Public Law 104–99
104th Congress

An Act

Jan. 26, 1996
[H.R. 2880]

Making appropriations for fiscal year 1996 to make a downpayment toward a balanced budget, and for other purposes.

The Balanced Budget Downpayment Act, I.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of Government for the fiscal year 1996, and for other purposes, namely:

TITLE I

SEC. 101. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 including the authority and conditions provided in emergency supplemental appropriations Acts for fiscal year 1995 for continuing projects or activities, except for those projects and activities provided for in Public Law 104–91 and Public Law 104–92, including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) which were conducted in the fiscal year 1995 and for which appropriations, funds, or other authority would be available in the following appropriations Act as passed each House, excluding conference reports:

The Department of the Interior and Related Agencies Appropriations Act, 1996; and

The Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1996:

Provided, That whenever the amount which would be made available or the authority which would be granted in these Acts is greater than that which would be available or granted under current operations, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate.

(b) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this section as passed by the House as of the date of enactment of this Act, is different from that which would be available or granted under such Act as passed by the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued at a rate for operations not exceeding the current rate or the rate permitted by the action of the House or the Senate, whichever is lower, under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: *Provided,* That where an item is not included in either version or where an item is included in only one version of the Act as passed

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by both Houses as of the date of enactment of this Act, the pertinent project or activity shall not be continued except as provided for in section 111 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

(c) Whenever an Act listed in this section has been passed by only the House or only the Senate as of the date of enactment of this Act, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower, and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995: *Provided,* That where an item is funded in the applicable appropriations Act for the fiscal year 1995 and not included in the version passed by the one House as of the date of enactment of this Act, the pertinent project or activity shall not be continued except as provided for in section 111 under the appropriation, fund, or authority granted by the applicable appropriations Act for the fiscal year 1995 and under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995.

SEC. 102. Appropriations made by section 101 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 103. No appropriations or funds made available or authority granted pursuant to section 101 shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1995.

SEC. 104. No provision which is included in an appropriations Act enumerated in section 101 but which was not included in the applicable appropriations Act for fiscal year 1995 and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this title of this Act.

Coverage.

SEC. 105. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this Act.

Termination date.

SEC. 106. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act without any provision for such project or activity, or (c) March 15, 1996, whichever first occurs.

SEC. 107. This title of this Act shall be implemented so that only the most limited funding action of that permitted in this title of this Act shall be taken in order to provide for continuation of projects and activities.

SEC. 108. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 109. No provision in the appropriations Act for the fiscal year 1996 referred to in section 101 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 106(c) of this Act.

SEC. 110. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 111. Notwithstanding any other provision of this title of this Act, except section 106, whenever an Act listed in section 101 as passed by both the House and the Senate as of the date of enactment of this Act, does not include funding for an ongoing project or activity for which there is a budget request, or whenever an Act listed in section 101 has been passed by only the House or only the Senate as of the date of enactment of this Act, and an item funded in fiscal year 1995 is not included in the version passed by the one House, or whenever the rate for operations for an ongoing project or activity provided by section 101 for which there is a budget request would result in the project or activity being significantly reduced, the pertinent project or activity may be continued under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 by increasing the rate for operations provided by section 101 to a rate for operations not to exceed one that provides the minimal level that would enable existing activities to continue. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this title of this Act bears to 366. For the purposes of this title of this Act, the minimal level means a rate for operations that is reduced from the current rate by 25 percent.

Furloughs.

SEC. 112. Notwithstanding any other provision of this title of this Act, except section 106, whenever the rate for operations for any continuing project or activity provided by section 101 or section 111 for which there is a budget request would result in a furlough of Government employees, that rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this Act bears to 366: *Provided,* That the first sentence of section 112 shall not apply except to furloughs that exceed one workday per pay period for the affected workforce during the period of January 26, 1996 through March 15, 1996.

SEC. 113. Notwithstanding any other provision of this title of this Act, except sections 106 and 111, for those programs that had high initial rates of operation or complete distribution of funding at the beginning of the fiscal year in fiscal year 1995 because of distributions of funding to States, foreign countries, grantees, or others, similar distributions of funds for fiscal year 1996 shall not be made and no grants shall be awarded for such programs funded by this title of this Act that would impinge on final funding prerogatives.

SEC. 114. Notwithstanding any other provision of this title of this Act, except section 106, any distribution of funding under the Rehabilitation Services and Disability Research account in the Department of Education may be made up to an amount that bears the same ratio to the rate for operation for this account provided by this title of this Act as the number of days covered by this title of this Act bears to 366.

SEC. 115. Notwithstanding any other provision of this Act, except section 106, the rate for operations of the following projects or activities shall be only the minimum necessary to accomplish orderly termination:

Child Development Associate Scholarships in the Department of Health and Human Services;

Dependent Care Planning and Development in the Department of Health and Human Services;

Law Related Education in the Department of Education;

Dropout Prevention Demonstrations in the Department of Education;

Aid for Institutional Development—Endowment Grants in the Department of Education;

Aid for Institutional Development—Evaluation in the Department of Education;

Native Hawaiian and Alaska Native Cultural Arts;

Innovative Projects in Community Service in the Department of Education;

Cooperative Education in the Department of Education; and

Douglas Teacher Scholarships in the Department of Education.

SEC. 116. COMPENSATION AND RATIFICATION OF AUTHORITY.—(a) Any Federal employees furloughed as a result of a lapse in appropriations, if any, after midnight November 13, 1995, until the enactment of this Act shall be compensated at their standard rate of compensation for the period during which there was a lapse in appropriations. Furloughs.

(b) All obligations incurred in anticipation of the appropriations made and the authority granted by this title of this Act for the purposes of maintaining the essential level of activity to protect life and property and bring about orderly termination of Government functions are hereby ratified and approved if otherwise in accord with the provisions of this title of this Act.

SEC. 117. Notwithstanding any other provision of this title of this Act, except section 106, upon enactment of this Act any new grants or contracts for the following programs shall be made at a level not to exceed a rate of 75 per centum of prior monthly awards:

Department of Health and Human Services:
- Health Resources and Services Administration:
  - Health Resources and Services:
    - Trauma Care
    - Health Care Facilities
- Assistant Secretary for Health:
  - Office of the Assistant Secretary for Health:
    - National Vaccine Program
    - Health Care Reform Data Analysis
    - National AIDS Program Office

Health Care Financing Administration:
Program Management:
Essential Access Community Hospitals
Administration for Children and Families:
Children and Families Services Program:
Youth Gang Substance Abuse
Advisory Board on Child Abuse and Neglect
Child Welfare Research
Social Services Research
Homeless Service Grants
Community Schools (crime trust fund)
Administration on Aging:
Aging Services Programs:
Pension Counseling
Federal Council on Aging
White House Conference on Aging
Department of Education:
Education for the Disadvantaged:
State School Improvement
School Improvement Programs:
Safe and Drug Free Schools and Communities: National Program
Women's Educational Equity
Bilingual and Immigrant Education:
Bilingual Education Support Services
Higher Education:
Faculty Development Fellowships
School, College, and University Partnerships
Related Agencies:
Corporation for National and Community Service:
Domestic Volunteer Service Programs, Operating Expenses:
Senior Demonstration Program
National Education Standards and Improvement Council.

SEC. 118. Notwithstanding any other provision of law or this Act, upon enactment of this Act the Secretary of each cabinet level department other than State, Defense, Ambassador to the United Nations, and Central Intelligence shall not obligate a total amount of funds for their individual official travel expenses for fiscal year 1996 that would be greater than 110 per centum of the average total amount of the individual official travel expenses of the relevant departmental secretary for the fiscal years 1990 through 1995.

Financial aid.
20 USC 1070a note.

SEC. 119. Notwithstanding any other provision of law or of this title of this Act, the maximum Pell Grant for which a student shall be eligible under the Higher Education Act of 1965, as amended, during award year 1996–1997 shall be at least $2,440.

Effective date.
40 USC 175 note.

SEC. 120. Notwithstanding any other provision of law, the first proviso under the heading "Education for the disadvantaged" in title III of H.R. 2127, as passed by the House of Representatives, shall take effect upon enactment of this Act.

SEC. 121. 501 FIRST STREET SE., DISTRICT OF COLUMBIA.

(a) DISPOSAL OF REAL PROPERTY.—

(1) IN GENERAL.—The Architect of the Capitol shall dispose of by sale at fair market value all right, title, and interest of the United States in and to the parcel of real property described in paragraph (9), including all improvements to such real property. Such disposal shall be made by quitclaim deed.

(2) HOUSE OFFICE BUILDING COMMISSION.—The Architect of the Capitol shall carry out this section under the direction of the House Office Building Commission.

(3) PROCEDURES.—Notwithstanding any other provision of law, the disposal under paragraph (1) shall be made in accordance with such procedures as the Architect of the Capitol determines appropriate.

(4) SENSE OF CONGRESS.—It is the sense of Congress that the child care center of the House of Representatives should remain in operation during the implementation of this section.

(5) TERMS AND CONDITIONS.—The deed of conveyance for the property to be disposed of under paragraph (1) shall contain such terms and conditions as the Architect of the Capitol determines are necessary to protect the interests of the United States.

(6) DEPOSIT OF PROCEEDS.—All proceeds from the disposal under paragraph (1) shall be deposited in the account established by subsection (b).

(7) ADVERTISING AND MARKETING.—The Architect of the Capitol shall begin advertising and marketing the property to be disposed of under paragraph (1) not later than 30 days after the date of the enactment of this Act.

(8) LOCAL ZONING AND OCCUPANCY REQUIREMENTS.—Until such date as the purchaser of the property to be disposed of under paragraph (1) takes full occupancy of such property, such property and the tenants of such property shall be deemed to be in compliance with all applicable zoning and occupancy requirements of the District of Columbia.

(9) PROPERTY DESCRIPTION.—The parcel of real property referred to in paragraph (1) is the approximately 31,725 square feet of land located at 501 First Street, SE., on square 736 S, Lot 801 (formerly part of Reservation 17) in the District of Columbia. Such parcel is bounded by E Street, SE., to the north, First Street, SE., to the east, New Jersey Avenue, SE., to the west, and Garfield Park to the south.

(b) SEPARATE ACCOUNT IN THE TREASURY.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a separate account which shall consist of amounts deposited into the account by the Architect of the Capitol under subsection (a).

(2) AVAILABILITY OF FUNDS.—Funds in the account established by paragraph (1) shall be available, in such amounts as are specified in appropriations Acts, to the Architect of the Capitol for—

(A) payment of expenses associated with relocating the tenants of the property to be disposed of under subsection (a)(1);

(B) payment of expenses associated with renovating facilities under the jurisdiction of the Architect for the purpose of accommodating such tenants; and

(C) reimbursement of expenses incurred for advertising and marketing activities related to the disposal under subsection (a)(1) in a total amount of not to exceed $75,000.

Funds made available under this paragraph shall not be subject to any fiscal year limitation.

(3) REPORTING OF TRANSACTIONS.—Receipts, obligations, and expenditures of funds in the account established by paragraph (1) shall be reported in annual estimates submitted to Congress by the Architect of the Capitol for the operation and maintenance of the Capitol Buildings and Grounds.

(4) TERMINATION OF ACCOUNT.—Not later than 2 years after the date of settlement on the property to be disposed of under subsection (a)(1), the Architect of the Capitol shall terminate the account established by paragraph (1) and all amounts remaining in the account shall be deposited into the general fund of the Treasury of the United States and credited as miscellaneous receipts.

(c) AUTHORITY TO FURNISH STEAM AND CHILLED WATER.—

(1) IN GENERAL.—The Architect of the Capitol is authorized to furnish steam and chilled water from the Capitol Power Plant to the owner of the property to be disposed of under subsection (a)(1) if the owner agrees to pay for such steam and chilled water at market rates, as determined by the Architect of the Capitol.

(2) AUTHORITY LIMITED TO EXISTING FACILITIES.—The Architect of the Capitol may furnish steam and chilled water under paragraph (1) only with respect to facilities which, on the date of the enactment of this Act, are located on the property to be disposed of under subsection (a)(1).

(3) PROCEEDS.—All proceeds from the sale of steam and chilled water under paragraph (1) shall be deposited into the general fund of the Treasury of the United States and credited as miscellaneous receipts.

SEC. 122. Notwithstanding any other provision of this title of this Act except section 106, such sums as necessary are hereby appropriated for all projects and activities funded under the account heading "Office for Civil Rights" under the Office of the Secretary in the Department of Health and Human Services at a rate for operations not to exceed an annual rate for new obligational authority of $16,153,000 for general funds together with not to exceed an annual rate for new obligational authority of $3,314,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund.

SEC. 123. Activities necessary to effect the following program eliminations and transfers of selected functions are funded under the terms and conditions and at a rate of operations, notwithstanding any other provision of this title of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–402) on the Department of the Interior and Related Agencies Appropriations Act, 1996 (H.R. 1977), as passed by the House of Representatives on December 13, 1995:

All projects and activities under the account heading "Public Development" under the Pennsylvania Avenue Development Corporation;

All projects and activities under the account heading "Mines and Minerals" under the Bureau of Mines in the Department of the Interior;

All activities related to the transfer of functions from the Bureau of Mines under the account heading "Management of Lands and Resources" under the Bureau of Land Management in the Department of the Interior;

All activities related to the transfers of functions from the Bureau of Mines and from the National Biological Service under the account heading "Surveys, Investigations, and Research" under the United States Geological Survey in the Department of the Interior; and

All activities related to the transfer of functions from the Bureau of Mines under the account heading "Fossil Energy Research and Development" in the Department of Energy.

Termination date.

SEC. 124. Notwithstanding any other provision of this title of this Act, the appropriations and funds made available and authority granted pursuant to the preceding section shall be available until (a) enactment into law of an appropriation for any project or activity provided for in that section, or (b) the enactment into law of the applicable appropriations Act without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

SEC. 125. Notwithstanding any other provision of this title of this Act, except section 106, such amounts as may be necessary are hereby appropriated to effect the sale of Weeks Island oil from the Strategic Petroleum Reserve under the terms and conditions and at a rate of operations provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–402) on the Department of the Interior and Related Agencies Appropriations Act, 1996 (H.R. 1977), as passed by the House of Representatives on December 13, 1995.

SEC. 126. Notwithstanding any other provision of this title of this Act, such amounts as may be necessary are hereby appropriated under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing, at a rate for operations provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–402) on the Department of the Interior and Related Agencies Appropriations Act, 1996 (H.R. 1977), as passed by the House of Representatives on December 13, 1995, for the following projects or activities including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) which are conducted in the fiscal year 1995: all projects or activities of the Indian Health Services, Indian Health Service Facilities, Bureau of Indian Affairs, National Park Service, notwithstanding any other provision of law, the United States Fish and Wildlife Service, notwithstanding any other provision of law, and the Forest Service, notwithstanding any other provision of law: *Provided,* That appropriations and funds made available and authority granted pursuant to this section shall be available until (a) enactment into law of an appropriation for any project or activity provided for in this section, or (b) the enactment into law of the applicable appropriations Act without any provision for such project or activity, or (c) March 15, 1996, whichever first occurs.

Termination date.

SEC. 127. Notwithstanding any other provision of this title of this Act except section 106, projects and activities under the

account heading "Salaries and expenses" under the National Labor Relations Board shall be subject to the provisions of section 112 of Public law 104–56.

Embryos.

SEC. 128. None of the funds made available by Public Law 104–91 may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and 42 U.S.C. 289g(b).

For purposes of this section, the phrase "human embryo or embryos" shall include any organism, not protected as a human subject under 45 CFR 46 as of the date of enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes.

SEC. 129.TECHNICAL AMENDMENT TO PROHIBITION OF GRANTS FOR 501(c)(4) ORGANIZATIONS ENGAGING IN LOBBYING ACTIVITIES.

2 USC 1611.

(a) IN GENERAL.—Section 18 of the Lobbying Disclosure Act of 1995 is amended by striking "award, grant, contract, loan, or any other form" and inserting "award, grant, or loan".

2 USC 1611 note.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the Lobbying Disclosure Act of 1995 on the date of the enactment of such Act.

SEC. 130. No funds appropriated under this or any other Act shall be used to review or modify sourcing areas previously approved under section 490(c)(3) of the Forest Resources Conservation and Shortage Relief Act of 1990 (Public Law 101–382) or to enforce or implement Federal regulations 36 CFR part 223 promulgated on September 8, 1995. The regulations and interim rules in effect prior to September 8, 1995 (36 CFR 223.48, 36 CFR 223.87, 36 CFR 223 Subpart D, 36 CFR 223 Subpart F, and 36 CFR 261.6) shall remain in effect. The Secretary of Agriculture or the Secretary of the Interior shall not adopt any policies concerning Public Law 101–382 or existing regulations that would restrain domestic transportation or processing of timber from private lands or impose additional accountability requirements on any timber. The Secretary of Commerce shall extend until September 30, 1996, the order issued under section 491(b)(2)(A) of Public Law 101–382 and shall issue an order under section 491(b)(2)(B) of such law that will be effective October 1, 1996.

Regulations.
Effective date.
16 USC 620c note.

Floods.

SEC. 131. Notwithstanding any other provision of this Act, an additional $2,000,000 is hereby appropriated for the National Park Service, Park Service Construction for repair of flood damage to the Chesapeake and Ohio Canal National Historical Park.

TITLE II

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS

SEC. 201. (a) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for projects or activities, except for those projects and activities provided for in Public Law 104–91 and Public Law 104–92, including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this

Act) at a rate for operations provided for in the conference report and joint explanatory statement of the Committee of Conference, House Report 104–378, on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996 (H.R. 2076), as passed the House of Representatives on December 6, 1995, notwithstanding section 15 of the State Department Basic Authorities Act of 1956, section 701 of the United States Information and Educational Exchange Act of 1948, section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236), and section 53 of the Arms Control and Disarmament Act: *Provided,* That, notwithstanding any other provision of this title of this Act, the rate for operations only for program administration and the continuation of grants awarded in fiscal year 1995 and prior years of the Advanced Technology Program of the National Institute of Standards and Technology, and the rate for operations for the Ounce of Prevention Council, Drug Courts, Global Learning and Observations to Benefit the Environment, and for the Cops on the Beat Program may be increased up to a level of 75 per centum of the final fiscal year 1995 appropriated amount: *Provided further,* That, under the previous proviso, no contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by the previous proviso as the number of days covered by this Act bears to 366: *Provided further,* That any costs incurred by a Department or agency funded under this subsection resulting from personnel actions taken in response to funding reductions resulting from this Act shall be absorbed within the total budgetary resources available to such Department or agency: *Provided further,* That the authority to transfer funds between appropriations accounts as may be necessary to carry out the preceding proviso is provided in addition to authorities provided elsewhere in this subsection: *Provided further,* That funds to carry out the preceding two provisos shall not be available for obligation or expenditure except in compliance with established reprogramming procedures: *Provided further,* That, notwithstanding any other provision of this title of this Act, the amount of funds obligated or expended by the Legal Services Corporation shall not exceed an amount that bears the same ratio to the rate for operations available to the Legal Services Corporation as the number of days covered by this Act bears to 366: *Provided further,* That, notwithstanding any other provision of this title of this Act, funding provided for Violent Offender Incarceration and Truth in Sentencing Incentive Grants, with the exception of funds available to States for incarceration of criminal aliens and the Cooperative Agreement Program, shall be withheld, pending enactment of revisions to subtitle A of title II of the Violent Crime Control and Law Enforcement Act of 1994, so as not to impinge upon final funding prerogatives: *Provided further,* That, notwithstanding any other provision of this title of this Act, sufficient funds shall be provided to continue the Office of Inspector General of the United States Information Agency, to be derived from funds otherwise available to the Office of Inspector General of the Department of State.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS

(b) Such amounts as may be necessary under the authority and conditions provided in the applicable appropriations Act for the fiscal year 1995 for continuing projects or activities, except for those projects and activities provided for in Public Law 104–91 and Public Law 104–92, including the costs of direct loans and loan guarantees (not otherwise specifically provided for in this Act) at a rate for operations provided for in the conference report and joint explanatory statement of the Committee of Conference, House Report 104–384, on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (H.R. 2099), as passed the House of Representatives on December 7, 1995: *Provided,* That Senate amendment 63 shall be disposed of in the manner passed by the House on December 7, 1995, as if enacted into law: *Provided further,* That, notwithstanding any other provision of this title of this Act, the rate for operations for the Corporation for National and Community Service, the Community Development Financial Institutions Fund, and the Office of Consumer Affairs may be increased up to a level of 75 per centum of the fiscal year 1995 level: *Provided further,* That, under the previous proviso, no new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by the previous proviso as the number of days covered by this Act bears to 366: *Provided further,* That the penultimate proviso under the heading "General Operating Expenses" and sections 107 and 109 under the heading "Administrative Provisions" in the Department of Veterans Affairs are effective to the extent and in the manner, notwithstanding any other provision of this Act, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–384) on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (H.R. 2099), as passed by the House of Representatives on December 7, 1995.

38 USC 1920, 1923, 1955, 1982.

Termination date.

SEC. 202. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) the enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) March 15, 1996, whichever first occurs.

Coverage.

SEC. 203. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this Act.

SEC. 204. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 205. Appropriations made by section 201 shall be available to the extent and in the manner which would be provided by the pertinent appropriations Act.

SEC. 206. No provision in the appropriations Act for the fiscal year 1996 referred to in section 201 of this Act that makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation shall be effective before the date set forth in section 202(c) of this Act.

SEC. 207. Appropriations and funds made available by or authority granted pursuant to this title of this Act may be used without regard to the time limitations for submission and approval of apportionments set forth in section 1513 of title 31, United States Code, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 208. Public Law 104–92 is amended by repealing title II and by inserting in section 101(a) after the paragraph ending with "under the Railroad Retirement Board;" the following paragraphs: "All activities, including administrative and beneficiary travel expenses of all veterans benefit programs, necessary for the provision of veterans benefits funded in the Department of Veterans Affairs under the headings 'Compensation and pensions', 'Readjustment benefits', 'Veterans insurance and indemnities', 'Guaranty and indemnity program account', 'Loan guaranty program account', 'Direct loan program account', 'Education loan fund program account', 'Vocational rehabilitation loans program account', 'Native American veteran housing loan program account', and 'Administrative provisions, sec. 107' to the extent and in the manner and at the rate for operations, notwithstanding any other provision of this joint resolution, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–384) on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (H.R. 2099), as passed by the House of Representatives on December 7, 1995;

Ante, p. 18.
Ante, p. 17.

"All payments to contractors of the Veterans Health Administration of the Department of Veterans Affairs for goods and services that directly relate to patient health and safety to the extent and in the manner and at the rate for operations, notwithstanding any other provision of this joint resolution, provided for in the conference report and joint explanatory statement of the Committee of Conference (House Report 104–384) on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (H.R. 2099), as passed by the House of Representatives on December 7, 1995;".

SEC. 209. Notwithstanding any other provision of this title of this Act, except section 202, the amount made available to the Securities and Exchange Commission, under the heading Salaries and Expenses, shall include, in addition to direct appropriations, the amount it collects under the fee rate and offsetting collection authority contained in Public Law 103–352, which fee rate and offsetting collection authority shall remain in effect during the period of this title of this Act.

15 USC 77f note.

SEC. 210. Notwithstanding any other provision of this title of this Act, except section 202, funds for the Environmental Protection Agency shall be made available in the appropriation accounts which are provided in H.R. 2099 as reported on September 13, 1995.

SEC. 211. Public Law 104–91 is amended by inserting after the words "the protection of the Federal judiciary" in section 101(a), the following: "to the extent and in the manner and", and by

18 USC 4043 note; 22 USC 1644 note; 28 USC 524, 524 note, 533 note, 534 note 589a, 1930; 31 USC 1344; 42 USC 1973gg–2, 1973gg–2 note.

inserting at the end of the paragraph containing those words, but before the semicolon, the following: ": *Provided,* That, with the exception of section 114, the General Provisions for the Department of Justice included in title I of the aforementioned conference report are hereby enacted into law".

Real property. Mississippi.

SEC. 212. Notwithstanding any other provision of law or regulation, the National Aeronautics and Space Administration shall convey, without reimbursement, to the State of Mississippi, all rights, title and interest of the United States in the property known as the Yellow Creek Facility and consisting of approximately 1,200 acres near the city of Iuka, Mississippi, including all improvements thereon and also including any personal property owned by NASA that is currently located on-site and which the State of Mississippi requires to facilitate the transfer: *Provided,* That appropriated funds shall be used to effect this conveyance: *Provided further,* That $10,000,000 in appropriated funds otherwise available to the National Aeronautics and Space Administration shall be transferred to the State of Mississippi to be used in the transition of the facility: *Provided further,* That each Federal agency with prior contact to the site shall remain responsible for any and all environmental remediation made necessary as a result of its activities on the site: *Provided further,* That in consideration of this conveyance, the National Aeronautics and Space Administration may require such other terms and conditions as the Administrator deems appropriate to protect the interests of the United States: *Provided further,* That the conveyance of the site and the transfer of the funds to the State of Mississippi shall occur not later than thirty days from the date of enactment of this Act.

SEC. 213. Notwithstanding any other provision of this title of this Act except section 202, projects and activities under the account heading "Council on Environmental Quality and Office of Environmental Quality" shall be subject to the provisions of section 112 of Public Law 104–56.

Furloughs.

SEC. 214. Notwithstanding any other provision of this title of this Act except section 202, whenever the rate for operations for any continuing project or activity provided by section 201 for which there is a budget request would result in a furlough of Government employees, that rate for operations may be increased to the minimum level that would enable the furlough to be avoided. No new contracts or grants shall be awarded in excess of an amount that bears the same ratio to the rate for operations provided by this section as the number of days covered by this Act bears to 366: *Provided,* That the first sentence of section 214 shall not apply except to furloughs that exceed one workday per pay period for the affected workforce during the period of January 26, 1996 through March 15, 1996.

TITLE III

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS

SEC. 301. Such amounts as may be necessary for programs, projects, or activities provided for in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (H.R. 1868), at a rate for operations and to the extent and in the manner provided for in the conference report and joint explanatory state-

ment of the Committee of Conference (House Report 104–295) as passed by the House of Representatives on October 31, 1995, as if enacted into law, notwithstanding any other provision of this title of this Act: *Provided,* That Senate amendment numbered 115 shall be disposed of as follows, as if enacted into law:

In lieu of the matter proposed by the Senate in amendment numbered 115, insert the following:

"AUTHORIZATION OF POPULATION PLANNING

"SEC. 518A. Notwithstanding section 526 of this Act, none of the funds made available in this Act for population planning activities or other population assistance pursuant to section 104(b) of the Foreign Assistance Act or any other provision of law, or funds made available in title IV of this Act as a contribution to the United Nations Population Fund (UNFPA) may be obligated or expended prior to July 1, 1996, unless such funding is expressly authorized by law: *Provided,* That if such funds are not authorized by law prior to July 1, 1996, funds appropriated in title II of this Act for population planning activities or other population assistance may be made available for obligation and expenditure in an amount not to exceed 65 percent of the total amount appropriated or otherwise made available by Public Law 103–306 and Public Law 104–19 for such activities for fiscal year 1995, and funds appropriated in title IV of this Act as a contribution to the United Nations Population Fund (UNFPA) may be made available for obligation and expenditure in an amount not to exceed 65 percent of the total amount appropriated or otherwise made available by Public Law 103–306 and Public Law 104–19 for a contribution to UNFPA for fiscal year 1995: *Provided further,* That, pursuant to the previous proviso, such funds may be apportioned only on a monthly basis, beginning July 1, 1996 and ending September 30, 1997, and such monthly apportionments may not exceed 6.67 percent of the total available for such activities: *Provided further,* That notwithstanding any other provision of this Act, funds appropriated by this Act for the United Nations Population Fund (UNFPA) shall remain available for obligation until September 30, 1997.".

Termination date.

SEC. 302. Unless otherwise provided for in this title of this Act or in the applicable appropriations Act, appropriations and funds made available and authority granted pursuant to this title of this Act shall be available until (a) the enactment into law of an appropriation for any project or activity provided for in this title of this Act, or (b) the enactment into law of the applicable appropriations Act by both Houses without any provision for such project or activity, or (c) September 30, 1996, whichever first occurs.

Termination date.

SEC. 303. Appropriations made and authority granted pursuant to this title of this Act shall cover all obligations or expenditures incurred for any program, project, or activity during the period for which funds or authority for such project or activity are available under this title of this Act.

Coverage.

SEC. 304. Expenditures made pursuant to this title of this Act shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

TITLE IV

HOUSING AND URBAN DEVELOPMENT

SEC. 401. During fiscal year 1996, the Secretary of Housing and Urban Development may manage and dispose of multifamily properties owned by the Secretary, including the provision for grants from the General Insurance Fund (12 U.S.C. 1735c) for the necessary costs of rehabilitation and other related development costs and multifamily mortgages held by the Secretary without regard to any other provision of law.

PUBLIC AND ASSISTED HOUSING RENTS, INCOME ADJUSTMENTS, AND PREFERENCES

Effective date.

SEC. 402. (a) MINIMUM RENTS.—Notwithstanding sections 3(a) and 8(o)(2) of the United States Housing Act of 1937, as amended, effective for fiscal year 1996 and no later than October 30, 1995—

(1) public housing agencies shall require each family who is assisted under the certificate or moderate rehabilitation program under section 8 of such Act to pay a minimum monthly rent of not less than $25, and may require a minimum monthly rent of up to $50;

(2) public housing agencies shall reduce the monthly assistance payment on behalf of each family who is assisted under the voucher program under section 8 of such Act so that the family pays a minimum monthly rent of not less than $25, and may require a minimum monthly rent of up to $50;

(3) with respect to housing assisted under other programs for rental assistance under section 8 of such Act, the Secretary shall require each family who is assisted under such program to pay a minimum monthly rent of not less than $25 for the unit, and may require a minimum monthly rent of up to $50; and

(4) public housing agencies shall require each family who is assisted under the public housing program (including public housing for Indian families) of such Act to pay a minimum monthly rent of not less than $25, and may require a minimum monthly rent of up to $50.

(b) ESTABLISHMENT OF CEILING RENTS.—

42 USC 1437a.

(1) Section 3(a)(2) of the United States Housing Act of 1937 is amended to read as follows:

"(2) Notwithstanding paragraph (1), a public housing agency may—

"(A) adopt ceiling rents that reflect the reasonable market value of the housing, but that are not less than the monthly costs—

"(i) to operate the housing of the agency; and

"(ii) to make a deposit to a replacement reserve (in the sole discretion of the public housing agency); and

"(B) allow families to pay ceiling rents referred to in subparagraph (A), unless, with respect to any family, the ceiling rent established under this paragraph would exceed the amount payable as rent by that family under paragraph (1).".

42 USC 1437a note.

(2) REGULATIONS.—

(A) IN GENERAL.—The Secretary shall, by regulation, after notice and an opportunity for public comment, establish such requirements as may be necessary to carry out section 3(a)(2)(A) of the United States Housing Act of 1937, as amended by paragraph (1).

(B) TRANSITION RULE.—Prior to the issuance of final regulations under paragraph (1), a public housing agency may implement ceiling rents, which shall be not less than the monthly costs to operate the housing of the agency and—

(i) determined in accordance with section 3(a)(2)(A) of the United States Housing Act of 1937, as that section existed on the day before enactment of this Act;

(ii) equal to the 95th percentile of the rent paid for a unit of comparable size by tenants in the same public housing project or a group of comparable projects totaling 50 units or more; or

(iii) equal to the fair market rent for the area in which the unit is located.

(c) DEFINITION OF ADJUSTED INCOME.—Section 3(b)(5) of the United States Housing Act of 1937 is amended— 42 USC 1437a.

(1) at the end of subparagraph (F), by striking "and";

(2) at the end of subparagraph (G), by striking the period and inserting "; and"; and

(3) by inserting after subparagraph (G) the following:

"(H) for public housing, any other adjustments to earned income established by the public housing agency. If a public housing agency adopts other adjustments to income pursuant to subparagraph (H), the Secretary shall not take into account any reduction of or increase in the public housing agency's per unit dwelling rental income resulting from those adjustments when calculating the contributions under section 9 for the public housing agency for the operation of the public housing.".

(d) REPEAL OF FEDERAL PREFERENCES.—

(1) PUBLIC HOUSING.—Section 6(c)(4)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A)) is amended to read as follows:

"(A) the establishment, after public notice and an opportunity for public comment, of a written system of preferences for admission to public housing, if any, that is not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act;".

(2) SECTION 8 EXISTING AND MODERATE REHABILITATION.—Section 8(d)(1)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)) is amended to read as follows:

"(A) the selection of tenants shall be the function of the owner, subject to the provisions of the annual contributions contract between the Secretary and the agency, except that for the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that is not inconsistent with the comprehensive housing affordability

strategy under title I of the Cranston-Gonzalez National Affordable Housing Act;".

(3) SECTION 8 VOUCHER PROGRAM.—Section 8(o)(3)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(3)(B)) is amended to read as follows:

"(B) For the purpose of selecting families to be assisted under this subsection, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that is not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act.".

(4) SECTION 8 NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION.—

(A) REPEAL.—Section 545(c) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note) is amended to read as follows:

"(c) [Reserved.]".

(B) PROHIBITION.—Notwithstanding any other provision of law, no Federal tenant selection preferences under the United States Housing Act of 1937 shall apply with respect to—

(i) housing constructed or substantially rehabilitated pursuant to assistance provided under section 8(b)(2) of the United States Housing Act of 1937 (as such section existed on the day before October 1, 1983); or

(ii) projects financed under section 202 of the Housing Act of 1959 (as such section existed on the day before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act).

(5) RENT SUPPLEMENTS.—Section 101(k) of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s(k)) is amended to read as follows:

"(k) [Reserved.]".

(6) CONFORMING AMENDMENTS.—

(A) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

42 USC 1437d.

(i) in section 6(o), by striking "preference rules specified in" and inserting "written system of preferences for selection established pursuant to";

42 USC 1437e.

(ii) in the second sentence of section 7(a)(2), by striking "according to the preferences for occupancy under" and inserting "in accordance with the written system of preferences for selection established pursuant to";

42 USC 1437f.

(iii) in section 8(d)(2)(A), by striking the last sentence;

(iv) in section 8(d)(2)(H), by striking "Notwithstanding subsection (d)(1)(A)(i), an" and inserting "An";

42 USC 1437n.

(v) in section 16(c), in the second sentence, by striking "the system of preferences established by the agency pursuant to section 6(c)(4)(A)(ii)" and inserting "the written system of preferences for selection established by the public housing agency pursuant to section 6(c)(4)(A)"; and

(vi) in section 24(e)— 42 USC 1437v.

(I) by striking "(e) EXCEPTIONS" and all that follows through "The Secretary may" and inserting the following:

"(e) EXCEPTION TO GENERAL PROGRAM REQUIREMENTS.—The Secretary may"; and

(II) by striking paragraph (2).

(B) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—Section 522(f)(6)(B) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704 et seq.) is amended by striking "any preferences for such assistance under section 8(d)(1)(A)(i)" and inserting "the written system of preferences for selection established pursuant to section 8(d)(1)(A)". 42 USC 1437f note.

(C) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Section 655 of the Housing and Community Development Act of 1992 (42 U.S.C. 13615) is amended by striking "the preferences" and all that follows up to the period at the end and inserting "any preferences".

(D) REFERENCES IN OTHER LAW.—Any reference in any Federal law other than any provision of any law amended by paragraphs (1) through (5) of this subsection to the preferences for assistance under section 6(c)(4)(A)(i), 8(d)(1)(A)(i), or 8(o)(3)(B) of the United States Housing Act of 1937 (as such sections existed on the day before the date of enactment of this Act) shall be considered to refer to the written system of preferences for selection established pursuant to section 6(c)(4)(A), 8(d)(1)(A), or 8(o)(3)(B), respectively, of the United States Housing Act of 1937, as amended by this section. 42 USC 1437d note.

(e) APPLICABILITY.—In accordance with section 201(b)(2) of the United States Housing Act of 1937, the amendments made by subsections (a), (b), (c), (d), and (f) of this section shall also apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority. 42 USC 1437aa note.

(f) This section shall be effective upon the enactment of this Act and only for fiscal year 1996. Effective date. 42 USC 1437a note.

SECTION 8 FAIR MARKET RENTALS, ADMINISTRATIVE FEES, AND DELAY IN REISSUANCE

SEC. 403. (a) FAIR MARKET RENTALS.—The Secretary shall establish fair market rentals for purposes of section 8(c)(1) of the United States Housing Act of 1937, as amended, that shall be effective for fiscal year 1996 and shall be based on the 40th percentile rent of rental distributions of standard quality rental housing units. In establishing such fair market rentals, the Secretary shall consider only the rents for dwelling units occupied by recent movers and may not consider the rents for public housing dwelling units or newly constructed rental dwelling units. Effective date.

(b) ADMINISTRATIVE FEES.—Notwithstanding sections 8(q) (1) and (4) of the United States Housing Act of 1937, for fiscal year 1996, the fee for each month for which a dwelling unit is covered by an assistance contract under the certificate, voucher, or moderate rehabilitation program under section 8 of such Act shall be equal to the monthly fee payable for fiscal year 1995: *Provided,* That 42 USC 1437f note. Applicability.

this subsection shall be applicable to all amounts made available for such fees during fiscal year 1996, as if in effect on October 1, 1995.

(c) DELAY REISSUANCE OF VOUCHERS AND CERTIFICATES.—Notwithstanding any other provision of law, a public housing agency administering certificate or voucher assistance provided under subsection (b) or (o) of section 8 of the United States Housing Act of 1937, as amended, shall delay for 3 months, the use of any amounts of such assistance (or the certificate or voucher representing assistance amounts) made available by the termination during fiscal year 1996 of such assistance on behalf of any family for any reason, but not later than October 1, 1996; with the exception of any certificates assigned or committed to project-based assistance as permitted otherwise by the Act, accomplished prior to the effective date of this Act.

REPEAL OF PROVISIONS REGARDING INCOME DISREGARDS

42 USC 12714. Effective date.

SEC. 404. (a) MAXIMUM ANNUAL LIMITATION ON RENT INCREASES RESULTING FROM EMPLOYMENT.—Section 957 of the Cranston-Gonzalez National Affordable Housing Act is hereby repealed, retroactive to November 28, 1990, and shall be of no effect.

42 USC 12714 note. Effective date.

(b) ECONOMIC INDEPENDENCE.—Section 923 of the Housing and Community Development Act of 1992 is hereby repealed, retroactive to October 28, 1992, and shall be of no effect.

SECTION 8 CONTRACT RENEWALS

42 USC 1437f note.

SEC. 405. (a) For fiscal year 1996 and henceforth, the Secretary of Housing and Urban Development may use amounts available for the renewal of assistance under section 8 of the United States Housing Act of 1937, upon termination or expiration of a contract for assistance under section 8 of such Act of 1937 (other than a contract for tenant-based assistance and notwithstanding section 8(v) of such Act for loan management assistance), to provide assistance under section 8 of such Act, subject to the Section 8 Existing Fair Market Rents, for the eligible families assisted under the contracts at expiration or termination, which assistance shall be in accordance with terms and conditions prescribed by the Secretary.

42 USC 1437f note.

(b) Notwithstanding subsection (a) and except for projects assisted under section 8(e)(2) of the United States Housing Act of 1937 (as it existed immediately prior to October 1, 1991), at the request of the owner, the Secretary shall renew for a period of one year contracts for assistance under section 8 that expire or terminate during fiscal year 1996 at the current rent levels.

42 USC 1437f.

(c) Section 8(v) of the United States Housing Act of 1937 is amended to read as follows: "The Secretary may extend expiring contracts entered into under this section for project-based loan management assistance to the extent necessary to prevent displacement of low-income families receiving such assistance as of September 30, 1996.".

(d) Section 236(f) of the National Housing Act (12 U.S.C. 1715z–1(f)) is amended:

(1) by striking the second sentence in paragraph (1) and inserting in lieu thereof the following: "The rental charge for each dwelling unit shall be at the basic rental charge or such

greater amount, not exceeding the lower of (i) the fair market rental charge determined pursuant to this paragraph, or (ii) the fair market rental established under section 8(c) of the United States Housing Act of 1937 for the market area in which the housing is located, as represents 30 per centum of the tenant's adjusted income."; and

(2) by striking paragraph (6).

EXTENSION OF HOME EQUITY CONVERSION MORTGAGE PROGRAM

SEC. 406. Section 255(g) of the National Housing Act (12 U.S.C. 1715z–20(g)) is amended—

(1) in the first sentence, by striking "September 30, 1995" and inserting "September 30, 1996"; and

(2) in the second sentence, by striking "25,000" and inserting "30,000".

FHA SINGLE-FAMILY ASSIGNMENT PROGRAM REFORM

SEC. 407. (a) FORECLOSURE AVOIDANCE.—Except as provided in subsection (e), the last sentence of section 204(a) of the National Housing Act (12 U.S.C. 1710(a)) is amended by inserting before the period the following: ": *And provided further,* That the Secretary may pay insurance benefits to the mortgagee to recompense the mortgagee for its actions to provide an alternative to the foreclosure of a mortgage that is in default, which actions may include special foreclosure, loan modification, and deeds in lieu of foreclosure, all upon terms and conditions as the mortgagee shall determine in the mortgagee's sole discretion, within guidelines provided by the Secretary, but which may not include assignment of a mortgage to the Secretary: *And provided further,* That for purposes of the preceding proviso, no action authorized by the Secretary and no action taken, nor any failure to act, by the Secretary or the mortgagee shall be subject to judicial review.".

(b) AUTHORITY TO ASSIST MORTGAGORS IN DEFAULT.—Except as provided in subsection (e), section 230 of the National Housing Act (12 U.S.C. 1715u) is amended to read as follows:

"AUTHORITY TO ASSIST MORTGAGORS IN DEFAULT

"SEC. 230. (a) PAYMENT OF PARTIAL CLAIM.—The Secretary may establish a program for payment of a partial claim to a mortgagee that agrees to apply the claim amount to payment of a mortgage on a 1- to 4-family residence that is in default. Any such payment under such program to the mortgagee shall be made in the sole discretion of the Secretary and on terms and conditions acceptable to the Secretary, except that—

"(1) the amount of the payment shall be in an amount determined by the Secretary, not to exceed an amount equivalent to 12 of the monthly mortgage payments and any costs related to the default that are approved by the Secretary; and

"(2) the mortgagor shall agree to repay the amount of the insurance claim to the Secretary upon terms and conditions acceptable to the Secretary.

The Secretary may pay the mortgagee, from the appropriate insurance fund, in connection with any activities that the mortgagee

is required to undertake concerning repayment by the mortgagor of the amount owed to the Secretary.

"(b) ASSIGNMENT.—

"(1) PROGRAM AUTHORITY.—The Secretary may establish a program for assignment to the Secretary, upon request of the mortgagee, of a mortgage on a 1- to 4-family residence insured under this Act.

"(2) PROGRAM REQUIREMENTS.—The Secretary may accept assignment of a mortgage under a program under this subsection only if—

"(A) the mortgage was in default;

"(B) the mortgagee has modified the mortgage to cure the default and provide for mortgage payments within the reasonable ability of the mortgagor to pay, at interest rates not exceeding current market interest rates; and

"(C) the Secretary arranges for servicing of the assigned mortgage by a mortgagee (which may include the assigning mortgagee) through procedures that the Secretary has determined to be in the best interests of the appropriate insurance fund.

"(3) PAYMENT OF INSURANCE BENEFITS.—Upon accepting assignment of a mortgage under a program established under this subsection, the Secretary may pay insurance benefits to the mortgagee from the appropriate insurance fund, in an amount that the Secretary determines to be appropriate, not to exceed the amount necessary to compensate the mortgagee for the assignment and any losses and expenses resulting from the mortgage modification.

"(c) PROHIBITION OF JUDICIAL REVIEW.—No decision by the Secretary to exercise or forego exercising any authority under this section shall be subject to judicial review.

"(d) SAVINGS PROVISION.—Any mortgage for which the mortgagor has applied to the Secretary, before the date of enactment of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996, for assignment pursuant to subsection (b) of this section as in effect before such date of enactment shall continue to be governed by the provisions of this section, as in effect immediately before such date of enactment.

"(e) APPLICABILITY OF OTHER LAWS.—No provision of this Act, or any other law, shall be construed to require the Secretary to provide an alternative to foreclosure for mortgagees with mortgages on 1- to 4-family residences insured by the Secretary under this Act, or to accept assignments of such mortgages.".

12 USC 1710 note.

(c) APPLICABILITY OF AMENDMENTS.—Except as provided in subsection (e), the amendments made by subsections (a) and (b) shall apply only with respect to mortgages insured under the National Housing Act that are originated before October 1, 1995.

12 USC 1710 note.

(d) REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue interim regulations to implement this section and the amendments made by this section.

(e) EFFECTIVENESS AND APPLICABILITY.—If this Act is enacted after the date of enactment of the Balanced Budget Act of 1995—

(1) subsections (a), (b), (c), and (d) of this section shall not take effect; and

(2) section 2052(c) of the Balanced Budget Act of 1995 is amended by striking "that are originated on or after October 1, 1995" and inserting in lieu thereof "that are originated before, during, and after fiscal year 1996.".

This Act may be cited as "The Balanced Budget Downpayment Act, I".

Approved January 26, 1996.

LEGISLATIVE HISTORY—H.R. 2880:

CONGRESSIONAL RECORD, Vol. 142 (1996):
Jan. 25, considered and passed House.
Jan. 26, considered and passed Senate.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 32 (1996):
Jan. 26, Presidential statement.