4	-2	1
4180	Financing authority, net (total) .....			
4190	Financing disbursements, net (total) .....	-4	-2	1

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 86-4353-0-3-371				
	2010 actual	CR	2012 est.	
Position with respect to appropriations act limitation on commitments:				
2121	Limitation available from carry-forward .....	299,996	299,976	
2142	Uncommitted loan guarantee limitation .....		-299,956	
2143	Uncommitted limitation carried forward .....	-299,976		
2150	Total guaranteed loan commitments .....	20	20	
2199	Guaranteed amount of guaranteed loan commitments .....	20	20	
<hr/>				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	4	24	42
2231	Disbursements of new guaranteed loans .....	20	20	
2251	Repayments and prepayments .....		-1	-2
2262	Adjustments: Terminations for default that result in acquisition of property .....		-1	-2
2290	Outstanding, end of year .....	24	42	38
<hr/>				
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	24	42	38

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loans insured in 1992 and thereafter. The amounts in this account are considered a means of financing and are not included in the budget totals.

**Balance Sheet** (in millions of dollars)

Identification code 86-4353-0-3-371				
	2009 actual	2010 actual		
<b>ASSETS:</b>				
1101	Federal assets: Fund balances with Treasury .....	1	5	
<b>LIABILITIES:</b>				
2204	Non-Federal liabilities: Liabilities for loan guarantees .....	1	5	

**HOME OWNERSHIP PRESERVATION EQUITY FUND PROGRAM ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-0343-0-1-371				
	2010 actual	CR	2012 est.	
<b>Obligations by program activity:</b>				
Credit program obligations:				
0702	Loan guarantee subsidy .....	3	2	
0709	Administrative expenses .....	1	2	2
0900	Total new obligations .....	4	4	2
<hr/>				
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	464	469	465
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	9		
1900	Budget authority (total) .....	9		
1930	Total budgetary resources available .....	473	469	465
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	469	465	463
<hr/>				
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	1	1	1
3030	Obligations incurred, unexpired accounts .....	4	4	2
3040	Outlays (gross) .....	-4	-4	-2
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	1	1	1
<hr/>				
<b>Budget authority and outlays, net:</b>				
Mandatory:				
4090	Budget authority, gross .....	9		
Outlays, gross:				
4101	Outlays from mandatory balances .....	4	4	2
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources .....	-9		
4160	Budget authority, net (mandatory) .....			
4170	Outlays, net (mandatory) .....	-5	4	2
4180	Budget authority, net (total) .....			
4190	Outlays, net (total) .....	-5	4	2
<hr/>				
<b>Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program</b> (in millions of dollars)				
Identification code 86-0343-0-1-371				
	2010 actual	CR	2012 est.	
Guaranteed loan levels supportable by subsidy budget authority:				
215001	HOPE for Homeowners Loan Guarantees .....	20	20	
215999	Total loan guarantee levels .....	20	20	
Guaranteed loan subsidy (in percent):				
232001	HOPE for Homeowners Loan Guarantees .....	17.55	10.90	0.00
232999	Weighted average subsidy rate .....	17.55	10.90	0.00
Guaranteed loan subsidy budget authority:				
233001	HOPE for Homeowners Loan Guarantees .....	3	2	
233999	Total subsidy budget authority .....	3	2	
Guaranteed loan subsidy outlays:				
234001	HOPE for Homeowners Loan Guarantees .....	3	2	
234999	Total subsidy outlays .....	3	2	
<hr/>				
Administrative expense data:				
3510	Budget authority .....	1	2	2
3590	Outlays from new authority .....		2	2

The HOPE for Homeowners (H4H) program was created by the Housing and Economic Recovery Act of 2008 (Act) to help homeowners at risk of default and foreclosure refinance into more affordable, sustainable loans. Under the H4H Program, eligible homeowners may refinance their current mortgage loans into a new mortgage insured by FHA. The principal obligation of all mortgages insured under the H4H program may not exceed \$300 billion.

The Helping Families Save Their Homes Act of 2009 amended the National Housing Act, providing for key changes in the H4H program. These changes, which are effective for endorsements on or after January 1, 2010, include more underwriting flexibility

HOME OWNERSHIP PRESERVATION EQUITY FUND PROGRAM  
ACCOUNT—Continued

and lower premia and appreciation sharing assessments. The program will terminate on September 30, 2011.

As required by the Federal Credit Reform Act of 1990, this account records the administrative expenses for this program, as well as the subsidy costs, associated with the loan guarantees committed. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis. Under the Act, the Department of the Treasury is authorized to issue HOPE Bonds, up to the aggregate insurance amount, to finance the subsidy amounts necessary for loan guarantees, as well as for the net costs to the Federal Government of the program, including administrative costs.

## Object Classification (in millions of dollars)

Identification code 86-0343-0-1-371	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services from non-federal sources .....	1	2	2
41.0 Grants, subsidies, and contributions .....	3	2	
99.0 Direct obligations .....	4	4	2
99.9 Total new obligations .....	4	4	2

## NEHEMIAH HOUSING OPPORTUNITY FUND

## Program and Financing (in millions of dollars)

Identification code 86-4071-0-3-604	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	9		
1029 Other balances withdrawn .....	-9		
1050 Unobligated balance (total) .....			
1930 Total budgetary resources available .....			
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....			
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	4	4	4
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	4	4	4
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....			

The Nehemiah Grants program was authorized by the Housing and Community Development Act of 1987 to provide loans to eligible families to assist in the purchase of new or substantially rehabilitated units.

## FEDERAL HOUSING ADMINISTRATION

## MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

## (INCLUDING TRANSFER OF FUNDS)

New commitments to guarantee single family loans insured under the Mutual Mortgage Insurance Fund shall not exceed \$400,000,000,000, to remain available until September 30, 2013; Provided, That during fiscal year 2012, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed \$50,000,000; Provided further, That the foregoing amount in the previous proviso shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund. For administrative contract expenses of the Federal Housing Administration, \$230,000,000, to remain available until September 30, 2013, of which up to \$72,000,000 may be transferred to the Working Capital Fund: Provided

further, That to the extent guaranteed loan commitments exceed \$200,000,000,000 on or before April 1, 2012, an additional \$1,400 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000), but in no case shall funds made available by this proviso exceed \$30,000,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

## Program and Financing (in millions of dollars)

Identification code 86-0183-0-1-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0707 Reestimates of loan guarantee subsidy .....	8,442	5,829	
0708 Interest on reestimates of loan guarantee subsidy .....	1,426	1,772	
0709 Administrative expenses .....	112	189	158
0900 Total new obligations .....	9,980	7,790	158
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....			
1011 Unobligated balance transferred from other accounts .....	9,868	4,375	
1050 Unobligated balance (total) .....	9,868	4,375	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation - Administrative Expenses .....	189	189	230
1120 Appropriations transferred to other accounts .....	-72		-72
1160 Appropriation, discretionary (total) .....	117	189	158
Spending authority from offsetting collections, mandatory:			
1811 Spending authority from offsetting collections transferred from other accounts .....		3,226	
1900 Budget authority (total) .....	117	3,415	158
1930 Total budgetary resources available .....	9,985	7,790	158
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-5		
1941 Unexpired unobligated balance, end of year .....			
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	86	132	61
3030 Obligations incurred, unexpired accounts .....	9,980	7,790	158
3040 Outlays (gross) .....	-9,928	-7,861	-163
3081 Recoveries of prior year unpaid obligations, expired .....	-6		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	132	61	56
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	117	189	158
Outlays, gross:			
4010 Outlays from new discretionary authority .....	9	158	132
4011 Outlays from discretionary balances .....	51	102	31
4020 Outlays, gross (total) .....	60	260	163
Mandatory:			
4090 Budget authority, gross .....		3,226	
Outlays, gross:			
4100 Outlays from new mandatory authority .....		3,226	
4101 Outlays from mandatory balances .....	9,868	4,375	
4110 Outlays, gross (total) .....	9,868	7,601	
4180 Budget authority, net (total) .....	117	3,415	158
4190 Outlays, net (total) .....	9,928	7,861	163

## Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 86-0183-0-1-371	2010 actual	CR	2012 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
115001 MMI Fund, Direct loans .....		50	50
115999 Total direct loan levels .....		50	50
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
215002 MMI Fund .....	297,614	300,318	218,000
215004 MMI HECM .....	21,087	24,281	20,000
215007 MMI Refi .....		60,000	83,681
215999 Total loan guarantee levels .....	318,701	384,599	321,681

Guaranteed loan subsidy (in percent):				
232002	MMI Fund	-0.86	-3.25	-2.16
232004	MMI HECM	-0.50	-0.01	-1.52
232007	MMI Refi	0.00	0.00	0.00
<hr/>				
232999	Weighted average subsidy rate	-0.84	-2.54	-1.56
Guaranteed loan subsidy budget authority:				
233002	MMI Fund	-2,546	-9,760	-4,709
233004	MMI HECM	-106	-2	-304
<hr/>				
233999	Total subsidy budget authority	-2,652	-9,763	-5,013
Guaranteed loan subsidy outlays:				
234002	MMI Fund	-2,546	-9,760	-4,709
234004	MMI HECM	-106	-2	-304
<hr/>				
234999	Total subsidy outlays	-2,652	-9,762	-5,013
Guaranteed loan upward reestimates:				
235002	MMI Fund	7,630	7,035	
235004	MMI HECM	2,239	566	
<hr/>				
235999	Total upward reestimate budget authority	9,869	7,601	
Guaranteed loan downward reestimates:				
237002	MMI Fund	-26	-847	
<hr/>				
237999	Total downward reestimate subsidy budget authority	-26	-847	
<hr/>				
Administrative expense data:				
3510	Budget authority	118	117	158
3580	Outlays from balances	15	102	18
3590	Outlays from new authority	9	98	133

The Federal Housing Administration (FHA) provides mortgage insurance to encourage lenders to make credit available to borrowers for which the conventional market does not adequately serve. These include first-time homebuyers, minorities, lower-income families, and residents of underserved areas (central cities and rural areas). In recent years, FHA has also served broader populations, providing access as conventional financing became scarce.

In 2012, FHA is requesting a limitation of \$400 billion on loan guarantees for the Mutual Mortgage Insurance (MMI) Fund.

The Budget projects insurance of \$218 billion in single family forward mortgages and \$20 billion in Home Equity Conversion Mortgages (HECMs) with an additional \$78 billion in commitment limitation available in case these amounts are exceeded during execution. In October 2010, FHA increased its annual premium by 0.25 percent and the Budget assumes another increase of this size in April 2011. These premium increases will bolster FHA's capital reserves, accelerating the point at which FHA will regain compliance with its statutorily mandated capital reserve ratio. These increases also contribute to higher receipts generated by FHA's loan guarantee volume, amounts that offset the budget deficit.

The Budget requests an increase in administrative expenses to \$230 million, which will allow FHA to implement improved risk management systems critical for FHA's current large role in the mortgage market.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs, if any, associated with the loan guarantees committed in 1992 and thereafter. The subsidy amounts are estimated on a present value basis.

**Object Classification** (in millions of dollars)

Identification code 86-0183-0-1-371				
		2010 actual	CR	2012 est.
Direct obligations:				
25.2	Other services from non-federal sources	112	189	158
41.0	Grants, subsidies, and contributions	8,442	5,829	
43.0	Interest and dividends	1,426	1,772	
<hr/>				
99.9	Total new obligations	9,980	7,790	158

**FHA-MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-4242-0-3-371				
		2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>				
0003	Claims & other		4	4
Credit program obligations:				
0710	Direct loan obligations		50	50
0713	Payment of interest to Treasury		2	2
<hr/>				
0791	Direct program activities, subtotal		52	52
<hr/>				
0900	Total new obligations		56	56
<hr/>				
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	4	5	54
1023	Unobligated balances applied to repay debt			-49
<hr/>				
1050	Unobligated balance (total)	4	5	5
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	1	50	50
Spending authority from offsetting collections, mandatory:				
1800	Collected		55	55
1900	Financing authority (total)	1	105	105
1930	Total budgetary resources available	5	110	110
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	5	54	54
<hr/>				
<b>Change in obligated balance:</b>				
3030	Obligations incurred, unexpired accounts		56	56
3040	Financing disbursements (gross)		-56	-56
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)			
<hr/>				
<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Financing authority, gross	1	105	105
Financing disbursements:				
4110	Financing disbursements, gross		56	56
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4122	Interest on uninvested funds		-1	-1
4123	Repayment of Principal		-50	-50
4123	Repayment of interest		-4	-4
<hr/>				
4130	Offsets against gross financing auth and disbursements (total)		-55	-55
<hr/>				
4160	Financing authority, net (mandatory)	1	50	50
4170	Financing disbursements, net (mandatory)		1	1
4180	Financing authority, net (total)	1	50	50
4190	Financing disbursements, net (total)		1	1

**Status of Direct Loans** (in millions of dollars)

Identification code 86-4242-0-3-371				
		2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans		50	50
1150	Total direct loan obligations		50	50
<hr/>				
Cumulative balance of direct loans outstanding:				
1231	Disbursements: Direct loan disbursements		50	50
1251	Repayments: Repayments and prepayments		-50	-50
<hr/>				
1290	Outstanding, end of year			

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and thereafter (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

The 2012 direct loan limitation of \$50 million in the MMI Fund would permit the Department to use Purchase Money Mortgages (PMMs) to help finance the sale of acquired single family properties. HUD would extend credit for these single family homes to community non-profit organizations or local government entities,

FHA-MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING  
ACCOUNT—Continued

which would be expected to sell the properties to low- and moderate-income buyers. The use of PMMs provides a tool for State and local non-profit organizations to use in revitalizing communities, and creates enhanced homeownership opportunities for low- and moderate-income families.

Balance Sheet (in millions of dollars)

Identification code 86-4242-0-3-371	2009 actual	2010 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	4	5
Net value of assets related to post-1991 direct loans receivable:		
1405 Allowance for subsidy cost (-) .....	-4	-4
1499 Net present value of assets related to direct loans .....	-4	-4
1999 Total assets .....		1
<b>LIABILITIES:</b>		
2103 Federal liabilities: Federal Liabilities - Debt .....		1
2999 Total liabilities .....		1
4999 Total liabilities and net position .....		1

FHA-MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING  
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4587-0-3-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0003 Other capital investment & operating expenses .....	1,379	3,199	3,388
<b>Credit program obligations:</b>			
0711 Default claim payments on principal .....	12,293	22,803	22,527
0712 Default claim payments on interest .....	1,366		
0713 Payment of interest to Treasury .....	140	278	139
0740 Negative subsidy obligations .....	2,651	9,762	5,013
0742 Downward reestimate paid to receipt account .....	7	815	
0743 Interest on downward reestimates .....	19	33	
0791 Direct program activities, subtotal .....	16,476	33,691	27,679
0900 Total new obligations .....	17,855	36,890	31,067
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	19,936	27,320	27,700
1021 Recoveries of prior year unpaid obligations .....	62		
1050 Unobligated balance (total) .....	19,998	27,320	27,700
<b>Financing authority:</b>			
<b>Borrowing authority, mandatory:</b>			
1400 Borrowing authority .....		6,000	5,200
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Offsetting collections .....	25,439	32,270	27,554
1801 Change in uncollected payments, Federal sources .....	-2		
1825 Spending authority from offsetting collections applied to repay debt .....	-260	-1,000	-1,050
1850 Spending auth from offsetting collections, mand (total) .....	25,177	31,270	26,504
1900 Financing authority (total) .....	25,177	37,270	31,704
1930 Total budgetary resources available .....	45,175	64,590	59,404
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	27,320	27,700	28,337

Change in obligated balance:

<b>Obligated balance, start of year (net):</b>			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	1,209	1,558	2,376
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-2		
3020 Obligated balance, start of year (net) .....	1,207	1,558	2,376
3030 Obligations incurred, unexpired accounts .....	17,855	36,890	31,067
3040 Financing disbursements (gross) .....	-17,444	-36,072	-32,469
3050 Change in uncollected pymts, Fed sources, unexpired .....	2		
3080 Recoveries of prior year unpaid obligations, unexpired .....	-62		
<b>Obligated balance, end of year (net):</b>			
3090 Unpaid obligations, end of year (gross) .....	1,558	2,376	974
3091 Uncollected pymts, Fed sources, end of year .....			

3100 Obligated balance, end of year (net) .....	1,558	2,376	974
<b>Financing authority and disbursements, net:</b>			
<b>Mandatory:</b>			
4090 Financing authority, gross .....	25,177	37,270	31,704
<b>Financing disbursements:</b>			
4110 Financing disbursements, gross .....	17,444	36,072	32,469
<b>Offsets against gross financing authority and disbursements:</b>			
<b>Offsetting collections (collected) from:</b>			
4120 Transfer of Reestimates from reserves in Capital Reserve account .....	-9,868	-7,601	
4122 Interest on uninvested funds .....	-1,215	-834	-266
4123 Fees and premiums .....	-9,291	-9,586	-11,803
4123 Recoveries on defaults .....	-5,065	-14,249	-15,485
4130 Offsets against gross financing auth and disbursements (total) .....	-25,439	-32,270	-27,554
<b>Additional offsets against financing authority only (total):</b>			
4140 Change in uncollected pymts, Fed sources, unexpired .....	2		
4160 Financing authority, net (mandatory) .....	-260	5,000	4,150
4170 Financing disbursements, net (mandatory) .....	-7,995	3,802	4,915
4180 Financing authority, net (total) .....	-260	5,000	4,150
4190 Financing disbursements, net (total) .....	-7,995	3,802	4,915

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4587-0-3-371	2010 actual	CR	2012 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....	400,000	400,000	400,000
2142 Uncommitted loan guarantee limitation .....	-81,299	-15,401	-78,319
2150 Total guaranteed loan commitments .....	318,701	384,599	321,681
2199 Guaranteed amount of guaranteed loan commitments .....	318,701	384,599	321,681
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	683,948	885,624	1,135,942
2231 Disbursements of new guaranteed loans .....	310,407	375,567	280,674
2251 Repayments and prepayments .....	-95,071	-118,017	-138,265
<b>Adjustments:</b>			
2261 Terminations for default that result in loans receivable .....	-34	-533	-672
2262 Terminations for default that result in acquisition of property .....	-12,629	-21,801	-23,764
2263 Terminations for default that result in claim payments .....	-997	-476	-594
2264 Other adjustments, net .....		15,578	
2290 Outstanding, end of year .....	885,624	1,135,942	1,253,321
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	867,898	1,135,942	1,253,321
<b>Addendum:</b>			
<b>Cumulative balance of defaulted guaranteed loans that result in loans receivable:</b>			
2310 Outstanding, start of year .....	560	728	1,232
2331 Disbursements for guaranteed loan claims .....	218	1,007	1,143
2351 Repayments of loans receivable .....	-13	-503	-533
2361 Write-offs of loans receivable .....	-37		
2390 Outstanding, end of year .....	728	1,232	1,842

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loans insured in 1992 and thereafter. The amounts in this account are considered a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 86-4587-0-3-371	2009 actual	2010 actual
<b>ASSETS:</b>		
<b>Federal assets:</b>		
1101 Fund balances with Treasury .....	21,143	28,878
<b>Investments in US securities:</b>		
1106 Receivables, net .....	8,090	3,542
<b>Non-Federal assets:</b>		
1201 Investments in non-Federal securities, net .....	10	7
1206 Receivables, net .....	5	400
<b>Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:</b>		
1501 Defaulted guaranteed loans receivable, gross .....	560	728
1504 Foreclosed property .....	4,875	6,833

1505	Allowance for subsidy cost .....	-3,164	-4,282
1599	Net value of assets related to defaulted guaranteed loan .....	2,271	3,279
1901	Other Federal assets: Other assets .....	31	270
1999	Total assets .....	31,550	36,376
<b>LIABILITIES:</b>			
Federal liabilities:			
2101	Accounts payable .....	26	6,886
2103	Federal liabilities, Debt .....	2,650	2,390
Non-Federal liabilities:			
2201	Accounts payable .....	371	586
2204	Liabilities for loan guarantees .....	28,451	26,028
2207	Other .....	52	486
2999	Total liabilities .....	31,550	36,376
4999	Total upward reestimate subsidy BA [86-0183] .....	31,550	36,376

**FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-0236-0-1-371	2010 actual	CR	2012 est.	
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	10,604	4,375	8,002
1010	Unobligated balance transferred to other accounts .....	-9,868	-4,375	
1050	Unobligated balance (total) .....	736		8,002
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Offsetting collections (negative subsidy) .....	2,651	9,762	5,013
1800	Offsetting collections (interest on investments) .....	1,023	619	750
1800	Offsetting collections (downward reestimate) .....	26	847	
1801	Change in uncollected payments, Federal sources .....	-61		
1810	Spending authority from offsetting collections transferred to other accounts .....		-3,226	
1850	Spending auth from offsetting collections, mand (total) .....	3,639	8,002	5,763
1930	Total budgetary resources available .....	4,375	8,002	13,765
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	4,375	8,002	13,765
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3010	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-84	-23	-23
3050	Change in uncollected pymts, Fed sources, unexpired .....	61		
Obligated balance, end of year (net):				
3091	Uncollected pymts, Fed sources, end of year .....	-23	-23	-23
<b>Budget authority and outlays, net:</b>				
Discretionary:				
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources - Negative Subsidy from New Business .....	-2,651	-9,762	-5,013
4070	Budget authority, net (discretionary) .....	-2,651	-9,762	-5,013
4080	Outlays, net (discretionary) .....	-2,651	-9,762	-5,013
Mandatory:				
4090	Budget authority, gross .....	3,639	8,002	5,763
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources - Downward Reestimate .....	-26	-847	
4121	Interest on Federal securities .....	-1,023	-619	-750
4130	Offsets against gross budget authority and outlays (total) .....	-1,049	-1,466	-750
Additional offsets against gross budget authority only:				
4140	Change in uncollected pymts, Fed sources, unexpired .....	61		
4160	Budget authority, net (mandatory) .....	2,651	6,536	5,013
4170	Outlays, net (mandatory) .....	-1,049	-1,466	-750
4180	Budget authority, net (total) .....		-3,226	
4190	Outlays, net (total) .....	-3,700	-11,228	-5,763
<b>Memorandum (non-add) entries:</b>				
5000	Total investments, SOY: Federal securities: Par value .....	10,664	4,194	5,189
5001	Total investments, EOY: Federal securities: Par value .....	4,194	5,189	10,242

In 2002, a Capital Reserve account was established for the Mutual Mortgage Insurance Fund. Financial reserves, including securities, of the MMI Fund were transferred from the liquidating account to the Capital Reserve account. In 2003, this mandatory

account started earning interest on Treasury investments, collecting negative subsidy and downward re-estimates from the Financing account, and paying upward re-estimates to the Program account. The Liquidating account now only reflects cash-flows related to pre-1992 books of business.

**Balance Sheet** (in millions of dollars)

Identification code 86-0236-0-1-371	2009 actual	2010 actual	
<b>ASSETS:</b>			
Federal assets:			
1101	Fund balances with Treasury .....	57	266
Investments in US securities:			
1102	Treasury securities, net .....	10,546	4,127
1106	Receivables, net .....	110	6,908
1999	Total assets .....	10,713	11,301
<b>LIABILITIES:</b>			
2101	Federal liabilities: Accounts payable .....	8,090	3,542
2999	Total liabilities .....	8,090	3,542
<b>NET POSITION:</b>			
3300	Cumulative results of operations .....	2,623	7,759
3999	Total net position .....	2,623	7,759
4999	Total liabilities and net position .....	10,713	11,301

**FHA-MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE FUNDS LIQUIDATING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-4070-0-3-371	2010 actual	CR	2012 est.	
<b>Obligations by program activity:</b>				
0103	Acquisition of real properties .....	35	31	30
0107	Capitalized expenses .....	2	1	1
0108	Loss mitigation activities .....	3	3	3
0191	Total capital investment .....	40	35	34
0202	Other Operation expenses .....	3	3	2
0900	Total new obligations .....	43	38	36
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	30	37	22
1021	Recoveries of prior year unpaid obligations .....	30		
1050	Unobligated balance (total) .....	60	37	22
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	20	23	21
1930	Total budgetary resources available .....	80	60	43
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	37	22	7
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	200	169	169
3030	Obligations incurred, unexpired accounts .....	43	38	36
3040	Outlays (gross) .....	-44	-38	-37
3080	Recoveries of prior year unpaid obligations, unexpired .....	-30		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	169	169	168
<b>Budget authority and outlays, net:</b>				
Mandatory:				
4090	Budget authority, gross .....	20	23	21
Outlays, gross:				
4100	Outlays from new mandatory authority .....	20	23	21
4101	Outlays from mandatory balances .....	24	15	16
4110	Outlays, gross (total) .....	44	38	37
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources - Fees & Premiums .....	-1	-7	-5
4123	Non-Federal sources - Recoveries .....	-19	-16	-16
4130	Offsets against gross budget authority and outlays (total) .....	-20	-23	-21
4160	Budget authority, net (mandatory) .....			

FHA-MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE FUNDS  
LIQUIDATING ACCOUNT—Continued

## Program and Financing—Continued

Identification code 86-4070-0-3-371	2010 actual	CR	2012 est.
4170 Outlays, net (mandatory) .....	24	15	16
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	24	15	16

## Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4070-0-3-371	2010 actual	CR	2012 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	6,904	5,135	4,732
2251 Repayments and prepayments .....	-1,756	-372	-977
Adjustments:			
2262 Terminations for default that result in acquisition of property .....	-13	-30	-30
2263 Terminations for default that result in claim payments .....		-1	-1
2290 Outstanding, end of year .....	5,135	4,732	3,724

## Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	5,135	4,732	3,724
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## Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	19	16	15
2331 Disbursements for guaranteed loan claims .....		1	1
2351 Repayments of loans receivable .....	-1	-1	-2
2361 Write-offs of loans receivable .....	-2	-1	-1
2390 Outstanding, end of year .....	16	15	13

The Federal Housing Administration Fund currently consists of four separate insurance funds.

In order to present more clearly the operations of the various funds, FHA's budget transactions are separated into two major business segments. The basic single family insurance programs, including the Condominium, Section 203(k) rehabilitation, and Home Equity Conversion Mortgage programs, in the Mutual Mortgage Insurance (MMI) fund and the multifamily Cooperative Management Housing Insurance (CMHI) funds form one segment. All other multifamily and other specialized insurance programs are in the General Insurance and Special Risk Insurance funds (GI/SRI).

The Federal Credit Reform Act of 1990 creates a structure of three accounts for existing credit programs. For each of the FHA business segments (MMI/CMHI and GI/SRI) there is a liquidating account, which records the revenues and costs associated with loan insurance committed prior to October 1, 1991; a financing account which records the revenues and costs associated with commitments to insure loans made after September 30, 1991; and, a program account which records the transactions associated with the program subsidy costs, if any, and the costs of administering the program.

This liquidating account records, for this program, all cash flows to and from the Government resulting from MMI/CMHI loans insured prior to 1992 and is shown on a cash basis. All new activity in this program in 1992 and thereafter (including modifications of loans insured in any year) is recorded in the corresponding program (86-0183) and financing (86-4587 and 86-4242) accounts.

In 2002, the MMI Capital Reserve account was established to maintain reserves required by statute that were previously deposited in the liquidating account.

The program activity in the "Program Highlights" table shown below reflects only the activity in the MMI/CMHI liquidating and financing accounts. The GI/SRI program activity can be found

with the GI/SRI liquidating account (86-4072) and financing account (86-4077).

## Program Highlights

(in millions of dollars)

	2010 actual	2011 est.	2012 est.
Mortgage Insurance Written (in fiscal year):			
Purchase and Refinance .....	\$297,614	\$300,318	\$218,000
Home Equity Conversion Mortgages (Maximum Claim Amounts) .....	\$21,087	\$24,281	\$20,000
Loans:			
Purchase and Refinance .....	1,667,119	1,682,266	1,221,152
Home Equity Conversion Mortgages .....	79,105	91,087	75,027

**Financial condition.**—The following tables reflect the revenues, expenses and financial condition of the MMI/CMHI liquidating funds based on Generally Accepted Accounting Principles.

## Balance Sheet (in millions of dollars)

Identification code 86-4070-0-3-371	2009 actual	2010 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury .....	230	206
1206 Non-Federal assets: Receivables, net .....	3	2
1701 Defaulted guaranteed loans, gross .....	19	16
1702 Interest receivable .....	4	
1703 Allowance for estimated uncollectible loans and interest (-) .....	-13	-9
1704 Defaulted guaranteed loans and interest receivable, net .....	10	7
1706 Foreclosed property .....	16	16
1799 Value of assets related to loan guarantees .....	26	23
1901 Other Federal assets: Other assets .....	2	1
1999 Total assets .....	261	232
LIABILITIES:		
Non-Federal liabilities:		
2201 Accounts payable .....	177	146
2204 Liabilities for loan guarantees .....	14	10
2207 Unearned revenue and advances, and other .....	1	12
2999 Total liabilities .....	192	168
NET POSITION:		
3300 Cumulative results of operations .....	69	64
3999 Total net position .....	69	64
4999 Total liabilities and net position .....	261	232

## Object Classification (in millions of dollars)

Identification code 86-4070-0-3-371	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services from non-federal sources .....	3	4	3
32.0 Land and structures .....	35	31	30
42.0 Insurance claims and indemnities .....	5	3	3
99.9 Total new obligations .....	43	38	36

## GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z-3 and 1735c), including the cost of loan guarantee modifications, as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended, \$8,600,000, to remain available until expended: Provided, That commitments to guarantee loans shall not exceed \$25,000,000,000 in total loan principal, any part of which is to be guaranteed.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed \$20,000,000, which shall be for loans to non-profit and governmental entities in connection with the sale of single family real properties owned by the Secretary and formerly insured under such Act.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0200-0-1-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0702 Loan guarantee subsidy .....	9	4	6
0704 Subsidy for modifications of loan guarantees .....	5		
0707 Reestimates of loan guarantee subsidy .....	660	2,088	
0708 Interest on reestimates of loan guarantee subsidy .....	203	936	
0900 Total new obligations (object class 41.0) .....	877	3,028	6
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	15	10	15
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	9	9	9
Appropriations, mandatory:			
1200 Appropriation .....	863	3,024	
1900 Budget authority (total) .....	872	3,033	9
1930 Total budgetary resources available .....	887	3,043	24
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	10	15	18
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	83	28	17
3030 Obligations incurred, unexpired accounts .....	877	3,028	6
3040 Outlays (gross) .....	-914	-3,039	-12
3081 Recoveries of prior year unpaid obligations, expired .....	-18		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	28	17	11
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	9	9	9
Outlays, gross:			
4010 Outlays from new discretionary authority .....	9	7	7
4011 Outlays from discretionary balances .....	42	8	5
4020 Outlays, gross (total) .....	51	15	12
Mandatory:			
4090 Budget authority, gross .....	863	3,024	
Outlays, gross:			
4100 Outlays from new mandatory authority .....	863	3,024	
4180 Budget authority, net (total) .....	872	3,033	9
4190 Outlays, net (total) .....	914	3,039	12

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 86-0200-0-1-371	2010 actual	CR	2012 est.
Direct loan levels supportable by subsidy budget authority:			
115001 GI/SRI Direct Loans .....		1	1
115999 Total direct loan levels .....		1	1
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Multifamily Development .....	2,726	4,000	4,371
215002 221(d)(3) Cooperatives .....	129	35	35
215003 Tax Credit New Construction .....	839	1,000	1,264
215004 238(c) Military Impact Area .....	87	85	
215005 Apartments Refinance .....	6,726	7,000	6,175
215006 241 Supplemental Loans .....	13	9	18
215007 Multifamily Operating Loss Loans .....	1		2
215008 Housing Finance Authority Risk Sharing .....	119	200	233
215009 GSE Risk Sharing .....		60	100
215010 Health Care and Nursing Homes .....	640	500	598
215011 Health Care Refinances .....	2,340	3,500	6,106
215012 Hospitals .....	1,719	2,500	2,930
215013 Other Rental .....	582	750	627
215017 Title 1 Property Improvement .....	61	154	170
215018 Title 1 Manufactured Housing .....	87	59	65
215022 Standby Authority .....		148	2,306
215999 Total loan guarantee levels .....	16,069	20,000	25,000
Guaranteed loan subsidy (in percent):			
232001 Multifamily Development .....	-1.63	-1.88	-1.09
232002 221(d)(3) Cooperatives .....	6.61	10.74	11.81
232003 Tax Credit New Construction .....	-3.58	-3.45	-2.30
232004 238(c) Military Impact Area .....	0.43	0.04	0.00
232005 Apartments Refinance .....	-3.87	-3.40	-2.17
232006 241 Supplemental Loans .....	2.10	5.40	5.01
232007 Multifamily Operating Loss Loans .....	23.40	21.63	20.57
232008 Housing Finance Authority Risk Sharing .....	-1.61	-1.42	-0.99

232009 GSE Risk Sharing .....	0.00	-1.43	-0.99
232010 Health Care and Nursing Homes .....	-0.53	-0.65	-1.34
232011 Health Care Refinances .....	-2.29	-1.51	-1.96
232012 Hospitals .....	-4.28	-3.67	-3.82
232013 Other Rental .....	-2.95	-3.10	-1.70
232017 Title 1 Property Improvement .....	-0.77	-0.76	-0.67
232018 Title 1 Manufactured Housing .....	-0.51	-0.99	-2.14
232999 Weighted average subsidy rate .....	-2.96	-2.60	-1.85
Guaranteed loan subsidy budget authority:			
233001 Multifamily Development .....	-45	-75	-48
233002 221(d)(3) Cooperatives .....	9	4	4
233003 Tax Credit New Construction .....	-31	-34	-29
233005 Apartments Refinance .....	-261	-238	-134
233006 241 Supplemental Loans .....			1
233008 Housing Finance Authority Risk Sharing .....	-2	-3	-2
233009 GSE Risk Sharing .....		-1	-1
233010 Health Care and Nursing Homes .....	-3	-3	-8
233011 Health Care Refinances .....	-54	-53	-120
233012 Hospitals .....	-74	-92	-112
233013 Other Rental .....	-18	-23	-11
233017 Title 1 Property Improvement .....		-1	-1
233018 Title 1 Manufactured Housing .....	-1	-1	-1
233999 Total subsidy budget authority .....	-480	-520	-461
Guaranteed loan subsidy outlays:			
234001 Multifamily Development .....	-53	-64	-55
234002 221(d)(3) Cooperatives .....	9	3	4
234003 Tax Credit New Construction .....	-25	-40	-30
234005 Apartments Refinance .....	-246	-221	-160
234006 241 Supplemental Loans .....		1	1
234007 Multifamily Operating Loss Loans .....	1		
234008 Housing Finance Authority Risk Sharing .....	-2	-3	-2
234009 GSE Risk Sharing .....		-1	-1
234010 Health Care and Nursing Homes .....	-4	-3	-7
234011 Health Care Refinances .....	-60	-48	-103
234012 Hospitals .....	-41	-108	-107
234013 Other Rental .....	-18	-20	-14
234017 Title 1 Property Improvement .....		-1	-1
234018 Title 1 Manufactured Housing .....	-1		-1
234999 Total subsidy outlays .....	-440	-505	-476
Guaranteed loan upward reestimates:			
235023 GI/SRI Reestimates .....	863	3,024	
235999 Total upward reestimate budget authority .....	863	3,024	
Guaranteed loan downward reestimates:			
237023 GI/SRI Reestimates .....	-164	-542	
237999 Total downward reestimate subsidy budget authority .....	-164	-542	
Administrative expense data:			
3580 Outlays from balances .....	36		

This account includes budget authority and outlays for FHA's General Insurance and Special Risk Insurance Fund programs requiring positive credit subsidies, including credit subsidy reestimates and modifications. In 2009 the Department consolidated the bulk of new issuance activity for FHA single family programs under the Mutual Mortgage Insurance (MMI) Fund, pursuant to the Housing and Economic Recovery Act of 2008 (P.L. 10-289), shifting several programs—including condominium mortgage insurance and Home Equity Conversion Mortgage (HECM) insurance—that had previously been administered through this account into the MMI Fund. This account no longer includes appropriations for administrative contract costs, which were moved to the MMI Fund in 2010. The Budget assumes that HUD will administratively suspend the Section 238(c) program in 2012. The Section 238(c) program provides single family mortgage insurance similar to MMI for a small number of families in areas affected by military installations. The elimination of Section 238(c) will not negatively impact the availability of FHA insured financing in the six counties currently covered under this program.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with loan guarantees committed or direct loans obligated in 1992 and thereafter. The subsidy amounts are estimated on a present value basis.

## FHA-GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 86-4077-0-3-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0003 Other capital investments and operating expenses .....	212	172	118
0009 Asset Sale Modification Savings (Liquidating) .....		3	3
0014 Contract Costs .....	24	11	11
0091 Subtotal .....	236	186	132
Credit program obligations:			
0711 Default claim payments on principal .....	1,829	2,419	2,326
0712 Default claim payments on interest .....	13		
0713 Payment of interest to Treasury .....	144	125	127
0740 Negative subsidy obligations .....	490	524	467
0741 Modification savings .....	17	39	
0742 Downward reestimate paid to receipt account .....	89	240	
0743 Interest on downward reestimates .....	75	302	
0791 Direct program activities, subtotal .....	2,657	3,649	2,920
0900 Total new obligations .....	2,893	3,835	3,052
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	6,859	7,320	9,344
1021 Recoveries of prior year unpaid obligations .....	8		
1050 Unobligated balance (total) .....	6,867	7,320	9,344
Financing authority:			
Appropriations, mandatory:			
1200 Appropriation .....	7		
Borrowing authority, mandatory:			
1400 Borrowing authority .....	790	800	800
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	2,740	5,259	2,611
1801 Change in uncollected payments, Federal sources .....	-2		
1825 Spending authority from offsetting collections applied to repay debt .....	-189	-200	-200
1850 Spending auth from offsetting collections, mand (total) .....	2,549	5,059	2,411
1900 Financing authority (total) .....	3,346	5,859	3,211
1930 Total budgetary resources available .....	10,213	13,179	12,555
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	7,320	9,344	9,503
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	255	334	425
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-2		
3020 Obligated balance, start of year (net) .....	253	334	425
3030 Obligations incurred, unexpired accounts .....	2,893	3,835	3,052
3040 Financing disbursements (gross) .....	-2,806	-3,744	-3,111
3050 Change in uncollected pymts, Fed sources, unexpired .....	2		
3080 Recoveries of prior year unpaid obligations, unexpired .....	-8		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	334	425	366
3091 Uncollected pymts, Fed sources, end of year .....			
3100 Obligated balance, end of year (net) .....	334	425	366
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Financing authority, gross .....	3,346	5,859	3,211
Financing disbursements:			
4110 Financing disbursements, gross .....	2,806	3,744	3,111
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Subsidy reestimate from program account .....	-863	-3,024	
4120 Other payments from FHA Accounts .....	-16	-4	-6
4122 Interest on uninvested funds .....	-412	-366	-467
4123 Fees and premiums .....	-753	-800	-919
4123 Recoveries on defaulted mortgages .....	-374	-261	-602
4123 Title I recoveries .....	-12	-3	-2
4123 Single family property recoveries .....	-258	-589	-410
4123 Gross Proceeds from Mortgage Note Sales .....		-212	-188
4123 Multifamily property recoveries .....			-17
4123 Non-Federal Resources-other .....	-52		
4130 Offsets against gross financing auth and disbursements (total) .....	-2,740	-5,259	-2,611
Additional offsets against financing authority only (total):			
4140 Change in uncollected pymts, Fed sources, unexpired .....	2		
4160 Financing authority, net (mandatory) .....	608	600	600
4170 Financing disbursements, net (mandatory) .....	66	-1,515	500

4180 Financing authority, net (total) .....	608	600	600
4190 Financing disbursements, net (total) .....	66	-1,515	500

## Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4077-0-3-371	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	20,000	20,000	25,000
2142 Uncommitted loan guarantee limitation .....	-3,931		
2150 Total guaranteed loan commitments .....	16,069	20,000	25,000
2199 Guaranteed amount of guaranteed loan commitments .....	15,863	19,701	22,671
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	123,914	131,194	140,373
2231 Disbursements of new guaranteed loans .....	18,445	17,113	23,956
2251 Repayments and prepayments .....	-9,323	-5,515	-6,936
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-975	-1,379	-1,355
2262 Terminations for default that result in acquisition of property .....	-622	-613	-472
2263 Terminations for default that result in claim payments .....	-245	-427	-499
2290 Outstanding, end of year .....	131,194	140,373	155,067
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	128,429	137,970	152,146
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	1,459	1,783	2,521
2331 Disbursements for guaranteed loan claims .....	975	1,379	1,355
2351 Repayments of loans receivable .....	-315	-231	-256
2361 Write-offs of loans receivable .....	-336	-410	-580
2390 Outstanding, end of year .....	1,783	2,521	3,040

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and thereafter (including modifications of loan guarantees that resulted from commitments in any year) for FHA's General and Special Risk Insurance Fund programs. The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

## Balance Sheet (in millions of dollars)

Identification code 86-4077-0-3-371	2009 actual	2010 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	7,111	7,652
Investments in US securities:		
1106 Receivables, net .....	397	2,396
Non-Federal assets:		
1201 Investments in non-Federal securities, net .....	132	126
1206 Receivables, net .....	3	36
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross .....	1,459	1,783
1502 Interest receivable .....	418	526
1504 Foreclosed property .....	312	423
1505 Allowance for subsidy cost .....	-763	-882
1599 Net value of assets related to defaulted guaranteed loan .....	1,426	1,850
1901 Other Federal assets: Other assets .....	7	5
1999 Total assets .....	9,076	12,065
<b>LIABILITIES:</b>		
Federal liabilities:		
2101 Accounts payable Intragovernmental .....	1,733	546
2103 Debt .....	1,770	2,358
Non-Federal liabilities:		
2201 Accounts payable .....	57	163
2203 Debt .....		13
2204 Liabilities for loan guarantees .....	5,433	8,872
2207 Other .....	83	113
2999 Total liabilities .....	9,076	12,065

4999	Total liabilities and net position .....	9,076	12,065
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**FHA-GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-4105-0-3-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0710	Direct loan obligations .....	1	1
0900	Total new obligations .....	1	1
<b>Budgetary Resources:</b>			
Financing authority:			
Borrowing authority, mandatory:			
1400	Borrowing authority .....	1	1
Spending authority from offsetting collections, mandatory:			
1800	Collected .....	1	1
1825	Spending authority from offsetting collections applied to repay debt .....	-1	-1
1850	Spending auth from offsetting collections, mand (total) .....		
1900	Financing authority(total) .....	1	1
1930	Total budgetary resources available .....	1	1
<b>Change in obligated balance:</b>			
3030	Obligations incurred, unexpired accounts .....	1	1
3040	Financing disbursements (gross) .....	-1	-1
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090	Financing authority, gross .....	1	1
Financing disbursements:			
4110	Financing disbursements, gross .....	1	1
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123	Repayment of Principal .....	-1	-1
4160	Financing authority, net (mandatory) .....		
4170	Financing disbursements, net (mandatory) .....		
4180	Financing authority, net (total) .....		
4190	Financing disbursements, net (total) .....		

**Status of Direct Loans** (in millions of dollars)

Identification code 86-4105-0-3-371	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans .....	20	20
1142	Unobligated direct loan limitation (-) .....	-19	-19
1150	Total direct loan obligations .....	1	1

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and thereafter (including loan modifications) for FHA's General Insurance and Special Risk Insurance Fund programs. The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

**FHA-LOAN GUARANTEE RECOVERY FUND FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-4106-0-3-371	2010 actual	CR	2012 est.
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	4	4
1930	Total budgetary resources available .....	4	4
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	4	4

**Change in obligated balance:**

Obligated balance, start of year (net):			
3010	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	-1
Obligated balance, end of year (net):			
3091	Uncollected pymts, Fed sources, end of year .....	-1	-1
4180	Financing authority, net (total) .....		
4190	Financing disbursements, net (total) .....		

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 86-4106-0-3-371	2010 actual	CR	2012 est.
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year .....	5	7
2231	Disbursements of new guaranteed loans .....	2	1
2251	Repayments and prepayments .....	-2	-2
2290	Outstanding, end of year .....	7	6
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	7	6

Section 4 of the Church Arson Prevention Act of 1996 (P.L. 104-155), entitled "Loan Guarantee Recovery Fund," authorizes the Secretary of Housing and Urban Development to guarantee loans made by financial institutions to assist certain non-profit organizations that were damaged as a result of acts of arson or terrorism. The most recent loan was made in 2007 and a default payment was made in 2009. Another default payment is scheduled to be made in the early period of fiscal year 2011. As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and thereafter. The amounts in this account are a means of financing and are not included in the budget totals. As required by the Federal Credit Reform Act of 1990, no administrative expenses can be recorded in the financing account.

**Balance Sheet** (in millions of dollars)

Identification code 86-4106-0-3-371	2009 actual	2010 actual
<b>ASSETS:</b>		
1101	Federal assets: Fund balances with Treasury .....	3
1999	Total assets .....	3
<b>LIABILITIES:</b>		
2204	Non-Federal liabilities: Liabilities for loan guarantees .....	3
2999	Total liabilities .....	3
4999	Total liabilities and net position .....	3

**FHA-GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-4072-0-3-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0101	Interest on Debentures .....	8	8
0102	Assignment of mortgages .....	2	16
0104	Mark-To-Market Restructures .....	7	15
0105	Acquisition of real properties .....	2	1
0110	Capitalized Expenses .....	2	3
0111	Escrow Advances .....	85	75
0112	Upfront Grants .....	6	6
0113	Other .....	6	5
0900	Total new obligations .....	112	129
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	187	215
1021	Recoveries of prior year unpaid obligations .....	3	
1022	Capital transfer of unobligated balances to general fund .....	-187	-215
1050	Unobligated balance (total) .....	3	

FHA-GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING  
ACCOUNT—Continued

Program and Financing—Continued

Identification code 86-4072-0-3-371	2010 actual	CR	2012 est.
<b>Budget authority:</b>			
Appropriations, mandatory:			
1200 Appropriation .....	101	71	30
1236 Appropriations applied to repay debt .....		-42	
1260 Appropriations, mandatory (total) .....	101	29	30
Borrowing authority, mandatory:			
1400 Borrowing authority .....	10	100	50
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	240	123	112
1820 Capital transfer of spending authority from offsetting collections to general fund .....		-65	-18
1825 Spending authority from offsetting collections applied to repay debt .....	-27	-58	-50
1850 Spending auth from offsetting collections, mand (total) .....	213		44
1900 Budget authority (total) .....	324	129	124
1930 Total budgetary resources available .....	327	129	124
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	215		
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	470	443	426
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	-1	-1
3020 Obligated balance, start of year (net) .....	469	442	425
3030 Obligations incurred, unexpired accounts .....	112	129	124
3040 Outlays (gross) .....	-136	-146	-140
3080 Recoveries of prior year unpaid obligations, unexpired .....	-3		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	443	426	410
3091 Uncollected pymts, Fed sources, end of year .....	-1	-1	-1
3100 Obligated balance, end of year (net) .....	442	425	409
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	324	129	124
Outlays, gross:			
4100 Outlays from new mandatory authority .....	136	123	117
4101 Outlays from mandatory balances .....		23	23
4110 Outlays, gross (total) .....	136	146	140
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-240	-123	-112
4160 Budget authority, net (mandatory) .....	84	6	12
4170 Outlays, net (mandatory) .....	-104	23	28
4180 Budget authority, net (total) .....	84	6	12
4190 Outlays, net (total) .....	-104	23	28
<b>Memorandum (non-add) entries:</b>			
5000 Total investments, SOY: Federal securities: Par value .....	4		
5001 Total investments, EOY: Federal securities: Par value .....			

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4072-0-3-371	2010 actual	CR	2012 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	3,749	3,033	2,976
2251 Repayments and prepayments .....	-709	-26	-25
<b>Adjustments:</b>			
2261 Terminations for default that result in loans receivable .....	-7	-31	-34
2262 Terminations for default that result in acquisition of property .....			
2290 Outstanding, end of year .....	3,033	2,976	2,917
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	2,427	2,382	2,335
<b>Addendum:</b>			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	2,695	2,601	2,527
2331 Disbursements for guaranteed loan claims .....	7	31	34
2351 Repayments of loans receivable .....	-100	-104	-101

2361 Write-offs of loans receivable .....	-1	-1	-1
2390 Outstanding, end of year .....	2,601	2,527	2,459

The General and Special Risk Insurance funds provide insurance for a large number of specialized mortgage insurance programs, including insurance of loans for property improvements, cooperatives, condominiums, nursing homes, rental housing and nonprofit hospitals.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from loan guarantees committed and direct loans obligated prior to 1992. This account is shown on a cash basis. New insurance and direct loan activity in 1992 and thereafter in the GI/SRI programs are recorded in corresponding program (86-0200) and financing (86-4077 and 86-4105) accounts.

Balance Sheet (in millions of dollars)

Identification code 86-4072-0-3-371	2009 actual	2010 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	652	658
Investments in US securities:		
1102 Treasury securities, par .....	4	
Non-Federal assets:		
1201 Investments in non-Federal securities, net .....	3	3
1206 Receivables, net .....	4	8
1701 Defaulted guaranteed loans, gross .....	2,695	2,601
1702 Interest receivable .....	208	225
1703 Allowance for estimated uncollectible loans and interest (-) .....	-2,178	-1,844
1704 Defaulted guaranteed loans and interest receivable, net .....	725	982
1706 Foreclosed property .....	4	5
1799 Value of assets related to loan guarantees .....	729	987
1999 Total assets .....	1,392	1,656
<b>LIABILITIES:</b>		
Federal liabilities: Federal Accounts payable .....		
2101 .....	3	
Non-Federal liabilities:		
2201 Accounts payable .....	19	7
2203 Debt .....	14	
2204 Liabilities for loan guarantees .....	122	43
2207 Unearned revenue and advances .....	180	179
2999 Total liabilities .....	338	229
<b>NET POSITION:</b>		
3100 Appropriated capital .....	83	98
3300 Cumulative results of operations .....	971	1,329
3999 Total net position .....	1,054	1,427
4999 Total liabilities and net position .....	1,392	1,656

Object Classification (in millions of dollars)

Identification code 86-4072-0-3-371	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
32.0 Land and structures .....	2	1	
33.0 Investments and loans .....	109	128	124
44.0 Repayments to financing account .....	1		
99.9 Total new obligations .....	112	129	124

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4115-0-3-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0102 Loan Management, Liquidations and Property Dispositions .....	3	8	8
0900 Total new obligations (object class 32.0) .....	3	8	8
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	28	16	

1022	Capital transfer of unobligated balances to general fund .....	-28	-16	.....
1050	Unobligated balance (total) .....			
	Budget authority:			
	Spending authority from offsetting collections, mandatory:			
1800	Collected .....	592	650	550
1820	Capital transfer of spending authority from offsetting collections to general fund .....	-573	-642	-542
1850	Spending auth from offsetting collections, mand (total) .....	19	8	8
1930	Total budgetary resources available .....	19	8	8
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	16		

**Change in obligated balance:**

	Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	5	6	4
3030	Obligations incurred, unexpired accounts .....	3	8	8
3040	Outlays (gross) .....	-2	-10	-8
	Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	6	4	4

**Budget authority and outlays, net:**

	Mandatory:			
4090	Budget authority, gross .....	19	8	8
	Outlays, gross:			
4100	Outlays from new mandatory authority .....		4	4
4101	Outlays from mandatory balances .....	2	6	4
4110	Outlays, gross (total) .....	2	10	8
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4123	Non-Federal sources .....	-592	-650	-550
4160	Budget authority, net (mandatory) .....	-573	-642	-542
4170	Outlays, net (mandatory) .....	-590	-640	-542
4180	Budget authority, net (total) .....	-573	-642	-542
4190	Outlays, net (total) .....	-590	-640	-542

**Status of Direct Loans** (in millions of dollars)

Identification code 86-4115-0-3-371	2010 actual	CR	2012 est.	
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....	3,506	3,188	2,788
1251	Repayments: Repayments and prepayments .....	-308	-400	-400
1264	Write-offs for default: Other adjustments, net (+ or -) .....	-10		
1290	Outstanding, end of year .....	3,188	2,788	2,388

The Housing for the Elderly or Handicapped Loan Fund was established pursuant to section 202 of the Housing Act of 1959, as amended. The fund provided direct loans to non-profit organizations sponsoring the construction and management of rental housing for the elderly or non-elderly persons with disabilities. No new loan commitments were made after 1991; however, projects developed under it continue to operate. After April 1, 1992, all projects for which there were administrative reservations converted to the capital advance assistance program. Any remaining activity for the loan program includes amendments for projects reaching final endorsement.

As required by the Federal Credit Reform Act of 1990, this account records all cash flows to and from the Government resulting from this program.

**Balance Sheet** (in millions of dollars)

Identification code 86-4115-0-3-371	2009 actual	2010 actual	
	ASSETS:		
1101	Federal assets: Fund balances with Treasury .....	33	22
1206	Non-Federal assets: Interest Receivable: Public .....	38	33
1601	Direct loans, gross .....	3,506	3,188
1603	Allowance for estimated uncollectible loans and interest (-) .....	-13	-13
1604	Direct loans and interest receivable, net .....	3,493	3,175
1606	Acquired Real Property .....	1	3
1699	Value of assets related to direct loans .....	3,494	3,178
1999	Total assets .....	3,565	3,233
	LIABILITIES:		
2207	Non-Federal liabilities: Other .....	4	5

2999	Total liabilities .....	4	5
	NET POSITION:		
3100	Unexpended Appropriations .....	14	12
3300	Revolving Fund: Cumulative results of operations .....	3,547	3,216
3999	Total net position .....	3,561	3,228
4999	Total liabilities and net position .....	3,565	3,233

**Trust Funds**

**MANUFACTURED HOUSING FEES TRUST FUND**

**Special and Trust Fund Receipts** (in millions of dollars)

Identification code 86-8119-0-7-376	2010 actual	CR	2012 est.	
0100	Balance, start of year .....			
	Receipts:			
0240	General Fund Payment, Manufactured Housing Fee Trust Fund .....	9	9	7
0260	Mobile Home Inspection and Monitoring Fees, Manufactured Housing Fee Trust Fund .....	3	7	7
0299	Total receipts and collections .....	12	16	14
0400	Total: Balances and collections .....	12	16	14
	Appropriations:			
0500	Manufactured Housing Fees Trust Fund .....	-12	-16	-14
0799	Balance, end of year .....			

**Program and Financing** (in millions of dollars)

Identification code 86-8119-0-7-376	2010 actual	CR	2012 est.	
	Obligations by program activity:			
0002	Other program costs .....	9	16	14
0900	Total new obligations (object class 25.2) .....	9	16	14
	Budgetary Resources:			
	Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	3	6	6
	Budget authority:			
	Appropriations, discretionary:			
1102	Appropriation (trust fund) .....	12	16	14
1930	Total budgetary resources available .....	15	22	20
	Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	6	6	6

**Change in obligated balance:**

	Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	2	5	10
3030	Obligations incurred, unexpired accounts .....	9	16	14
3040	Outlays (gross) .....	-6	-11	-17
	Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	5	10	7

**Budget authority and outlays, net:**

	Discretionary:			
4000	Budget authority, gross .....	12	16	14
	Outlays, gross:			
4010	Outlays from new discretionary authority .....		7	6
4011	Outlays from discretionary balances .....	6	4	11
4020	Outlays, gross (total) .....	6	11	17
4180	Budget authority, net (total) .....	12	16	14
4190	Outlays, net (total) .....	6	11	17

The National Manufactured Housing Construction and Safety Standards Act of 1974, as amended, authorizes the development and enforcement of appropriate standards for the construction, design, and performance of manufactured homes to assure their quality, durability, affordability, and safety. All manufactured homes produced, since the standards took effect in 1976, must comply with Federal construction and safety standards. States are actively encouraged to participate in the program under compliance plans approved by HUD. New program requirements mandated by the Manufactured Housing Improvement Act of

MANUFACTURED HOUSING FEES TRUST FUND—Continued

2000 include procurement of an Administering Organization, formation of a Consensus Committee to recommend revisions to and interpretations of the manufactured housing standards, development and implementation of standards for installation of manufactured housing, and development and implementation of a dispute resolution program.

Fees are charged to the manufacturers for each transportable section produced and may be charged to any dispute resolution and installation program participant. In prior years, this fee income was sufficient to fully support program operations. However, due to a substantial reduction in manufactured housing production rates in recent years, fee collections have been insufficient to maintain program requirements. The 2012 Budget proposes to fund the costs of authorized activities necessary to carry out all aspects of the manufactured housing legislation with approximately \$7 million in estimated fees and a direct appropriation of \$7 million.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION**

The Government National Mortgage Association (GNMA) was formed by Congress in 1968. It is a wholly owned government corporation within the U.S. Department of Housing and Urban Development (HUD). It was established to support Federal housing initiatives by providing liquidity to the secondary mortgage market and to attract capital from the global capital markets for the nation's mortgage markets. Its primary function is to guarantee the timely payment of principal and interest on Mortgage-Backed Securities (MBS) that are backed by loans insured or guaranteed by the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), Rural Development in the U.S. Department of Agriculture, and HUD's Office of Public and Indian Housing.

**Federal Funds**

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

*New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed \$500,000,000, to remain available until September 30, 2013: Provided, That, \$30,000,000 shall remain available until expended for personnel compensation and benefits, and other administrative expenses of the Government National Mortgage Association: Provided further, That, to the extent that guaranteed loan commitments will and do exceed \$300,000,000, an additional \$100 for personnel compensation and benefits, and administrative expenses shall be available until expended for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000): Provided further, That receipts from Commitment and Multiclass fees collected pursuant to Title III of the National Housing Act, as amended, shall be credited as offsetting collections to this account.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Special and Trust Fund Receipts** (in millions of dollars)

Identification code 86-0186-0-1-371	2010 actual	CR	2012 est.
0100 Balance, start of year .....	4,373	5,377	6,062
Adjustments:			
0191 Adjustment - Treasury reconciliation .....	11		
0199 Balance, start of year .....	4,384	5,377	6,062

Receipts:				
0220	GNMA-guarantees of Mortgage Backed Securities Guarantee Loans, Negative Subsidies .....	1,004	696	528
0400	Total: Balances and collections .....	5,388	6,073	6,590
Appropriations:				
0500	Office of the Government National Mortgage Association Personnel Compensation and Benefits .....	-11	-11	
0799	Balance, end of year .....	5,377	6,062	6,590

**Program and Financing** (in millions of dollars)

Identification code 86-0186-0-1-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0707	Reestimates of loan guarantee subsidy .....	684	
0708	Interest on reestimates of loan guarantee subsidy .....	36	
0709	Administrative expenses .....		30
0900	Total new obligations .....	720	30
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....		1
1029	Other balances withdrawn .....		-1
1050	Unobligated balance (total) .....		
Budget authority:			
Appropriations, mandatory:			
1200	Appropriation .....	721	
Spending authority from offsetting collections, discretionary:			
1700	Collected .....		100
1725	Spending authority from offsetting collections precluded from obligation (limitation on obligations) .....		-70
1750	Spending auth from offsetting collections, disc (total) .....		30
1900	Budget authority (total) .....	721	30
1930	Total budgetary resources available .....	721	30
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	1	
<b>Change in obligated balance:</b>			
3030	Obligations incurred, unexpired accounts .....	720	30
3040	Outlays (gross) .....	-721	-27
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....		30
Outlays, gross:			
4010	Outlays from new discretionary authority .....		27
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033	Non-Federal sources .....		-100
4070	Budget authority, net (discretionary) .....		-70
4080	Outlays, net (discretionary) .....		-73
Mandatory:			
4090	Budget authority, gross .....	721	
Outlays, gross:			
4100	Outlays from new mandatory authority .....	721	
4180	Budget authority, net (total) .....	721	-70
4190	Outlays, net (total) .....	721	-73
<b>Memorandum (non-add) entries:</b>			
5091	Unavailable balance, EOY: Offsetting collections .....		70

**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program** (in millions of dollars)

Identification code 86-0186-0-1-371	2010 actual	CR	2012 est.	
Guaranteed loan levels supportable by subsidy budget authority:				
215001	Guarantees of Mortgage-Backed Securities .....	412,953	290,000	278,000
215999	Total loan guarantee levels .....	412,953	290,000	278,000
Guaranteed loan subsidy (in percent):				
232001	Guarantees of Mortgage-Backed Securities .....	-0.24	-0.24	-0.19
232999	Weighted average subsidy rate .....	-0.24	-0.24	-0.19
Guaranteed loan subsidy budget authority:				
233001	Guarantees of Mortgage-Backed Securities .....	-991	-696	-528
233999	Total subsidy budget authority .....	-991	-696	-528
Guaranteed loan subsidy outlays:				
234001	Guarantees of Mortgage-Backed Securities .....	-991	-696	-528

234999	Total subsidy outlays .....	-991	-696	-528
	Guaranteed loan upward reestimates:			
235001	Guarantees of Mortgage-Backed Securities .....		721	
235999	Total upward reestimate budget authority .....		721	
Administrative expense data:				
3510	Budget authority .....			30
3590	Outlays from new authority .....			27

The Budget requests loan commitment authority of \$500 billion in 2012. The Budget also requests \$30 million for the personnel costs of the Government National Mortgage Association (GNMA), to be funded by Commitment and Multiclass fees. Personnel expenses were previously funded in the "Office of Government National Mortgage Association" appropriation under the Management and Administration section of the HUD budget. This request would allow GNMA to increase its staff level to serve two purposes: to strengthen risk management and oversight, and to move in-house some functions performed by contractors. GNMA contractor expenses are funded in its liquidating account and this account will realize lower spending as a result of the movement to in-house services. All cash flows to and from the government are recorded in the financing account on a cash basis. The net present value of such estimated flows for the cohort of credit instruments guaranteed are deposited into the GNMA receipt account.

**Object Classification** (in millions of dollars)

Identification code 86-0186-0-1-371	2010 actual	CR	2012 est.
Direct obligations:			
11.1	Personnel compensation: Full-time permanent .....		24
12.1	Civilian personnel benefits .....		6
41.0	Grants, subsidies, and contributions .....	720	
99.9	Total new obligations .....	720	30

**Employment Summary**

Identification code 86-0186-0-1-371	2010 actual	CR	2012 est.
1001	Direct civilian full-time equivalent employment .....		249

**GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING ACCOUNT**

**Program and Financing** (in millions of dollars)

Identification code 86-4240-0-3-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0003	Advances and other .....	6,751	3,655
0004	Operating expenses .....	90	234
0005	Excess receipt account payment .....	11	
0091	Subtotal - Advances and Operating Expenses .....	6,852	3,889
0608	Underreporting of credit subsidy .....	2	
Credit program obligations:			
0740	Negative subsidy obligations .....	991	528
0900	Total new obligations .....	7,845	4,391
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	735	952
1010	Unobligated balance transferred to other accounts .....		-200
1011	Unobligated balance transferred from other accounts .....	6,000	
1050	Unobligated balance (total) .....	6,735	508
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800	Collected .....	2,064	4,544
1801	Change in uncollected payments, Federal sources .....	-2	-3
1850	Spending auth from offsetting collections, mand (total) .....	2,062	4,541
1930	Total budgetary resources available .....	8,797	4,495

Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	952	708
			104

**Change in obligated balance:**

Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	137	320
3010	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-5	-3
3020	Obligated balance, start of year (net) .....	132	317
3030	Obligations incurred, unexpired accounts .....	7,845	4,585
3040	Financing disbursements (gross) .....	-7,662	-4,546
3050	Change in uncollected pymts, Fed sources, unexpired .....	2	3
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	320	359
3091	Uncollected pymts, Fed sources, end of year .....	-3	-2
3100	Obligated balance, end of year (net) .....	317	359

**Financing authority and disbursements, net:**

Mandatory:			
4090	Financing authority, gross .....	2,062	4,541
Financing disbursements:			
4110	Financing disbursements, gross .....	7,662	4,546
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120	Federal sources .....		-721
4122	Interest on uninvested funds .....	-45	-63
4123	Guarantee Fees .....	-568	-679
4123	Commitment and other fees .....	-78	-79
4123	Multiclass fees .....	-63	-57
4123	Repayment of advances .....	-1,197	-2,513
4123	Servicing Fees .....	-94	-96
4123	Repayment on Mortgages .....		-295
4123	Other interest .....	-19	-41
4130	Offsets against gross financing auth and disbursements (total) .....	-2,064	-4,544
Additional offsets against financing authority only (total):			
4140	Change in uncollected pymts, Fed sources, unexpired .....	2	3
4160	Financing authority, net (mandatory) .....		
4170	Financing disbursements, net (mandatory) .....	5,598	2
4180	Financing authority, net (total) .....		
4190	Financing disbursements, net (total) .....	5,598	2

**Status of Guaranteed Loans** (in millions of dollars)

Identification code 86-4240-0-3-371	2010 actual	CR	2012 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders .....	500,000	500,000
2121	Limitation available from carry-forward .....	95,057	182,104
2142	Uncommitted loan guarantee limitation .....		-114,104
2143	Uncommitted limitation carried forward .....	-182,104	-392,104
2150	Total guaranteed loan commitments .....	412,953	290,000
2199	Guaranteed amount of guaranteed loan commitments .....	412,953	290,000
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year .....	826,017	1,046,179
2231	Disbursements of new guaranteed loans .....	412,953	290,000
2251	Repayments and prepayments .....	-192,791	-99,429
2290	Outstanding, end of year .....	1,046,179	1,236,750

Memorandum:

2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	1,046,179	1,236,750
			1,322,901

This non-budgetary account records all cash flows to and from the Government resulting from the loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals. No administrative expenses can be recorded in the financing account.

**Balance Sheet** (in millions of dollars)

Identification code 86-4240-0-3-371	2009 actual	2010 actual
ASSETS:		
1101	Federal assets: Fund balances with Treasury .....	868
1206	Non-Federal assets: Receivables, net .....	50
		1,270
		1,412

**GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING  
ACCOUNT—Continued  
Balance Sheet—Continued**

Identification code 86-4240-0-3-371	2009 actual	2010 actual
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	246	5,732
1405 Allowance for subsidy cost (-) .....	-100	-340
1499 Net present value of assets related to direct loans .....	146	5,392
1803 Other Federal assets: Property, plant and equipment, net .....	902	
1999 Total assets .....	1,966	8,074
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201 Accounts payable .....	182	206
2207 Other .....	902	1,742
2999 Total liabilities .....	1,084	1,948
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....	882	6,126
3999 Total net position .....	882	6,126
4999 Total liabilities and net position .....	1,966	8,074

**GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING ACCOUNT  
Program and Financing (in millions of dollars)**

Identification code 86-4238-0-3-371	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Administrative contract expenses .....	126	198	170
0003 Servicing expenses .....	36	46	45
0091 Direct program activities, subtotal .....	162	244	215
0101 Advances of guaranty payments .....	1	11	11
0900 Total new obligations .....	163	255	226
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	9,213	3,508	3,578
1010 Unobligated balance transferred to other accounts .....	-6,000		
1011 Unobligated balance transferred from other accounts .....		200	200
1050 Unobligated balance (total) .....	3,213	3,708	3,778
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	479	134	179
1801 Change in uncollected payments, Federal sources .....	-21	-9	-8
1850 Spending auth from offsetting collections, mand (total) .....	458	125	171
1930 Total budgetary resources available .....	3,671	3,833	3,949
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	3,508	3,578	3,723
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	38	56	53
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-41	-20	-11
3020 Obligated balance, start of year (net) .....	-3	36	42
3030 Obligations incurred, unexpired accounts .....	163	255	226
3040 Outlays (gross) .....	-145	-258	-271
3050 Change in uncollected pymts, Fed sources, unexpired .....	21	9	8
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	56	53	8
3091 Uncollected pymts, Fed sources, end of year .....	-20	-11	-3
3100 Obligated balance, end of year (net) .....	36	42	5
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	458	125	171
Outlays, gross:			
4100 Outlays from new mandatory authority .....	145	125	171
4101 Outlays from mandatory balances .....		133	100
4110 Outlays, gross (total) .....	145	258	271
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4121 Interest on Federal securities .....	-478	-125	-170

4123 Non-Federal sources .....	-1	-9	-9
4130 Offsets against gross budget authority and outlays (total) ....	-479	-134	-179
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired .....	21	9	8
4160 Budget authority, net (mandatory) .....			
4170 Outlays, net (mandatory) .....	-334	124	92
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....	-334	124	92
<b>Memorandum (non-add) entries:</b>			
5000 Total investments, SOY: Federal securities: Par value .....	9,257	3,561	3,341
5001 Total investments, EOY: Federal securities: Par value .....	3,561	3,341	3,357

**Status of Direct Loans (in millions of dollars)**

Identification code 86-4238-0-3-371	2010 actual	CR	2012 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	12	9	8
1232 Disbursements: Purchase of loans assets from the public .....	1	9	9
1252 Repayments: Proceeds from loan asset sales to the public or discounted .....	-1	-9	-9
1263 Write-offs for default: Direct loans .....	-3	-1	-4
1290 Outstanding, end of year .....	9	8	4

**Status of Guaranteed Loans (in millions of dollars)**

Identification code 86-4238-0-3-371	2010 actual	CR	2012 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	27	9	4
2251 Repayments and prepayments .....	-18	-5	-2
2290 Outstanding, end of year .....	9	4	2
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	9	4	2

This liquidating account records, for this program, all cash flows to and from the Government resulting from MMI/CMHI loans insured prior to 1992 and is shown on a cash basis. All new activity in this program in 1992 and thereafter (including modifications of loans insured in any year) is recorded in the corresponding program and financing accounts.

**Balance Sheet (in millions of dollars)**

Identification code 86-4238-0-3-371	2009 actual	2010 actual
<b>ASSETS:</b>		
Federal assets:		
Investments in US securities:		
1102 Treasury securities, par .....	9,236	3,498
1106 Receivables, net .....	41	20
1206 Non-Federal assets: Receivables, net .....	11	
1601 Direct loans, gross .....	13	9
1603 Allowance for estimated uncollectible loans and interest (-) .....	-19	-8
1699 Value of assets related to direct loans .....	-6	1
1901 Other Federal assets: Other assets .....	40	89
1999 Total assets .....	9,322	3,608
<b>LIABILITIES:</b>		
Non-Federal liabilities:		
2201 Accounts payable .....	38	56
2207 Other .....	515	515
2999 Total liabilities .....	553	571
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....	8,769	3,037
3999 Total net position .....	8,769	3,037
4999 Total liabilities and net position .....	9,322	3,608

**Object Classification (in millions of dollars)**

Identification code 86-4238-0-3-371	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services from non-federal sources .....	162	244	215

33.0	Investments and loans .....	1	11	11
99.9	Total new obligations .....	163	255	226

**POLICY DEVELOPMENT AND RESEARCH**

*Federal Funds*

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary of Housing and Urban Development under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, \$57,000,000, to remain available until September 30, 2013: Provided, That, with respect to amounts made available under this heading, notwithstanding section 204 of this title, the Secretary may enter into cooperative agreements funded with philanthropic entities, other federal agencies, or state or local governments and their agencies for research projects: Provided further, That, with respect to the previous proviso, such partners to the cooperative agreements must contribute substantial resources, as defined by the Secretary, toward the cost of the project.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0108-0-1-451	2010 actual	CR	2012 est.	
<b>Obligations by program activity:</b>				
0001	Contracts, Grants and Cooperative Agreements .....	49	49	57
0002	University Programs .....	1		
0003	Housing Choice Voucher Admin Study .....	1		
0004	Technology Related to Disaster Prone Areas Study .....	2		
0900	Total new obligations .....	53	49	57
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	6	1	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	48	48	57
1930	Total budgetary resources available .....	54	49	57
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	1		
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	79	63	50
3030	Obligations incurred, unexpired accounts .....	53	49	57
3040	Outlays (gross) .....	-69	-62	-71
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	63	50	36
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	48	48	57
Outlays, gross:				
4010	Outlays from new discretionary authority .....	41	35	42
4011	Outlays from discretionary balances .....	28	27	29
4020	Outlays, gross (total) .....	69	62	71
4180	Budget authority, net (total) .....	48	48	57
4190	Outlays, net (total) .....	69	62	71

The Budget requests \$57 million for HUD's Research and Technology program. This request includes \$48 million to restore and enhance various national housing surveys that are rich sources of data on the nation's housing stock, including the American Housing Survey, the Survey of New Home Sales and Completions, the Survey of Market Absorption of Multifamily Units, the Survey of New Manufactured Housing Placements, and the Multifamily Residential Housing Survey. Also included

in the request is \$7 million for research dissemination activities, \$1.5 million to support the collection and validation of performance data and development of performance metrics in support of HUD's Strategic Plan, and \$500 thousand for housing finance studies. Program staff will also conduct research as part of HUD's Transformation Initiative and other set-asides.

The Housing and Urban Development Act of 1970 directs the Secretary to undertake programs of research, studies, testing, and demonstrations related to the HUD mission. These functions are carried out internally by Policy Development and Research staff and through contracts with industry, nonprofit research organizations, educational institutions, and through agreements with State and local governments and other Federal agencies.

**Object Classification** (in millions of dollars)

Identification code 86-0108-0-1-451	2010 actual	CR	2012 est.	
Direct obligations:				
25.2	Other services from non-federal sources .....	11	10	12
25.3	Other goods and services from federal sources .....	40	37	43
41.0	Grants, subsidies, and contributions .....	2	2	2
99.9	Total new obligations .....	53	49	57

**FAIR HOUSING AND EQUAL OPPORTUNITY**

*Federal Funds*

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, \$72,000,000, to remain available until September 30, 2013, of which \$42,500,000 shall be to carry out activities pursuant to such section 561: Provided, That notwithstanding 31 U.S.C. 3302, the Secretary may assess and collect fees to cover the costs of the Fair Housing Training Academy, and may use such funds to provide such training: Provided further, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0144-0-1-751	2010 actual	CR	2012 est.	
<b>Obligations by program activity:</b>				
0001	Fair Housing Assistance .....	25	28	35
0002	Fair Housing Initiatives .....	25	45	45
0003	Fair Housing Initiatives TA .....	1	1	
0004	Limited English Proficiency Program .....	1	1	
0900	Total new obligations (object class 41.0) .....	52	75	80
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	23	42	39
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	72	72	72
1120	Appropriations transferred to other accounts .....	-1		
1160	Appropriation, discretionary (total) .....	71	72	72
1930	Total budgetary resources available .....	94	114	111
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	42	39	31
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	48	49	60
3030	Obligations incurred, unexpired accounts .....	52	75	80

FAIR HOUSING ACTIVITIES—Continued  
Program and Financing—Continued

Identification code 86-0144-0-1-751		2010 actual	CR	2012 est.
3040	Outlays (gross) .....	-51	-64	-71
	Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	49	60	69
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	71	72	72
	Outlays, gross:			
4010	Outlays from new discretionary authority .....	6	7	7
4011	Outlays from discretionary balances .....	45	57	64
4020	Outlays, gross (total) .....	51	64	71
4180	Budget authority, net (total) .....	71	72	72
4190	Outlays, net (total) .....	51	64	71

The Budget requests \$72 million for fair housing activities to support efforts to end housing discrimination. Of the amount requested, \$29.5 million is for the Fair Housing Assistance Program (FHAP) and \$42.5 million is for the Fair Housing Initiatives Program (FHIP).

Within this funding is \$2 million for the National Fair Housing Training Academy (NFTHA), which provides comprehensive fair housing and civil rights training for investigators, local agencies, educators, attorneys, industry representatives and other housing industry professionals.

FHAP, authorized by Title VIII of the Civil Rights Act of 1968, as amended, provides funding to State and local agencies to assure prompt and effective processing of Title VIII (Civil Rights Act of 1968) complaints under substantially equivalent State and local fair housing laws. To be eligible for assistance through FHAP, an agency must demonstrate that the fair housing law it administers is substantially equivalent to the Fair Housing Act. It is estimated that there will be a total of 100 FHAP jurisdictions in 2012. The funding requested for FHAP will support fair housing enforcement by funding State and local fair housing organizations to meet the needs of currently underserved populations. It will also address the persistently high rate of discrimination against minorities and people with disabilities as identified by HUD's 2000 Housing Discrimination Study and provide additional support to FHAP agencies on the heels of the State and local budget crisis.

FHIP, authorized by the Housing and Community Development Act of 1987, as amended by the Housing and Community Development Act of 1992, provides funding to States and local governments, and to public and private non-profit organizations that administer programs to prevent or eliminate discriminatory housing practices through enforcement, education, and outreach.

OFFICE OF LEAD HAZARD CONTROL AND  
HEALTHY HOMES

## Federal Funds

## LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as Authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, \$140,000,000, to remain available until September 30, 2013, of which not less than \$40,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related diseases and hazards: Provided, That for purposes of environmental review, pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other provisions of the law that further the purposes of such Act, a grant under the

Healthy Homes Initiative or the Lead Technical Studies program under this heading or under prior appropriations Acts for such purposes under this heading, shall be considered to be funds for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994: Provided further, That amounts made available under this heading in this or prior appropriations Acts, and that still remain available, may be used for any purpose under this heading notwithstanding the purpose for which such amounts were appropriated if a program competition is undersubscribed and there are other program competitions under this heading that are oversubscribed.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

## Program and Financing (in millions of dollars)

Identification code 86-0174-0-1-451		2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>				
0001	Lead Hazard Reduction Grants .....	66	67	67
0002	Lead Technical Studies .....	5	4	4
0003	Healthy Homes .....	19	20	20
0004	Lead Hazard Reduction Demonstration .....	48	48	48
0900	Total new obligations (object class 41.0) .....	138	139	139
<b>Budgetary Resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	140	142	143
1021	Recoveries of prior year unpaid obligations .....	2		
1050	Unobligated balance (total) .....	142	142	143
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	140	140	140
1120	Appropriations transferred to other accounts .....	-1		
1160	Appropriation, discretionary (total) .....	139	140	140
1930	Total budgetary resources available .....	281	282	283
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-1		
1941	Unexpired unobligated balance, end of year .....	142	143	144
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	399	348	304
3030	Obligations incurred, unexpired accounts .....	138	139	139
3040	Outlays (gross) .....	-179	-183	-182
3080	Recoveries of prior year unpaid obligations, unexpired .....	-2		
3081	Recoveries of prior year unpaid obligations, expired .....	-8		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	348	304	261
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	139	140	140
Outlays, gross:				
4010	Outlays from new discretionary authority .....		3	3
4011	Outlays from discretionary balances .....	179	180	179
4020	Outlays, gross (total) .....	179	183	182
4180	Budget authority, net (total) .....	139	140	140
4190	Outlays, net (total) .....	179	183	182

Title X of the Housing and Community Development Act of 1992 (Public Law 102-550), known as the Residential Lead-Based Paint Hazard Reduction Act, authorized the Secretary to establish the Lead-Based Paint Hazard Control Grant Program. The primary purpose of the program is to reduce the exposure of young children to lead-based paint and other environmental hazards in their homes, including protecting them from permanent developmental problems and asthma, and exposure to pesticides and carbon monoxide.

The program is a major part of addressing the number one environmental disease impacting children: lead poisoning. The Budget includes \$96 million for HUD's Lead Hazard Control Program, \$40 million for the Healthy Homes Initiative, and \$4 million for Technical Studies. The Budget also includes a provi-

sion that would allow the transfer of unobligated balances and recaptured funds from undersubscribed competitive programs to other competitive programs experiencing oversubscription. HUD will be requesting authorizing language granting the Secretary authority to carry out investigations, administer oaths, and subpoena documents related to lead hazard investigations.

The Lead Hazard Control Grant Programs provides grants of \$1 million to \$4 million to State and local governments and Indian tribes for control of lead-based paint hazards in low-income rental and owner-occupied housing. The grants are also designed to stimulate the development of a housing maintenance and rehabilitation workforce trained in lead-safe work practices and a certified hazard evaluation and control industry. In awarding grants, HUD promotes the use of new, low-cost approaches to hazard control that can be replicated across the nation. Newly-established programmatic efficiency measures, such as mitigation cost estimates, will help HUD determine best practices and maximize resources.

The Healthy Homes Initiative enables the Department to assess and control housing-related hazards that contribute to childhood diseases and injuries. With funding from this initiative, grantees implement and evaluate methods for controlling two or more housing-related diseases through a single intervention.

The Office of Healthy Homes and Lead Hazard Control will continue its Technical Support program, which includes public education; support for State and local agencies, private property owners, HUD programs and field offices and professional organizations; technical studies to improve program policy and implementation; quality control to ensure that the evaluation and control of lead-based paint hazards is done properly in HUD-assisted housing; and development of standards, technical guidance, regulations and improved testing and hazard control methods.

**OFFICE OF SUSTAINABLE HOUSING AND COMMUNITIES**

*Federal Funds*

*SUSTAINABLE HOUSING AND COMMUNITIES INITIATIVE*

*For a Sustainable Housing and Communities Initiative to improve regional planning efforts that integrate housing and transportation decisions, and increase the capacity to improve land use and zoning, \$150,000,000, to remain available until September 30, 2014: Provided, That \$100,000,000 of the funds made available under this heading shall be for Regional Integrated Planning Grants to support the linking of transportation and land use planning: Provided further, That not less than \$25,000,000 of the funding made available in the previous proviso, shall be awarded to metropolitan areas of less than 500,000: Provided further, That \$40,000,000 of the funds made available under this heading shall be for Community Challenge Planning Grants to foster reform and reduce barriers to achieve affordable, economically vital, and sustainable communities: Provided further, That the Secretary will consult with the Secretary of Transportation in evaluating grant proposals under this heading: Provided further, That up to \$10,000,000 of the funds made available under this heading shall be for a joint Department of Housing and Urban Development and Department of Transportation research effort that shall include a rigorous evaluation of the Regional Integrated Planning Grants and Community Challenge Planning Grants programs, as well as to provide funding for a clearinghouse and capacity-building efforts: Provided further, That of the amount provided in the previous proviso, up to \$5 million is available to develop an Energy Management and Tracking System to include a database of baseline energy consumption of public housing and other HUD-assisted or HUD-financed properties and a Green Capital Investment Analysis to enable HUD to model the short, medium and long-term costs and savings of selected energy efficiency and green building strategies.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continu-

ing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86–0408–0–1–452	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Regional Integrated Planning Grants .....			100
0002 Community Challenge Grants .....			40
0003 Research and Evaluation .....			5
0004 Energy Database .....			5
0900 Total new obligations .....			150
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			150
1930 Total budgetary resources available .....			150
<b>Change in obligated balance:</b>			
3030 Obligations incurred, unexpired accounts .....			150
3040 Outlays (gross) .....			–2
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....			148
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....			150
Outlays, gross:			
4010 Outlays from new discretionary authority .....			2
4180 Budget authority, net (total) .....			150
4190 Outlays, net (total) .....			2

The 2012 Budget requests \$150 million for the Sustainable Housing and Communities Initiative. This program was previously funded in the Community Development Fund in 2010 and 2011. In partnership with the Department of Transportation (DOT) and the Environmental Protection Agency (EPA), the Sustainable Communities Initiative aims to improve the quality of life for families by providing incentives to regions and communities to innovate and develop comprehensive housing and transportation plans that result in sustainable development, reduced greenhouse gases and increased transit-accessible housing. This initiative complements DOT's funding to strengthen state and local infrastructure capacity and EPA's technical assistance, as well as the Administration's 2012 proposal for surface transportation re-authorization. There are three components to this initiative: \$100 million for the Regional Integrated Planning Grants, \$40 million for the Community Challenge Planning Grants, and \$10 million for research, evaluation, capacity building, and data collection and analysis. For 2012, a new component of the initiative provides up to \$5 million to collect and analyze baseline energy consumption data in public housing and other HUD-assisted or HUD-financed housing to better set energy efficiency targets and strategies.

**Object Classification** (in millions of dollars)

Identification code 86–0408–0–1–452	2010 actual	CR	2012 est.
Direct obligations:			
25.5 Research and development contracts .....			10
41.0 Grants, subsidies, and contributions .....			140
99.9 Total new obligations .....			150

**MANAGEMENT AND ADMINISTRATION**

**Federal Funds**

ADMINISTRATION, OPERATIONS AND MANAGEMENT

For necessary salaries and expenses for administration, operations and management for the Department of Housing and Urban Development, \$530,117,000, of which not to exceed \$65,863,000 shall be available for the personnel compensation and benefits of the Office of the Chief Human Capital Officer; not to exceed \$9,149,000 shall be available for the personnel compensation and benefits of the Office of Departmental Operations and Coordination; not to exceed \$47,678,000 shall be available for the personnel compensation and benefits of the Office of Field Policy and Management; not to exceed \$15,705,000 shall be available for the personnel compensation and benefits of the Office of the Chief Procurement Officer; not to exceed \$34,758,000 shall be available for the personnel compensation and benefits of the remaining staff in the Office of the Chief Financial Officer; not to exceed \$88,146,000 shall be available for the personnel compensation and benefits of the remaining staff in the Office of the General Counsel; not to exceed \$3,204,000 shall be available for the personnel compensation and benefits of the Office of Departmental Equal Employment Opportunity; not to exceed \$1,335,000 shall be available for the personnel compensation and benefits for the Center for Faith-Based and Community Initiatives; not to exceed \$4,127,000 shall be available for the personnel compensation and benefits for the Office of Strategic Planning and Management; not to exceed \$5,152,000 shall be available for the personnel compensation and benefits for the Office of Disaster and Emergency Management; and not to exceed \$255,000,000 shall be available for non-personnel expenses of the Department of Housing and Urban Development: Provided, That, funds provided under this heading may be used for necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109: Provided further, That notwithstanding any other provision of law, funds appropriated under this heading may be used for advertising and promotional activities that support the housing mission area.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86–0335–0–1–999	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	200	220	204
0002 Benefits .....	70	67	71
0003 Non-personnel costs .....	247	250	244
0004 Recovery Act Non-personnel costs .....	6	13	4
0005 Headquarters Redesign .....	6	.....	11
0900 Total new obligations .....	529	550	534
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	24	17	4
1010 Unobligated balance transferred to other accounts .....	–1	.....	.....
1012 Expired unobligated bal transferred to unexpired accts .....	6	.....	.....
1050 Unobligated balance (total) .....	29	17	4
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	537	537	530
1120 Appropriations transferred to other accounts .....	–4	.....	.....
1160 Appropriation, discretionary (total) .....	533	537	530
1930 Total budgetary resources available .....	562	554	534
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	–16	.....	.....
1941 Unexpired unobligated balance, end of year .....	17	4	.....
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	104	128	97
3030 Obligations incurred, unexpired accounts .....	529	550	534
3031 Obligations incurred, expired accounts .....	7	.....	.....
3040 Outlays (gross) .....	–504	–581	–552

3081 Recoveries of prior year unpaid obligations, expired .....	–8	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	128	97	79

**Budget authority and outlays, net:**

Discretionary:			
4000 Budget authority, gross .....	533	537	530
Outlays, gross:			
4010 Outlays from new discretionary authority .....	423	458	452
4011 Outlays from discretionary balances .....	81	123	100
4020 Outlays, gross (total) .....	504	581	552
4180 Budget authority, net (total) .....	533	537	530
4190 Outlays, net (total) .....	504	581	552

The Administration, Operations and Management (AOM) account was created by the Consolidated Appropriations Act, 2008. As the largest single administrative account, AOM funds many central Departmental functions, including the Office of the Chief Human Capital Officer, the Office of the Chief Financial Officer, the Office of the Chief Procurement Officer, the Office of Departmental Operations and Coordination, the Office of the General Counsel, the Office of Field Policy Management, the Office of Strategic Planning and Management, the Office of Departmental Equal Employment Opportunity, the Center for Faith-Based and Community Initiatives, and the Office of Disaster and Emergency Management. The AOM account also serves as the primary funding source for all non-personnel expenses, such as travel, overhead expenses (e.g., rent and utilities), contract services, and other functions.

**Object Classification** (in millions of dollars)

Identification code 86–0335–0–1–999	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	193	214	197
11.3 Other than full-time permanent .....	4	2	4
11.5 Other personnel compensation .....	3	3	3
11.9 Total personnel compensation .....	200	219	204
12.1 Civilian personnel benefits .....	70	68	71
21.0 Travel and transportation of persons .....	20	20	19
23.1 Rental payments to GSA .....	101	106	112
23.3 Communications, utilities, and miscellaneous charges .....	27	22	22
24.0 Printing and reproduction .....	4	4	3
25.2 Other services from non-federal sources .....	69	79	70
25.3 Other goods and services from federal sources .....	12	.....	11
25.4 Operation and maintenance of facilities .....	9	13	10
25.7 Operation and maintenance of equipment .....	5	6	6
26.0 Supplies and materials .....	4	4	3
31.0 Equipment .....	7	7	2
42.0 Insurance claims and indemnities .....	1	2	1
99.0 Direct obligations .....	529	550	534
99.9 Total new obligations .....	529	550	534

**Employment Summary**

Identification code 86–0335–0–1–999	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	2,035	2,144	2,000

PERSONNEL COMPENSATION AND BENEFITS

PUBLIC AND INDIAN HOUSING

For necessary personnel compensation and benefits expenses of the Office of Public and Indian Housing, \$189,610,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0337-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	148	158	152
0002 Benefits .....	38	39	38
0003 Recovery Act Personnel costs .....	2	3	2
0900 Total new obligations .....	188	200	192
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	7	5	2
1012 Expired unobligated bal transferred to unexpired accts .....	3		
1050 Unobligated balance (total) .....	10	5	2
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	197	197	190
1120 Appropriations transferred to other accounts .....	-6		
1160 Appropriation, discretionary (total) .....	191	197	190
1930 Total budgetary resources available .....	201	202	192
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-8		
1941 Unexpired unobligated balance, end of year .....	5	2	
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	10	10	3
3030 Obligations incurred, unexpired accounts .....	188	200	192
3031 Obligations incurred, expired accounts .....	4		
3040 Outlays (gross) .....	-186	-207	-192
3081 Recoveries of prior year unpaid obligations, expired .....	-6		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	10	3	3
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	191	197	190
Outlays, gross:			
4010 Outlays from new discretionary authority .....	173	195	188
4011 Outlays from discretionary balances .....	13	12	4
4020 Outlays, gross (total) .....	186	207	192
4180 Budget authority, net (total) .....	191	197	190
4190 Outlays, net (total) .....	186	207	192

**Object Classification** (in millions of dollars)

Identification code 86-0337-0-1-604	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	148	158	152
11.5 Other personnel compensation .....	2	2	2
11.9 Total personnel compensation .....	150	160	154
12.1 Civilian personnel benefits .....	38	40	38
99.9 Total new obligations .....	188	200	192

**Employment Summary**

Identification code 86-0337-0-1-604	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	1,524	1,541	1,514

**COMMUNITY PLANNING AND DEVELOPMENT**

*For necessary personnel compensation and benefits expenses of the Office of Community Planning and Development mission area, \$99,815,000.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0338-0-1-451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	78	81	80
0002 Benefits .....	19	18	20
0003 Recovery Act Personnel costs .....	2	4	8
0900 Total new obligations .....	99	103	108
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	15	13	9
1012 Expired unobligated bal transferred to unexpired accts .....	1		
1050 Unobligated balance (total) .....	16	13	9
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	99	99	100
1930 Total budgetary resources available .....	115	112	109
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-3		
1941 Unexpired unobligated balance, end of year .....	13	9	1
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	5	6	1
3030 Obligations incurred, unexpired accounts .....	99	103	108
3031 Obligations incurred, expired accounts .....	2		
3040 Outlays (gross) .....	-99	-107	-108
3081 Recoveries of prior year unpaid obligations, expired .....	-1	-1	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	6	1	1
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	99	99	100
Outlays, gross:			
4010 Outlays from new discretionary authority .....	91	98	99
4011 Outlays from discretionary balances .....	8	9	9
4020 Outlays, gross (total) .....	99	107	108
4180 Budget authority, net (total) .....	99	99	100
4190 Outlays, net (total) .....	99	107	108

**Object Classification** (in millions of dollars)

Identification code 86-0338-0-1-451	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	79	83	87
11.5 Other personnel compensation .....	1	1	1
11.9 Total personnel compensation .....	80	84	88
12.1 Civilian personnel benefits .....	19	19	20
99.9 Total new obligations .....	99	103	108

**Employment Summary**

Identification code 86-0338-0-1-451	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	837	802	831

**HOUSING**

*For necessary personnel compensation and benefits expenses of the Office of Housing, \$397,660,000.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0334-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs .....	300	304	318

**HOUSING—Continued**  
**Program and Financing—Continued**

Identification code 86-0334-0-1-604		2010 actual	CR	2012 est.
0002	Benefits .....	76	71	80
0003	Hope for Homeowners .....	1	2	2
0900	Total new obligations .....	377	377	400
<b>Budgetary Resources:</b>				
Unobligated balance:				
1012	Expired unobligated bal transferred to unexpired acts .....	3		
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	375	375	398
Spending authority from offsetting collections, discretionary:				
1700	Collected .....	2	2	2
1900	Budget authority (total) .....	377	377	400
1930	Total budgetary resources available .....	380	377	400
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-3		
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	20	21	4
3030	Obligations incurred, unexpired accounts .....	377	377	400
3031	Obligations incurred, expired accounts .....	6		
3040	Outlays (gross) .....	-376	-394	-400
3081	Recoveries of prior year unpaid obligations, expired .....	-6		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	21	4	4
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	377	377	400
Outlays, gross:				
4010	Outlays from new discretionary authority .....	353	373	395
4011	Outlays from discretionary balances .....	23	21	5
4020	Outlays, gross (total) .....	376	394	400
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources .....	-2	-2	-2
4070	Budget authority, net (discretionary) .....	375	375	398
4080	Outlays, net (discretionary) .....	374	392	398
4180	Budget authority, net (total) .....	375	375	398
4190	Outlays, net (total) .....	374	392	398

**Object Classification (in millions of dollars)**

Identification code 86-0334-0-1-604		2010 actual	CR	2012 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	299	300	315
11.5	Other personnel compensation .....	3	4	3
11.9	Total personnel compensation .....	302	304	318
12.1	Civilian personnel benefits .....	74	71	80
99.0	Direct obligations .....	376	375	398
99.0	Reimbursable obligations .....	1	2	2
99.9	Total new obligations .....	377	377	400

**Employment Summary**

Identification code 86-0334-0-1-604		2010 actual	CR	2012 est.
1001	Direct civilian full-time equivalent employment .....	3,206	3,204	3,304

**OFFICE OF THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION**

**Program and Financing (in millions of dollars)**

Identification code 86-0336-0-1-371		2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>				
0001	Personnel costs .....	8	9	

0002	Benefits .....	2	2	
0900	Total new obligations .....	10	11	
<b>Budgetary Resources:</b>				
Unobligated balance:				
1012	Expired unobligated bal transferred to unexpired acts .....	1		
Budget authority:				
Appropriations, discretionary:				
1101	Appropriation (special fund) .....	11	11	
1930	Total budgetary resources available .....	12	11	
Memorandum (non-add) entries:				
1940	Unobligated balance expiring .....	-2		
<b>Change in obligated balance:</b>				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....		1	1
3030	Obligations incurred, unexpired accounts .....	10	11	
3040	Outlays (gross) .....	-9	-11	-1
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross) .....	1	1	
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	11	11	
Outlays, gross:				
4010	Outlays from new discretionary authority .....	8	10	
4011	Outlays from discretionary balances .....	1	1	1
4020	Outlays, gross (total) .....	9	11	1
4180	Budget authority, net (total) .....	11	11	
4190	Outlays, net (total) .....	9	11	1

The 2012 Budget does not request additional funds for personnel compensation and benefits of the Office of Government National Mortgage Association under this account. Instead, the Budget requests funding for personnel costs under the "Guarantees of Mortgage-backed Securities Loan Guarantee Program" account. This request to move to a self-funding model would allow GNMA to increase its staff level, to strengthen risk management and oversight, and to move in-house some functions performed by contractors.

**Object Classification (in millions of dollars)**

Identification code 86-0336-0-1-371		2010 actual	CR	2012 est.
Direct obligations:				
11.1	Personnel compensation: Full-time permanent .....	8	9	
12.1	Civilian personnel benefits .....	2	2	
99.9	Total new obligations .....	10	11	

**Employment Summary**

Identification code 86-0336-0-1-371		2010 actual	CR	2012 est.
1001	Direct civilian full-time equivalent employment .....	67	78	

**POLICY DEVELOPMENT AND RESEARCH**

*For necessary personnel compensation and benefits expenses of the Office of Policy Development and Research, \$21,390,000.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing (in millions of dollars)**

Identification code 86-0339-0-1-451		2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>				
0001	Personnel costs .....	14	17	17
0002	Benefits .....	4	4	4
0900	Total new obligations .....	18	21	21

<b>Budgetary Resources:</b>			
Unobligated balance:			
1012	Expired unobligated bal transferred to unexpired accts .....	1	
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	21	21
1120	Appropriations transferred to other accounts .....	-1	
1160	Appropriation, discretionary (total) .....	20	21
1930	Total budgetary resources available .....	21	21
Memorandum (non-add) entries:			
1940	Unobligated balance expiring .....	-3	

<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	1	1
3030	Obligations incurred, unexpired accounts .....	18	21
3040	Outlays (gross) .....	-18	-22
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	1	

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....	20	21
Outlays, gross:			
4010	Outlays from new discretionary authority .....	16	21
4011	Outlays from discretionary balances .....	2	1
4020	Outlays, gross (total) .....	18	22
4180	Budget authority, net (total) .....	20	21
4190	Outlays, net (total) .....	18	22

**Object Classification (in millions of dollars)**

Identification code 86-0339-0-1-451	2010 actual	CR	2012 est.
Direct obligations:			
11.1	Personnel compensation: Full-time permanent .....	14	17
12.1	Civilian personnel benefits .....	4	4
99.0	Direct obligations .....	18	21
99.9	Total new obligations .....	18	21

**Employment Summary**

Identification code 86-0339-0-1-451	2010 actual	CR	2012 est.
1001	Direct civilian full-time equivalent employment .....	134	151

**FAIR HOUSING AND EQUAL OPPORTUNITY**

*For necessary personnel compensation and benefits expenses of the Office of Fair Housing and Equal Opportunity, \$70,733,000.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing (in millions of dollars)**

Identification code 86-0340-0-1-751	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001	Personnel costs .....	54	58
0002	Benefits .....	13	14
0900	Total new obligations .....	67	72
<b>Budgetary Resources:</b>			
Unobligated balance:			
1012	Expired unobligated bal transferred to unexpired accts .....	1	
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	72	72
1120	Appropriations transferred to other accounts .....	-3	
1160	Appropriation, discretionary (total) .....	69	72
1930	Total budgetary resources available .....	70	72
Memorandum (non-add) entries:			
1940	Unobligated balance expiring .....	-3	

<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....	4	3
3030	Obligations incurred, unexpired accounts .....	67	72
3031	Obligations incurred, expired accounts .....	1	
3040	Outlays (gross) .....	-68	-74
3081	Recoveries of prior year unpaid obligations, expired .....	-1	
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....	3	1

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....	69	72
Outlays, gross:			
4010	Outlays from new discretionary authority .....	63	71
4011	Outlays from discretionary balances .....	5	3
4020	Outlays, gross (total) .....	68	74
4180	Budget authority, net (total) .....	69	72
4190	Outlays, net (total) .....	68	74

**Object Classification (in millions of dollars)**

Identification code 86-0340-0-1-751	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1	Full-time permanent .....	53	57
11.5	Other personnel compensation .....	1	1
11.9	Total personnel compensation .....	54	58
12.1	Civilian personnel benefits .....	13	14
99.9	Total new obligations .....	67	72

**Employment Summary**

Identification code 86-0340-0-1-751	2010 actual	CR	2012 est.
1001	Direct civilian full-time equivalent employment .....	573	602

**OFFICE OF HEALTHY HOMES AND LEAD HAZARD CONTROL**

*For necessary personnel compensation and benefits expenses of the Office of Healthy Homes and Lead Hazard Control, \$7,167,000.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing (in millions of dollars)**

Identification code 86-0341-0-1-451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001	Personnel costs .....	6	6
0002	Benefits .....	1	1
0900	Total new obligations .....	7	7
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	7	7
1930	Total budgetary resources available .....	7	7
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross) .....		
3030	Obligations incurred, unexpired accounts .....	7	7
3040	Outlays (gross) .....	-7	-7
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross) .....		
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....	7	7
Outlays, gross:			
4010	Outlays from new discretionary authority .....	7	7
4180	Budget authority, net (total) .....	7	7

OFFICE OF HEALTHY HOMES AND LEAD HAZARD CONTROL—Continued  
Program and Financing—Continued

Identification code 86-0341-0-1-451	2010 actual	CR	2012 est.
4190 Outlays, net (total)	7	7	7

Object Classification (in millions of dollars)

Identification code 86-0341-0-1-451	2010 actual	CR	2012 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	6	6
12.1 Civilian personnel benefits	1	1	1
99.0 Direct obligations	7	7	7
99.9 Total new obligations	7	7	7

Employment Summary

Identification code 86-0341-0-1-451	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment	60	56	58

OFFICE OF SUSTAINABLE HOUSING AND COMMUNITIES

For necessary personnel compensation and benefits expenses of the Office of Sustainable Housing and Communities, \$3,100,000: Provided, That such office shall be established in the Office of the Secretary and shall be responsible for all sustainable housing and communities initiatives within the Department (including, but not limited to, research, grant management, policy development and capacity building of grantees and potential applicants and interagency coordination on livable communities and sustainable development).

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86-0409-0-1-452	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs			3
0900 Total new obligations (object class 11.1)			3
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			3
1930 Total budgetary resources available			3
<b>Change in obligated balance:</b>			
3030 Obligations incurred, unexpired accounts			3
3040 Outlays (gross)			-3
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross			3
Outlays, gross:			
4010 Outlays from new discretionary authority			3
4180 Budget authority, net (total)			3
4190 Outlays, net (total)			3

The 2012 Budget establishes an Office of Sustainable Housing and Communities (OSHC), within the Office of the Secretary. The Budget provides \$3 million for OSHC for personnel and benefits to coordinate the Sustainable Communities Initiative, in close partnership with the Department of Transportation and the Environmental Protection Agency. In addition, OSHC will begin a multi-year effort to establish a system for tracking and analyzing energy use in public housing and other HUD-assisted

or HUD-financed properties. OSHC will also be responsible for integrating sustainability principles throughout the Department and its programs.

Employment Summary

Identification code 86-0409-0-1-452	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment			24

EXECUTIVE DIRECTION

For necessary salaries and expenses for Executive Direction, \$30,408,000, which shall be made available for the offices within the Executive Direction account, which are listed as follows: the immediate Office of the Secretary and Deputy Secretary; the Office of Hearings and Appeals; the Office of Small and Disadvantaged Business Utilization; the immediate Office of the Chief Financial Officer; the immediate Office of the General Counsel; the Office of the Assistant Secretary for Congressional and Intergovernmental Relations; the Office of the Assistant Secretary for Public Affairs; the Office of the Assistant Secretary for Public and Indian Housing; the Office of the Assistant Secretary for Community Planning and Development; the Office of the Assistant Secretary for Housing, Federal Housing Commissioner; the Office of the Assistant Secretary for Policy Development and Research; the Office of the Assistant Secretary for Fair Housing and Equal Opportunity; and the Office of the Chief Operating Officer: Provided, That not to exceed \$25,000 of the amount made available under this paragraph for the immediate Office of the Secretary shall be available for official reception and representation expenses as the Secretary may determine.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86-0333-0-1-604	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Personnel costs	17	19	22
0002 Benefits	4	5	5
0003 Non-personnel costs	2	3	3
0900 Total new obligations	23	27	30
<b>Budgetary Resources:</b>			
Unobligated balance:			
1012 Expired unobligated bal transferred to unexpired accts	2		
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation		27	30
1120 Appropriations transferred to other accounts	-1		
1160 Appropriation, discretionary (total)	26	27	30
1930 Total budgetary resources available	28	27	30
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-5		
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2	3	
3030 Obligations incurred, unexpired accounts	23	27	30
3040 Outlays (gross)	-22	-30	-30
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	3		
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross	26	27	30
Outlays, gross:			
4010 Outlays from new discretionary authority	18	27	30
4011 Outlays from discretionary balances	4	3	
4020 Outlays, gross (total)	22	30	30
4180 Budget authority, net (total)	26	27	30
4190 Outlays, net (total)	22	30	30

The Executive Direction account was created by the Consolidated Appropriations Act, 2008, and supports the salaries and expenses of various high-level management offices, including the immediate offices of the Secretary, Deputy Secretary, Chief Operating Officer, and Assistant Secretaries across the Department. The Budget proposes to restructure the Executive Direction account by removing the sub-function allocations to provide the Department with the flexibility needed to promptly respond to emerging issues or unanticipated needs as they arise throughout the year. The administrative burden and lack of flexibility afforded by the current sub-account structure outweighs the potential management benefits. The following table provides estimates of anticipated funding allocations by office:

Office Name (amounts in thousands)	2012 est.
Immediate Office of the Secretary and Deputy Secretary .....	7,486
Office of Hearings and Appeals .....	1,752
Office of Small and Disadvantaged Business Utilization .....	741
Immediate Office of the Chief Financial Officer .....	931
Immediate Office of the General Counsel .....	1,399
Office of the Assistant Secretary for Congressional and Intergovernmental Relations .....	2,695
Office of the Assistant Secretary for Public Affairs .....	5,390
Office of the Assistant Secretary for Public and Indian Housing .....	1,936
Office of the Assistant Secretary for Community Planning and Development .....	2,026
Office of the Assistant Secretary for Housing, Federal Housing Commissioner .....	3,500
Office of the Assistant Secretary for Policy Development and Research .....	1,154
Office of the Assistant Secretary for Fair Housing and Equal Opportunity .....	852
Office of the Chief Operating Officer .....	546
<b>Total .....</b>	<b>30,408</b>

**Object Classification** (in millions of dollars)

Identification code 86-0333-0-1-604	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	17	19	22
12.1 Civilian personnel benefits .....	4	5	5
21.0 Travel and transportation of persons .....	1	1	1
25.2 Other services from non-federal sources .....	1	2	2
99.9 Total new obligations .....	23	27	30

**Employment Summary**

Identification code 86-0333-0-1-604	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	135	156	184

**SALARIES AND EXPENSES**

**Program and Financing** (in millions of dollars)

Identification code 86-0143-0-1-999	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Gulf States Disaster related activities .....		1	1
0801 DHAP reimbursable program activities .....	9	3	
0900 Total new obligations .....	9	4	1
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	12	10	9
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	12	3	
1701 Change in uncollected payments, Federal sources .....	-5		
1750 Spending auth from offsetting collections, disc (total) .....	7	3	
1930 Total budgetary resources available .....	19	13	9
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	10	9	8
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	19	11	11
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-5		

3020 Obligated balance, start of year (net) .....	14	11	11
3030 Obligations incurred, unexpired accounts .....	9	4	1
3031 Obligations incurred, expired accounts .....	2		
3040 Outlays (gross) .....	-12	-4	-1
3050 Change in uncollected pymts, Fed sources, unexpired .....	5		
3081 Recoveries of prior year unpaid obligations, expired .....	-7		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	11	11	11

**Budget authority and outlays, net:**

<b>Discretionary:</b>			
4000 Budget authority, gross .....	7	3	
Outlays, gross:			
4010 Outlays from new discretionary authority .....		3	
4011 Outlays from discretionary balances .....	12	1	1
4020 Outlays, gross (total) .....	12	4	1
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	-12	-3	
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired .....	5		
4070 Budget authority, net (discretionary) .....			
4080 Outlays, net (discretionary) .....		1	1
4180 Budget authority, net (total) .....			
4190 Outlays, net (total) .....		1	1

Beginning with the passage of the Consolidated Appropriations Act, 2008, this account no longer receives annual appropriations for Departmental administrative expenses. Instead, salary and expense funds are distributed across multiple accounts, achieving greater transparency and accountability within the Department. Resources in this account reflect prior-year appropriations, funds for disaster-related administrative expenses, and otherwise unexpended amounts.

**Object Classification** (in millions of dollars)

Identification code 86-0143-0-1-999	2010 actual	CR	2012 est.
25.2 Direct obligations: Other services from non-federal sources .....		1	1
99.0 Reimbursable obligations: reimbursable obligations .....	9	3	
99.9 Total new obligations .....	9	4	1

**OFFICE OF INSPECTOR GENERAL**

For necessary salaries and expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, \$126,455,000.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0189-0-1-451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Direct program .....	125	125	126
0002 Gulf States Disaster related activities .....	1	3	1
0003 Recovery Act related activities .....	1	4	4
0900 Total new obligations .....	127	132	131
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	21	18	11
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	125	125	126
1930 Total budgetary resources available .....	146	143	137
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-1		
1941 Unexpired unobligated balance, end of year .....	18	11	6

OFFICE OF INSPECTOR GENERAL—Continued  
Program and Financing—Continued

Identification code 86-0189-0-1-451	2010 actual	CR	2012 est.
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	26	21	21
3030 Obligations incurred, unexpired accounts .....	127	132	131
3031 Obligations incurred, expired accounts .....	2		
3040 Outlays (gross) .....	-132	-132	-131
3081 Recoveries of prior year unpaid obligations, expired .....	-2		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	21	21	21
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	125	125	126
Outlays, gross:			
4010 Outlays from new discretionary authority .....	109	104	105
4011 Outlays from discretionary balances .....	23	28	26
4020 Outlays, gross (total) .....	132	132	131
4180 Budget authority, net (total) .....	125	125	126
4190 Outlays, net (total) .....	132	132	131

The Office of the Inspector General (OIG) provides independent and objective reviews of the integrity, efficiency and effectiveness of Departmental programs and operations. The Budget includes \$126.5 million to support agency-wide audit and investigative functions to identify and correct management and administrative deficiencies that create conditions for existing or potential instances of fraud, waste, and mismanagement. The audit function provides internal audit and contract audit. Internal audits review and evaluate all facets of agency operations. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations.

Object Classification (in millions of dollars)

Identification code 86-0189-0-1-451	2010 actual	CR	2012 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	71	76	76
11.5 Other personnel compensation .....	2	2	2
11.9 Total personnel compensation .....	73	78	78
12.1 Civilian personnel benefits .....	23	24	24
21.0 Travel and transportation of persons .....	6	5	5
23.1 Rental payments to GSA .....	7	7	9
25.2 Other services from non-federal sources .....	16	16	13
26.0 Supplies and materials .....	1	1	1
31.0 Equipment .....	1	1	1
99.9 Total new obligations .....	127	132	131

Employment Summary

Identification code 86-0189-0-1-451	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	684	680	680

WORKING CAPITAL FUND

For additional capital for the Working Capital Fund (42 U.S.C. 3535) for the development of, modifications to, and infrastructure for Department-wide and program-specific information technology systems, for the continuing operation and maintenance of both Department-wide and program-specific information systems, \$243,000,000, to remain available until September 30, 2013: Provided, That any amounts transferred to this Fund under this Act shall remain available until expended: Provided further, That any amounts transferred to this Fund from amounts appropriated by previously enacted appropriations Acts or from within this Act

may be used only for the purposes specified under this Fund, in addition to the purposes for which such amounts were appropriated.

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 86-4586-0-4-451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 Information Technology .....	332	262	315
0002 Recovery Act related activities .....	1	2	
0900 Total new obligations .....	333	264	315
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	110	60	
1011 Unobligated balance transferred from other accounts .....	1		
1021 Recoveries of prior year unpaid obligations .....	1	4	4
1050 Unobligated balance (total) .....	112	64	4
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	200	200	243
1121 Appropriations transferred from other accounts .....	86		72
1160 Appropriation, discretionary (total) .....	286	200	315
Spending authority from offsetting collections, discretionary:			
1700 Collected .....	-5		
1900 Budget authority (total) .....	281	200	315
1930 Total budgetary resources available .....	393	264	319
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	60		4
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....	210	257	90
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-2	-2	-2
3020 Obligated balance, start of year (net) .....	208	255	88
3030 Obligations incurred, unexpired accounts .....	333	264	315
3031 Obligations incurred, expired accounts .....	1		
3040 Outlays (gross) .....	-285	-427	-301
3080 Recoveries of prior year unpaid obligations, unexpired .....	-1	-4	-4
3081 Recoveries of prior year unpaid obligations, expired .....	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	257	90	100
3091 Uncollected pymts, Fed sources, end of year .....	-2	-2	-2
3100 Obligated balance, end of year (net) .....	255	88	98
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	281	200	315
Outlays, gross:			
4010 Outlays from new discretionary authority .....	89	150	236
4011 Outlays from discretionary balances .....	196	277	65
4020 Outlays, gross (total) .....	285	427	301
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources .....	5		
4070 Budget authority, net (discretionary) .....	286	200	315
4080 Outlays, net (discretionary) .....	290	427	301
4180 Budget authority, net (total) .....	286	200	315
4190 Outlays, net (total) .....	290	427	301

The Working Capital Fund (WCF), authorized by the Department of Housing and Urban Development Act of 1965, provides funding for the development, operation and maintenance of information technology (IT) systems that support Departmental programs and operations, including FHA Mortgage Insurance, housing assistance, grant and disaster relief programs, as well as core financial and general operations. The Budget requests a direct appropriation of \$243 million to maintain IT business operations, infrastructure, and personnel. An additional \$72 million in program transfers will augment the direct appropriation to support program-specific IT systems.

**Object Classification** (in millions of dollars)

Identification code 86-4586-0-4-451	2010 actual	CR	2012 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	31	32	33
12.1 Civilian personnel benefits .....	7	7	7
25.2 Other services from non-federal sources .....	120	141	141
25.7 Operation and maintenance of equipment .....	173	81	131
31.0 Equipment .....	2	3	3
99.0 Direct obligations .....	333	264	315
99.9 Total new obligations .....	333	264	315

**Employment Summary**

Identification code 86-4586-0-4-451	2010 actual	CR	2012 est.
1001 Direct civilian full-time equivalent employment .....	293	295	300

**TRANSFORMATION INITIATIVE**  
(INCLUDING TRANSFER OF FUNDS)

*Of the amounts made available in this Act under each of the following headings under this title, the Secretary may transfer to, and merge with, this account up to 0.5 percent from each such account, and such transferred amounts shall be available until September 30, 2014, for (1) research, evaluation, and program metrics; (2) program demonstrations; and (3) technical assistance and capacity building: "Tenant-Based Rental Assistance", "Public Housing Capital Fund", "Public Housing Operating Fund", "Choice Neighborhoods Initiative", "Indian Housing Loan Guarantee Fund Program Account", "Native American Housing Block Grants", "Native Hawaiian Housing Block Grants", "Sustainable Housing and Communities Initiatives", "Housing Opportunities for Persons With AIDS", "Community Development Fund", "HOME Investment Partnerships Program", "Capacity Building", "Homeless Assistance Grants", "Project-Based Rental Assistance", "Housing for the Elderly", "Housing for Persons With Disabilities", "Housing Counseling Assistance", "Payment to Manufactured Housing Fees Trust Fund", "Mutual Mortgage Insurance Program Account", "Lead Hazard Reduction", "Rental Housing Assistance", and "Fair Housing Activities": Provided, That a total of not more than \$120,000,000 may be transferred to this account by all such transfers: Provided further, That the Secretary shall fund each of the three general purposes specified above at not less than 10 percent, and not more than 70 percent, of the aggregate transferred amount: Provided further, That with respect to amounts made available under this heading for research, evaluation, program metrics, and program demonstrations, notwithstanding section 204 of this title, the Secretary may make grants or enter into cooperative agreements that include a substantial match contribution.*

Note.—A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

**Program and Financing** (in millions of dollars)

Identification code 86-0402-0-1-451	2010 actual	CR	2012 est.
<b>Obligations by program activity:</b>			
0001 TI Research and Demonstrations .....	10	26	16
0002 TI Technical Assistance and Capacity Building .....	3	19	26
0003 TI Information Technology .....	20	55	63
0004 Combat Mortgage Fraud .....		20	20
0900 Total new obligations .....	33	120	125
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....		225	125
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	20	20	
1121 Appropriations transferred from other accounts .....	238		
1160 Appropriation, discretionary (total) .....	258	20	
1930 Total budgetary resources available .....	258	245	125

<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	225	125	
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross) .....		33	109
3030 Obligations incurred, unexpired accounts .....	33	120	125
3040 Outlays (gross) .....		-44	-68
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross) .....	33	109	166
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	258	20	
Outlays, gross:			
4011 Outlays from discretionary balances .....		44	68
4180 Budget authority, net (total) .....	258	20	
4190 Outlays, net (total) .....		44	68

Initiated in 2010, the Transformation Initiative (TI) is an ongoing effort aimed at increasing the effectiveness of program and service delivery, facilitating an evidence-based approach to improving program outcomes, and enabling innovative approaches to address the nations housing and urban development problems. By aggregating limited transfers from HUD's program accounts, the Department can continue this integrated and cross-cutting effort to improve program performance. The 2012 Budget proposes to limit TI transfers to a maximum of 0.5 percent per program and no more than \$120 million in total. The Budget proposes to use these funds for three complimentary purposes: (1) research, evaluation and program metrics, (2) program demonstrations, and (3) technical assistance and capacity building. In 2012, HUD will also continue to invest in the modernization of information technology systems and execute planned projects with available resources, but no additional funding is requested for the TI Technology Initiative.

The Research, Evaluation and Program Metrics Initiative provides a predictable stream of funding for high quality research and evaluation that will inform sound policymaking. The initiative supplements Research and Technology appropriations that are mainly dedicated to funding housing data, such as the American Housing Survey. This initiative funds program evaluation and research that is needed to ensure that program funds are spent effectively, as well as to develop appropriate metrics to track program performance between evaluations. The systemic and scientific approach enabled by the Research initiative will highlight those programs that are effective and those that require reform, so that timely modifications can occur.

The Program Demonstrations Initiative enables HUD to design and execute a series of major research demonstrations that rigorously test new program innovations. Demonstrations can be used to explore fundamental questions about housing market dynamics and their impact on economic, social and environmental objectives. The demonstrations will improve programs, help State and local governments, non-profits, and for profit organizations to develop more effective strategies for housing and community and economic development, and improve the delivery and reduce the cost of public services.

Technical Assistance set-asides are no longer requested in individual HUD program accounts; instead, these amounts have been consolidated within TI. Traditionally, HUD has delivered program-oriented technical assistance to ensure that HUD grantees are fully aware of the rules governing the disparate programs. While awareness of rules is necessary, effective responses to urban and housing challenges increasingly require coordination and awareness of diverse areas of knowledge: housing finance as well as land use, energy efficiency as well as healthy homes, community development as well as transportation planning, and accessibility as well as job creation. The Technical Assistance

TRANSFORMATION INITIATIVE—Continued

and Capacity Building Initiative enables HUD to develop enhanced and focused support to deliver cross-program technical assistance for States, local governments, and other HUD grantees for integrated management and planning across programs and jurisdictions. Providing cross-cutting knowledge with program requirements will produce results while avoiding fraud, waste and abuse. In addition, HUD will support the launch of an inter-agency effort led by HUD and the Department of Commerce's Economic Development Administration (EDA). The initiative will help chronically distressed communities to better employ the Federal investments they already receive, promote high-impact strategies, and build the local capacity needed to execute those strategies. TI funds will be provided for technical assistance associated with this initiative and a National Resource Bank, a one-stop shop of experts that communities can draw upon for a full range of services, including fiscal reforms, re-purposing land use, and business cluster and job market analysis.

The following table illustrates the *maximum* possible transfers from HUD's programs into the Transformation Initiative account in 2012; it does not represent actual transfers.

Program Name (amounts in thousands)	Treasury Account	2010 Actual	2012 Maximum Transfer
Brownfields Redevelopment	86-0314	175	0
Capacity Building	86-0405	0	250
Choice Neighborhoods	86-0349	0	1,250
Community Development Fund	86-0162	44,500	18,907
Energy Innovation Fund	86-0401	500	0
Fair Housing Activities	86-0144	720	360
HOME Investment Partnerships Program	86-0205	18,250	8,250
Homeless Assistance Grants	86-0192	12,650	11,860
Housing Counseling Assistance	86-0156	875	440
Housing for Persons with Disabilities	86-0237	3,000	980
Housing for the Elderly	86-0320	8,250	3,785
Housing Opportunities for Persons with AIDS	86-0308	3,350	1,675
Indian Housing Loan Guarantee Fund	86-0223	0	4
Lead Hazard Reduction	86-0174	1,400	700
Mutual Mortgage Insurance Program Account	86-0183	1,181	790
Native American Housing Block Grants	86-0313	0	3,500
Native Hawaiian Housing Block Grants	86-0235	0	50
Payment to the Manufactured Housing Fees Trust Fund	86-0234	90	35
Project-Based Rental Assistance	86-0303	0	47,145
Public Housing Capital Fund	86-0304	25,000	12,027
Public Housing Operating Fund	86-0163	15,000	19,809
Rental Housing Assistance (Section 236)	86-0206	400	79
Revitalization of Severely Distressed Public Housing (HOPE VI)	86-0218	2,000	0
Self-Help and Assisted Homeownership Opportunity Program	86-0176	820	0
Sustainable Housing and Communities Initiatives	86-0408	0	750
Tenant-Based Rental Assistance	86-0302	100,000	96,113
Maximum Transfer Total		238,161	120,000 <sup>1</sup>

<sup>1</sup>Amount represents the statutory limitation on transfers to this account, which is less than the total of each eligible program transfer of 0.5 percent.

Object Classification (in millions of dollars)

Identification code 86-0402-0-1-451	2010 actual	CR	2012 est.
Direct obligations:			
25.2 Other services from non-federal sources	33	107	98
41.0 Grants, subsidies, and contributions		13	27
99.0 Direct obligations	33	120	125
99.9 Total new obligations	33	120	125

Trust Funds

GIFTS AND BEQUESTS

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-8093-0-7-451	2010 actual	CR	2012 est.
0100 Balance, start of year			

Receipts:			
0220 Gifts and Bequests, HUD		3	
0400 Total: Balances and collections		3	
Appropriations:			
0500 Gifts and Bequests		-3	
0799 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 86-8093-0-7-451	2010 actual	CR	2012 est.
Obligations by program activity:			
0001 Gifts and bequests		3	
0900 Total new obligations (object class 25.1)		3	
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1202 Appropriation (trust fund)		3	
1930 Total budgetary resources available		3	
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)			2
3030 Obligations incurred, unexpired accounts		3	
3040 Outlays (gross)		-1	-1
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)		2	1
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross		3	
Outlays, gross:			
4100 Outlays from new mandatory authority		1	
4101 Outlays from mandatory balances			1
4110 Outlays, gross (total)		1	1
4180 Budget authority, net (total)		3	
4190 Outlays, net (total)		1	1

The Secretary of Housing and Urban Development (HUD) is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department (42 U.S.C. 3535(k)). Property and the proceeds are used in accordance with the terms of the gift and bequest.

The amounts provided in 2011 will be used to support an inter-agency effort led by HUD and the Department of Commerce's Economic Development Administration (EDA) to help chronically distressed communities to better employ the Federal investments they already receive, promote high-impact strategies, and build the local capacity needed to execute those strategies. These amounts will more specifically help the development and funding of two-year fellowship grants that will attract early and midcareer professionals with technical expertise in such fields as urban planning and economic development, infrastructure redevelopment, and workforce training to provide technical support for this effort.

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2010 actual	CR	2012 est.
Offsetting receipts from the public:			
86-271910 FHA-general and Special Risk, Negative Subsidies	455	509	481
86-271930 FHA-general and Special Risk, Downward Reestimates of Subsidies	164	542	
86-274330 Indian Housing Loan Guarantees, Downward Reestimates of Subsidies	8	4	
86-276230 Title VI Indian Loan Guarantee Downward Reestimate	3	3	
86-277330 Community Development Loan Guarantees, Downward Reestimates	17	14	

86-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts .....	55	18	18
General Fund Offsetting receipts from the public .....	702	1,090	499
Intragovernmental payments:			
86-388510 Undistributed Intragovernmental Payments .....	19	7	7
General Fund Intragovernmental payments .....	19	7	7

## GENERAL PROVISIONS—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

(INCLUDING CANCELLATION OF FUNDS)

**SEC. 201.** Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437 note) shall be cancelled or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not cancelled or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not cancelled or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

**SEC. 202.** None of the amounts made available under this Act may be used during fiscal year 2012 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a non-frivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

**SEC. 203.** (a) Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year 2012 that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that—

(1) received an allocation in a prior fiscal year under clause (ii) of such section; and

(2) is not otherwise eligible for an allocation for fiscal year 2012 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year 2012 do not have the number of cases of acquired immunodeficiency syndrome (AIDS) required under such clause.

(b) The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section 854(c)(1)(A) in fiscal year 2012, in proportion to AIDS cases among cities and States that qualify under clauses (i) and (ii) of such section and States deemed eligible under subsection (a).

(c) Notwithstanding any other provision of law, the amount allocated for fiscal year 2012 under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), to the City of New York, New York, on behalf of the New York-Wayne-White Plains, New York-New Jersey Metropolitan Division (hereafter "metropolitan division") of the New York-Newark-Edison, NY-NJ-PA Metropolitan Statistical Area, shall be adjusted by the Secretary of Housing and Urban Development by: (1) allocating to the City of Jersey City, New Jersey, the proportion of the metropolitan area's or division's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area or division that is located in Hudson County, New Jersey, and adjusting for the proportion of the metropolitan division's high incidence bonus if this area in New Jersey also has a higher than average per capita incidence of AIDS; and (2) allocating to the City of Paterson, New Jersey, the proportion of the metropolitan area's or division's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan area or division that is located in Bergen County and Passaic County, New Jersey, and adjusting for the proportion of the metropolitan division's high incidence bonus if this area in New Jersey also has a higher than average

per capita incidence of AIDS. The recipient cities shall use amounts allocated under this subsection to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in their respective portions of the metropolitan division that is located in New Jersey.

(d) Notwithstanding any other provision of law, the amount allocated for fiscal year 2012 under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)) to areas with a higher than average per capita incidence of AIDS, shall be adjusted by the Secretary on the basis of area incidence reported over a 3-year period.

**SEC. 204.** Except as explicitly provided in law, any grant, cooperative agreement or other assistance made pursuant to title II of this Act shall be made on a competitive basis and in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545).

**SEC. 205.** Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1).

**SEC. 206.** Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for 2012 for such corporation or agency except as hereinafter provided: Provided, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

**SEC. 207.** (a) Notwithstanding any other provision of law, the amount allocated for fiscal year 2012 under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), to the City of Wilmington, Delaware, on behalf of the Wilmington, Delaware-Maryland-New Jersey Metropolitan Division (hereafter "metropolitan division"), shall be adjusted by the Secretary of Housing and Urban Development by allocating to the State of New Jersey the proportion of the metropolitan division's amount that is based on the number of cases of AIDS reported in the portion of the metropolitan division that is located in New Jersey, and adjusting for the proportion of the metropolitan division's high incidence bonus if this area in New Jersey also has a higher than average per capita incidence of AIDS. The State of New Jersey shall use amounts allocated to the State under this subsection to carry out eligible activities under section 855 of the AIDS Housing Opportunity Act (42 U.S.C. 12904) in the portion of the metropolitan division that is located in New Jersey.

(b) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development shall allocate to Wake County, North Carolina, the amounts that otherwise would be allocated for fiscal year 2012 under section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)) to the City of Raleigh, North Carolina, on behalf of the Raleigh-Cary, North Carolina Metropolitan Statistical Area. Any amounts allocated to Wake County shall be used to carry out eligible activities under section 855 of such Act (42 U.S.C. 12904) within such metropolitan statistical area.

(c) Notwithstanding section 854(c) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)), the Secretary of Housing and Urban Development may adjust the allocation of the amounts that otherwise would be allocated for fiscal year 2012 under section 854(c) of such Act, upon the written request of an applicant, in conjunction with the State(s), for a formula allocation on behalf of a metropolitan statistical area, to designate the State or States in which the metropolitan statistical area is

located as the eligible grantee(s) of the allocation. In the case that a metropolitan statistical area involves more than one State, such amounts allocated to each State shall be in proportion to the number of cases of AIDS reported in the portion of the metropolitan statistical area located in that State. Any amounts allocated to a State under this section shall be used to carry out eligible activities within the portion of the metropolitan statistical area located in that State.

SEC. 208. A public housing agency or such other entity that administers Federal housing assistance for the Housing Authority of the county of Los Angeles, California, the States of Alaska, Iowa, and Mississippi shall not be required to include a resident of public housing or a recipient of assistance provided under section 8 of the United States Housing Act of 1937 on the board of directors or a similar governing board of such agency or entity as required under section (2)(b) of such Act. Each public housing agency or other entity that administers Federal housing assistance under section 8 for the Housing Authority of the county of Los Angeles, California and the States of Alaska, Iowa and Mississippi that chooses not to include a resident of Public Housing or a recipient of section 8 assistance on the board of directors or a similar governing board shall establish an advisory board of not less than six residents of public housing or recipients of section 8 assistance to provide advice and comment to the public housing agency or other administering entity on issues related to public housing and section 8. Such advisory board shall meet not less than quarterly.

SEC. 209. (a) Notwithstanding any other provision of law, subject to the conditions listed in subsection (b), for fiscal years 2012 and 2013, the Secretary of Housing and Urban Development may authorize the transfer of some or all project-based assistance, debt and statutorily required low-income and very low-income use restrictions, associated with one or more multifamily housing project to another multifamily housing project or projects.

(b) Phased transfers—Transfers of project-based assistance under this section may be done in phases to accommodate the financing and other requirements related to rehabilitating or constructing the project or projects to which the assistance is transferred to ensure that such project or projects meet the standards under section c.

(c) The transfer authorized in subsection (a) is subject to the following conditions:

(1) Number and bedroom size of units—

(A) For occupied units in the transferring project: the number of low-income and very low-income units and the configuration (i.e. bedroom size) of the receiving project or projects shall be no less than provided by the transferring project or projects.

(B) For unoccupied units in the transferring project: the Secretary may authorize a reduction in the number of dwelling units in the receiving project or projects to allow for a reconfiguration of bedroom sizes to meet current market demands, as determined by the Secretary.

(2) The net dollar amount of Federal assistance provided to the transferring project shall remain the same as the receiving project or projects.

(3) The transferring project shall, as determined by the Secretary, be either physically obsolete or economically non-viable.

(4) The receiving project or projects shall meet or exceed applicable physical standards established by the Secretary.

(5) The owner or mortgagor of the transferring project shall notify and consult with the tenants residing in the transferring project and provide a certification of approval by all appropriate local governmental officials.

(6) The tenants of the transferring project who remain eligible for assistance to be provided by the receiving project or projects shall not be required to vacate their units in the transferring project or projects until new units in the receiving project are available for occupancy.

(7) The Secretary determines that this transfer is in the best interest of the tenants.

(8) If either the transferring project or the receiving project or projects meets the condition specified in subsection (d)(2)(A), any lien on the receiving project resulting from additional financing obtained by the owner shall be subordinate to any FHA-insured mortgage lien transferred to, or placed on, such project by the Secretary, except that the Secretary may waive this requirement upon determination that such a waiver is necessary to facilitate the financing of acquisition, construction and/or rehabilitation of the receiving project or projects.

(9) If the transferring project meets the requirements of subsection (d)(2)(E), the owner or mortgagor of the receiving project or projects shall execute and record either a continuation of the existing use agreement or a new use agreement for the project where, in either case, any use restrictions in such agreement are of no lesser duration than the existing use restrictions.

(10) The transfer does not increase the cost, as defined in section 502 of the Congressional Budget Act of 1974, as amended, of any FHA-insured mortgage or appropriations for any such cost are provided in advance.

(d) For purposes of this section—

(1) the terms "low-income" and "very low-income" shall have the meanings provided by the statute and/or regulations governing the program under which the project is insured or assisted;

(2) the term "multifamily housing project" means housing that meets one of the following conditions—

(A) housing that is subject to a mortgage insured under the National Housing Act;

(B) housing that has project-based assistance attached to the structure including projects undergoing mark to market debt restructuring under the Multifamily Assisted Housing Reform and Affordability Housing Act;

(C) housing that is assisted under section 202 of the Housing Act of 1959 as amended by section 801 of the Cranston-Gonzales National Affordable Housing Act;

(D) housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the Cranston-Gonzales National Affordable Housing Act;

(E) housing that is assisted under section 811 of the Cranston-Gonzales National Affordable Housing Act; or

(F) housing or vacant land that is subject to a use agreement;

(3) the term "project-based assistance" means—

(A) assistance provided under section 8(b) of the United States Housing Act of 1937;

(B) assistance for housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of such Act (as such section existed immediately before October 1, 1983);

(C) rent supplement payments under section 101 of the Housing and Urban Development Act of 1965;

(D) interest reduction payments under section 236 and/or additional assistance payments under section 236(f)(2) of the National Housing Act;

(E) assistance payments made under section 202(c)(2) of the Housing Act of 1959; and

(F) assistance payments made under section 811(d)(2) of the Cranston-Gonzales National Affordable Housing Act;

(4) the term "receiving project or projects" means the multifamily housing project or projects to which some or all of the project-based assistance, debt, and statutorily required low-income and very low-income use restrictions are to be transferred;

(5) the term "transferring project" means the multifamily housing project which is transferring some or all of the project-based assistance, debt and the statutorily required low-income and very low-income use restrictions to the receiving project or projects; and

(6) the term "Secretary" means the Secretary of Housing and Urban Development.

(e) The Secretary shall publish by notice in the Federal Register the terms and conditions, including criteria for HUD approval, of transfers pursuant to this section no later than 30 days before the effective date of such notice.

SEC. 210. Section 255(g) of the National Housing Act (12 U.S.C. 1715z-20) is amended by striking the sentence beginning with "The aggregate number of mortgages insured under this section".

SEC. 211. During fiscal year 2012, in the provision of rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) in connection with a program to demonstrate the economy and effectiveness of providing such assistance for use in assisted living facilities that is carried out in the counties of the State of Michigan notwithstanding paragraphs (3) and (18)(B)(iii) of such section 8(o), a family residing in an assisted living facility in any such county, on behalf of which a public housing agency provides assistance pursuant to section 8(o)(18) of such Act, may be required, at the time the family initially receives such assist-

ance, to pay rent in an amount exceeding 40 percent of the monthly adjusted income of the family by such a percentage or amount as the Secretary of Housing and Urban Development determines to be appropriate.

SEC. 212. (a) The commitment authority funded by fees as provided under the subheading "Program Account" under the heading "Community Development Loan Guarantees" may be used to guarantee, or make commitments to guarantee, notes, or other obligations issued by any State on behalf of non-entitlement communities in the State in accordance with the requirements of section 108 of the Housing and Community Development Act of 1974 in fiscal year 2012 and subsequent years: Provided, That, any State receiving such a guarantee or commitment shall distribute all funds subject to such guarantee to the units of general local government in non-entitlement areas that received the commitment.

SEC. 213. No official or employee of the Department of Housing and Urban Development shall be designated as an allotment holder unless the Office of the Chief Financial Officer has determined that such allotment holder has implemented an adequate system of funds control and has received training in funds control procedures and directives. The Chief Financial Officer shall ensure that there is a trained allotment holder for each HUD subaccount under the heading "Administration, Operations, and Management" as well as each account receiving appropriations for "personnel compensation and benefits" within the Department of Housing and Urban Development.

SEC. 214. No property identified by the Secretary of Housing and Urban Development as surplus Federal property for use to assist the homeless shall be made available to any homeless group unless the group is a member in good standing under any of HUD's homeless assistance programs or is in good standing with any other program which receives funds from any other Federal or State agency or entity: Provided, That an exception may be made for an entity not involved with Federal homeless programs to use surplus Federal property for the homeless only after the Secretary or another responsible Federal agency has fully and comprehensively reviewed all relevant finances of the entity, the track record of the entity in assisting the homeless, the ability of the entity to manage the property, including all costs, the ability of the entity to administer homeless programs in a manner that is effective to meet the needs of the homeless population that is expected to use the property and any other related issues that demonstrate a commitment to assist the homeless: Provided further, That the Secretary shall not require the entity to have cash in hand in order to demonstrate financial ability but may rely on the entity's prior demonstrated fundraising ability or commitments for in-kind donations of goods and services: Provided further, That the Secretary shall make all such information and its decision regarding the award of the surplus property available to the committees of jurisdiction, including a full justification of the appropriateness of the use of the property to assist the homeless as well as the appropriateness of the group seeking to obtain the property to use such property to assist the homeless: Provided further, That, this section shall apply to properties in fiscal years 2011 and 2012 made available as surplus Federal property for use to assist the homeless.

SEC. 215. The Secretary of the Department of Housing and Urban Development is authorized to transfer funds made available for personnel or non-personnel expenses under any account or any set-aside within any account under this title under the general heading "Personnel Compensation and Benefits", and under the account headings "Executive Direction" and "Administration, Operations and Management", to any other such account or any other such set-aside within any such account, 15 days after notice of such transfer has been submitted to the House and Senate Committees on Appropriations: Provided, That, no appropriation for personnel or non-personnel expenses in any such account or any set-aside within any such account shall be increased or decreased by more than 10 percent by all such transfers.

SEC. 216. The Secretary of Housing and Urban Development may increase, pursuant to this section, the number of Moving-to-Work agencies authorized under section 204, title II, of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996 (Public Law 104-134; 110 Stat. 1321) by adding to the program three Public Housing Agencies that meet criteria as established by the Secretary by noticed published in the Federal Register. No PHA granted this designation through this section shall receive more funding under sections 8 or 9 of the United States Housing Act of 1937 than they otherwise would have received absent this designation. In addition to other reporting requirements, all Moving-to-Work agencies shall

report financial data to the Department of Housing and Urban Development as specified by the Secretary, so that the effect of Moving-to-Work policy changes can be measured.

SEC. 217. The Disaster Housing Assistance Programs, administered by the Department of Housing and Urban Development, shall be considered a "program of the Department of Housing and Urban Development" under section 904 of the McKinney Act for the purpose of income verifications and matching.

SEC. 218. Of the amounts made available for salaries and expenses under all accounts under this title (except for the Office of Inspector General account), a total of up to \$15,000,000 may be transferred to and merged with amounts made available in the "Working Capital Fund" account for information technology requirements.

SEC. 219. Of the amounts provided for the personnel compensation and benefits of the Office of the Chief Procurement Officer under the heading "Administration, Operations and Management", \$2,070,635, is to strengthen the Department's acquisition workforce capacity and capabilities: Provided, That such funds may be transferred by the Secretary to any other account in the Department to carry out the purposes provided herein: Provided further, That such transfer authority is in addition to any other transfer authority provided in this Act: Provided further, That such funds shall be available for training, recruitment, retention, and hiring members of the acquisition workforce as defined by the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 401 et seq.): Provided further, That such funds shall be available for information technology in support of acquisition workforce effectiveness or for management solutions to improve acquisition management.

SEC. 220. The paragraphs under the heading "Flexible Subsidy Fund" in Public Law 108-447 and in Public Law 109-115 are repealed.

SEC. 221. Notwithstanding Section 24(o) of the United States Housing Act of 1937 (42 U.S.C. 1437v(o)), amounts made available under the heading "Revitalization of Severely Distressed Public Housing (HOPE VI)", including amounts for the Choice Neighborhoods initiative, may continue to be provided as assistance under Section 24 of the United States Housing Act of 1937 through September 30, 2012.

SEC. 222. The United States Housing Act of 1937 (42 U.S.C. 1437) is amended—

(a) in section 3(a)(1) by inserting before the period at the end of the second sentence the following: ", except in the case of any family with a fixed-income, as defined by the Secretary, after the initial review of the family's income the public housing agency or owner shall not be required to conduct a review of the family's income for any year for which such family certifies, in accordance with such requirements as the Secretary shall establish, that 90 percent or more of the income of the family consists of fixed income, and that the sources of such income have not changed since the previous year, except that the public housing agency or owner shall conduct a review of each such family's income not less than once every 3 years";

(b) in section 3(b)(2) by inserting after the second sentence the following new sentence: "The term 'extremely low-income families' means very low-income families whose incomes do not exceed the higher of (A) the poverty guidelines updated periodically by the Department of Health and Human Services under the authority of section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved; or (B) 30 percent of the median family income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes, and except that clause (A) of this sentence shall not apply in the case of public housing agencies located in Puerto Rico or any other territory or possession of the United States.";

(c) in paragraph (2) of section 3(b) by adding at the end the following new sentence: "The Secretary shall periodically, but not less than annually, determine or establish area median incomes and income ceilings and limits in accordance with this paragraph";

(d) in section 3(b)(5)(A) —

(1) in clause (i) by striking "\$400" and inserting in lieu thereof "\$675"; and

(2) in clause (ii), in the matter preceding subclause (I), by striking "3 percent" and inserting in lieu thereof "10 percent";

(e) in paragraph (1) of section 8(c)—

(1) by inserting "(A)" after the paragraph designation;

(2) by striking the fourth, fifth, seventh, eighth, ninth, tenth sentences; and

(3) by adding at the end the following:

"(B) Fair market rentals for an area shall be published not less than annually by the Secretary on the Department's Internet site and in any other manner specified by the Secretary. The Secretary shall publish notice of the publication of such fair market rentals in the Federal Register, and such fair market rentals shall become effective no earlier than 30 days after the date of such publication. The Secretary shall establish a procedure for public housing agencies and other interested parties to comment on such fair market rentals and to request, within a time specified by the Secretary, reevaluation of the fair market rental in a jurisdiction. The Secretary shall publish for comment in the Federal Register notices of proposed material changes in the methodology for estimating fair market rentals and notices specifying the final decisions regarding such proposed substantial methodological changes and responses to public comments.";

(f) in subparagraph (B) of section 8(o)(1) by inserting before the period at the end the following: ", except that no public housing agency shall be required as a result of a reduction in the fair market rental to reduce the payment standard applied to a family continuing to reside in a unit for which the family was receiving assistance under this section at the time the fair market rental was reduced. The Secretary shall allow public housing agencies to request exception payment standards within fair market rental areas subject to criteria and procedures established by the Secretary";

(g) in subparagraph (D) of section 8(o)(1) by inserting before the period at the end the following: "except that a public housing agency may establish a payment standard of not more than 120 percent of the fair market rent where necessary as a reasonable accommodation for a person with a disability, without approval of the Secretary. A public housing agency may seek approval of the Secretary to use a payment standard greater than 120 percent of the fair market rent as a reasonable accommodation

for a disabled family or other family with a person with a disability. In connection with the use of any increased payment standard established or approved pursuant to either of the preceding two sentences as a reasonable accommodation for a person with a disability, the Secretary may not establish additional requirements regarding the amount of adjusted income paid by such person for rent";

(h) in section 16(a)(2)(A) by striking "families whose incomes" and all that follows through "low family incomes" and inserting in lieu thereof "extremely low-income families";

(i) in section 16(b)(1) by striking "families whose incomes" and all that follows through "low family incomes" and inserting in lieu thereof "extremely low-income families"; and

(j) in section 16(c)(3) by striking "families whose incomes" and all that follows through "low family incomes" and inserting in lieu thereof "extremely low-income families".

SEC. 223. Notwithstanding any provision of the United States Housing Act of 1937 concerning the determination of tenant rent obligations or of section 23 of such Act concerning deposits to escrow accounts, the Secretary may, during the five year period beginning on the date of enactment of this Act, allow the use of funds made available by the Secretary to public housing agencies to carry out rent policy demonstrations involving a limited number of families assisted under the United States Housing Act of 1937 to determine the effectiveness of different rent policies, which may include providing income disregards, family self-sufficiency accounts, and policies under which families pay amounts different from 30 percent of their adjusted income for rent, to encourage families to obtain employment, increase their incomes, and achieve economic self-sufficiency, while reducing administrative burdens and maintaining housing stability. Such demonstrations shall include public housing agencies of various sizes. The Secretary shall publish a report regarding the results and effectiveness of any demonstrations conducted under the authority of this section.

SEC. 224. Section 579 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f) is amended by striking "October 1, 2011" each place it appears and inserting in lieu thereof "October 1, 2015".