

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING PROGRAMS

Federal Funds

TRANSFORMING RENTAL ASSISTANCE

For assistance to convert properties with contracts for project-based assistance under section 8 of the U. S. Housing Act of 1937, the rent supplement program under section 101 of the Housing and Urban Development Act of 1965, the rental assistance program under section 236 of the National Housing Act, or for assistance under section 9 of the U.S. Housing Act of 1937, to properties with assistance under section 8(o)(13) of the U.S. Housing Act of 1937, as amended, and for fees to cover the costs of administration of such new assistance contracts, services to promote resident mobility, and for one-time expenses of combining administrative components of local programs under section 8(o) of the U.S. Housing Act of 1937, \$350,000,000, to be available until September 30, 2015: Provided, That of the amounts made available under this heading, up to 3 percent shall be available to the Secretary for the costs of, including the contracting for, rent comparability studies, evaluation, and technical assistance: Provided further, That up to \$50,000,000 shall be available for services to promote resident mobility and up-front expenses of public housing agencies related to the transformation of rental assistance under this heading: Provided further, That the Secretary shall select properties and award funds for services and upfront expenses through a competitive process, except that for conversion of public housing and other multifamily properties owned by public housing agencies that do not administer a program under section 8(o) or of properties assisted under section 8(e)(2), 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 award funds for assistance, services, and upfront expenses through such other procedure as the Secretary may establish: Provided further, That the Secretary shall contract for administration of the rental assistance for any property converted under this heading with a public housing agency that does not own or control the property, directly or indirectly: Provided further, That the conversion of contracts under this heading shall not be grounds to evict tenants or terminate families' rental assistance: 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 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 in the Federal Register any waiver pursuant to the preceding proviso no later than 10 days before the effective date of such waiver.

Program and Financing (in millions of dollars)

Identification code 86-0406-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Rental Assistance			290
00.02 Resident Mobility			50
00.03 Technical Assistance			10
10.00 Total new obligations (object class 41.0)			350
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			350
23.95 Total new obligations			-350
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			350
Change in obligated balances:			
73.10 Total new obligations			350

73.20	Total outlays (gross)	-53
74.40	Obligated balance, end of year	297
Outlays (gross), detail:		
86.90	Outlays from new discretionary authority	53
Net budget authority and outlays:		
89.00	Budget authority	350
90.00	Outlays	53

The Department of Housing and Urban Development (HUD) currently provides deep rental assistance to more than 4.6 million households through at least 13 different programs (each with its own rules) administered by three operating divisions with separate field staff. These programs, with income-based rents, are implemented through an infrastructure of some 4,200 Public Housing Agencies (PHAs), 17,000 private owners with individual federal contracts, and hundreds of non-profit rental program administrators. This structure increases transaction costs for developers and communities and makes it more difficult for families in need to access HUD programs, while at the same time worst case housing needs and homelessness are increasing significantly.

The numerous programs and administrative entities present many barriers to eligible low-income families seeking an effective and accessible rental assistance program. For example, an eligible low-income family seeking HUD rental assistance cannot apply at one location for all programs; instead, the family must apply on separate waiting lists at various locations. Depending on the type of assistance received, the family may be required to reside in a specific location and may lose its subsidy upon relocation to another dwelling.

The sheer number of entities that administer HUD rental assistance, combined with the geographical limits under which most operate, impede fair access to scarce resources, resulting in waiting times that vary substantially and other adverse impacts. In addition, this balkanized administrative geography limits the use of Federal rental assistance to decrease concentrations of poor and minority families or to expand opportunities to live in mixed-income sustainable neighborhoods.

Another challenge is the capital needs of the aging public and assisted housing stock, which hinders Federal efforts to provide safe, high-quality affordable housing. The Public Housing program in particular has long wrestled with an old physical stock with a backlog of unmet capital needs. Moreover, highly prescriptive government regulations and the isolation of the program from market forces undermine effective and efficient property management.

To address these issues, HUD proposes to initiate a multi-year effort called the Transforming Rental Assistance (TRA) initiative. In 2011, the first phase of this initiative will provide \$350 million to preserve approximately 300,000 units of public and assisted housing, increase administrative efficiency at all levels of program operations, and enhance housing choice for residents. When fully implemented, TRA will also improve families' access to HUD rental assistance.

PHAs and private owners will be offered the option of converting to long-term property-based rental assistance contracts that include a resident mobility feature. Some \$290 million will be used to fill the gap between the funds otherwise available for the selected properties and the first-year costs of the new contracts. These funds will place participating properties on a sustainable footing from both a physical and financial standpoint, and enable

TRANSFORMING RENTAL ASSISTANCE—Continued

owners to leverage private financing to address immediate and long-term capital needs and implement energy-efficiency improvements.

Up to \$50 million will be available to PHAs for three purposes: 1) to offset the one-time costs of combining Housing Choice Voucher (HCV) program administrative functions in approximately 50 regions or areas where PHAs submit locally-designed plans to increase efficiency and effectiveness; 2) for outreach to encourage landlords in a broad range of communities to participate in the program; and 3) to provide additional services to expand families' housing choices. Together with other policy changes HUD plans for 2011, these funds and the administrative changes they support will streamline and improve the delivery and oversight of rental assistance and increase the share of housing choice vouchers used in lower poverty communities.

Under this voluntary initiative, HUD will prioritize for conversion public housing owned by agencies that do not operate HCV programs and public housing or assisted multifamily properties owned by PHAs that also administer HCV programs and agree to combine HCV administration with PHAs serving adjacent communities. In addition to achieving economies of scale, this effort will enable residents, if they choose, to move with a portable voucher that becomes available. This resident mobility feature will not reduce the number of units with property-based assistance. Three types of privately-owned HUD-assisted properties will also be eligible for conversion to the proposed new form of rental assistance: Section 8 Moderate Rehabilitation contracts administered by PHAs, and properties assisted under the Rent Supplement or Rental Assistance Programs.

By the spring of 2010, the Administration will transmit to the Congress proposed legislation to amend the project-based voucher program under section 8(o)(13) of the U.S. Housing Act and authorize the long-term property-based rental assistance contracts (with a resident mobility feature) that would be funded by the Budget request. Enactment of a number of the provisions in the Section 8 Voucher Reform Act is also an integral part of the Transforming Rental Assistance initiative. The Administration will work with the Congress to finalize this vital legislation.

Following Hurricane Katrina, approximately 36,799 displaced families were assisted through this account. HUD received \$79 million in 2005 from a FEMA mission assignment to provide housing assistance to these families who were previously HUD-assisted or who were homeless. An additional supplemental appropriation of \$390 million pursuant to P.L. 109–148 continues to provide assistance to these families. Over the past three-and-a-half years, most of these families have transitioned to other HUD-funded permanent supportive housing programs. As of December 2009, only 685 families remained in this program. HUD expects these families to transition to the Tenant-Based Rental Assistance (Housing Choice Voucher) program.

TENANT-BASED RENTAL ASSISTANCE

[(INCLUDING TRANSFER OF FUNDS)]

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, [\$14,184,200,000] \$15,550,663,183, to remain available until [expended] September 30, 2013, shall be available on October 1, [2009] 2010 (in addition to the \$4,000,000,000 previously appropriated under this heading that will become available on October 1, [2009] 2010), and \$4,000,000,000, to remain available until [expended] September 30, 2014, shall be available on October 1, [2010] 2011: *Provided*, That of the amounts made available under this heading are provided as follows:

(1) [\$16,339,200,000] \$17,310,000,000 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 other special purpose vouchers initially funded in fiscal years [2008 and] 2009 and 2010 (such as Family Unification, Veterans Affairs Supportive Housing Vouchers and Non-elderly Disabled Vouchers): *Provided*, That notwithstanding any other provision of law, from amounts provided under this paragraph and any carryover, the Secretary for the calendar year [2010] 2011 funding cycle shall provide renewal funding for each public housing agency based on *validated* voucher management system (VMS) leasing and cost data for [the most recent Federal fiscal year] *calendar year 2010* and by applying the most recent Annual Adjustment Factor as established by the Secretary, and by making any necessary adjustments for the costs associated with [deposits to family self-sufficiency program escrow accounts or] *the first-time [renewals] renewal of vouchers under this paragraph including tenant protection, and [or] HOPE VI vouchers: [Provided further, That none of the funds provided under this paragraph may be used to fund a total number of unit months under lease which exceeds a public housing agency's authorized level of units under contract, except for public housing agencies participating in the Moving to Work demonstration, which are instead governed by the terms and conditions of their MTW agreements:] Provided further, That the Secretary may offset public housing agencies' calendar year 2011 allocations by the excess amount of agencies' net restricted assets accounts: Provided further, That the Secretary shall determine the excess amount of net restricted assets in accordance with authorizing law or by notice in the Federal Register, but in no instance shall the definition of "excess" be greater than the amount above 6 percent of the renewal funding an agency is eligible to receive, prior to proration, in calendar year 2011: Provided further, That the Secretary shall use any such offset to avoid or reduce the proration of renewal funding allocations: Provided further, That if funds remain after providing public housing agencies with 100 percent of the allocation due under the first proviso, the Secretary may reallocate reserves for purposes otherwise authorized by law or as otherwise provided in a Federal Register notice: Provided further, That the Secretary shall, to the extent necessary to stay within the amount specified under this paragraph [(except as otherwise modified under this Act)], pro rate each public housing agency's allocation otherwise established pursuant to this paragraph: Provided further, That except as provided in the [last two] following provisos, the entire amount specified under*

PREVENTION OF RESIDENT DISPLACEMENT

Program and Financing (in millions of dollars)

Identification code 86-0311-0-1-604		2009 actual	2010 est.	2011 est.
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	1	.....	.....
22.00	New budget authority (gross)	-1	.....	.....
23.90	Total budgetary resources available for obligation .....	.....	.....	.....
24.40	Unobligated balance carried forward, end of year .....	.....	.....	.....
New budget authority (gross), detail:				
Discretionary:				
58.00	Spending authority from offsetting collections: Offsetting collections (cash)	-1	.....	.....
Change in obligated balances:				
74.40	Obligated balance, end of year .....	.....	.....	.....
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	1	.....	.....
Net budget authority and outlays:				
89.00	Budget authority .....	.....	.....	.....
90.00	Outlays	1	.....	.....

this paragraph [(except as otherwise modified under this Act)] 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 [the] prior written [approval of] notice to the House and Senate Committees on Appropriations: *Provided further*, That public housing agencies participating in the Moving to Work demonstration shall be funded pursuant to their Moving to Work agreements and shall be subject to the same pro rata adjustments under the previous provisos: *Provided further*, That up to \$150,000,000 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 adjustments for the costs associated with VASH vouchers; or (4)] 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; (3) for any increase in the costs associated with deposits to family self-sufficiency program escrow accounts; (4) for onetime adjustments of renewal funding for Public Housing Agencies in receivership with approved fungibility plans for calendar year 2009 as authorized in Section 11003 of the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Public Law 110-329); or (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": *Provided further*, That the Secretary shall allocate amounts under the previous proviso based on need as determined by the Secretary: *Provided further*, That of the amounts made available under this paragraph, up to \$100,000,000 may be transferred to and merged with the appropriation for "Transformation Initiative";

(2) [\$120,000,000] \$125,000,000 shall be for section 8 rental assistance for relocation and replacement of housing units that are demolished or disposed of pursuant to the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104-134), 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*, That the Secretary shall provide replacement vouchers for all units that were occupied within the previous 24 months that cease to be available as assisted housing, subject only to the availability of funds];

(3) [\$1,575,000,000] \$1,791,000,000 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 [\$1,525,000,000] \$1,741,000,000 of the amount provided in this paragraph shall be allocated to public housing agencies for the calendar year [2010] 2011 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, for fiscal year [2009] 2010 and 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) [\$15,000,000 for incremental voucher assistance through the Family Unification Program: *Provided*, That the assistance made available under this paragraph shall continue to remain available for family unification upon turnover: *Provided further*, That the Secretary of Housing and Urban Development shall make such funding available, notwithstanding section 204 (competition provision) of this title, to entities with demonstrated experience and resources for supportive services] \$113,663,183 for renewal of tenant-based assistance contracts under section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013) entered into prior to fiscal year 2007;

(6) [\$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 the Secretary of Housing and Urban Development shall make such funding available, notwithstanding section 204 (competition provision) of this title, 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 geographical need for such assistance as identified by the Secretary of the Department of Veterans Affairs, public housing agency administrative performance, and 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 may waive, or specify alternative requirements for (in consultation with the Secretary of the Department of Veterans Affairs), 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 assistance made available under this paragraph shall continue to remain available for homeless veterans upon turn-over] Up to \$66,000,000 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) \$85,000,000 for incremental voucher assistance under section 8(o) of the United States Housing Act of 1937, including related administrative expenses, 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

TENANT-BASED RENTAL ASSISTANCE—Continued

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 any waiver of any statute or regulation that the Secretary administers pursuant to this subsection no later than 10 days before the effective date of such waiver: Provided further, That assistance made available under this subsection shall continue to remain available for these purposes upon turn-over.

(Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0302-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Tenant Protection	168	203	125
00.02 Administrative Fees	1,480	1,585	1,791
00.03 Family Self Sufficiency Coordinators	49	110	60
00.06 Contract Renewals	14,390	16,328	17,114
00.08 Veterans Affairs Supportive Housing Vouchers	76	76	.....
00.09 Family Unification Program Vouchers	24	31	.....
00.10 Nonelderly Disabled Vouchers	20	40	.....
00.11 Disaster Displacement Assistance	82	3	.....
00.12 Disaster Housing Assistance Program .....	.....	.....	66
00.13 Section 811 Mainstream Vouchers .....	.....	.....	114
00.14 Homeless Special Needs Vouchers .....	.....	.....	85
10.00 Total new obligations (object class 41.0)	16,289	18,376	19,355
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	356	290	.....
22.00 New budget authority (gross)	16,217	18,084	19,355
22.10 Resources available from recoveries of prior year obligations	6	2	.....
23.90 Total budgetary resources available for obligation	16,579	18,376	19,355
23.95 Total new obligations	-16,289	-18,376	-19,355
24.40 Unobligated balance carried forward, end of year	290	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	12,817	14,184	15,551
40.35 Appropriation permanently reduced	-750	.....	.....
41.00 Transferred to other accounts	-8	-100	-196
43.00 Appropriation (total discretionary)	12,059	14,084	15,355
55.00 Advance appropriation	4,158	4,000	4,000
70.00 Total new budget authority (gross)	16,217	18,084	19,355
Change in obligated balances:			
72.40 Obligated balance, start of year	1,371	1,673	2,308
73.10 Total new obligations	16,289	18,376	19,355
73.20 Total outlays (gross)	-15,981	-17,739	-19,076
73.45 Recoveries of prior year obligations	-6	-2	.....
74.40 Obligated balance, end of year	1,673	2,308	2,587
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	14,434	16,103	17,332
86.93 Outlays from discretionary balances	1,547	1,636	1,744
87.00 Total outlays (gross)	15,981	17,739	19,076
Net budget authority and outlays:			
89.00 Budget authority	16,217	18,084	19,355
90.00 Outlays	15,981	17,739	19,076

The Tenant-Based Rental Assistance Program (also known as the Housing Choice Voucher program) provides housing assistance to approximately two million extremely low- to 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 low-income families to rent decent, safe and sanitary housing in the private market. The program includes a set-aside for tenant-protection vouchers, which are provided when certain actions occur, such as public housing demolition or disposition, or when landlords opt out of Project-Based Section 8 contracts. About 2,400 state and local Public Housing Authorities (PHAs) administer the Housing Choice Voucher program.

With the 2011 Budget, the Department reaffirms its commitment to improving the Housing Choice Voucher program. The level of funding requested in this Budget will allow PHAs to fund vouchers under lease as of the end of 2009, as well as new vouchers awarded in 2010. By the end of 2011, the Department expects to help almost 2.2 million families through this program. This is over 100,000 more families than were assisted at the end of 2009, and represents the largest number of families ever assisted by this program. The 2011 Budget also proposes shifting \$113.6 million required to renew nearly 15,000 Section 811 Housing for Disabled Persons Mainstream vouchers from the Section 811 account to this account. This one-time shift will allow the Department to consolidate rental assistance programs, thereby saving a significant amount of administrative resources.

The 2011 Budget also provides \$85 million in new special purpose vouchers for homeless and at-risk of homelessness families with children and persons with disabilities.

In addition, the Administration proposes to: 1) Design a comprehensive development strategy to improve HUD IT systems to better manage and administer the Voucher program; 2) Implement an improved Section 8 Management Assessment Program (24 CFR 985) that will ensure strengthened oversight, quality control, and performance metrics for the Housing Choice Voucher program; 3) Continue the study to develop a formula to allocate administrative fees based on the cost 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.

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 [2010] 2011 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 [shall be] *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 [rescinded] *permanently cancelled*, and an amount of additional new budget authority, equivalent to the amount [rescinded] *permanently cancelled* is hereby appropriated, to remain available until expended, for the purposes set forth under this heading, in addition to amounts otherwise available. *(Department of Housing and Urban Development Appropriations Act, 2010.)*

Program and Financing (in millions of dollars)

Identification code 86-0319-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Contract renewals	57	13	.....
00.02 Contract Administrators .....	.....	85	.....
00.05 Section 8 Amendments	1	123	100
00.11 Administrative Fees .....	.....	1	.....
10.00 Total new obligations (object class 41.0)	58	222	100
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	37	122	.....
22.10 Resources available from recoveries of prior year obligations	177	100	100
22.75 Balance of contract authority withdrawn	-34	.....	.....
23.90 Total budgetary resources available for obligation	180	222	100
23.95 Total new obligations	-58	-222	-100
24.40 Unobligated balance carried forward, end of year	122	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation .....	.....	152	50
40.36 Unobligated balance permanently reduced .....	.....	-152	-50
43.00 Appropriation (total discretionary) .....	.....	.....	.....
Mandatory:			
60.00 Appropriation	2,500	413	413
60.49 Portion applied to liquidate contract authority	-2,500	-413	-413
62.50 Appropriation (total mandatory) .....	.....	.....	.....
70.00 Total new budget authority (gross) .....	.....	.....	.....
Change in obligated balances:			
72.40 Obligated balance, start of year	7,292	5,601	4,443
73.10 Total new obligations	58	222	100
73.20 Total outlays (gross)	-1,572	-1,280	-1,090
73.45 Recoveries of prior year obligations	-177	-100	-100
74.40 Obligated balance, end of year	5,601	4,443	3,353
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	1,572	1,280	1,090
Net budget authority and outlays:			
89.00 Budget authority .....	.....	.....	.....
90.00 Outlays	1,572	1,280	1,090
Memorandum (non-add) entries:			
93.03 Obligated balance, start of year: Contract authority	3,413	879	466
93.04 Obligated balance, end of year: Contract authority	879	466	53

The Housing Certificate Fund, until 2005, 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 separately funded 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, **[\$8,157,853,000]** \$8,982,328,000, to remain available until expended, shall be available on October 1, **[2009]** 2010 (in addition to the \$393,672,000 previously appropriated under this heading that will become available October 1, 2010), and **[\$393,672,000]** \$400,000,000, to remain available until expended, shall be available on October 1, **[2010]** 2011: *Provided*, That the amounts made available under this heading [are provided as follows: (1) Up to \$8,325,853,000] 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 con-

tracts 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 **[(2) Not less than \$232,000,000 but not to exceed \$258,000,000]**: *Provided further, That of the total amounts provided under this heading, not to exceed \$322,000,000 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) **[(3) A]**: *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. (Department of Housing and Urban Development Appropriations Act, 2010.)**

Program and Financing (in millions of dollars)

Identification code 86-0303-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Contract Renewals	6,455	7,827	8,292
00.02 Contract Renewals (Recovery Act)	1,991	9	.....
00.03 Section 8 Amendments	518	644	662
00.04 Contract Administrators	292	232	322
00.05 Vouchers for Disaster Relief	76	4	.....
00.06 Tenant Information and Outreach .....	.....	10	10
10.00 Total new obligations (object class 41.0)	9,332	8,726	9,286
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	221	168	.....
22.00 New budget authority (gross)	9,120	8,558	9,286
22.10 Resources available from recoveries of prior year obligations	159	.....	.....
23.90 Total budgetary resources available for obligation	9,500	8,726	9,286
23.95 Total new obligations	-9,332	-8,726	-9,286
24.40 Unobligated balance carried forward, end of year	168	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	7,130	8,158	8,982
41.00 Transferred to other accounts	-10	.....	-90
42.00 Transferred from other accounts	2,000	.....	.....
43.00 Appropriation (total discretionary)	9,120	8,158	8,892
55.00 Advance appropriation .....	.....	400	394
70.00 Total new budget authority (gross)	9,120	8,558	9,286
Change in obligated balances:			
72.40 Obligated balance, start of year	3,000	4,691	5,272
73.10 Total new obligations	9,332	8,726	9,286
73.20 Total outlays (gross)	-7,482	-8,145	-8,722
73.45 Recoveries of prior year obligations	-159	.....	.....
74.40 Obligated balance, end of year	4,691	5,272	5,836
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	4,886	5,295	5,285
86.93 Outlays from discretionary balances	2,596	2,850	3,437
87.00 Total outlays (gross)	7,482	8,145	8,722

PROJECT-BASED RENTAL ASSISTANCE—Continued
Program and Financing—Continued

Identification code 86-0303-0-1-604		2009 actual	2010 est.	2011 est.
Net budget authority and outlays:				
89.00	Budget authority	9,120	8,558	9,286
90.00	Outlays	7,482	8,145	8,722

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 2012.

The Project-Based Rental Assistance program assists approximately 1.3 million extremely low- and 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 rental housing to provide housing for low- and very low-income families. This funding pays 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 lease contracts. Currently, around 81 percent of the contracts are renewed annually; the other 19 percent are long-term contracts funded with previous appropriations. These funds go directly to the housing costs of low- and very low-income families in the program. Also, funding amendments to a Section 8 contract are required to maintain the project until its contract expiration date if actual costs incurred exceed the amount of budget authority originally obligated for the project. These additional costs are funded in part by utilizing recoveries of excess balances remaining on expired Section 8 contracts that utilized less than anticipated resources to complete the contract.

Contract Administrators.—This activity funds the local level administration of this 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. For 2011, not to exceed \$322 million is requested for this set-aside.

Tenant Resources, Information and Outreach Activities.—The Department may make available up to \$10 million of funds available under this heading for tenant resources, information, and outreach 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 to make available 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") **[\$2,500,000,000]** \$2,044,200,000, to remain available until

September 30, **[2013]** 2014: *Provided*, That notwithstanding any other provision of law or regulation, during fiscal year **[2010]** 2011 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 of the Real Estate Assessment Center (REAC): *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 safety and security measures necessary to address crime and drug-related activity as well as needs]** resulting from unforeseen or unpreventable emergencies and natural disasters excluding Presidential 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 **[2010]** 2011: *Provided further*, That of the amounts provided under this heading up to \$40,000,000 may be for grants to be competitively awarded to public housing agencies for the construction, rehabilitation or purchase of facilities to be used to provide early education, adult education, job training or other appropriate services to public housing residents: *Provided further*, That grantees shall demonstrate an ability to leverage other Federal, State, local or private resources for the construction, rehabilitation or acquisition of such facilities, and that selected grantees shall demonstrate a capacity to pay the long-term costs of operating such facilities: *Provided further*, That of the total amount provided under this heading, \$50,000,000 shall be for supportive services, service coordinators and congregate services as authorized by section 34 of the Act (42 U.S.C. 1437z-6) and the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.): *Provided further*, That of the total amount provided under this heading up to \$8,820,000 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 **[2010]** 2011 to public housing agencies that are designated high performers. (Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0304-0-1-604		2009 actual	2010 est.	2011 est.
Obligations by program activity:				
00.01	Capital Grants	2,332	2,406	1,980
00.02	Modernization Technical Assistance	5	12	.....
00.03	Emergency/Disaster Reserve	15	48	20
00.04	Neighborhood Networks	2	.....	.....
00.06	Resident Opportunities and Supportive Services	41	90	.....
00.07	Administrative Receivership	5	18	9
00.08	Financial and Physical Assessment Support	12	28	15
00.11	Recovery Act	3,977	.....	.....
10.00	Total new obligations (object class 41.0)	6,389	2,602	2,024
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	94	127	.....
22.00	New budget authority (gross)	6,415	2,475	2,024
22.10	Resources available from recoveries of prior year obligations ...	10	.....	.....
22.75	Balance of contract authority withdrawn	-3	.....	.....
23.90	Total budgetary resources available for obligation	6,516	2,602	2,024
23.95	Total new obligations	-6,389	-2,602	-2,024
24.40	Unobligated balance carried forward, end of year	127	.....	.....
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	6,450	2,500	2,044
41.00	Transferred to other accounts	-36	-25	-20
43.00	Appropriation (total discretionary)	6,414	2,475	2,024
58.00	Spending authority from offsetting collections: Offsetting collections (cash)	1	.....	.....
Mandatory:				
60.00	Appropriation	500	.....	.....

60.49	Portion applied to liquidate contract authority	-500		
62.50	Appropriation (total mandatory)			
70.00	Total new budget authority (gross)	6,415	2,475	2,024
Change in obligated balances:				
72.40	Obligated balance, start of year	7,468	10,629	9,187
73.10	Total new obligations	6,389	2,602	2,024
73.20	Total outlays (gross)	-3,208	-4,044	-4,394
73.40	Adjustments in expired accounts (net)	-10		
73.45	Recoveries of prior year obligations	-10		
74.40	Obligated balance, end of year	10,629	9,187	6,817
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	207	63	55
86.93	Outlays from discretionary balances	3,001	3,981	4,339
87.00	Total outlays (gross)	3,208	4,044	4,394
Offsets:				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources	-1		
Net budget authority and outlays:				
89.00	Budget authority	6,414	2,475	2,024
90.00	Outlays	3,207	4,044	4,394
Memorandum (non-add) entries:				
93.01	Unobligated balance, start of year: Contract authority			
93.02	Unobligated balance, end of year: Contract authority			
93.03	Obligated balance, start of year: Contract authority	571	68	68
93.04	Obligated balance, end of year: Contract authority	68	68	68

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 protects and enhances a valuable affordable housing resource, which serves approximately 1.1 million families with limited income. Of those families, 30 percent are elderly and 33 percent are disabled.

Of the \$2.044 billion requested for this program, nearly \$2 billion will fund capital grants. Other uses include up to \$15 million for public housing financial and physical assessment support, up to \$20 million for emergencies and disasters, and up to \$9 million for administrative and judicial receiverships.

The American Recovery and Reinvestment Act of 2009 (P.L. 111-5) provided \$4 billion for the Public Housing Capital Fund. In 2009, HUD awarded \$3 billion by formula and \$1 billion through a competition. These funds will reduce the backlog of capital needs and support energy efficient, green communities and other priority investments. The 2011 Budget request recognizes that the program is working to absorb funding appropriated in the Recovery Act and anticipates that funding already in the pipeline will produce a high level of output through 2011.

PUBLIC HOUSING OPERATING FUND
(INCLUDING TRANSFER OF FUNDS)

For [2010] 2011 payments to public housing agencies 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)), [\$4,775,000,000] \$4,829,000,000: Provided, That, in fiscal year 2009 and all fiscal years hereafter, no amounts under this heading in any appropriations Act may be used for payments to public housing agencies for the costs of operation and management of public housing for any year prior to the current year of such Act: Provided further, That of the amounts made available under this heading, up to \$15,000,000 may be transferred to and merged with the appropriation for "Transformation Initiative". (Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0163-0-1-604		2009 actual	2010 est.	2011 est.
Obligations by program activity:				
00.01	Operating Subsidy	4,448	4,760	4,781
00.02	Transition to asset management	3		
10.00	Total new obligations (object class 41.0)	4,451	4,760	4,781
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	4,455	4,760	4,781
23.95	Total new obligations	-4,451	-4,760	-4,781
23.98	Unobligated balance expiring or withdrawn	-4		
24.40	Unobligated balance carried forward, end of year			
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	4,455	4,775	4,829
41.00	Transferred to other accounts		-15	-48
43.00	Appropriation (total discretionary)	4,455	4,760	4,781
Change in obligated balances:				
72.40	Obligated balance, start of year	1,184	1,185	1,371
73.10	Total new obligations	4,451	4,760	4,781
73.20	Total outlays (gross)	-4,449	-4,574	-4,775
73.40	Adjustments in expired accounts (net)	-1		
74.40	Obligated balance, end of year	1,185	1,371	1,377
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	3,277	3,427	3,442
86.93	Outlays from discretionary balances	1,172	1,147	1,333
87.00	Total outlays (gross)	4,449	4,574	4,775
Net budget authority and outlays:				
89.00	Budget authority	4,455	4,760	4,781
90.00	Outlays	4,449	4,574	4,775

The Budget request of \$4.829 billion will fund 100 percent of Public Housing Authorities' (PHAs) estimated eligibility for operating subsidies under the Operating Fund formula. 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, as amended. The tables below display the sources of PHAs' revenue and expenditures by category and are based on PHAs' annual financial statements for fiscal years ending June 2009 through March 2009.

Sources of PHAs' Operating Revenue

(in millions of dollars)		
Category	Annual income	Percent of total
Operating Subsidies	\$3,762	57%
Dwelling Rental	2,520	38%
Investment	112	2%
Other Income	219	3%
Total, Operating Revenue	\$6,613	100%

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.

Investment Income.—Income from interest earned on general fund investments.

PUBLIC HOUSING OPERATING FUND—Continued

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. Excludes Proceeds from Disposition from Assets Held for Sale, Cost of Sale of Assets, and Gain/Loss on Sale of Fixed Assets totaling \$54 million.

PHAs' Operating Expenditures

(in millions of dollars)

Category	Annual expenditures	Percent of total
Utilities	\$1,574	25%
Administration	1,860	29%
General Operating Expenses	596	9%
Maintenance	2,039	32%
Tenant Services	171	3%
Protective Services	158	2%
Total, Operating Expenses	\$6,398	100%

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.

General Operating Expenses.—Includes insurance, payments made to local governments in lieu of taxes, terminal leave payments, employee benefit contributions, collection losses, interest on administrative and sundry notes, and other general expenses.

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

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	2009 actual	2010 est.	2011 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		1	1
22.10 Resources available from recoveries of prior year obligations ...	1		
23.90 Total budgetary resources available for obligation	1	1	1
24.40 Unobligated balance carried forward, end of year	1	1	1
Change in obligated balances:			
72.40 Obligated balance, start of year	1		
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year			
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

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 extreme 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 grant funds may be used for resident and community services, community development and affordable housing needs in the community, and for conversion of vacant or foreclosed properties 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, and Commerce 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 all balances of amounts made available for the Choice Neighborhood Initiative under the heading Revitalization of Severely Distressed Public Housing (HOPE VI) in the Department of Housing and Urban Development Appropriations Act, 2010 shall be transferred to and merged with amounts made available under this heading.

Program and Financing (in millions of dollars)

Identification code 86-0349-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Choice Neighborhoods Grants			65
10.00 Total new obligations (object class 41.0)			65
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			313
23.95 Total new obligations			-65
24.40 Unobligated balance carried forward, end of year			248
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			250
41.00 Transferred to other accounts			-2
42.00 Transferred from other accounts			65
43.00 Appropriation (total discretionary)			313
Change in obligated balances:			
73.10 Total new obligations			65
73.20 Total outlays (gross)			-8
74.40 Obligated balance, end of year			57
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			8
Net budget authority and outlays:			
89.00 Budget authority			313
90.00 Outlays			8

The Choice Neighborhoods Initiative will provide \$250 million in competitive grants to transform neighborhoods of extreme 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.

Choice Neighborhoods grants will primarily fund the preservation, rehabilitation, and transformation of public and HUD-assisted housing. The program builds on the successes of public housing transformation under HOPE VI with a broader approach

to concentrated poverty. Grantees will 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 program will also implement rent and work incentives to help public and HUD-assisted housing residents access jobs and move to self-sufficiency.

Grantees will undertake comprehensive local planning with input from residents and the community. A strong emphasis will be placed on local community planning for school and educational improvements, including early childhood initiatives. Up to ten percent of the appropriation will be used for planning grants to assist local partnerships to develop strong proposals for future fiscal year grant competitions.

The Department will place a strong emphasis on coordination with other Federal agencies, notably the Departments of Education, Labor, Transportation, Health and Human Services and the Environmental Protection Agency, to leverage additional resources. Where possible, the program will be coordinated with the Department of Education's Promise Neighborhoods proposal. The Administration will propose authorizing legislation to implement this initiative in the spring of 2010.

【REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)】

【For grants to public housing agencies for demolition, site revitalization, replacement housing, and tenant-based assistance grants to projects as authorized by section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), \$200,000,000, to remain available until September 30, 2011, of which the Secretary of Housing and Urban Development may use up to \$10,000,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the department and of public housing agencies and to residents: *Provided*, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein: *Provided further*, That of the amounts provided under this heading, up to \$65,000,000 may be available for a demonstration of the Choice Neighborhoods Initiative (subject to such section 24 except as otherwise specified under the provisos for this demonstration under this heading) for the 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, public assets, transportation and access to jobs, and schools, including public schools, community schools, and charter schools: *Provided further*, That for this demonstration, funding may also be used for the conversion of vacant or foreclosed properties to affordable housing: *Provided further*, That use of funds made available for this demonstration under this heading shall not be deemed to be public housing notwithstanding section 3(b)(1) of such Act: *Provided further*, That grantees shall commit to an additional period of affordability determined by the Secretary, but not fewer than 20 years: *Provided further*, That grantees shall undertake comprehensive local planning with input from residents and the community: *Provided further*, That for the purposes of this demonstration, applicants may include local governments, public housing authorities, nonprofits, and for-profit developers that apply jointly with a public entity: *Provided further*, 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 develop and publish a Notice of Funding Availability for the allocation and use of such competitive funds in this demonstration, including but not limited to eligible activities, program requirements, protections and services for affected residents, and performance metrics.】 (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0218-0-1-604		2009 actual	2010 est.	2011 est.
Obligations by program activity:				
00.01	HOPE VI Grants		118	123
00.02	HOPE VI Technical Assistance	3	10	
10.00	Total new obligations (object class 41.0)	3	128	123
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	1	118	188
22.00	New budget authority (gross)	120	198	-65
23.90	Total budgetary resources available for obligation	121	316	123
23.95	Total new obligations	-3	-128	-123
24.40	Unobligated balance carried forward, end of year	118	188	
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	120	200	
41.00	Transferred to other accounts		-2	-65
43.00	Appropriation (total discretionary)	120	198	-65
Change in obligated balances:				
72.40	Obligated balance, start of year	952	632	471
73.10	Total new obligations	3	128	123
73.20	Total outlays (gross)	-317	-289	-262
73.40	Adjustments in expired accounts (net)	-6		
74.40	Obligated balance, end of year	632	471	332
Outlays (gross), detail:				
86.93	Outlays from discretionary balances	317	289	262
Net budget authority and outlays:				
89.00	Budget authority	120	198	-65
90.00	Outlays	317	289	262

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. Instead, the Department proposes to build on the success of the HOPE VI program with its Choice Neighborhoods Initiative. First funded in 2010, Choice Neighborhoods will make a broad range of transformative investments in high-poverty neighborhoods where public and assisted housing is concentrated.

The remaining balance of \$750 million in HOPE VI funds at the end of 2009 will spend out over several years as redevelopment projects are completed. Cumulative results of the HOPE VI program as of September 30, 2009 are as follows: 72,718 households relocated; 94,367 units demolished; 80,130 units (new and rehabilitated) completed; and 78,347 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】 \$580,000,000, 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 amounts made available under this heading, \$3,500,000 shall be contracted for assistance for a national organization representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing

NATIVE AMERICAN HOUSING BLOCK GRANTS—Continued

entities as authorized under NAHASDA; and \$4,250,000 shall be to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the training, oversight, and management of such Indian housing and tenant-based assistance, including up to \$300,000 for related travel: **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 **[\$18,000,000] \$20,000,000**. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0313-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.02 Title VI Loan Guarantee Subsidy	1	2	2
00.10 Indian Housing Block Grants	641	809	568
00.11 Technical Assistance	4	13	4
00.12 NAIHC	3	4	.....
00.14 Recovery Act	500	8	.....
10.00 Total new obligations (object class 41.0)	1,149	836	574
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	126	140	4
22.00 New budget authority (gross)	1,153	700	574
22.10 Resources available from recoveries of prior year obligations	10	.....	.....
23.90 Total budgetary resources available for obligation	1,289	840	578
23.95 Total new obligations	-1,149	-836	-574
24.40 Unobligated balance carried forward, end of year	140	4	4
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1,155	700	580
41.00 Transferred to other accounts	-2	.....	-6
43.00 Appropriation (total discretionary)	1,153	700	574
Change in obligated balances:			
72.40 Obligated balance, start of year	976	1,472	1,430
73.10 Total new obligations	1,149	836	574
73.20 Total outlays (gross)	-643	-878	-721
73.45 Recoveries of prior year obligations	-10	.....	.....
74.40 Obligated balance, end of year	1,472	1,430	1,283
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	228	207	169
86.93 Outlays from discretionary balances	415	671	552
87.00 Total outlays (gross)	643	878	721
Net budget authority and outlays:			
89.00 Budget authority	1,153	700	574
90.00 Outlays	643	878	721

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

Identification code 86-0313-0-1-604	2009 actual	2010 est.	2011 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Title VI Indian Federal Guarantees Program	8	18	20
215999 Total loan guarantee levels	8	18	20
Guaranteed loan subsidy (in percent):			
232001 Title VI Indian Federal Guarantees Program	12.34	11.18	10.20
232999 Weighted average subsidy rate	12.34	11.18	10.20
Guaranteed loan subsidy budget authority:			
233001 Title VI Indian Federal Guarantees Program	1	2	2
233999 Total subsidy budget authority	1	2	2
Guaranteed loan subsidy outlays:			
234001 Title VI Indian Federal Guarantees Program	1	2	2
234999 Total subsidy outlays	1	2	2

Guaranteed loan downward reestimates:			
237001 Title VI Indian Federal Guarantees Program	-2	-3	.....
237999 Total downward reestimate subsidy budget authority	-2	-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 supports a program goal to reduce over-crowding on Native lands by 10 percent.

The Budget includes \$580 million for the total activities of this program in 2011. Because of the appropriations provided in the Recovery Act, direct program output, as measured by outlays, will be at historically high levels in 2010 and 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 2011. 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 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.), **[\$13,000,000] \$10,000,000**, to remain available until expended: **Provided**, That of this amount, \$300,000 shall be for training and technical assistance activities, including up to \$100,000 for related travel by Hawaii-based HUD employees. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0235-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Native Hawaiian Housing Block Grant	10	11	10
10.00 Total new obligations (object class 41.0)	10	11	10
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	1	3
22.00 New budget authority (gross)	10	13	10
23.90 Total budgetary resources available for obligation	11	14	13
23.95 Total new obligations	-10	-11	-10

24.40	Unobligated balance carried forward, end of year	1	3	3
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	10	13	10
Change in obligated balances:				
72.40	Obligated balance, start of year	9	15	19
73.10	Total new obligations	10	11	10
73.20	Total outlays (gross)	-4	-7	-9
74.40	Obligated balance, end of year	15	19	20
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority		1	1
86.93	Outlays from discretionary balances	4	6	8
87.00	Total outlays (gross)	4	7	9
Net budget authority and outlays:				
89.00	Budget authority	10	13	10
90.00	Outlays	4	7	9

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 operate 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	2009 actual	2010 est.	2011 est.	
Obligations by program activity:				
09.01	Reimbursable program: Capital investment loans to PHAs	5	1	
10.00	Total new obligations (object class 43.0)	5	1	
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	1	5	1
22.60	Portion applied to repay debt	-1		
23.90	Total budgetary resources available for obligation	5	1	
23.95	Total new obligations	-5	-1	
24.40	Unobligated balance carried forward, end of year			
New budget authority (gross), detail:				
Mandatory:				
67.10	Authority to borrow	1	5	1
69.00	Offsetting collections (cash)	105	104	97
69.47	Portion applied to repay debt	-105	-104	-97
69.90	Spending authority from offsetting collections (total mandatory)			
70.00	Total new budget authority (gross)	1	5	1
Change in obligated balances:				
72.40	Obligated balance, start of year	194	148	148
73.10	Total new obligations	5	1	
73.20	Total outlays (gross)	-46	-5	-1
74.40	Obligated balance, end of year	148	148	148
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority		5	1

86.98	Outlays from mandatory balances	46		
87.00	Total outlays (gross)	46	5	1
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-105	-104	-97
Net budget authority and outlays:				
89.00	Budget authority	-104	-99	-96
90.00	Outlays	-59	-99	-96

Status of Direct Loans (in millions of dollars)

Identification code 86-4098-0-3-604	2009 actual	2010 est.	2011 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	691	587	483
1251	Repayments: Repayments and prepayments	-104	-104	-97
1290	Outstanding, end of year	587	483	386

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4098-0-3-604	2009 actual	2010 est.	2011 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	667	456	270
2251	Repayments and prepayments	-211	-186	-163
2290	Outstanding, end of year	456	270	107
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	456	270	107

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	2008 actual	2009 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	194	148
1601	Direct loans, gross	692	588
1602	Interest receivable	43	36
1604	Direct loans and interest receivable, net	735	624
1699	Value of assets related to direct loans	735	624
1999	Total assets	929	772
LIABILITIES:			
Federal liabilities:			
2102	Interest payable	84	71
2104	Resources payable to Treasury	691	587
2999	Total liabilities	775	658
NET POSITION:			
3100	Appropriated capital	147	121
3300	Cumulative results of operations	7	-7
3999	Total net position	154	114
4999	Total liabilities and net position	929	772

LOW-RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES—Continued
Object Classification (in millions of dollars)

Identification code 86-4098-0-3-604	2009 actual	2010 est.	2011 est.
Reimbursable obligations:			
43.0 Loan Buy Downs and Other Expense		5	1
99.0 Reimbursable obligations		5	1

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] \$9,000,000**, 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 **[\$919,000,000] \$994,000,000**: *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. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0223-0-1-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy	13	6	8
00.07 Reestimates of loan guarantee subsidy - upward reestimates		1	
00.09 Administrative Contract Expenses		1	1
10.00 Total new obligations	13	8	9
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	5	1	1
22.00 New budget authority (gross)	9	8	9
23.90 Total budgetary resources available for obligation	14	9	10
23.95 Total new obligations	-13	-8	-9
24.40 Unobligated balance carried forward, end of year	1	1	1
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	9	7	9
Mandatory:			
60.00 Appropriation		1	
70.00 Total new budget authority (gross)	9	8	9
Change in obligated balances:			
72.40 Obligated balance, start of year	3	6	7
73.10 Total new obligations	13	8	9
73.20 Total outlays (gross)	-10	-7	-9
74.40 Obligated balance, end of year	6	7	7
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	9	6	8
86.93 Outlays from discretionary balances	1	1	1
87.00 Total outlays (gross)	10	7	9
Net budget authority and outlays:			
89.00 Budget authority	9	8	9
90.00 Outlays	10	7	9

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

Identification code 86-0223-0-1-371	2009 actual	2010 est.	2011 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Indian Housing Loan Guarantee	501	919	994
215999 Total loan guarantee levels	501	919	994
Guaranteed loan subsidy (in percent):			

232001 Indian Housing Loan Guarantee	2.52	0.68	0.83
232999 Weighted average subsidy rate	2.52	0.68	0.83
Guaranteed loan subsidy budget authority:			
233001 Indian Housing Loan Guarantee	13	7	8
233999 Total subsidy budget authority	13	7	8
Guaranteed loan subsidy outlays:			
234001 Indian Housing Loan Guarantee	10	5	8
234999 Total subsidy outlays	10	5	8
Guaranteed loan upward reestimates:			
235001 Indian Housing Loan Guarantee		1	
235999 Total upward reestimate budget authority		1	
Guaranteed loan downward reestimates:			
237001 Indian Housing Loan Guarantee	-8	-8	
237999 Total downward reestimate subsidy budget authority	-8	-8	
Administrative expense data:			
3510 Budget authority		1	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 funding to support additional loan guarantee activity and to provide managerial and systems support. The program has issued 9,438 loan guarantees totaling \$1.4 billion since 1995, with 52 percent of the activity occurring in 2008 and 2009. Program growth for 2011 is expected to increase by 45 percent, representing almost \$1 billion in obligated lending authority, comprised of 6,933 loans. Even through the national foreclosure crisis, the program maintains a claims rate of less than one percent.

Object Classification (in millions of dollars)

Identification code 86-0223-0-1-371	2009 actual	2010 est.	2011 est.
Direct obligations:			
25.2 Other services	1		1
41.0 Grants, subsidies, and contributions	12	8	8
99.9 Total new obligations	13	8	9

INDIAN HOUSING LOAN GUARANTEE FUND FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4104-0-3-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Default Claims	5	7	7
08.02 Downward Re-estimate	7	7	
08.04 Payment of Interest on Downward Re-Estimate	1	1	
08.91 Subtotal	8	8	
10.00 Total new obligations	13	15	7
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	25	38	41
22.00 New financing authority (gross)	26	18	11
23.90 Total budgetary resources available for obligation	51	56	52
23.95 Total new obligations	-13	-15	-7
24.40 Unobligated balance carried forward, end of year	38	41	45

New financing authority (gross), detail:			
Mandatory:			
67.10	Authority to borrow	5	7
69.00	Offsetting collections (cash)	18	11
69.10	Change in uncollected customer payments from Federal sources (unexpired)	3	
69.90	Spending authority from offsetting collections (total mandatory)	21	11
70.00	Total new financing authority (gross)	26	18
Change in obligated balances:			
72.40	Obligated balance, start of year	-3	-7
73.10	Total new obligations	13	15
73.20	Total financing disbursements (gross)	-14	
74.00	Change in uncollected customer payments from Federal sources (unexpired)	-3	
74.40	Obligated balance, end of year	-7	8
Outlays (gross), detail:			
87.00	Total financing disbursements (gross)	14	
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Federal sources: Payments from program account	-10	-7
88.25	Interest on uninvested funds	-1	-1
88.40	Non-Federal sources	-7	-3
88.90	Total, offsetting collections (cash)	-18	-11
Against gross financing authority only:			
88.95	Change in receivables from program accounts	-3	
Net financing authority and financing disbursements:			
89.00	Financing authority	5	7
90.00	Financing disbursements	-4	-11

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4104-0-3-604	2009 actual	2010 est.	2011 est.
Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders	420	919
2121	Limitation available from carry-forward	173	92
2143	Uncommitted limitation carried forward	-92	-92
2150	Total guaranteed loan commitments	501	919
2199	Guaranteed amount of guaranteed loan commitments	501	919
Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	813	1,173
2231	Disbursements of new guaranteed loans	395	919
2251	Repayments and prepayments	-30	-40
Adjustments:			
2262	Terminations for default that result in acquisition of property	-2	
2263	Terminations for default that result in claim payments	-3	-7
2264	Other adjustments, net		
2290	Outstanding, end of year	1,173	2,045
Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	1,173	2,045

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	2008 actual	2009 actual
ASSETS:		
1101	Federal assets: Fund balances with Treasury	22

1999	Total assets	22	32
LIABILITIES:			
2103	Federal liabilities: Debt Payable to Treasury		5
Non-Federal liabilities:			
2204	Liabilities for loan guarantees	14	13
2207	Unearned revenues and advances	8	14
2999	Total liabilities	22	32
4999	Total liabilities and net position	22	32

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z), \$1,044,000, 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, not to exceed \$41,504,255. (Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0233-0-1-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.02	Guaranteed loan subsidy		1
10.00	Total new obligations (object class 41.0)		1
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	3	4
22.00	New budget authority (gross)	1	1
23.90	Total budgetary resources available for obligation	4	5
23.95	Total new obligations		-1
24.40	Unobligated balance carried forward, end of year	4	4
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	1	1
Change in obligated balances:			
73.10	Total new obligations		1
73.20	Total outlays (gross)		-1
74.40	Obligated balance, end of year		
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority		1
86.93	Outlays from discretionary balances		1
87.00	Total outlays (gross)		1
Net budget authority and outlays:			
89.00	Budget authority	1	1
90.00	Outlays		1

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

Identification code 86-0233-0-1-371	2009 actual	2010 est.	2011 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001	Native Hawaiian Housing Loan Guarantees	14	42
215999	Total loan guarantee levels	14	42
Guaranteed loan subsidy (in percent):			
232001	Native Hawaiian Housing Loan Guarantees	2.52	2.52
232999	Weighted average subsidy rate	2.52	2.52
Guaranteed loan subsidy budget authority:			
233001	Native Hawaiian Housing Loan Guarantees		1
233999	Total subsidy budget authority		1
Guaranteed loan subsidy outlays:			
234001	Native Hawaiian Housing Loan Guarantees		1
234999	Total subsidy outlays		1

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND PROGRAM
ACCOUNT—Continued

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 2011 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	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Default Claims		1	1
10.00 Total new obligations		1	1
Budgetary resources available for obligation:			
22.00 New financing authority (gross)		1	1
23.95 Total new obligations		-1	-1
24.40 Unobligated balance carried forward, end of year			
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)		1	1
Change in obligated balances:			
72.40 Obligated balance, start of year			1
73.10 Total new obligations		1	1
74.40 Obligated balance, end of year		1	2
Offsets:			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources: Payments from program account		-1	-1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements		-1	-1

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4351-0-3-371	2009 actual	2010 est.	2011 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	184	212	212
2143 Uncommitted limitation carried forward	-212	-212	-212
2150 Total guaranteed loan commitments	14	42	42
2199 Guaranteed amount of guaranteed loan commitments	14	42	42
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	80	80	116
2231 Disbursements of new guaranteed loans	3	41	
2251 Repayments and prepayments	-2	-4	-4
2263 Adjustments: Terminations for default that result in claim payments	-1	-1	-1
2290 Outstanding, end of year	80	116	111
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	8	116	111

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.

TITLE VI INDIAN FEDERAL GUARANTEES FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 86-4244-0-3-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
08.02 Downward Reestimate	2	2	
08.04 Interest on reestimate		1	
10.00 Total new obligations	2	3	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	13	13	12
22.00 New financing authority (gross)	2	2	2
23.90 Total budgetary resources available for obligation	15	15	14
23.95 Total new obligations	-2	-3	
24.40 Unobligated balance carried forward, end of year	13	12	14
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	2	2	2
Change in obligated balances:			
72.40 Obligated balance, start of year			3
73.10 Total new obligations	2	3	
73.20 Total financing disbursements (gross)	-2		
74.40 Obligated balance, end of year		3	3
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	2		
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-1	-2	-2
88.25 Interest on uninvested funds	-1		
88.90 Total, offsetting collections (cash)	-2	-2	-2
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements		-2	-2

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4244-0-3-604	2009 actual	2010 est.	2011 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	17	18	20
2121 Limitation available from carry-forward	23	32	32
2143 Uncommitted limitation carried forward	-32	-32	-32
2150 Total guaranteed loan commitments	8	18	20
2199 Guaranteed amount of guaranteed loan commitments	8	18	20
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	99	106	116
2231 Disbursements of new guaranteed loans	14	15	15
2251 Repayments and prepayments	-5	-5	-5
2263 Adjustments: Terminations for default that result in claim payments			
2264 Other adjustments, net	-2		
2290 Outstanding, end of year	106	116	126

Memorandum:

2299	Guaranteed amount of guaranteed loans outstanding, end of year	101	114	115
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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	2008 actual	2009 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	14	13
1999 Total assets	14	13
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees	14	13
2999 Total liabilities	14	13
4999 Total liabilities and net position	14	13

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] \$340,000,000**, to remain available until September 30, **[2011] 2012**, except that amounts allocated pursuant to section 854(c)(3) of such Act shall remain available until September 30, **[2012] 2013: 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. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0308-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 HOPWA Formula Grants	277	294	303
00.02 HOPWA Competitive Grants	40	31	33
00.03 Technical Assistance	1		
10.00 Total new obligations (object class 41.0)	318	325	336
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	103	93	100
22.00 New budget authority (gross)	308	332	337
23.90 Total budgetary resources available for obligation	411	425	437
23.95 Total new obligations	-318	-325	-336
24.40 Unobligated balance carried forward, end of year	93	100	101
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	310	335	340
41.00 Transferred to other accounts	-2	-3	-3
43.00 Appropriation (total discretionary)	308	332	337
Change in obligated balances:			
72.40 Obligated balance, start of year	434	434	426
73.10 Total new obligations	318	325	336
73.20 Total outlays (gross)	-317	-333	-304
73.40 Adjustments in expired accounts (net)	-1		
74.40 Obligated balance, end of year	434	426	458

Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	2	7	7
86.93	Outlays from discretionary balances	315	326	297
87.00	Total outlays (gross)	317	333	304
Net budget authority and outlays:				
89.00	Budget authority	308	332	337
90.00	Outlays	317	333	304

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. The remaining 10 percent is awarded competitively to States, local governments, and private nonprofit entities, including faith-based organizations, 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 \$340 million requested for 2011 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, **[\$4,450,000,000] \$4,380,100,000**, to remain available until September 30, **[2012] 2013**, unless otherwise specified: *Provided*, That of the total amount provided, **[\$3,990,068,480] \$3,990,100,000** 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 amount made available under this heading, \$172,843,570 shall be available for grants for the Economic Development Initiative (EDI) to finance a variety of targeted economic investments in accordance with the terms and conditions specified in the explanatory statement accompanying this Act: *Provided*, That none of the funds provided under this paragraph may be used for program operations: *Provided further*, That, for fiscal years 2008, 2009 and 2010, no unobligated funds for EDI grants may be used for any purpose except acquisition, planning, design, purchase of equipment, revitalization, redevelopment or construction.]

[Of the amount made available under this heading, \$22,087,950 shall be available for neighborhood initiatives that are utilized to improve the conditions of distressed and blighted areas and neighborhoods, to stimulate investment, economic diversification, and community revitalization in areas with population outmigration or a stagnating or declining economic base, or to determine whether housing benefits can be integrated

COMMUNITY DEVELOPMENT FUND—Continued

more effectively with welfare reform initiatives: *Provided*, That amounts made available under this paragraph shall be provided in accordance with the terms and conditions specified in the explanatory statement accompanying this Act.]

[The referenced explanatory statement under this heading in title II of division K of Public Law 110–161 is deemed to be amended by striking "Old Town Boys and Girls Club, Albuquerque, NM, for renovation of the existing Old Town Boys and Girls Club accompanied by construction of new areas for the Club" and inserting "Old Town Boys and Girls Club, Albuquerque, NM, for renovation of the Heights Boys and Girls Club".]

[The referenced statement of the managers under this heading "Community Planning and Development" in title II of division K of Public Law 110–161 is deemed to be amended by striking "Custer County, ID for acquisition of an unused middle school building" and inserting "Custer County, ID, to construct a community center".]

[The referenced explanatory statement under this heading in division I of Public Law 111–8 is deemed to be amended with respect to "Hawaii County Office of Housing and Community Development, HI" by striking "Senior Housing Renovation Project" and inserting "Transitional Housing Project".]

[The referenced statement of the managers under this heading "Community Planning and Development" in title II of division I of Public Law 111–8 is deemed to be amended by striking "Custer County, ID, to purchase a middle school building" and inserting "Custer County, ID, to construct a community center".]

[The referenced explanatory statement under the heading "Community Development Fund" in title II of division K of Public Law 110–161 is deemed to be amended with respect to "Emergency Housing Consortium in San Jose, CA" by striking "for construction of the Sobrato Transitional Center, a residential facility for homeless individuals and families" and inserting "for improvements to homeless services and prevention facilities".]

Of the amounts made available under this heading, \$150,000,000 shall be available for the Catalytic Investment Competition Grants program with the purpose of providing economic development gap financing to implement and capitalize innovative and targeted economic investment: Provided, That grant funds shall be targeted to communities or neighborhoods: (1) experiencing demonstrated distress as defined by the Secretary; and (2) that have developed an innovative and robust plan with measurable outcomes to increase jobs and improve economic vitality in a target area: Provided further, That grant funds may be used for, but not limited, to activities that: (1) implement projects designed to reclaim vacant property; (2) remove or ameliorate property-related obstacles to economic recovery; and (3) support economic activities related to transit-oriented development: Provided further, That an eligible applicant shall be a unit of general local government; a non-profit entity; or a consortium that shall include an eligible public entity and a designated lead applicant and may consist of states, local units of governments, community development corporations, and for-profit and non-profit entities: Provided further that an eligible applicant shall exhibit a plan for the funds that includes measurable outcomes for job creation and economic activity and the capacity to implement such a plan: Provided further, That except as otherwise provided by this paragraph, amounts appropriated under this heading for the Catalytic Investment Competition Grants program shall be treated as though such funds were community development block grant funds under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.): Provided further, That in administering any amounts appropriated under this heading for the Catalytic Investment Competition Grants program, the Secretary may waive or specify alternative requirements to any provision under Title I of the Housing and Community Development Act of 1974 (except for those related to fair housing, nondiscrimination, labor standards, and the environment) to achieve the purposes of this proviso: Provided further, That all of the funds appropriated or otherwise made available under this heading for the Catalytic Investment Competition Grants program shall be used with respect to individuals and families whose income does not exceed 120 percent of area median income: Provided further, That for purposes of environmental review, if the applicant is not a unit of general local government, assistance and projects under this heading shall be treated as assistance for special projects that are subject to section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994, and shall be subject to the regulations

issued by the Secretary to implement such section: Provided further, That the Secretary shall develop and publish guidelines for the use of funds made available for the Catalytic Investment Competition Grants program including, but not limited to, eligibility criteria, eligible activities, minimum grant amounts, and performance metrics.

Of the amounts made available under this heading, \$150,000,000 shall be made available for a Sustainable Communities Initiative to improve regional planning efforts that integrate housing and transportation decisions, and increase the capacity to improve land use and zoning: *Provided*, That \$100,000,000 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 for Regional Integrated Planning Grants shall be awarded to metropolitan areas of less than 500,000: *Provided further*, That \$40,000,000 shall be for Community Challenge Planning Grants to foster reform and reduce barriers to achieve affordable, economically vital, and sustainable communities: [*Provided further*, That before funding is made available for Regional Integrated Planning Grants or Community Challenge Planning Grants, the Secretary, in coordination with the Secretary of Transportation, shall submit a plan to the House and Senate Committees on Appropriations, the Senate Committee on Banking and Urban Affairs, and the House Committee on Financial Services establishing grant criteria as well as performance measures by which the success of grantees will be measured:] *Provided further*, That the Secretary will consult with the Secretary of Transportation in evaluating grant proposals: *Provided further*, That up to \$10,000,000 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 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 further*, 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, funding is also made available for technical assistance to increase capacity through training and outreach activities:] *Provided further*, That of the amounts made available under this heading, \$25,000,000 [is for grants pursuant to section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307)] *shall be made available for the University Community Fund for grants to assist universities in revitalizing surrounding communities, with special attention to Historically Black Colleges and Universities, Tribal Colleges and Universities, Alaska Native/Native Hawaiian institutions, and Hispanic-Servicing Institutions: Provided further, That the Secretary shall develop and publish guidelines for the use of such competitive funds including, but not limited to, eligibility criteria, minimum grant amounts, and performance metrics. (Department of Housing and Urban Development Appropriations Act, 2010.)*

Program and Financing (in millions of dollars)

Identification code 86–0162–0–1–451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Community Development Formula Grants	3,705	3,945	3,946
00.03 Indian Tribes	63	132	65
00.04 Special Purpose Grants	4	4	.....
00.06 Recovery Act, Insular	7	.....	.....
00.07 Economic Development Initiative Grants	118	369	.....
00.08 Neighborhood Initiative Demonstration	16	42	.....
00.09 Recovery Act, Indian Tribes	10	.....	.....
00.10 Disaster Assistance	3,213	5,124	.....
00.11 Recovery Act, CDBG	955	.....	.....
00.12 Recovery Act, NSP Competitive .....	.....	1,980	.....
00.13 Sustainable Communities .....	.....	150	150
00.14 Rural Fund .....	.....	25	.....
00.15 University Fund .....	.....	25	25
00.16 Administration, Operations, and Management	1	.....	.....
00.17 Catalytic Investments .....	.....	.....	150

10.00	Total new obligations (object class 41.0)	8,092	11,796	4,336
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	13,115	7,969	578
21.45	Adjustments to unobligated balance carried forward, start of year	-3,920		
22.00	New budget authority (gross)	6,867	4,405	4,336
23.90	Total budgetary resources available for obligation	16,062	12,374	4,914
23.95	Total new obligations	-8,092	-11,796	-4,336
23.98	Unobligated balance expiring or withdrawn	-1		
24.40	Unobligated balance carried forward, end of year	7,969	578	578
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	6,900	4,450	4,380
41.00	Transferred to other accounts	-33	-45	-44
43.00	Appropriation (total discretionary)	6,867	4,405	4,336
Change in obligated balances:				
72.40	Obligated balance, start of year	15,671	17,348	21,914
73.10	Total new obligations	8,092	11,796	4,336
73.20	Total outlays (gross)	-6,407	-7,230	-8,021
73.40	Adjustments in expired accounts (net)	-8		
74.40	Obligated balance, end of year	17,348	21,914	18,229
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	24	44	43
86.93	Outlays from discretionary balances	6,383	7,186	7,978
87.00	Total outlays (gross)	6,407	7,230	8,021
Net budget authority and outlays:				
89.00	Budget authority	6,867	4,405	4,336
90.00	Outlays	6,407	7,230	8,021

The Community Development Fund account includes the Community Development Block Grant (CDBG) and a number of Administration initiatives administered by the Department of Housing and Urban Development (HUD). The CDBG program provides flexible annual formula grants to the States, Insular Areas, and more than 1,160 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 2011 Budget fully funds the CDBG program at \$4.4 billion. In addition, the Budget proposes a number of improvements to the CDBG program, including redesigning the state and local government consolidated plans and planning process, increasing accountability, and improving performance metrics in grantee reporting. Further, long-term disaster recovery reforms, including housing-related issues, are being considered as a part of the White House Long-Term Disaster Recovery Working Group and recommendations will be presented to the President this spring.

A new initiative, the Catalytic Investment Competition Grants program will provide \$150 million in competitive grants with the purpose of providing economic development and gap financing to implement and capitalize innovative and targeted economic investment for neighborhood and community revitalization for low- to moderate-income families. The outcomes of the grants will be measured improvement in economic activity and job creation in targeted neighborhoods. The program will create a competitive funding stream that is responsive to changes in economic and market conditions. The funds will be targeted towards communities or neighborhoods experiencing demonstrated distress as defined by the Secretary and that have developed an innovative and robust plan with measurable outcomes to improve

economic vitality and increase jobs in a target area. The definition of distress may include, but is not limited to, large-scale property vacancy and abandonment due to long-term employment and population loss. The plans to improve economic vitality may vary, including increasing economic development that is centrally located or near public transit.

Grant funds may be used for, but are not limited to, activities that: 1) implement projects designed to reclaim vacant property, for the purposes of creating green infrastructure and other environmentally and economically sustainable uses; 2) remove or ameliorate property-related obstacles to economic recovery; 3) support assistance to small and medium-sized businesses and other redevelopment activities to facilitate economic development, neighborhood viability, high quality infrastructure, and attractive amenities in targeted neighborhoods; 4) support economic activities related to transit-oriented development; and 5) administrative costs, as established by the Secretary.

The Department will consider how much and to what extent the project will complement and leverage other community development and revitalization activities. A project may implement activities to augment the Choice Neighborhoods Initiative, Promise Neighborhoods, HOPE VI, Sustainable Communities, or other place-based strategies to help strengthen existing and planned investments in targeted neighborhoods to improve economic viability, extend neighborhood transformation efforts, and foster viable and sustainable communities. Applicants will be required to leverage other federal resources, such as, concentrating CDBG investments in particular neighborhoods, applying Section 108 Loan Guarantees, and local and state economic development programs.

The 2011 Budget funds the Sustainable Communities Initiative at \$150 million, equal to 2010. The Administration believes that affordable housing is best developed "in context" of communities and regions, because proximity to transit, jobs, and retail and other amenities influences the long-term success of both the housing and its occupants. Walkable, transit-oriented, mixed-income and mixed-use communities substantially reduce transportation costs (now a greater part of many family budgets than housing costs), create energy savings (i.e., reducing Vehicle-Miles Traveled), reduce transportation-related emissions, and enhance access to employment and educational opportunities. This initiative has four components.

First, HUD will continue to collaborate with the Department of Transportation (DOT) and the Environmental Protection Agency (EPA) to offer Sustainable Communities Planning Grants with the requested funds. The program will catalyze the next generation of integrated metropolitan transportation, housing, land use, and energy planning using the most sophisticated data, analytics, and geographic information systems. These integrated plans will inform state, metropolitan and local decisions on how and where to allocate Federal, state, and local transportation, infrastructure, and housing investments. Better coordination of transportation, infrastructure and housing investments will result in more sustainable development patterns, more affordable communities, reduced greenhouse gas emissions, and more transit-accessible housing choices for residents and firms.

Second, this initiative will fund challenge grants to help localities implement the Sustainable Communities Plans. These investments will provide a local component to the regional planning initiative, enabling local and multi-jurisdictional partnerships to put in place the policies, codes, tools, and critical capital investments to achieve sustainable development patterns. The funding is intended to incentivize rapid changes in practice by local jurisdictions and to properly scale this transforming initiative to meet

COMMUNITY DEVELOPMENT FUND—Continued

the substantial interest by communities in meeting sustainability visions initiated in 2010.

Third, the proposal will support the creation and implementation of a capacity-building program and tools clearinghouse designed to support both Sustainable Communities grantees and other communities interested in becoming more sustainable. As of 2009, the number of mayors that have signed the Climate Protection goals is significantly more than could be supported through the planning and challenge grant program. This clearinghouse and educational program will be designed to assist a wide array of stakeholders and build the capacity of all levels of government to implement sustainable community strategies.

Finally, the Initiative will provide additional funding for a joint HUD-DOT-EPA research effort designed to advance transportation and housing linkages on a number of levels.

For 2011, the Administration will also expand and improve the coordination of Federal efforts to incentivize state and local government to plan for and implement pre-disaster mitigation strategies through the Sustainable Communities Initiative. Through a partnership with the Department of Homeland Security's Federal Emergency Management Agency, the goal is to support strategic local approaches to sustainable development by coupling hazard mitigation with related community development goals and activities that reduce risks while protecting life, property, and the environment.

This account also funds the University Community Fund at \$25 million. These funds serve to promote revitalization in communities surrounding the universities, with a renewed emphasis on energy conservation, homeownership training/counseling, and other community and economic development activities.

The Indian Community Development program will continue to be funded in this account 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 reflects prior year CDBG disaster supplementals spending, the 2009 American Recovery and Reinvestment Act 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 and are in addition to \$3.92 billion NSP funding under the Housing and Economic Recovery Act of 2008, which was a mandatory appropriation and is reflected in a separate account.

No new appropriation is requested for the Empowerment Zone (EZ) and Renewal Community (RC) programs in the 2011 Budget. The EZs' and RCs' tax incentives were scheduled to expire on December 31, 2010. The Administration supports extension of the EZs and RCs through December 31, 2011.

Empowerment zones and renewal communities are federally designated economically distressed areas that receive a mix of tax incentives and grants to promote job creation and economic revitalization. Recent research suggests that an area's designation as an EZ can lead to substantial improvements in employment rates for local resident (including among high school dropouts), declines in poverty rates, and increases in property values and rents.

The Administration supports extending the Federal Community Renewal tax incentives so that the EZs' and RCs' ongoing efforts to encourage and support business investment, economic revitalization, and expansion of job opportunities for residents in the designated high poverty, high unemployment census tracts may continue. The initiative complements the President's goals of strengthening communities and focusing Federal resources on areas of greatest need, primarily through the expansion of business opportunities. In addition, as part of the Administration's place-based agenda, the Administration will explore new ways to target economically distressed areas; simplify the mix of tax incentives and grants; strengthen data reporting and evaluation; connect zones to broader regional economies; and increase benefits to small businesses.

An amendment to the Internal Revenue Code enacted in fiscal year 2001 (the Community Renewal Tax Relief Act of 2000) approved major tax incentives to revitalize areas of pervasive poverty, unemployment, and general distress, and HUD designated 40 urban and rural RCs and a third round of eight urban EZs under the 2001 law. This law also allows the earlier 22 urban EZs to receive the same package of tax incentives, all of which expired December 31, 2009.

BROWNFIELDS REDEVELOPMENT

【For competitive economic development grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, \$17,500,000, to remain available until September 30, 2011: *Provided*, That no funds made available under this heading may be used to establish loan loss reserves for the section 108 Community Development Loan Guarantee program.】
(Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES/RENEWAL COMMUNITIES

Program and Financing (in millions of dollars)

Identification code 86-0315-0-1-451	2009 actual	2010 est.	2011 est.
Change in obligated balances:			
72.40 Obligated balance, start of year	52	36	19
73.20 Total outlays (gross)	-16	-17	-17
74.40 Obligated balance, end of year	36	19	2
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	16	17	17
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	16	17	17

Identification code 86-0314-0-1-451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Cleanup and develop contaminated sites	12	8	10
10.00 Total new obligations (object class 41.0)	12	8	10
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	10	8	18
22.00 New budget authority (gross)	10	18	
23.90 Total budgetary resources available for obligation	20	26	18
23.95 Total new obligations	-12	-8	-10
24.40 Unobligated balance carried forward, end of year	8	18	8
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	10	18	

Change in obligated balances:				
72.40	Obligated balance, start of year	92	72	48
73.10	Total new obligations	12	8	10
73.20	Total outlays (gross)	-22	-32	-29
73.40	Adjustments in expired accounts (net)	-10		
74.40	Obligated balance, end of year	72	48	29
Outlays (gross), detail:				
86.93	Outlays from discretionary balances	22	32	29
Net budget authority and outlays:				
89.00	Budget authority	10	18	
90.00	Outlays	22	32	29

The 2011 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, **[\$1,825,000,000]** \$1,650,000,000, to remain available until September 30, **[2012]** 2013: *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. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0205-0-1-604	2009 actual	2010 est.	2011 est.	
Obligations by program activity:				
00.01	HOME Investment Program	1,838	1,825	1,641
00.02	Technical Assistance	23		
00.03	Housing Counseling Assistance	50		
00.04	Tax Credit Assistance Program	2,250		
00.05	Transformation Initiative		18	17
10.00	Total new obligations (object class 41.0)	4,161	1,843	1,658
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	376	289	253
22.00	New budget authority (gross)	4,071	1,807	1,633
22.10	Resources available from recoveries of prior year obligations ...	3		
23.90	Total budgetary resources available for obligation	4,450	2,096	1,886
23.95	Total new obligations	-4,161	-1,843	-1,658
24.40	Unobligated balance carried forward, end of year	289	253	228
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	4,075	1,825	1,650
41.00	Transferred to other accounts	-4	-18	-17
43.00	Appropriation (total discretionary)	4,071	1,807	1,633
Change in obligated balances:				
72.40	Obligated balance, start of year	5,048	7,283	6,885
73.10	Total new obligations	4,161	1,843	1,658
73.20	Total outlays (gross)	-1,915	-2,241	-4,034
73.40	Adjustments in expired accounts (net)	-8		
73.45	Recoveries of prior year obligations	-3		

74.40	Obligated balance, end of year	7,283	6,885	4,509
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	9	36	33
86.93	Outlays from discretionary balances	1,906	2,205	4,001
87.00	Total outlays (gross)	1,915	2,241	4,034
Net budget authority and outlays:				
89.00	Budget authority	4,071	1,807	1,633
90.00	Outlays	1,915	2,241	4,034

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.

Over time, the funding provided in the 2011 Budget is estimated to result in the production of almost 69,220 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 15,929 units.

In addition, the Budget does not include distinct funding for the Self-Help Homeownership Opportunity Program (SHOP) that had been previously funded in the separate SHOP account. However, all eligible activities of the SHOP program are eligible activities under the HOME program.

This account also includes a \$2.25 billion special allocation of HOME funds provided under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) to accelerate the production and preservation of tens of thousands of units of affordable housing that have received an award of Low-Income Housing Tax Credits.

HOUSING TRUST FUND

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-5553-4-2-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01	Housing Trust Fund		1,000
10.00	Total new obligations (object class 41.0)		1,000
Budgetary resources available for obligation:			
22.00	New budget authority (gross)		1,000
23.95	Total new obligations		-1,000
New budget authority (gross), detail:			
Mandatory:			
60.00	Appropriation		1,000
Change in obligated balances:			
73.10	Total new obligations		1,000
73.20	Total outlays (gross)		-20
74.40	Obligated balance, end of year		980

HOUSING TRUST FUND—Continued
Program and Financing—Continued

Identification code 86-5553-4-2-604	2009 actual	2010 est.	2011 est.
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			20
Net budget authority and outlays:			
89.00 Budget authority			1,000
90.00 Outlays			20

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 finance the fund.

The purpose of the Housing Trust Fund is to provide grants to States to increase and preserve the supply of rental housing for extremely low- and very low-income families, and to increase homeownership for extremely low- and very low-income families. The funding will be distributed by formula to States or State-designated entities that will target resources to areas with substantial needs. The Housing Trust Fund will help address the growing shortage of affordable housing, which is one of the most serious social and economic problems facing the country. 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 2011 is expected to produce approximately 29,000 rental units and 7,000 homebuyer units.

CAPACITY BUILDING

For grant assistance to eligible recipients to develop the capacity and ability of community development corporations, community housing development organizations, and local governments to undertake community development and affordable housing projects and programs that benefit low-income families, \$60,000,000, to remain available until September 30, 2013: Provided, That eligible recipients for assistance include national and regional intermediaries with local affiliates, and a partnership or consortia of such intermediaries, skilled in the development of community development and affordable housing capacity, as determined by the Secretary: Provided further, That assistance provided under this heading shall be matched from private sources in an amount equal to three times: Provided further, That assistance under this heading may be used for: (1) training, education, and support to enhance technical and administrative capabilities; (2) loans, grants, or predevelopment assistance; (3) market research and rigorous needs assistance in order to create data resources, and develop assessment measures and assessment tools to determine the need and focus for community development activities; (4) the assessment and determination that organizational mergers may better serve the community; and (5) such other activities as may be determined eligible by the Secretary to further the purposes of this heading: Provided further, That the Secretary shall develop and publish guidelines for the use of such competitive funds including, but not limited to, eligibility criteria, program requirements, eligible administrative costs, and performance metrics.

Program and Financing (in millions of dollars)

Identification code 86-0405-0-1-451	2009 actual	2010 est.	2011 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			59
24.40 Unobligated balance carried forward, end of year			59
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			60
41.00 Transferred to other accounts			-1
43.00 Appropriation (total discretionary)			59
Change in obligated balances:			
74.40 Obligated balance, end of year			
Net budget authority and outlays:			
89.00 Budget authority			59
90.00 Outlays			

The 2011 Budget provides \$60 million for a redesigned Capacity Building program. The Administration proposes a competitive grant program to develop the capacity and ability of community development corporations, community housing development organizations, and local governments to undertake community development and affordable housing projects and programs for low-income families.

Recipients will include national and regional intermediaries with local affiliates and partnerships, and consortia of intermediaries with demonstrated expertise. Eligible recipients will have: (1) demonstrated expertise and experience in housing and community development; (2) demonstrated sound and extensive understanding of the need for capacity building in relation to objective information and data; (3) successful past performance in administering technical assistance and capacity building funding; and (4) demonstrated compliance with any other factors or priorities as the Secretary may prescribe.

The economic downturn and foreclosure crisis have significantly depleted resources in local governments while increasing demand for services. Since states and cities face serious budget constraints, revenue declines often turn quickly into layoffs and cuts in services for the poor. In addition to non-profit intermediaries and other consortia, this program will work with states and cities to help them readily understand how to meet the needs of their communities, leverage private and other kinds of resources, and align existing programs to build resilience in tough economic times.

Assistance to non-profits and local governments will develop core skills of staff and management and enable them to become partners with the Administration to implement key initiatives such as Choice Neighborhoods, Sustainable Communities, and the Catalytic Competition, and to work to restore the economic vitality of their communities. Capacity building activities include the development of core skills to organize, manage, implement and access capital to carry out community development and affordable housing projects.

Grants provided under this program will require a three-to-one match from private sources.

SELF-HELP AND ASSISTED HOMEOWNERSHIP OPPORTUNITY PROGRAM

For the Self-Help and Assisted Homeownership Opportunity Program, as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended, \$82,000,000, to remain available until September 30, 2012: *Provided*, That of the total amount provided under this heading, \$27,000,000 shall be made available to the Self-Help

and Assisted Homeownership Opportunity Program as authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, as amended: *Provided further*, That \$50,000,000 shall be made available for the second, third and fourth capacity building activities authorized under section 4(a) of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), of which not less than \$5,000,000 may be made available for rural capacity building activities: *Provided further*, That \$5,000,000 shall be made available for capacity building activities as authorized in sections 6301 through 6305 of Public Law 110–246.】 (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86–0176–0–1–604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Self Help Housing Opportunity Program	27	26	26
00.02 Capacity Building	34	34	49
00.03 Housing Assistance Council	3	5	.....
10.00 Total new obligations (object class 41.0)	64	65	75
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	60	60	76
22.00 New budget authority (gross)	64	81	.....
23.90 Total budgetary resources available for obligation	124	141	76
23.95 Total new obligations	-64	-65	-75
24.40 Unobligated balance carried forward, end of year	60	76	1
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	64	82	.....
41.00 Transferred to other accounts .....	.....	-1	.....
43.00 Appropriation (total discretionary)	64	81	.....
Change in obligated balances:			
72.40 Obligated balance, start of year	64	96	101
73.10 Total new obligations	64	65	75
73.20 Total outlays (gross)	-32	-60	-76
74.40 Obligated balance, end of year	96	101	100
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	32	60	76
Net budget authority and outlays:			
89.00 Budget authority	64	81	.....
90.00 Outlays	32	60	76

The 2011 Budget requests no appropriations for the Self-Help Homeownership Opportunity Program. Activities under the Capacity Building for Community Development and Affordable Housing Program (formerly called Section 4) are requested separately under a new Capacity Building account.

The Self-Help Homeownership Opportunity Program (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.

The Capacity Building for Community Development and Affordable Housing Program is authorized by Section 4 of the HUD Demonstration Act of 1993 to develop the capacity and ability of community development corporations and community development organizations to undertake community development and affordable housing projects and programs. The Administration proposes a redesigned Capacity Building program, which will expand eligible grantees for funding, and deepen the capacity of

community-based organizations to more effectively assist low-income families.

NEIGHBORHOOD STABILIZATION PROGRAM**Program and Financing** (in millions of dollars)

Identification code 86–0344–0–1–451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
09.01 Obligations	3,920	.....	.....
10.00 Total new obligations (object class 41.0)	3,920	.....	.....
Budgetary resources available for obligation:			
21.45 Adjustments to unobligated balance carried forward, start of year	3,920	.....	.....
23.95 Total new obligations	-3,920	.....	.....
24.40 Unobligated balance carried forward, end of year .....	.....	.....	.....
Change in obligated balances:			
72.40 Obligated balance, start of year .....	.....	3,804	2,544
73.10 Total new obligations	3,920	.....	.....
73.20 Total outlays (gross)	-116	-1,260	-1,107
74.40 Obligated balance, end of year	3,804	2,544	1,437
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	116	1,260	1,107
Net budget authority and outlays:			
89.00 Budget authority .....	.....	.....	.....
90.00 Outlays	116	1,260	1,107

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 states 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 establish financing mechanisms; purchase and rehabilitate abandoned or foreclosed properties; establish land banks; demolish blighted structures; and redevelop 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 late September 2008, HUD announced direct NSP allocations to 309 jurisdictions, including all 50 states, Puerto Rico and the Insular Areas. Pursuant to HERA, grantees have 18 months from the date funds are made available to obligate the funds, meaning that all obligations and substantial disbursements are expected by the end of 2010.

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 NSP is reflected within the Community Development Fund account .

HOMELESS ASSISTANCE GRANTS
(INCLUDING TRANSFER OF FUNDS)

For the emergency [shelter] solutions grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the [supportive housing] continuum of care program as authorized under subtitle C of title IV of such Act; [the section 8 moderate rehabilitation single room occupancy program as authorized under the United States Housing Act of 1937, as amended, to assist homeless individuals pursuant to section 441 of the McKinney-Vento Homeless Assistance Act;] and the [shelter plus care] rural housing stability assistance program as authorized under subtitle [F] D of title IV of such Act, [\$1,865,000,000] \$2,055,000,000, of which [\$1,860,000,000] \$2,050,000,000 shall remain available until September 30, [2012] 2013, and of which \$5,000,000 shall remain available until expended for project-based rental assistance rehabilitation [projects] 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 not less than 30 percent of funds made available, excluding amounts provided for renewals under the Shelter Plus Care Program and emergency shelter grants, shall be used for permanent housing for individuals and families: *Provided further*, That all funds awarded for services shall be matched by not less than 25 percent in funding by each grantee] That up to \$200,000,000 of the funds appropriated under this heading shall be available for such emergency solutions grants program: *Provided further*, That no less than \$1,844,000,000 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 \$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 [shelter plus] 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 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 up to \$12,650,000 of the funds made available under this heading may be transferred to and merged with the appropriation for "Transformation Initiative":] *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 [Shelter Plus Care] continuum of care renewals in fiscal year [2010] 2011. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0192-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Homeless Assistance Grants	1,348		
00.02 National Homeless Data Analysis Project	3	2	6
00.03 Technical Assistance	7	4	2
00.05 Section 8 Moderate Rehabilitation SRD	17		
00.06 Demonstration	1	10	
00.07 Recovery Act - HPRP	1,485	7	
00.08 Competitive Grant Renewals SPC&SH		1,329	1,476
00.09 Competitive Grants - New Projects		87	53
00.10 Emergency Solutions Grants - Formula		150	200

10.00	Total new obligations (object class 41.0)	2,861	1,589	1,737
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	1,694	2,086	2,399
22.00	New budget authority (gross)	3,167	1,852	2,034
22.10	Resources available from recoveries of prior year obligations ...	95	50	50
23.90	Total budgetary resources available for obligation	4,956	3,988	4,483
23.95	Total new obligations	-2,861	-1,589	-1,737
23.98	Unobligated balance expiring or withdrawn	-9		
24.40	Unobligated balance carried forward, end of year	2,086	2,399	2,746
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	3,177	1,865	2,055
41.00	Transferred to other accounts	-10	-13	-21
43.00	Appropriation (total discretionary)	3,167	1,852	2,034
Change in obligated balances:				
72.40	Obligated balance, start of year	2,375	3,536	3,203
73.10	Total new obligations	2,861	1,589	1,737
73.20	Total outlays (gross)	-1,483	-1,872	-2,173
73.40	Adjustments in expired accounts (net)	-122		
73.45	Recoveries of prior year obligations	-95	-50	-50
74.40	Obligated balance, end of year	3,536	3,203	2,717
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	5	19	20
86.93	Outlays from discretionary balances	1,478	1,853	2,153
87.00	Total outlays (gross)	1,483	1,872	2,173
Net budget authority and outlays:				
89.00	Budget authority	3,167	1,852	2,034
90.00	Outlays	1,483	1,872	2,173

In 2011, the Administration will be implementing 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. Additionally, the HEARTH Act renames the Emergency Shelter Grants program as the Emergency Solutions Grant program and amends the program to place 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 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 (ESG) and competitive (CoC and Rural Housing Stability Assistance) processes, enable localities to shape and implement comprehensive, flexible, coordinated approaches to address the multiple issues of homelessness. Many communities have made great strides in creating comprehensive approaches to ending chronic homelessness through the development of local plans.

The Budget requests \$2.1 billion for a wide range of activities to assist homeless persons and prevent future homelessness. HUD estimates it will use \$1.7 billion for competitive renewals in the CoC program, about \$160 million for new competitive projects in the CoC and Rural Housing Stability Assistance program, and \$200 million for the Emergency Solutions Grant Program. The HEARTH Act places a major emphasis on permanent housing for homeless individuals and families by requiring 30 percent of competitive funds to be used for this purpose.

PERMANENT SUPPORTIVE HOUSING
Program and Financing (in millions of dollars)

Identification code 86-0342-0-1-604		2009 actual	2010 est.	2011 est.
Obligations by program activity:				
00.01	Homeless Grants	50		
00.02	Project-Based Vouchers	7	16	
10.00	Total new obligations (object class 41.0)	57	16	
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	73	16	
23.95	Total new obligations	-57	-16	
24.40	Unobligated balance carried forward, end of year	16		
Change in obligated balances:				
72.40	Obligated balance, start of year		54	60
73.10	Total new obligations	57	16	
73.20	Total outlays (gross)	-3	-10	-15
74.40	Obligated balance, end of year	54	60	45

Outlays (gross), detail:				
86.93	Outlays from discretionary balances	3	10	15
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	3	10	15

The Supplemental Appropriations Act, 2008 (P.L. 110-252) created this new account and 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.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

Program and Financing (in millions of dollars)

Identification code 86-0324-0-1-604		2009 actual	2010 est.	2011 est.
Obligations by program activity:				
00.01	Rural Housing and Economic Development	17	28	
10.00	Total new obligations (object class 41.0)	17	28	
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	18	28	
22.00	New budget authority (gross)	26		
22.10	Resources available from recoveries of prior year obligations	1		
23.90	Total budgetary resources available for obligation	45	28	
23.95	Total new obligations	-17	-28	
24.40	Unobligated balance carried forward, end of year	28		
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	26		
Change in obligated balances:				
72.40	Obligated balance, start of year	37	38	40

73.10	Total new obligations	17	28	
73.20	Total outlays (gross)	-15	-26	-18
73.45	Recoveries of prior year obligations	-1		
74.40	Obligated balance, end of year	38	40	22

Outlays (gross), detail:				
86.93	Outlays from discretionary balances	15	26	18
Net budget authority and outlays:				
89.00	Budget authority	26		
90.00	Outlays	15	26	18

The 2011 Budget does not provide any funding for the Rural Housing and Economic Development (RHED) program. The RHED program was created to encourage innovative approaches to serve the housing and economic development needs of the nation's rural communities.

REVOLVING FUND (LIQUIDATING PROGRAMS)

Program and Financing (in millions of dollars)

Identification code 86-4015-0-3-451		2009 actual	2010 est.	2011 est.
Obligations by program activity:				
00.01	Section 312 expenses	1	1	1
10.00	Total new obligations	1	1	1
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	1	2	2
22.40	Capital transfer to general fund		-1	-1
23.90	Total budgetary resources available for obligation	1	1	1
23.95	Total new obligations	-1	-1	-1
24.40	Unobligated balance carried forward, end of year			
New budget authority (gross), detail:				
Mandatory:				
60.00	Appropriation	1	1	1
69.00	Offsetting collections (cash)		1	1
70.00	Total new budget authority (gross)	1	2	2
Change in obligated balances:				
72.40	Obligated balance, start of year	4	5	2
73.10	Total new obligations	1	1	1
73.20	Total outlays (gross)		-4	-2
74.40	Obligated balance, end of year	5	2	1

Outlays (gross), detail:				
86.97	Outlays from new mandatory authority		2	2
86.98	Outlays from mandatory balances		2	
87.00	Total outlays (gross)		4	2

Offsets:				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources		-1	-1

Net budget authority and outlays:				
89.00	Budget authority	1	1	1
90.00	Outlays		3	1

Status of Direct Loans (in millions of dollars)

Identification code 86-4015-0-3-451		2009 actual	2010 est.	2011 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	6	6	4
1251	Repayments: Repayments and prepayments		-1	-1
1263	Write-offs for default: Direct loans		-1	-1
1290	Outstanding, end of year	6	4	2

The Revolving Fund (liquidating programs) was established by the Independent Offices Appropriations Act of 1955 for the effi-

REVOLVING FUND (LIQUIDATING PROGRAMS)—Continued

cient 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	2008 actual	2009 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	5	5
1601 Direct loans, gross	4	5
1603 Allowance for estimated uncollectible loans and interest (-)	-5	-5
1604 Direct loans and interest receivable, net	-1	
1606 Foreclosed property	1	2
1699 Value of assets related to direct loans		2
1999 Total assets	5	7
LIABILITIES:		
2207 Non-Federal liabilities: Other	1	1
2999 Total liabilities	1	1
NET POSITION:		
3100 Appropriated capital	4	8
3300 Cumulative results of operations		-2
3999 Total net position	4	6
4999 Total liabilities and net position	5	7

Object Classification (in millions of dollars)

Identification code 86-4015-0-3-451	2009 actual	2010 est.	2011 est.
Direct obligations:			
25.2 Other services	1		
32.0 Land and structures		1	1
99.9 Total new obligations	1	1	1

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT

For the cost of guaranteed loans, \$6,000,000, to remain available until September 30, 2011, as authorized by section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308): *Provided*, That such costs, including the cost 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, not to exceed \$275,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974, as amended. *Subject to section 502 of the Congressional Budget Act of 1974, during fiscal year 2011, 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 shall be collected in accordance with section 502(7) of the Congressional Budget Act of 1974. (Department of Housing and Urban Development Appropriations Act, 2010.)*

Program and Financing (in millions of dollars)

Identification code 86-0198-0-1-451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.02 Community development loan guarantee credit subsidy	5	6	
00.07 Upward Reestimate of Loan Guarantee	3	3	
10.00 Total new obligations (object class 33.0)	8	9	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1	2	2
22.00 New budget authority (gross)	9	9	
23.90 Total budgetary resources available for obligation	10	11	2
23.95 Total new obligations	-8	-9	
24.40 Unobligated balance carried forward, end of year	2	2	2
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	6	6	
Mandatory:			
60.00 Appropriation	3	3	
70.00 Total new budget authority (gross)	9	9	
Change in obligated balances:			
72.40 Obligated balance, start of year	13	13	11
73.10 Total new obligations	8	9	
73.20 Total outlays (gross)	-8	-11	-2
74.40 Obligated balance, end of year	13	11	9
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1	1	
86.93 Outlays from discretionary balances	4	7	2
86.97 Outlays from new mandatory authority	3	3	
87.00 Total outlays (gross)	8	11	2
Net budget authority and outlays:			
89.00 Budget authority	9	9	
90.00 Outlays	8	11	2

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

Identification code 86-0198-0-1-451	2009 actual	2010 est.	2011 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Community development loan guarantee levels	236	250	500
215999 Total loan guarantee levels	236	250	500
Guaranteed loan subsidy (in percent):			
232001 Community development loan guarantee levels	2.26	2.40	0.00
232999 Weighted average subsidy rate	2.26	2.40	0.00
Guaranteed loan subsidy budget authority:			
233001 Community development loan guarantee levels	5	6	
233999 Total subsidy budget authority	5	6	
Guaranteed loan subsidy outlays:			
234001 Community development loan guarantee levels	4	2	2
234999 Total subsidy outlays	4	2	2
Guaranteed loan upward reestimates:			
235001 Community development loan guarantee levels	3	3	
235999 Total upward reestimate budget authority	3	3	
Guaranteed loan downward reestimates:			
237001 Community development loan guarantee levels	-7	-17	
237999 Total downward reestimate subsidy budget authority	-7	-17	

The 2011 Budget increases the guaranteed loan limit to \$500 million, but does not request appropriations for the Community Development Loan Guarantee program (Section 108). Carry over Section 108 Loan Guarantee credit subsidy in this account will continue to be used until exhausted. Appropriations language requires 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 rehab, 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 or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses for this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

COMMUNITY DEVELOPMENT LOAN GUARANTEES FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4096-0-3-451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
08.02 Payment of Downward Reestimate to Receipt Account	4	11	.....
08.04 Payment of Downward Reestimate to Receipt Account (Interest)	3	6	.....
10.00 Total new obligations	7	17	.....
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	109	115	107
22.00 New financing authority (gross)	13	9	6
23.90 Total budgetary resources available for obligation	122	124	113
23.95 Total new obligations	-7	-17	.....
24.40 Unobligated balance carried forward, end of year	115	107	113
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	13	9	6
Change in obligated balances:			
72.40 Obligated balance, start of year	-11	-12	17
73.10 Total new obligations	7	17	.....
73.20 Total financing disbursements (gross)	-8	12	.....
74.40 Obligated balance, end of year	-12	17	17
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	8	-12	.....
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal Sources: Payments from Program Account	-8	-5	-2
88.25 Interest on uninvested funds	-5	-4	-4
88.90 Total, offsetting collections (cash)	-13	-9	-6
Net financing authority and financing disbursements:			
89.00 Financing authority .....	.....	.....	.....
90.00 Financing disbursements	-5	-21	-6
Status of Guaranteed Loans (in millions of dollars)			
Identification code 86-4096-0-3-451	2009 actual	2010 est.	2011 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	265	275	500
2121 Limitation available from carry-forward	42	.....	.....
2142 Uncommitted loan guarantee limitation	-71	-25	.....
2143 Uncommitted limitation carried forward .....	.....	.....	.....
2150 Total guaranteed loan commitments	236	250	500
2199 Guaranteed amount of guaranteed loan commitments	236	250	500
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	2,189	2,219	2,119
2231 Disbursements of new guaranteed loans	195	150	210
2251 Repayments and prepayments	-165	-250	-250
2290 Outstanding, end of year	2,219	2,119	2,079
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	2,219	2,119	2,079

Guaranteed loans.—The 2011 Budget does not request appropriated funding for the Section 108 Loan Guarantees program. The Administration requests legislation to allow HUD to collect fees to offset credit subsidy costs. 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	2008 actual	2009 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	96	102
1999 Total assets	96	102
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees	96	102
2999 Total liabilities	96	102
4999 Total liabilities and net position	96	102

COMMUNITY DEVELOPMENT LOAN GUARANTEES LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4097-0-3-451	2009 actual	2010 est.	2011 est.
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash) .....	.....	3	.....
69.10 Change in uncollected customer payments from Federal sources (unexpired) .....	.....	-3	.....
69.90 Spending authority from offsetting collections (total mandatory) .....	.....	.....	.....
Change in obligated balances:			
72.40 Obligated balance, start of year	-3	-3	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired) .....	.....	3	.....
74.40 Obligated balance, end of year	-3	.....	.....
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	.....	-3	.....
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired) .....	.....	3	.....
Net budget authority and outlays:			
89.00 Budget authority .....	.....	.....	.....
90.00 Outlays .....	.....	-3	.....
Status of Guaranteed Loans (in millions of dollars)			
Identification code 86-4097-0-3-451	2009 actual	2010 est.	2011 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	23	19	14
2251 Repayments and prepayments	-4	-5	-5
2290 Outstanding, end of year	19	14	9
Memorandum:			

COMMUNITY DEVELOPMENT LOAN GUARANTEES LIQUIDATING
ACCOUNT—Continued

Status of Guaranteed Loans—Continued

Identification code 86-4097-0-3-451	2009 actual	2010 est.	2011 est.
2299 Guaranteed amount of guaranteed loans outstanding, end of year	19	14	9

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 of public facilities, acquisition of real property, and rehabilitation of publicly owned real property. Until 1986, the Federal Financing Board (FFB) in the Department of Treasury financed these guaranteed loans. The Consolidated Omnibus Budget Reconciliation Act of 1985 required private financing of all loan guarantees committed after July 1, 1986, but the FFB will continue disbursing loans for commitments approved prior to July 1, 1986. The activity shown in the above account reflects privately financed guaranteed loans for which commitments were made prior to 1992.

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	2008 actual	2009 actual
ASSETS:		
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 supportive services associated with the housing, [\$825,000,000] \$273,700,000, to remain available until September 30, [2013] 2014[, of which up to \$582,000,000 shall be for capital advance and project-based rental assistance awards]: *Provided*, That amounts for project rental assistance contracts are to remain available for the liquidation of valid obligations for 10 years following the date of such obligation: *Provided further*, That of the amount provided under this heading, up to \$90,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects[, and of which up to \$40,000,000 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 or related use and for substantial and emergency capital repairs as determined by the Secretary: *Provided further*, That of the amount made available under this heading, \$20,000,000 shall be available to the Secretary of Housing and Urban Development only for making competitive grants to private nonprofit organizations and consumer cooperatives for covering costs of architectural and engineering work, site control, and other planning relating to the development of supportive housing for the elderly that is eligible for assistance under section 202

of the Housing Act of 1959 (12 U.S.C. 1701q)]: *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. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0320-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Expansion	649	625	572
00.02 Rental assistance renewal and operating expenses	151	146	134
10.00 Total new obligations (object class 41.0)	800	771	706
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	773	734	780
22.00 New budget authority (gross)	763	817	271
22.10 Resources available from recoveries of prior year obligations ...	4		
23.90 Total budgetary resources available for obligation	1,540	1,551	1,051
23.95 Total new obligations	-800	-771	-706
23.98 Unobligated balance expiring or withdrawn	-6		
24.40 Unobligated balance carried forward, end of year	734	780	345
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	765	825	274
41.00 Transferred to other accounts	-2	-8	-3
43.00 Appropriation (total discretionary)	763	817	271
Change in obligated balances:			
72.40 Obligated balance, start of year	3,728	3,474	3,324
73.10 Total new obligations	800	771	706
73.20 Total outlays (gross)	-979	-921	-949
73.40 Adjustments in expired accounts (net)	-71		
73.45 Recoveries of prior year obligations	-4		
74.40 Obligated balance, end of year	3,474	3,324	3,081
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	49		108
86.93 Outlays from discretionary balances	930	921	841
87.00 Total outlays (gross)	979	921	949
Net budget authority and outlays:			
89.00 Budget authority	763	817	271
90.00 Outlays	979	921	949

The Housing for the Elderly (Section 202) program provides capital advance grants and operating subsidies to nonprofit sponsors to construct multifamily housing for very low-income elderly people. The 2011 Budget proposes to eliminate construction funding for new projects in order to redesign the program and institute reforms that will ensure that future projects are more cost effective and well-targeted. The Budget provides \$183.7 million to fully fund anticipated renewals and amendments of existing project rental assistance contracts and \$90 million for grants to support service coordinators and congregate housing services. Current residents of Section 202 projects and projects in the construction pipeline will not be affected by the elimination of new construction funds in 2011.

Past studies of the Section 202 program have highlighted construction delays, cost overruns, and lengthy development times. The average size of new Section 202 projects has also decreased, and some new projects lack the economies of scale needed to cost effectively provide community spaces and supportive services. To address these concerns, the Administration will redesign the Section 202 program by (1) allowing project sponsors to build larger projects with greater economies of scale, (2) reducing reg-

ulatory barriers to allow sponsors to leverage other sources of funding, (3) improving service provision by encouraging partnerships with programs of the Department of Health and Human Services, and (4) changing application requirements to provide more preferences for the extremely frail elderly, who are in the greatest need of supportive housing.

HOUSING FOR THE ELDERLY

	2009 actual	2010 est.	2011 est.
Units eligible for payment	106,663	114,086	122,028

HOUSING FOR PERSONS WITH DISABILITIES

For [capital advance contracts, including amendments to capital advance contracts, 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), for project rental assistance for supportive housing for persons with disabilities under section 811(d)(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 supportive services associated with the housing for persons with disabilities as authorized by section 811(b)(1) of such Act, [and for tenant-based rental assistance contracts entered into pursuant to section 811 of such Act, \$300,000,000] \$90,036,817, [of which up to \$186,000,000 shall be for capital advances and project-based rental assistance contracts,] to remain available until September 30, [2013] 2014: *Provided*, That amounts for project rental assistance contracts are to remain available for the liquidation of valid obligations for 10 years following the date of such obligation: [*Provided further*, That, of the amount provided under this heading, \$87,100,000 shall be for amendments or renewal of tenant-based assistance contracts entered into prior to fiscal year 2005 (only one amendment authorized for any such contract): *Provided further*, That all tenant-based assistance made available under this heading shall continue to remain available only to persons with disabilities:] *Provided further*, That the Secretary may waive the provisions of section 811 governing the terms and conditions of project rental assistance [and tenant-based 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. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0237-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Expansion	159	141	115
00.02 Rental assistance renewal and operating expenses	125	112	91
10.00 Total new obligations (object class 41.0)	284	253	206
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	204	169	213
22.00 New budget authority (gross)	248	297	89
22.10 Resources available from recoveries of prior year obligations	5		
23.90 Total budgetary resources available for obligation	457	466	302
23.95 Total new obligations	-284	-253	-206
23.98 Unobligated balance expiring or withdrawn	-4		
24.40 Unobligated balance carried forward, end of year	169	213	96
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	250	300	90
41.00 Transferred to other accounts	-2	-3	-1
43.00 Appropriation (total discretionary)	248	297	89
Change in obligated balances:			
72.40 Obligated balance, start of year	1,027	953	915
73.10 Total new obligations	284	253	206
73.20 Total outlays (gross)	-337	-291	-295
73.40 Adjustments in expired accounts (net)	-16		

73.45 Recoveries of prior year obligations	-5		
74.40 Obligated balance, end of year	953	915	826
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	39		36
86.93 Outlays from discretionary balances	298	291	259
87.00 Total outlays (gross)	337	291	295
Net budget authority and outlays:			
89.00 Budget authority	248	297	89
90.00 Outlays	337	291	295

The Housing for Persons with Disabilities (Section 811) program provides capital advance grants and operating subsidies to non-profit sponsors to construct multifamily housing for very low-income people with disabilities. The Budget provides \$90 million to fully fund anticipated contract renewal and amendment costs and fund construction amendments and awards.

The Budget also proposes to shift fiscal responsibility of the Section 811 Mainstream Vouchers program to the Tenant-Based Rental Assistance program. The Mainstream Vouchers Program under Section 811 provides tenant-based rental assistance for people with disabilities. The Budget proposes shifting the \$113.6 million required to renew nearly 15,000 Mainstream Vouchers from the Section 811 account to the Tenant-Based Rental Assistance account. This one-time shift will allow the Department to consolidate its voucher programs and achieve administrative savings.

The Administration continues to seek reforms to make this program more efficient and effective, such as legislative reforms which encourage project sponsors to leverage other sources of funding, provide supportive housing in community-based settings in keeping with the Olmstead decision, and lead to more efficient use of capital advance awards.

HOUSING FOR PERSONS WITH DISABILITIES

	2009 actual	2010 est.	2011 est.
Units eligible for payment	30,221	32,323	34,573

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, [\$87,500,000] \$88,000,000, including up to \$2,500,000 for administrative contract services, to remain available until September 30, [2011] 2012: *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[*Provided further*, That of the amounts made available under this heading, not less than \$13,500,000 shall be awarded to HUD-certified housing counseling agencies located in the 100 metropolitan statistical areas with the highest rate of home foreclosures for the purpose of assisting homeowners with inquiries regarding mortgage-modification assistance and mortgage scams]. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0156-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Housing Assistance		64	87
10.00 Total new obligations (object class 41.0)		64	87

HOUSING COUNSELING ASSISTANCE—Continued
Program and Financing—Continued

Identification code 86-0156-0-1-604	2009 actual	2010 est.	2011 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		65	88
22.00 New budget authority (gross)	65	87	87
23.90 Total budgetary resources available for obligation	65	152	175
23.95 Total new obligations		-64	-87
24.40 Unobligated balance carried forward, end of year	65	88	88
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	65	88	88
41.00 Transferred to other accounts		-1	-1
43.00 Appropriation (total discretionary)	65	87	87
Change in obligated balances:			
72.40 Obligated balance, start of year			6
73.10 Total new obligations		64	87
73.20 Total outlays (gross)		-58	-83
74.40 Obligated balance, end of year		6	10
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		9	9
86.93 Outlays from discretionary balances		49	74
87.00 Total outlays (gross)		58	83
Net budget authority and outlays:			
89.00 Budget authority	65	87	87
90.00 Outlays		58	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 2011 Budget includes \$88 million for this program, continuing the increase 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	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Direct Loan Subsidy		118	
00.03 Green Retrofit Grants		117	
00.04 Retrofit Advisor Contracts	12	1	
10.00 Total new obligations (object class 41.0)	12	236	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		236	

22.00 New budget authority (gross)	248		
23.90 Total budgetary resources available for obligation	248	236	
23.95 Total new obligations	-12	-236	
24.40 Unobligated balance carried forward, end of year	236		

New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2,250		
41.00 Transferred to other accounts	-2,002		
43.00 Appropriation (total discretionary)	248		

Change in obligated balances:			
72.40 Obligated balance, start of year		12	58
73.10 Total new obligations	12	236	
73.20 Total outlays (gross)		-190	-58
74.40 Obligated balance, end of year	12	58	

Outlays (gross), detail:			
86.93 Outlays from discretionary balances		190	58
Net budget authority and outlays:			
89.00 Budget authority	248		
90.00 Outlays		190	58

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

Identification code 86-0306-0-1-604	2009 actual	2010 est.	2011 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Energy Retrofit Loans		143	
115999 Total direct loan levels		143	
Direct loan subsidy (in percent):			
132001 Energy Retrofit Loans	0.00	82.30	0.00
132999 Weighted average subsidy rate	0.00	82.30	0.00
Direct loan subsidy budget authority:			
133001 Energy Retrofit Loans		118	
133999 Total subsidy budget authority		118	
Direct loan subsidy outlays:			
134001 Energy Retrofit Loans		118	
134999 Total subsidy outlays		118	

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/or benefit the environment. This program is funded under Title XII of the American Recovery and Reinvestment Act of 2009, P.L. 111-5 (the Recovery Act). 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]

[For an Energy Innovation Fund to enable the Federal Housing Administration and the new Office of Sustainability to catalyze innovations in the residential energy efficiency sector that have promise of replicability and help create a standardized home energy efficient retrofit market, \$50,000,000, to remain available until September 30, 2013: *Provided*, That \$25,000,000 shall be for the Energy Efficient Mortgage Innovation pilot program, directed at the single family housing market: *Provided further*, That \$25,000,000 shall be for the Multifamily Energy Pilot, directed at the multifamily housing market.] (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0401-0-1-272	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Energy Efficient Mortgage Innovation Pilot		25	

00.02	Multifamily energy Pilot	24	
10.00	Total new obligations (object class 41.0)	49	
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	49	
23.95	Total new obligations	-49	
24.40	Unobligated balance carried forward, end of year		
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	50	
41.00	Transferred to other accounts	-1	
43.00	Appropriation (total discretionary)	49	
Change in obligated balances:			
72.40	Obligated balance, start of year		20
73.10	Total new obligations	49	
73.20	Total outlays (gross)	-29	-20
74.40	Obligated balance, end of year	20	
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	29	
86.93	Outlays from discretionary balances		20
87.00	Total outlays (gross)	29	20
Net budget authority and outlays:			
89.00	Budget authority	49	
90.00	Outlays	29	20

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.

In the single-family housing sector, FHA's Energy Efficient Mortgage (EEM) in its current form has had little traction in the marketplace, with no more than 1,000 such mortgages insured each year. The Energy Innovation Fund is being used to develop an EEM Innovation pilot program which will extend the benefits of the existing FHA EEM and Title I Energy Efficient Property Improvement loan programs to more homeowners. In developing the EEM Innovation HUD is considering several options for financial incentives. HUD also may use a portion of the Energy Innovation Fund to finance the cost of energy audits, to the extent that this expense may be a barrier to some borrowers securing an EEM. 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 2011 as it is anticipated that the 2010 appropriations of \$50 million will fund significant pilot program activity through 2011.

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, **[\$40,000,000] \$40,600,000**, to remain available until expended.

RENT SUPPLEMENT

([RESCISSION] 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) **[\$72,036,000] \$40,600,000** are **[rescinded] hereby permanently cancelled: Provided**, That no amounts may be **[rescinded] 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. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0206-0-1-999	2009 actual	2010 est.	2011 est.	
Obligations by program activity:				
00.01	Rent supplement	8	9	12
00.02	Homeownership and rental housing assistance (Sections 235 and 236)	20	31	29
10.00	Total new obligations	28	40	41
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	786	893	923
22.00	New budget authority (gross)	-9	-32	
22.10	Resources available from recoveries of prior year obligations	199	104	70
22.75	Balance of contract authority withdrawn	-55	-2	
23.90	Total budgetary resources available for obligation	921	963	993
23.95	Total new obligations	-28	-40	-41
24.40	Unobligated balance carried forward, end of year	893	923	952
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	28	40	41
40.36	Unobligated balance permanently reduced	-38	-72	-41
43.00	Appropriation (total discretionary)	-10	-32	
58.00	Spending authority from offsetting collections: Offsetting collections (cash)	1		
Mandatory:				
60.00	Appropriation	690	690	690
60.49	Portion applied to liquidate contract authority	-690	-690	-690
62.50	Appropriation (total mandatory)			
70.00	Total new budget authority (gross)	-9	-32	
Change in obligated balances:				
72.40	Obligated balance, start of year	4,315	3,584	2,986
73.10	Total new obligations	28	40	41
73.20	Total outlays (gross)	-560	-534	-508
73.45	Recoveries of prior year obligations	-199	-104	-70
74.40	Obligated balance, end of year	3,584	2,986	2,449
Outlays (gross), detail:				
86.93	Outlays from discretionary balances	560	534	508
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.40	Non-Federal sources	-1		
88.40	Non-Federal sources			
88.90	Total, offsetting collections (cash)	-1		
Net budget authority and outlays:				
89.00	Budget authority	-10	-32	

OTHER ASSISTED HOUSING PROGRAMS—Continued
Program and Financing—Continued

Identification code 86-0206-0-1-999	2009 actual	2010 est.	2011 est.
90.00 Outlays	559	534	508
Memorandum (non-add) entries:			
93.03 Obligated balance, start of year: Contract authority	4,099	3,354	2,662
93.04 Obligated balance, end of year: Contract authority	3,354	2,662	1,972

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 13,368 units as of September 30, 2009 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.

This account includes funding necessary to amend Rent Supplement and Rental Assistance Payment (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 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)

	2009 actual	2010 est.	2011 est.
Total	560	534	509
Rent supplement	47	43	39
Homeownership assistance (Section 235)	4	4	4
Rental housing assistance (Section 236)	505	483	462
College housing grants	4	4	4

Object Classification (in millions of dollars)

Identification code 86-0206-0-1-999	2009 actual	2010 est.	2011 est.
41.0 Direct obligations: Grants, subsidies, and contributions	27	40	41
99.0 Reimbursable obligations: reimbursable obligations	1		
99.9 Total new obligations	28	40	41

HOMEOWNERSHIP AND OPPORTUNITY FOR PEOPLE EVERYWHERE GRANTS (HOPE GRANTS)

Program and Financing (in millions of dollars)

Identification code 86-0196-0-1-604	2009 actual	2010 est.	2011 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		1	1
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	1	1	1
24.40 Unobligated balance carried forward, end of year	1	1	1

Change in obligated balances:			
72.40 Obligated balance, start of year	5		
73.20 Total outlays (gross)	-4		
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year			

Outlays (gross), detail:			
86.93 Outlays from discretionary balances	4		

Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	4		

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 **[\$16,000,000]** \$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 **[2010]** 2011 so as to result in a final fiscal year **[2010]** 2011 appropriation from the general fund estimated at not more than **[\$9,000,000]** \$7,000,000 and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year **[2010]** 2011 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. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0234-0-1-376	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Payment to Trust Fund	5	9	7
10.00 Total new obligations (object class 94.0)	5	9	7
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	5	9	7
23.95 Total new obligations	-5	-9	-7
24.40 Unobligated balance carried forward, end of year			

New budget authority (gross), detail:
Discretionary:

40.00	Appropriation	5	9	7
Change in obligated balances:				
73.10	Total new obligations	5	9	7
73.20	Total outlays (gross)	-5	-9	-7
74.40	Obligated balance, end of year			
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	5	9	7
Net budget authority and outlays:				
89.00	Budget authority	5	9	7
90.00	Outlays	5	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. The Budget proposes an appropriation of \$7 million to support program activities and offset the effect of declining fee revenue caused by a substantial reduction in manufactured housing production rates. Approximately \$7 million shall be collected in fees and deposited into the Manufactured Housing Fees Trust Fund.

INTERSTATE LAND SALES
Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-5270-0-2-376		2009 actual	2010 est.	2011 est.
01.00	Balance, start of year			
01.99	Balance, start of year			
Receipts:				
02.00	Interstate Land Sales Fund		1	1
02.99	Total receipts and collections		1	1
04.00	Total: Balances and collections		1	1
Appropriations:				
05.00	Interstate Land Sales		-1	-1
05.99	Total appropriations		-1	-1
07.99	Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 86-5270-0-2-376		2009 actual	2010 est.	2011 est.
Obligations by program activity:				
00.01	Transfer to salaries and expenses		1	1
10.00	Total new obligations (object class 25.2)		1	1
Budgetary resources available for obligation:				
22.00	New budget authority (gross)		1	1
23.95	Total new obligations		-1	-1
New budget authority (gross), detail:				
Mandatory:				
60.20	Appropriation (special fund)		1	1
Change in obligated balances:				
73.10	Total new obligations		1	1
73.20	Total outlays (gross)		-1	-1
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority		1	1
Net budget authority and outlays:				
89.00	Budget authority		1	1
90.00	Outlays		1	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 have helped 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		2009 actual	2010 est.	2011 est.
Obligations by program activity:				
09.01	Transfer to HUD's Flexible Subsidy Fund	4	3	
10.00	Total new obligations (object class 94.0)	4	3	
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	4	3	3
22.00	New budget authority (gross)	3	3	3
23.90	Total budgetary resources available for obligation	7	6	6
23.95	Total new obligations	-4	-3	
24.40	Unobligated balance carried forward, end of year	3	3	6
New budget authority (gross), detail:				
Mandatory:				
69.00	Offsetting collections (cash)	3	3	3
Change in obligated balances:				
73.10	Total new obligations	4	3	
73.20	Total outlays (gross)	-4	-3	
Outlays (gross), detail:				
86.93	Outlays from discretionary balances			-3
86.97	Outlays from new mandatory authority		3	3
86.98	Outlays from mandatory balances	4		
87.00	Total outlays (gross)	4	3	
Offsets:				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources	-3	-3	-3
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	1		-3

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.

FLEXIBLE SUBSIDY FUND
Program and Financing (in millions of dollars)

Identification code 86-4044-0-3-604	2009 actual	2010 est.	2011 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	102	129	155
22.00 New budget authority (gross)	26	26	23
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	129	155	178
23.98 Unobligated balance expiring or withdrawn			-156
24.40 Unobligated balance carried forward, end of year	129	155	22
New budget authority (gross), detail:			
Discretionary:			
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	26	26	23
Change in obligated balances:			
72.40 Obligated balance, start of year	1		
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year			
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-4	-3	
88.40 Non-Federal sources	-22	-23	-23
88.90 Total, offsetting collections (cash)	-26	-26	-23
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-26	-26	-23

Status of Direct Loans (in millions of dollars)

Identification code 86-4044-0-3-604	2009 actual	2010 est.	2011 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	626	609	589
1251 Repayments: Repayments and prepayments	-17	-20	-20
1290 Outstanding, end of year	609	589	569

The Flexible Subsidy Fund assisted financially troubled subsidized projects under certain 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 rental income from the Rental Housing Assistance Fund to the Flexible Subsidy Fund. These excess funds cannot be spent under 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	2008 actual	2009 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	103	128
1601 Direct loans, gross	626	609
1602 Interest receivable	103	106
1603 Allowance for estimated uncollectible loans and interest (-)	-652	-639
1699 Value of assets related to direct loans	77	76
1999 Total assets	180	204
LIABILITIES:		
2207 Non-Federal liabilities: Other	1	
2999 Total liabilities	1	
NET POSITION:		

3100 Appropriated capital	-376	-376
3300 Cumulative results of operations	555	580
3999 Total net position	179	204
4999 Total liabilities and net position	180	204

HOME OWNERSHIP PRESERVATION ENTITY FUND FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4353-0-3-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Default Claim Payments		30	543
00.03 Other capital investment and operating expenses		212	268
10.00 Total new obligations		242	811
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		1	2,457
22.00 New financing authority (gross)	1	2,698	2,150
23.90 Total budgetary resources available for obligation	1	2,699	4,607
23.95 Total new obligations		-242	-811
24.40 Unobligated balance carried forward, end of year	1	2,457	3,796
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	1	2,698	2,150
Change in obligated balances:			
72.40 Obligated balance, start of year			5
73.10 Total new obligations		242	811
73.20 Total financing disbursements (gross)		-237	-800
74.40 Obligated balance, end of year		5	16
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)		237	800
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Positive subsidy from HOPE Bonds	-1	-2,363	-1,523
88.40 Premiums		-325	-424
88.40 Recoveries on defaults		-10	-203
88.90 Total, offsetting collections (cash)	-1	-2,698	-2,150
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-1	-2,461	-1,350

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4353-0-3-371	2009 actual	2010 est.	2011 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2121 Limitation available from carry-forward		299,996	286,024
2131 Guaranteed loan commitments exempt from limitation	300,000		
2142 Uncommitted loan guarantee limitation			
2143 Uncommitted limitation carried forward	-299,996	-286,024	-272,052
2150 Total guaranteed loan commitments	4	13,972	13,972
2199 Guaranteed amount of guaranteed loan commitments	4	13,972	13,972
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year		4	13,946
2231 Disbursements of new guaranteed loans	4	13,972	13,972
2251 Repayments and prepayments			
Adjustments:			
2261 Terminations for default that result in loans receivable		-1	-12
2262 Terminations for default that result in acquisition of property		-29	-522
2263 Terminations for default that result in claim payments			-9
2290 Outstanding, end of year	4	13,946	27,375

Memorandum:

2299	Guaranteed amount of guaranteed loans outstanding, end of year	4	13,946	27,375
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year			1
2331	Disbursements for guaranteed loan claims		1	12
2351	Repayments of loans receivable			-6
2390	Outstanding, end of year		1	7

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	2008 actual	2009 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury		1
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees		1

HOME OWNERSHIP PRESERVATION EQUITY FUND PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-0343-0-1-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.02 Credit Subsidy from HOPE Bonds	1	2,363	1,523
00.09 Administrative Expenses	3	8	5
10.00 Total new obligations	4	2,371	1,528
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	9	464	1,093
21.45 Adjustments to unobligated balance carried forward, start of year	-2		
22.00 New budget authority (gross)	461	3,000	500
23.90 Total budgetary resources available for obligation	468	3,464	1,593
23.95 Total new obligations	-4	-2,371	-1,528
24.40 Unobligated balance carried forward, end of year	464	1,093	65
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	461	3,000	500
Change in obligated balances:			
72.40 Obligated balance, start of year		1	5
72.45 Adjustment to obligated balance, start of year	2		
73.10 Total new obligations	4	2,371	1,528
73.20 Total outlays (gross)	-5	-2,367	-1,529
74.40 Obligated balance, end of year	1	5	4
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1	1,903	425
86.98 Outlays from mandatory balances	4	464	1,104
87.00 Total outlays (gross)	5	2,367	1,529
Net budget authority and outlays:			
89.00 Budget authority	461	3,000	500
90.00 Outlays	5	2,367	1,529

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

Identification code 86-0343-0-1-371	2009 actual	2010 est.	2011 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 HOPE for Homeowners Loan Guarantees	4	13,972	13,972
215999 Total loan guarantee levels	4	13,972	13,972
Guaranteed loan subsidy (in percent):			

232001 HOPE for Homeowners Loan Guarantees	23.27	16.91	10.90
232999 Weighted average subsidy rate	23.27	16.91	10.90
Guaranteed loan subsidy budget authority:			
233001 HOPE for Homeowners Loan Guarantees	1	2,363	1,523
233999 Total subsidy budget authority	1	2,363	1,523
Guaranteed loan subsidy outlays:			
234001 HOPE for Homeowners Loan Guarantees	1	2,363	1,523
234999 Total subsidy outlays	1	2,363	1,523
Administrative expense data:			
3510 Budget authority		8	5
3590 Outlays from new authority		4	6

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

The Helping Families Save Their Homes Act of 2009 amends the National Housing Act, providing for key changes in the H4H program. These changes are effective for endorsements on or after January 1, 2010. These amendments include more underwriting flexibility and lower premia and appreciation sharing assessments. As a result of these changes, H4H will experience a higher level of program volume with \$14 billion in loans projected for both 2010 and 2011.

The program is effective from October 1, 2008 to 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	2009 actual	2010 est.	2011 est.
Direct obligations:			
25.2 Other services	3	8	5
41.0 Grants, subsidies, and contributions	1	2,363	1,523
99.9 Total new obligations	4	2,371	1,528

NEHEMIAH HOUSING OPPORTUNITY FUND

Program and Financing (in millions of dollars)

Identification code 86-4071-0-3-604	2009 actual	2010 est.	2011 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	9	9	
23.98 Unobligated balance expiring or withdrawn		-9	
24.40 Unobligated balance carried forward, end of year	9		
Change in obligated balances:			
72.40 Obligated balance, start of year	4	4	4
74.40 Obligated balance, end of year	4	4	4
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

NEHEMIAH HOUSING OPPORTUNITY FUND—Continued

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. The remaining unobligated balances, which cannot be spent under existing law, will be withdrawn.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

During fiscal year 2010, New commitments to guarantee single family loans insured under the Mutual Mortgage Insurance Fund shall not exceed a loan principal of \$400,000,000,000, to remain available until September 30, 2012: Provided, That for new loans guaranteed pursuant to section 255 of the National Housing Act (12 U.S.C. 1715z-20), the Secretary shall adjust the factors used to calculate the principal limit (as such term is defined in HUD Handbook 4235.1) that were assumed in the President's Budget Request for 2010 for such loans, as necessary to ensure that the program operates at a net zero subsidy rate for the cost of new guaranteed loans, as authorized by section 255 of the National Housing Act (12 U.S.C. 1715z-20), \$250,000,000; and, in addition, to the extent that new guaranteed loan commitments under section 255 will and do exceed \$30,000,000,000 during fiscal year 2011, an additional \$8,300 shall be available for each \$1,000,000 in such additional commitments (including a pro rata amount for any new guaranteed loan commitment amount below \$1,000,000): Provided further, That during fiscal year 2010, 2011, 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, \$188,900,000 \$207,000,000, to remain available until September 30, 2012, of which up to \$70,794,000 \$71,500,000 may be transferred to the Working Capital Fund, and of which up to \$7,500,000 shall be for education and outreach of FHA single family loan products: Provided further, That to the extent guaranteed loan commitments exceed \$200,000,000,000 on or before April 1, 2010, 2011, 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. (Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0183-0-1-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.02 Guaranteed Loan Subsidy			249
00.07 Reestimates of loan guarantee subsidy - upward re-estimate	9,370	8,442	
00.08 Interest on reestimates of loan guarantee subsidy	1,014	1,426	
00.09 Administrative Expenses	72	118	135
10.00 Total new obligations	10,456	9,986	384
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	88	117	384
22.22 Unobligated balance transferred from other accounts	10,384	9,868	
23.90 Total budgetary resources available for obligation	10,472	9,985	384
23.95 Total new obligations	-10,456	-9,986	-384
23.98 Unobligated balance expiring or withdrawn	-15		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation - Administrative Expenses	146	189	207
40.00 Appropriation - Loan Guarantee Subsidy			249
41.00 Transferred to other accounts	-58	-72	-72

43.00	Appropriation (total discretionary)	88	117	384
Change in obligated balances:				
72.40	Obligated balance, start of year	66	87	91
73.10	Total new obligations	10,456	9,986	384
73.20	Total outlays (gross)	-10,426	-9,982	-381
73.40	Adjustments in expired accounts (net)	-9		
74.40	Obligated balance, end of year	87	91	94
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	6	98	362
86.93	Outlays from discretionary balances	36	15	19
86.98	Outlays from mandatory balances	10,384	9,869	
87.00	Total outlays (gross)	10,426	9,982	381
Net budget authority and outlays:				
89.00	Budget authority	88	117	384
90.00	Outlays	10,426	9,982	381

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

Identification code 86-0183-0-1-371	2009 actual	2010 est.	2011 est.
Direct loan levels supportable by subsidy budget authority:			
115001 MMI Fund, Direct loans		50	50
115999 Total direct loan levels		50	50
Guaranteed loan levels supportable by subsidy budget authority:			
215002 MMI Fund	330,459	299,954	245,996
215004 MMI HECM	30,189	30,800	30,000
215999 Total loan guarantee levels	360,648	330,754	275,996
Guaranteed loan subsidy (in percent):			
232002 MMI Fund	-0.05	-0.62	-0.68
232004 MMI HECM	-1.37	-0.50	0.83
232007 MMI Seller Financed Down Payment Assistance	6.35	0.00	0.00
232999 Weighted average subsidy rate	-0.16	-0.61	-0.52
Guaranteed loan subsidy budget authority:			
233002 MMI Fund	-151	-1,860	-1,673
233004 MMI HECM	-414	-154	249
233999 Total subsidy budget authority	-565	-2,014	-1,424
Guaranteed loan subsidy outlays:			
234002 MMI Fund	-151	-1,860	-1,673
234004 MMI HECM	-414	-154	249
234999 Total subsidy outlays	-565	-2,014	-1,424
Guaranteed loan upward reestimates:			
235002 MMI Fund	10,384	7,630	
235004 MMI HECM		2,239	
235999 Total upward reestimate budget authority	10,384	9,869	
Guaranteed loan downward reestimates:			
237002 MMI Fund	-108	-26	
237999 Total downward reestimate subsidy budget authority	-108	-26	
Administrative expense data:			
3510 Budget authority	88	118	135
3580 Outlays from balances	36	15	19
3590 Outlays from new authority	6	98	113

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 2011, FHA is requesting an aggregate limitation of \$400 billion on loan guarantees for the Mutual Mortgage Insurance (MMI) Fund.

The Budget includes several policy changes to focus FHA's credit enhancement on prudent risks and improve the financial health of the MMI Fund with premia increases. The Budget proposes a statutory revision to allow FHA more flexibility in setting annual premia subject to a specific cap. The Budget also incorporates changes to underwriting criteria that will improve risk management, including raising the minimum credit score

required for borrower approval. Including the effects of these changes, the Budget projects a total of \$5.8 billion of negative subsidy receipts in 2011.

The Budget requests \$250 million in credit subsidy for the Home Equity Conversion Program (HECM) along with a contingency appropriation to meet all program demand, even if demand exceeds projections. The Budget projects insurance of \$223 billion in single family forward mortgages and \$30 billion in HECMs with an additional \$148 billion in commitment limitation available in case these amounts are exceeded during execution.

The Budget requests a total of \$207 million for administrative expenses. This increase of \$18 million will allow FHA to implement improved risk management systems.

As of 2009, new loans for the Condominium, the Section 203(k) rehabilitation, and Home Equity Conversion programs are in the MMI Fund in order to consolidate single family programs in one fund; previously these loans were made under the General and Special Risk Insurance Funds. Those single family loans made prior to 2009 will remain under the General and Special Risk Insurance Funds.

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	2009 actual	2010 est.	2011 est.
Direct obligations:			
25.2 Other services	72	118	135
41.0 Grants, subsidies, and contributions	9,370	8,442	249
43.0 Interest and dividends	1,014	1,426	.....
99.9 Total new obligations	10,456	9,986	384

FHA-MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(Legislative proposal, not subject to PAYGO)

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

Identification code 86-0183-2-1-371	2009 actual	2010 est.	2011 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215002 MMI Fund	-23,128
215999 Total loan guarantee levels	-23,128
Guaranteed loan subsidy (in percent):			
232002 MMI Fund	-1.91
232999 Weighted average subsidy rate	-1.66
Guaranteed loan subsidy budget authority:			
233002 MMI Fund	-4,099
233999 Total subsidy budget authority	-4,099
Guaranteed loan subsidy outlays:			
234002 MMI Fund	-4,099
234999 Total subsidy outlays	-4,099

FHA-MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4242-0-3-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Direct loans .....	.....	50	50
00.02 Interest paid to Treasury .....	.....	2	2
00.03 Claims & other	1	4	4
10.00 Total new obligations	1	56	56
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	6	4	4

22.00	New financing authority (gross)	1	105	105
22.60	Portion applied to repay debt	-2	-49	-49
23.90	Total budgetary resources available for obligation	5	60	60
23.95	Total new obligations	-1	-56	-56
24.40	Unobligated balance carried forward, end of year	4	4	4
New financing authority (gross), detail:				
Mandatory:				
67.10	Authority to borrow .....	.....	50	50
69.00	Offsetting collections (cash)	1	55	55
70.00	Total new financing authority (gross)	1	105	105
Change in obligated balances:				
73.10	Total new obligations	1	56	56
73.20	Total financing disbursements (gross)	-1	-56	-56
74.40	Obligated balance, end of year .....	.....	.....	.....
Outlays (gross), detail:				
87.00	Total financing disbursements (gross)	1	56	56
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.25	Interest on uninvested funds	-1	-1	-1
88.40	Repayment of Principal .....	.....	-50	-50
88.40	Repayment of interest .....	.....	-4	-4
88.90	Total, offsetting collections (cash)	-1	-55	-55
Net financing authority and financing disbursements:				
89.00	Financing authority .....	.....	50	50
90.00	Financing disbursements .....	.....	1	1

Status of Direct Loans (in millions of dollars)

Identification code 86-4242-0-3-371	2009 actual	2010 est.	2011 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	50	50	50
1142	Unobligated direct loan limitation (-)	-50	.....	.....
1150	Total direct loan obligations .....	.....	50	50
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	.....	.....	.....
1231	Disbursements: Direct loan disbursements .....	.....	50	50
1251	Repayments: Repayments and prepayments .....	.....	-50	-50
1264	Other adjustments, net (+ or -) .....	.....	.....	.....
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 2011 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, 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	2008 actual	2009 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	6	4
Net value of assets related to post-1991 direct loans receivable:			
1405	Allowance for subsidy cost (-)	-3	-4

**FHA-MUTUAL MORTGAGE INSURANCE DIRECT LOAN FINANCING
ACCOUNT—Continued
Balance Sheet—Continued**

Identification code 86-4242-0-3-371	2008 actual	2009 actual
1499 Net present value of assets related to direct loans	-3	-4
1999 Total assets	3	
LIABILITIES:		
2103 Federal liabilities: Federal Liabilities - Debt	3	
2999 Total liabilities	3	
4999 Total liabilities and net position	3	

**FHA-MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING
ACCOUNT
Program and Financing (in millions of dollars)**

Identification code 86-4587-0-3-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Loan guarantee default claim payments	8,486	15,652	19,660
00.02 Interest on Treasury Borrowing	160	57	122
00.03 Other capital investment & operating expenses	475	3,398	3,724
00.09 Loan Modification - payment to Capital Reserve	361		
00.91 Subtotal, capital/operating expenses	9,482	19,107	23,506
08.01 Payment of negative subsidy to capital reserve for new business	565	2,014	1,673
08.02 Reestimate of loan guarantee subsidy (downward reestimates)	108	7	
08.04 Interest on downward reestimates		19	
08.91 Subtotal, Receipts and Re-estimates	673	2,040	1,673
10.00 Total new obligations	10,155	21,147	25,179
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	7,645	19,935	28,432
22.00 New financing authority (gross)	22,439	29,644	22,449
22.10 Resources available from recoveries of prior year obligations	7		
22.40 Capital transfer to general fund	-1		
23.90 Total budgetary resources available for obligation	30,090	49,579	50,881
23.95 Total new obligations	-10,155	-21,147	-25,179
24.40 Unobligated balance carried forward, end of year	19,935	28,432	25,702
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	85	1,000	1,000
69.00 Offsetting collections	22,914	29,644	22,449
69.00 Offsetting collections (cash)			
69.47 Portion applied to repay debt	-560	-1,000	-1,000
69.90 Spending authority from offsetting collections (total mandatory)	22,354	28,644	21,449
70.00 Total new financing authority (gross)	22,439	29,644	22,449
Change in obligated balances:			
72.40 Obligated balance, start of year	1,315	1,208	546
73.10 Total new obligations	10,155	21,147	25,179
73.20 Total financing disbursements (gross)	-10,255	-21,809	-25,098
73.45 Recoveries of prior year obligations	-7		
74.40 Obligated balance, end of year	1,208	546	627
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	10,255	21,809	25,098
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Transfer of Reestimates from reserves in Capital Reserve account	-10,384	-9,868	
88.00 Credit Subsidy from Program Account			-249
88.25 Interest on uninvested funds	-900	-387	-909
88.40 Fees and premiums	-8,097	-9,186	-9,355
88.40 Recoveries on defaults	-3,443	-10,203	-11,936

88.90	Total, offsetting collections (cash)	-22,914	-29,644	-22,449
Net financing authority and financing disbursements:				
89.00	Financing authority	-475		
90.00	Financing disbursements	-12,659	-7,835	2,649

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4587-0-3-371	2009 actual	2010 est.	2011 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders	400,000	400,000	400,000
2142	Uncommitted loan guarantee limitation	-39,352	-69,246	-124,004
2150	Total guaranteed loan commitments	360,648	330,754	275,996
2199	Guaranteed amount of guaranteed loan commitments	360,648	330,754	275,996
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	439,515	683,948	867,898
2231	Disbursements of new guaranteed loans	346,039	316,669	261,967
2251	Repayments and prepayments	-93,120	-117,066	-92,469
Adjustments:				
2261	Terminations for default that result in loans receivable	-4	-409	-502
2262	Terminations for default that result in acquisition of property	-8,126	-14,945	-18,789
2263	Terminations for default that result in claim payments	-356	-299	-369
2264	Other adjustments, net			
2290	Outstanding, end of year	683,948	867,898	1,017,736
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	683,947	867,898	1,017,736
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	403	560	992
2331	Disbursements for guaranteed loan claims	166	821	989
2351	Repayments of loans receivable	-7	-389	-472
2361	Write-offs of loans receivable	-2		
2364	Other adjustments, net			
2390	Outstanding, end of year	560	992	1,509

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	2008 actual	2009 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	8,960	21,143
Investments in US securities:			
1106	Receivables, net	9,579	8,090
Non-Federal assets:			
1201	Investments in non-Federal securities, net	16	10
1206	Receivables, net	80	5
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1501	Defaulted guaranteed loans receivable, gross	403	560
1504	Foreclosed property	4,054	4,875
1505	Allowance for subsidy cost	-2,219	-3,164
1599	Net value of assets related to defaulted guaranteed loan	2,238	2,271
1901	Other Federal assets: Other assets	26	31
1999	Total assets	20,899	31,550
LIABILITIES:			
Federal liabilities:			
2101	Accounts payable	80	26
2103	Federal liabilities, Debt	3,125	2,650
Non-Federal liabilities:			
2201	Accounts payable	252	371
2204	Liabilities for loan guarantees	17,379	28,451
2207	Other	63	52
2999	Total liabilities	20,899	31,550

4999 Total liabilities and net position 20,899 31,550

FHA-MUTUAL MORTGAGE INSURANCE GUARANTEED LOAN FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-4587-2-3-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Loan guarantee default claim payments			-3
00.02 Interest on Treasury Borrowing			14
00.03 Other capital investment & operating expenses			
00.91 Subtotal, capital/operating expenses			11
08.01 Payment of negative subsidy to capital reserve for new business			4,099
10.00 Total new obligations			4,110
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year			
22.00 New financing authority (gross)			-1,263
23.90 Total budgetary resources available for obligation			-1,263
23.95 Total new obligations			-4,110
24.40 Unobligated balance carried forward, end of year			-5,373
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections			-1,263
Change in obligated balances:			
72.40 Obligated balance, start of year			
73.10 Total new obligations			4,110
73.20 Total financing disbursements (gross)			-4,028
74.40 Obligated balance, end of year			82
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)			4,028
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds			9
88.40 Fees and premiums			1,256
88.40 Recoveries on defaults			-2
88.90 Total, offsetting collections (cash)			1,263
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements			5,291

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4587-2-3-371	2009 actual	2010 est.	2011 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2142 Uncommitted loan guarantee limitation			-23,128
2150 Total guaranteed loan commitments			-23,128
2199 Guaranteed amount of guaranteed loan commitments			-23,128
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			
2231 Disbursements of new guaranteed loans			-23,128
2251 Repayments and prepayments			392
Adjustments:			
2261 Terminations for default that result in loans receivable			
2262 Terminations for default that result in acquisition of property			3
2263 Terminations for default that result in claim payments			
2264 Other adjustments, net			
2290 Outstanding, end of year			-22,733

Memorandum:

2299 Guaranteed amount of guaranteed loans outstanding, end of year -22,733

Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			
2331 Disbursements for guaranteed loan claims			
2351 Repayments of loans receivable			
2361 Write-offs of loans receivable			
2364 Other adjustments, net			
2390 Outstanding, end of year			

FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-0236-0-1-371	2009 actual	2010 est.	2011 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	19,085	10,605	3,512
22.00 New budget authority (gross)	1,904	2,775	2,210
22.21 Unobligated balance transferred to other accounts	-10,384	-9,868	
23.90 Total budgetary resources available for obligation	10,605	3,512	5,722
24.40 Unobligated balance carried forward, end of year	10,605	3,512	5,722
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (negative subsidy)	565	2,014	1,673
69.00 Offsetting collections (interest on investments)	1,018	735	537
69.00 Offsetting collections (downward reestimate)	108	26	
69.00 Offsetting collections (loan modification)	361		
69.10 Change in uncollected customer payments from Federal sources (unexpired)	-148		
69.90 Spending authority from offsetting collections (total mandatory)	1,904	2,775	2,210
Change in obligated balances:			
72.40 Obligated balance, start of year	-233	-85	-85
74.00 Change in uncollected customer payments from Federal sources (unexpired)	148		
74.40 Obligated balance, end of year	-85	-85	-85
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources - negative subsidy from new business	-565	-2,014	-1,673
88.00 Federal sources - downward reestimates	-108	-26	
88.00 Federal sources - loan modification	-361		
88.20 Interest on Federal securities	-1,018	-735	-537
88.90 Total, offsetting collections (cash)	-2,052	-2,775	-2,210
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	148		

Net budget authority and outlays:

89.00 Budget authority			
90.00 Outlays	-2,052	-2,775	-2,210

Memorandum (non-add) entries:

92.01 Total investments, start of year: Federal securities: Par value	19,085	10,664	2,836
92.02 Total investments, end of year: Federal securities: Net	10,664	2,836	4,508

Summary of Budget Authority and Outlays (in millions of dollars)

	2009 actual	2010 est.	2011 est.
Enacted/requested:			
Budget Authority			
Outlays	-2,052	-2,775	-2,210
Legislative proposal, not subject to PAYGO:			
Budget Authority			
Outlays			-4,184
Total:			
Budget Authority			
Outlays	-2,052	-2,775	-6,394

FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE
ACCOUNT—Continued

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	2008 actual	2009 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	25	57
Investments in US securities:		
1102 Treasury securities, net	19,014	10,546
1106 Receivables, net	312	110
1999 Total assets	19,351	10,713
LIABILITIES:		
2101 Federal liabilities: Accounts payable	9,579	8,090
2999 Total liabilities	9,579	8,090
NET POSITION:		
3300 Cumulative results of operations	9,772	2,623
3999 Total net position	9,772	2,623
4999 Total liabilities and net position	19,351	10,713

FHA-MUTUAL MORTGAGE INSURANCE CAPITAL RESERVE ACCOUNT
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 86-0236-2-1-371	2009 actual	2010 est.	2011 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year			
22.00 New budget authority (gross)			4,184
23.90 Total budgetary resources available for obligation			4,184
24.40 Unobligated balance carried forward, end of year			4,184
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (negative subsidy)			4,099
69.00 Offsetting collections (interest on investments)			85
69.00 Offsetting collections (downward reestimate)			
69.00 Offsetting collections (loan modification)			
69.90 Spending authority from offsetting collections (total mandatory)			4,184
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources - negative subsidy from new business			-4,099
88.00 Federal sources - downward reestimates			
88.00 Federal sources - loan modification			
88.20 Interest on Federal securities			-85
88.90 Total, offsetting collections (cash)			-4,184
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			-4,184
Memorandum (non-add) entries:			
92.01 Total investments, start of year: Federal securities: Par value			
92.02 Total investments, end of year: Federal securities: Net			4,184

FHA-MUTUAL MORTGAGE AND COOPERATIVE HOUSING INSURANCE FUNDS
LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4070-0-3-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
01.03 Acquisition of real properties	31	14	9
01.07 Capitalized expenses		1	1
01.08 Loss mitigation activities	3	2	1
01.91 Total capital investment	34	17	11
02.02 Other Operation expenses	1	3	2
10.00 Total new obligations	35	20	13
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	50	30	30
22.00 New budget authority (gross)	15	20	15
23.90 Total budgetary resources available for obligation	65	50	45
23.95 Total new obligations	-35	-20	-13
24.40 Unobligated balance carried forward, end of year	30	30	32
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	15	20	15
Change in obligated balances:			
72.40 Obligated balance, start of year	204	199	195
73.10 Total new obligations	35	20	13
73.20 Total outlays (gross)	-40	-24	-17
74.40 Obligated balance, end of year	199	195	191
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	15	20	15
86.98 Outlays from mandatory balances	25	4	2
87.00 Total outlays (gross)	40	24	17
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.40 Fees and premiums	-3	-8	-6
88.40 Recoveries on defaulted mortgages	-15	-12	-9
88.40 Other	3		
88.90 Total, offsetting collections (cash)	-15	-20	-15
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	25	4	2
Status of Guaranteed Loans (in millions of dollars)			
Identification code 86-4070-0-3-371	2009 actual	2010 est.	2011 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	8,259	6,904	5,135
2251 Repayments and prepayments	-1,324	-1,756	-1,362
2262 Adjustments: Terminations for default that result in acquisition of property	-31	-13	-9
2290 Outstanding, end of year	6,904	5,135	3,764
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	6,904	5,135	3,764
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	17	19	18
2331 Disbursements for guaranteed loan claims	3	1	
2351 Repayments of loans receivable		-1	
2361 Write-offs of loans receivable	-1	-1	-1
2364 Other adjustments, net			
2390 Outstanding, end of year	19	18	17

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)

	2009 actual	2010 est.	2011 est.
Mortgage Insurance Written (in fiscal year):			
Purchase and Refinance	\$ 330,459	\$ 299,954	\$ 222,868
Home Equity Conversion Mortgages (Maximum Claim Amounts)	\$ 30,189	\$ 30,800	30,000
Loans:			
Purchase and Refinance	1,831,534	1,661,975	1,311,889
Home Equity Conversion Mortgages	114,691	120,429	119,953

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	2008 actual	2009 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	255	230
1206 Non-Federal assets: Receivables, net	3	3
1701 Defaulted guaranteed loans, gross	17	19
1702 Interest receivable	3	4
1703 Allowance for estimated uncollectible loans and interest (-)	-3	-13
1704 Defaulted guaranteed loans and interest receivable, net	17	10
1706 Foreclosed property	9	16
1799 Value of assets related to loan guarantees	26	26
1901 Other Federal assets: Other assets	2	2
1999 Total assets	286	261
LIABILITIES:		
Non-Federal liabilities:		
2201 Accounts payable	179	177
2204 Liabilities for loan guarantees	20	14
2207 Unearned revenue and advances, and other	18	1

2999 Total liabilities	217	192
NET POSITION:		
3300 Cumulative results of operations	69	69
3999 Total net position	69	69
4999 Total liabilities and net position	286	261

Object Classification (in millions of dollars)

Identification code 86-4070-0-3-371	2009 actual	2010 est.	2011 est.
Direct obligations:			
25.2 Other services	1	4	3
32.0 Land and structures	31	14	9
42.0 Insurance claims and indemnities	3	2	1
99.9 Total new obligations	35	20	13

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* During fiscal year 2011, commitments to guarantee loans incurred under the General and Special Risk Insurance Funds, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z-3 and 1735c), shall not exceed \$15,000,000,000 \$20,000,000,000 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] single family real properties owned by the Secretary and formerly insured under such Act. (Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0200-0-1-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy	2	10	9
00.07 Reestimate of credit subsidy	6,097	660	
00.08 Interest on reestimates of loan guarantee subsidy	696	203	
00.09 Asset Sale Modification	5	5	
00.10 Administrative contract expenses	43		
10.00 Total new obligations	6,843	878	9
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	18	15	9
22.00 New budget authority (gross)	6,845	872	
23.90 Total budgetary resources available for obligation	6,863	887	9
23.95 Total new obligations	-6,843	-878	-9
23.98 Unobligated balance expiring or withdrawn	-5		
24.40 Unobligated balance carried forward, end of year	15	9	
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	57	9	
40.36 Unobligated balance permanently reduced	-5		
43.00 Appropriation (total discretionary)	52	9	
Mandatory:			
60.00 Appropriation	6,793	863	
70.00 Total new budget authority (gross)	6,845	872	
Change in obligated balances:			
72.40 Obligated balance, start of year	98	82	47
73.10 Total new obligations	6,843	878	9
73.20 Total outlays (gross)	-6,851	-913	-29
73.40 Adjustments in expired accounts (net)	-8		
74.40 Obligated balance, end of year	82	47	27

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT—Continued
Program and Financing—Continued

Identification code 86-0200-0-1-371	2009 actual	2010 est.	2011 est.
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	8	7	.....
86.93 Outlays from discretionary balances	50	43	29
86.97 Outlays from new mandatory authority	6,793	863	.....
87.00 Total outlays (gross)	6,851	913	29
Net budget authority and outlays:			
89.00 Budget authority	6,845	872	.....
90.00 Outlays	6,851	913	29

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

Identification code 86-0200-0-1-371	2009 actual	2010 est.	2011 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	1,431	2,100	1,950
215002 221(d)(3) Cooperatives	7	118	64
215003 Tax Credit New Construction	344	700	900
215004 238(c) Military Impact Area	89	88	.....
215005 Apartments Refinance	2,102	3,900	3,400
215006 241 Supplemental Loans	16	25	25
215007 Multifamily Operating Loss Loans	7	4	2
215008 Housing Finance Authority Risk Sharing	24	300	370
215009 GSE Risk Sharing	13	30	35
215010 Health Care and Nursing Homes	597	750	900
215011 Health Care Refinances	1,905	2,650	3,030
215012 Hospitals	1,111	3,450	4,040
215013 Other Rental	169	655	755
215017 Title 1 Property Improvement	56	60	63
215018 Title 1 Manufactured Housing	97	120	126
215022 Standby Authority .....	.....	50	4,340
215999 Total loan guarantee levels	7,968	15,000	20,000
Guaranteed loan subsidy (in percent):			
232001 Multifamily Development	-1.10	-1.63	-1.76
232002 221(d)(3) Cooperatives	5.84	6.61	10.74
232003 Tax Credit New Construction	-3.20	-3.58	-3.43
232004 238(c) Military Impact Area	-0.04	0.43	0.00
232005 Apartments Refinance	-3.29	-3.87	-3.35
232006 241 Supplemental Loans	1.97	2.10	5.40
232007 Multifamily Operating Loss Loans	22.18	23.40	21.63
232008 Housing Finance Authority Risk Sharing	-1.17	-1.61	-1.42
232009 GSE Risk Sharing	-1.43	-1.64	-1.43
232010 Health Care and Nursing Homes	-0.74	-0.53	-0.19
232011 Health Care Refinances	-2.09	-2.29	-1.32
232012 Hospitals	-2.51	-4.28	-3.67
232013 Other Rental	-2.14	-2.95	-3.10
232017 Title 1 Property Improvement	-0.52	-0.77	-0.76
232018 Title 1 Manufactured Housing	-0.31	-0.51	-0.99
232999 Weighted average subsidy rate	-2.14	-2.92	-1.96
Guaranteed loan subsidy budget authority:			
233001 Multifamily Development	-16	-34	-34
233002 221(d)(3) Cooperatives .....	.....	8	7
233003 Tax Credit New Construction	-11	-25	-31
233005 Apartments Refinance	-69	-151	-114
233006 241 Supplemental Loans .....	.....	1	1
233007 Multifamily Operating Loss Loans	2	1	1
233008 Housing Finance Authority Risk Sharing .....	.....	-5	-5
233009 GSE Risk Sharing .....	.....	.....	-1
233010 Health Care and Nursing Homes	-5	-4	-2
233011 Health Care Refinances	-40	-61	-40
233012 Hospitals	-28	-148	-148
233013 Other Rental	-4	-19	-23
233017 Title 1 Property Improvement .....	.....	.....	-1
233018 Title 1 Manufactured Housing	-1	-1	-1
233999 Total subsidy budget authority	-172	-439	-391
Guaranteed loan subsidy outlays:			
234001 Multifamily Development	-11	-27	-34
234002 221(d)(3) Cooperatives	1	6	7
234003 Tax Credit New Construction	-12	-25	-30
234005 Apartments Refinance	-46	-138	-123
234006 241 Supplemental Loans .....	.....	1	1
234007 Multifamily Operating Loss Loans	1	1	1
234008 Housing Finance Authority Risk Sharing .....	.....	-4	-5

234009 GSE Risk Sharing .....	.....	.....	-1
234010 Health Care and Nursing Homes	-4	-4	-2
234011 Health Care Refinances	-27	-61	-45
234012 Hospitals	-40	-117	-148
234013 Other Rental	-1	-17	-23
234014 Section 234: Condominiums	-5	.....	.....
234015 Section 203(k): Rehabilitation Mortgages	-5	.....	.....
234018 Title 1 Manufactured Housing .....	.....	-1	-1
234999 Total subsidy outlays	-149	-386	-403
Guaranteed loan upward reestimates:			
235023 GI/SRI Reestimates	6,793	863	.....
235999 Total upward reestimate budget authority	6,793	863	.....
Guaranteed loan downward reestimates:			
237023 GI/SRI Reestimates	-19	-164	.....
237999 Total downward reestimate subsidy budget authority	-19	-164	.....
Administrative expense data:			
3580 Outlays from balances	41	30	20
3590 Outlays from new authority	2	.....	.....

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. 110-289), 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. The Budget does not provide positive credit subsidy funding for 2011 and this account no longer receives 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 2011. 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.

Object Classification (in millions of dollars)

Identification code 86-0200-0-1-371	2009 actual	2010 est.	2011 est.
Direct obligations:			
25.1 Advisory and assistance services	44	.....	.....
41.0 Grants, subsidies, and contributions	6,799	878	9
99.9 Total new obligations	6,843	878	9

FHA-GENERAL AND SPECIAL RISK GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4077-0-3-371	2009 actual	2010 est.	2011 est.
Capital investment, claims and other:			
00.01 Default claims	1,586	1,892	1,895
00.02 Interest paid to Treasury	123	125	127
00.03 Other capital investments and operating expenses	94	201	172
00.09 Asset Sale Modification Savings (Liquidating)	6	.....	3
00.10 SPC Modifications Savings	11	.....	.....
00.14 Contract Costs	11	11	11
00.91 Subtotal	1,831	2,229	2,208
08.01 Payment of negative subsidy to receipt account	174	448	400
08.02 Downward subsidy rate reestimate	11	89	.....

08.04	Interest on subsidy rate reestimates	8	75	.....
08.91	Subtotal	193	612	400
10.00	Total new obligations	2,024	2,841	2,608
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	497	6,859	7,521
22.00	New financing authority (gross)	8,383	3,503	2,654
22.10	Resources available from recoveries of prior year obligations	3	.....	.....
23.90	Total budgetary resources available for obligation	8,883	10,362	10,175
23.95	Total new obligations	-2,024	-2,841	-2,608
24.40	Unobligated balance carried forward, end of year	6,859	7,521	7,567
New financing authority (gross), detail:				
Mandatory:				
67.10	Authority to borrow	385	800	800
69.00	Offsetting collections (cash)	8,317	2,903	2,054
69.10	Change in uncollected customer payments from Federal sources (unexpired)	1	.....	.....
69.47	Portion applied to repay debt	-320	-200	-200
69.90	Spending authority from offsetting collections (total mandatory)	7,998	2,703	1,854
70.00	Total new financing authority (gross)	8,383	3,503	2,654
Change in obligated balances:				
72.40	Obligated balance, start of year	278	252	220
73.10	Total new obligations	2,024	2,841	2,608
73.20	Total financing disbursements (gross)	-2,046	-2,873	-2,615
73.45	Recoveries of prior year obligations	-3	.....	.....
74.00	Change in uncollected customer payments from Federal sources (unexpired)	-1	.....	.....
74.40	Obligated balance, end of year	252	220	213
Outlays (gross), detail:				
87.00	Total financing disbursements (gross)	2,046	2,873	2,615
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Subsidy reestimate from program account	-6,793	-863	.....
88.00	Other payments from FHA Accounts	-12	-13	-12
88.25	Interest on uninvested funds	-392	-324	-317
88.40	Fees and premiums	-643	-703	-749
88.40	Recoveries on defaulted mortgages	-256	-273	-340
88.40	Title I recoveries	-8	-2	-2
88.40	Single family property recoveries	-175	-499	-383
88.40	Gross Proceeds from Mortgage Note Sales .....	.....	-226	-223
88.40	Multifamily property recoveries .....	.....	.....	-28
88.40	Non-Federal Resources-other	-38	.....	.....
88.90	Total, offsetting collections (cash)	-8,317	-2,903	-2,054
Against gross financing authority only:				
88.95	Change in receivables from program accounts	-1	.....	.....
Net financing authority and financing disbursements:				
89.00	Financing authority	65	600	600
90.00	Financing disbursements	-6,271	-30	561

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4077-0-3-371	2009 actual	2010 est.	2011 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders	45,000	15,000	20,000
2142	Uncommitted loan guarantee limitation	-37,032	.....	.....
2150	Total guaranteed loan commitments	7,968	15,000	20,000
2199	Guaranteed amount of guaranteed loan commitments	7,843	14,673	15,345
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	123,256	123,914	117,415
2231	Disbursements of new guaranteed loans	9,680	9,439	12,894
2251	Repayments and prepayments	-7,436	-14,046	-9,092
Adjustments:				
2261	Terminations for default that result in loans receivable	-946	-1,247	-1,308
2262	Terminations for default that result in acquisition of property	-427	-554	-482
2263	Terminations for default that result in claim payments	-213	-91	-105
2290	Outstanding, end of year	123,914	117,415	119,322

Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	.....	.....
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	959	1,459	2,035
2331	Disbursements for guaranteed loan claims	1,022	1,238	1,308
2351	Repayments of loans receivable	-191	-434	-513
2361	Write-offs of loans receivable	-331	-228	-257
2390	Outstanding, end of year	1,459	2,035	2,573

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	2008 actual	2009 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	775	7,111
Investments in US securities:			
1106	Receivables, net	2,030	397
Non-Federal assets:			
1201	Investments in non-Federal securities, net	29	132
1206	Receivables, net	40	3
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1501	Defaulted guaranteed loans receivable, gross	959	1,459
1502	Interest receivable	278	418
1504	Foreclosed property	413	312
1505	Allowance for subsidy cost	-664	-763
1599	Net value of assets related to defaulted guaranteed loan	986	1,426
1901	Other Federal assets: Other assets	6	7
1999	Total assets	3,866	9,076
LIABILITIES:			
Federal liabilities:			
2101	Accounts payable Intragovernmental	25	1,733
2103	Debt	1,705	1,770
Non-Federal liabilities:			
2201	Accounts payable	131	57
2204	Liabilities for loan guarantees	1,924	5,433
2207	Other	81	83
2999	Total liabilities	3,866	9,076
4999	Total liabilities and net position	3,866	9,076

FHA-GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4105-0-3-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01	Direct loans	1	1
10.00	Total new obligations	1	1
Budgetary resources available for obligation:			
22.00	New financing authority (gross)	1	1
23.95	Total new obligations	-1	-1
24.40	Unobligated balance carried forward, end of year .....	.....	.....
New financing authority (gross), detail:			
Mandatory:			
67.10	Authority to borrow	1	1
69.00	Offsetting collections (cash)	1	1

FHA-GENERAL AND SPECIAL RISK DIRECT LOAN FINANCING
ACCOUNT—Continued
Program and Financing—Continued

Identification code 86-4105-0-3-371	2009 actual	2010 est.	2011 est.
69.47 Portion applied to repay debt		-1	-1
69.90 Spending authority from offsetting collections (total mandatory)			
70.00 Total new financing authority (gross)		1	1
Change in obligated balances:			
73.10 Total new obligations		1	1
73.20 Total financing disbursements (gross)		-1	-1

Outlays (gross), detail:			
87.00 Total financing disbursements (gross)		1	1
Offsets:			
Against gross financing authority and financing disbursements:			
88.40 Offsetting collections (cash) from: Repayment of Principal		-1	-1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements			

Status of Direct Loans (in millions of dollars)

Identification code 86-4105-0-3-371	2009 actual	2010 est.	2011 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	50	20	20
1142 Unobligated direct loan limitation (-)	-50	-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	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Default Claims	1		
10.00 Total new obligations	1		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	5	4	5
22.00 New financing authority (gross)		1	
23.90 Total budgetary resources available for obligation	5	5	5
23.95 Total new obligations	-1		
24.40 Unobligated balance carried forward, end of year	4	5	5

New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)		1	

Change in obligated balances:			
72.40 Obligated balance, start of year	1	1	
73.10 Total new obligations	1		
73.20 Total financing disbursements (gross)	-1	-1	
74.40 Obligated balance, end of year	1		

Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	1	1	

Offsets:			
Against gross financing authority and financing disbursements:			
88.25 Offsetting collections (cash) from: Interest on uninvested funds		-1	

Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	1		

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4106-0-3-371	2009 actual	2010 est.	2011 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2121 Limitation available from carry-forward			
2143 Uncommitted limitation carried forward			
2150 Total guaranteed loan commitments			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	5	5	5
2231 Disbursements of new guaranteed loans	1	1	1
2251 Repayments and prepayments			-2
2261 Adjustments: Terminations for default that result in loans receivable	-1	-1	-1
2290 Outstanding, end of year	5	5	3

Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	5	5	3

Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2331 Disbursements for guaranteed loan claims		1	

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. 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	2008 actual	2009 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	4	3
1999 Total assets	4	3
LIABILITIES:		
2204 Non-Federal liabilities: Liabilities for loan guarantees	4	3
2999 Total liabilities	4	3
4999 Total liabilities and net position	4	3

FHA-GENERAL AND SPECIAL RISK INSURANCE FUNDS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4072-0-3-371	2009 actual	2010 est.	2011 est.
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Obligations by program activity:			
Operating expenses			

00.02	Interest on debentures	38	5	5
00.06	PAE & 3rd party restructuring fees		6	6
00.91	Total operating expenses	38	11	11
	Capital investment: Claims and other			
01.02	Assignment of mortgages	5	12	7
01.04	Mark-To-Market Restructures	2	69	31
01.05	Acquisition of real properties	1		1
01.10	Capitalized Expenses	4		
01.11	Escrow Advances	112	100	100
01.12	Upfront Grants	5		
01.13	Other	1	26	
01.16	Payment to the Financing Account-Asset Sale	7		
01.91	Total capital investment	137	207	139
10.00	Total new obligations	175	218	150

Budgetary resources available for obligation:

21.40	Unobligated balance carried forward, start of year	268	186	
22.00	New budget authority (gross)	390	350	250
22.10	Resources available from recoveries of prior year obligations	8		
22.40	Capital transfer to general fund	-268	-218	
22.60	Portion applied to repay debt	-37	-100	-100
23.90	Total budgetary resources available for obligation	361	218	150
23.95	Total new obligations	-175	-218	-150
24.40	Unobligated balance carried forward, end of year	186		

New budget authority (gross), detail:

Mandatory:

60.00	Appropriation	97	101	72
67.10	Authority to borrow		100	100
69.00	Offsetting collections (cash)	297	149	78
69.10	Change in uncollected customer payments from Federal sources (unexpired)	-4		
69.90	Spending authority from offsetting collections (total mandatory)	293	149	78
70.00	Total new budget authority (gross)	390	350	250

Change in obligated balances:

72.40	Obligated balance, start of year	490	470	489
73.10	Total new obligations	175	218	150
73.20	Total outlays (gross)	-191	-199	-185
73.45	Recoveries of prior year obligations	-8		
74.00	Change in uncollected customer payments from Federal sources (unexpired)	4		
74.40	Obligated balance, end of year	470	489	454

Outlays (gross), detail:

86.97	Outlays from new mandatory authority	191	175	120
86.98	Outlays from mandatory balances		24	65
87.00	Total outlays (gross)	191	199	185

Offsets:

Against gross budget authority and outlays:

Offsetting collections (cash) from:

88.00	Federal sources	-4		
88.40	Fees and premiums	-20	-14	-10
88.40	Proceeds from sale of real property	-3	-64	
88.40	Proceeds from sale of mortgage notes	-106		
88.40	Recoveries on defaulted mortgages	-127	-41	-39
88.40	Interest, dividends and revenue	-37	-30	-29
88.40	Other collections			
88.90	Total, offsetting collections (cash)	-297	-149	-78

Against gross budget authority only:

88.95	Change in uncollected customer payments from Federal sources (unexpired)	4		
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Net budget authority and outlays:

89.00	Budget authority	97	201	172
90.00	Outlays	-106	50	107

Memorandum (non-add) entries:

92.01	Total investments, start of year: Federal securities: Par value	8	4	
92.02	Total investments, end of year: Federal securities: Par value	4		

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4072-0-3-371	2009 actual	2010 est.	2011 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	4,558	3,749	2,709
2251	Repayments and prepayments	-801	-959	-579
Adjustments:				
2261	Terminations for default that result in loans receivable	-7	-80	-38
2262	Terminations for default that result in acquisition of property	-1	-1	-1
2290	Outstanding, end of year	3,749	2,709	2,091
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	3,000	2,118	1,471
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	2,814	2,695	2,736
2331	Disbursements for guaranteed loan claims	7	80	38
2351	Repayments of loans receivable	-125	-39	-39
2361	Write-offs of loans receivable	-1		
2390	Outstanding, end of year	2,695	2,736	2,735

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	2008 actual	2009 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	751	652
Investments in US securities:			
1102	Treasury securities, par	8	4
Non-Federal assets:			
1201	Investments in non-Federal securities, net	3	3
1206	Receivables, net	5	4
1701	Defaulted guaranteed loans, gross	2,814	2,695
1702	Interest receivable	188	208
1703	Allowance for estimated uncollectible loans and interest (-)	-750	-2,178
1704	Defaulted guaranteed loans and interest receivable, net	2,252	725
1706	Foreclosed property	6	4
1799	Value of assets related to loan guarantees	2,258	729
1901	Other Federal assets: Other assets	3	-1
1999	Total assets	3,028	1,391
LIABILITIES:			
2101	Federal liabilities: Federal Accounts payable		3
Non-Federal liabilities:			
2201	Accounts payable	19	18
2203	Debt	51	14
2204	Liabilities for loan guarantees	162	122
2207	Unearned revenue and advances	174	180
2999	Total liabilities	406	337
NET POSITION:			
3100	Appropriated capital	2,385	83
3300	Cumulative results of operations	237	971
3999	Total net position	2,622	1,054
4999	Total liabilities and net position	3,028	1,391

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

Object Classification (in millions of dollars)

Identification code 86-4072-0-3-371	2009 actual	2010 est.	2011 est.
Direct obligations:			
25.2 Other services	29	11	11
32.0 Land and structures	10	1	1
33.0 Investments and loans	129	206	138
44.0 Repayments to financing account	7		
99.9 Total new obligations	175	218	150

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4115-0-3-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.02 Maintenance security and collateral	2	15	15
01.02 Loan Management, Liquidations and Property Dispositions	2		
10.00 Total new obligations (object class 32.0)	4	15	15
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	996	28	
22.00 New budget authority (gross)	749	700	650
22.40 Capital transfer to general fund	-1,713	-713	-635
23.90 Total budgetary resources available for obligation	32	15	15
23.95 Total new obligations	-4	-15	-15
24.40 Unobligated balance carried forward, end of year	28		

New budget authority (gross), detail:

Mandatory:			
69.00 Offsetting collections (cash)	749	700	650

Change in obligated balances:

72.40 Obligated balance, start of year	4	6	
73.10 Total new obligations	4	15	15
73.20 Total outlays (gross)	-2	-21	-15
74.40 Obligated balance, end of year	6		

Outlays (gross), detail:

86.97 Outlays from new mandatory authority	2	15	15
86.98 Outlays from mandatory balances		6	
87.00 Total outlays (gross)	2	21	15

Offsets:

Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-749	-700	-650

Net budget authority and outlays:

89.00 Budget authority			
90.00 Outlays	-747	-679	-635

Status of Direct Loans (in millions of dollars)

Identification code 86-4115-0-3-371	2009 actual	2010 est.	2011 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	3,943	3,506	3,106
1251 Repayments: Repayments and prepayments	-432	-400	-400
1264 Other adjustments, net (+ or -)	-5		
1290 Outstanding, end of year	3,506	3,106	2,706

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	2008 actual	2009 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	999	33
1206 Non-Federal assets: Interest Receivable: Public	49	38
1601 Direct loans, gross	3,943	3,506
1603 Allowance for estimated uncollectible loans and interest (-)	-13	-13
1604 Direct loans and interest receivable, net	3,930	3,493
1606 Acquired Real Property		1
1699 Value of assets related to direct loans	3,930	3,494
1999 Total assets	4,978	3,565
LIABILITIES:		
2207 Non-Federal liabilities: Other	6	4
2999 Total liabilities	6	4
NET POSITION:		
3100 Unexpended Appropriations	15	14
3300 Revolving Fund: Cumulative results of operations	4,957	3,547
3999 Total net position	4,972	3,561
4999 Total liabilities and net position	4,978	3,565

Trust Funds

MANUFACTURED HOUSING FEES TRUST FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-8119-0-7-376	2009 actual	2010 est.	2011 est.
01.00 Balance, start of year			
01.99 Balance, start of year			
Receipts:			
02.40 General Fund Payment, Manufactured Housing Fee Trust Fund		9	7
02.60 Mobile Home Inspection and Monitoring Fees, Manufactured Housing Fee Trust Fund	3	7	7
02.99 Total receipts and collections	3	16	14
04.00 Total: Balances and collections	3	16	14
Appropriations:			
05.00 Manufactured Housing Fees Trust Fund	-3	-16	-14
05.99 Total appropriations	-3	-16	-14
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 86-8119-0-7-376	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Transfer to salaries and expenses	3	2	2
00.02 Other program costs	5	14	14
10.00 Total new obligations	8	16	16
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	2	2	2
22.00 New budget authority (gross)	8	16	14
23.90 Total budgetary resources available for obligation	10	18	16
23.95 Total new obligations	-8	-16	-16
24.40 Unobligated balance carried forward, end of year	2	2	

New budget authority (gross), detail:

Discretionary:

40.26	Appropriation (trust fund)	3	16	14
58.00	Spending authority from offsetting collections: Offsetting collections (cash)	5		
70.00	Total new budget authority (gross)	8	16	14
Change in obligated balances:				
72.40	Obligated balance, start of year	1	3	9
73.10	Total new obligations	8	16	16
73.20	Total outlays (gross)	-6	-10	-11
74.40	Obligated balance, end of year	3	9	14
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	5	8	7
86.93	Outlays from discretionary balances	1	2	4
87.00	Total outlays (gross)	6	10	11
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-5		
Net budget authority and outlays:				
89.00	Budget authority	3	16	14
90.00	Outlays	1	10	11

The National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by the Manufactured Housing Improvement Act of 2000, authorizes 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 on June 15, 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 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 manufactured home transportable section produced and may be charged to any dispute resolution and installation program participant. The Budget proposes approximately \$7 million in fees and appropriations of \$7 million to fund the costs of authorized activities necessary to carry out all aspects of the manufactured housing legislation. Fees are deposited in a trust fund administered by the Department, and a portion of the fee receipts are used to defray the direct administrative expenses of the program. The requested direct appropriation will offset the effect of declining fee revenue caused by a substantial reduction in manufactured housing production rates.

Object Classification (in millions of dollars)

Identification code 86-8119-0-7-376	2009 actual	2010 est.	2011 est.
25.2 Direct obligations: Other services	5	14	14
99.0 Reimbursable obligations: reimbursable obligations	3	2	2

99.9 Total new obligations	8	16	16
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GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4589-0-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Direct Loans		143	
00.02 Payment of Interest to Treasury		1	
10.00 Total new obligations		144	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		3	
22.00 New financing authority (gross)	3	141	
23.90 Total budgetary resources available for obligation	3	144	
23.95 Total new obligations		-144	
24.40 Unobligated balance carried forward, end of year	3		
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	3	26	
69.00 Offsetting collections (cash)		118	
69.47 Portion applied to repay debt		-3	
69.90 Spending authority from offsetting collections (total mandatory)		115	
70.00 Total new financing authority (gross)	3	141	
Change in obligated balances:			
73.10 Total new obligations		144	
73.20 Total financing disbursements (gross)		-144	
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)		144	
Offsets:			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Federal sources		-118	
Net financing authority and financing disbursements:			
89.00 Financing authority	3	23	
90.00 Financing disbursements		26	

Status of Direct Loans (in millions of dollars)

Identification code 86-4589-0-604	2009 actual	2010 est.	2011 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation		143	
1150 Total direct loan obligations		143	
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			143
1231 Disbursements: Direct loan disbursements		143	
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year		143	143

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 is funded solely through the Recovery Act (P.L. 111-5). The program account for this activity is displayed in the Green Retrofit Program for Multifamily Housing, Recovery Act account (86-0306).

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, [2011] 2012. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Special and Trust Fund Receipts (in millions of dollars)

Identification code 86-0186-0-1-371	2009 actual	2010 est.	2011 est.
01.00 Balance, start of year	3,495	4,373	5,276
01.99 Balance, start of year	3,495	4,373	5,276
Receipts:			
02.20 GNMA-guarantees of Mortgage Backed Securities Guarantee Loans, Negative Subsidies	888	914	679
04.00 Total: Balances and collections	4,383	5,287	5,955
Appropriations:			
05.00 Office of the Government National Mortgage Association Personnel Compensation and Benefits	-10	-11	-11
07.99 Balance, end of year	4,373	5,276	5,944

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

Identification code 86-0186-0-1-371	2009 actual	2010 est.	2011 est.
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Guarantees of Mortgage-Backed Securities	418,938	380,942	283,042
215999 Total loan guarantee levels	418,938	380,942	283,042
Guaranteed loan subsidy (in percent):			
232001 Guarantees of Mortgage-Backed Securities	-0.21	-0.24	-0.24
232999 Weighted average subsidy rate	-0.21	-0.24	-0.24
Guaranteed loan subsidy budget authority:			
233001 Guarantees of Mortgage-Backed Securities	-888	-914	-679
233999 Total subsidy budget authority	-888	-914	-679
Guaranteed loan subsidy outlays:			
234001 Guarantees of Mortgage-Backed Securities	-888	-914	-679
234999 Total subsidy outlays	-888	-914	-679

This account requests loan commitment authority. 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.

The Helping Families Save Their Homes Act of 2009 amends the National Housing Act, providing for key changes in the HOPE for Homeowners (H4H) program. These changes are effective for endorsements on or after January 1, 2010. These amendments include more underwriting flexibility and lower premia and ap-

preciation sharing assessments. As a result of these changes, GNMA will experience a higher level of securitization.

GUARANTEES OF MORTGAGE-BACKED SECURITIES FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4240-0-3-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.03 Advances and other	317	1,103	1,187
00.04 Operating expenses	256	150	156
00.91 Subtotal - Advances and Operating Expenses	573	1,253	1,343
08.01 Actual credit subsidy	880	914	679
08.05 Substitution of actual for reported amount	-880		
08.06 Reported amount of credit subsidy	888		
08.07 Overreporting of credit subsidy	10		
08.08 Underreporting of credit subsidy	-2		
08.09 Correction of net misreporting	-8		
08.91 Net Credit Subsidy Obligations	888	914	679
10.00 Total new obligations	1,461	2,167	2,022
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1,235	735	228
22.00 New financing authority (gross)	961	1,660	1,866
23.90 Total budgetary resources available for obligation	2,196	2,395	2,094
23.95 Total new obligations	-1,461	-2,167	-2,022
24.40 Unobligated balance carried forward, end of year	735	228	72
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	957	1,660	1,866
69.10 Change in uncollected customer payments from Federal sources (unexpired)	4		
69.90 Spending authority from offsetting collections (total mandatory)	961	1,660	1,866
Change in obligated balances:			
72.40 Obligated balance, start of year	95	133	194
73.10 Total new obligations	1,461	2,167	2,022
73.20 Total financing disbursements (gross)	-1,419	-2,106	-2,188
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-4		
74.40 Obligated balance, end of year	133	194	28
Outlays (gross), detail:			
87.00 Total financing disbursements (gross)	1,419	2,106	2,188
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds	-63	-75	-124
88.40 Guarantee Fees	-438	-579	-709
88.40 Commitment and other fees	-87	-65	-70
88.40 Multiclass fees	-28	-29	-29
88.40 Repayment of advances	-319	-872	-889
88.40 Servicing Fees	-14	-31	-37
88.40 Repayment on Mortgages	-8	-9	-8
88.90 Total, offsetting collections (cash)	-957	-1,660	-1,866
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-4		
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	462	446	322

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4240-0-3-371	2009 actual	2010 est.	2011 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	400,000	500,000	500,000
2121 Limitation available from carry-forward	179,395	95,057	214,115
2131 Guaranteed loan commitments exempt from limitation			
2142 Uncommitted loan guarantee limitation	-65,400		

2143	Uncommitted limitation carried forward	-95,057	-214,115	-431,073
2150	Total guaranteed loan commitments	418,938	380,942	283,042
2199	Guaranteed amount of guaranteed loan commitments	418,938	380,942	283,042
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	576,575	826,017	1,076,699
2231	Disbursements of new guaranteed loans	418,938	380,942	312,415
2251	Repayments and prepayments	-169,496	-130,260	-288,569
2290	Outstanding, end of year	826,017	1,076,699	1,100,545
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	826,017	1,076,699	1,100,545

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	2008 actual	2009 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	1,330	868
1206 Non-Federal assets: Receivables, net	31	50
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	49	246
1405 Allowance for subsidy cost (-)	-20	-100
1499 Net present value of assets related to direct loans	29	146
1803 Other Federal assets: Property, plant and equipment, net	670	902
1999 Total assets	2,060	1,966
LIABILITIES:		
Non-Federal liabilities:		
2201 Accounts payable	121	182
2207 Other	680	902
2999 Total liabilities	801	1,084
NET POSITION:		
3300 Cumulative results of operations	1,259	882
3999 Total net position	1,259	882
4999 Total liabilities and net position	2,060	1,966

GUARANTEES OF MORTGAGE-BACKED SECURITIES LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 86-4238-0-3-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Administrative contract expenses	64	64	64
Operating expenses			
00.03 Servicing expenses	1	1	1
00.91 Total operating expenses	65	65	65
Capital investment			
01.01 Advances of guaranty payments	2	2	2
10.00 Total new obligations	67	67	67
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	9,232	9,214	9,188
22.00 New budget authority (gross)	49	41	44
23.90 Total budgetary resources available for obligation	9,281	9,255	9,232
23.95 Total new obligations	-67	-67	-67
24.40 Unobligated balance carried forward, end of year	9,214	9,188	9,165
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	44	41	44
69.10 Change in uncollected customer payments from Federal sources (unexpired)	5		

69.90	Spending authority from offsetting collections (total mandatory)	49	41	44
Change in obligated balances:				
72.40	Obligated balance, start of year		-3	
73.10	Total new obligations	67	67	67
73.20	Total outlays (gross)	-65	-64	-67
74.00	Change in uncollected customer payments from Federal sources (unexpired)	-5		
74.40	Obligated balance, end of year	-3		
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	49	41	44
86.98	Outlays from mandatory balances	16	23	23
87.00	Total outlays (gross)	65	64	67
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.20	Interest on Federal securities	-38	-38	-38
88.40	Repayments of guaranteed payments	-3	-2	-3
88.40	Repayments on mortgages	-1	-1	-1
88.40	Other	-2		-2
88.90	Total, offsetting collections (cash)	-44	-41	-44
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	-5		
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	21	23	23
Memorandum (non-add) entries:				
92.01	Total investments, start of year: Federal securities: Par value	9,271	9,257	9,149
92.02	Total investments, end of year: Federal securities: Par value	9,257	9,149	9,101

Status of Direct Loans (in millions of dollars)

Identification code 86-4238-0-3-371	2009 actual	2010 est.	2011 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	2	12	26
1232	Disbursements: Purchase of loans assets from the public	10	27	25
1252	Repayments: Proceeds from loan asset sales to the public or discounted		-3	-3
1263	Write-offs for default: Direct loans		-10	-17
1290	Outstanding, end of year	12	26	31

Status of Guaranteed Loans (in millions of dollars)

Identification code 86-4238-0-3-371	2009 actual	2010 est.	2011 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	39	27	17
2251	Repayments and prepayments	-12	-10	-8
2290	Outstanding, end of year	27	17	9
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	27	17	9

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	2008 actual	2009 actual	
ASSETS:			
Federal assets:			
Investments in US securities:			
1102	Treasury securities, par	9,254	9,236
1106	Receivables, net	37	41

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

Identification code 86-4238-0-3-371	2008 actual	2009 actual
1206 Non-Federal assets: Receivables, net	11	11
1601 Direct loans, gross	2	13
1603 Allowance for estimated uncollectible loans and interest (-)	-9	-19
1699 Value of assets related to direct loans	-7	-6
1901 Other Federal assets: Other assets	27	40
1999 Total assets	9,322	9,322
LIABILITIES:		
Non-Federal liabilities:		
2201 Accounts payable	36	38
2207 Other	513	515
2999 Total liabilities	549	553
NET POSITION:		
3300 Cumulative results of operations	8,773	8,769
3999 Total net position	8,773	8,769
4999 Total liabilities and net position	9,322	9,322

Object Classification (in millions of dollars)

Identification code 86-4238-0-3-371	2009 actual	2010 est.	2011 est.
Direct obligations:			
25.2 Other services	65	65	65
33.0 Investments and loans	2	2	2
99.9 Total new obligations	67	67	67

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, **[\$48,000,000]** **\$87,000,000**, to remain available until September 30, **[2011]** **2012**. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0108-0-1-451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Contracts, Grants and Cooperative Agreements	32	54	87
00.04 University Programs	22	1	
10.00 Total new obligations	54	55	87
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	2	7	
22.00 New budget authority (gross)	58	48	87
22.10 Resources available from recoveries of prior year obligations ...	1		
23.90 Total budgetary resources available for obligation	61	55	87
23.95 Total new obligations	-54	-55	-87
24.40 Unobligated balance carried forward, end of year	7		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	58	48	87
Change in obligated balances:			
72.40 Obligated balance, start of year	75	78	70
73.10 Total new obligations	54	55	87
73.20 Total outlays (gross)	-49	-63	-73
73.40 Adjustments in expired accounts (net)	-1		

73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	78	70	84

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	21	19	35
86.93 Outlays from discretionary balances	28	44	38
87.00 Total outlays (gross)	49	63	73

Net budget authority and outlays:

89.00 Budget authority	58	48	87
90.00 Outlays	49	63	73

The Budget requests \$87 million for HUD's Research and Technology program. This request includes \$55 million to restore and enhance various national housing surveys that are rich sources of data on the nation's housing stock. These surveys include 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. Included in the request is \$25 million for Research and Development activities for initiatives such as innovation in building technology to promote efficient products and processes, system development to promote urban resilience and prosperity, and research on linkages between the built environment and health outcomes. As part of the Administration's Government-wide initiative to strengthen program evaluation, the request also includes \$7 million for the evaluation of Rent Reform options, the Family Self-Sufficiency program, and the Choice Neighborhoods program. Program staff will also conduct transformative research as part of HUD's Transformation Initiative set-aside, Community Planning and Development, and disaster formula calculations. As in 2010, the University Community Fund will be funded from the Community Development Fund account.

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	2009 actual	2010 est.	2011 est.
Direct obligations:			
25.2 Other services	32	39	59
41.0 Grants, subsidies, and contributions	22	16	28
99.9 Total new obligations	54	55	87

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]** **\$61,100,000** to remain available until September 30, **[2011]** **2012**, of which **[\$42,500,000]** **\$32,600,000** 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 [*Provided further*, That of the funds made available under this heading, \$500,000 shall be available to the Secretary of Housing and Urban Development for the creation and promotion of translated materials and other programs that support the assistance of persons with limited English proficiency in utilizing the services provided by the Department of Housing and Urban Development]. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0144-0-1-751	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Fair housing assistance	25	28	35
00.02 Fair housing initiatives	33	45	45
10.00 Total new obligations (object class 41.0)	58	73	80
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	27	23	21
22.00 New budget authority (gross)	54	71	60
23.90 Total budgetary resources available for obligation	81	94	81
23.95 Total new obligations	-58	-73	-80
24.40 Unobligated balance carried forward, end of year	23	21	1
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	54	72	61
41.00 Transferred to other accounts		-1	-1
43.00 Appropriation (total discretionary)	54	71	60
Change in obligated balances:			
72.40 Obligated balance, start of year	35	47	67
73.10 Total new obligations	58	73	80
73.20 Total outlays (gross)	-46	-53	-63
74.40 Obligated balance, end of year	47	67	84
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2	7	6
86.93 Outlays from discretionary balances	44	46	57
87.00 Total outlays (gross)	46	53	63
Net budget authority and outlays:			
89.00 Budget authority	54	71	60
90.00 Outlays	46	53	63

The Budget requests \$61 million for fair housing activities to support efforts to end housing discrimination. Of the amount requested, \$28.5 million is for the Fair Housing Assistance Program (FHAP) and \$32.6 million is for the Fair Housing Initiatives Program (FHIP).

This funding includes \$2 million for a pilot program to fund fair housing agencies to assist jurisdictions with their duty to affirmatively further fair housing, which requires jurisdictions to analyze impediments (AI) to fair housing choices within their geographical boundaries and develop a plan to address those impediments. Fair housing groups provide invaluable assistance to jurisdictions in preparing a comprehensive and objective AI. Fair housing groups may perform discrimination testing as part of the AI; demographic analysis on the racial and national origin composition of the community; and/or strategic planning to address those impediments.

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. 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 107 FHAP agencies in 2011. The funding requested for FHAP will support fair housing enforcement by funding State and local fair housing or-

ganizations to meet the needs of currently underserved populations. It will also address the persistently high rate of discrimination against minorities as identified by HUD's 2000 Housing Discrimination Study.

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. FHIP also provides funding to programs and activities designed to enforce the rights granted by Title VIII of the Civil Rights Act of 1968, or substantially equivalent State and local fair housing laws. In addition, FHIP supports funding for education and outreach programs designed to inform the public concerning rights and obligations under these laws.

**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, [2011] 2012, of which not less than [\$20,000,000] \$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, Operation Lead Elimination Action Plan (LEAP), 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 of the total amount made available under this heading, \$48,000,000 shall be made available on a competitive basis for areas with the highest lead paint abatement needs: *Provided further*, That each recipient of funds provided under the second proviso shall make a matching contribution in an amount not less than 25 percent: *Provided further*, That the Secretary may waive the matching requirement cited in the preceding proviso on a case by case basis if the Secretary determines that such a waiver is necessary to advance the purposes of this program: *Provided further*, That each applicant shall submit a detailed plan and strategy that demonstrates adequate capacity that is acceptable to the Secretary to carry out the proposed use of funds pursuant to a notice of funding availability:] *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. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0174-0-1-451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Lead abatement	73	116	67
00.02 Lead TA	7	4	4
00.03 Healthy homes	8	20	20
00.04 Lead demo	44		48
00.05 LEAP	8		
00.07 Recovery Act	100		
10.00 Total new obligations (object class 41.0)	240	140	139

LEAD HAZARD REDUCTION—Continued
Program and Financing—Continued

Identification code 86-0174-0-1-451	2009 actual	2010 est.	2011 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	140	140	139
22.00 New budget authority (gross)	240	139	139
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	381	279	278
23.95 Total new obligations	-240	-140	-139
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year	140	139	139
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	240	140	140
41.00 Transferred to other accounts		-1	-1
43.00 Appropriation (total discretionary)	240	139	139
Change in obligated balances:			
72.40 Obligated balance, start of year	338	399	343
73.10 Total new obligations	240	140	139
73.20 Total outlays (gross)	-168	-196	-183
73.40 Adjustments in expired accounts (net)	-10		
73.45 Recoveries of prior year obligations	-1		
74.40 Obligated balance, end of year	399	343	299
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	3	3	3
86.93 Outlays from discretionary balances	165	193	180
87.00 Total outlays (gross)	168	196	183
Net budget authority and outlays:			
89.00 Budget authority	240	139	139
90.00 Outlays	168	196	183

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 competitive grants, \$40 million for the Healthy Homes Initiative, and \$4 million for Technical Studies. The Budget includes a provision 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 Program 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 will enable the Department to assess and control housing-related hazards that contribute to childhood diseases and injuries. The initiative will demonstrate and evaluate methods for controlling two or more housing-related diseases through a single intervention. A public education/out-reach effort designed to enable the public to prevent children's exposure to hazards will also be conducted.

The Office of Healthy Homes and Lead Hazard Control will continue its Technical Support program, which will include 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.

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, **[\$537,011,000] \$538,552,000**, of which not to exceed **[\$76,958,000] \$65,049,000** shall be available for the personnel compensation and benefits of the Office of **[Administration] the Chief Human Capital Officer**; not to exceed **[\$9,623,000] \$9,122,000** shall be available for the personnel compensation and benefits of the Office of Departmental Operations and Coordination; not to exceed **[\$51,275,000] \$49,090,000** shall be available for the personnel compensation and benefits of the Office of Field Policy and Management; not to exceed **[\$14,649,000] \$13,861,000** shall be available for the personnel compensation and benefits of the Office of the Chief Procurement Officer; not to exceed **[\$35,197,000] \$33,831,000** shall be available for the personnel compensation and benefits of the remaining staff in the Office of the Chief Financial Officer; not to exceed **[\$89,062,000] \$86,482,000** shall be available for the personnel compensation and benefits of the remaining staff in the Office of the General Counsel; not to exceed **[\$3,296,000] \$3,115,000** shall be available for the personnel compensation and benefits of the Office of Departmental Equal Employment Opportunity; not to exceed **[\$1,393,000] \$1,316,000** shall be available for the personnel compensation and benefits for the Center for Faith-Based and Community Initiatives; not to exceed **[\$2,400,000] \$2,887,000** shall be available for the personnel compensation and benefits for the Office of **[Sustainability] Sustainable Housing and Communities**; not to exceed **[\$3,288,000] \$4,445,000** shall be available for the personnel compensation and benefits for the Office of Strategic Planning and Management; *not to exceed \$4,875,000 shall be available for the personnel compensation and benefits for the Office of the Chief Disaster and Emergency Management Officer*; and not to exceed **[\$249,870,000] \$264,479,000** 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: *Provided further*, That the Secretary of Housing and Urban Development is authorized to transfer funds appropriated for any office included in Administration, Operations and Management to any other office included in Administration, Operations and Management only after such transfer has been submitted to, and received prior written approval by, the House and Senate Committees on Appropriations: *Provided further*, That no

appropriation for any office shall be increased or decreased by more than 10 percent by all such transfers. (Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0335-0-1-999	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Personnel costs	201	220	213
00.02 Benefits	62	67	64
00.03 Non-personnel costs	254	250	253
00.04 Recovery Act Non-personnel costs	4	13	4
00.05 Headquarters Redesign			11
10.00 Total new obligations	521	550	545
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		23	10
22.00 New budget authority (gross)	554	537	541
22.30 Expired unobligated balance transfer to unexpired account	2		
23.90 Total budgetary resources available for obligation	556	560	551
23.95 Total new obligations	-521	-550	-545
23.98 Unobligated balance expiring or withdrawn	-12		
24.40 Unobligated balance carried forward, end of year	23	10	6
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	527	537	541
41.00 Transferred to other accounts	-2		
42.00 Transferred from other accounts	28		
43.00 Appropriation (total discretionary)	553	537	541
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	1		
70.00 Total new budget authority (gross)	554	537	541
Change in obligated balances:			
72.40 Obligated balance, start of year	74	104	98
73.10 Total new obligations	521	550	545
73.20 Total outlays (gross)	-488	-556	-549
73.40 Adjustments in expired accounts (net)	-3		
74.40 Obligated balance, end of year	104	98	94
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	428	458	461
86.93 Outlays from discretionary balances	60	98	88
87.00 Total outlays (gross)	488	556	549
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1		
Net budget authority and outlays:			
89.00 Budget authority	553	537	541
90.00 Outlays	487	556	549

The Administration, Operations and Management (AOM) account was created by the Consolidated Appropriations Act, 2008, which created nine new administrative expense accounts across the Department. As the largest single administrative account, AOM funds many central Departmental functions, including: the Office of the Chief Human Capital Officer (formerly the Office of Administration), 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 Sustainable Housing and Communities, the Office of Strategic Planning and Management, the Office of Departmental Equal Employment Opportunity, the Center for Faith-Based and Community Initiatives, and the new Office of the Chief Disaster and Emergency Management Officer. The Office of the Chief Disaster and Emergency Management Officer will provide central planning, communication, and coordination for HUD-wide disaster, emer-

gency response, and recovery activities. 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. Included in the Budget is \$11 million to fund initial efforts to modernize and improve the energy efficiency of the HUD headquarters building in Washington, D.C.

Object Classification (in millions of dollars)

Identification code 86-0335-0-1-999	2009 actual	2010 est.	2011 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	194	214	208
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation	5	3	3
11.9 Total personnel compensation	201	219	213
12.1 Civilian personnel benefits	62	68	64
21.0 Travel and transportation of persons	19	20	22
23.1 Rental payments to GSA	103	106	109
23.3 Communications, utilities, and miscellaneous charges	26	22	22
24.0 Printing and reproduction	3	4	4
25.2 Other services	75	79	69
25.3 Other purchases of goods and services from Government accounts			11
25.4 Operation and maintenance of facilities	13	13	13
25.7 Operation and maintenance of equipment	6	6	6
26.0 Supplies and materials	4	4	4
31.0 Equipment	7	7	6
42.0 Insurance claims and indemnities	1	2	2
99.0 Direct obligations	520	550	545
99.0 Reimbursable obligations	1		
99.9 Total new obligations	521	550	545

Employment Summary

Identification code 86-0335-0-1-999	2009 actual	2010 est.	2011 est.
Direct:			
1001 Civilian full-time equivalent employment	2,061	2,144	1,992

PERSONNEL COMPENSATION AND BENEFITS

PUBLIC AND INDIAN HOUSING

For necessary personnel compensation and benefits expenses of the Office of Public and Indian Housing, **[\$197,074,000]** \$197,282,000. (Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0337-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Personnel costs	141	157	158
00.02 Benefits	35	39	39
00.03 Recovery Act Personnel costs		3	3
10.00 Total new obligations	176	199	200
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		7	5
22.00 New budget authority (gross)	188	197	197
23.90 Total budgetary resources available for obligation	188	204	202
23.95 Total new obligations	-176	-199	-200
23.98 Unobligated balance expiring or withdrawn	-5		
24.40 Unobligated balance carried forward, end of year	7	5	2
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	190	197	197
41.00 Transferred to other accounts	-9		
42.00 Transferred from other accounts	7		

PERSONNEL COMPENSATION AND BENEFITS—Continued
Program and Financing—Continued

Identification code 86-0337-0-1-604	2009 actual	2010 est.	2011 est.
43.00 Appropriation (total discretionary)	188	197	197
Change in obligated balances:			
72.40 Obligated balance, start of year	8	10	9
73.10 Total new obligations	176	199	200
73.20 Total outlays (gross)	-174	-200	-200
74.40 Obligated balance, end of year	10	9	9
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	166	195	195
86.93 Outlays from discretionary balances	8	5	5
87.00 Total outlays (gross)	174	200	200
Net budget authority and outlays:			
89.00 Budget authority	188	197	197
90.00 Outlays	174	200	200

Object Classification (in millions of dollars)

Identification code 86-0337-0-1-604	2009 actual	2010 est.	2011 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	138	158	159
11.5 Other personnel compensation	3	2	2
11.9 Total personnel compensation	141	160	161
12.1 Civilian personnel benefits	35	39	39
99.9 Total new obligations	176	199	200

Employment Summary

Identification code 86-0337-0-1-604	2009 actual	2010 est.	2011 est.
Direct:			
1001 Civilian full-time equivalent employment	1,433	1,541	1,557

COMMUNITY PLANNING AND DEVELOPMENT

For necessary personnel compensation and benefits expenses of the Office of Community Planning and Development mission area, **[\$98,989,000] \$105,768,000.** (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0338-0-1-451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Personnel costs	75	80	84
00.02 Benefits	18	19	19
00.03 Recovery Act Personnel costs .....	.....	4	4
10.00 Total new obligations	93	103	107
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year .....	.....	13	9
22.00 New budget authority (gross)	108	99	106
23.90 Total budgetary resources available for obligation	108	112	115
23.95 Total new obligations	-93	-103	-107
23.98 Unobligated balance expiring or withdrawn	-2	.....	.....
24.40 Unobligated balance carried forward, end of year	13	9	8
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	94	99	106
42.00 Transferred from other accounts	14	.....	.....
43.00 Appropriation (total discretionary)	108	99	106

Change in obligated balances:

72.40 Obligated balance, start of year	4	5	5
73.10 Total new obligations	93	103	107
73.20 Total outlays (gross)	-92	-103	-110
74.40 Obligated balance, end of year	5	5	2

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	88	98	105
86.93 Outlays from discretionary balances	4	5	5
87.00 Total outlays (gross)	92	103	110

Net budget authority and outlays:

89.00 Budget authority	108	99	106
90.00 Outlays	92	103	110

Object Classification (in millions of dollars)

Identification code 86-0338-0-1-451	2009 actual	2010 est.	2011 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	74	83	87
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	75	84	88
12.1 Civilian personnel benefits	18	19	19
99.9 Total new obligations	93	103	107

Employment Summary

Identification code 86-0338-0-1-451	2009 actual	2010 est.	2011 est.
Direct:			
1001 Civilian full-time equivalent employment	787	802	868

HOUSING

For necessary personnel compensation and benefits expenses of the Office of Housing, **[\$374,887,000] \$395,917,000.** (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0334-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Personnel costs	289	304	319
00.02 Benefits	70	71	77
00.03 Hope for Homeowners	1	.....	.....
10.00 Total new obligations	360	375	396
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	365	375	396
22.30 Expired unobligated balance transfer to unexpired account	1	.....	.....
23.90 Total budgetary resources available for obligation	366	375	396
23.95 Total new obligations	-360	-375	-396
23.98 Unobligated balance expiring or withdrawn	-6	.....	.....
24.40 Unobligated balance carried forward, end of year .....	.....	.....	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	363	375	396
41.00 Transferred to other accounts	-1	.....	.....
43.00 Appropriation (total discretionary)	362	375	396
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	3	.....	.....
70.00 Total new budget authority (gross)	365	375	396
Change in obligated balances:			
72.40 Obligated balance, start of year	16	20	20
73.10 Total new obligations	360	375	396
73.20 Total outlays (gross)	-356	-375	-396

74.40	Obligated balance, end of year	20	20	20
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	340	371	391
86.93	Outlays from discretionary balances	16	4	5
87.00	Total outlays (gross)	356	375	396
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-3		
Net budget authority and outlays:				
89.00	Budget authority	362	375	396
90.00	Outlays	353	375	396

Object Classification (in millions of dollars)

Identification code 86-0334-0-1-604				
2009 actual 2010 est. 2011 est.				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	284	300	315
11.5	Other personnel compensation	6	4	4
11.9	Total personnel compensation	290	304	319
12.1	Civilian personnel benefits	70	71	77
99.9	Total new obligations	360	375	396

Employment Summary

Identification code 86-0334-0-1-604				
2009 actual 2010 est. 2011 est.				
Direct:				
1001	Civilian full-time equivalent employment	3,162	3,204	3,324

OFFICE OF THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

For necessary personnel compensation and benefits expenses of the Office of the Government National Mortgage Association, **[\$11,095,000]** \$10,902,000, to be derived from the GNMA guarantees of mortgage backed securities guaranteed loan receipt account. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0336-0-1-371				
2009 actual 2010 est. 2011 est.				
Obligations by program activity:				
00.01	Personnel costs	7	10	10
00.02	Benefits	1	1	1
10.00	Total new obligations	8	11	11
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	10	11	11
23.95	Total new obligations	-8	-11	-11
23.98	Unobligated balance expiring or withdrawn	-1		
New budget authority (gross), detail:				
Discretionary:				
40.20	Appropriation (special fund)	10	11	11
Change in obligated balances:				
72.40	Obligated balance, start of year			1
73.10	Total new obligations	8	11	11
73.20	Total outlays (gross)	-8	-10	-11
74.40	Obligated balance, end of year		1	1
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	8	10	10
86.93	Outlays from discretionary balances			1
87.00	Total outlays (gross)	8	10	11
Net budget authority and outlays:				
89.00	Budget authority	10	11	11

90.00	Outlays	8	10	11
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Object Classification (in millions of dollars)

Identification code 86-0336-0-1-371				
2009 actual 2010 est. 2011 est.				
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	7	10	10
12.1	Civilian personnel benefits	1	1	1
99.9	Total new obligations	8	11	11

Employment Summary

Identification code 86-0336-0-1-371				
2009 actual 2010 est. 2011 est.				
Direct:				
1001	Civilian full-time equivalent employment	59	78	75

POLICY DEVELOPMENT AND RESEARCH

For necessary personnel compensation and benefits expenses of the Office of Policy Development and Research, **[\$21,138,000]** \$23,588,000. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0339-0-1-451				
2009 actual 2010 est. 2011 est.				
Obligations by program activity:				
00.01	Personnel costs	13	17	20
00.02	Benefits	3	4	4
10.00	Total new obligations	16	21	24
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	18	21	24
23.95	Total new obligations	-16	-21	-24
23.98	Unobligated balance expiring or withdrawn	-1		
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	18	21	24
Change in obligated balances:				
72.40	Obligated balance, start of year	1	1	1
73.10	Total new obligations	16	21	24
73.20	Total outlays (gross)	-16	-21	-24
74.40	Obligated balance, end of year	1	1	1
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	15	21	24
86.93	Outlays from discretionary balances	1		
87.00	Total outlays (gross)	16	21	24
Net budget authority and outlays:				
89.00	Budget authority	18	21	24
90.00	Outlays	16	21	24

Object Classification (in millions of dollars)

Identification code 86-0339-0-1-451				
2009 actual 2010 est. 2011 est.				
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	13	17	20
12.1	Civilian personnel benefits	3	4	4
99.9	Total new obligations	16	21	24

Employment Summary

Identification code 86-0339-0-1-451				
2009 actual 2010 est. 2011 est.				
Direct:				

POLICY DEVELOPMENT AND RESEARCH—Continued
Employment Summary—Continued

Identification code 86-0339-0-1-451	2009 actual	2010 est.	2011 est.
1001 Civilian full-time equivalent employment	124	151	170

FAIR HOUSING AND EQUAL OPPORTUNITY

For necessary personnel compensation and benefits expenses of the Office of Fair Housing and Equal Opportunity, **[\$71,800,000]** \$67,964,000. (Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0340-0-1-751	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Personnel costs	54	58	55
00.02 Benefits	13	14	13
10.00 Total new obligations	67	72	68
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	68	72	68
23.95 Total new obligations	-67	-72	-68
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	69	72	68
41.00 Transferred to other accounts	-1		
43.00 Appropriation (total discretionary)	68	72	68
Change in obligated balances:			
72.40 Obligated balance, start of year	3	5	2
73.10 Total new obligations	67	72	68
73.20 Total outlays (gross)	-65	-75	-68
74.40 Obligated balance, end of year	5	2	2
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	62	71	67
86.93 Outlays from discretionary balances	3	4	1
87.00 Total outlays (gross)	65	75	68
Net budget authority and outlays:			
89.00 Budget authority	68	72	68
90.00 Outlays	65	75	68

Object Classification (in millions of dollars)

Identification code 86-0340-0-1-751	2009 actual	2010 est.	2011 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	52	57	54
11.5 Other personnel compensation	2	1	1
11.9 Total personnel compensation	54	58	55
12.1 Civilian personnel benefits	13	14	13
99.9 Total new obligations	67	72	68

Employment Summary

Identification code 86-0340-0-1-751	2009 actual	2010 est.	2011 est.
Direct:			
1001 Civilian full-time equivalent employment	573	602	567

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, **[\$7,151,000]** \$6,762,000. (Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0341-0-1-451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Personnel costs	6	6	6
00.02 Benefits	1	1	1
10.00 Total new obligations	7	7	7
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	7	7	7
23.95 Total new obligations	-7	-7	-7
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	7	7	7
Change in obligated balances:			
73.10 Total new obligations	7	7	7
73.20 Total outlays (gross)	-7	-7	-7
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	7	7	7
Net budget authority and outlays:			
89.00 Budget authority	7	7	7
90.00 Outlays	7	7	7

Object Classification (in millions of dollars)

Identification code 86-0341-0-1-451	2009 actual	2010 est.	2011 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	6	6
12.1 Civilian personnel benefits	1	1	1
99.9 Total new obligations	7	7	7

Employment Summary

Identification code 86-0341-0-1-451	2009 actual	2010 est.	2011 est.
Direct:			
1001 Civilian full-time equivalent employment	56	56	55

EXECUTIVE DIRECTION

For necessary salaries and expenses for Executive Direction, **[\$26,855,000]** \$30,265,000, [of] which [not to exceed \$4,619,000 shall be available for] 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; [not to exceed \$1,703,000 shall be available for] the Office of Hearings and Appeals; [not to exceed \$778,000 shall be available for] the Office of Small and Disadvantaged Business Utilization; [not to exceed \$727,000 shall be available for] the immediate Office of the Chief Financial Officer; [not to exceed \$1,474,000 shall be available for] the immediate Office of the General Counsel; [not to exceed \$2,912,000 shall be available to] the Office of the Assistant Secretary for Congressional and Intergovernmental Relations; [not to exceed \$3,996,000 shall be available for] the Office of the Assistant Secretary for Public Affairs; [not to exceed \$1,218,000 shall be available for the Office of the Assistant Secretary for Administration; not to exceed \$2,125,000 shall be available to] the Office of the Assistant Secretary for Public and Indian Housing; [not to exceed \$1,781,000 shall be available to] the Office of the Assistant Secretary for Community Planning

and Development; [not to exceed \$3,497,000 shall be available to] the Office of the Assistant Secretary for Housing, Federal Housing Commissioner; [not to exceed \$1,097,000 shall be available to] the Office of the Assistant Secretary for Policy Development and Research; [and not to exceed \$928,000 shall be available to] the Office of the Assistant Secretary for Fair Housing and Equal Opportunity; and the Office of the Chief Operating Officer: *Provided*, [That the Secretary of the Department of Housing and Urban Development is authorized to transfer funds appropriated for any office funded under this heading to any other office funded under this heading following the written notification to the House and Senate Committees on Appropriations: *Provided further*, That no appropriation for any office shall be increased or decreased by more than 5 percent by all such transfers: *Provided further*, That notice of any change in funding greater than 5 percent shall be submitted for prior approval to the House and Senate Committees on Appropriations: *Provided further*, That the Secretary shall provide the Committees on Appropriations quarterly written notification regarding the status of pending congressional reports: *Provided further*, That the Secretary shall provide all signed reports required by Congress electronically: *Provided further*,] 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. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0333-0-1-604	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Personnel costs	14	19	21
00.02 Benefits	3	5	6
00.03 Non-personnel costs	1	3	3
10.00 Total new obligations	18	27	30
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	23	27	30
23.95 Total new obligations	-18	-27	-30
23.98 Unobligated balance expiring or withdrawn	-5		
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	24	27	30
41.00 Transferred to other accounts	-1		
43.00 Appropriation (total discretionary)	23	27	30
Change in obligated balances:			
72.40 Obligated balance, start of year	2	2	
73.10 Total new obligations	18	27	30
73.20 Total outlays (gross)	-18	-29	-30
74.40 Obligated balance, end of year	2		
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	16	27	30
86.93 Outlays from discretionary balances	2	2	
87.00 Total outlays (gross)	18	29	30
Net budget authority and outlays:			
89.00 Budget authority	23	27	30
90.00 Outlays	18	29	30

The Executive Direction account was created by the Consolidated Appropriations Act, 2008, and contains a number of obligation sub-functions covering the salaries and expenses of various high-level management offices, including the immediate offices of the Secretary, Deputy Secretary, and Assistant Secretaries across the Department. The Budget proposes to restructure the Executive Direction account by removing the sub-function allocations. The administrative burden and lack of flexibility afforded by the sub-account structure outweighs the potential management benefits. The Budget also proposes the creation of the Office of

the Chief Operating Officer, which will provide leadership and comprehensive strategy for HUD's operations, including procurement, human resources and information technology.

Object Classification (in millions of dollars)

Identification code 86-0333-0-1-604	2009 actual	2010 est.	2011 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	14	19	21
12.1 Civilian personnel benefits	3	5	6
25.2 Other services	1	3	3
99.9 Total new obligations	18	27	30

Employment Summary

Identification code 86-0333-0-1-604	2009 actual	2010 est.	2011 est.
Direct:			
1001 Civilian full-time equivalent employment	125	156	186

SALARIES AND EXPENSES

Program and Financing (in millions of dollars)

Identification code 86-0143-0-1-999	2009 actual	2010 est.	2011 est.
Direct program:			
00.01 Housing, mortgage credit, regulatory and energy conservation	2		
09.01 Reimbursable program	14		
10.00 Total new obligations	16		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	11	12	12
22.00 New budget authority (gross)	17		
23.90 Total budgetary resources available for obligation	28	12	12
23.95 Total new obligations	-16		
24.40 Unobligated balance carried forward, end of year	12	12	12
New budget authority (gross), detail:			
Discretionary:			
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	12		
58.10 Change in uncollected customer payments from Federal sources (unexpired)	5		
58.90 Spending authority from offsetting collections (total discretionary)	17		
Change in obligated balances:			
72.40 Obligated balance, start of year	39	15	3
73.10 Total new obligations	16		
73.20 Total outlays (gross)	-27	-12	
73.40 Adjustments in expired accounts (net)	-8		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-5		
74.40 Obligated balance, end of year	15	3	3
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	5		
86.93 Outlays from discretionary balances	22	12	
87.00 Total outlays (gross)	27	12	
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-12		
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-5		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	15	12	

SALARIES AND EXPENSES—Continued

Beginning with the passage of the Consolidated Appropriations Act, 2008, this account will no longer receive new appropriations. Instead, salary and expense activities are now spread across many accounts, achieving greater transparency and accountability within the Department. Resources remaining in this account reflect prior-year appropriations and otherwise unexpended amounts.

Formerly, this appropriation financed virtually all salaries, benefits, travel, contract expenses, and related administrative costs associated with administering the programs of the Department of Housing and Urban Development.

Object Classification (in millions of dollars)

Identification code 86-0143-0-1-999	2009 actual	2010 est.	2011 est.
25.2 Direct obligations: Other services	2		
99.0 Reimbursable obligations: reimbursable obligations	14		
99.9 Total new obligations	16		

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, **[\$125,000,000] \$122,000,000**: *Provided*, That the Inspector General shall have independent authority over all personnel issues within this office]. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86-0189-0-1-451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Direct program	119	125	122
00.02 Gulf state recovery program	1	1	1
00.03 Recovery Act Personnel Costs		6	4
10.00 Total new obligations	120	132	127
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	7	22	15
22.00 New budget authority (gross)	135	125	122
23.90 Total budgetary resources available for obligation	142	147	137
23.95 Total new obligations	-120	-132	-127
24.40 Unobligated balance carried forward, end of year	22	15	10
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	135	125	122
Change in obligated balances:			
72.40 Obligated balance, start of year	24	26	48
73.10 Total new obligations	120	132	127
73.20 Total outlays (gross)	-115	-110	-125
73.40 Adjustments in expired accounts (net)	-3		
74.40 Obligated balance, end of year	26	48	50
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	100	104	101
86.93 Outlays from discretionary balances	15	6	24
87.00 Total outlays (gross)	115	110	125
Net budget authority and outlays:			
89.00 Budget authority	135	125	122
90.00 Outlays	115	110	125

This appropriation provides agency-wide audit and investigative functions to identify and correct management and administrative deficiencies that create conditions for existing or potential in-

stances 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. The Budget proposes \$122 million to maintain the existing staff level.

Object Classification (in millions of dollars)

Identification code 86-0189-0-1-451	2009 actual	2010 est.	2011 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	67	76	72
11.5 Other personnel compensation	1	5	5
11.9 Total personnel compensation	68	81	77
12.1 Civilian personnel benefits	20	23	23
21.0 Travel and transportation of persons	5	6	5
23.1 Rental payments to GSA	6	7	7
25.2 Other services	19	14	14
26.0 Supplies and materials	1	1	1
31.0 Equipment	1		
99.9 Total new obligations	120	132	127

Employment Summary

Identification code 86-0189-0-1-451	2009 actual	2010 est.	2011 est.
Direct:			
1001 Civilian full-time equivalent employment	638	650	650

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

Program and Financing (in millions of dollars)

Identification code 86-5272-0-2-371	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Direct program	43		
10.00 Total new obligations	43		
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	3		
22.00 New budget authority (gross)	37		
22.10 Resources available from recoveries of prior year obligations	3		
23.90 Total budgetary resources available for obligation	43		
23.95 Total new obligations	-43		
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Mandatory:			
62.00 Transferred from other accounts	37		
Change in obligated balances:			
72.40 Obligated balance, start of year	12		
73.10 Total new obligations	43		
73.20 Total outlays (gross)	-52		
73.45 Recoveries of prior year obligations	-3		
74.40 Obligated balance, end of year			
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	52		
Net budget authority and outlays:			
89.00 Budget authority	37		
90.00 Outlays	52		

The Office of Federal Housing Enterprise Oversight (OFHEO) was authorized in the Federal Housing Enterprise Safety and Soundness Act of 1992. OFHEO was established to regulate the financial safety and soundness of two housing Government-

sponsored enterprises (GSEs), Fannie Mae and Freddie Mac. As required by the Housing and Economic Recovery Act (Pub. L. 110–289) of 2008, the Federal Housing Finance Agency (FHFA) assumed the role of housing GSE safety and soundness regulator and OFHEO was abolished on July 29, 2009.

Object Classification (in millions of dollars)

Identification code 86–5272–0–2–371	2009 actual	2010 est.	2011 est.
Direct obligations:			
11.1 Personnel compensation: Personnel Compensation	29		
12.1 Civilian personnel benefits	8		
23.2 Rental payments to others	1		
23.3 Communications, utilities, and miscellaneous charges	1		
25.2 Other services	3		
31.0 Equipment	1		
99.9 Total new obligations	43		

Employment Summary

Identification code 86–5272–0–2–371	2009 actual	2010 est.	2011 est.
Direct:			
1001 Civilian full-time equivalent employment	222		

WORKING CAPITAL FUND

[(INCLUDING TRANSFER OF FUNDS)]

For additional capital for the Working Capital Fund (42 U.S.C. 3535) for the maintenance of infrastructure for Department-wide information technology systems, for the continuing operation and maintenance of both Department-wide and program-specific information systems, and for program-related maintenance activities, **[\$200,000,000] \$243,500,000**, to remain available until September 30, **[2011] 2012: 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: *Provided further*, That up to \$15,000,000 may be transferred to this account from all other accounts in this title (except for the Office of the Inspector General account) that make funds available for salaries and expenses. (*Department of Housing and Urban Development Appropriations Act, 2010.*)

Program and Financing (in millions of dollars)

Identification code 86–4586–0–4–451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01 Information Technology	292	269	339
00.02 Recovery Act Non-personnel costs	11	2	
09.01 Reimbursable program	3		
10.00 Total new obligations	306	271	339
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	54	111	119
22.00 New budget authority (gross)	361	271	315
22.10 Resources available from recoveries of prior year obligations	3	8	8
23.90 Total budgetary resources available for obligation	418	390	442
23.95 Total new obligations	–306	–271	–339
23.98 Unobligated balance expiring or withdrawn	–1		
24.40 Unobligated balance carried forward, end of year	111	119	103
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	224	200	244
42.00 Transferred from other accounts	134	71	71
43.00 Appropriation (total discretionary)	358	271	315
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	3		

70.00 Total new budget authority (gross)	361	271	315
Change in obligated balances:			
72.40 Obligated balance, start of year	179	208	172
73.10 Total new obligations	306	271	339
73.20 Total outlays (gross)	–273	–299	–333
73.40 Adjustments in expired accounts (net)	–1		
73.45 Recoveries of prior year obligations	–3	–8	–8
74.40 Obligated balance, end of year	208	172	170
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	87	203	236
86.93 Outlays from discretionary balances	186	96	97
87.00 Total outlays (gross)	273	299	333
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	–3		
Net budget authority and outlays:			
89.00 Budget authority	358	271	315
90.00 Outlays	270	299	333

The Working Capital Fund (WCF), authorized by the Department of Housing and Urban Development Act of 1965, finances the information technology business functions of the Department. The WCF provides funding for the operation and maintenance of IT systems in support of FHA Mortgage Insurance, housing assistance, grants programs, disaster relief, and core financial and general operations. The Budget requests a direct appropriation of \$243.5 million for IT business operations, infrastructure, and 295 personnel. An additional \$71.5 million in program transfers will augment the direct appropriations to support necessary systems that benefit specific programs. The Budget proposes to fund the development, modernization and enhancements of HUD's IT systems from the Transformation Initiative account.

Object Classification (in millions of dollars)

Identification code 86–4586–0–4–451	2009 actual	2010 est.	2011 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	30	31	32
12.1 Civilian personnel benefits	6	6	7
25.2 Other services	138	107	116
25.7 Operation and maintenance of equipment	128	125	181
31.0 Equipment	1	2	3
99.0 Direct obligations	303	271	339
25.7 Reimbursable obligations: Operation and maintenance of equipment	3		
99.9 Total new obligations	306	271	339

Employment Summary

Identification code 86–4586–0–4–451	2009 actual	2010 est.	2011 est.
Direct:			
1001 Civilian full-time equivalent employment	279	290	295

TRANSFORMATION INITIATIVE

[(INCLUDING TRANSFER OF FUNDS)]

For necessary expenses for combating mortgage fraud, \$20,000,000, to remain available until expended.

In addition, 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 1 percent from each such account, and such transferred amounts shall be available until September 30, **[2012] 2016**, for (1) research, evaluation, and program metrics; (2) program demonstrations; (3) technical assistance and capacity building; and (4) information technology: "*Tenant-Based Rental Assistance*", "Public

TRANSFORMATION INITIATIVE—Continued

Housing Capital Fund", ["Revitalization of Severely Distressed Public Housing", "Brownfields Redevelopment", "Section 108 Loan Guarantees", "Energy Innovation 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", "Housing Opportunities for Persons With AIDS", "Community Development Fund", "HOME Investment Partnerships Program", ["Self-Help and Assisted Homeownership Opportunity 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", ["General and Special Risk Program Account", "Research and Technology",] "Lead Hazard Reduction", "Rental Housing Assistance", and "Fair Housing Activities": *Provided*, That [of the amounts made available under this paragraph, not less than \$80,000,000 and not more than \$180,000,000 shall be available for information technology modernization, including development and deployment of a Next Generation of Voucher Management System and development and deployment of modernized Federal Housing Administration systems: *Provided further*, That not more than 25 percent of the funds made available for information technology modernization may be obligated until the Secretary submits to the Committees on Appropriations a plan for expenditure that (1) identifies for each modernization project (a) the functional and performance capabilities to be delivered and the mission benefits to be realized, (b) the estimated lifecycle cost, and (c) key milestones to be met; (2) demonstrates that each modernization project is (a) compliant with the department's enterprise architecture, (b) being managed in accordance with applicable lifecycle management policies and guidance, (c) subject to the department's capital planning and investment control requirements, and (d) supported by an adequately staffed project office; and (3) has been reviewed by the Government Accountability Office: *Provided further*, That of the amounts made available under this paragraph, not less than \$45,000,000 shall be available for technical assistance and capacity building: *Provided further*, That technical assistance activities shall include, technical assistance for HUD programs, including HOME, Community Development Block Grant, homeless programs, HOPWA, HOPE VI, Public Housing, the Housing Choice Voucher Program, Fair Housing Initiative Program, Housing Counseling, Healthy Homes, Sustainable Communities, Energy Innovation Fund and other technical assistance as determined by the Secretary: *Provided further*, That of the amounts made available for research, evaluation and program metrics and program demonstrations, the Secretary shall include an assessment of the housing needs of Native Americans, including sustainable building practices: *Provided further*, That of the amounts made available for research, evaluation and program metrics and program demonstrations, the Secretary shall include an evaluation of the Moving-to-Work demonstration program: *Provided further*, That the Secretary shall submit a plan to the House and Senate Committees on Appropriations for approval detailing how the funding provided under this heading will be allocated to each of the four categories identified under this heading and for what projects or activities funding will be used: *Provided further*, That following the initial approval of this plan, the Secretary may amend the plan with the approval of the House and Senate Committees on Appropriations] *the Secretary shall fund each of the four general purposes specified above at not less than 10 percent, and not more than 50 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.*

In addition, of the amounts made available under any account in this title for salaries and expenses (except for the Office of Inspector General account), the Secretary may transfer to this account up to 1 percent of such amounts, to remain available until September 30, 2012. (Department of Housing and Urban Development Appropriations Act, 2010.)

Program and Financing (in millions of dollars)

Identification code 86-0402-0-1-451	2009 actual	2010 est.	2011 est.
Obligations by program activity:			
00.01	TI Research	32	97
00.02	TI Technical Assistance and Capacity Building	3	33
00.03	TI Information Technology	86	172
00.04	Combat Mortgage Fraud	20	20
10.00	Total new obligations	141	322
Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year		117
22.00	New budget authority (gross)	258	476
23.90	Total budgetary resources available for obligation	258	593
23.95	Total new obligations	-141	-322
24.40	Unobligated balance carried forward, end of year	117	271
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	20	20
42.00	Transferred from other accounts	238	456
43.00	Appropriation (total discretionary)	258	476
Change in obligated balances:			
72.40	Obligated balance, start of year		43
73.10	Total new obligations	141	322
73.20	Total outlays (gross)	-98	-253
74.40	Obligated balance, end of year	43	112
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	98	171
86.93	Outlays from discretionary balances		82
87.00	Total outlays (gross)	98	253
Net budget authority and outlays:			
89.00	Budget authority	258	476
90.00	Outlays	98	253

The Department of Housing and Urban Development faces serious challenges arising from structural constraints, while the scope of housing and urban development problems facing the nation has never been greater. HUD needs flexibility to enable innovation, to increase the effectiveness of program and service delivery, and to adopt an evidence-based approach to improving program outcomes. Aggregating limited transfers will enable HUD to undertake an integrated, balanced, and cross-cutting effort to improve program performance.

The 2011 Budget provides \$20 million in the Transformation Initiative account for the Presidential Initiative to combat mortgage fraud. This is part of an agency-wide effort that draws upon a number of programs, resources and accounts. Examples of Transformation Initiative activities that may be implemented include: development of anti-fraud IT data tools that would be applied to all phases of the mortgage insurance process to detect misrepresentation at consumer, application, and property levels; technical assistance to support housing counseling organizations with identifying mortgage fraud and addressing fair lending issues and to help implement the SAFE Act and Real Estate Settlement Procedures Act; research and assessment of the implementation of the Neighborhood Stabilization Program to ensure it addresses the needs of minority and low-income communities, analysis of loans, and assessments of service compliance with FHA loss mitigation guidelines.

Within the broader Transformation Initiative, there are four initiatives that provide a systematic and crosscutting approach to transformation.

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 will supplement Research and Technology appropriations that are mainly dedicated to funding housing data, such as the American Housing Survey. This initiative will fund 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 will enable 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 develop more effective strategies for housing and community and economic development, and improve the delivery and reduce the cost of public services. Transformation Initiative funds for approved demonstrations will be administered by the Office of Policy Development and Research.

The Technology Initiative will enable HUD to enhance current systems and develop modern, robust information technology solutions that better support the Department's programs and services. In recent years, insufficient funding has forced the Department to rely on outdated systems and has prevented the Department from utilizing modern tools to capture, store, analyze and disseminate information. Funds provided through the Technology Initiative will complement the funding for basic, steady-state maintenance and operations funded by the Working Capital Fund. HUD envisions three key areas of technology investment, which will provide for the development of systems and tools to: 1) collect, control, and store quality data in a timely manner and support the automation of manual processes; 2) improve HUD's ability to analyze data in support of management and policy decision-making; and 3) enable greater communication, sharing, and leveraging of information for internal and external stakeholders. These investments will support both program and support functions.

Technical Assistance set-asides are no longer requested in individual HUD program accounts ; instead, these amounts have been consolidated within the Transformation Initiative. 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 and Capacity Building Initiative will enable HUD to develop enhanced and focused support to deliver cross-program technical assistance for states, local governments, and other HUD grantees for more sophisticated program administration and integrated planning across programs and jurisdictions. HUD plans to provide well-packaged information, case studies that serve as models and illustrate choices, and collaboration opportunities. Integrating cross-cutting knowledge with program requirements will produce results while avoiding fraud, waste and abuse.

The Office of Strategic Planning and Management will have overall responsibility for program management oversight of all projects selected for this initiative.

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

Program Name (amounts in thousands)	Treasury Account	Maximum Transfer
Capacity Building	86-0405	600
Choice Neighborhoods	86-0349	2,500
Community Development Block Grant	86-0162	43,801
Fair Housing and Equal Opportunity	86-0144	611
FHA MMI/CHMI Fund	86-0183	1,355
Healthy Homes and Lead Hazard Control	86-0174	1,400
HOME Investment Partnerships Program	86-0205	16,500
Homeless Assistance Grants	86-0192	20,550
Housing Counseling	86-0156	880
Housing for Persons with Disabilities	86-0237	900
Housing for the Elderly	86-0320	2,737
Housing Opportunities for Persons with AIDS	86-0308	3,400
Payment to the Manufactured Housing Fees Trust Fund	86-0234	70
Native American Housing Block Grants	86-0313	5,800
Native Hawaiian Housing Block Grants	86-0235	100
Indian Housing Loan Guarantee Fund	86-0223	8
Project-Based Rental Assistance	86-0303	89,760
Public Housing Capital Fund	86-0304	20,442
Public Housing Operating Fund	86-0163	48,290
Rental Assistance Program (Section 236)	86-4041	406
Tenant-Based Rental Assistance	86-0302	195,507
Maximum Transfer Total		455,617

In addition to these four continuing initiatives, the 2011 Budget creates a central pool of funding for HUD salaries and expenses. The Budget requests authority for the Secretary to transfer a small amount—up to 1 percent—from each of HUD's salaries and expenses accounts. The use of these transferred funds is limited to personnel compensation and benefits. The central fund would provide targeted, temporary infusions of resources to HUD's program offices. More and more, HUD is relied on to carry out disaster recovery efforts and to quickly implement new programs. The salaries and expenses funds distributed through the Transformation Initiative will enable the Department to promptly respond to such emerging issues, as well as to unanticipated needs as they arise throughout the year.

Object Classification (in millions of dollars)

Identification code 86-0402-0-1-451	2009 actual	2010 est.	2011 est.
Direct obligations:			
25.2 Other services		118	269
41.0 Grants, subsidies, and contributions		23	53
99.9 Total new obligations		141	322

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2009 actual	2010 est.	2011 est.
Offsetting receipts from the public:			
86-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified		2	2
86-271910 FHA-general and Special Risk, Negative Subsidies	164	399	412
86-271930 FHA-general and Special Risk, Downward Reestimates of Subsidies	19	164	
86-274330 Indian Housing Loan Guarantees, Downward Reestimates of Subsidies	8	8	
86-276230 Title VI Indian Loan Guarantee Downward Reestimate	2	3	
86-277330 Community Development Loan Guarantees, Downward Reestimates	7	17	
86-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	31	18	18
General Fund Offsetting receipts from the public	231	611	432
Intragovernmental payments:			
86-388510 Undistributed Intragovernmental Payments	18	7	7

General Fund Intragovernmental payments 18 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 [rescission] *cancelled* or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not [rescission] *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 [rescission] *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 [2010] 2011 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 [2010] 2011 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 [2010] 2011 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year [2010] 2011 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 [2010] 2011, 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 [2010] 2011 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 [2010] 2011 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. Unless otherwise provided for in this Act or through a re-programming of funds, no part of any appropriation for the Department of Housing and Urban Development shall be available for any program, project or activity in excess of amounts set forth in the budget estimates submitted to Congress.]

SEC. [207]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 [2010] 2011 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. 208. The Secretary of Housing and Urban Development shall provide quarterly reports to the House and Senate Committees on Appropriations regarding all uncommitted, unobligated, recaptured and excess funds in each program and activity within the jurisdiction of the Department and shall submit additional, updated budget information to these Committees upon request.]

SEC. [209]207. (a) Notwithstanding any other provision of law, the amount allocated for fiscal year [2010] 2011 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 [2010] 2011 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 **[2010]** 2011 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. 210. The President's formal budget request for fiscal year 2011, as well as the Department of Housing and Urban Development's congressional budget justifications to be submitted to the Committees on Appropriations of the House of Representatives and the Senate, shall use the identical account and sub-account structure provided under this Act.]

SEC. **[211]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. **[212]209.** (a) Notwithstanding any other provision of law, subject to the conditions listed in subsection (b), for fiscal years **[2010]** 2011 and **[2011]** 2012, 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) The transfer authorized in subsection (a) is subject to the following conditions:

(1) The number of low-income and very low-income units and the net dollar amount of Federal assistance provided by the transferring project shall remain the same in the receiving project or projects.

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

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

(4) 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.

(5) 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.

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

(7) If either the transferring project or the receiving project or projects meets the condition specified in subsection (c)(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.

(8) If the transferring project meets the requirements of subsection (c)(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.

(9) Any financial risk to the FHA General and Special Risk Insurance Fund, as determined by the Secretary, would be reduced as a result of a transfer completed under this section.

(10) The Secretary determines that Federal liability with regard to this project will not be increased.

(c) 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; or

(E) 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; and

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

(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 use low-income and very low-income 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.

[SEC. 213. The funds made available for Native Alaskans under the heading "Native American Housing Block Grants" in title III of this Act shall be allocated to the same Native Alaskan housing block grant recipients that received funds in fiscal year 2005.]

[SEC. 214. No funds provided under this title may be used for an audit of the Government National Mortgage Association that makes applicable requirements under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).]

[SEC. 215. (a) No assistance shall be provided under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) to any individual who—

(1) is enrolled as a student at an institution of higher education (as defined under section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002));

(2) is under 24 years of age;

(3) is not a veteran;

(4) is unmarried;

(5) does not have a dependent child;

(6) is not a person with disabilities, as such term is defined in section 3(b)(3)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(E)) and was not receiving assistance under such section 8 as of November 30, 2005; and

(7) is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible, to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

(b) For purposes of determining the eligibility of a person to receive assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), any financial assistance (in excess of amounts received for tuition) that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except for a person over the age of 23 with dependent children.]

SEC. [216]210. [Notwithstanding the limitation in the first sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z-g)), the Secretary of Housing and Urban Development may, until September 30, 2010, insure and enter into commitments to insure mortgages under section 255(g) of the National Housing Act (12 U.S.C. 1715z-20).] *Section 255(g) of the National Housing Act (12 U.S.C. 1715z-20) is amended by striking the first sentence.*

[SEC. 217. Notwithstanding any other provision of law, in fiscal year 2010, in managing and disposing of any multifamily property that is owned or has a mortgage held by the Secretary of Housing and Urban Development, the Secretary shall maintain any rental assistance payments under section 8 of the United States Housing Act of 1937 and other programs that are attached to any dwelling units in the property. To the extent the Secretary determines, in consultation with the tenants and the local government, that such a multifamily property owned or held by the Secretary is not feasible for continued rental assistance payments under such section 8 or other programs, based on consideration of (1) the costs of rehabilitating and operating the property and all available Federal, State, and local resources, including rent adjustments under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 ("MAHRAA") and (2) environmental conditions that cannot be remedied in a cost-effective fashion, the Secretary may, in consultation with the tenants of that property, contract for project-based rental assistance payments with an owner or owners of other existing housing properties, or provide other rental assistance. The Secretary shall also take appropriate steps to ensure that project-based contracts remain in effect prior to foreclosure, subject to the exercise of contractual abatement remedies to assist relocation of tenants for imminent major threats to health and safety. After disposition of any multifamily property described under this section, the contract and allowable rent levels on such properties shall be subject to the requirements under section 524 of MAHRAA.]

SEC. [218]211. During fiscal year [2010] 2011, 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 assistance, 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. 219. The Secretary of Housing and Urban Development shall report quarterly to the House of Representatives and Senate Committees on Appropriations on HUD's use of all sole source contracts, including terms of the contracts, cost, and a substantive rationale for using a sole source contract.]

[SEC. 220. Notwithstanding any other provision of law, the recipient of a grant under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q) after December 26, 2000, in accordance with the unnumbered paragraph at the end of section 202(b) of such Act, may, at its option, establish a single-asset nonprofit entity to own the project and may lend the grant funds to such entity, which may be a private nonprofit organization described in section 831 of the American Homeownership and Economic Opportunity Act of 2000.]

SEC. [221]212. (a) The [amounts] *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 2011 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.

(b) Not later than 60 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall promulgate regulations governing the administration of the funds described under subsection (a).

[SEC. 222. Section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v) is amended—

(1) in subsection (m)(1), by striking "fiscal year" and all that follows through the period at the end and inserting "fiscal year 2010."; and

(2) in subsection (o), by striking "September" and all that follows through the period at the end and inserting "September 30, 2010.".]

[SEC. 223. Public housing agencies that own and operate 400 or fewer public housing units may elect to be exempt from any asset management requirement imposed by the Secretary of Housing and Urban Development in connection with the operating fund rule: *Provided, That an agency seeking a discontinuance of a reduction of subsidy under the operating fund formula shall not be exempt from asset management requirements.*]

[SEC. 224. With respect to the use of amounts provided in this Act and in future Acts for the operation, capital improvement and management of public housing as authorized by sections 9(d) and 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d) and (e)), the Secretary shall not impose any requirement or guideline relating to asset management that restricts or limits in any way the use of capital funds for central office costs pursuant to section 9(g)(1) or 9(g)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437g(g)(1), (2)): *Provided, That a public housing agency may not use capital funds authorized under section 9(d) for activities that are eligible under section 9(e) for assistance with amounts from the operating fund in excess of the amounts permitted under section 9(g)(1) or 9(g)(2).*]

SEC. [225]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 [, not later than 90 days after the date of enactment of this Act,] *there is a trained allotment holder [shall be designated] for each HUD subaccount under the [headings "Executive Direction" and] 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. 226. The Secretary of Housing and Urban Development shall report quarterly to the House of Representatives and Senate Committees on Appropriations on the status of all section 8 project-based housing, including the number of all project-based units by region as well as an analysis of all federally subsidized housing being refinanced under the Mark-to-Market program. The Secretary shall in the report identify all existing units maintained by region as section 8 project-based units and all project-based units that have opted out of section 8 or have otherwise been eliminated as section 8 project-based units. The Secretary shall identify in detail and by project all the efforts made by the Department to preserve all section 8 project-based housing units and all the reasons for any units which opted out or otherwise were lost as section 8 project-based units. Such analysis shall include a review of the impact of the loss of any subsidized units in that housing marketplace, such as the impact of cost and the loss of available subsidized, low-income housing in areas with scarce housing resources for low-income families.]

[SEC. 227. Payment of attorney fees in program-related litigation must be paid from individual program office personnel benefits and compensation funding. The annual budget submission for program office personnel benefit and compensation funding must include program-related litigation costs for attorney fees as a separate line item request.]

[SEC. 228. The Secretary of the Department of Housing and Urban Development shall for Fiscal Year 2010 and subsequent fiscal years, notify the public through the Federal Register and other means, as deter-

ined appropriate, of the issuance of a notice of the availability of assistance or notice of funding availability (NOFA) for any program or discretionary fund administered by the Secretary that is to be competitively awarded. Notwithstanding any other provision of law, for Fiscal Year 2010 and subsequent fiscal years, the Secretary may make the NOFA available only on the Internet at the appropriate government website or websites or through other electronic media, as determined by the Secretary.]

SEC. [229]214. (a) APPROVAL OF PREPAYMENT OF DEBT.—Upon request of the project sponsor of a project assisted with a loan under section 202 of the Housing Act of 1959 (as in effect before the enactment of the Cranston-Gonzalez National Affordable Housing Act), for which the Secretary's consent to prepayment is required, the Secretary shall approve the prepayment of any indebtedness to the Secretary relating to any remaining principal and interest under the loan as part of a prepayment plan under which—

(1) the project sponsor agrees to operate the project until the maturity date of the original loan under terms at least as advantageous to existing and future tenants as the terms required by the original loan agreement or any project-based rental assistance payments contract under section 8 of the United States Housing Act of 1937 (or any other project-based rental housing assistance programs of the Department of Housing and Urban Development, including the rent supplement program under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s)) or any successor project-based rental assistance program, except as provided by subsection (a)(2)(B); and

(2) the prepayment may involve refinancing of the loan if such refinancing results—

(A) in a lower interest rate on the principal of the loan for the project and in reductions in debt service related to such loan; or

(B) in the case of a project that is assisted with a loan under such section 202 carrying an interest rate of 6 percent or lower, a transaction under which—

(i) the project owner shall address the physical needs of the project;

(ii) the prepayment plan for the transaction, including the refinancing, shall meet a cost benefit analysis, as established by the Secretary, that the benefit of the transaction outweighs the cost of the transaction including any increases in rent charged to unassisted tenants;

(iii) the overall cost for providing rental assistance under section 8 for the project (if any) is not increased, except, upon approval by the Secretary to—

(I) mark-up-to-market contracts pursuant to section 524(a)(3) of the Multifamily Assisted Housing Reform and Affordability Act (42 U.S.C. 1437f note), as such section is carried out by the Secretary for properties owned by nonprofit organizations; or

(II) mark-up-to-budget contracts pursuant to section 524(a)(4) of the Multifamily Assisted Housing Reform and Affordability Act (42 U.S.C. 1437f note), as such section is carried out by the Secretary for properties owned by eligible owners (as such term is defined in section 202(k) of the Housing Act of 1959 (12 U.S.C. 1701q(k)));

(iv) the project owner may charge tenants rent sufficient to meet debt service payments and operating cost requirements, as approved by the Secretary, if project-based rental assistance is not available or is insufficient for the debt service and operating cost of the project after refinancing. Such approval by the Secretary—

(I) shall be the basis for the owner to agree to terminate the project-based rental assistance contract that is insufficient for the debt service and operating cost of the project after refinancing; and

(II) shall be an eligibility event for the project for purposes of section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t));

(v) units to be occupied by tenants assisted under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) shall, upon termination of the occupancy of such tenants, become eligible for project-based assistance under section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) without regard to the percentage limitations provided in such section; and

(vi) there shall be a use agreement of 20 years from the date of the maturity date of the original 202 loan for all units, including units to be occupied by tenants assisted under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)).

SEC. [230]215. 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 [2009] 2010 and [2010] 2011 made available as surplus Federal property for use to assist the homeless.

SEC. [231]216. [The Secretary of the Department of Housing and Urban Development is authorized to transfer up to 5 percent of funds appropriated for any account under this title under the heading "Personnel Compensation and Benefits" to any other account under this title under the heading "Personnel Compensation and Benefits" only after such transfer has been submitted to, and received prior written approval by, the House and Senate Committees on Appropriations: *Provided*, That, no appropriation for any such account shall be increased or decreased by more than 10 percent by all such transfers.] *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. [232]217. 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 the following requirements: is a High Performing Agency under the Public Housing Assessment System (PHAS) and is a Choice Neighborhood grantee or HOPE VI agency. [No PHA shall be granted this designation through this section that administers in excess of 5,000 aggregate housing vouchers and public housing units.] 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. [233]218. Notwithstanding any other provision of law, in determining the market value of any multifamily real property or multifamily loan for any noncompetitive sale to a State or local government, the

Secretary shall in fiscal year [2010] 2011 consider, but not be limited to, industry standard appraisal practices, including the cost of repairs needed to bring the property into such condition as to satisfy minimum State and local code standards and the cost of maintaining the affordability restrictions imposed by the Secretary on the multifamily real property or multifamily loan.

SEC. [234]219. 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. 235. (a) IN GENERAL.—The Secretary of Housing and Urban Development shall prepare a report, and post such report on the public website of the Department of Housing and Urban Development (in this section referred to as the "Department"), regarding the number of homes owned by the Department and the budget impact of acquiring, maintaining, and selling such homes.

(b) CONTENT.—The report required by this section shall include—

(1) the number of residential homes that the Department owned during the years 2004 through 2009;

(2) an itemized breakdown of the total annual financial impact, including losses and gains from selling homes and maintenance and acquisition of homes, of home ownership by the Department since 2004;

(3) a detailed explanation of the reasons for the ownership by the Department of the homes;

(4) a list of the 10 urban areas in which the Department owns the most homes and the rate of homelessness in each of those areas; and

(5) a list of the 10 States in which the Department owns the most homes and the rate of homelessness in each of those States.】

【SEC. 236. The matter under the heading "Community Development Fund", under the heading "Community Planning and Development", under the heading "Department of Housing and Urban Development" in chapter 10 of title I of division B of the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Public Law 110–329; 122 Stat. 3601) is amended by striking "Provided further, That none of the funds provided under this heading may be used by a State or locality as a matching requirement, share, or contribution for any other Federal program".】

SEC. 220. *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 or the "Transformation Initiative" account under this title. Any amounts transferred to the "Transformation Initiative" account shall only*

be available for information technology requirements and shall remain available until September 30, 2016.

SEC. 221. *Section 203(c)(2)(B) of the National Housing Act (12 U.S.C. 1709(c)(2)(B)) is amended to read as follows: "(B) In addition to the premium under subparagraph (A), the Secretary may establish and collect annual premium payments in an amount not exceeding 1.50 percent of the remaining insured principal balance (excluding the portion of the remaining balance attributable to the premium collected under subparagraph (A) and without taking into account delinquent payments or prepayments). The Secretary, by publication of a notice in the Federal Register, may establish or change the amount of the premium under subparagraph (A) or the annual premium, and the period of the mortgage term for which an annual premium amount shall apply."*

SEC. 222. *For an additional amount for the "Administration, Operations and Management" account, \$2,070,635, to increase 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 only to supplement and not to supplant existing acquisition workforce activities: Provided further, That such funds shall be available for training, recruitment, retention, and hiring additional 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. 223. *In determining the amount of annual assessments on regulated entities for 2011 pursuant to section 1316(a) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4516), as amended, the Director of the Federal Housing Finance Agency shall include \$1,500,000 for necessary expenses during fiscal year 2011 of the Federal Housing Finance Agency Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended.*

SEC. 224. *The paragraphs under the heading "Flexible Subsidy Fund" in Public Law 108–447 and in Public Law 109–115 are repealed.*

SEC. 225. *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)" in Title II of Division A of Public Law 111–117, 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, 2011. (Department of Housing and Urban Development Appropriations Act, 2010.)*