

104TH CONGRESS
2^D SESSION

S. 1494

AMENDMENT

In the House of Representatives, U. S.,

February 27, 1996.

Resolved, That the bill from the Senate (S. 1494) entitled “An Act to provide an extension for fiscal year 1996 for certain programs administered by the Secretary of Housing and Urban Development and the Secretary of Agriculture, and for other purposes.”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause, and insert:

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “Housing Opportunity*
3 *Program Extension Act of 1996”.*

4 **SEC. 2. MULTIFAMILY HOUSING ASSISTANCE.**

5 (a) **SECTION 8 CONTRACT RENEWAL.**—*Notwithstand-*
6 *ing section 405(b) of the Balanced Budget Downpayment*
7 *Act, I (Public Law 104–99; 110 Stat. 44), at the request*
8 *of the owner of any project assisted under section 8(e)(2)*
9 *of the United States Housing Act of 1937 (as such section*
10 *existed immediately before October 1, 1991), the Secretary*
11 *of Housing and Urban Development may renew, for a pe-*
12 *riod of 1 year, the contract for assistance under such section*
13 *for such project that expires or terminates during fiscal*
14 *year 1996 at current rent levels.*

15 (b) **LOW-INCOME HOUSING PRESERVATION.**—

16 (1) **USE OF AMOUNTS.**—*Notwithstanding any*
17 *provision of the Balanced Budget Downpayment Act,*
18 *I (Public Law 104–99; 110 Stat. 26) or any other*
19 *law, the Secretary shall use the amounts described in*
20 *paragraph (2) of this subsection under the authority*
21 *and conditions provided in the 2d undesignated para-*
22 *graph of the item relating to “HOUSING PROGRAMS—*
23 *ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING” in*
24 *title II of the bill, H.R. 2099 (104th Congress), as*
25 *passed the House of Representatives on December 7,*
26 *1995; except that for purposes of this subsection, any*

1 *reference in such undesignated paragraph to March 1,*
2 *1996, shall be construed to refer to April 15, 1996,*
3 *any reference in such paragraph to July 1, 1996,*
4 *shall be construed to refer to August 15, 1996, and*
5 *any reference in such paragraph to August 1, 1996,*
6 *shall be construed to refer to September 15, 1996.*

7 (2) *DESCRIPTION OF AMOUNTS.—Except as oth-*
8 *erwise provided in any future appropriation Act, the*
9 *amounts described under this paragraph are any*
10 *amounts that—*

11 (A) *are—*

12 (i) *unreserved, unobligated amounts*
13 *provided in an appropriation Act enacted*
14 *before the date of the enactment of this Act;*

15 (ii) *provided under the Balanced*
16 *Budget Downpayment Act, I; or*

17 (iii) *provided in any appropriation*
18 *Act enacted after the date of the enactment*
19 *of this Act; and*

20 (B) *are provided for use in conjunction*
21 *with properties that are eligible for assistance*
22 *under the Low-Income Housing Preservation*
23 *and Resident Homeownership Act of 1990 or the*
24 *Emergency Low Income Housing Preservation*
25 *Act of 1987.*

1 **SEC. 3. COMMUNITY DEVELOPMENT BLOCK GRANTS.**

2 (a) *DIRECT HOMEOWNERSHIP ACTIVITIES.*—Notwith-
3 standing the amendments made by section 907(b)(2) of the
4 Cranston-Gonzalez National Affordable Housing Act, sec-
5 tion 105(a)(25) of the Housing and Community Develop-
6 ment Act of 1974, as in existence on September 30, 1995,
7 shall apply to the use of assistance made available under
8 title I of the Housing and Community Development Act of
9 1974 during fiscal year 1996.

10 (b) *INCREASE IN CUMULATIVE LIMIT.*—Section
11 108(k)(1) of the Housing and Community Development Act
12 of 1974 (42 U.S.C. 5308(k)(1)) is amended by striking
13 “\$3,500,000,000” and inserting “\$4,500,000,000”.

14 **SEC. 4. EXTENSION OF RURAL HOUSING PROGRAMS.**

15 (a) *UNDERSERVED AREAS SET-ASIDE.*—Section
16 509(f)(4)(A) of the Housing Act of 1949 (42 U.S.C.
17 1479(f)(4)(A)) is amended—

18 (1) in the first sentence, by striking “fiscal years
19 1993 and 1994” and inserting “fiscal year 1996”;
20 and

21 (2) in the second sentence, by striking “each”.

22 (b) *RURAL MULTIFAMILY RENTAL HOUSING.*—Section
23 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4))
24 is amended by striking “September 30, 1994” and inserting
25 “September 30, 1996”.

1 (c) *RURAL RENTAL HOUSING FUNDS FOR NONPROFIT*
2 *ENTITIES.*—*The first sentence of section 515(w)(1) of the*
3 *Housing Act of 1949 (42 U.S.C. 1485(w)(1)) is amended*
4 *by striking “fiscal years 1993 and 1994” and inserting “fis-*
5 *cal year 1996”.*

6 **SEC. 5. LOAN GUARANTEES FOR MULTIFAMILY RENTAL**
7 **HOUSING IN RURAL AREAS.**

8 (a) *IN GENERAL.*—*The provisions of section 5 of the*
9 *bill, H.R. 1691 (104th Congress), as passed the House of*
10 *Representatives on October 30, 1995, are hereby enacted*
11 *into law.*

12 (b) *TECHNICAL AMENDMENT.*—*Section 538 of the*
13 *Housing Act of 1949 (as added by the amendment made*
14 *pursuant to subsection (a) of this section) is amended by*
15 *striking “Homesteading and Neighborhood Restoration Act*
16 *of 1995” each place it appears and inserting “Housing Op-*
17 *portunity Program Extension Act of 1996”.*

18 **SEC. 6. EXTENSION OF FHA MORTGAGE INSURANCE PRO-**
19 **GRAM FOR HOME EQUITY CONVERSION**
20 **MORTGAGES.**

21 (a) *EXTENSION OF PROGRAM.*—*The first sentence of*
22 *section 255(g) of the National Housing Act (12 U.S.C.*
23 *1715z–20(g)) is amended by striking “September 30, 1996”*
24 *and inserting “September 30, 2000”.*

1 (b) *LIMITATION ON NUMBER OF MORTGAGES.*—The
 2 *second sentence of section 255(g) of the National Housing*
 3 *Act (12 U.S.C. 1715z–20(g)) is amended by striking*
 4 *“30,000” and inserting “50,000”.*

5 (c) *ELIGIBLE MORTGAGES.*—Section 255(d)(3) of the
 6 *National Housing Act (12 U.S.C. 1715z–20(d)(3)) is*
 7 *amended to read as follows:*

8 *“(3) be secured by a dwelling that is designed*
 9 *principally for a 1- to 4-family residence in which*
 10 *the mortgagor occupies 1 of the units;”.*

11 ***SEC. 7. LIMITATION ON GNMA GUARANTEES OF MORTGAGE-***
 12 ***BACKED SECURITIES.***

13 Section 306(g)(2) of the *Federal National Mortgage As-*
 14 *sociation Charter Act (12 U.S.C. 1721(g)(2)) is amended*
 15 *to read as follows:*

16 *“(2) Notwithstanding any other provision of law and*
 17 *subject only to the absence of qualified requests for guaran-*
 18 *tees, to the authority provided in this subsection, and to*
 19 *the extent of or in such amounts as any funding limitation*
 20 *approved in appropriation Acts, the Association shall enter*
 21 *into commitments to issue guarantees under this subsection*
 22 *in an aggregate amount of \$110,000,000,000 during fiscal*
 23 *year 1996. There are authorized to be appropriated to cover*
 24 *the costs (as such term is defined in section 502 of the Con-*
 25 *gressional Budget Act of 1974) of guarantees issued under*

1 *this Act by the Association such sums as may be necessary*
 2 *for fiscal year 1996.”.*

3 **SEC. 8. EXTENSION OF MULTIFAMILY HOUSING FINANCE**
 4 **PROGRAMS.**

5 (a) *RISK-SHARING PILOT PROGRAM.*—*The first sen-*
 6 *tence of section 542(b)(5) of the Housing and Community*
 7 *Development Act of 1992 (12 U.S.C. 1707 note) is amended*
 8 *by striking “on not more than 15,000 units over fiscal years*
 9 *1993 and 1994” and inserting “on not more than 7,500*
 10 *units during fiscal year 1996”.*

11 (b) *HOUSING FINANCE AGENCY PILOT PROGRAM.*—
 12 *The first sentence of section 542(c)(4) of the Housing and*
 13 *Community Development Act of 1992 (12 U.S.C. 1707 note)*
 14 *is amended by striking “on not to exceed 30,000 units over*
 15 *fiscal years 1993, 1994, and 1995” and inserting “on not*
 16 *more than 12,000 units during fiscal year 1996”.*

17 **SEC. 9. SAFETY AND SECURITY IN PUBLIC AND ASSISTED**
 18 **HOUSING.**

19 (a) *CONTRACT PROVISIONS AND REQUIREMENTS.*—
 20 *Section 6 of the United States Housing Act of 1937 (42*
 21 *U.S.C. 1437d) is amended—*

22 (1) *in subsection (k), in the matter following*
 23 *paragraph (6)—*

24 (A) *by striking “on or near such premises”*
 25 *and inserting “on or off such premises”; and*

1 (B) by striking “criminal” the first place it
2 appears; and

3 (2) in subsection (l)(5), by striking “on or near
4 such premises” and inserting “on or off such prem-
5 ises”.

6 (b) AVAILABILITY OF CRIMINAL RECORDS FOR
7 SCREENING AND EVICTION.—Section 6 of the United States
8 Housing Act of 1937 (42 U.S.C. 1437d) is amended by add-
9 ing at the end the following new subsection:

10 “(q) AVAILABILITY OF RECORDS.—

11 “(1) IN GENERAL.—

12 “(A) PROVISION OF INFORMATION.—Not-
13 withstanding any other provision of law, except
14 as provided in subparagraph (B), the National
15 Crime Information Center, police departments,
16 and other law enforcement agencies shall, upon
17 request, provide information to public housing
18 agencies regarding the criminal conviction
19 records of adult applicants for, or tenants of,
20 public housing for purposes of applicant screen-
21 ing, lease enforcement, and eviction.

22 “(B) EXCEPTION.—A law enforcement agen-
23 cy described in subparagraph (A) shall provide
24 information under this paragraph relating to
25 any criminal conviction of a juvenile only to the

1 *extent that the release of such information is au-*
2 *thorized under the law of the applicable State,*
3 *tribe, or locality.*

4 “(2) *OPPORTUNITY TO DISPUTE.*—*Before an ad-*
5 *verse action is taken with regard to assistance under*
6 *this title on the basis of a criminal record, the public*
7 *housing agency shall provide the tenant or applicant*
8 *with a copy of the criminal record and an oppor-*
9 *tunity to dispute the accuracy and relevance of that*
10 *record.*

11 “(3) *FEE.*—*A public housing agency may be*
12 *charged a reasonable fee for information provided*
13 *under paragraph (1).*

14 “(4) *RECORDS MANAGEMENT.*—*Each public*
15 *housing agency shall establish and implement a sys-*
16 *tem of records management that ensures that any*
17 *criminal record received by the public housing agency*
18 *is—*

19 “(A) *maintained confidentially;*

20 “(B) *not misused or improperly dissemi-*
21 *nated; and*

22 “(C) *destroyed, once the purpose for which*
23 *the record was requested has been accomplished.*

24 “(5) *DEFINITION.*—*For purposes of this sub-*
25 *section, the term ‘adult’ means a person who is 18*

1 *years of age or older, or who has been convicted of a*
 2 *crime as an adult under any Federal, State, or tribal*
 3 *law.”.*

4 *(c) INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-*
 5 *RELATED ACTIVITY.—Section 6 of the United States Hous-*
 6 *ing Act of 1937 is amended by adding after subsection (q)*
 7 *(as added by subsection (b) of this section) the following*
 8 *new subsection:*

9 *“(r) INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-*
 10 *RELATED ACTIVITY.—Any tenant evicted from housing as-*
 11 *sisted under this title by reason of drug-related criminal*
 12 *activity (as that term is defined in section 8(f)) shall not*
 13 *be eligible for housing assistance under this title during the*
 14 *3-year period beginning on the date of such eviction, unless*
 15 *the evicted tenant successfully completes a rehabilitation*
 16 *program approved by the public housing agency (which*
 17 *shall include a waiver of this subsection if the circumstances*
 18 *leading to eviction no longer exist).”.*

19 *(d) INELIGIBILITY OF ILLEGAL DRUG USERS AND AL-*
 20 *COHOL ABUSERS FOR ASSISTED HOUSING.—Section 16 of*
 21 *the United States Housing Act of 1937 (42 U.S.C. 1437n)*
 22 *is amended—*

23 *(1) in the section heading by striking “INCOME”;*
 24 *and*

1 (2) *by adding at the end the following new sub-*
 2 *section:*

3 “(e) *INELIGIBILITY OF ILLEGAL DRUG USERS AND AL-*
 4 *COHOL ABUSERS.—*

5 “(1) *IN GENERAL.—Notwithstanding any other*
 6 *provision of law, a public housing agency shall estab-*
 7 *lish standards for occupancy in public housing dwell-*
 8 *ing units and assistance under section 8—*

9 “(A) *that prohibit occupancy in any public*
 10 *housing dwelling unit by, and assistance under*
 11 *section 8 for, any person—*

12 “(i) *who the public housing agency de-*
 13 *termines is illegally using a controlled sub-*
 14 *stance; or*

15 “(ii) *if the public housing agency de-*
 16 *termines that it has reasonable cause to be-*
 17 *lieve that such person’s illegal use (or pat-*
 18 *tern of illegal use) of a controlled substance,*
 19 *or abuse (or pattern of abuse) of alcohol,*
 20 *may interfere with the health, safety, or*
 21 *right to peaceful enjoyment of the premises*
 22 *by other residents of the project; and*

23 “(B) *that allow the public housing agency*
 24 *to terminate the tenancy in any public housing*

1 *unit of, and the assistance under section 8 for,*
2 *any person—*

3 “(i) *who the public housing agency de-*
4 *termines is illegally using a controlled sub-*
5 *stance; or*

6 “(ii) *whose illegal use of a controlled*
7 *substance, or whose abuse of alcohol, is de-*
8 *termined by the public housing agency to*
9 *interfere with the health, safety, or right to*
10 *peaceful enjoyment of the premises by other*
11 *residents of the project.*

12 “(2) *CONSIDERATION OF REHABILITATION.—In*
13 *determining whether, pursuant to paragraph (1), to*
14 *deny occupancy or assistance to any person based on*
15 *a pattern of use of a controlled substance or a pattern*
16 *of abuse of alcohol, a public housing agency may con-*
17 *sider whether such person—*

18 “(A) *has successfully completed a supervised*
19 *drug or alcohol rehabilitation program (as ap-*
20 *plicable) and is no longer engaging in the illegal*
21 *use of a controlled substance or abuse of alcohol*
22 *(as applicable);*

23 “(B) *has otherwise been rehabilitated suc-*
24 *cessfully and is no longer engaging in the illegal*

1 *use of a controlled substance or abuse of alcohol*
 2 *(as applicable); or*

3 *“(C) is participating in a supervised drug*
 4 *or alcohol rehabilitation program (as applicable)*
 5 *and is no longer engaging in the illegal use of*
 6 *a controlled substance or abuse of alcohol (as ap-*
 7 *plicable).*

8 *“(3) INAPPLICABILITY TO INDIAN HOUSING.—*
 9 *This subsection does not apply to any dwelling unit*
 10 *assisted by an Indian housing authority.”.*

11 ***SEC. 10. PUBLIC HOUSING DESIGNATED FOR ELDERLY AND***
 12 ***DISABLED FAMILIES.***

13 *(a) AUTHORITY FOR DESIGNATION.—Section 7 of the*
 14 *United States Housing Act of 1937 (42 U.S.C. 1437e) is*
 15 *amended to read as follows:*

16 ***“DESIGNATED HOUSING FOR ELDERLY AND DISABLED***
 17 ***FAMILIES***

18 ***“SEC. 7. (a) AUTHORITY TO PROVIDE DESIGNATED***
 19 ***HOUSING.—***

20 ***“(1) IN GENERAL.—Subject only to provisions of***
 21 ***this section and notwithstanding any other provision***
 22 ***of law, a public housing agency for which a plan***
 23 ***under subsection (d) is in effect may provide public***
 24 ***housing projects (or portions of projects) designated***
 25 ***for occupancy by (A) only elderly families, (B) only***
 26 ***disabled families, or (C) elderly and disabled families.***

1 “(2) *PRIORITY FOR OCCUPANCY.*—*In determin-*
2 *ing priority for admission to public housing projects*
3 *(or portions of projects) that are designated for occu-*
4 *pancy as provided in paragraph (1), the public hous-*
5 *ing agency may make units in such projects (or por-*
6 *tions) available only to the types of families for whom*
7 *the project is designated.*

8 “(3) *ELIGIBILITY OF NEAR-ELDERLY FAMI-*
9 *LIES.*—*If a public housing agency determines that*
10 *there are insufficient numbers of elderly families to*
11 *fill all the units in a project (or portion of a project)*
12 *designated under paragraph (1) for occupancy by*
13 *only elderly families, the agency may provide that*
14 *near-elderly families may occupy dwelling units in*
15 *the project (or portion).*

16 “(b) *STANDARDS REGARDING EVICTIONS.*—*Except as*
17 *provided in section 16(e)(1)(B), any tenant who is lawfully*
18 *residing in a dwelling unit in a public housing project may*
19 *not be evicted or otherwise required to vacate such unit be-*
20 *cause of the designation of the project (or portion of a*
21 *project) pursuant to this section or because of any action*
22 *taken by the Secretary or any public housing agency pursu-*
23 *ant to this section.*

24 “(c) *RELOCATION ASSISTANCE.*—*A public housing*
25 *agency that designates any existing project or building, or*

1 *portion thereof, for occupancy as provided under subsection*
2 *(a)(1) shall provide, to each person and family who agrees*
3 *to be relocated in connection with such designation—*

4 “(1) *notice of the designation and an expla-*
5 *nation of available relocation benefits, as soon as is*
6 *practicable for the agency and the person or family;*

7 “(2) *access to comparable housing (including ap-*
8 *propriate services and design features), which may*
9 *include tenant-based rental assistance under section*
10 *8, at a rental rate paid by the tenant that is com-*
11 *parable to that applicable to the unit from which the*
12 *person or family has vacated; and*

13 “(3) *payment of actual, reasonable moving ex-*
14 *penses.*

15 “(d) *REQUIRED PLAN.—A plan under this subsection*
16 *for designating a project (or portion of a project) for occu-*
17 *pancy under subsection (a)(1) is a plan, prepared by the*
18 *public housing agency for the project and submitted to the*
19 *Secretary, that—*

20 “(1) *establishes that the designation of the*
21 *project is necessary—*

22 “(A) *to achieve the housing goals for the ju-*
23 *risdiction under the comprehensive housing af-*
24 *fordability strategy under section 105 of the*

1 *Cranston-Gonzalez National Affordable Housing*
 2 *Act; and*

3 “(B) to meet the housing needs of the low-
 4 income population of the jurisdiction; and

5 “(2) includes a description of—

6 “(A) the project (or portion of a project) to
 7 be designated;

8 “(B) the types of tenants for which the
 9 project is to be designated;

10 “(C) any supportive services to be provided
 11 to tenants of the designated project (or portion);

12 “(D) how the design and related facilities
 13 (as such term is defined in section 202(d)(8) of
 14 the Housing Act of 1959) of the project accom-
 15 modate the special environmental needs of the
 16 intended occupants; and

17 “(E) any plans to secure additional re-
 18 sources or housing assistance to provide assist-
 19 ance to families that may have been housed if oc-
 20 cupancy in the project were not restricted pursu-
 21 ant to this section.

22 For purposes of this subsection, the term ‘supportive serv-
 23 ices’ means services designed to meet the special needs of
 24 residents.

25 “(e) REVIEW OF PLANS.—

1 “(1) *REVIEW AND NOTIFICATION.*—*The Secretary*
2 *shall conduct a limited review of each plan under*
3 *subsection (d) that is submitted to the Secretary to*
4 *ensure that the plan is complete and complies with*
5 *the requirements of subsection (d). The Secretary shall*
6 *notify each public housing agency submitting a plan*
7 *whether the plan complies with such requirements not*
8 *later than 60 days after receiving the plan. If the Sec-*
9 *retary does not notify the public housing agency, as*
10 *required under this paragraph or paragraph (2), the*
11 *plan shall be considered, for purposes of this section,*
12 *to comply with the requirements under subsection (d)*
13 *and the Secretary shall be considered to have notified*
14 *the agency of such compliance upon the expiration of*
15 *such 60-day period.*

16 “(2) *NOTICE OF REASONS FOR DETERMINATION*
17 *OF NONCOMPLIANCE.*—*If the Secretary determines*
18 *that a plan, as submitted, does not comply with the*
19 *requirements under subsection (d), the Secretary shall*
20 *specify in the notice under paragraph (1) the reasons*
21 *for the noncompliance and any modifications nec-*
22 *essary for the plan to meet such requirements.*

23 “(3) *STANDARDS FOR DETERMINATION OF NON-*
24 *COMPLIANCE.*—*The Secretary may determine that a*

1 *plan does not comply with the requirements under*
 2 *subsection (d) only if—*

3 *“(A) the plan is incomplete in significant*
 4 *matters required under such subsection; or*

5 *“(B) there is evidence available to the Sec-*
 6 *retary that challenges, in a substantial manner,*
 7 *any information provided in the plan.*

8 *“(4) TREATMENT OF EXISTING PLANS.—Notwith-*
 9 *standing any other provision of this section, a public*
 10 *housing agency shall be considered to have submitted*
 11 *a plan under this subsection if the agency has submit-*
 12 *ted to the Secretary an application and allocation*
 13 *plan under this section (as in effect before the date of*
 14 *the enactment of the Housing Opportunity Program*
 15 *Extension Act of 1996) that have not been approved*
 16 *or disapproved before such date of enactment.*

17 *“(f) EFFECTIVENESS.—*

18 *“(1) 5-YEAR EFFECTIVENESS OF ORIGINAL*
 19 *PLAN.—A plan under subsection (d) shall be in effect*
 20 *for purposes of this section during the 5-year period*
 21 *that begins upon notification under subsection (e)(1)*
 22 *of the public housing agency that the plan complies*
 23 *with the requirements under subsection (d).*

24 *“(2) RENEWAL OF PLAN.—Upon the expiration*
 25 *of the 5-year period under paragraph (1) or any 2-*

1 *year period under this paragraph, an agency may ex-*
2 *tend the effectiveness of the designation and plan for*
3 *an additional 2-year period (that begins upon such*
4 *expiration) by submitting to the Secretary any infor-*
5 *mation needed to update the plan. The Secretary may*
6 *not limit the number of times a public housing agen-*
7 *cy extends the effectiveness of a designation and plan*
8 *under this paragraph.*

9 *“(3) TRANSITION PROVISION.—Any application*
10 *and allocation plan approved under this section (as*
11 *in effect before the date of the enactment of the Hous-*
12 *ing Opportunity Program Extension Act of 1996) be-*
13 *fore such date of enactment shall be considered to be*
14 *a plan under subsection (d) that is in effect for pur-*
15 *poses of this section for the 5-year period beginning*
16 *upon such approval.*

17 *“(g) INAPPLICABILITY OF UNIFORM RELOCATION AS-*
18 *SISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT*
19 *OF 1970.—No tenant of a public housing project shall be*
20 *considered to be displaced for purposes of the Uniform Relo-*
21 *cation Assistance and Real Property Acquisitions Policy*
22 *Act of 1970 because of the designation of any existing*
23 *project or building, or portion thereof, for occupancy as pro-*
24 *vided under subsection (a) of this section.*

1 “(h) *INAPPLICABILITY TO INDIAN HOUSING.*—The pro-
 2 *visions of this section shall not apply with respect to low-*
 3 *income housing developed or operated pursuant to a con-*
 4 *tract between the Secretary and an Indian housing author-*
 5 *ity.”.*

6 (b) *AUTHORIZATION OF APPROPRIATIONS FOR IMPLE-*
 7 *MENTATION OF ALLOCATION PLANS.*—There are authorized
 8 to be appropriated for fiscal year 1996 such sums as may
 9 be necessary for rental subsidy contracts under the existing
 10 housing certificate and housing voucher programs under
 11 section 8 of the United States Housing Act of 1937 for pub-
 12 lic housing agencies to implement allocations plans for des-
 13 igned housing under section 7 of such Act that are ap-
 14 proved by the Secretary of Housing and Urban Develop-
 15 ment.

16 **SEC. 11. ASSISTANCE FOR HABITAT FOR HUMANITY AND**
 17 **OTHER SELF-HELP HOUSING PROVIDERS.**

18 (a) *GRANT AUTHORITY.*—The Secretary of Housing
 19 and Urban Development may, to the extent amounts are
 20 available to carry out this section and the requirements of
 21 this section are met, make grants for use in accordance with
 22 this section to—

23 (1) *Habitat for Humanity International, whose*
 24 *organizational headquarters are located in Americus,*
 25 *Georgia; and*

1 (2) *other national or regional organizations or*
2 *consortia that have experience in providing or facili-*
3 *tating self-help housing homeownership opportunities.*

4 (b) *GOALS AND ACCOUNTABILITY.—In making grants*
5 *under this section, the Secretary shall take such actions as*
6 *may be necessary to ensure that—*

7 (1) *assistance provided under this section is used*
8 *to facilitate and encourage innovative homeownership*
9 *opportunities through the provision of self-help hous-*
10 *ing, under which the homeowner contributes a signifi-*
11 *cant amount of sweat equity toward the construction*
12 *of the new dwelling;*

13 (2) *assistance provided under this section for*
14 *land acquisition and infrastructure development re-*
15 *sults in the development of not less than 4,000 new*
16 *dwellings;*

17 (3) *the dwellings constructed in connection with*
18 *assistance provided under this section are quality*
19 *dwellings that comply with local building and safety*
20 *codes and standards and are available at prices below*
21 *the prevailing market prices;*

22 (4) *the provision of assistance under this section*
23 *establishes and fosters a partnership between the Fed-*
24 *eral Government and Habitat for Humanity Inter-*
25 *national, its affiliates, and other organizations and*

1 *consortia, resulting in efficient development of afford-*
2 *able housing with minimal governmental interven-*
3 *tion, limited governmental regulation, and significant*
4 *involvement by private entities;*

5 *(5) activities to develop housing assisted pursu-*
6 *ant to this section involve community participation*
7 *similar to the homeownership program carried out by*
8 *Habitat for Humanity International, in which volun-*
9 *teers assist in the construction of dwellings; and*

10 *(6) dwellings are developed in connection with*
11 *assistance under this section on a geographically di-*
12 *verse basis, which includes areas having high housing*
13 *costs, rural areas, and areas underserved by other*
14 *homeownership opportunities that are populated by*
15 *low-income families unable to otherwise afford hous-*
16 *ing.*

17 *If, at any time, the Secretary determines that the goals*
18 *under this subsection cannot be met by providing assistance*
19 *in accordance with the terms of this section, the Secretary*
20 *shall immediately notify the applicable Committees in writ-*
21 *ing of such determination and any proposed changes for*
22 *such goals or this section.*

23 *(c) ALLOCATION.—Of any amounts available for*
24 *grants under this section—*

1 (1) 62.5 percent shall be used for a grant to the
2 organization specified in subsection (a)(1); and

3 (2) 37.5 percent shall be used for grants to orga-
4 nizations and consortia under subsection (a)(2).

5 (d) *USE.*—

6 (1) *PURPOSE.*—Amounts from grants made
7 under this section, including any recaptured
8 amounts, shall be used only for eligible expenses in
9 connection with developing new decent, safe, and san-
10 itary nonluxury dwellings in the United States for
11 families and persons who otherwise would be unable
12 to afford to purchase a dwelling.

13 (2) *ELIGIBLE EXPENSES.*—For purposes of para-
14 graph (1), the term “eligible expenses” means costs
15 only for the following activities:

16 (A) *LAND ACQUISITION.*—Acquiring land
17 (including financing and closing costs).

18 (B) *INFRASTRUCTURE IMPROVEMENT.*—In-
19 stalling, extending, constructing, rehabilitating,
20 or otherwise improving utilities and other infra-
21 structure.

22 Such term does not include any costs for the rehabili-
23 tation, improvement, or construction of dwellings.

24 (e) *ESTABLISHMENT OF GRANT FUND.*—

1 (1) *IN GENERAL.*—Any amounts from any grant
2 made under this section shall be deposited by the
3 grantee organization or consortium in a fund that is
4 established by such organization or consortium for
5 such amounts, administered by such organization or
6 consortium, and available for use only for the pur-
7 poses under subsection (d). Any interest, fees, or other
8 earnings of the fund shall be deposited in the fund
9 and shall be considered grant amounts for purposes of
10 this section.

11 (2) *ASSISTANCE TO HABITAT FOR HUMANITY AF-*
12 *FILIATES.*—Habitat for Humanity International may
13 use amounts in the fund established for such organi-
14 zation pursuant to paragraph (1) for the purposes
15 under subsection (d) by providing assistance from the
16 fund to local affiliates of such organization.

17 (f) *REQUIREMENTS FOR ASSISTANCE TO OTHER OR-*
18 *GANIZATIONS.*—The Secretary may make a grant to an or-
19 ganization or consortium under subsection (a)(2) only pur-
20 suant to—

21 (1) *an expression of interest by such organiza-*
22 *tion or consortia to the Secretary for a grant for such*
23 *purposes;*

24 (2) *a determination by the Secretary that the or-*
25 *ganization or consortia has the capability and has ob-*

1 *tained financial commitments (or has the capacity to*
2 *obtain financial commitments) necessary to—*

3 *(A) develop not less than 30 dwellings in*
4 *connection with the grant amounts; and*

5 *(B) otherwise comply with a grant agree-*
6 *ment under subsection (i); and*

7 *(3) a grant agreement entered into under sub-*
8 *section (i).*

9 *(g) TREATMENT OF UNUSED AMOUNTS.—Upon the ex-*
10 *piration of the 6-month period beginning upon the Sec-*
11 *retary first providing notice of the availability of amounts*
12 *for grants under subsection (a)(2), the Secretary shall deter-*
13 *mine whether the amount remaining from the aggregate*
14 *amount reserved under subsection (c)(2) exceeds the amount*
15 *needed to provide funding in connection with any expres-*
16 *sions of interest under subsection (f)(1) made by such date*
17 *that are likely to result in grant agreements under sub-*
18 *section (i). If the Secretary determines that such excess*
19 *amounts remain, the Secretary shall provide the excess*
20 *amounts to Habitat for Humanity International by making*
21 *a grant to such organization in accordance with this sec-*
22 *tion.*

23 *(h) GEOGRAPHICAL DIVERSITY.—In using grant*
24 *amounts provided under subsection (a)(1), Habitat for Hu-*
25 *manity International shall ensure that the amounts are*

1 *used in a manner that results in national geographic diver-*
2 *sity among housing developed using such amounts. In mak-*
3 *ing grants under subsection (a)(2), the Secretary shall en-*
4 *sure that grants are provided and grant amounts are used*
5 *in a manner that results in national geographic diversity*
6 *among housing developed using grant amounts under this*
7 *section.*

8 (i) *GRANT AGREEMENT.—A grant under this section*
9 *shall be made only pursuant to a grant agreement entered*
10 *into by the Secretary and the organization or consortia re-*
11 *ceiving the grant, which shall—*

12 (1) *require such organization or consortia to use*
13 *grant amounts only as provided in this section;*

14 (2) *provide for the organization or consortia to*
15 *develop a specific and reasonable number of dwellings*
16 *using the grant amounts, which number shall be es-*
17 *tablished taking into consideration costs and eco-*
18 *nomie conditions in the areas in which the dwellings*
19 *will be developed, but in no case shall be less than 30;*

20 (3) *require the organization or consortia to use*
21 *the grant amounts in a manner that leverages other*
22 *sources of funding (other than grants under this sec-*
23 *tion), including private or public funds, in developing*
24 *the dwellings;*

1 (4) *require the organization or consortia to com-*
2 *ply with the other provisions of this section;*

3 (5) *provide that if the organization or consortia*
4 *has not used any grant amounts within 24 months*
5 *after such amounts are first disbursed to the organi-*
6 *zation or consortia, the Secretary shall recapture such*
7 *unused amounts; and*

8 (6) *contain such other terms as the Secretary*
9 *may require to provide for compliance with subsection*
10 *(b) and the requirements of this section.*

11 (j) *FULFILLMENT OF GRANT AGREEMENT.—If the Sec-*
12 *retary determines that an organization or consortia award-*
13 *ed a grant under this section has not, within 24 months*
14 *after grant amounts are first made available to the organi-*
15 *zation or consortia, substantially fulfilled the obligations*
16 *under the grant agreement, including development of the*
17 *appropriate number of dwellings under the agreement, the*
18 *Secretary shall use any such undisbursed amounts remain-*
19 *ing from such grant for other grants in accordance with*
20 *this section.*

21 (k) *RECORDS AND AUDITS.—During the period begin-*
22 *ning upon the making of a grant under this section and*
23 *ending upon close-out of the grant under subsection (l)—*

24 (1) *the organization awarded the grant under*
25 *subsection (a)(1) or (a)(2) shall keep such records and*

1 *adopt such administrative practices as the Secretary*
2 *may require to ensure compliance with the provisions*
3 *of this section and the grant agreement; and*

4 *(2) the Secretary and the Comptroller General of*
5 *the United States, and any of their duly authorized*
6 *representatives, shall have access for the purpose of*
7 *audit and examination to any books, documents, pa-*
8 *pers, and records of the grantee organization or con-*
9 *sortia and its affiliates that are pertinent to the grant*
10 *made under this section.*

11 *(l) CLOSE-OUT.—The Secretary shall close out a grant*
12 *made under this section upon determining that the aggre-*
13 *gate amount of any assistance provided from the fund estab-*
14 *lished under subsection (e)(1) by the grantee organization*
15 *or consortium exceeds the amount of the grant. For purposes*
16 *of this paragraph, any interest, fees, and other earnings of*
17 *the fund shall be excluded from the amount of the grant.*

18 *(m) ENVIRONMENTAL REVIEW.—A grant under this*
19 *section shall be considered to be funds for a special project*
20 *for purposes of section 305(c) of the Multifamily Housing*
21 *Property Disposition Reform Act of 1994.*

22 *(n) REPORT TO CONGRESS.—Not later than 90 days*
23 *after close-out of all grants under this section is completed,*
24 *the Secretary shall submit a report to the applicable Com-*
25 *mittees describing the grants made under this section, the*

1 grantees, the housing developed in connection with the grant
2 amounts, and the purposes for which the grant amounts
3 were used.

4 (o) *DEFINITIONS.*—For purposes of this section, the
5 following definitions shall apply:

6 (1) *APPLICABLE COMMITTEES.*—The term “ap-
7 plicable Committees” means the Committee on Bank-
8 ing and Financial Services of the House of Represent-
9 atives and the Committee on Banking, Housing, and
10 Urban Affairs of the Senate.

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

13 (3) *UNITED STATES.*—The term “United States”
14 includes the States of the United States, the District
15 of Columbia, the Commonwealth of Puerto Rico, the
16 Commonwealth of the Northern Mariana Islands,
17 Guam, the Virgin Islands, American Samoa, and any
18 other territory or possession of the United States.

19 (p) *REGULATIONS.*—The Secretary shall issue any
20 final regulations necessary to carry out this section not
21 later than 30 days after the date of the enactment of this
22 Act. The regulations shall take effect upon issuance and
23 may not exceed, in length, 5 full pages in the Federal Reg-
24 ister.

1 **SEC. 12. FUNDING FOR SELF-HELP HOUSING ASSISTANCE,**
 2 **NATIONAL CITIES IN SCHOOLS COMMUNITY**
 3 **DEVELOPMENT PROGRAM, AND CAPACITY**
 4 **BUILDING THROUGH NATIONAL COMMUNITY**
 5 **DEVELOPMENT INITIATIVE.**

6 (a) *AUTHORITY TO USE ASSISTED HOUSING*
 7 *AMOUNTS.*—*To the extent and for the purposes specified in*
 8 *subsection (b), the Secretary of Housing and Urban Devel-*
 9 *opment may use amounts in the account of the Department*
 10 *of Housing and Urban Development known as the Annual*
 11 *Contributions for Assisted Housing account, but only such*
 12 *amounts which—*

13 (1) *have been appropriated for a fiscal year that*
 14 *occurs before the fiscal year for which the Secretary*
 15 *uses the amounts; and*

16 (2) *have been obligated before becoming available*
 17 *for use under this section.*

18 (b) *FISCAL YEAR 1996.*—*Of the amounts described in*
 19 *subsection (a), \$60,000,000 shall be available to the Sec-*
 20 *retary of Housing and Urban Development for fiscal year*
 21 *1996 in the following amounts for the following purposes:*

22 (1) *SELF-HELP HOUSING ASSISTANCE.*—
 23 *\$40,000,000 for carrying out section 11 of this Act.*

24 (2) *NATIONAL CITIES IN SCHOOLS COMMUNITY*
 25 *DEVELOPMENT PROGRAM.*—*\$10,000,000 for carrying*
 26 *out section 930 of the Housing and Community De-*

1 *velopment Act of 1992 (Public Law 102–550; 106*
2 *Stat. 3887).*

3 (3) *CAPACITY BUILDING THROUGH NATIONAL*
4 *COMMUNITY DEVELOPMENT INITIATIVE.—\$10,000,000*
5 *for carrying out section 4 of the HUD Demonstration*
6 *Act of 1993 (42 U.S.C. 9816 note).*

7 **SEC. 13. APPLICABILITY AND IMPLEMENTATION.**

8 (a) *APPLICABILITY.—This Act and the amendments*
9 *made by this Act shall be construed to have become effective*
10 *on October 1, 1995.*

11 (b) *IMPLEMENTATION.—The amendments made by sec-*
12 *tions 9 and 10 shall apply as provided in subsection (a)*
13 *of this section, notwithstanding the effective date of any reg-*
14 *ulations issued by the Secretary of Housing and Urban De-*
15 *velopment to implement such amendments or any failure*
16 *by the Secretary to issue any such regulations.*

Attest:

Clerk.