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

(c) PROXIMITY OF HOUSING TO SUPERFUND SITES.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall carry out a study and submit to Congress a report that identifies how many residential dwelling units, and how many dwelling units that are a part of public housing (as defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b))), are located less than 1 mile from a site that is included on the National Priorities List established pursuant to section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605).

(d) RESIDENTIAL HEIRS PROPERTY.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall carry out a study and submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that—

(1) establishes a comprehensive definition of residential heirs property, or family land inherited without a will or legal documentation of ownership;

(2) examines the occurrence of and consequences to owners of residential heirs property, and provides an estimate regarding the number of current residential heirs properties;

(3) describes the objectives and requirements of the Uniform Partition of Heirs Property Act as approved by the National Conference of Commissioners on Uniform State Laws in 2010;

(4) details the various resources that may be available to the owners of residential heirs properties, including housing counseling, legal services, and financial assistance to resolve residential heirs property title issues from the Federal Government, nonprofit organizations, and institutions of higher education; and

(5) makes recommendations with respect to how to reduce the number of residential heirs properties, including—

(A) by incentivizing States and other jurisdictions which enact or adopt the Uniform Partition of Heirs Property Act or similar such reforms;

(B) by awarding grants to States and other jurisdictions to assist residents of those States and jurisdictions to establish and document property ownership rights or settle a decedent's estate;

(C) by awarding grants to entities that—

(i) provide housing counseling, legal assistance, and financial assistance to homeowners and their heirs relating to title clearing and home retention efforts of heirs' property; and

(ii) target services to low- and moderate-income persons or provide services in neighborhoods that have a high concentration of low- and moderate-income persons; and

(D) by conducting other activities that assist individuals to clear title with respect to heirs' property and with general estate planning.

SA 4308. Mr. SCOTT of South Carolina (for himself and Ms. WARREN) proposed an amendment to the bill H.R. 6644, a bill to increase the supply of housing in America, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.— This Act may be cited as the ''21st Century ROAD to Housing Act''.

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

TITLE I—IMPROVING FINANCIAL LITERACY

SEC. 101. REFORMS TO HOUSING COUNSELING AND FINANCIAL LITERACY PROGRAMS.

(a) IN GENERAL.—Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x) is amended—

(1) in subsection (a)(4)(C), by striking ''adequate distribution'' and all that follows through ''foreclosure rates'' and inserting ''that the recipients are geographically diverse and include organizations that serve urban or rural areas'';

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

''(6) PERFORMANCE REVIEW.—The Secretary shall conduct performance reviews of all participating agencies that—

''(A) consist of a review of the participating agency's compliance with all program requirements; and

''(B) may take into account the agency's aggregate counselor performance under paragraph (8)(B).

''(7) PERIODIC REVIEWS.—The Secretary may conduct periodic on-site reviews as the Secretary deems appropriate.

''(8) CONSIDERATIONS.—

''(A) COVERED MORTGAGE LOAN DEFINED.—In this paragraph, the term 'covered mortgage loan' means any loan which is secured by a first or subordinate lien on residential real property (including individual units of condominiums and cooperatives) designed principally for the occupancy of between 1 and 4 families that is—

''(i) insured by the Federal Housing Administration under title II of the National Housing Act (12 U.S.C. 1707 et seq.); or

''(ii) guaranteed under section 184 or 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a, 1715z–13b).

''(B) COMPARISON.—For each counselor employed by an organization receiving assistance under this section for pre-purchase housing counseling, the Secretary may consider the performance of the counselor compared to the default rate of all counseled borrowers of a covered mortgage loan in comparable markets and such other factors as the Secretary determines appropriate to further the purposes of this section.

''(9) CERTIFICATION.—If, based on the comparison required under paragraph (8)(B), the Secretary determines that a counselor lacks competence to provide counseling in the areas described in subsection (e)(2) and such action will not create a significant loss of capacity for housing counseling services in the service area, the Secretary may—

''(A) require continued education coupled with successful completion of a probationary period;

''(B) require retesting if the counselor continues to demonstrate a lack of competence under paragraph (8)(B); and

''(C) permanently suspend an individual certification if a counselor fails to demonstrate competence after not fewer than 2 retesting opportunities under subparagraph (B).'';

(3) in subsection (i)—

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

(B) by inserting after paragraph (2) the following:

''(3) TERMINATION OF ASSISTANCE.—

''(A) IN GENERAL.—The Secretary may deny renewal of covered assistance to an organization or entity receiving covered assistance if the Secretary determines that the organization or entity, or the individual through which the organization or entity provides counseling, is not in compliance with program requirements—

''(i) based on the performance review described in subsection (e)(6); and

''(ii) in accordance with regulations issued by the Secretary.

''(B) NOTICE.—The Secretary shall give an organization or entity receiving covered assistance not less than 60 days prior written notice of any denial of renewal under this paragraph, and the determination of renewal shall not be finalized until the end of that notice period.

''(C) INFORMAL CONFERENCE.—If requested in writing by the organization or entity within the notice period described in subparagraph (B), the organization or entity shall be entitled to an informal conference with the Deputy Assistant Secretary of Housing Counseling on behalf of the Secretary at which the organization or entity may present for consideration specific factors that the organization or entity believes were beyond the control of the organization or entity and that caused the failure to comply with program requirements, such as a lack of lender or servicer coordination or communication with housing counseling agencies and individual counselors.''; and

(4) by adding at the end the following:

''(j) OFFERING FORECLOSURE MITIGATION COUNSELING.—

''(1) COVERED MORTGAGE LOAN DEFINED.—In this subsection, the term 'covered mortgage loan' means any loan which is secured by a first or subordinate lien on residential real property (including individual units of condominiums) or stock or membership in a cooperative ownership housing corporation designed principally for the occupancy of between 1 and 4 families that is—

''(A) insured by the Federal Housing Administration under title II of the National Housing Act (12 U.S.C. 1707 et seq.);

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

''(C) made, guaranteed, or insured by the Department of Veterans Affairs; or

''(D) made, guaranteed, or insured by the Department of Agriculture.

''(2) OPPORTUNITY FOR BORROWERS.—A borrower with respect to a covered mortgage loan who is 30 days or more delinquent on payments for the covered mortgage loan shall be given an opportunity to participate in available housing counseling.

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

TITLE II—BUILDING MORE IN AMERICA

SEC. 201. RENTAL ASSISTANCE DEMONSTRATION PROGRAM.

The language under the heading ''RENTAL ASSISTANCE DEMONSTRATION'' in the Department of Housing and Urban Development Appropriations Act, 2012 (Public Law 112–55; 125 Stat. 673) is amended—

(1) in the second proviso, by striking ''until September 30, 2029'' and inserting ''for fiscal year 2012 and each fiscal year thereafter'';

(2) by striking the fourth proviso;

(3) in the twentieth proviso, as so designated before the date of enactment of this Act, by striking ''or other means:'' and inserting ''or other means, including the adoption of a mandatory tenant lease and management plan addendum for a property with assistance converted, if not otherwise covered by another program, under this demonstration:''; and

(4) by striking ''vouchers to project-based vouchers.'' and inserting ''vouchers to project-based vouchers: *Provided further*, That the Secretary shall annually assess and publish findings regarding the impact of the conversion of assistance under the First Component of the demonstration with respect to the preservation and improvement of public housing, the amount of private sector leveraging resulting from such conversion transactions, the prevalence of pre-conversion residents remaining in or returning to the property following conversion, and the effect of such conversion on tenants, including the impact of such conversion on the rights maintained by tenants as enumerated in regulations and other documents conferring rights upon tenants as developed by the Secretary, and other matters the Secretary may determine appropriate: *Provided further*, That the Secretary may take remediative action or impose civil money penalties or other administrative sanctions for material violations of a requirement under the First and Second Components of this demonstration: *Provided further*, That nothing in the matter under this heading shall be construed to diminish, impair, or otherwise negatively affect the Rental Assistance Demonstration property rights of owners or rights of tenants, which shall remain enforceable by tenants, as enumerated in current law, regulations, and other agency guidance or notices as it relates to properties converted under the First and Second Components of the Rental Assistance Demonstration Program.''.

SEC. 202. INCREASING HOUSING IN OPPORTUNITY ZONES.

(a) COVERED GRANT DEFINED.—In this section, the term ''covered grant'' means any competitive grant relating to the construction, modification, rehabilitation, or preservation of housing, as determined by the Secretary of Housing and Urban Development.

(b) PRIORITY.—When awarding a covered grant, the Secretary of Housing and Urban Development may give additional weight to applicants with proposed activities or projects that are located in or substantially and directly benefit a community designated as a qualified opportunity zone under section 1400Z–1 of the Internal Revenue Code of 1986.

SEC. 203. WHOLE-HOME REPAIRS ACT.

(a) DEFINITIONS.—In this section:

(1) AFFORDABLE UNIT.—The term ''affordable unit'' means a unit for which the monthly rental payment is not more than 30 percent of the gross income of an individual earning at or below 80 percent of the area median income, as defined by the Secretary.

(2) ASSISTED UNIT.—The term ''assisted unit'' means a unit that undergoes repair or rehabilitation work through a whole-home repairs program administered by an implementing organization under this section.

(3) ELIGIBLE HOMEOWNER.—The term ''eligible homeowner'' means a homeowner—

(A) with a household income that—

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

(ii) meets the income eligibility requirements for receiving assistance or benefits under a specified program, as defined in paragraph (11); and

(B) who is—

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

(ii) an owner-occupant of the manufactured home on which repairs are to be conducted; or

(iii) an owner who can demonstrate an ownership interest in the property, or trust land leasehold, on which repairs are to be conducted, including a person who has inherited an interest in that property.

(4) ELIGIBLE LANDLORD.—The term ''eligible landlord'' means an individual—

(A) who owns, as determined by the relevant implementing organization, fewer than 10 eligible rental properties, with a majority of affordable units and not more than 25 total units, operated as primary residences in which a majority ownership interest is held by the individual, the spouse of the individual, or the dependent children of the individual, or any closely held legal entity controlled by the individual, the spouse of the individual, or the dependent children of the individual, either individually or collectively; and

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

(5) ELIGIBLE RENTAL PROPERTY.—The term ''eligible rental property'' means a residential property that—

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

(B) includes affordable units.

(6) FORGIVABLE LOAN.—The term ''forgivable loan'' means a loan—

(A) made to an eligible landlord;

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

(C) that may be forgiven by the implementing organization not later than the date that is 3 years after the completion of the repairs if the eligible landlord has maintained compliance with the loan agreement described in subsection (b)(3).

(7) IMPLEMENTING ORGANIZATION.—The term ''implementing organization''—

(A) means a unit of general local government or a State that—

(i) will administer a whole-home repairs program through an agency, department, or other entity; or

(ii) enter into agreements with 1 or more local governments, Indian tribes, municipal authorities, other governmental authorities, including a tribally designated housing entity, or qualified nonprofit organizations, to administer a whole-home repairs program as a subrecipient; and

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

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

(9) QUALIFIED NONPROFIT.—The term ''qualified nonprofit'' means a nonprofit organization that—

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

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

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

(iii) the Lead-Based Paint Hazard Reduction grant program under section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4852), a grant under the Healthy Homes Initiative administered by the Secretary pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z–1, 1701z–2), or a grant under the Older Adult Home Modification Grants Program authorized under

the Consolidated Appropriations Act, 2024 (Public Law 118–42), or any successor Act, to make safety and functional home modification repairs and renovations to meet the needs of low-income seniors to enable them to remain in their primary residence;

(iv) the Self-Help and Assisted Homeownership Opportunity program authorized under section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note);

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

(vi) the Neighborhood Reinvestment Corporation established under the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101 et seq.);

(B) has coordinated, performed, or otherwise been engaged in weatherization, lead remediation, or home-repair work for not less than 2 years;

(C) has been certified by the Environmental Protection Agency, or by a State authorized by the Environmental Protection Agency to administer a certification program, as—

(i) eligible to carry out activities under the lead renovation, repair, and painting program under section 402(c) or 404 of the Toxic Substances Control Act (15 U.S.C. 2682(c), 2684); or

(ii) a Home Certification Organization under the Energy Star program established by section 324A of the Energy Policy and Conservation Act (42 U.S.C. 6294a) or the WaterSense program under section 324B of that Act (42 U.S.C. 6294b), or recognized or otherwise approved by the Environmental Protection Agency as a Home Certification Organization under either of those programs; or

(D) is a community development financial institution, as defined in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702).

(10) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(11) SPECIFIED PROGRAM.—For purposes of paragraph (3)(A)(ii), the term ''specified program'' means any of the following:

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

(B) The State Children's Health Insurance Program established under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.).

(C) The supplemental security income benefits program established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.).

(D) The supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

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

(12) STATE.—The term ''State'' means—

(A) each State of the United States;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico;

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

(E) an Indian tribe.

(13) TRIBALLY DESIGNATED HOUSING ENTITY.—The term ''tribally designated housing entity'' has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

(14) WHOLE-HOME REPAIRS.—The term ''whole-home repairs'' means modifications, repairs, or updates to homeowner or renter-occupied units to address—

(A) physical and sensory accessibility for individuals with disabilities and older adults, such as bathroom and kitchen modifications, installation of grab bars and handrails, guards and guardrails, lifting devices, ramp additions or repairs, sidewalk addition or repair, or doorway or hallway widening;

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

(C) energy and water efficiency, resilience, and weatherization.

(b) PILOT PROGRAM.—

(1) ESTABLISHMENT.—There is authorized a pilot program to provide grants to implementing organizations to administer a whole-home repairs program for eligible homeowners and eligible landlords.

(2) USE OF FUNDS.—An implementing organization that receives a grant from appropriated funds made available for this subsection—

(A) shall provide grants to eligible homeowners to implement whole-home repairs not covered by other Federal home repair programs up to a maximum amount per unit, which maximum amount should—

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

(ii) be calculated and approved by the Secretary;

(B) shall provide loans, which may be forgivable, to eligible landlords to implement whole-home repairs not covered by other Federal home repair programs for individual affordable units, public and common use areas within the property, and common structural elements up to a maximum amount per unit, area, or element, as applicable, which maximum amount should—

(i) reflect local construction costs; and

(ii) be calculated and approved by the Secretary;

(C) shall evaluate, or provide assistance to eligible homeowners and eligible landlords to evaluate, whole-home repair program funds provided under this subsection with Federal, State, Tribal, and local home repair programs to provide the greatest benefit to the greatest number of eligible landlords and eligible homeowners and avoid duplication of benefits and redundancies for the same home repairs;

(D) shall require that—

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

(ii) if repairs are not completed and the plan for whole-home repairs is not updated to reflect the new scope of work, that the loan or grant is repaid on a prorated basis based on completed work; and

(iii) any unused grant or loan balance is returned to the implementing organization, and is reused by the implementing organization for a new whole-home repair grant or loan under this subsection;

(E) may use not more than 5 percent of the awarded funds to carry out related functions, including workforce training for home repair professions, which shall be related to efforts to increase the number of home repairs performed and approved by the Secretary;

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

(G) shall comply with Federal accessibility requirements and standards under applicable Federal fair housing and civil rights laws and regulations, including section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

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

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

(A) comply with Federal accessibility requirements and standards under applicable Federal fair housing and civil rights laws and regulations, including section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

(B)(i) if the landlord is renting the assisted units available in the eligible rental property to tenants receiving tenant-based rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)), under another tenant-based rental assistance program administered by the Secretary or the Secretary of Agriculture, or under a tenant-based rental subsidy provided by a State or local government, comply with the program requirements under the relevant tenant-based rental assistance program; or

(ii) if the eligible landlord is not renting to tenants receiving rental-based assistance as described in clause (i)—

(I)(aa) offer to extend the lease of current tenants on current terms, other than the terms described in subclause (iv) for not less than 3 years beginning after the completion of the repairs, unless the lease is terminated due to failure to pay rent, performance of an illegal act within the rental unit, or a violation of an obligation of tenancy that the tenants failed to correct after notice; and

(bb) if the tenant of an assisted unit moves out of the assisted unit at any point in the 3-year period following the loan agreement, maintain the unit as an affordable unit for the remainder of the 3-year period;

(II) provide documentation verifying that the property, upon completion of approved renovations, has met all applicable State and local housing and building codes;

(III) attest that the landlord has no known serious violations of renter protections that have resulted in fines, penalties, or judgments during the preceding 10 years; and

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

(4) APPLICATION.—

(A) IN GENERAL.—An implementing organization desiring an award under this subsection shall submit to the Secretary an application that includes—

(i) the geographic scope of the whole-home repairs program to be administered by the implementing organization, including the plan to address need in any rural, Tribal, suburban, or urban area within a jurisdiction;

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

(iii) a description of how the implementing organization plans to execute the coordination of Federal, State, Tribal, and local home repair programs, including programs administered by the Department of Energy, the Department of the Interior, the Department of Veteran Affairs, or the Department of Agriculture, to increase efficiency and reduce redundancy;

(iv) available data on the need for affordable and quality housing within the geographic scope of the whole-home repairs program, and any plans to preserve affordability through the term of the award;

(v) a description of how the implementing organization plans to process and verify applications for grants from eligible homeowners and applications for loans from eligible landlords; and

(vi) such other information as the Secretary requires to determine the ability of an applicant to carry out a program under this subsection.

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

(i) with respect to applications submitted by States other than the District of Columbia and the territories of the United States, prioritize those applications with a demonstrated plan to—

(I) make a good-faith effort to implement the pilot program in every jurisdiction; and

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

(ii) aim to select applicants so that the awardees collectively span diverse geographies, with an intent to understand the impact of the pilot program under this subsection in urban, suburban, rural, and Tribal settings; and

(iii) not disqualify implementing organizations that were awarded grants under the pilot program in prior application cycles.

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

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

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

(B) not more than 1 implementing organization in any State.

(7) LOANS THAT ARE NOT FORGIVEN.—If a loan made by an implementing organization under paragraph (2)(B) is not forgiven, the loan repayment funds shall be reused by the implementing organization for a new wholehome repair grant or loan under this subsection, which shall remain subject to the original terms of the assistance awarded under this subsection.

(8) SUPPLEMENT, NOT SUPPLANT.—Amounts awarded under this subsection to implementing organizations shall supplement, not supplant, other Federal, State, Tribal, and local funds made available to those entities.

(9) STREAMLINING PROGRAM DELIVERY AND ENSURING EFFICIENCY.—To the extent possible, in carrying out the pilot program under this subsection, the Secretary shall—

(A) endeavor to improve efficiency of service delivery, as well as the experience of and impact on the taxpayer, by encouraging programmatic collaboration and information sharing across Federal, State, Tribal, and local programs for home repair or improvement, including programs administered by the Department of Agriculture, the Department of the Interior, the Department of Veterans Affairs, or the Department of Energy; and

(B) enhance collaboration and cross-agency streamlining efforts that reduce the burden of multiple income verification processes and applications on the eligible homeowner, the eligible landlord, the implementing organization, and the Federal Government, including by establishing assistance application procedures for income eligibility under this subsection that recognize income eligibility determinations for assistance using any of the criteria under subsection (a)(3)(A) that have been used for assistance applications during the 1-year period preceding the date on which an eligible homeowner or eligible landlord applies for assistance under this subsection.

(10) REPORTING REQUIREMENTS.—

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

(i) the number of units served, including reporting on both homeownership and rental units, as well as accessible units;

(ii) the average cost per unit for modifications or repairs and the nature of those modifications or repairs, including reporting on accessibility in both homeownership and rental units;

(iii) the number of applications received, served, denied, or not completed, disaggregated by geographic area;

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

(v) the aggregated demographic data of loan recipients, which may include data on income range, urban, suburban, and rural residency, age, and racial and ethnic identity;

(vi) an affirmation that the implementation organization has complied with the applicable regulations, including compliance with Federal accessibility requirements;

(vii) in the first year of receiving a grant, and as certified in subsequent reports, a comprehensive plan to prevent waste, fraud, and abuse in the administration of the pilot program, which shall include, at a minimum—

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

(II) a policy enacted and enforced by the implementing organization to detect and deter fraudulent activity, including fraud occurring in individual projects and patterns of fraud by parties involved in the expenditure of funds under this subsection;

(III) a statement setting forth any violations detected by the implementing organization during the previous calendar year, including details about steps taken to achieve compliance and any remedial measures; and

(IV) a certification by the chief executive or most senior compliance officer of the organization that the organization maintains sufficient staff and resources to effectively carry out the above-mentioned policies; and

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

(B) REPORTING REQUIREMENT ALIGNMENT.—To limit the costs of implementing the pilot program under this subsection, the Secretary shall endeavor, to the extent possible, to structure reporting requirements such that they align with the data reporting requirements in place for funding streams that implementing organizations are likely to use together with funding from this subsection, including the reporting requirements under—

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

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

(iii) the Weatherization Assistance Program for low-income persons established under part A of title IV of the Energy Conservation and Production Act (42 U.S.C. 6861 et seq.); and

(iv) the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.).

(C) PILOT PROGRAM PERIOD REPORTS.—Not less frequently than twice during the period in which the pilot program established under this subsection operates, the Office of Inspector General of the Department of Housing and Urban Development shall complete an assessment of the implementation of measures to ensure the fair and legitimate use of the pilot program.

(D) SUMMARY TO CONGRESS.—The Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives an annual report providing a summary of the data provided under subparagraphs (A) and (C) during the 1-year period preceding the report and all data previously provided under those subparagraphs.

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

(A) treated as assistance for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994 (42 U.S.C. 3547); and

(B) subject to the regulations promulgated by the Secretary to implement such section.

(12) TERMINATION.—The pilot program established under this subsection shall terminate on October 1, 2031.

SEC. 204. COMMUNITY INVESTMENT AND PROSPERITY ACT.

(a) REVISED STATUTES.—The paragraph designated as the ''Eleventh'' of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended, in the fifth sentence, by striking ''15'' each place the term appears and inserting ''20''.

(b) FEDERAL RESERVE ACT.—Section 9(23) of the Federal Reserve Act (12 U.S.C. 338a) is amended, in the fifth sentence, by striking ''15'' each place the term appears and inserting ''20''.

SEC. 205. BUILD NOW ACT.

(a) DEFINITIONS.—In this section:

(1) COVERED RECIPIENT.—The term ''covered recipient'' means a metropolitan city or urban county, as those terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302), that receives funds under section 106.

(2) CURRENT ANNUAL GROWTH RATE.—The term ''current annual growth rate'', with respect to an eligible recipient and a fiscal year, means the average annual percentage increase in the number of housing units in the jurisdiction of the eligible recipient, as calculated by the Secretary, during the period—

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

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

(3) ELIGIBLE RECIPIENT.—The term ''eligible recipient'' means any covered recipient unless—

(A)(i) the median Small Area Fair Market Rent in the jurisdiction of the covered recipient is at or below the 60th percentile of median Small Area Fair Market Rents in the jurisdictions of all covered recipients; and

(ii) the median home value in the jurisdiction of the covered recipient is below the median home value for the United States;

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

(C) during the 1-year period preceding the date on which the Secretary allocates funds under section 106, the jurisdiction of the covered recipient has been the subject of a major disaster or emergency declaration under section 401 or 501, respectively, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170, 5191); or

(D) the covered recipient lacks the legal authority to enact or update zoning and permitting ordinances.

(4) EXTREMELY HIGH-GROWTH RECIPIENT.—The term ''extremely high-growth recipient'' means an eligible recipient for which the current annual growth rate is at or above 4 percent.

(5) HOUSING GROWTH IMPROVEMENT RATE.—The term ''housing growth improvement rate'', with respect to an eligible recipient and a fiscal year, means the quotient of—

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

(ii) the prior annual growth rate of the eligible recipient; and

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

(6) PRIOR ANNUAL GROWTH RATE.—The term ''prior annual growth rate'', with respect to an eligible recipient and a fiscal year, means the average annual percentage increase in the number of housing units in the jurisdiction of the eligible recipient, as calculated by the Secretary, during the period—

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

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

(7) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(8) SECTION 106.—The term ''section 106'' means section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306).

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

(1) IN GENERAL.—In allocating amounts to an eligible recipient under section 106 for a fiscal year, the Secretary shall adjust the allocation based on the housing growth improvement rate of the eligible recipient, in accordance with paragraph (2) of this subsection.

(2) ADJUSTMENTS.—

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

(i) IN GENERAL.—If, with respect to a fiscal year for which the allocation under section 106 is being determined, the housing growth improvement rate for an eligible recipient is at or above the median housing growth improvement rate for all eligible recipients other than extremely high-growth recipients, or if an eligible recipient is an extremely high-growth recipient, the Secretary shall allocate to the eligible recipient for that fiscal year, in addition to the amount that would otherwise be allocated to the eligible recipient under section 106, a bonus amount, as determined under clause (ii) of this subparagraph.

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

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

(II) the quotient of—

(aa) the number of housing units, as of the third quarter of the preceding fiscal year, in the jurisdiction of the eligible recipient, as calculated by the Secretary; and

(bb) the number of housing units, as of the third quarter of the preceding fiscal year, in the jurisdictions of all eligible recipients that receive a bonus amount under this paragraph, as calculated by the Secretary.

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

(c) CALCULATION OF HOUSING UNITS.—

(1) HOUSING AND URBAN DEVELOPMENT REQUIREMENTS.—In calculating the number of housing units in the jurisdiction of an eligible recipient under any provision of this section, the Secretary shall—

(A) use the Current Address Count Listing Files and other data products, as needed, of the Bureau of the Census tabulated from the Master Address File; and

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

(2) CENSUS BUREAU AND POSTAL SERVICE REQUIREMENTS.—The Bureau of the Census and the United States Postal Service shall provide any relevant data to the Secretary upon request to assist the Secretary in making a calculation described in paragraph (1).

(3) ADJUSTMENT OF CALCULATION PERIODS.—The Secretary may adjust the calculation periods under subparagraphs (A) and (B) of subsection (a)(2), subparagraphs (A) and (B) of subsection (a)(6), and items (aa) and (bb) of subsection (b)(2)(A)(ii)(II) by not more than 2 months to achieve alignment with the data provided by the Bureau of the Census.

(d) ANNUAL REPORT ON HOUSING GROWTH IMPROVEMENT RATE.—Before allocating funds under section 106 for a fiscal year, the Secretary shall publish a report that—

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

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

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

(B) the eligible recipients for which the allocation under section 106 was decreased under subsection (b)(2)(B) of this section.

(e) NOTIFICATION; IMPLEMENTATION DATES.—

(1) NOTIFICATION.—

(A) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary shall notify each eligible recipient of the recipient's housing growth improvement rate and whether that housing growth improvement rate is above, at, or below the median housing growth improvement rate for all eligible recipients other than extremely high-growth recipients.

(B) GUIDANCE.—As part of the notification under subparagraph (A), the Secretary shall share guidance, including resources developed by the Department of Housing and Urban Development, on best practices and recommendations for policies to reduce regulatory barriers to housing and increase housing supply.

(2) IMPLEMENTATION DATES.—Subsection (b) shall take effect beginning with the third full fiscal year after the date of enactment of this Act and remain in effect through fiscal year 2043.

(3) NO EFFECT ON PREVIOUS APPROPRIATIONS.—This section shall not apply to amounts appropriated before the date of enactment of this Act.

SEC. 206. ADDITION OF AFFORDABLE HOUSING CONSTRUCTION AS AN ELIGIBLE ACTIVITY.

(a) ELIGIBLE ACTIVITY.—Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended—

(1) in paragraph (25)(D), by striking ''and'' at the end;

(2) in paragraph (26), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(27) the new construction of affordable housing, within the meaning given such term under section 215 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745), and which shall not exceed 20 percent of the amounts allocated to the recipient.''.

(b) LOW- AND MODERATE-INCOME REQUIREMENT.—Section 105(c)(3) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(c)(3)) is amended by striking ''or rehabilitation'' and inserting '', rehabilitation, or new construction''.

(c) APPLICABILITY.—The amendments made by this section shall apply with respect only to amounts appropriated after the date of enactment of this Act.

SEC. 207. BETTER USE OF INTERGOVERNMENTAL AND LOCAL DEVELOPMENT (BUILD) HOUSING ACT.

(a) DESIGNATION OF ENVIRONMENTAL REVIEW PROCEDURE.—The Department of Housing and Urban Development Act (42 U.S.C. 3531 et seq.) is amended by inserting after section 12 (42 U.S.C. 3537a) the following:

''SEC. 13. DESIGNATION OF ENVIRONMENTAL REVIEW PROCEDURE.

''(a) IN GENERAL.—Except as provided in subsection (b), the Secretary may, for purposes of environmental review, decision making, and action pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and other provisions of law that further the purposes of such Act, designate the treatment of assistance administered by the Secretary as funds for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994 (42 U.S.C. 3547).

''(b) EXCEPTION.—The designation described in subsection (a) shall not apply to assistance for which a procedure for carrying out the responsibilities of the Secretary under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and other provisions of law that further the purposes of such Act, is otherwise specified in law.''.

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

(1) by striking ''State or unit of general local government'' each place it appears and inserting ''State, Indian tribe, or unit of general local government'';

(2) in paragraph (1)(C), in the heading, by striking ''STATE OR UNIT OF GENERAL LOCAL GOVERNMENT'' and inserting ''STATE, INDIAN TRIBE, OR UNIT OF GENERAL LOCAL GOVERNMENT''; and

(3) by adding at the end the following:

''(5) DEFINITION OF INDIAN TRIBE.—For purposes of this subsection, the term 'Indian tribe' means a federally recognized tribe, as defined in section 4(13)(B) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(13)(B)).''.

(c) IMPLEMENTATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), a designation of assistance under section 13 of the Department of Housing and Urban Development Act, as added by subsection (a), shall only apply with respect to funds appropriated after the date of enactment of this Act.

(2) EXCEPTION.—If a grantee of assistance administered by the Secretary of Housing and Urban Development combines funds appropriated before and after the date of enactment of this Act to carry out a project, section 13 of the Department of and Urban Development Act, as added by subsection (a), shall not apply to that assistance.

SEC. 208. UNLOCKING HOUSING SUPPLY THROUGH STREAMLINED AND MODERNIZED REVIEWS ACT.

(a) DEFINITIONS.—In this section:

(1) INFILL PROJECT.—The term ''infill project'' means a project that—

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

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

(C) is located on a site of previously disturbed land of not more than 5 acres and substantially surrounded by residential or commercial development;

(D) will repurpose a vacant or underutilized parcel of land, or a dilapidated or abandoned structure; and

(E) will serve a residential or commercial purpose.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(b) NEPA STREAMLINING FOR HUD HOUSING-RELATED ACTIVITIES.—

(1) IN GENERAL.—The Secretary shall, in accordance with section 553 of title 5, United States Code, and section 103 of the National Environmental Policy Act of 1969 (42 U.S.C. 4333), expand and reclassify housing-related activities under the necessary administrative regulations as follows:

(A) The following housing-related activities shall be subject to regulations equivalent or substantially similar to the regulations entitled ''exempt activities'' as set forth in section 58.34 of title 24, Code of Federal Regulations, as in effect on January 1, 2025:

(i) Tenant-based rental assistance.

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

(iii) Operating costs, including maintenance, security, operation, utilities, furnishings, equipment, supplies, staff training, and recruitment and other incidental costs.

(iv) Economic development activities, including equipment purchases, inventory financing, interest subsidies, operating expenses, and similar costs not associated with construction or expansion of existing operations.

(v) Activities to assist homebuyers in the purchase of existing dwelling units or dwelling units under construction, including closing costs and down payment assistance, interest rate buydowns, and similar activities that result in the transfer of title.

(vi) Affordable housing pre-development costs related to obtaining site options, project financing, administrative costs and fees for loan commitment, zoning approvals, and other related activities that do not have a physical impact.

(vii) Approval of supplemental assistance, including insurance or guarantee, to a project previously approved by the Secretary.

(viii) Emergency homeowner or renter assistance for the repair or replacement of HVAC, hot water heaters, and other necessary existing utilities required under applicable law.

(B) The following housing-related activities shall be subject to regulations equivalent or substantially similar to the regulations entitled, (i) ''categorical exclusions not subject to section 58.5'' and (ii) ''categorical exclusions not subject to the Federal laws and authorities cited in section 50.4'' in section 58.35(b) and section 50.19, respectively of title 24, Code of Federal Regulations, as in effect on January 1, 2025, if such activities do not materially alter environmental conditions and do not materially exceed the original scope of the project:

(i) Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements (other than buildings) if the facilities and improvements are in place and will be retained in the same use without change in size or capacity of more than 20 percent, including replacement of water or sewer lines, reconstruction of curbs and sidewalks, and repaving of streets.

(ii) Rehabilitation of 1-to-4 unit residential buildings, and existing housing-related infrastructure, such as repairs or rehabilitation of existing wells, septics, or utility lines that connect to that housing.

(iii) New construction, development, demolition, acquisition, or disposition of up to 4 scattered site existing dwelling units where there is a maximum of 4 units on any 1 site.

(iv) Acquisitions (including leasing) of, disposition of, or equity loans on an existing structure, or acquisition (including leasing) of vacant land if the structure or land acquired, financed, or disposed of will be retained for the same use.

(C) The following housing-related activities shall be subject to regulations equivalent or substantially similar to the regulations entitled, (i) ''categorical exclusions subject to section 58.5'' and (ii) ''categorical exclusions subject to the Federal laws and authorities cited in section 50.4'' in section 58.35(a) and section 50.20, respectively, of title 24, Code of Federal Regulations, as in effect on January 1, 2025, if such activities do not materially alter environmental conditions and do not materially exceed the original scope of the project:

(i) Acquisitions of open space or residential property, where such property will be retained for the same use or will be converted to open space to help residents relocate out of an area designated as a high-risk area by the Secretary.

(ii) Conversion of existing office buildings into residential development, subject to—

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

(II) a limitation on the change in building size of not more than 20 percent.

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

(iv) New construction, development, demolition, acquisition, or disposition of 15 or more housing units developed on scattered sites when there are not more than 15 housing units on any 1 site, and the sites are more than a set number of feet apart as determined by the Secretary.

(v) Rehabilitation of buildings and improvements in the case of a building for residential use with 5 to 15 units, if the density is not increased beyond 15 units and the land use is not changed.

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

(vii) The voluntary acquisition of properties—

(I) located in—

(aa) a floodway;

(bb) a floodplain; or

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

(II) that have been impacted by a predictable environmental threat to the safety and well-being of program beneficiaries caused or exacerbated by a federally declared disaster.

(c) IMPLEMENTATION.—For purposes of implementing the streamlining of environmental review for housing-related activities under subsection (b), the agency actions carried out under that subsection—

(1) shall only apply with respect to funds appropriated after the effective date of those actions; and

(2) shall not apply with respect to a grantee that combines funds appropriated before and after the effective date of those actions to carry out a project.

(d) REPORT.—The Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives an annual report during the 5-year period beginning on the date that is 2 years after the date of enactment of this Act that provides a summary of findings of reductions in review times and administrative cost reduction, with a particular focus on the affordable housing sector, as a result of the actions set forth in this section, and any recommendations of the Secretary for future congressional action with respect to revising categorical exclusions or exemptions under title 24, Code of Federal Regulations.

SEC. 209. GRANTS FOR PLANNING AND IMPLEMENTATION ASSOCIATED WITH AFFORDABLE HOUSING.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

(A) a State, insular area, metropolitan city, or urban county, as those terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302); or

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

(2) HOUSING PLAN.—The term ''housing plan'' means a plan to, with respect to an area within the jurisdiction of an eligible entity—

(A) increase the amount of available housing to meet the demand for such housing and any projected increase in the demand for such housing;

(B) increase the affordability of housing;

(C) increase the accessibility of housing for people with disabilities, including location-efficient housing;

(D) preserve or improve the quality of housing;

(E) reduce barriers to housing development; and

(F) coordinate with transportation-related agencies.

(3) HOUSING STRATEGY.—The term ''housing strategy'' means a housing strategy required under section 105 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705).

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(b) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish a program to award grants on a competitive basis to eligible entities to assist planning and implementation activities associated with affordable housing, except that such grant awards may not be used for construction, alteration, or repair work.

(c) USE OF AMOUNTS.—

(1) BY REGIONAL PLANNING AGENCIES.—If an eligible entity that receives amounts under this section is an eligible entity described in subsection (a)(1)(B), the eligible entity shall use those amounts to assist planning activities with respect to affordable housing, including—

(A) the development of housing plans;

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

(C) the development of new regulatory requirements and processes;

(D) updating zoning codes;

(E) increasing the capacity to conduct housing inspections;

(F) increasing the capacity to reduce barriers to housing supply elasticity and housing affordability;

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

(H) the substantial improvement of community development strategies, including strategies designed to—

(i) increase the availability of affordable housing and access to affordable housing;

(ii) increase access to public transportation; and

(iii) advance sustainable or location-efficient community development goals.

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

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

(B) implement and administer any plans to increase housing choice, address disparities in housing needs, and provide greater access to opportunity;

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

(D) implement and administer regulatory requirements and processes with respect to reformed zoning codes;

(E) increase the capacity to conduct housing inspections;

(F) increase the capacity to reduce barriers to housing supply elasticity and housing affordability;

(G) implement and administer local or regional plans for community development; and

(H) fund any planning to increase—

(i) the availability of affordable housing and access to affordable housing;

(ii) access to public transportation; and

(iii) any location-efficient community development goals.

(3) USE FOR ADMINISTRATIVE COSTS.—A eligible entity that receives amounts under this section may not use more than 10 percent of those amounts for administrative costs.

(d) COORDINATION.—To the extent practicable, the Secretary shall coordinate with the Administrator of the Federal Transit Administration in carrying out this section.

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

(f) SUNSET.—The program established under this section shall terminate on the date that is 5 years after the date of enactment of this Act.

SEC. 210. INNOVATION FUND.

(a) DEFINITIONS.—In this section:

(1) ATTAINABLE HOUSING.—The term ''attainable housing'' means housing that serves households earning not more than 120 percent of the area median income, if the majority of the housing units are affordable to households earning not more than 60 percent of the area median income.

(2) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

(A) a metropolitan city or urban county, as those terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302), that has demonstrated an objective improvement in housing supply growth, as determined by the Secretary, whose methodology for determining such growth is published in the Federal Register to allow for public comment not less than 90 days before the date on which the notice of funding opportunity is made available; or

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

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(b) ESTABLISHMENT OF A GRANT PROGRAM.—

(1) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish a program to award grants on a competitive basis to eligible entities that have increased their local housing supply.

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

(3) ELIGIBLE PURPOSES.—An eligible entity receiving a grant under this section may use funds to—

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

(B) carry out any of the activities permitted under the Local and Regional Project Assistance Program established under section 6702 of title 49, United States Code; and

(C) carry out initiatives of the eligible entity that facilitate the expansion of the supply of attainable housing and that supplement initiatives the eligible entity has carried out, or is in the process of carrying out, as specified in the application submitted under paragraph (4).

(4) APPLICATION.—

(A) IN GENERAL.—An eligible entity seeking a grant under this section shall submit to the Secretary an application that provides—

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

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

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

(II) has improved the quality and affordability of housing in the jurisdiction of the eligible entity;

(iii) a description of how each eligible purpose described in clause (i) may address a community need or advance an objective, or an aspect of an objective, included in the comprehensive housing affordability strategy and community development plan of the eligible entity under part 91 of title 24, Code of Federal Regulations, or any successor regulation (commonly referred to as a ''consolidated plan''); and

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

(B) INITIATIVES.—Initiatives that meet the criteria described in paragraph (3)(D) include, but shall not be limited to—

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

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

(iii) revising minimum lot size requirements, floor area ratio requirements, setback requirements, building heights, and bans or limits on construction that allow for denser and more affordable development;

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

(v) passing zoning overlays or other ordinances that enable the development of mixed-income housing;

(vi) streamlining regulatory requirements and shortening processes, increasing code enforcement and permitting capacity, reforming zoning codes, or other initiatives that reduce barriers to increasing housing supply and affordability;

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

(viii) using local tax incentives or public financing to promote development of attainable housing;

(ix) streamlining environmental regulations;

(x) eliminating unnecessary manufactured-housing regulations and restrictions;

(xi) minimizing the impact of overburdensome energy and water efficiency standards on housing costs; and

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

(5) GRANTS.—

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

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

(i) more than $10,000,000; or

(ii) less than $250,000.

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

(i) demonstrated the use of innovative policies, interventions, or programs for increasing housing supply; and

(ii) demonstrated a marked improvement in housing supply growth, as needed.

(D) GRANT ADMINISTRATION AND TERMS.—Projects assisted under this section for activities described in sector 23 of the North American Industry Classification System shall be treated as projects assisted under the Community Development Block Grant program under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

(c) RULES OF CONSTRUCTION.—Nothing in this section shall be construed—

(1) to authorize the Secretary to mandate, supersede, or preempt any local zoning or land use policy; or

(2) to affect the requirements of section 105(c)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(c)(1)).

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $200,000,000 for each of fiscal years 2027 through 2031.

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

SEC. 211. ACCELERATING HOME BUILDING ACT.

(a) DEFINITIONS.—In this section:

(1) AFFORDABLE HOUSING.—The term ''affordable housing'' means housing for which the total monthly housing cost payment is not more than 30 percent of the monthly household income for a household earning not more than 80 percent of the area median income.

(2) COVERED STRUCTURE.—The term ''covered structure'' means—

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

(B) includes—

(i) an accessory dwelling unit;

(ii) infill development;

(iii) a duplex;

(iv) a triplex;

(v) a fourplex;

(vi) a cottage court;

(vii) a courtyard building;

(viii) a townhouse;

(ix) a multiplex; and

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

(3) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

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

(B) a municipal membership organization; and

(C) an Indian tribe, as defined in section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)).

(4) HIGH OPPORTUNITY AREA.—The term ''high opportunity area'' has the meaning given the term in section 1282.1 of title 12, Code of Federal Regulations, or any successor regulation.

(5) INFILL DEVELOPMENT.—The term ''infill development'' means residential development on small parcels in previously established areas for replacement with new or refurbished housing that utilizes existing utilities and infrastructure.

(6) MIXED-INCOME HOUSING.—The term ''mixed-income housing'' means a housing development that is comprised of housing units that promote differing levels of affordability in the community.

(7) PRE-REVIEWED DESIGNS.—The term ''pre-reviewed designs'', also known as pattern books, means sets of construction plans that are assessed and approved by localities for compliance with local building and permitting standards to streamline and expedite approval pathways for housing construction.

(8) RURAL AREA.—The term ''rural area'' means any area other than a city or town that has a population of less than 50,000 inhabitants.

(9) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(b) AUTHORITY.—The Secretary is authorized to award grants to eligible entities utilizing funds appropriated for such purpose to select pre-reviewed designs of covered structures of mixed-income housing for use in the jurisdiction of the eligible entity, except that such grant awards may not be used for construction, alteration, or repair work.

(c) CONSIDERATIONS.—In reviewing applications submitted by eligible entities for a grant under this section, the Secretary shall consider—

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

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

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

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

(d) SET-ASIDE FOR RURAL AREAS.—Of the amount made available in each fiscal year for grants under this section, the Secretary shall ensure that not less than 10 percent shall be used for grants to eligible entities that are located in rural areas.

(e) REPORTS.—The Secretary shall require eligible entities receiving grants under this section to report on—

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

(2) the pre-reviewed designs selected using the grant amounts in their communities;

(3) the number of permits issued for housing development utilizing pre-reviewed designs; and

(4) the number of housing units produced in developments utilizing the pre-reviewed designs.

(f) AVAILABILITY OF INFORMATION.—The Secretary shall—

(1) to the extent possible, encourage localities to make publicly available through a website information on the pre-reviewed designs selected and submitted to the Secretary by eligible entities receiving grants under this section, including information on the benefits of use of those designs; and

(2) collect, identify, and disseminate best practices regarding such designs and make such information publicly available on the website of the Department of Housing and Urban Development.

(g) DESIGN ADOPTION AND REPAYMENT.—The Secretary may require an eligible entity to return to the Secretary any grant funds received under this section if the selected pre-reviewed designs submitted under this section have not been adopted during the 5-year period following receipt of the grant, unless that period is extended by the Secretary.

(h) TECHNICAL ASSISTANCE.—The Secretary may set aside not more than 5 percent of amounts appropriated in a fiscal year to provide technical assistance to grant recipients under this section and pre-grant technical assistance to prospective applicants.

SEC. 212. REVITALIZING EMPTY STRUCTURES INTO DESIRABLE ENVIRONMENTS (RESIDE) ACT.

(a) IN GENERAL.—Subtitle A of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12741 et seq.) is amended by adding at the end the following:

''SEC. 227. REVITALIZING EMPTY STRUCTURES INTO DESIRABLE ENVIRONMENTS.

''(a) DEFINITIONS.—In this section:

''(1) ATTAINABLE HOUSING.—The term 'attainable housing' means housing that serves households earning not more than 120 percent of the area median income, if the majority of the housing units are affordable to households earning not more than 60 percent of the area median income.

''(2) CONVERTED HOUSING UNIT.—The term 'converted housing unit' means a housing unit that is created using a covered grant.

''(3) COVERED GRANT.—The term 'covered grant' means a grant awarded under the Pilot Program.

''(4) ELIGIBLE ENTITY.—The term 'eligible entity' means a participating jurisdiction.

''(5) PILOT PROGRAM.—The term 'Pilot Program' means the pilot program established under subsection (b).

''(6) VACANT AND ABANDONED BUILDING.—The term 'vacant and abandoned building' means a property—

''(A) that was constructed for use as a warehouse, factory, mall, strip mall, or hotel, or for another industrial or commercial use; and

''(B)(i) with respect to which—

''(I) a code enforcement inspection has determined that the property is not safe; and

''(II) not less than 90 days have elapsed since the owner was notified of the deficiencies in the property and the owner has taken no corrective action; or

''(ii) that is subject to a court-ordered receivership or nuisance abatement related to abandonment pursuant to State or local law or otherwise meets the definition of an abandoned property under State law.

''(b) PURPOSE OF GRANT PROGRAM.—Subject to the availability of funds appropriated for this subsection, the Secretary is authorized to establish a pilot program, spanning from fiscal years 2027 through 2031, which shall have the purpose of awarding grants on a competitive basis to eligible entities to convert vacant and abandoned buildings into attainable housing.

''(c) AMOUNT OF GRANT.—

''(1) IN GENERAL.—For any fiscal year for which not less than $100,000,000 is made available to carry out the Pilot Program, the amount of a covered grant shall be not less than $1,000,000 and not more than $10,000,000.

''(2) FISCAL YEARS WITH LOWER FUNDING.—For any fiscal year for which less than $100,000,000 is made available to carry out the Pilot Program pursuant to subsection (b), the Secretary shall seek to maximize the number of covered grants awarded.

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

''(e) PRIORITY.—In awarding covered grants, the Secretary shall give priority to an eligible entity that—

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

''(2) will use the covered grant in a qualified opportunity zone (as defined in section 1400Z–1(a) of the Internal Revenue Code of 1986);

''(3) will use the covered grant to construct housing that will serve a need identified in the comprehensive housing affordability strategy and community development plan of the eligible entity under part 91 of title 24, Code of Federal Regulations, or any successor regulation (commonly referred to as a 'consolidated plan'); or

''(4) has enacted ordinances to reduce regulatory barriers to conversion of vacant and abandoned buildings to housing, which shall not include any alteration of an ordinance that governs safety and habitability.

''(f) USE OF FUNDS.—An eligible entity may use a covered grant for—

''(1) property acquisition;

''(2) demolition;

''(3) health hazard remediation;

''(4) site preparation;

''(5) construction, renovation, or rehabilitation; or

''(6) the establishment, maintenance, or expansion of community land trusts.

''(g) WAIVER AUTHORITY.—In administering covered grants, the Secretary may waive, or specify alternative requirements for, any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by eligible entities of covered grant funds (except for requirements related to fair housing, nondiscrimination, labor standards, or the environment) if the Secretary makes a public finding that good cause exists for the waiver or alternative requirement.

''(h) STUDY; REPORT.—Not later than 180 days after the termination of the Pilot Program, the Secretary shall study and submit to Congress a report on the impact of the Pilot Program on—

''(1) improving the tax base of local communities;

''(2) increasing access to affordable housing, especially for elderly individuals, disabled individuals, and veterans;

''(3) increasing homeownership; and

''(4) removing blight.''.

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

''Sec. 227. Revitalizing empty structures into desirable environments.''.

SEC. 213. HOUSING AFFORDABILITY ACT.

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

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

(A) in subsection (a), in the matter following paragraph (7), by striking ''(commencing in 2004'' and all that follows through the period at the end and inserting the following: '', commencing on July 1, 2025. The adjustment of the Dollar Amounts shall be calculated by the Secretary using the percentage change in the Price Deflator Index of Multifamily Residential Units Under Construction released by the Bureau of the Census from March of the previous year to March of the year in which the adjustment is made, or by the Secretary using an alternative indicator after publishing information about such alternative indicators in the Federal Register for public comment if the Price Deflator Index of Multifamily Residential Units Under Construction is not available or published.''; and

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

''(b) PUBLICATION.—

''(1) IN GENERAL.—The Secretary shall publish in the Federal Register any adjustments made to the Dollar Amounts.

''(2) ROUNDING.—The dollar amount of any adjustment described in paragraph (1) shall be rounded to the next lower dollar.'';

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

(A) by striking ''$38,025'' and inserting ''$66,544'';

(B) by striking ''$42,120'' and inserting ''$73,710'';

(C) by striking ''$50,310'' and inserting ''$88,043'';

(D) by striking ''$62,010'' and inserting ''$108,518'';

(E) by striking ''$70,200'' and inserting ''$122,850'';

(F) by striking '', or not to exceed $17,460 per space'';

(G) by striking ''$43,875'' and inserting ''$76,781'';

(H) by striking ''$49,140'' and inserting ''$85,995'';

(I) by striking ''$60,255'' and inserting ''$105,446'';

(J) by striking ''$75,465'' and inserting ''$132,064''; and

(K) by striking ''$85,328'' and inserting ''$149,324'';

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

(A) by striking ''$41,207'' and inserting ''$72,112'';

(B) by striking ''$47,511'' and inserting ''$83,144'';

(C) by striking ''$57,300'' and inserting ''$100,275'';

(D) by striking ''$73,343'' and inserting ''$128,350'';

(E) by striking ''$81,708'' and inserting ''$142,989'';

(F) by striking ''$43,875'' and inserting ''$76,781'';

(G) by striking ''$49,710'' and inserting ''$87,993'';

(H) by striking ''$60,446'' and inserting ''$105,781'';

(I) by striking ''$78,197'' and inserting ''$136,845''; and

(J) by striking ''$85,836'' and inserting ''$150,213'';

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

(A) by striking ''$38,025'' and inserting ''$66,544'';

(B) by striking ''$42,120'' and inserting ''$73,710'';

(C) by striking ''$50,310'' and inserting ''$88,043'';

(D) by striking ''$62,010'' and inserting ''$108,518'';

(E) by striking ''$70,200'' and inserting ''$122,850'';

(F) by striking ''$43,875'' and inserting ''$76,781'';

(G) by striking ''$49,140'' and inserting ''$85,995'';

(H) by striking ''$60,255'' and inserting ''$105,446'';

(I) by striking ''$75,465'' and inserting ''$132,064''; and

(J) by striking ''$85,328'' and inserting ''$149,324'';

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

(A) by striking ''$37,843'' and inserting ''$66,225'';

(B) by striking ''$42,954'' and inserting ''$75,170'';

(C) by striking ''$51,920'' and inserting ''$90,860'';

(D) by striking ''$65,169'' and inserting ''$114,046'';

(E) by striking ''$73,846'' and inserting ''$129,231'';

(F) by striking ''$40,876'' and inserting ''$71,533'';

(G) by striking ''$46,859'' and inserting ''$82,003'';

(H) by striking ''$56,979'' and inserting ''$99,713'';

(I) by striking ''$73,710'' and inserting ''$128,993''; and

(J) by striking ''$80,913'' and inserting ''$141,598'';

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

(A) by striking ''$35,978'' and inserting ''$62,962'';

(B) by striking ''$40,220'' and inserting ''$70,385'';

(C) by striking ''$48,029'' and inserting ''$84,051'';

(D) by striking ''$57,798'' and inserting ''$101,147'';

(E) by striking ''$67,950'' and inserting ''$118,913'';

(F) by striking ''$40,876'' and inserting ''$71,533'';

(G) by striking ''$46,859'' and inserting ''$82,003'';

(H) by striking ''$56,979'' and inserting ''$99,713'';

(I) by striking ''$73,710'' and inserting ''$128,993''; and

(J) by striking ''$80,913'' and inserting ''$141,598''; and

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

(A) by striking ''$42,048'' and inserting ''$73,584'';

(B) by striking ''$48,481'' and inserting ''$84,842'';

(C) by striking ''$58,469'' and inserting ''$102,321'';

(D) by striking ''$74,840'' and inserting ''$130,970'';

(E) by striking ''$83,375'' and inserting ''$145,906'';

(F) by striking ''$44,250'' and inserting ''$77,438'';

(G) by striking ''$50,724'' and inserting ''$88,767'';

(H) by striking ''$61,680'' and inserting ''$107,940'';

(I) by striking ''$79,793'' and inserting ''$139,638''; and

(J) by striking ''$87,588'' and inserting ''$153,279''.

(b) MULTIFAMILY LOAN LIMIT STUDY.—The Commissioner of the Federal Housing Administration, in consultation with the Secretary of Housing and Urban Development, shall conduct a study to assess the following in comparison to the loan limits prior to the amendments made under this section:

(1) Whether the Commissioner has sufficient authority to increase loan limits for each multifamily mortgage insurance program at appropriate amounts, including to meet market demand.

(2) The impacts that multifamily loan limit increases have had, if any, on—

(A) the General Insurance and Special Risk Insurance Fund;

(B) the change in volume of multifamily purchase and construction lending that is insured by the Federal Housing Administration; and

(C) subject to the availability of data, the year-over-year change over the last 6 years in—

(i) median and average lending costs as well as rent and house prices within the multifamily housing market; and

(ii) multifamily housing supply, including the number of building permits issued as well as housing unit starts and completions.

(c) REPORT.—Not later than 3 years after the date of enactment of this Act, the Commissioner of the Federal Housing Administration shall submit to Congress a report summarizing the findings of the Commissioner for the study conducted under subsection (b).

TITLE III—MANUFACTURED HOUSING FOR AMERICA

SEC. 301. HOUSING SUPPLY EXPANSION ACT.

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

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

''(7) STANDARDS FOR MANUFACTURED HOMES BUILT WITHOUT A PERMANENT CHASSIS.—

''(A) IN GENERAL.—The Secretary, in consultation with the consensus committee, shall issue revised standards for manufactured homes built without a permanent chassis using the process described in paragraph (4).

''(B) CREATING FINAL STANDARDS.—The Secretary shall, after consulting and conferring with the consensus committee, establish standards to ensure that manufactured homes without a permanent chassis have—

''(i) a distinct label, with revenue generated to be deposited into the Manufactured Housing Fees Trust Fund established under section 620(e)(1), to be issued by the Secretary distinguishing manufactured home built without a permanent chassis from manufactured homes built on a permanent chassis;

''(ii) a data plate, as described in section 3280.5 of title 24, Code of Federal Regulations (or any successor regulation), distinguishing manufactured homes built without a permanent chassis from manufactured homes built on a permanent chassis; and

''(iii) a notation on any invoice produced by the manufacturer of a manufactured home that is distinguishable from the invoice for a manufactured home constructed with a permanent chassis.''.

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

''(i) MANUFACTURED HOME CERTIFICATIONS.—

''(1) IN GENERAL.—

''(A) INITIAL CERTIFICATION.—Subject to subparagraph (B), not later than 1 year after the date of enactment of the 21st Century

ROAD to Housing Act, a State shall submit to the Secretary an initial certification that the laws and regulations of the State—

''(i) treat any manufactured home in parity with a manufactured home (as defined and regulated by the State); and

''(ii) subject a manufactured home without a permanent chassis to the same laws and regulations of the State as a manufactured home built on a permanent chassis, including with respect to financing, title, insurance, manufacture, sale, taxes, transportation, installation, and other areas as the Secretary determines, after consultation with and approval by the consensus committee, are necessary to give effect to the purpose of this section.

''(B) STATE PLAN SUBMISSION.—Any State plan submitted under section 623(b) shall contain the required State certification under subparagraph (A) and, if contained therein, no additional or State certification under subparagraph (A) or paragraph (3).

''(C) EXTENDED DEADLINE.—With respect to a State with a legislature that meets biennially, the deadline for the submission of the initial certification required under subparagraph (A) shall be 2 years after the date of enactment of the 21st Century ROAD to Housing Act.

''(D) LATE CERTIFICATION.—

''(i) NO WAIVER.—The Secretary may not waive the prohibition described in paragraph (5)(B) with respect to a certification submitted after the deadline under subparagraph (A) or paragraph (3) unless the Secretary approves the late certification.

''(ii) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to prevent a State from submitting the initial certification required under subparagraph (A) after the required deadline under that subparagraph.

''(2) FORM OF STATE CERTIFICATION NOT PRESENTED IN A STATE PLAN.—The initial certification required under paragraph (1)(A), if not submitted with a State plan under paragraph (1)(B), shall contain, in a form prescribed by the Secretary, an attestation by an official that the State has taken the steps necessary to ensure the veracity of the certification required under paragraph (1)(A), including, as necessary, by—

''(A) amending the definition of 'manufactured home' in the laws and regulations of the State; and

''(B) directing State agencies to amend the definition of 'manufactured home' in regulations.

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

''(A) confirms the accuracy of the initial certification submitted under subparagraph (A) or (B) of paragraph (1); and

''(B) certifies that any new laws or regulations enacted or adopted by the State since the date of the previous certification do not change the veracity of the initial certification submitted under paragraph (1)(A).

''(4) LIST.—The Secretary shall publish and maintain in the Federal Register and on the website of the Department of Housing and Urban Development a list of States that are up to date with the submission of initial and subsequent certifications required under this subsection.

''(5) PROHIBITION.—

''(A) DEFINITION.—In this paragraph, the term 'covered manufactured home' means a home that is—

''(i) not considered a manufactured home under the laws and regulations of a State because the home is constructed without a permanent chassis;

''(ii) considered a manufactured home under the definition of the term in section 603; and

''(iii) constructed after the date of enactment of the 21st Century ROAD to Housing Act.

''(B) BUILDING, INSTALLATION, AND SALE.—If a State does not submit a certification under paragraph (1)(A) or (3) by the date on which those certifications are required to be submitted—

''(i) with respect to a State in which the State administers the installation of manufactured homes, the State shall prohibit the manufacture, installation, or sale of a covered manufactured home within the State; and

''(ii) with respect to a State in which the Secretary administers the installation of manufactured homes, the State and the Secretary shall prohibit the manufacture, installation, or sale of a covered manufactured home within the State.''.

(d) OTHER FEDERAL LAWS REGULATING MANUFACTURED HOMES.—

(1) IN GENERAL.—The Secretary of Housing and Urban Development may coordinate with the heads of other Federal agencies to ensure that Federal agencies treat a manufactured home (as defined in Federal laws and regulations other than section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402)) in the same manner as a manufactured home (as defined in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402), as amended by this Act).

(2) ENERGY EFFICIENCY STANDARDS.—

(A) MANUFACTURED HOME DEFINED.—In this paragraph, the term ''manufactured home'' has the meaning given the term in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402), as amended by this Act.

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

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

(i) not later than 1 year after the date of enactment of this Act, adopt minimum energy efficiency standards for manufactured homes; and

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

(e) ASSISTANCE TO STATES.—Section 609 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5408) is amended—

(1) in paragraph (1), by striking ''and'' at the end;

(2) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(3) model guidance to support the submission of the certification required under section 604(i).''.

(f) PREEMPTION.—Nothing in this section or the amendments made by this section shall be construed as limiting the scope of Federal preemption under section 604(d) of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5403(d)).

SEC. 302. MODULAR HOUSING PRODUCTION ACT.

(a) DEFINITIONS.—In this section:

(1) MANUFACTURED HOME.—The term ''manufactured home'' has the meaning given the term in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402).

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

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(b) FHA CONSTRUCTION FINANCING PROGRAMS.—

(1) IN GENERAL.—The Secretary shall conduct a review of Federal Housing Administration construction financing programs to identify barriers to the use of modular home methods.

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

(A) identify and evaluate regulatory and programmatic features that restrict participation in construction financing programs by modular home developers, including construction draw schedules; and

(B) identify administrative measures authorized under section 525 of the National Housing Act (12 U.S.C. 1735f–3) to facilitate program utilization by modular home developers.

(3) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall publish a report that describes the results of the review conducted under paragraph (1), which shall include a description of programmatic and policy changes that the Secretary recommends to reduce or eliminate identified barriers to the use of modular home methods in Federal Housing Administration construction financing programs.

(4) RULEMAKING.—

(A) IN GENERAL.—Not later than 120 days after the date on which the Secretary publishes the report under paragraph (3), the Secretary shall initiate a rulemaking to examine an alternative draw schedule for construction financing loans provided to modular and manufactured home developers, which shall include the ability for interested stakeholders to provide robust public comment.

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

(i) issue a final rule regarding an alternative draw schedule described in subparagraph (A); or

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

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

(1) the utility of a standardized coding system for serializing and securing modules, streamlining design and construction, and improving modular home innovation; and

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

SEC. 303. PROPERTY IMPROVEMENT AND MANUFACTURED HOUSING LOAN MODERNIZATION ACT.

(a) NATIONAL HOUSING ACT AMENDMENTS.—

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

(A) in subsection (a), by inserting ''construction of additional or accessory dwelling units, as defined by the Secretary,'' after ''energy conserving improvements,''; and

(B) in subsection (b)—

(i) in paragraph (1)—

(I) by striking subparagraph (A) and inserting the following:

''(A) $75,000 if made for the purpose of financing alterations, repairs and improvements upon or in connection with an existing single-family structure, including a manufactured home;'';

(II) in subparagraph (B)—

(aa) by striking ''$60,000'' and inserting ''$150,000'';

(bb) by striking ''$12,000'' and inserting ''$37,500''; and

(cc) by striking ''an apartment house or'';

(III) by striking subparagraphs (C) and (D) and inserting the following:

''(C)(i) $106,405 if made for the purpose of financing the purchase of a single-section manufactured home; and

''(ii) $195,322 if made for the purpose of financing the purchase of a multi-section manufactured home;

''(D)(i) $149,782 if made for the purpose of financing the purchase of a single-section manufactured home and a suitably developed lot on which to place the home; and

''(ii) $238,699 if made for the purpose of financing the purchase of a multi-section manufactured home and a suitably developed lot on which to place the home;'';

(IV) in subparagraph (E)—

(aa) by striking ''$23,226'' and inserting ''$43,377''; and

(bb) by striking the period at the end and inserting a semicolon;

(V) in subparagraph (F), by striking ''and'' at the end;

(VI) in subparagraph (G), by striking the period at the end and inserting ''; and''; and

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

''(H) such principal amount as the Secretary may prescribe if made for the purpose of financing the construction of an accessory dwelling unit.'';

(ii) in the matter immediately preceding paragraph (2)—

(I) by striking ''regulation'' and inserting ''notice'';

(II) by striking ''increase'' and inserting ''set'';

(III) by striking ''(A)(ii), (C), (D), and (E)'' and inserting ''(A) through (H)'';

(IV) by inserting '', or as necessary to achieve the goals of the Federal Housing Administration, periodically reset the dollar amount limitations in subparagraphs (A) through (H) based on justification and methodology set forth in advance by regulation'' before the period at the end; and

(V) by adjusting the margins appropriately;

(iii) in paragraph (3), by striking ''exceeds—'' and all that follows through the period at the end and inserting ''exceeds such period of time as determined by the Secretary, not to exceed 30 years.'';

(iv) by striking paragraph (9) and inserting the following:

''(9) ANNUAL INDEXING OF CERTAIN DOLLAR AMOUNT LIMITATIONS.—The Secretary shall develop or choose 1 or more methods of indexing in order to annually set the loan limits established in paragraph (1), based on data the Secretary determines is appropriate for purposes of this section.''; and

(v) in paragraph (11), by striking ''lease—'' and all that follows through the period at the end and inserting ''lease meets the terms and conditions established by the Secretary''.

(2) DEADLINE FOR DEVELOPMENT OR CHOICE OF NEW INDEX; INTERIM INDEX.—

(A) DEADLINE FOR DEVELOPMENT OR CHOICE OF NEW INDEX.—Not later than 1 year after the date of enactment of this Act, the Secretary of Housing and Urban Development shall develop or choose 1 or more methods of indexing as required under section 2(b)(9) of the National Housing Act (12 U.S.C. 1703(b)(9)), as amended by paragraph (1) of this subsection.

(B) INTERIM INDEX.—During the period beginning on the date of enactment of this Act and ending on the date on which the Secretary of Housing and Urban Development develops or chooses 1 or more methods of indexing as required under section 2(b)(9) of the National Housing Act (12 U.S.C. 1703(b)(9)), as amended by paragraph (1) of this subsection, the method of indexing established by the Secretary under such section 2(b)(9) before the date of enactment of this Act shall apply.

(b) HUD STUDY OF OFF-SITE CONSTRUCTION.—

(1) DEFINITIONS.—In this subsection:

(A) OFF-SITE CONSTRUCTION HOUSING.—The term ''off-site construction housing'' includes manufactured homes and modular homes.

(B) MANUFACTURED HOME.—The term ''manufactured home'' means any home constructed in accordance with the construction and safety standards established under the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.).

(C) MODULAR HOME.—The term ''modular home'' means a home that is constructed in a factory in 1 or more modules, each of which meets applicable State and local building codes of the area in which the home will be located, and that are transported to the home building site, installed on foundations, and completed.

(2) STUDY.—The Secretary of Housing and Urban Development shall conduct a study and submit to Congress a report on the cost effectiveness of off-site construction housing, that includes—

(A) an analysis of the advantages and the impact of centralization in a factory and transportation to a construction site on cost, precision, and materials waste;

(B) the extent to which off-site construction housing meets housing quality standards under the National Standards for the Physical Inspection of Real Estate, or other standards as the Secretary may prescribe, compared to the extent for site-built homes, for such standards;

(C) the expected replacement and maintenance costs over the first 40 years of life of off-site construction homes compared to those costs for site-built homes; and

(D) opportunities for use beyond single-family housing, such as applications in accessory dwelling units, two- to four-unit housing, and large multifamily housing.

SEC. 304. PRICE ACT.

Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) is amended—

(1) in section 105(a) (42 U.S.C. 5305(a)), in the matter preceding paragraph (1), by striking ''Activities'' and inserting ''Unless otherwise authorized under section 123, activities''; and

(2) by adding at the end the following:

''SEC. 123. PRESERVATION AND REINVESTMENT FOR COMMUNITY ENHANCEMENT.

''(a) DEFINITIONS.—In this section:

''(1) COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term 'community development financial institution' means an institution that has been certified as a community development financial institution (as defined in section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4702)) by the Secretary of the Treasury.

''(2) ELIGIBLE MANUFACTURED HOUSING COMMUNITY.—The term 'eligible manufactured housing community' means a manufactured housing community that—

''(A) is affordable to low- and moderate-income persons, as determined by the Secretary, but not more than 120 percent of the area median income; and

''(B)(i) is owned by the residents of the manufactured housing community through a resident-controlled entity such as a resident-owned cooperative; or

''(ii) will be maintained as such a community, and remain affordable for low- and moderate-income persons, to the maximum extent practicable and for the longest period feasible.

''(3) ELIGIBLE RECIPIENT.—The term 'eligible recipient' means—

''(A) an eligible manufactured housing community;

''(B) a unit of general local government;

''(C) a housing authority;

''(D) a resident-owned community;

''(E) a resident-owned cooperative;

''(F) a nonprofit entity with housing expertise or a consortium of such entities;

''(G) a community development financial institution;

''(H) an Indian tribe;

''(I) a tribally designated housing entity;

''(J) the Department of Hawaiian Home Lands;

''(K) a State; or

''(L) any other entity that is—

''(i) an owner-operator of an eligible manufactured housing community; and

''(ii) working with an eligible manufactured housing community.

''(4) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term 'Indian tribe' in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

''(5) MANUFACTURED HOUSING COMMUNITY.—The term 'manufactured housing community' means—

''(A) any community, court, park, or other land under unified ownership developed and accommodating, or equipped to accommodate, the placement of manufactured homes, where—

''(i) spaces within such community are or will be primarily used for residential occupancy;

''(ii) all homes within the community are used for permanent occupancy; and

''(iii) a majority of such occupied spaces within the community are occupied by manufactured homes, which may include homes constructed prior to enactment of the Manufactured Home Construction and Safety Standards; or

''(B) any community that meets the definition of manufactured housing community used for programs similar to the program under this section.

''(6) RESIDENT HEALTH, SAFETY, AND ACCESSIBILITY ACTIVITIES.—The term 'resident health, safety, and accessibility activities' means the reconstruction, repair, or replacement of manufactured housing and manufactured housing communities to—

''(A) protect the health and safety of residents;

''(B) address weatherization and reduce utility costs; or

''(C) address accessibility needs for residents with disabilities.

''(7) TRIBALLY DESIGNATED HOUSING ENTITY.—The term 'tribally designated housing entity' has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).

''(b) ESTABLISHMENT.—There is authorized a competitive grant program that the Secretary shall, by notice, carry out to make awards utilizing funds appropriated for such

purpose to eligible recipients to carry out eligible projects for development of or improvements to eligible manufactured housing communities.

''(c) ELIGIBLE PROJECTS.—

''(1) IN GENERAL.—Amounts from grants under this section may be used for—

''(A) community infrastructure, facilities, utilities, and other land improvements in or serving an eligible manufactured housing community;

''(B) reconstruction or repair of existing housing within an eligible manufactured housing community;

''(C) replacement of homes within an eligible manufactured housing community;

''(D) planning;

''(E) resident health, safety, and accessibility activities in homes in an eligible manufactured housing community;

''(F) land and site acquisition and infrastructure for expansion or construction of an eligible manufactured housing community;

''(G) resident and community services, including relocation assistance, eviction prevention, and down payment assistance; and

''(H) any other activity that—

''(i) is approved by the Secretary consistent with the requirements under this section;

''(ii) improves the overall living conditions of an eligible manufactured housing community, which may include the addition or enhancement of shared spaces such as community centers, recreational areas, or other facilities that support resident well-being and community engagement; and

''(iii) is necessary to protect the health and safety of the residents of the eligible manufactured housing community and the long-term affordability and sustainability of the community.

''(2) REPLACEMENT.—For purposes of subparagraphs (B) and (C) of paragraph (1), grants under this section—

''(A) may not be used for rehabilitation or modernization of units that were built before June 15, 1976; and

''(B) may only be used for disposition and replacement of units described in subparagraph (A), provided that any replacement housing complies with the Manufactured Home Construction and Safety Standards or is another allowed type of home, as determined by the Secretary.

''(d) PRIORITY.—In awarding grants under this section, the Secretary shall prioritize applicants that will carry out activities that primarily benefit low- and moderate-income residents and preserve long-term housing affordability for residents of eligible manufactured housing communities.

''(e) WAIVERS.—The Secretary may waive or specify alternative requirements for any provision of law or regulation that the Secretary administers in connection with use of amounts made available under this section other than requirements related to fair housing, nondiscrimination, labor standards, and the environment, upon a finding that the waiver or alternative requirement is not inconsistent with the overall purposes of this section and that the waiver or alternative requirement is necessary to facilitate the use of amounts made available under this section.

''(f) IMPLEMENTATION.—

''(1) IN GENERAL.—Any grant made under this section shall be made pursuant to criteria for selection of recipients of such grants that the Secretary shall by regulation establish and publish together with any notification of availability of amounts under this section.

''(2) SET-ASIDE OF GRANT AMOUNTS.—The Secretary may set aside amounts provided under this section for grants to Indian tribes, tribally designated housing entities, and the Department of Hawaiian Home Lands.''.

TITLE IV—ACCESSING THE AMERICAN DREAM

SEC. 401. CREATING INCENTIVES FOR SMALL DOLLAR LOAN ORIGINATORS.

(a) DEFINITIONS.—In this section:

(1) DIRECTOR.—The term ''Director'' means the Director of the Bureau of Consumer Financial Protection.

(2) SMALL DOLLAR MORTGAGE.—The term ''small dollar mortgage'' means a mortgage loan having an original principal obligation of not more than $100,000 that is—

(A) secured by real property designed for the occupancy of between 1 and 4 families; and

(B)(i) insured by the Federal Housing Administration under title II of the National Housing Act (12 U.S.C. 1707 et seq.);

(ii) made, guaranteed, or insured by the Department of Veterans Affairs;

(iii) made, guaranteed, or insured by the Department of Agriculture; or

(iv) eligible to be purchased or securitized by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.

(b) REQUIREMENT REGARDING LOAN ORIGINATOR COMPENSATION PRACTICES.—Not later than 270 days after the date of enactment of this Act, the Director shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on loan originator compensation practices throughout the residential mortgage market, including the relative frequency of loan originators being compensated—

(1) with a salary;

(2) with a commission reflecting a fixed percentage of the amount of credit extended;

(3) with a commission based on a factor other than a fixed percentage of the amount of credit extended;

(4) with a combination of salary and commission;

(5) on a loan volume basis;

(6) with a commission reflecting a percentage of the amount of credit extended, for which a minimum or maximum compensation amount is set; and

(7) by any other mechanism that the Director may find to be a practice for compensating mortgage loan originators, including any mechanism that provides a loan originator with compensation in such a way that the loan originator does not necessarily receive a lower level of compensation for originating a small dollar mortgage than the loan originator would receive for originating a mortgage loan that is not a small dollar mortgage.

(c) CONTENTS.—The report required under subsection (b) shall include—

(1) data and other analysis regarding the effect of the approaches to loan originator compensation described in subsection (b) on the availability of small dollar mortgage loans; and

(2) an analysis and a discussion regarding potential barriers to small dollar mortgage lending.

(d) RULEMAKING.—Following the issuance of the report required under subsection (b), the Director may issue regulations to clarify the forms of compensation a lender may use to compensate a loan originator that—

(1) are permissible pursuant to section 129B(c) of the Truth in Lending Act (15 U.S.C. 1639b(c)); and

(2) would result in the loan originator receiving compensation for originating a small dollar mortgage that is not less than the compensation the loan originator would receive for originating a mortgage loan that is not a small dollar mortgage.

SEC. 402. SMALL DOLLAR MORTGAGE POINTS AND FEES.

(a) SMALL DOLLAR MORTGAGE DEFINED.—In this section, the term ''small dollar mortgage'' means a mortgage with an original principal obligation of less than $100,000.

(b) AMENDMENTS.—

(1) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Director of the Bureau of Consumer Financial Protection, in consultation with the Secretary of Housing and Urban Development and the Director of the Federal Housing Finance Agency, shall evaluate the impact of the thresholds under section 1026.43 of title 12, Code of Federal Regulations (as in effect on the date of enactment of this Act), on small dollar mortgage originations.

(2) RULEMAKING.—Following the evaluation required under paragraph (1), the Director of the Bureau of Consumer Financial Protection may promulgate regulations to amend the limitations with respect to points and fees under section 1026.43 of title 12, Code of Federal Regulations, or any successor regulation, to encourage additional lending for small dollar mortgages.

SEC. 403. APPRAISAL INDUSTRY IMPROVEMENT ACT.

(a) APPRAISAL STANDARDS.—

(1) CERTIFICATION OR LICENSING.—

(A) IN GENERAL.—Section 202(g)(5) of the National Housing Act (12 U.S.C. 1708(g)(5)) is amended—

(i) by moving the paragraph two ems to the left; and

(ii) by striking subparagraphs (A) and (B) and inserting the following:

''(A) be certified or licensed by the State in which the property to be appraised is located, except that an appraiser who has as their primary duty conducting appraisal-related activities and who chooses to become a State-licensed or certified real estate appraiser need only to be licensed or certified in 1 State or territory to perform appraisals on mortgages insured by the Federal Housing Administration in all States and territories;

''(B) meet the requirements under the competency rule set forth in the Uniform Standards of Professional Appraisal Practice before accepting an assignment; and

''(C) have demonstrated verifiable education in the appraisal requirements established by the Federal Housing Administration under this subsection, which shall include the completion of a course or seminar that educates appraisers on those appraisal requirements, which shall be provided by—

''(i) the Federal Housing Administration; or

''(ii) a third party, if the course is approved by the Secretary or a State appraiser certifying or licensing agency.''.

(B) APPLICATION.—Subparagraph (C) of section 202(g)(5) of the National Housing Act (12 U.S.C. 1708(g)(5)), as added by subparagraph (A), shall not apply with respect to any certified appraiser approved by the Federal Housing Administration to conduct appraisals on property securing a mortgage to be insured by the Federal Housing Administration on or before the effective date described in paragraph (3)(C).

(2) COMPLIANCE WITH VERIFIABLE EDUCATION AND COMPETENCY REQUIREMENTS.—On and after the effective date described in paragraph (3)(C), no appraiser may conduct an appraisal on a property securing a mortgage to be insured by the Federal Housing Administration unless—

(A) the appraiser is in compliance with the requirements of subparagraphs (A) and (B) of section 202(g)(5) of the National Housing Act (12 U.S.C. 1708(g)(5)), as amended by paragraph (1); and

(B) if the appraiser was not approved by the Federal Housing Administration to conduct appraisals on mortgages insured by the Federal Housing Administration before the date on which the mortgagee letter or guidance takes effect under paragraph (3)(C), the appraiser is in compliance with subparagraph (C) of such section 202(g)(5).

(3) IMPLEMENTATION.—Not later than the 240 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue a mortgagee letter or guidance that—

(A) implements the amendments made by paragraph (1);

(B) clearly sets forth all of the specific requirements under section 202(g)(5) of the National Housing Act (12 U.S.C. 1708(g)(5)), as amended by paragraph (1), for approval to conduct appraisals on property secured by a mortgage to be insured by the Federal Housing Administration, which shall include—

(i) providing that, before the effective date of the mortgagee letter or guidance, compliance with the requirements under subparagraphs (A), (B), and (C) of such section 202(g)(5), as amended by paragraph (1), shall be considered to fulfill the requirements under such subparagraphs; and

(ii) providing a method for appraisers to demonstrate such prior compliance; and

(C) takes effect not later than the date that is 180 days after the date on which the Secretary issues the mortgagee letter or guidance.

(b) ANNUAL REGISTRY FEES FOR APPRAISAL MANAGEMENT COMPANIES.—Section 1109(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3338(a)) is amended, in the matter following clause (ii) of paragraph (4)(B), by adding at the end the following: ''Subject to the approval of the Council, the Appraisal Subcommittee may adjust fees established under clause (i) or (ii) to carry out its functions under this Act.''.

(c) STATE CREDENTIALED TRAINEES.—

(1) MAINTENANCE ON NATIONAL REGISTRY.—Section 1103(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3332(a)) is amended—

(A) in paragraph (3)—

(i) by inserting ''and State credentialed trainee appraisers'' after ''licensed appraisers''; and

(ii) by striking ''and'' at the end;

(B) by striking paragraph (4);

(C) by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively; and

(D) in paragraph (4), as so redesignated—

(i) by striking ''year. The report shall also detail'' and inserting ''year, detailing'';

(ii) by striking ''provide'' and inserting ''provides''; and

(iii) by striking the period at the end and inserting ''; and''.

(2) ANNUAL REGISTRY FEES.—

(A) IN GENERAL.—Section 1109 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3338) is amended—

(i) in the section heading, by striking ''certified or licensed'' and inserting '', certified, licensed, and credentialed trainee''; and

(ii) in subsection (a)—

(I) in paragraph (1), by inserting '', and in the case of a State with a supervisory or trainee program, a roster listing individuals who have received a State trainee credential'' after ''this title''; and

(II) by striking paragraph (2) and inserting the following:

''(2) transmit reports on the issuance and renewal of licenses, certifications, credentials, sanctions, and disciplinary actions, including license, credential, and certification revocations, on a timely basis to the national registry of the Appraisal Subcommittee;''.

(B) RULE OF CONSTRUCTION.—Nothing in the amendments made by subparagraph (A) shall require a State to establish or operate a program for State credentialed trainee appraisers, as defined in paragraph (12) of section 1121 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as added by paragraph (4) of this subsection.

(3) TRANSACTIONS REQUIRING THE SERVICES OF A STATE CERTIFIED APPRAISER.—Section 1113 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3342) is amended—

(A) by striking ''In determining'' and inserting ''(a) IN GENERAL.—In determining''; and

(B) by adding at the end the following:

''(b) USE OF STATE CREDENTIALED TRAINEE APPRAISERS.—In performing an appraisal under this section, a State certified appraiser may use the assistance of a State credentialed trainee appraiser or an unlicensed trainee appraiser, except that the State certified appraiser assisted by a trainee shall be liable for appraisal and valuation work.''.

(4) DEFINITION.—Section 1121 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350) is amended by adding at the end the following:

''(12) STATE CREDENTIALED TRAINEE APPRAISER.—The term 'State credentialed trainee appraiser' means an individual who—

''(A) meets the minimum criteria established by the Appraiser Qualification Board for a trainee appraiser credential; and

''(B) is credentialed by a State appraiser certifying and licensing agency.''.

(d) GRANTS FOR WORKFORCE AND TRAINING.—Section 1109(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3338(b)) is amended—

(1) in paragraph (5)(B), by striking ''and'' at the end;

(2) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(7) to make grants to State appraiser certifying and licensing agencies to support the carrying out of education and training activities or other activities related to addressing appraiser industry workforce needs, including recruiting and retaining workforce talent, such as through scholarship assistance and career pipeline development, and such agencies shall report on the use of funds and outcomes.''.

(e) APPRAISAL SUBCOMMITTEE.—Section 1011 of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3310) is amended, in the first sentence, by inserting ''the Department of Veterans Affairs, the Rural Housing Service of the Department of Agriculture, the Department of Housing and Urban Development,'' after ''Financial Protection,''.

SEC. 404. HELPING MORE FAMILIES SAVE ACT.

Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended by adding at the end the following:

''(p) ESCROW EXPANSION PILOT PROGRAM.—

''(1) DEFINITIONS.—In this subsection:

''(A) COVERED FAMILY.—The term 'covered family' means a family that receives assistance under section 8 or 9 of this Act and is enrolled in the pilot program.

''(B) ELIGIBLE ENTITY.—The term 'eligible entity' means an entity described in subsection (c)(2).

''(C) PILOT PROGRAM.—The term 'pilot program' means the pilot program established under paragraph (2).

''(D) WELFARE ASSISTANCE.—The term 'welfare assistance' has the meaning given the term in section 984.103 of title 24, Code of Federal Regulations, or any successor regulation.

''(2) ESTABLISHMENT.—The Secretary may establish a pilot program under which the Secretary shall select not more than 25 eligible entities to establish and manage escrow accounts for not more than 5,000 covered families, in accordance with this subsection.

''(3) ESCROW ACCOUNTS.—

''(A) IN GENERAL.—An eligible entity selected to participate in the pilot program—

''(i) shall establish an interest-bearing escrow account and place into the account an amount equal to any increase in the amount of rent paid by each covered family in accordance with the provisions of section 3, 8(o), or 8(y), as applicable, that is attributable to increases in earned income by the covered families during the participation of each covered family in the pilot program; and

''(ii) notwithstanding any other provision of law, may use funds it controls under section 8 or 9 for purposes of making the escrow deposit for covered families assisted under, or residing in units assisted under, section 8 or 9, respectively, provided such funds are offset by the increase in the amount of rent paid by the covered family.

''(B) INCOME LIMITATION.—An eligible entity may not escrow any amounts for any covered family whose adjusted income exceeds 80 percent of the area median income at the time of enrollment.

''(C) WITHDRAWALS.—A covered family may withdraw funds, including interest earned, from an escrow account established by an eligible entity under the pilot program—

''(i) after the covered family ceases to receive welfare assistance; and

''(ii)(I) not earlier than the date that is 5 years after the date on which the eligible entity establishes the escrow account under this subsection;

''(II) not later than the date that is 7 years after the date on which the eligible entity establishes the escrow account under this subsection, if the covered family chooses to continue to participate in the pilot program after the date that is 5 years after the date on which the eligible entity establishes the escrow account;

''(III) on the date the covered family ceases to receive housing assistance under section 8 or 9, if such date is earlier than 5 years after the date on which the eligible entity establishes the escrow account;

''(IV) earlier than 5 years after the date on which the eligible entity establishes the escrow account, if the covered family is using the funds to advance a self-sufficiency goal as approved by the eligible entity;

''(V) for any reason listed under section 984.303(k) of title 24, Code of Federal Regulations; or

''(VI) under other circumstances in which the Secretary determines an exemption for good cause is warranted.

''(D) INTERIM RECERTIFICATION.—For purposes of the pilot program, a covered family may recertify the income of the covered family multiple times per year at the request of the participating family, as determined by the Secretary, and not less frequently than once per year, unless the eligible entity has established an alternative rent structure with approval from the Secretary.

''(E) CONTRACT OR PLAN.—A covered family is not required to complete a standard contract of participation or an individual training and services plan in order to participate in the pilot program.

''(4) EFFECT OF INCREASES IN FAMILY INCOME.—Any increase in the earned income of a covered family during the enrollment of the family in the pilot program may not be considered as income or a resource for purposes of eligibility of the family for other

benefits, or amount of benefits payable to the family, under any program administered by the Secretary.

''(5) APPLICATION.—

''(A) IN GENERAL.—An eligible entity seeking to participate in the pilot program shall submit to the Secretary an application—

''(i) at such time, in such manner, and containing such information as the Secretary may require by notice; and

''(ii) that includes the number of proposed covered families to be served by the eligible entity under this subsection.

''(B) GEOGRAPHIC AND ENTITY VARIETY.—The Secretary shall ensure that eligible entities selected to participate in the pilot program—

''(i) are located across various States and in both urban and rural areas; and

''(ii) vary by size and type, including both public housing agencies and private owners of projects receiving project-based rental assistance under section 8.

''(6) NOTIFICATION AND OPT-OUT.—An eligible entity participating in the pilot program shall—

''(A) notify covered families of their enrollment in the pilot program;

''(B) provide covered families with a detailed description of the pilot program, including how the pilot program will impact their rent and finances;

''(C) inform covered families that the families cannot simultaneously participate in the pilot program and the Family Self-Sufficiency program under this section; and

''(D) provide covered families with the ability to elect not to participate in the pilot program—

''(i) not less than 2 weeks before the date on which the escrow account is established under paragraph (3); and

''(ii) at any point during the duration of the pilot program.

''(7) MAXIMUM RENTS.—During the term of participation by a covered family in the pilot program, the amount of rent paid by the covered family shall be calculated under the rental provisions of section 3 or 8(o), as applicable.

''(8) PILOT PROGRAM TIMELINE.—

''(A) AWARDS.—Not later than 1 year after establishing the pilot program, the Secretary shall select the eligible entities to participate in the pilot program.

''(B) ESTABLISHMENT AND TERM OF ACCOUNTS.—An eligible entity selected to participate in the pilot program shall—

''(i) not later than 6 months after selection, establish escrow accounts under paragraph (3) for covered families; and

''(ii) maintain those escrow accounts for not less than 5 years, or until a determination is made for termination with FSS escrow disbursement under section 984.303(k) of title 24, Code of Federal Regulations, or until the date the family ceases to receive assistance under section 8 or 9, and, at the discretion of the covered family, not more than 7 years after the date on which the escrow account is established.

''(9) NONPARTICIPATION AND HOUSING ASSISTANCE.—

''(A) IN GENERAL.—Assistance under section 8 or 9 for a family that elects not to participate in the pilot program shall not be delayed or denied by reason of such election.

''(B) NO TERMINATION.—Housing assistance may not be terminated as a consequence of participating, or not participating, in the pilot program under this subsection for any period.

''(10) STUDY.—Not later than 10 years after the date the Secretary selects eligible entities to participate in the pilot program under this subsection, the Secretary shall, if awards were made, conduct a study and submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on outcomes for covered families under the pilot program, which shall evaluate the effectiveness of the pilot program in assisting families to achieve economic independence and self-sufficiency, and the impact coaching and supportive services, or the lack thereof, had on individual incomes.

''(11) WAIVERS.—To allow selected eligible entities to effectively administer the pilot program and make the required escrow account deposits under this subsection, the Secretary may waive requirements under this section.

''(12) TERMINATION.—The pilot program under this subsection shall terminate on the date that is 10 years after the date of enactment of this subsection.

''(13) ELIGIBLE USES OF APPROPRIATIONS.—Subject to the appropriation of funds, the Secretary may use funds—

''(A) for technical assistance related to implementation of the pilot program; and

''(B) to carry out an evaluation of the pilot program under paragraph (10).''.

SEC. 405. CHOICE IN AFFORDABLE HOUSING ACT.

(a) SATISFACTION OF INSPECTION REQUIREMENTS THROUGH PARTICIPATION IN OTHER HOUSING PROGRAMS.—Section 8(o)(8) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(8)) is amended by adding at the end the following:

''(I) SATISFACTION OF INSPECTION REQUIREMENTS THROUGH PARTICIPATION IN OTHER HOUSING PROGRAMS.—

''(i) LOW-INCOME HOUSING TAX CREDIT-FINANCED BUILDINGS.—A dwelling unit shall be deemed to meet the inspection requirements under this paragraph if—

''(I) the dwelling unit is in a building, the acquisition, rehabilitation, or construction of which was done by a building owner who may be eligible for low-income housing credits because the building had been allocated a housing credit dollar amount under section 42(h) of the Internal Revenue Code of 1986 or is described in section 42(h)(4) of such Code (concerning buildings that meet a criterion for a certain amount of tax-exempt financing);

''(II) the dwelling unit, during the preceding 12-month period, was physically inspected and satisfied the suitability-for-occupancy requirement in section 42(i)(3)(B)(ii) of such Code; and

''(III) the applicable public housing agency performed the inspection itself or is able to obtain the results of the inspection described in subclause (II).

''(ii) HOME INVESTMENT PARTNERSHIPS PROGRAM.—A dwelling shall be deemed to meet the inspection requirements under this paragraph if—

''(I) the dwelling unit is assisted under the HOME Investment Partnerships Program under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.);

''(II) the dwelling unit was physically inspected and passed inspection as part of the program described in subclause (I) during the preceding 12-month period; and

''(III) the applicable public housing agency is able to obtain the results of the inspection described in subclause (II).

''(iii) RURAL HOUSING SERVICE.—A dwelling unit shall be deemed to meet the inspection requirements under this paragraph if—

''(I) the dwelling unit is assisted by the Rural Housing Service of the Department of Agriculture;

''(II) the dwelling unit was physically inspected and passed inspection in connection with the assistance described in subclause (I) during the preceding 12-month period; and

''(III) the applicable public housing agency is able to obtain the results of the inspection described in subclause (II).

''(iv) REMOTE OR VIDEO INSPECTIONS.—When complying with inspection requirements for a housing unit located in a rural or small area using assistance under this section, the Secretary may allow a grantee to conduct a remote or video inspection of a unit.

''(v) RULE OF CONSTRUCTION.—Nothing in clause (i), (ii), (iii), or (iv) shall be construed to affect the operation of a housing program described in, or authorized under a provision of law described in, that clause.''.

(b) PRE-APPROVAL OF UNITS.—Section 8(o)(8)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(8)(A)) is amended by adding at the end the following:

''(iv) INITIAL INSPECTION PRIOR TO LEASE AGREEMENT.—

''(I) DEFINITION.—In this clause, the term 'new landlord' means an owner of a dwelling unit who has not previously entered into a housing assistance payment contract with a public housing agency under this subsection for any dwelling unit.

''(II) EARLY INSPECTION.—Upon the request of a new landlord, a public housing agency may inspect the dwelling unit owned by the new landlord to determine whether the unit meets the housing quality standards under subparagraph (B) before the unit is selected by a tenant assisted under this subsection.

''(III) EFFECT.—An inspection conducted under subclause (II) that determines that the dwelling unit meets the housing quality standards under subparagraph (B) shall satisfy this subparagraph and subparagraph (C) if the new landlord enters into a lease agreement with a tenant assisted under this subsection not later than 60 days after the date of the inspection.

''(IV) INFORMATION WHEN FAMILY IS SELECTED.—When a public housing agency selects a family to participate in the tenant-based assistance program under this subsection, the public housing agency shall include in the information provided to the family a list of dwelling units that have been inspected under subclause (II) and determined to meet the housing quality standards under subparagraph (B).''.

TITLE V—PROGRAM REFORM

SEC. 501. REFORMING DISASTER RECOVERY ACT.

(a) DEFINITIONS.—In this section:

(1) DEPARTMENT.—The term ''Department'' means the Department of Housing and Urban Development.

(2) FUND.—The term ''Fund'' means the Long-Term Disaster Recovery Fund established under subsection (c).

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(b) DUTIES OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—

(1) IN GENERAL.—The offices and officers of the Department shall be responsible for—

(A) leading and coordinating the disaster-related responsibilities of the Department under the National Response Framework, the National Disaster Recovery Framework, and the National Mitigation Framework;

(B) coordinating and administering programs, policies, and activities of the Department related to disaster relief, long-term recovery, resiliency, and mitigation, including disaster recovery assistance under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.);

(C) supporting disaster-impacted communities as those communities specifically assess, plan for, and address the housing stock and housing needs in the transition from emergency shelters and interim housing to

permanent housing of those displaced, especially among vulnerable populations and extremely low-, low-, and moderate-income households;

(D) collaborating with the Federal Emergency Management Agency and the Small Business Administration and across the Department to align disaster-related regulations and policies, including incorporation of consensus-based codes and standards and insurance purchase requirements, and ensuring coordination and reducing duplication among other Federal disaster recovery programs;

(E) promoting best practices in mitigation and resilient land use planning;

(F) coordinating technical assistance, including mitigation, resiliency, and recovery training and information on all relevant legal and regulatory requirements, to entities that receive disaster recovery assistance under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) that demonstrate capacity constraints; and

(G) supporting State, Tribal, and local governments in developing, coordinating, and maintaining their capacity for disaster resilience and recovery and developing pre-disaster recovery and hazard mitigation plans, in coordination with the Federal Emergency Management Agency and other Federal agencies.

(2) ESTABLISHMENT OF THE OFFICE OF DISASTER MANAGEMENT AND RESILIENCY.—Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. 3533) is amended by adding at the end the following:

''(i) OFFICE OF DISASTER MANAGEMENT AND RESILIENCY.—

''(1) ESTABLISHMENT.—There is established the Office of Disaster Management and Resiliency.

''(2) DUTIES.—The Office of Disaster Management and Resiliency shall—

''(A) be responsible for oversight and coordination of all departmental disaster preparedness and response responsibilities; and

''(B) coordinate with the Federal Emergency Management Agency, the Small Business Administration, and other offices of the Department in supporting recovery and resilience activities to provide a comprehensive approach in working with communities.''.

(c) LONG-TERM DISASTER RECOVERY FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States an account to be known as the Long-Term Disaster Recovery Fund.

(2) DEPOSITS, TRANSFERS, AND CREDIT.—

(A) IN GENERAL.—The Fund shall consist of amounts appropriated, transferred, and credited to the Fund.

(B) TRANSFERS.—The following may be transferred to the Fund:

(i) Amounts made available through section 106(c)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(c)(4)) as a result of actions taken under section 104(e), 111, or 124(j) of such Act.

(ii) Any unobligated balances available until expended remaining or subsequently recaptured from amounts appropriated for any disaster and related purposes under the heading ''Community Development Fund'' in any Act prior to the establishment of the Fund.

(C) USE OF TRANSFERRED AMOUNTS.—Amounts transferred to the Fund shall be used for the eligible uses described in paragraph (3).

(3) ELIGIBLE USES OF FUND.—

(A) IN GENERAL.—Amounts in the Fund shall be available—

(i) to provide assistance in the form of grants under section 124 of the Housing and Community Development Act of 1974, as added by subsection (d); and

(ii) for activities of the Department that support the provision of such assistance, including necessary salaries and expenses, information technology, and capacity building, technical assistance, and pre-disaster readiness.

(B) SET-ASIDE.—Of each amount appropriated for or transferred to the Fund, 3 percent shall be made available for activities described in subparagraph (A)(ii), which shall be in addition to other amounts made available for those activities.

(C) TRANSFER OF FUNDS.—With respect to amounts made available for use in accordance with subparagraph (B)—

(i) amounts may be transferred to the account under the heading for ''Program Offices—Salaries and Expenses—Community Planning and Development'', or any successor account, for the Department to carry out activities described in subparagraph(B); and

(ii) amounts may be used for the activities described in subparagraph (A)(ii) and for the administrative costs of administering any funds appropriated to the Department under the heading ''Community Planning and Development—Community Development Fund'' for any major disaster declared under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) in any Act before the establishment of the Fund.

(D) INSPECTOR GENERAL.—

(i) IN GENERAL.—Not less than one-tenth of 1 percent of each series of awards the Secretary makes from the Fund shall be transferred to the account under the heading ''Office of Inspector General'' for the Department of Housing and Urban Development to support audit activities and to investigate grantee noncompliance with program requirements and waste, fraud, and abuse as a result of appropriations made available through the Fund.

(ii) AVAILABILITY.—Funding under clause (i) shall not be made available to the Office of Inspector General until 90 days after the date on which the grantee plan or supplemental plan for the grantee is approved by the Secretary under subsection (c) or (f)(3)(C) of section 124 of the Housing and Community Development Act of 1974, as added by subsection (d), is approved by the Secretary.

(4) INTERCHANGEABILITY OF PRIOR ADMINISTRATIVE AMOUNTS.—Any amounts appropriated in any Act prior to the establishment of the Fund and transferred to the account under the heading ''Program Offices—Salaries and Expenses—Community Planning and Development'', or any predecessor account, for the Department for the costs of administering funds appropriated to the Department under the heading ''Community Planning and Development—Community Development Fund'' for any major disaster declared under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) shall be available for the costs of administering any such funds provided by any prior or future Act, notwithstanding the purposes for which those amounts were appropriated and in addition to any amount provided for the same purposes in other appropriations Acts.

(5) AVAILABILITY OF AMOUNTS.—Amounts appropriated, transferred, and credited to the Fund shall remain available until expended.

(6) FORMULA ALLOCATION.—Use of amounts in the Fund for grants shall be made by formula allocation in accordance with the requirements of section 124(a) of the Housing and Community Development Act of 1974, as added by subsection (d).

(d) ESTABLISHMENT OF CDBG DISASTER RECOVERY PROGRAM.—Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), as amended by this Act, is amended—

(1) in section 102(a) (42 U.S.C. 5302(a))—

(A) in paragraph (20)—

(i) by redesignating subparagraph (B) as subparagraph (C);

(ii) in subparagraph (C), as so redesignated, by inserting ''or (B)'' after ''subparagraph (A)''; and

(iii) by inserting after subparagraph (A) the following:

''(B) The term 'persons of extremely low income' means families and individuals whose income levels do not exceed household income levels determined by the Secretary under section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)(C)), except that the Secretary may provide alternative definitions for the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, and American Samoa.''; and

(B) by adding at the end the following:

''(25) The term 'major disaster' has the meaning given the term in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122).'';

(2) in section 106(c)(4) (42 U.S.C. 5306(c)(4))—

(A) in subparagraph (A)—

(i) by striking ''declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act'';

(ii) by inserting ''States for use in nonentitlement areas and to'' before ''metropolitan cities''; and

(iii) by inserting ''major'' after ''affected by the'';

(B) in subparagraph (C)—

(i) by striking ''metropolitan city or'' and inserting ''State, metropolitan city, or'';

(ii) by striking ''city or county'' and inserting ''State, city, or county''; and

(iii) by inserting ''major'' before ''disaster'';

(C) in subparagraph (D), by striking ''metropolitan cities and'' and inserting ''States, metropolitan cities, and'';

(D) in subparagraph (F)—

(i) by striking ''metropolitan city or'' and inserting ''State, metropolitan city, or''; and

(ii) by inserting ''major'' before ''disaster''; and

(E) in subparagraph (G), by striking ''metropolitan city or'' and inserting ''State, metropolitan city, or'';

(3) in section 122 (42 U.S.C. 5321), by striking ''disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act'' and inserting ''major disaster''; and

(4) by adding at the end the following:

''SEC. 124. COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY PROGRAM.

''(a) AUTHORIZATION, FORMULA, AND ALLOCATION.—

''(1) AUTHORIZATION.—The Secretary is authorized to make community development block grant disaster recovery grants from the Long-Term Disaster Recovery Fund established under section 501(c) of the 21st Century ROAD to Housing Act (hereinafter referred to as the 'Fund') for necessary expenses for activities authorized under subsection (f)(1) related to disaster relief, long-term recovery, restoration of housing and infrastructure, economic revitalization, and mitigation in the most impacted and distressed areas resulting from a catastrophic major disaster.

''(2) GRANT AWARDS.—Grants shall be awarded under this section to States, units of general local government, and Indian

tribes based on capacity and the concentration of damage, as determined by the Secretary, to support the efficient and effective administration of funds.

''(3) SECTION 106 ALLOCATIONS.—Grants under this section shall not be considered relevant to the formula allocations made pursuant to section 106.

''(4) FEDERAL REGISTER NOTICE.—

''(A) IN GENERAL.—Not later than 30 days after the date of enactment of this section, the Secretary shall issue a notice in the Federal Register containing the latest formula allocation methodologies used to determine the total estimate of unmet needs related to housing, economic revitalization, and infrastructure in the most impacted and distressed areas resulting from a catastrophic major disaster.

''(B) PUBLIC COMMENT.—If the Secretary has not already requested public comment on the formula described in the notice required by subparagraph (A), the Secretary shall solicit public comments on—

''(i) the methodologies described in subparagraph (A) and seek alternative methods for formula allocation within a similar total amount of funding;

''(ii) the impact of formula methodologies on rural areas and Tribal areas;

''(iii) adjustments to improve targeting to the most serious needs;

''(iv) objective criteria for grantee capacity and concentration of damage to inform grantee determinations and minimum allocation thresholds; and

''(v) research and data to inform an additional amount to be provided for mitigation depending on type of disaster, which shall be up to 18 percent of the total estimate of unmet needs.

''(5) REGULATIONS.—

''(A) IN GENERAL.—The Secretary shall, by regulation, establish a formula to allocate assistance from the Fund to the most impacted and distressed areas resulting from a catastrophic major disaster.

''(B) FORMULA REQUIREMENTS.—The formula established under subparagraph (A) shall—

''(i) set forth criteria to determine that a major disaster is catastrophic, which criteria shall consider the presence of a high concentration of damaged housing or businesses that individual, State, Tribal, and local resources could not reasonably be expected to address without additional Federal assistance or other nationally encompassing data that the Secretary determines are adequate to assess relative impact and distress across geographic areas;

''(ii) include a methodology for identifying most impacted and distressed areas, which shall consider unmet serious needs related to housing, economic revitalization, and infrastructure;

''(iii) include an allocation calculation that considers the unmet serious needs resulting from the catastrophic major disaster and an additional amount up to 18 percent for activities to reduce risks of loss resulting from other natural disasters in the most impacted and distressed area, primarily for the benefit of low- and moderate-income persons, with particular focus on activities that reduce repetitive loss of property and critical infrastructure; and

''(iv) establish objective criteria for periodic review and updates to the formula to reflect changes in available data.

''(C) MINIMUM ALLOCATION THRESHOLD.—The Secretary shall, by regulation, establish a minimum allocation threshold.

''(D) INTERIM ALLOCATION.—Until such time that the Secretary issues final regulations under this paragraph, the Secretary shall—

''(i) allocate assistance from the Fund using the formula allocation methodology published in accordance with paragraph (4); and

''(ii) include an additional amount for mitigation of up to 18 percent of the total estimate of unmet need.

''(6) ALLOCATION OF FUNDS.—

''(A) IN GENERAL.—The Secretary shall—

''(i) except as provided in clause (ii), not later than 90 days after the President declares a major disaster, use best available data to determine whether the major disaster is catastrophic and qualifies for assistance under the formula described in paragraph (4) or (5), unless data is insufficient to make this determination; and

''(ii) if the best available data is insufficient to make the determination required under clause (i) within the 90-day period described in that clause, determine whether the major disaster qualifies when sufficient data becomes available, but in no case shall the Secretary make the determination later than 120 days after the declaration of the major disaster.

''(B) ANNOUNCEMENT OF ALLOCATION.—If amounts are available in the Fund at the time the Secretary determines that the major disaster is catastrophic and qualifies for assistance under the formula described in paragraph (4) or (5), the Secretary shall immediately announce an allocation for a grant under this section.

''(C) ADDITIONAL AMOUNTS.—If additional amounts are appropriated to the Fund after amounts are allocated under subparagraph (B), the Secretary shall announce an allocation or additional allocation (if a prior allocation under subparagraph (B) was less than the formula calculation) within 15 days of any such appropriation.

''(7) PRELIMINARY FUNDING.—

''(A) IN GENERAL.—To speed recovery, the Secretary is authorized to allocate and award preliminary grants from the Fund before making a determination under paragraph (6)(A) if the Secretary projects, based on a preliminary assessment of impact and distress, that a major disaster is catastrophic and would likely qualify for funding under the formula described in paragraph (4) or (5).

''(B) AMOUNT.—

''(i) MAXIMUM.—The Secretary may award preliminary funding under subparagraph (A) in an amount that is not more than $5,000,000.

''(ii) SLIDING SCALE.—The Secretary shall, by regulation, establish a sliding scale for preliminary funding awarded under subparagraph (A) based on the size of the preliminary assessment of impact and distress.

''(C) USE OF FUNDS.—The uses of preliminary funding awarded under subparagraph (A) shall be limited to eligible activities that—

''(i) in the determination of the Secretary, will support faster recovery, improve the ability of the grantee to assess unmet recovery needs, plan for the prevention of improper payments, and reduce fraud, waste, and abuse; and

''(ii) may include evaluating the interim housing, permanent housing, and supportive service needs of the disaster impacted community, with special attention to vulnerable populations, such as homeless and low- to moderate-income households, to inform the grantee action plan required under subsection (c).

''(D) CONSIDERATION OF FUNDING.—Preliminary funding awarded under subparagraph (A)—

''(i) is not subject to the certification requirements of subsection (h)(2); and

''(ii) shall not be considered when calculating the amount of the grant used for administrative costs, technical assistance, and planning activities that are subject to the requirements under subsection (f)(3).

''(E) WAIVER.—To expedite the use of preliminary funding for activities described in this paragraph, the Secretary may waive or specify alternative requirements to the requirements of this section in accordance with subsection (i).

''(F) AMENDED AWARD.—

''(i) IN GENERAL.—An award for preliminary funding under subparagraph (A) may be amended to add any subsequent amount awarded because of a determination by the Secretary that a major disaster is catastrophic and qualifies for assistance under the formula.

''(ii) APPLICABILITY.—Notwithstanding subparagraph (D), amounts provided by an amendment under clause (i) are subject to the requirements under subsections (f)(1) and (h)(1) and other requirements on grant funds under this section.

''(G) TECHNICAL ASSISTANCE.—Concurrent with the allocation of any preliminary funding awarded under this paragraph, the Secretary shall assign or provide technical assistance to the recipient of the grant.

''(b) INTERCHANGEABILITY.—

''(1) IN GENERAL.—The Secretary is authorized to approve the use of grants under this section to be used interchangeably and without limitation for the same activities in the most impacted and distressed areas resulting from a declaration of another catastrophic major disaster that qualifies for assistance under the formula established under paragraph (4) or (5) of subsection (a) or a major disaster for which the Secretary allocated funds made available under the heading 'Community Development Fund' in any Act prior to the establishment of the Fund.

''(2) REQUIREMENTS.—The Secretary shall establish requirements to expedite the use of grants under this section for the purpose described in paragraph (1).

''(3) EMERGENCY DESIGNATION.—Amounts repurposed pursuant to this subsection that were previously designated by Congress as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 or a concurrent resolution on the budget are designated by the Congress as being for an emergency requirement pursuant to section 4001(a)(1) of S. Con. Res. 14 (117th Congress), the concurrent resolution on the budget for fiscal year 2022, and to legislation establishing fiscal year 2026 budget enforcement in the House of Representatives.

''(c) GRANTEE PLANS.—

''(1) REQUIREMENT.—Not later than 90 days after the date on which the Secretary announces a grant allocation under this section, unless an extension is granted by the Secretary, the grantee shall submit to the Secretary a plan for approval describing—

''(A) the activities the grantee will carry out with the grant under this section;

''(B) the criteria of the grantee for awarding assistance and selecting activities;

''(C) how the use of the grant under this section will address disaster relief, long-term recovery, restoration of housing and infrastructure, economic revitalization, and mitigation in the most impacted and distressed areas;

''(D) how the use of the grant funds for mitigation is consistent with hazard mitigation plans submitted to the Federal Emergency Management Agency under section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5165);

''(E) the estimated amount proposed to be used for activities that will benefit persons of low and moderate income;

''(F) how the use of grant funds will repair and replace existing housing stock for vulnerable populations, including low- to moderate-income households;

''(G) how the grantee will address the priorities described in paragraph (5);

''(H) how uses of funds are proportional to unmet needs, as required under paragraph (6);

''(I) for State grantees that plan to distribute grant amounts to units of general local government, a description of the method of distribution; and

''(J) such other information as may be determined by the Secretary in regulation.

''(2) PUBLIC CONSULTATION.—To permit public examination and appraisal of the plan described in paragraph (1), to enhance the public accountability of grantee, and to facilitate coordination of activities with different levels of government, when developing the plan or substantial amendments proposed to the plan required under paragraph (1), a grantee shall—

''(A) publish the plan before adoption;

''(B) provide citizens, affected units of general local government, and other interested parties with reasonable notice of, and opportunity to comment on, the plan, with a public comment period of not less than 14 days;

''(C) consider comments received before submission to the Secretary;

''(D) follow a citizen participation plan for disaster assistance adopted by the grantee that, at a minimum, provides for participation of residents of the most impacted and distressed area affected by the major disaster that resulted in the grant under this section and other considerations established by the Secretary; and

''(E) undertake any consultation with interested parties as may be determined by the Secretary in regulation.

''(3) APPROVAL.—The Secretary shall—

''(A) by regulation, specify criteria for the approval, partial approval, or disapproval of a plan submitted under paragraph (1), including approval of substantial amendments to the plan;

''(B) review a plan submitted under paragraph (1) upon receipt of the plan;

''(C) allow a grantee to revise and resubmit a plan or substantial amendment to a plan under paragraph (1) that the Secretary disapproves;

''(D) by regulation, specify criteria for when the grantee shall be required to provide the required revisions to a disapproved plan or substantial amendment under paragraph (1) for public comment prior to resubmission of the plan or substantial amendment to the Secretary; and

''(E) approve, partially approve, or disapprove a plan or substantial amendment under paragraph (1) not later than 60 days after the date on which the plan or substantial amendment is received by the Secretary.

''(4) LOW- AND MODERATE-INCOME OVERALL BENEFIT.—

''(A) USE OF FUNDS.—Not less than 70 percent of a grant made under this section shall be used for activities that benefit persons of low and moderate income unless the Secretary—

''(i) specifically finds that—

''(I) there is compelling need to reduce the percentage for the grant; and

''(II) the housing needs of low- and moderate-income persons have been addressed; and

''(ii) issues a waiver and alternative requirement specific to the grant pursuant to subsection (i) to lower the percentage.

''(B) REGULATIONS.—The Secretary shall, by regulation, establish protocols that reflect the required use of funds under subparagraph (A), including persons with extremely and very low incomes.

''(5) PRIORITIZATION.—The grantee shall prioritize activities that—

''(A) assist persons with extremely low-, low-, and moderate-incomes and other vulnerable populations to better recover from and withstand future disasters;

''(B) address housing needs arising from a disaster, or those needs present prior to a disaster, including the needs of both renters and homeowners;

''(C) prolong the life of housing and infrastructure;

''(D) use cost-effective means of preventing harm to people and property and incorporate protective features and redundancies; and

''(E) other measures that will assure the continuation of critical services during future disasters.

''(6) PROPORTIONAL ALLOCATION.—For each specific disaster, a grantee under this section shall allocate grant funds proportional to unmet needs between housing activities for renters and homeowners, economic revitalization, and infrastructure unless the Secretary specifically finds that—

''(A) there is a compelling need for a disproportional allocation among those unmet needs; and

''(B) the disproportional allocation described in subparagraph (A) is not inconsistent with the requirements under paragraph (4).

''(7) DISASTER RISK MITIGATION.—

''(A) DEFINITION.—In this paragraph, the term 'hazard-prone areas'—

''(i) means areas identified by the Secretary, in consultation with the Administrator of the Federal Emergency Management Agency, at risk from natural hazards that threaten property damage or health, safety, and welfare, such as floods, wildfires (including Wildland-Urban Interface areas), earthquakes, lava inundation, tornados, and high winds; and

''(ii) includes areas having special flood hazards as identified under the Flood Disaster Protection Act of 1973 (42 U.S.C. 4002 et seq.) or the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).

''(B) HAZARD-PRONE AREAS.—The Secretary, in consultation with the Administrator of the Federal Emergency Management Agency, shall establish minimum construction standards, insurance purchase requirements, and other requirements for the use of grant funds in hazard-prone areas.

''(C) SPECIAL FLOOD HAZARDS.—

''(i) IN GENERAL.—For the areas described in subparagraph (A)(ii), the insurance purchase requirements established under subparagraph (B) shall meet or exceed the requirements under section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(a)).

''(ii) TREATMENT AS FINANCIAL ASSISTANCE.—All grants under this section shall be treated as financial assistance for purposes of section 3(a)(3) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4003(a)(3)).

''(D) CONSIDERATION OF FUTURE RISKS.—The Secretary may consider future risks to protecting property and health, safety, and general welfare, and the likelihood of those risks, when making the determination of or modification to hazard-prone areas under this paragraph.

''(8) RELOCATION.—

''(A) IN GENERAL.—The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.) shall apply to activities assisted under this section to the extent determined by the Secretary in regulation, or as provided in waivers or alternative requirements authorized in accordance with subsection (i).

''(B) POLICY.—Each grantee under this section shall establish a relocation assistance policy that—

''(i) minimizes displacement and describes the benefits available to persons displaced as a direct result of acquisition, rehabilitation, or demolition in connection with an activity that is assisted by a grant under this section; and

''(ii) includes any appeal rights or other requirements that the Secretary establishes by regulation.

''(d) CERTIFICATIONS.—Any grant under this section shall be made only if the grantee certifies to the satisfaction of the Secretary that—

''(1) the grantee is in full compliance with the requirements under subsection (c)(2);

''(2) for grants other than grants to Indian tribes, the grant will be conducted and administered in conformity with the Civil Rights Act of 1964 (42 U.S.C. 2000a et seq.) and the Fair Housing Act (42 U.S.C. 3601 et seq.);

''(3) the projected use of funds has been developed so as to give maximum feasible priority to activities that will benefit recipients described in subsection (c)(4)(A) and activities described in subsection (c)(5), and may also include activities that are designed to aid in the prevention or elimination of slum and blight to support disaster recovery, meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs, and alleviate future threats to human populations, critical natural resources, and property that an analysis of hazards shows are likely to result from natural disasters in the future;

''(4) the grant funds shall principally benefit persons of low- and moderate-income as described in subsection (c)(4)(A);

''(5) for grants other than grants to Indian tribes, within 24 months of receiving a grant or at the time of its 3- or 5-year update, whichever is sooner, the grantee will review and make modifications to its non-disaster housing and community development plans and strategies required by subsections (c) and (m) of section 104 to reflect the disaster recovery needs identified by the grantee and consistency with the plan under subsection (c)(1);

''(6) the grantee will not attempt to recover any capital costs of public improvements assisted in whole or part under this section by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless—

''(A) funds received under this section are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this chapter; or

''(B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that the grantee lacks sufficient funds received under this section to comply with the requirements of subparagraph (A);

''(7) the grantee will comply with the other provisions of this title that apply to assistance under this section and with other applicable laws;

''(8) the grantee will follow a relocation assistance policy that includes any minimum requirements identified by the Secretary; and

''(9) the grantee will adhere to construction standards, insurance purchase requirements, and other requirements for development in hazard-prone areas described in subsection (c)(7).

''(e) PERFORMANCE REVIEWS AND REPORTING.—

''(1) IN GENERAL.—The Secretary shall, on not less frequently than an annual basis until the closeout of a particular grant allocation, make such reviews and audits as may be necessary or appropriate to determine whether a grantee under this section has—

''(A) carried out activities using grant funds in a timely manner;

''(B) met the performance targets established by paragraph (2);

''(C) carried out activities using grant funds in accordance with the requirements of this section, the other provisions of this title that apply to assistance under this section, and other applicable laws; and

''(D) a continuing capacity to carry out activities in a timely manner.

''(2) PERFORMANCE TARGETS.—The Secretary shall develop and make publicly available critical performance targets for review, which shall include spending thresholds for each year from the date on which funds are obligated by the Secretary to the grantee until such time all funds have been expended.

''(3) FAILURE TO MEET TARGETS.—

''(A) SUSPENSION.—If a grantee under this section fails to meet 1 or more critical performance targets under paragraph (2), the Secretary may temporarily suspend the grant.

''(B) PERFORMANCE IMPROVEMENT PLAN.—If the Secretary suspends a grant under subparagraph (A), the Secretary shall provide to the grantee a performance improvement plan with the specific requirements needed to lift the suspension within a defined time period.

''(C) REPORT.—If a grantee fails to meet the spending thresholds established under paragraph (2), the grantee shall submit to the Secretary, the appropriate committees of Congress, and each member of Congress who represents a district or State of the grantee a written report identifying technical capacity, funding, or other Federal or State impediments affecting the ability of the grantee to meet the spending thresholds.

''(4) COLLECTION OF INFORMATION AND REPORTING.—

''(A) REQUIREMENT TO REPORT.—A grantee under this section shall provide to the Secretary such information as the Secretary may determine necessary for adequate oversight of the grant program under this section.

''(B) PUBLIC AVAILABILITY.—Subject to subparagraph (D), the Secretary shall make information submitted under subparagraph (A) available to the public and to the Inspector General for the Department of Housing and Urban Development.

''(C) SUMMARY STATUS REPORTS.—To increase transparency and accountability of the grant program under this section, the Secretary shall, on not less frequently than an annual basis, post on a public facing dashboard summary status reports for all active grants under this section that includes—

''(i) the status of funds by activity;

''(ii) the percentages of funds allocated and expended to benefit low- and moderate-income communities;

''(iii) performance targets, spending thresholds, and accomplishments; and

''(iv) other information the Secretary determines to be relevant for transparency.

''(D) CONSIDERATIONS.—In carrying out this paragraph, the Secretary shall take such actions as may be necessary to ensure that personally identifiable information regarding applicants for assistance provided from funds made available under this section is not made publicly available.

''(E) RESEARCH PARTNERSHIPS.—

''(i) IN GENERAL.—The Secretary may, upon a formal request from researchers, make disaggregated information available to the requestor that is specific and relevant to the research being conducted, and for the purposes of researching program impact and efficacy.

''(ii) PRIVACY PROTECTIONS.—In making information available under clause (i), the Secretary shall protect personally identifiable information as required under section 552a of title 5, United States Code (commonly known as the 'Privacy Act of 1974').

''(f) ELIGIBLE ACTIVITIES.—

''(1) IN GENERAL.—Activities assisted under this section—

''(A) may include activities permitted under section 105 or other activities permitted by the Secretary by waiver or alternative requirement pursuant to subsection (i); and

''(B) shall be related to disaster relief, long-term recovery, restoration of housing and infrastructure, economic revitalization, and mitigation in the most impacted and distressed areas resulting from the major disaster for which the grant was awarded.

''(2) PROHIBITION.—Grant funds under this section may not be used for costs reimbursable by, or for which funds have been made available by, the Federal Emergency Management Agency or the United States Army Corps of Engineers.

''(3) ADMINISTRATIVE COSTS, TECHNICAL ASSISTANCE AND PLANNING.—

''(A) IN GENERAL.—The Secretary shall establish in regulation the maximum grant amounts a grantee may use for administrative costs, technical assistance, and planning activities, taking into consideration size of grant, complexity of recovery, and other factors as determined by the Secretary, but not to exceed 8 percent for administration and 20 percent in total.

''(B) AVAILABILITY.—Amounts available for administrative costs for a grant under this section shall be available for eligible administrative costs of the grantee for any grant made under this section, without regard to a particular disaster.

''(C) SUPPLEMENTAL PLAN.—

''(i) IN GENERAL.—Grantees may submit to the Secretary an optional supplemental plan to the grantee plan required under this title specifically for administrative costs, which shall include a description of the use of all grant funds for administrative costs, including for any eligible pre-award program administrative costs, and how such uses will prepare the grantee to more effectively and expeditiously administer funds provided under the full plan.

''(ii) USE OF FUNDS.—If a supplemental plan is approved under clause (i), a grantee may draw down the aforementioned administrative funds before the full grantee plan is approved.

''(iii) WAIVERS.—In carrying out this subparagraph, the Secretary may include any waivers or alternative requirements in accordance with subsection (i).

''(4) PROGRAM INCOME.—Notwithstanding any other provision of law, any grantee under this section may retain program income that is realized from grants made by the Secretary under this section if the grantee agrees that the grantee will utilize the program income in accordance with the requirements for grants under this section, except that the Secretary may—

''(A) by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with this paragraph creates an unreasonable administrative burden on the grantee; or

''(B) permit the grantee to transfer remaining program income to the other grants of the grantee under this title upon closeout of the grant.

''(5) PROHIBITION ON USE OF ASSISTANCE FOR EMPLOYMENT RELOCATION ACTIVITIES.—

''(A) IN GENERAL.—Grants under this section may not be used to assist directly in the relocation of any industrial or commercial plant, facility, or operation, from one area to another area, if the relocation is likely to result in a significant loss of employment in the labor market area from which the relocation occurs.

''(B) APPLICABILITY.—The prohibition under subparagraph (A) shall not apply to a business that was operating in the disaster-declared labor market area before the incident date of the applicable disaster and has since moved, in whole or in part, from the affected area to another State or to a labor market area within the same State to continue business.

''(6) REQUIREMENTS.—Grants under this section are subject to the requirements of this section, the other provisions of this title that apply to assistance under this section, and other applicable laws, unless modified by waivers or alternative requirements in accordance with subsection (i).

''(g) ENVIRONMENTAL REVIEW.—

''(1) ADOPTION.—A recipient of funds provided under this section that uses the funds to supplement Federal assistance provided under section 203, 402, 403, 404, 406, 407, 408(c)(4), 428, or 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170a, 5170b, 5170c, 5172, 5173, 5174(c)(4), 5189f, 5192) may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval, or permit under section 104(g)(1), so long as the actions covered by the existing environmental review, approval, or permit and the actions proposed for these supplemental funds are substantially the same.

''(2) APPROVAL OF RELEASE OF FUNDS.—Notwithstanding section 104(g)(2), the Secretary or a State may, upon receipt of a request for release of funds and certification, immediately approve the release of funds for an activity or project to be assisted under this section if the recipient has adopted an environmental review, approval, or permit under paragraph (1) or the activity or project is categorically excluded from review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

''(3) UNITS OF GENERAL LOCAL GOVERNMENT.—The provisions of section 104(g)(4) shall apply to assistance under this section that a State distributes to a unit of general local government.

''(h) FINANCIAL CONTROLS AND PROCEDURES.—

''(1) IN GENERAL.—The Secretary shall develop requirements and procedures to demonstrate that a grantee under this section—

''(A) has adequate financial controls and procurement processes;

''(B) has adequate procedures to detect and prevent fraud, waste, abuse, and duplication of benefit; and

''(C) maintains a comprehensive and publicly accessible website.

''(2) CERTIFICATION.—Before making a grant under this section, the Secretary shall certify that the grantee has in place proficient processes and procedures to comply with the requirements developed under paragraph (1), as determined by the Secretary.

''(3) COMPLIANCE BEFORE ALLOCATION.—The Secretary may permit a State, unit of general local government, or Indian tribe to demonstrate compliance with the requirements for adequate financial controls developed under paragraph (1) before a disaster occurs and before receiving an allocation for a grant under this section.

''(4) DUPLICATION OF BENEFITS.—

''(A) IN GENERAL.—Funds made available under this section shall be used in accordance with section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155) and such rules as may be prescribed under such section 312.

''(B) PENALTIES.—In any case in which the use of grant funds under this section results in a prohibited duplication of benefits, the grantee shall—

''(i) apply an amount equal to the identified duplication to any allowable costs of the award consistent with actual, immediate cash requirement;

''(ii) remit any excess amounts to the Secretary to be credited to the obligated, undisbursed balance of the grant consistent with requirements on Federal payments applicable to such grantee; and

''(iii) if excess amounts under clause (ii) are identified after the period of performance or after the closeout of the award, remit such amounts to the Secretary to be credited to the Fund.

''(C) FAILURE TO COMPLY.—Any grantee provided funds under this section or from prior appropriations Acts under the heading 'Community Development Fund' for purposes related to major disasters that fails to comply with section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155) or fails to satisfy penalties to resolve a duplication of benefits shall be subject to remedies for noncompliance under section 111, unless the Secretary publishes a determination in the Federal Register that it is not in the best interest of the Federal Government to pursue remedial actions.

''(i) WAIVERS AND ALTERNATIVE REQUIREMENTS.—

''(1) IN GENERAL.—In administering grants under this section, the Secretary may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the grantee of those funds (except for requirements related to fair housing, nondiscrimination, labor standards, the environment, and the requirements of this section that do not expressly authorize modifications by waiver or alternative requirement), if the Secretary makes a public finding that good cause exists for the waiver or alternative requirement.

''(2) EFFECTIVE DATE.—A waiver or alternative requirement described in paragraph (1) shall not take effect before the date that is 5 days after the date of publication of the waiver or alternative requirement on the website of the Department of Housing and Urban Development or the effective date for any regulation published in the Federal Register.

''(3) PUBLIC NOTIFICATION.—The Secretary shall notify the public of all waivers or alternative requirements described in paragraph (1) in accordance with the requirements of section 7(q)(3) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(q)(3)).

''(j) UNUSED AMOUNTS.—

''(1) DEADLINE TO USE AMOUNTS.—A grantee under this section shall use an amount equal to the grant within 6 years beginning on the date on which the Secretary obligates the amounts to the grantee, as such period may be extended under paragraph (4).

''(2) RECAPTURE.—The Secretary shall recapture and credit to the Fund any amount that is unused by a grantee under this section upon the earlier of—

''(A) the date on which the grantee notifies the Secretary that the grantee has completed all activities identified in the disaster grantee's plan under subsection (c); or

''(B) the expiration of the 6-year period described in paragraph (1), as such period may be extended under paragraph (4).

''(3) RETENTION OF FUNDS.—Notwithstanding paragraph (1), the Secretary—

''(A) shall allow a grantee under this section to retain amounts needed to close out grants; and

''(B) may allow a grantee under this section to retain up to 10 percent of the remaining funds to support maintenance of the minimal capacity to launch a new program in the event of a future disaster and to support pre-disaster long-term recovery and mitigation planning.

''(4) EXTENSION OF PERIOD FOR USE OF FUNDS.—The Secretary may extend the 6-year period described in paragraph (1) by not more than 4 years, or not more than 6 years for mitigation activities, if—

''(A) the grantee submits to the Secretary—

''(i) written documentation of the exigent circumstances impacting the ability of the grantee to expend funds that could not be anticipated; or

''(ii) a justification that such request is necessary due to the nature and complexity of the program and projects; and

''(B) the Secretary submits a written justification for the extension to the Committee on Appropriations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Appropriations and the Committee on Financial Services of the House of Representatives that specifies the period of that extension.

''(k) DEFINITION.—In this section, the term 'Indian tribe' has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103).''.

(e) REGULATIONS.—

(1) PROPOSED RULES.—Following consultation with the Federal Emergency Management Agency, the Small Business Administration, and other Federal agencies, not later than 6 months after the date of enactment of this Act, the Secretary shall issue proposed rules to carry out this Act and the amendments made by this Act and shall provide a 90-day period for submission of public comments on those proposed rules.

(2) FINAL RULES.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue final regulations to carry out section 124 of the Housing and Community Development Act of 1974, as added by subsection (d).

(f) COORDINATION OF DISASTER RECOVERY ASSISTANCE, BENEFITS, AND DATA WITH OTHER FEDERAL AGENCIES.—

(1) COORDINATION OF DISASTER RECOVERY ASSISTANCE.—In order to ensure a comprehensive approach to Federal disaster relief, long-term recovery, restoration of housing and infrastructure, economic revitalization, and mitigation in the most impacted and distressed areas resulting from a catastrophic major disaster, the Secretary shall coordinate with the Federal Emergency Management Agency, to the greatest extent practicable, in the implementation of assistance authorized under section 124 of the Housing and Community Development Act of 1974, as added by subsection (d).

(2) DATA SHARING AGREEMENTS.—To support the coordination of data to prevent duplication of benefits with other Federal disaster recovery programs while also expediting recovery and reducing burden on disaster survivors, the Department shall establish data sharing agreements that safeguard privacy with relevant Federal agencies to ensure disaster benefits effectively and efficiently reach intended beneficiaries, while using effective means of preventing harm to people and property.

(3) DATA TRANSFER FROM FEMA AND SBA TO HUD.—As permitted and deemed necessary for efficient program execution, and consistent with a computer matching agreement entered into under paragraph (6)(A), the Administrator of the Federal Emergency Management Agency and the Administrator of the Small Business Administration shall provide data on disaster applicants to the Department, including, when necessary, personally identifiable information, disaster recovery needs, and resources determined eligible for, and amounts expended, to the Secretary for all major disasters declared by the President pursuant to section 401 of Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) for the purpose of providing additional assistance to disaster survivors and prevent duplication of benefits.

(4) DATA TRANSFERS FROM HUD TO HUD GRANTEES.—The Secretary is authorized to provide to grantees under section 124 of the Housing and Community Development Act of 1974, as added by subsection (d), offices of the Department, technical assistance providers, and lenders information that in the determination of the Secretary is reasonably available and appropriate to inform the provision of assistance after a major disaster, including information provided to the Secretary by the Administrator of the Federal Emergency Management Agency, the Administrator of the Small Business Administration, or other Federal agencies.

(5) DATA TRANSFERS FROM HUD GRANTEES TO HUD, FEMA, AND SBA.—

(A) REPORTING.—Grantees under section 124 of the Housing and Community Development Act of 1974, as added by subsection (d), shall report information requested by the Secretary on households, businesses, and other entities assisted and the type of assistance provided.

(B) SHARING INFORMATION.—The Secretary shall share information collected under subparagraph (A) with the Federal Emergency Management Agency, the Small Business Administration, and other Federal agencies to support the planning and delivery of disaster recovery and mitigation assistance and other related purposes.

(6) PRIVACY PROTECTION.—

(A) IN GENERAL.—The Secretary may make and receive data transfers authorized under this subsection, including the use and retention of that data for computer matching programs, to inform the provision of assistance, assess disaster recovery needs, and prevent the duplication of benefits and other waste, fraud, and abuse, provided that—

(i) the Secretary enters an information sharing agreement or a computer matching agreement, when required by section 522a of title 5, United States Code (commonly known as the ''Privacy Act of 1974''), with the Administrator of the Federal Emergency Management Agency, the Administrator of the Small Business Administration, or other Federal agencies covering the transfer of data; and

(ii) the Secretary publishes intent to disclose data in the Federal Register.

(B) DATA SHARING AGREEMENT.—Notwithstanding clauses (i) and (ii) of subparagraph (A), section 552a of title 5, United States Code, or any other law, the Secretary is authorized to share data with an entity identified in paragraph (4), and the entity is authorized to use the data as described in this section, if the Secretary enters a data sharing agreement with the entity before sharing or receiving any information under transfers authorized by this section, which data sharing agreement shall—

(i) in the determination of the Secretary, include measures adequate to safeguard the

privacy and personally identifiable information of individuals; and

(ii) include provisions that describe how the personally identifiable information of an individual will be adequately safeguarded and protected, which requires consultation with the Secretary and the head of each Federal agency the data of which is being shared subject to the agreement.

SEC. 502. HOME INVESTMENT PARTNERSHIPS REAUTHORIZATION AND REFORM ACT.

(a) AUTHORIZATION.—Section 205 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12724) is amended to read as follows:

''SEC. 205. AUTHORIZATION OF PROGRAM.

''The HOME Investment Partnerships Program under subtitle A is hereby authorized.''.

(b) DEFINITION OF COMMUNITY HOUSING DEVELOPMENT ORGANIZATION.—Section 104(6)(B) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(6)(B)) is amended by striking ''significant''.

(c) ASSISTANCE FOR LOW-INCOME FAMILIES.—Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended—

(1) in section 214(2) (42 U.S.C. 12742(2)), by striking ''households that qualify as low-income families'' and inserting ''families with a household income that does not exceed 100 percent of the median family income of the area, as determined by the Secretary''; and

(2) in section 271(c) (42 U.S.C. 12821(c))—

(A) in paragraph (1)(B), by striking ''low-income'' and inserting ''families with a household income that does not exceed 100 percent of the median family income of the area as determined by the Secretary with adjustments for smaller and larger families''; and

(B) in paragraph (2)(A), by striking ''low-income families'' and inserting ''families with a household income that does not exceed 100 percent of the median family income of the area as determined by the Secretary with adjustments for smaller and larger families''.

(d) CHOICES MADE BY PARTICIPATING JURISDICTIONS.—Section 212(a)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(a)(2)) is amended to read as follows:

''(2) LIMITATION.—The Secretary may not restrict the choice by a participating jurisdiction of rehabilitation, substantial rehabilitation, new construction, reconstruction, acquisition, or other eligible housing uses authorized in paragraph (1) unless the restriction is explicitly authorized under section 223(2).''.

(e) USE OF AMOUNTS BY CERTAIN JURISDICTIONS FOR INFRASTRUCTURE IMPROVEMENTS.—

(1) IN GENERAL.—Section 212(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(a)) is amended by inserting after paragraph (3) the following:

''(4) INFRASTRUCTURE IMPROVEMENTS IN NONENTITLEMENT AREAS.—

''(A) IN GENERAL.—A participating jurisdiction may use funds provided under this subtitle for infrastructure improvements, including the installation or repair of water and sewer lines, sidewalks, roads, and utility connections if—

''(i) such participating jurisdiction does not receive assistance under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5310); and

''(ii) such improvements are directly related to, and located within or immediately adjacent to—

''(I) housing assisted under this subtitle; or

''(II) housing assisted under section 42 of the Internal Revenue Code of 1986.

''(B) APPLICATION OF LABOR STANDARDS.—The labor standards and requirements set forth in section 110 of the Housing and Community Development Act of 1974 (42 U.S.C. 5310) shall apply to any infrastructure improvement conducted using funds provided under this subtitle.

''(C) RULE OF CONSTRUCTION.—Nothing in this paragraph may be construed to impose any requirements of the HOME Investment Partnerships program on housing that benefits from an infrastructure improvement conducted using funds provided under this subtitle but was not otherwise assisted under the HOME Investment Partnerships program.''.

(2) RULEMAKING.—Not later than 1 year after the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue rules to carry out the amendment made by paragraph (1).

(f) PER UNIT INVESTMENT LIMITATIONS.—Section 212(e)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(e)(1)) is amended by striking the second sentence.

(g) AFFORDABLE RENTAL HOUSING QUALIFICATIONS.—Section 215(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(a)) is amended by adding at the end the following:

''(7) QUALIFICATION EXCEPTION.—Notwithstanding paragraph (1)(A), a rental unit shall be considered to qualify as affordable housing under this title if—

''(A) the unit is occupied by a tenant receiving tenant-based rental assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f);

''(B) the contribution of the tenant toward rent does not exceed the amount permitted under the assistance described in subparagraph (A); and

''(C) the total rent for the unit does not exceed the amount approved by the public housing agency administering the assistance described in subparagraph (A).''.

(h) AFFORDABLE HOMEOWNERSHIP HOUSING QUALIFICATIONS.—Section 215 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and adjusting the margins accordingly;

(B) in paragraph (3)—

(i) in subparagraph (A), by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and adjusting the margins accordingly; and

(ii) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and adjusting the margins accordingly;

(C) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and adjusting the margins accordingly;

(D) by striking ''Housing that is for homeownership'' and inserting the following:

''(1) QUALIFICATION.—Housing that is for homeownership'';

(E) in paragraph (1), as so designated—

(i) in subparagraph (A), as so redesignated—

(I) by striking ''95 percent'' and inserting ''110 percent''; and

(II) by inserting ''(defined as the amount borrowed by the homebuyer to purchase the home, or the estimated value after rehabilitation, which may be adjusted to account for the limits on future value imposed by the resale restriction)'' after ''purchase price'';

(ii) in subparagraph (B), as so redesignated, in the matter preceding clause (i), by striking ''whose family qualifies as a low-income family'' and inserting ''with a family income that does not exceed 100 percent of the median family income of the area as determined by the Secretary with adjustments for smaller and larger families'';

(iii) in subparagraph (C), as so redesignated—

(I) in clause (i)(II)—

(aa) by striking ''low-income homebuyers'' and inserting ''homebuyers with a household income that does not exceed 100 percent of the median family income of the area, as determined by the Secretary with adjustments for smaller and larger families''; and

(bb) by striking ''or'' at the end;

(II) in clause (ii), by striking ''and'' at the end and inserting ''or''; and

(III) by adding at the end the following:

''(iii) maintain long-term affordability through a shared equity ownership model, a community land trust, a limited equity cooperative, a community development corporation, or other mechanism approved by the Secretary, that preserves affordability for future eligible homebuyers and ensures compliance with the purposes of this title, including through the use of purchase options, rights of first refusal or other preemptive rights to purchase housing;'';

(iv) in subparagraph (D), as so redesignated, by striking the period at the end and inserting ''; and''; and

(v) by adding at the end the following:

''(E) is subject to restrictions that are established by the participating jurisdiction and determined by the Secretary to be appropriate, including with respect to the useful life of the property, to—

''(i) require that any subsequent purchase of the property be—

''(I) only by a person who meets the qualifications specified under subparagraph (B); and

''(II) at a price that is determined by a formula or method established by the participating jurisdiction that provides the owner with a reasonable return on investment, which may include a percentage of the cost of any improvements; or

''(ii) recapture the investment provided under this title in order to assist other persons in accordance with the requirements of this title, except where there are no net proceeds or where the net proceeds are insufficient to repay the full amount of the assistance.''; and

(F) by adding at the end the following:

''(2) PURCHASE BY COMMUNITY LAND TRUST OR COOPERATIVE HOUSING CORPORATION.—Notwithstanding subparagraph (C)(i) of paragraph (1) and under terms determined by the Secretary, the Secretary may permit a participating jurisdiction to allow a community land trust, housing cooperative, or a community development corporation that used assistance provided under this subtitle for the development of housing that meets the criteria under paragraph (1), to acquire the housing—

''(A) in accordance with the terms of the preemptive purchase option, lease, covenant on the land, or other similar legal instrument of the community land trust when the terms and rights in the preemptive purchase option, lease, covenant, or legal instrument are and remain subject to the requirements of this title;

''(B) when the purchase is for—

''(i) the purpose of—

''(I) entering into the chain of title;

''(II) enabling a purchase by a person who meets the qualifications specified under paragraph (1)(B) and is on a waitlist maintained by the community land trust or housing cooperative, subject to enforcement by the participating jurisdiction of all applicable requirements of this title, as determined by the Secretary;

''(III) performing necessary rehabilitation and improvements; or

''(IV) adding a subsidy to preserve affordability, which may be from Federal or non-Federal sources; or

''(ii) another purpose determined appropriate by the Secretary; and

''(C) if, within a reasonable period of time after the applicable purpose under subparagraph (B) of this paragraph is fulfilled, as determined by the Secretary, the housing is then sold to a person who meets the qualifications specified under paragraph (1)(B).''; and

(2) by adding at the end the following:

''(c) QUALIFICATION EXCEPTIONS FOR HOMEOWNERSHIP.—

''(1) MILITARY MEMBERS.—A participating jurisdiction, in accordance with terms established by the Secretary, may suspend or waive the income qualifications described in subsection (b)(1)(B) with respect to housing that otherwise meets the criteria described in subsection (b)(1) if the owner of the housing—

''(A) is a member of a regular component of the armed forces or a member of the National Guard on full-time National Guard duty, active Guard and Reserve duty, or inactive-duty training (as those terms are defined in section 101 of title 10, United States Code); and

''(B) has received—

''(i) temporary duty orders to deploy with a military unit or military orders to deploy as an individual acting in support of a military operation, to a location that is not within a reasonable distance from the housing, as determined by the Secretary, for a period of not less than 90 days; or

''(ii) orders for a permanent change of station.

''(2) HEIRS AND BENEFICIARIES OF DECEASED OWNERS.—Housing that meets the criteria described in subsection (b)(1)(C) prior to the death of an owner of such housing shall continue to qualify as affordable housing under this title if—

''(A) the housing is the principal residence of an heir or beneficiary of the deceased owner, as defined by the Secretary; and

''(B) the heir or beneficiary, in accordance with terms established by the Secretary, assumes the duties and obligations of the deceased owner with respect to funds provided under this title.''.

(i) ELIMINATION OF EXPIRATION OF RIGHT TO DRAW HOME INVESTMENT TRUST FUNDS.—Section 218 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12748) is amended—

(1) by striking subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

(j) ADJUSTED RECAPTURE AND REUSE OF SET-ASIDE FOR COMMUNITY HOUSING DEVELOPMENTAL ORGANIZATIONS.—Section 231(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12771(b)) is amended to read as follows:

''(b) RECAPTURE AND REUSE.—If any funds reserved under subsection (a) remain uninvested for a period of 24 months, the Secretary shall make such funds available to the participating jurisdiction for any eligible activities under this title without regard to whether a community housing development organization materially participates in the use of such funds.''.

(k) ASSET RECYCLING INFORMATION DISSEMINATION EXPANSION.—Section 245(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12785(b)(2)) is amended by striking ''95 percent'' and inserting ''110 percent''.

(l) APPLICATION OF OTHER SPECIFIED STATUTORY REQUIREMENTS.—Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended by adding at the end the following:

''SEC. 291. NONAPPLICABILITY OF CERTAIN REQUIREMENTS FOR SMALL PROJECTS.

''Notwithstanding any other provision of law, the requirements of section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and any implementing regulations or guidance, shall not apply to an activity assisted under this title that involves rehabilitation, construction, or other development of housing if—

''(1) the recipient of assistance under this title is—

''(A) a State recipient pursuant to section 216; or

''(B) a participating jurisdiction that received a total allocation of less than $3,000,000 in the most recent fiscal year pursuant to section 216; and

''(2) the total number of dwelling units assisted as a part of such activity is not more than 50.''.

(m) REALLOCATION NOT AVAILABLE FOR CERTAIN JURISDICTIONS.—Section 217(d) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747(d)) is amended—

(1) in paragraph (1), by striking the second sentence and inserting the following: ''Subject to paragraph (4), jurisdictions eligible for such reallocations shall include participating jurisdictions and jurisdictions meeting the requirements of this title, including the requirements in paragraphs (3), (4), and (5) of section 216.''; and

(2) by adding at the end the following:

''(4) REALLOCATION NOT AVAILABLE FOR CERTAIN JURISDICTIONS.—The Secretary may decline to make a reallocation available to a jurisdiction eligible for such reallocation if such jurisdiction has failed to meet or comply with any requirement under this title.''.

(n) AMENDMENTS TO QUALIFICATION AS AFFORDABLE HOUSING.—Section 215(a)(1)(E) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(a)) is amended by striking ''except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action (i) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure, and (ii) is not for the purpose of avoiding low income affordability restrictions, as determined by the Secretary; and'' and inserting the following: ''except—

''(i) upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action—

''(I) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure; and

''(II) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary; or

''(ii) where existing affordable housing is no longer financially viable due to unforeseen acts or occurrences beyond the reasonable contemplation or control of the participating jurisdiction in which the affordable housing is located or the owner of the affordable housing that significantly impact the financial or physical condition of the affordable housing, as determined by the Secretary; and''.

(o) TENANT AND PARTICIPANT PROTECTIONS FOR AFFORDABLE HOUSING.—Section 225 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12755) is amended by adding at the end the following:

''(e) EXCEPTION.—Paragraphs (2), (3), and (4) of subsection (d) shall not apply to housing under this section that meets the following criteria:

''(1) The housing is affordable housing with not more than 4 dwelling units, each of which is made available for rental.

''(2) Each dwelling unit in the housing bears rent in an amount that complies with the requirements described in paragraph (1)(A).

''(3) Each dwelling unit in the housing is accompanied by a low-income family.

''(4) No dwelling in the housing is refused for leasing to a holder of a voucher under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) because of the status of the prospective tenant as a holder of that voucher.

''(5) The housing complies with the requirement described in paragraph (1)(E).

''(6) The participating jurisdiction in which the housing is located monitors the compliance of the housing with the requirements of this title in a manner consistent with the purposes of section 226(b), as determined by the Secretary.''.

(p) REVISION OF DEFINITION OF COMMUNITY LAND TRUST.—Section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704) is amended by adding at the end the following:

''(26) The term 'community land trust' means a nonprofit entity, a State, a unit of local government, or an instrumentality of a State or unit of local government that—

''(A) is not managed by, or an affiliate of, a for-profit organization;

''(B) has as a primary purpose of acquiring, developing, or holding land to provide housing that is permanently affordable to low- and moderate-income persons;

''(C) monitors properties to ensure affordability is preserved;

''(D) provides housing that is permanently affordable to low- and moderate-income persons using a ground lease, deed covenant, or other similar legally enforceable measure, determined acceptable by the Secretary, that—

''(i) keeps housing affordable to low- and moderate-income persons for not less than 30 years; and

''(ii) enables low- and moderate-income persons to rent or purchase the housing for homeownership; and

''(E) maintains preemptive purchase options to purchase the property if such purchase would allow the housing to remain affordable to low-and moderate-income persons.''.

(q) SET-ASIDE FOR COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS.—Section 231(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12771(a)) is amended, in the first sentence, by striking ''to be developed, sponsored, or owned by community housing development organizations'' and inserting ''when a community housing development organization materially participates in the ownership or development of that housing, as determined by the Secretary''.

(r) ADMINISTRATIVE REFORMS.—

(1) INCREASE IN PROGRAM ADMINISTRATION RESOURCES.—Section 220(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750(b)) is amended—

(A) by striking ''RECOGNITION.—'' and all that follows through ''A contribution'' and inserting ''RECOGNITION.—A contribution''; and

(B) by striking paragraph (2).

(2) MODIFICATION OF JURISDICTIONS ELIGIBLE FOR REALLOCATIONS.—Section 217(d)(3) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747(d)(3)) is amended—

(A) in the paragraph heading, by striking ''LIMITATION'' and inserting ''LIMITATIONS''; and

(B) by striking ''Unless otherwise specified'' and inserting the following:

''(A) REMOVAL OF PARTICIPATING JURISDICTIONS FROM REALLOCATION.—The Secretary may, upon a finding that the participating jurisdiction has failed to meet or comply with the requirements of this title, remove a participating jurisdiction from participation in reallocations of funds made available under this title.

''(B) REALLOCATION TO SAME TYPE OF ENTITY.—Unless otherwise specified''.

(3) HOME PROPERTY INSPECTIONS.—Section 226(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12756(b)) is amended—

(A) by striking ''Each participating jurisdiction'' and inserting the following:

''(1) IN GENERAL.—Each participating jurisdiction''; and

(B) by striking ''Such review shall include'' and all that follows and inserting the following:

''(2) ON-SITE INSPECTIONS.—

''(A) INSPECTIONS BY UNITS OF GENERAL LOCAL GOVERNMENT.—A review conducted under paragraph (1) by a participating jurisdiction that is a unit of general local government shall include an on-site inspection to determine compliance with housing codes and other applicable regulations.

''(B) INSPECTIONS BY STATES.—A review conducted under paragraph (1) by a participating jurisdiction that is a State shall include an on-site inspection to determine compliance with a national standard as determined by the Secretary.

''(3) INCLUSION IN PERFORMANCE REPORT AND PUBLICATION.—A participating jurisdiction shall include in the performance report of the participating jurisdiction submitted to the Secretary under section 108(a), and make available to the public, the results of each review conducted under paragraph (1).''.

(4) REVISIONS TO STRENGTHEN ENFORCEMENT AND PENALTIES FOR NONCOMPLIANCE.—Section 223 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12753) is amended—

(A) in the section heading, by striking ''**PENALTIES FOR MISUSE OF FUNDS**'' and inserting ''**PROGRAM ENFORCEMENT AND PENALTIES FOR NONCOMPLIANCE**'';

(B) in the matter preceding paragraph (1), by inserting after ''any provision of this subtitle'' the following: '', including any provision applicable throughout the period required by section 215(a)(1)(E) and applicable regulations,'';

(C) in paragraph (2), by striking ''or'' at the end;

(D) in paragraph (3), by striking the period at the end and inserting ''; or''; and

(E) by adding at the end the following:

''(4) reduce payments to the participating jurisdiction under this subtitle by an amount equal to the amount of such payments that were not expended by the participating jurisdiction in accordance with this title.''.

(s) MINIMUM ALLOCATIONS.—Section 217(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747 (b)) is amended—

(1) in paragraph (2), by striking ''$500,000'' each place that term appears and inserting ''$750,000'';

(2) in paragraph (3)—

(A) by striking ''jurisdictions that are allocated an amount of $500,000 or more'' and inserting ''jurisdictions that are allocated an amount of $750,000 or more'';

(B) by striking ''that are allocated an amount less than $500,000'' and inserting ''that are allocated an amount less than $500,000 before the date of enactment of the 21st Century ROAD to Housing Act or less than $750,000 on or after the date of enactment of the 21st Century ROAD to Housing Act''; and

(C) by striking '', except as provided in paragraph (4)''; and

(3) by striking paragraph (4).

(t) TECHNICAL AND CONFORMING AMENDMENTS.—The Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12701 et seq.) is amended—

(1) by striking ''Stewart B. McKinney Homeless Assistance Act'' each place that term appears and inserting ''McKinney-Vento Homeless Assistance Act'';

(2) by striking ''Committee on Banking, Finance and Urban Affairs'' each place that term appears and inserting ''Committee on Financial Services'';

(3) in the table of contents in section 1(b) (Public Law 101–625; 104 Stat. 4079)—

(A) by striking the item relating to section 205 and inserting the following:

''Sec. 205. Authorization of program.'';

(B) by striking the item relating to section 223 and inserting the following:

''Sec. 223. Program enforcement and penalties for noncompliance.''; and

(C) by inserting after the item relating to section 290 the following:

''Sec. 291. Nonapplicability of certain requirements for small projects.'';

(4) in section 104 (42 U.S.C. 12704)—

(A) by redesignating paragraph (23) (relating to the definition of the term ''to demonstrate to the Secretary'') as paragraph (22); and

(B) by redesignating paragraph (24) (relating to the definition of the term ''insular area'', as added by section 2(2) of Public Law 102–230) as paragraph (23);

(5) in section 105(b)(8) (42 U.S.C. 12705(b)(8)), by striking ''subparagraphs'' and inserting ''paragraphs'';

(6) in section 108(a)(1) (42 U.S.C. 12708(a)(1)), by striking ''section 105(b)(15)'' and inserting ''section 105(b)(18)'';

(7) in section 212 (42 U.S.C. 12742)—

(A) in subsection (a)(3)(A)(ii), by inserting ''United States'' before ''Housing Act'';

(B) in subsection (d)(5), by inserting ''United States'' before ''Housing Act''; and

(C) in subsection (e)(1)—

(i) by striking ''section 221(d)(3)(ii)'' and inserting ''section 221(d)(4)''; and

(ii) by striking ''not to exceed 140 percent'' and inserting ''as determined by the Secretary'';

(8) in section 215(a)(6)(B) (42 U.S.C. 12745(a)(6)(B)), by striking ''grand children'' and inserting ''grandchildren'';

(9) in section 217 (42 U.S.C. 12747)—

(A) in subsection (a)—

(i) in paragraph (1), by striking ''(3)'' and inserting ''(2)'';

(ii) by striking paragraph (3), as added by section 211(a)(2)(D) of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 Stat. 3756); and

(iii) by redesignating the remaining paragraph (3), as added by the matter under the heading ''HOME INVESTMENT PARTNERSHIPS PROGRAM'' under the heading ''HOUSING PROGRAMS'' in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993 (Public Law 102–389; 106 Stat. 1581), as paragraph (2); and

(B) in subsection (b)(1)—

(i) in subparagraph (A), in the first sentence—

(I) by striking ''in regulation'' and inserting '', by regulation,''; and

(II) by striking ''eligible jurisdiction'' and inserting ''eligible jurisdictions''; and

(ii) in subparagraph (F), in the first sentence—

(I) in clause (i), by striking ''Subcommittee on Housing and Urban Affairs'' and inserting ''Subcommittee on Housing, Transportation, and Community Development''; and

(II) in clause (ii), by striking ''Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs'' and inserting ''Subcommittee on Housing and Insurance of the Committee on Financial Services'';

(10) in section 220(c) (42 U.S.C. 12750(c))—

(A) in paragraph (3), by striking ''Secretary'' and all that follows and inserting ''Secretary;'';

(B) in paragraph (4), by striking ''under this title'' and all that follows and inserting ''under this title;''; and

(C) by redesignating paragraphs (6), (7), and (8) as paragraphs (5), (6), and (7), respectively;

(11) in section 225(d)(4)(B) (42 U.S.C. 12755(d)(4)(B)), by striking ''for'' the first place that term appears; and

(12) in section 233 (42 U.S.C. 12773)—

(A) in subsection (b)(6), by striking ''to community land trusts (as such term is defined in subsection (f))'' and inserting ''to community land trusts (as such term is defined in section 104)''; and

(B) by striking subsection (f).

SEC. 503. RURAL HOUSING SERVICE REFORM ACT.

(a) APPLICATION OF MULTIFAMILY MORTGAGE FORECLOSURE PROCEDURES TO MULTIFAMILY MORTGAGES HELD BY THE SECRETARY OF AGRICULTURE AND PRESERVATION OF THE RENTAL ASSISTANCE CONTRACT UPON FORECLOSURE.—

(1) MULTIFAMILY MORTGAGE PROCEDURES.—Section 363(2) of the Multifamily Mortgage Foreclosure Act of 1981 (12 U.S.C. 3702(2)) is amended—

(A) in subparagraph (D), by striking ''and'' at the end;

(B) in subparagraph (E), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following:

''(F) section 514, 515, or 538 of the Housing Act of 1949 (42 U.S.C. 1484, 1485, 1490p–2).''.

(2) PRESERVATION OF CONTRACT.—Section 521(d) of the Housing Act of 1949 (42 U.S.C. 1490a(d)) is amended by adding at the end the following:

''(3) Notwithstanding any other provision of law, in managing and disposing of any multifamily property that is owned or has a mortgage held by the Secretary, and during the process of foreclosure on any property with a contract for rental assistance under this section—

''(A) the Secretary shall maintain any rental assistance payments that are attached to any dwelling units in the property; and

''(B) the rental assistance contract may be used to provide further assistance to existing projects under 514, 515, or 516.''.

(b) STUDY ON RURAL HOUSING LOANS FOR HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES.—Not later than 6 months after the date of enactment of this Act, the Secretary of Agriculture shall conduct a study and submit to Congress a publicly available report on the loan program under section 521 of the Housing Act of 1949 (42 U.S.C. 1490a), including—

(1) the total amount provided by the Secretary in subsidies under such section 521 to borrowers with loans made pursuant to section 502 of such Act (42 U.S.C. 1472);

(2) how much of the subsidies described in paragraph (1) are being recaptured; and

(3) the amount of time and costs associated with recapturing those subsidies.

(c) STAFFING AND INFORMATION TECHNOLOGY UPGRADES.—Utilizing funds appropriated for such purposes, the Secretary of Agriculture may increase staffing capacity and upgrade

information technology to support all Rural Housing Service programs.

(d) TECHNICAL IMPROVEMENTS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—Utilizing funds appropriated for such purposes, the Secretary of Agriculture may make improvements to the technology of the Rural Housing Service of the Department of Agriculture used to process and manage housing loans.

(2) AVAILABILITY.—Amounts appropriated pursuant to paragraph (1) shall remain available until the date that is 5 years after the date of the appropriation.

(3) TIMELINE.—The Secretary of Agriculture shall make the improvements described in paragraph (1) during the 5-year period beginning on the date on which amounts are appropriated under paragraph (1).

(e) PERMANENT ESTABLISHMENT OF HOUSING PRESERVATION AND REVITALIZATION PROGRAM.—Title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.) is amended by adding at the end the following:

"SEC. 545. HOUSING PRESERVATION AND REVITALIZATION PROGRAM.

''(a) ESTABLISHMENT.—The Secretary shall carry out a program under this section for the preservation and revitalization of multifamily rental housing projects financed under section 514, 515, or 516.

''(b) NOTICE OF MATURING LOANS.—

''(1) TO OWNERS.—On an annual basis, the Secretary shall provide written notice to each owner of a property financed under section 514, 515, or 516 that will mature within the 4-year period beginning upon the provision of the notice, setting forth the options and financial incentives that are available to facilitate the extension of the loan term or the option to decouple a rental assistance contract pursuant to subsection (f).

''(2) TO TENANTS.—

''(A) IN GENERAL.—On an annual basis, for each property financed under section 514, 515, or 516, not later than the date that is 2 years before the date that the loan will mature, the Secretary shall provide written notice to each household residing in the property that informs them of—

''(i) the date of the loan maturity;

''(ii) the possible actions that may happen with respect to the property upon that maturity; and

''(iii) how to protect their right to reside in federally assisted housing, or how to secure housing voucher, after that maturity.

''(B) LANGUAGE.—Notice under this paragraph shall be provided in plain English and shall be translated to other languages in the case of any property located in an area in which a significant number of residents speak such other languages.

''(c) LOAN RESTRUCTURING.—Under the program under this section, in any circumstance in which the Secretary proposes a restructuring to an owner or an owner proposes a restructuring to the Secretary, the Secretary may restructure such existing housing loans, as the Secretary considers appropriate, for the purpose of ensuring that those projects have sufficient resources to preserve the projects to provide safe and affordable housing for low-income residents and farm laborers, by—

''(1) reducing or eliminating interest;

''(2) deferring loan payments;

''(3) subordinating, reducing, or reamortizing loan debt;

''(4) providing other financial assistance, including advances, payments, and incentives (including the ability of owners to obtain reasonable returns on investment) required by the Secretary; and

''(5) permanently removing a portion of the housing units from income restrictions when sustained vacancies have occurred.

''(d) RENEWAL OF RENTAL ASSISTANCE.—

''(1) IN GENERAL.—When the Secretary proposes to restructure a loan or agrees to the proposal of an owner to restructure a loan pursuant to subsection (c), the Secretary shall offer to renew the rental assistance contract under section 521(a)(2) for a term that is the shorter of 20 years and the term of the restructured loan, subject to annual appropriations, provided that the owner agrees to bring the property up to such standards that will ensure maintenance of the property as decent, safe, and sanitary housing for the full term of the rental assistance contract.

''(2) ADDITIONAL RENTAL ASSISTANCE.—With respect to a project described in paragraph (1), if rental assistance is not available for all households in the project for which the loan is being restructured pursuant to subsection (c), the Secretary may extend such additional rental assistance to unassisted households at that project as is necessary to make the project safe and affordable to low-income households.

''(e) RESTRICTIVE USE AGREEMENTS.—

''(1) REQUIREMENT.—As part of the preservation and revitalization agreement for a project, the Secretary shall obtain a restrictive use agreement that is recorded and obligates the owner to operate the project in accordance with this title.

''(2) TERM.—

''(A) NO EXTENSION OF RENTAL ASSISTANCE CONTRACT.—Except when the Secretary enters into a 20-year extension of the rental assistance contract for a project, the term of the restrictive use agreement for the project shall be consistent with the term of the restructured loan for the project.

''(B) EXTENSION OF RENTAL ASSISTANCE CONTRACT.—If the Secretary enters into a 20-year extension of the rental assistance contract for a project, the term of the restrictive use agreement for the project shall be for the longer of—

''(i) 20 years; or

''(ii) the remaining term of the loan for that project.

''(C) TERMINATION.—The Secretary may terminate the 20-year use restrictive use agreement for a project before the end of the term of the agreement if the 20-year rental assistance contract for the project with the owner is terminated at any time for reasons outside the control of the owner.

''(f) DECOUPLING OF RENTAL ASSISTANCE.—

''(1) RENEWAL OF RENTAL ASSISTANCE CONTRACT.—If the Secretary determines that a loan maturing during the 4-year period beginning upon the provision of the notice required under subsection (b)(1) for a project cannot reasonably be restructured in accordance with subsection (c) because it is not financially feasible or the owner does not agree with the proposed restructuring, and the project was operating with rental assistance under section 521 and the recipient is a borrower under section 514 or 515, the Secretary may renew the rental assistance contract, notwithstanding any requirement under section 521 that the recipient be a current borrower under section 514 or 515, for a term of 20 years, subject to annual appropriations.

''(2) ADDITIONAL RENTAL ASSISTANCE.—With respect to a project described in paragraph (1), if rental assistance is not available for all households in the project for which the loan is being restructured pursuant to subsection (c), the Secretary may extend such additional rental assistance to unassisted households at that project as is necessary to make the project safe and affordable to low-income households.

''(3) RENTS.—

''(A) IN GENERAL.—Any agreement to extend the term of the rental assistance contract under section 521 for a project shall obligate the owner to continue to maintain the project as decent, safe, and sanitary housing and to operate the development as affordable housing in a manner that meets the goals of this title.

''(B) RENT AMOUNTS.—Subject to subparagraph (C), in setting rents, the Secretary—

''(i) shall determine the maximum initial rent based on current fair market rents established under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f); and

''(ii) may annually adjust the rent determined under clause (i) by the operating cost adjustment factor as provided under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note).

''(C) HIGHER RENT.—

''(i) IN GENERAL.—Subparagraph (B) shall not apply if the Secretary determines that the budget-based needs of a project require a higher rent than the rent described in subparagraph (B).

''(ii) RENT.—If the Secretary makes a positive determination under clause (i), the Secretary may approve a budget-based rent level for the project.

''(4) CONDITIONS FOR APPROVAL.—Before the approval of a rental assistance contract authorized under this section, the Secretary shall require, through an annual notice in the Federal Register, the owner to submit to the Secretary a plan that identifies financing sources and a timetable for renovations and improvements determined to be necessary by the Secretary to maintain and preserve the project.

''(g) MULTIFAMILY HOUSING TRANSFER TECHNICAL ASSISTANCE.—Under the program under this section, the Secretary may provide grants to qualified nonprofit organizations and public housing agencies to provide technical assistance, including financial and legal services, to borrowers under loans under this title for multifamily housing to facilitate the acquisition or preservation of such multifamily housing properties in areas where the Secretary determines there is a risk of loss of affordable housing.

''(h) ADMINISTRATIVE EXPENSES.—Of any amounts made available for the program under this section for any fiscal year, the Secretary may use not more than $1,000,000 for administrative expenses for carrying out such program.

''(i) RULEMAKING.—

''(1) IN GENERAL.—Not later than 180 days after the date of enactment of the 21st Century ROAD to Housing Act, the Secretary shall—

''(A) publish an advance notice of proposed rulemaking; and

''(B) consult with appropriate stakeholders.

''(2) INTERIM FINAL RULE.—Not later than 1 year after the date of enactment of the 21st Century ROAD to Housing Act, the Secretary shall publish an interim final rule to carry out this section.''.

(f) RENTAL ASSISTANCE CONTRACT AUTHORITY.—Section 521(d) of the Housing Act of 1949 (42 U.S.C. 1490a(d)), as amended by this section, is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively;

(B) by inserting after subparagraph (A) the following:

''(B) upon request of an owner of a project financed under section 514 or 515, the Secretary is authorized to enter into renewal of such agreements for a period of 20 years or the term of the loan, whichever is shorter, subject to amounts made available in appropriations Acts;'';

(C) in subparagraph (C), as so redesignated, by striking ''subparagraph (A)'' and inserting ''subparagraphs (A) and (B)''; and

(D) in subparagraph (D), as so redesignated, by striking ''subparagraphs (A) and (B)'' and inserting ''subparagraphs (A), (B), and (C)'';

(2) in paragraph (2), by striking ''shall'' and inserting ''may''; and

(3) by adding at the end the following:

''(4) In the case of any rental assistance contract authority that becomes available because of the termination of assistance on behalf of an assisted family—

''(A) at the option of the owner of the rental project, the Secretary shall provide the owner a period of not more than 6 months before unused assistance is made available pursuant to subparagraph (B) during which the owner may use such authority to provide assistance on behalf of an eligible unassisted family that—

''(i) is residing in the same rental project in which the assisted family resided before the termination; or

''(ii) newly occupies a dwelling unit in the rental project during that 6-month period; and

''(B) except for assistance used as provided in subparagraph (A), the Secretary shall use such remaining authority to provide assistance on behalf of eligible families residing in other rental projects originally financed under section 514, 515, or 516.''.

(g) MODIFICATIONS TO LOANS AND GRANTS FOR MINOR IMPROVEMENTS TO FARM HOUSING AND BUILDINGS; INCOME ELIGIBILITY.—Section 504(a) of the Housing Act of 1949 (42 U.S.C. 1474(a)) is amended—

(1) in the first sentence, by inserting ''and may make a loan to an eligible low-income applicant'' after ''applicant'';

(2) by inserting ''Not less than 60 percent of loan funds made available under this section shall be reserved and made available for very low-income applicants.'' after the first sentence; and

(3) by striking ''$7,500'' and inserting ''$15,000''.

(h) RURAL COMMUNITY DEVELOPMENT INITIATIVE.—Subtitle E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009 et seq.) is amended by adding at the end the following:

''SEC. 381O. RURAL COMMUNITY DEVELOPMENT INITIATIVE.

''(a) DEFINITIONS.—In this section:

''(1) ELIGIBLE ENTITY.—The term 'eligible entity' means—

''(A) a private, nonprofit community-based housing or community development organization;

''(B) a rural community; or

''(C) a federally recognized Indian tribe.

''(2) ELIGIBLE INTERMEDIARY.—The term 'eligible intermediary' means a qualified—

''(A) private, nonprofit organization; or

''(B) public organization.

''(b) ESTABLISHMENT.—The Secretary shall establish a Rural Community Development Initiative, under which the Secretary shall provide grants, subject to the availability of appropriations, to eligible intermediaries to carry out programs to provide financial and technical assistance to eligible entities to develop the capacity and ability of eligible entities to carry out projects to improve housing, community facilities, and community and economic development projects in rural areas.

''(c) AMOUNT OF GRANTS.—The amount of a grant provided to an eligible intermediary under this section shall be not more than $500,000.

''(d) MATCHING FUNDS.—

''(1) IN GENERAL.—An eligible intermediary receiving a grant under this section shall provide matching funds from other sources, including Federal funds for related activities, in an amount not less than the amount of the grant.

''(2) WAIVER.—The Secretary may waive paragraph (1) with respect to a project that would be carried out in a persistently poor rural region, as determined by the Secretary.''.

(i) ANNUAL REPORT ON RURAL HOUSING PROGRAMS.—Title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), as amended by this section, is amended by adding at the end the following:

''SEC. 546. ANNUAL REPORT.

''(a) IN GENERAL.—The Secretary shall submit to the appropriate committees of Congress and publish on the website of the Department of Agriculture an annual report on rural housing programs carried out under this title, which shall include significant details on the health of Rural Housing Service programs, including—

''(1) raw data sortable by programs and by region regarding loan performance;

''(2) the housing stock of those programs, including information on why properties end participation in those programs, such as for maturation, prepayment, foreclosure, or other servicing issues; and

''(3) risk ratings for properties assisted under those programs.

''(b) PROTECTION OF INFORMATION.—The data included in each report required under subsection (a) may be aggregated or anonymized to protect participant financial or personal information.''.

(j) GAO REPORT ON RURAL HOUSING SERVICE TECHNOLOGY.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report that includes—

(1) an analysis of how the outdated technology used by the Rural Housing Service impacts participants in the programs of the Rural Housing Service;

(2) an estimate of the amount of funding that is needed to modernize the technology used by the Rural Housing Service; and

(3) an estimate of the number and type of new employees the Rural Housing Service needs to modernize the technology used by the Rural Housing Service.

(k) ADJUSTMENT TO RURAL DEVELOPMENT VOUCHER AMOUNT.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary of Agriculture shall issue regulations to establish a process for adjusting the voucher amount provided under section 542 of the Housing Act of 1949 (42 U.S.C. 1490r) after the issuance of the voucher following an interim or annual review of the amount of the voucher.

(2) INTERIM REVIEW.—The interim review described in paragraph (1) shall, at the request of a tenant, allow for a recalculation of the voucher amount when the tenant experiences a reduction in income, change in family composition, or change in rental rate.

(3) ANNUAL REVIEW.—

(A) IN GENERAL.—The annual review described in paragraph (1) shall require tenants to annually recertify the family composition of the household and that the family income of the household does not exceed 80 percent of the area median income at a time determined by the Secretary of Agriculture.

(B) CONSIDERATIONS.—If a tenant does not recertify the family composition and family income of the household within the time frame required under subparagraph (A), the Secretary of Agriculture—

(i) shall consider whether extenuating circumstances caused the delay in recertification; and

(ii) may alter associated consequences for the failure to recertify based on those circumstances.

(C) EFFECTIVE DATE.—Following the annual review of a voucher under paragraph (1), the updated voucher amount shall be effective on the 1st day of the month following the expiration of the voucher.

(4) DEADLINE.—The process established under paragraph (1) shall require the Secretary of Agriculture to review and update the voucher amount described in paragraph (1) for a tenant not later than 60 days before the end of the voucher term.

(l) ELIGIBILITY FOR RURAL HOUSING VOUCHERS.—Section 542 of the Housing Act of 1949 (42 U.S.C. 1490r) is amended by adding at the end the following:

''(c) ELIGIBILITY OF HOUSEHOLDS IN SECTIONS 514, 515, AND 516 PROJECTS.—The Secretary may provide rural housing vouchers under this section for any low-income household (including those not receiving rental assistance) residing for a term longer than the remaining term of their lease that is in effect on the date of prepayment, foreclosure, or mortgage maturity, in a property financed with a loan under section 514 or 515 or a grant under section 516 that has—

''(1) been prepaid with or without restrictions imposed by the Secretary pursuant to section 502(c)(5)(G)(ii)(I);

''(2) been foreclosed; or

''(3) matured after September 30, 2005.''.

(m) AMOUNT OF VOUCHER ASSISTANCE.—Notwithstanding any other provision of law, in the case of any rural housing voucher provided pursuant to section 542 of the Housing Act of 1949 (42 U.S.C. 1490r), the amount of the monthly assistance payment for the household on whose behalf the assistance is provided shall be determined as provided in subsection (a) of such section 542, including providing for interim and annual review of the voucher amount in the event of a change in household composition or income or rental rate.

(n) TRANSFER OF MULTIFAMILY RURAL HOUSING PROJECTS.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended—

(1) in subsection (h), by adding at the end the following:

''(3) TRANSFER TO NONPROFIT ORGANIZATIONS.—A nonprofit or public body purchaser, including a limited partnership with a general partner with the principal purpose of providing affordable housing, may purchase a property for which a loan is made or insured under this section that has received a market value appraisal, without addressing rehabilitation needs at the time of purchase, if the purchaser—

''(A) makes a commitment to address rehabilitation needs during ownership and long-term use restrictions on the property; and

''(B) at the time of purchase, accepts long-term use restrictions on the property.''; and

(2) in subsection (w)(1), in the first sentence in the matter preceding subparagraph (A), by striking ''9 percent'' and inserting ''25 percent''.

(o) EXTENSION OF LOAN TERM.—

(1) IN GENERAL.—Section 502(a)(2) of the Housing Act of 1949 (42 U.S.C. 1472(a)(2)) is amended—

(A) by inserting ''(A)'' before ''The Secretary'';

(B) in subparagraph (A), as so designated, by striking ''paragraph'' and inserting ''subparagraph''; and

(C) by adding at the end the following:

''(B) The Secretary may refinance or modify the period of any loan, including any refinanced loan, made under this section in accordance with terms and conditions as the Secretary shall prescribe, but in no event shall the total term of the loan from the date of the refinance or modification exceed 40 years.''.

(2) APPLICATION.—The amendment made under paragraph (1) shall apply with respect

to loans made under section 502 of the Housing Act of 1949 (42 U.S.C. 1472) before, on, or after the date of enactment of this Act.

(p) RELEASE OF LIABILITY FOR SECTION 502 GUARANTEED BORROWER UPON ASSUMPTION OF ORIGINAL LOAN BY NEW BORROWER.—Section 502(h) of the Housing Act of 1949 (42 U.S.C. 1472(h)) is amended—

(1) by striking paragraph (10) and inserting the following:

''(10) TRANSFER AND ASSUMPTION.—Upon the transfer of property for which a guaranteed loan under this subsection was made and the assumption of the guaranteed loan by an approved eligible borrower, the original borrower of a guaranteed loan under this subsection shall be relieved of liability with respect to the loan.'';

(2) by redesignating paragraph (16) as paragraph (17); and

(3) by inserting after paragraph (15) the following:

''(16) FEE.—

''(A) IN GENERAL.—The mortgagee may charge an assuming borrower a reasonable and customary processing fee for an assumption request made under this subsection.

''(B) MAXIMUM FEE.—The Secretary shall set a maximum allowable fee described in subparagraph (A), which may be indexed for inflation.''.

(q) DEPARTMENT OF AGRICULTURE LOAN RESTRICTIONS.—

(1) DEFINITIONS.—In this subsection, the terms ''State'' and ''tribal organization'' have the meanings given those terms in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).

(2) REVISION.—The Secretary of Agriculture shall revise section 3555.102(c) of title 7, Code of Federal Regulations, to exclude from the restriction under that section—

(A) a home-based business that is a licensed, registered, or regulated child care provider under State law or by a tribal organization; and

(B) an applicant that has applied to become a licensed, registered or regulated child care provider under State law or by a tribal organization.

(r) LOAN GUARANTEES.—Section 502(h)(4) of the Housing Act of 1949 (42 U.S.C. 1472(h)(4)) is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and adjusting the margins accordingly;

(2) by striking ''Loans may be guaranteed'' and inserting the following:

''(A) DEFINITION.—In this paragraph, the term 'accessory dwelling unit' means a single, habitable living unit—

''(i) with means of separate ingress and egress;

''(ii) that is usually subordinate in size;

''(iii) that can be added to, created within, or detached from a primary 1-unit, single-family dwelling; and

''(iv) in combination with a primary 1-unit, single family dwelling, constitutes a single interest in real estate.

''(B) SINGLE FAMILY REQUIREMENT.—Loans may be guaranteed''; and

(3) by adding at the end the following:

''(C) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit the leasing of an accessory dwelling unit or the use of rental income derived from such a lease to qualify for a loan guaranteed under this subsection—

''(i) after the date of enactment of the 21st Century ROAD to Housing Act; and

''(ii) if the property that is the subject of the loan was constructed before the date of enactment of the 21st Century ROAD to Housing Act.''.

(s) APPLICATION REVIEW.—

(1) SENSE OF CONGRESS.—It is the sense of Congress, not later than 90 days after the date on which the Secretary of Agriculture receives an application for a loan, grant, or combined loan and grant under section 502 or 504 of the Housing Act of 1949 (42 U.S.C. 1472, 1474), the Secretary of Agriculture should—

(A) review the application;

(B) complete the underwriting;

(C) make a determination of eligibility with respect to the application; and

(D) notify the applicant of determination.

(2) REPORT.—

(A) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, and annually thereafter until the date described in subparagraph (B), the Secretary of Agriculture shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report—

(i) detailing the timeliness of eligibility determinations and final determinations with respect to applications under sections 502 and 504 of the Housing Act of 1949 (42 U.S.C. 1472, 1474), including justifications for any eligibility determinations taking longer than 90 days; and

(ii) that includes recommendations to shorten the timeline for notifications of eligibility determinations described in clause (i) to not more than 90 days.

(B) DATE DESCRIBED.—The date described in this subparagraph is the date on which, during the preceding 5-year period, the Secretary of Agriculture provides each eligibility determination described in subparagraph (A) during the 90-day period beginning on the date on which each application is received.

SEC. 504. NEW MOVING TO WORK COHORT.

(a) DEFINITIONS.—In this section:

(1) MOVING TO WORK DEMONSTRATION.—The term ''Moving to Work demonstration'' means the Moving to Work demonstration authorized under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note).

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(b) AUTHORIZATION OF ADDITIONAL PUBLIC HOUSING AGENCIES.—

(1) IN GENERAL.—After the completion of the initial report required under subsection (h)(2), the Secretary may add up to an additional 25 public housing agencies that are designated as high performing agencies under the Public Housing Assessment System or the Section 8 Management Assessment Program to participate in a new cohort as part of the Moving to Work demonstration.

(2) NAME.—The new cohort authorized under paragraph (1) shall be entitled the ''Economic Opportunity and Pathways to Independence Cohort''.

(c) WAIVER AUTHORITY.—

(1) IN GENERAL.—Subject to this subsection, the authority of the Secretary to grant waivers to agencies admitted to the Moving to Work demonstration under this section or to designate policy changes as part of a cohort design under this section shall be limited to the Moving to Work waivers codified as of January 2025 in Appendix I of the document of the Department of Housing and Urban Development entitled ''Operations Notice for the Expansion of the Moving to Work Demonstration Program'' (FR–5994–N–05) published in the Federal Register on August 28, 2020, as amended by the notice entitled ''Operations Notice for Expansion of the Moving to Work Demonstration Program Technical Revisions'' (FR–5994–N–06) published in the Federal Register on March 20, 2025.

(2) MODIFICATIONS.—The Secretary may not waive the safe harbor requirements that apply to the Moving to Work waivers described in paragraph (1) or modify those waivers in any other way for the purposes of the new cohort under this section.

(3) EXCEPTIONS.—

(A) IN GENERAL.—Under paragraph (1), the Secretary may not grant waiver 1c, 1d, 1e, 1f, 1k, 1l, 1o, 1p, 1q, 6, 7, 9a, 9h, or 12 in the document described in paragraph (1), including modifications of or safe harbor requirement waivers for such waivers.

(B) SPECIFIC WAVERS.—If the Secretary grants waiver 10 or 11 in the document described in paragraph (1), resident participation in any program administered pursuant to those waivers shall be optional for purposes of the new cohort under this section.

(4) POLICY OPTIONS.—In carrying out the Moving to Work demonstration cohort established under this section, the Secretary may consider policy options to provide opt-out savings or escrow accounts and report positive rental payments to consumer reporting agencies (as defined in section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a)) with resident consent.

(d) FUNDING AND USE OF FUNDS.—

(1) IN GENERAL.—Public housing agencies in the cohort authorized under this section may expend not more than 5 percent of the amounts those public housing agencies receive in any fiscal year for housing assistance payments under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) for purposes other than such housing assistance payments.

(2) OTHER USES.—Such other uses of amounts described in paragraph (1) shall comply with all other applicable requirements.

(3) FORMULA.—

(A) RENEWAL.—The amount of funding public housing agencies receive for renewal of housing assistance payments under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) shall be determined according to the same funding formula applicable to public housing agencies that do not participate in the Moving to Work demonstration, except that the Secretary shall provide public housing agencies funding to renew any funds expended under this subsection, with an adjustment for inflation.

(B) ADMINISTRATIVE FEES.—The amount of funding public housing agencies receive for administrative fees under section 8(q) of the United States Housing Act of 1937 (42 U.S.C. 1437f(q)), public housing operating subsidies under section 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(e)), and public housing capital funding under section 9(d) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d)) shall be determined according to the same funding formula applicable to public housing agencies that do not participate in the Moving to Work demonstration.

(e) SELECTION REQUIREMENTS.—The Secretary shall select public housing agencies designated under this section through a competitive process, as determined by the Secretary, with the following parameters:

(1) No public housing agency shall be granted this designation under this section that administers more than 27,000 aggregate housing vouchers and public housing units.

(2) Of the public housing agencies selected under this section, not more than 12 shall administer 1,000 or fewer aggregate housing vouchers and public housing units, not more than 8 shall administer between 1,001 and 6,000 aggregate housing vouchers and public

housing units, and not more than 5 shall administer between 6,001 and 27,000 aggregate housing vouchers and public housing units.

(3) Selection of public housing agencies under this section shall be based on ensuring the geographic diversity of Moving to Work demonstration public housing agencies.

(4) Within the requirements under paragraphs (1) through (3), the Secretary shall prioritize selecting public housing agencies that serve families with children and youth aging out of foster care at a rate above the national average.

(f) REQUIREMENTS FOR SELECTED PUBLIC HOUSING AGENCIES.—Consistent with section 204(c)(3) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note), public housing agencies selected for the Moving to Work demonstration under this section shall—

(1) ensure that not less than 75 percent of the families assisted are very low-income families, as defined in section 3(b)(2)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)(B));

(2) establish a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of the Moving to Work demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent;

(3) continue to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined;

(4) maintain a comparable mix of families (by family size) as would have been provided had the amounts not been used under the Moving to Work demonstration; and

(5) assure that housing assisted under the Moving to Work demonstration meets housing quality standards established or approved by the Secretary.

(g) NONCOMPLIANCE.—

(1) IN GENERAL.—If the Secretary finds that a public housing agency participating in the cohort authorized under this section is not in compliance with the requirements under this section, the Secretary shall make a determination of noncompliance.

(2) COMPLIANCE.—Upon making a determination under paragraph (1), the Secretary shall develop a process to bring the public housing agency into compliance.

(3) REMOVAL.—If a public housing agency cannot be brought into compliance under the process developed under paragraph (2), the Secretary shall remove the participating public housing agency from the cohort and replace it with a similarly qualified public housing agency currently not in the cohort chosen in the manner described in subsection (e).

(4) NOTIFICATION.—Upon removing a public housing agency under paragraph (3), the Secretary shall immediately submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives—

(A) a notification of the removal; and

(B) a report on the active steps the Secretary is taking to replace the public housing agency with a new public housing agency.

(h) COMPREHENSIVE MOVING TO WORK REPORTING AND OVERSIGHT REQUIREMENTS.—

(1) COHORT RESEARCH.—

(A) IN GENERAL.—The Secretary shall continue ongoing research investigations commenced as part of the assessment of the cohorts established under section 239 of the Department of Housing and Urban Development Appropriations Act, 2016 (42 U.S.C. 1437f note; Public Law 114–113), make public all products completed as part of those investigations, and keep such products online for at least 5 years.

(B) COORDINATION.—The Secretary shall coordinate with the advisory committee established under section 239 of the Department of Housing and Urban Development Appropriations Act, 2016 (42 U.S.C. 1437f note; Public Law 114–113) to establish a research program to evaluate the outcomes and efficacy of the following for all Moving to Work demonstration agencies designated under the authority under such section and this section:

(i) The waivers granted to each cohort and whether those waivers accomplish the goals of achieving greater cost effectiveness and administrative capacity, incentivizing families to become economically self-sufficient, and increasing housing choice.

(ii) The additional flexibilities granted to individual public housing agencies under each cohort.

(iii) How the flexibilities described in clause (ii) were used for local, non-traditional activities.

(2) COMPREHENSIVE REPORTING REQUIREMENT.—Not later than 180 days after the date of enactment of this Act, and annually thereafter, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that contains the following for each Moving to Work demonstration cohort under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note), section 239 of the Department of Housing and Urban Development Appropriations Act, 2016 (42 U.S.C. 1437f note; Public Law 114–113), and this section:

(A) The annual administrative plans of each Moving to Work demonstration public housing agency.

(B) Assessments of longitudinal data, including data on units, households, and outcomes, which shall be evaluated to compare changes in the following trends before and after Moving to Work demonstration designation:

(i) Impacts on tenants based on the following, disaggregated by the public housing program and the housing choice voucher program:

(I) Eviction rates.

(II) Hardship policy usage.

(III) Share of rent covered by a household.

(IV) Turnover, including the number of household moves with or without continued assistance.

(V) Reasons for exit from the program.

(VI) The number and characteristics of households served, including households with a non-elderly family member with a disability, households with 3 or more minors, homelessness status at the time of admission, and average and median income as a percent of area median income.

(ii) Impacts on public housing agency operations based on the following:

(I) The number of units, broken down by type.

(II) The size, including the number of bedrooms per unit, accessibility, affordability, and quality of units.

(III) The length of each waitlist maintained and average wait times.

(IV) Changes in capital backlog needs and surplus fund and reserve levels.

(V) The number of public housing units undergoing a conversion under the rental assistance demonstration program authorized under the Department of Housing and Urban Development Appropriations Act, 2012 (Public Law 112–55; 125 Stat. 673) or demolition or disposition projects under section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p), including the number of units lost and the location of any replacement housing resulting from demolition or disposition.

(VI) The share of project-based vouchers compared to tenant-based vouchers.

(VII) The following annual housing choice voucher data:

(aa) Voucher unit utilization rates.

(bb) Voucher budget utilization rates.

(cc) Annualized voucher success rate.

(dd) Demographic composition of households issued vouchers compared to utilized vouchers.

(ee) Average time to lease-up.

(ff) Average cost per voucher.

(gg) Average cost per landlord incentive.

(hh) Ratio of the proportion of voucher households living in concentrated low-income areas to the proportion of renter-occupied units in concentrated low-income areas.

(ii) Characteristics of census tracts where voucher recipients reside.

(VIII) How the public housing agency met each of the statutory requirements in section 204(c)(3) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note).

(iii) Impacts on public housing staffing and capacity, including the average public housing agency operating, administrative, and housing assistance payment expenditures per household per month.

(C) Legislative recommendations for flexibilities that could be expanded to all public housing agencies and how each flexibility enhances housing choice, affordability, and administrative capacity and efficiency for public housing agencies.

(3) PUBLIC AVAILABILITY.—

(A) IN GENERAL.—The Secretary shall maintain all reports submitted pursuant to this section in a manner that is publicly available, accessible, and searchable on the website of the Department of Housing and Urban Development for not less than 5 years.

(B) OTHER INFORMATION.—

(i) IN GENERAL.—The Secretary shall make the annual plan of the Moving to Work demonstration, the Section 8 administrative plan, and the admission and continued occupancy policy for each year publicly available in 1 location on the website of the Department of Housing and Urban Development for not less than 5 years.

(ii) DATABASE.—The Secretary may establish a searchable database on the website of the Department of Housing and Urban Development to track the types of flexibilities into which Moving to Work demonstration public housing agencies have opted or for which a waiver was approved by the Secretary, disaggregated by the year such flexibilities were adopted or approved.

SEC. 505. INCENTIVIZING LOCAL SOLUTIONS TO HOMELESSNESS.

Section 414 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11373) is amended by adding at the end the following:

''(f) FUNDING CAP WAIVER AUTHORITY.—

''(1) IN GENERAL.—Notwithstanding any other provision of law or regulation, a recipient may request a waiver to the expenditure limit established pursuant to section 415(b) for amounts provided for each of fiscal years 2027 through 2030.

''(2) WAIVER REQUEST.—

''(A) IN GENERAL.—A recipient seeking a waiver described in paragraph (1) shall submit to the Secretary a waiver request that includes not more than the following:

''(i) A demonstration of local needs and circumstances that necessitate a waiver.

''(ii) A detailed plan for how the recipient intends to use funds.

''(iii) A justification for how the proposed use of funds supports the most recent Consolidated Plan submitted by the recipient.

''(iv) Any public input solicited under subparagraph (B)(ii).

''(B) NOTIFICATION.—Each recipient shall—

''(i) notify all subrecipients and local Continuums of Care that serve the recipient's geographic area of the availability of waivers under this subsection; and

''(ii) prior to the submission of a waiver request under subparagraph (A), solicit public input regarding the potential need for and proposed uses of such waiver.

''(C) APPROVAL; PUBLICATION.—The Secretary shall—

''(i) make all waiver requests submitted under subparagraph (A) publicly available on the website of the Department of Housing and Urban Development;

''(ii) not later than 60 days after the date on which the Secretary receives a waiver request under subparagraph (A), approve or deny the request; and

''(iii) deny any waiver request submitted under subparagraph (A) by a recipient that relocates or threaten to relocate individuals or their property without providing emergency shelter, rapid rehousing, transitional housing, permanent supportive housing, or other permanent housing options.

''(3) REVOCATION.—

''(A) IN GENERAL.—A waiver approved under this subsection shall remain in effect for the duration of the period of performance of fiscal year 2027 through 2030 grants unless the recipient notifies the Secretary in writing that the recipient wishes to revoke the waiver.

''(B) NOTIFICATION.—If a recipient intends to revoke a waiver under subparagraph (A), the recipient shall—

''(i) solicit input from subrecipients regarding the revocation before submitting the revocation; and

''(ii) provide subrecipients with a summary of the input and the justification for the revocation in its submittal prior to notifying the Secretary in writing.

''(C) PUBLICATION.—The Secretary shall publish any revocation of a waiver under subparagraph (A) and the justification of the recipient for the waiver on the website of the Department of Housing and Urban Development.''.

TITLE VI—VETERANS AND HOUSING

SEC. 601. VA HOME LOAN AWARENESS ACT.

(a) IN GENERAL.—Subpart A of part 2 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4541 et seq.) is amended by adding at the end the following:

''SEC. 1329. UNIFORM RESIDENTIAL LOAN APPLICATION.

''Not later than 6 months after the date of enactment of this section, the Director shall, by regulation or order, require each enterprise to include a disclaimer below the military service question on the form known as the Uniform Residential Loan Application stating, 'If yes, you may qualify for a VA Home Loan. Consult your lender regarding eligibility.'.''.

(b) GAO STUDY.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study and submit to Congress a report on whether not less than 80 percent of lenders using the Uniform Residential Loan Application have included on that form the disclaimer required under section 1329 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as added by subsection (a).

SEC. 602. VETERANS AFFAIRS LOAN INFORMED DISCLOSURE (VALID) ACT.

(a) FHA INFORMED CONSUMER CHOICE DISCLOSURE.—

(1) INCLUSION OF INFORMATION RELATING TO VA LOANS.—Subparagraph (A) of section 203(f)(2) of the National Housing Act (12 U.S.C. 1709(f)(2)(A)) is amended—

(A) by striking ''ratio in'' and inserting ''ratio—

''(i) in''; and

(B) by adding at the end the following:

''(ii) in connection with a loan guaranteed or insured under chapter 37 of title 38, United States Code, assuming prevailing interest rates; and''.

(2) RULE OF CONSTRUCTION.—Nothing in the amendments made by paragraph (1) shall be construed to require an original lender to determine whether a prospective borrower is eligible for any loan included in the notice required under section 203(f) of the National Housing Act (12 U.S.C. 1709(f)).

(b) MILITARY SERVICE QUESTION.—

(1) IN GENERAL.—Subpart A of part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4541 et seq.), as amended by section 601(a) of this Act, is amended by adding at the end the following:

''SEC. 1330. UNIFORM RESIDENTIAL LOAN APPLICATION.

''Not later than 6 months after the date of enactment of this section, the Director shall require each enterprise to—

''(1) include a military service question on the form known as the Uniform Residential Loan Application; and

''(2) position the question described in paragraph (1) above the signature line of the Uniform Residential Loan Application.''.

(2) RULEMAKING.—Not later than 6 months after the date of enactment of this Act, the Director of the Federal Housing Finance Agency shall issue a rule to carry out the amendment made by this section.

SEC. 603. HOUSING UNHOUSED DISABLED VETERANS ACT.

(a) EXCLUSION OF CERTAIN DISABILITY BENEFITS.—Section 3(b)(4)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(4)(B)) is amended—

(1) by redesignating clauses (iv) and (v) as clauses (vi) and (vii), respectively; and

(2) by inserting after clause (iii) the following:

''(iv) for the purpose of determining income eligibility with respect to the supported housing program under section 8(o)(19), any disability benefits received under chapter 11 or chapter 15 of title 38, United States Code, received by a veteran, except that this exclusion shall not apply to the income in the definition of adjusted income;

''(v) for the purpose of determining income eligibility with respect to any household receiving rental assistance under the supported housing program under section 8(o)(19) as it relates to eligibility for other types of housing assistance, any disability benefits received under chapter 11 or chapter 15 of title 38, United States Code, received by a veteran, but such amounts shall not be excluded from income when determining adjusted income;''.

(b) TREATMENT OF CERTAIN DISABILITY BENEFITS.—

(1) IN GENERAL.—When determining the eligibility of a veteran to rent a residential dwelling unit constructed on Department property on or after the date of the enactment of this Act, for which assistance is provided as part of a housing assistance program administered by the Secretary, the Secretary shall exclude from income any disability benefits received under chapter 11 or chapter 15 of title 38, United States Code by such person.

(2) DEFINITIONS.—In this subsection:

(A) SECRETARY.—The term ''Secretary'' means the Secretary of Housing and Urban Development.

(B) DEPARTMENT PROPERTY.—The term ''Department property'' has the meaning given the term in section 901 of title 38, United States Code.

TITLE VII—OVERSIGHT AND ACCOUNTABILITY

SEC. 701. REQUIRING ANNUAL TESTIMONY AND OVERSIGHT FROM HOUSING REGULATORS.

(a) REQUIREMENT TO TESTIFY.—Section 7 of the Department of Housing and Urban Development Act (42 U.S.C. 3535) is amended by adding at the end the following:

''(u) ANNUAL TESTIMONY.—The Secretary shall appear before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives at an annual hearing and present testimony regarding the operations of the Department during the preceding year, including—

''(1) the current programs and operations of the Department;

''(2) the physical condition of all public housing and other housing assisted by the Department;

''(3) the financial health of the mortgage insurance funds of the Federal Housing Agency;

''(4) oversight by the Department of grantees and subgrantees for purposes of preventing waste, fraud, and abuse;

''(5) the progress made by the Federal Government in ending the affordable housing and homelessness crises;

''(6) the capacity of the Department to deliver on its statutory mission; and

''(7) other ongoing activities of the Department, as appropriate.''.

(b) GOVERNMENT GUARANTEED OR INSURED MORTGAGES.—On an annual basis, the following individuals shall testify before the appropriate committees of Congress with respect to mortgage loans made, guaranteed, or insured by the Federal Government:

(1) The President of the Government National Mortgage Association.

(2) The Federal Housing Commissioner.

(3) The Administrator of the Rural Housing Service.

(4) The Executive Director of the Loan Guaranty Service of the Department of Veterans Affairs.

(5) The Director of the Federal Housing Finance Agency.

(c) MORTGAGEE REVIEW BOARD.—Section 202(c)(8) of the National Housing Act (12 U.S.C. 1708(c)(8)) is amended—

(1) by striking '', in consultation with the Federal Housing Administration Advisory Board,''; and

(2) by inserting ''and to Congress'' after ''the Secretary''.

SEC. 702. FHA REPORTING REQUIREMENTS ON SAFETY AND SOUNDNESS.

(a) MONTHLY REPORTING ON MUTUAL MORTGAGE INSURANCE FUND CAPITAL RATIO.—Section 202(a) of the National Housing Act (12 U.S.C. 1708(a)) is amended by adding at the end the following:

''(8) OTHER REQUIRED REPORTING.—The Secretary shall—

''(A) submit to Congress monthly reports on the capital ratio required under section 205(f)(2); and

''(B) notify Congress as soon as practicable after the Fund falls below the capital ratio required under section 205(f)(2).''.

(b) ANNUAL INDEPENDENT ACTUARIAL STUDY.—Section 202(a)(4) of the National Housing Act (12 U.S.C. 1708(a)(4)) is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(A) DEFINITION.—In this paragraph, the term 'first-time homebuyer' means a borrower for whom no consumer report (as defined in section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a)) indicates that the borrower has or had a loan with a consumer purpose that is secured by a 1- to 4-unit residential real property.

''(B) STUDY AND REPORT.—The Secretary''; and

(2) in subparagraph (B), as so designated, in the fourth sentence, by striking ''also'' and inserting ''detail how many loans were originated in each census tract to first-time homebuyers, and''.

(c) ANNUAL REPORT.—Section 203(w)(2) of the National Housing Act (12 U.S.C. 1709(w)(2)) is amended by inserting ''and covered and first-time homebuyers (as defined in section 202(a)(4)(A))'' after ''minority borrowers''.

SEC. 703. UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS OVERSIGHT.

Section 203(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11313(a)) is amended—

(1) in paragraph (1)—

(A) by striking ''Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009'' and inserting ''Renewing Opportunity in the American Dream to Housing Act''; and

(B) by striking ''update such plan annually'' and inserting ''submit to the President and Congress a report every year thereafter that includes—

''(A) the status of completion of the plan; and

''(B) any modifications that were made to the plan and the reasons for those modifications;'';

(2) by redesignating paragraphs (10) through (13) as paragraphs (11) through (14), respectively;

(3) by redesignating the second paragraph (9) (relating to collecting and disseminating information) as paragraph (10);

(4) in paragraph (13), as so redesignated, by striking ''and'' at the end;

(5) in paragraph (14), as so redesignated, by striking the period at the end and inserting ''; and

(6) by adding at the end the following:

''(15) testify annually before Congress.''.

SEC. 704. APPRAISAL MODERNIZATION ACT.

(a) RECONSIDERATION OF VALUE.—

(1) FEDERALLY BACKED MORTGAGE LOAN DEFINED.—In this subsection, the term ''Federally backed mortgage loan'' has the meaning given the term in section 4022 of the CARES Act (15 U.S.C. 9056).

(2) REQUIREMENT.—The Secretary of Agriculture, the Secretary of Veterans Affairs, the Commissioner of the Federal Housing Administration, and the Director of the Federal Housing Finance Agency shall each implement and maintain requirements that creditors of a federally backed mortgage loan have a review and resolution procedure for a consumer-initiated reconsideration of value or subsequent appraisal in connection with a consumer credit transaction secured by a consumer's principal dwelling.

(b) PUBLIC APPRAISAL DATABASE.—

(1) COVERED AGENCIES DEFINED.—In this subsection, the term ''covered agencies'' means—

(A) the Federal Housing Finance Agency, on behalf of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation;

(B) the Department of Housing and Urban Development, including the Federal Housing Administration;

(C) the Department of Agriculture; and

(D) the Department of Veterans Affairs.

(2) FEASIBILITY REPORT.—No later than 240 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a public report assessing the feasibility of creating a publicly available appraisal database that consists of a searchable and downloadable appraisal-level public use file that consolidates appraisal data held or aggregated by covered agencies, including—

(A) the costs and benefits associated with establishing and maintaining the public database;

(B) the benefits and risks associated with the Federal Housing Finance Agency or the Bureau of Consumer Financial Protection being responsible for the public database and whether there is another Federal agency best suited for implementing and administering such database;

(C) any safety and soundness, antitrust, or consumer privacy-related risks associated with making certain appraisal data factors publicly available, including whether–

(i) there are any existing legal requirements, including under the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2801 et seq.) and section 552 of title 5, United States Code (commonly known as the ''Freedom of Information Act''), or additional actions Federal agencies could take to mitigate such risks, such as modifying or aggregating data or eliminating personally identifiable information; and

(ii) there are any data factors that, if made public, may violate conduct, ethics, or other professional standards as they relate to appraisals and appraisal or valuation professionals;

(D) the feasibility of consolidating or matching appraisal data held by covered agencies with corresponding data that is required and made public under the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2801 et seq.);

(E) whether the publication of any appraisal data factors may pose unfair business advantages within the valuation industry;

(F) the feasibility of including all valuation data held by covered agencies, including data produced by automated valuation models;

(G) the feasibility and benefits of making the full appraisal dataset, including any modified fields, available to—

(i) Federal agencies, including for purposes related to enforcement and supervision responsibilities;

(ii) relevant State licensing, supervision, and enforcement agencies and State attorneys general;

(iii) approved researchers, including academics and nonprofit organizations that, in connection with their mission, work to ensure the fairness and consistency of home valuations, including appraisals; and

(iv) any other entities identified by the Comptroller General as having a compelling use for disaggregated data;

(H) what appraisal data is already available in the public domain; and

(I) the feasibility of incorporating legacy data held by covered agencies during the period beginning on January 1, 2017 and ending on the date of enactment of this Act, and whether there are specific data points not easily consolidated or matched, as described in subparagraph (D), with more recent data.

(3) PURPOSE.—The database described in paragraph (2) shall be used to provide the public, the Federal Government, and State governments with residential real estate appraisal data to help determine whether financial institutions, appraisal management companies, appraisers, valuation technologies, such as automated valuation models, and other valuation professionals are effectively serving the entire housing market.

(4) CONSULTATION.—As part of the information used in the report required under paragraph (2), the Comptroller General of the United States shall conduct interviews with—

(A) relevant Federal agencies;

(B) relevant State licensing, supervision, and enforcement agencies and State attorneys general;

(C) appraisers and other home valuation industry professionals;

(D) mortgage lending institutions;

(E) fair housing and fair lending experts; and

(F) any other relevant stakeholders as determined by the Comptroller General.

(5) HEARING.—Upon the completion of the report under paragraph (2), the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives shall each hold a hearing on the findings of the report and the feasibility of establishing a public appraisal-level appraisal database.

TITLE VIII—COORDINATION, STUDIES, AND REPORTING

SEC. 801. HUD-USDA-VA INTERAGENCY COORDINATION ACT.

(a) MEMORANDUM OF UNDERSTANDING.—The Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Secretary of Veterans Affairs shall establish a memorandum of understanding, or other appropriate interagency agreement, to share relevant housing-related research and market data that facilitates evidence-based policymaking.

(b) INTERAGENCY REPORT.—

(1) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Secretary of Veterans Affairs shall jointly submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report containing—

(A) a description of opportunities for increased collaboration between the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Secretary of Veterans Affairs to reduce inefficiencies in housing programs;

(B) a list of Federal laws (including regulations) that adversely affect the availability and affordability of new construction of assisted housing and single family and multifamily residential housing subject to mortgages insured under title II of the National Housing Act (12 U.S.C. 1707 et seq.), insured, guaranteed, or made by the Secretary of Agriculture under title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), or insured, guaranteed, or made by the Secretary of Veterans Affairs under chapter 37 of title 38, United States Code; and

(C) recommendations for Congress regarding the Federal laws (including regulations) described in subparagraph (B).

(2) PUBLICATION.—The report required under paragraph (1) shall, prior to submission under that subsection, be published in the Federal Register and open for comment for a period of 30 days.

SEC. 802. STREAMLINING RURAL HOUSING ACT.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Agriculture shall enter into a memorandum of understanding to—

(1) evaluate categorical exclusions under the environmental review process for housing projects funded by amounts from the Department of the Housing and Urban Development and the Department of Agriculture;

(2) develop a process to designate a lead agency and streamline adoption of Environmental Impact Statements and Environmental Assessments approved by the other Department to construct housing projects funded by both agencies;

(3) maintain compliance with environmental regulations under part 58 of title 24, Code of Federal Regulations, as in effect on January 1, 2025, except as required to amend, add, or remove categorical exclusions identified under sections 58.35 of title 24, Code of Federal Regulations, through standard rulemaking procedures; and

(4) evaluate the feasibility of a joint physical inspection process for housing projects funded by amounts from the Department of the Housing and Urban Development and the Department of Agriculture.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Agriculture shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that includes recommendations for legislative, regulatory, or administrative actions—

(1) to improve the efficiency and effectiveness of housing projects funded by amounts from the Department of the Housing and Urban Development and the Department of Agriculture; and

(2) that do not materially, with respect to residents of housing projects described in paragraph (1)—

(A) reduce the safety of those residents;

(B) shift long-term costs onto those residents; or

(C) undermine the environmental standards of those residents.

SEC. 803. IMPROVING SELF-SUFFICIENCY OF FAMILIES IN HUD-SUBSIDIZED HOUSING.

(a) IN GENERAL.—

(1) STUDY.—Subject to subsection (b), the Secretary of Housing and Urban Development shall conduct a study on the implementation of work requirements implemented prior to the date of enactment of this Act by public housing agencies described in paragraph (4) participating in the Moving to Work demonstration authorized under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note).

(2) SCOPE.—The study required under paragraph (1) shall—

(A) consider the short-, medium-, and long-term benefits and challenges of work requirements on public housing agencies described in paragraph (4) and on program participants who are subject to such requirements, including the effects work requirements have on homelessness rates, poverty rates, asset building, earnings growth, job attainment and retention, and public housing agencies' administrative capacity; and

(B) include quantitative and qualitative evidence, including interviews with program participants described in subparagraph (A) and their respective resident councils.

(3) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the initial findings of the study required under paragraph (1).

(4) PUBLIC HOUSING AGENCIES DESCRIBED.—The public housing agencies described in this paragraph are public housing agencies that, as part of an application to participate in the demonstration authorized under section 204 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 1437f note), submit a proposal identifying work requirements as an innovative proposal.

(b) DETERMINATION.—The requirement under subsection (a) shall apply if the Secretary of Housing and Urban Development determines that—

(1) there are a sufficient number of public housing agencies described in subsection (a)(4) such that the Secretary of Housing and Urban Development can rigorously evaluate the impact of the implementation of work requirements described in that subsection; and

(2) the study would not negatively impact low-income families receiving assistance through a public housing agency described in subsection (a)(4).

TITLE IX—HOMEOWNERSHIP FOR MAIN STREET AMERICA

SEC. 901. HOMES ARE FOR PEOPLE, NOT CORPORATIONS.

(a) DEFINITIONS.—In this section:

(1) CONSUMER REPORTING AGENCY.—The term ''consumer reporting agency'' has the meaning given the term in section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a)).

(2) EXCEPTED PURCHASE.—The term ''excepted purchase'' means any purchase of a single-family home that is—

(A) newly constructed, renovated, or a rental conversion for sale by a large institutional investor and not as a residence rented pending sale;

(B) pursuant to a build-to-rent program where the large institutional investor purchases newly constructed single-family homes to be managed as rental properties, whether as communities exclusively of renter-occupied single-family homes or as communities of single-family homes that are both owner- and renter-occupied;

(C) pursuant to a renovate-to-rent program that—

(i) substantially rehabilitates single-family homes that do not meet structural or core system elements of local building codes; and

(ii) makes improvements in an aggregate dollar amount of not less than 15 percent of the purchase price of the single-family home;

(D) pursuant to a homeownership program that—

(i) requires rental payments and any other fees that are not greater than those collected by the large institutional investor on other similarly situated single-family homes not covered by the eligible homeownership program;

(ii) is subject to a contract between the large institutional investor and renter that shall be considered a consumer credit transaction secured by a dwelling or real property;

(iii) provides for positive reporting of rental payments to consumer reporting agencies for any renter, who shall be informed of and opts into such reporting; and

(iv) requires contribution of meaningful financial support from the large institutional investor, including price concessions, for the purchase of the single-family home by the renter;

(E) pursuant to a program to boost homeownership that—

(i) provides for positive reporting of rental payments to consumer reporting agencies for any renter, who shall be informed of and opts into such reporting;

(ii) provides for the right of first refusal and a 30-day ''first look'' period; and

(iii) may entail the meaningful financial support from the large institutional investor, including price concessions, for the purchase of a single-family home by the renter (whether it is the home the renter occupies or another home);

(F) in connection with the satisfaction of debts previously contracted in good faith and where the large institutional investor has the right to repossess the single-family home under such contract;

(G) undertaken by a mortgage servicer, lender, or other entity that has a legal right to a single-family home, for the purpose of loss mitigation or compliance with servicing or investor obligations, and not as a long-term investment strategy, and is solely as a result of—

(i) a foreclosure;

(ii) a deed-in-lieu of foreclosure;

(iii) enforcement of a mortgage, deed of trust, or other security interest; or

(iv) operation of law following borrower default;

(H) purchased from another large institutional investor that either owned the single-family home on the date of enactment of this Act or purchased the single-family home in compliance with this section;

(I) purchased from an investor not covered under this section, so long as the purchase occurred not more than 2 years after the effective date under subsection (f);

(J) newly constructed, renovated, or a rental conversion that is intended and operated for occupancy as part of a community for households with 1 or more members aged 55 years or older, and satisfies visitability standards established by the Secretary of Housing and Urban Development; or

(K) purchased through a single purchase or combination or series of purchases described in subparagraphs (A) through (J).

(3) SINGLE-FAMILY HOME.—The term ''single-family home''—

(A) means a structure that contains 2 or fewer dwelling units that are each intended for residential occupancy by a single household; and

(B) does not include a manufactured home, as defined in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402).

(4) LARGE INSTITUTIONAL INVESTOR.—

(A) IN GENERAL.—The term ''large institutional investor''—

(i) means an investment fund, corporation, general or limited partnership, limited liability company, joint venture, association, or other for-profit entity that is a legal entity structured in a manner that is not aforementioned that—

(I) is engaged, in whole or in part, in the business of investing in, owning, renting, managing, or holding single-family homes; and

(II) alone or in concert with 1 or more other entities, beginning after the date of enactment of this Act, directly or indirectly has investment control of not less than 350 single-family homes in the aggregate, not including any single-family home purchased in an excepted purchase made after the date of enactment of this Act; and

(ii) does not include any local, State, Tribal, or Federal government entity or instrumentality thereof.

(B) RULE OF CONSTRUCTION.—For purposes of this paragraph, an entity has direct or indirect investment control over a single-family home if the entity—

(i) owns, or has primary authority or fiduciary responsibility to make material investment or management decisions relating to, the single-family home;

(ii) is, or directly or indirectly controls, the general partner or managing member of the entity that owns the single-family home;

(iii) is or controls the investment manager, management company, or investment advisor of the entity that owns the single-family home;

(iv) owns or controls more than 25 percent of any class of equity interests of the entity that owns the single-family home, unless such entity is a passive investor; or

(v) otherwise controls the entity that owns the single-family home.

(5) PURCHASE.—The term ''purchase'' includes any purchase, transfer, or other acquisition of a single family home, including through mergers, acquisitions, construction, foreclosures, or bulk purchases, whether or not for cash consideration.

(b) PROHIBITION ON PURCHASES BY LARGE INSTITUTIONAL INVESTORS.—

(1) IN GENERAL.—No large institutional investor may purchase, or enter into a contract to directly or indirectly purchase, any single-family home.

(2) EXCEPTIONS.—The prohibition under paragraph (1) shall not apply to—

(A) any excepted purchase; or

(B) any purchase of a single-family home in connection with a restructuring or other reorganization of ownership of single-family homes that were owned or purchased on or before the date of enactment of this Act.

(3) RULE OF CONSTRUCTION.—Nothing in this section may be construed to—

(A) require any large institutional investor to divest or otherwise sell any single-family home purchased before the date of enactment of this Act; or

(B) prevent the filing of a petition, or otherwise affect any bankruptcy proceeding, under title 11, United States Code.

(4) IMPLEMENTATION.—

(A) IN GENERAL.—In consultation with the Secretary of Housing and Urban Development, the Director of Federal Housing Finance Agency, and the Chair of the Securities and Exchange Commission, the Secretary of the Treasury may issue regulations in accordance with the notice and comment rulemaking procedures under section 553 of title 5, United States Code, to carry out the purposes of this section, including regulations to—

(i) minimize market disruptions upon identifying a risk of material negative impact on the housing market, including an impact on the ability of market participants to dispose of single-family homes in an orderly fashion;

(ii) mitigate, to the extent possible, negative impacts on consumers and communities; and

(iii) further clarify the application of the terms ''large institutional investor'', ''single-family home'', and ''excepted purchase'', if the Secretary of the Treasury determines that such regulations will advance the availability of single-family homes for purchase by individual households.

(B) RULE OF CONSTRUCTION.—For the avoidance of doubt, no regulation issued under subparagraph (A) may amend the definitions of the terms defined under subsection (a), including to—

(i) alter the scope of excepted purchases in a manner that would undermine the goal of expanding the number of single-family homes available to individual households for purchase;

(ii) alter any type of excepted purchase in a manner that would undermine the goal of expanding the number of single-family homes available to individual households for purchase;

(iii) add any category of large institutional investor as an eligible class if not determined by this section; or

(iv) alter the quantitative threshold in the definition of ''large institutional investor''.

(c) DISPOSAL OF HOMES UNDER EXCEPTED PURCHASES.—

(1) REQUIREMENT TO DISPOSE.—

(A) IN GENERAL.—With respect to the purchase by a large institutional investor of a single-family home described in subparagraph (A), (B), or (C) of subsection (a)(2), or with respect to the purchase by a large institutional investor of a single-family home described in subparagraph (J) of subsection (a)(2) that ceases to meet the requirements of such subparagraph, the large institutional investor shall dispose of the single-family home to an individual homebuyer not later than 7 years after the date of purchase.

(B) SUBSEQUENT PURCHASE.—For the avoidance of doubt, any purchase of a single-family home described in subparagraph (A), (B), (C), or (J) of subsection (a)(2) shall remain subject to the terms of this section notwithstanding a subsequent purchase by a large institutional investor pursuant to another subparagraph of subsection (a)(2).

(2) APPLICATION.—

(A) Paragraph (1) shall not apply in the case of any large institutional investor which is a real estate investment trust if the disposal of such property would be a prohibited transaction that would lead to a 100 percent tax under the statute governing such types of entities.

(B) In the case of a large institutional investor that has an active leasing contract with the renter of a single-family home described in paragraph (1) that went into effect not later than 6 months before the date of disposal under that paragraph, nothing in that paragraph shall be construed to require the large institutional investor to dispose of the single-family home subject to this subsection until the date on which such contract expires.

(3) REQUIREMENTS FOR DISPOSAL.—

(A) RENTER ACCOMMODATIONS.—In the case of a renter described in paragraph (2)(B)—

(i) the large institutional investor may provide the renter with the option to renew the active leasing contract in such subsection, except that the aggregate leasing period of renewals shall not exceed 36 consecutive months;

(ii) the large institutional investor shall confirm whether the renter opts to renew the leasing contract, within the limitations of clause (i), through a written attestation; and

(iii) the large institutional investor shall advertise the home pursuant to subparagraph (C) beginning on the earlier of—

(I) the date on which the renter declines to renew the leasing contract; or

(II) the date on which the leasing contract expires.

(B) RENTER OPTION TO PURCHASE.—Before the large institutional investor disposes of a single-family home described in paragraph (1), the renter of the single-family home described in paragraph (2)(B) shall have the right of first refusal and a 30-day ''first look'' period to purchase the single-family home.

(C) ADVERTISEMENT OF PROPERTY.—

(i) IN GENERAL.—On the date that a renter described in paragraph (2)(B) declines to renew an active leasing contract with a large institutional investor under subparagraph (A), or declines a single-family home under subparagraph (B), the single-family home shall be—

(I) widely advertised and free to access, and listed in publications, which may include internet platforms or a national Multiple Listing Service, by the large institutional investor; and

(II) made broadly accessible to individual homebuyers and the general public, including any licensed real estate agents representing potential buyers.

(ii) COMPLIANCE.—If a single-family home described in paragraph (1) is not purchased, or no offer to purchase is made, by an individual homebuyer within 60 days of the date on which the single-family home is advertised under clause (i), the large institutional investor shall be considered to be in compliance with the disposal requirements under paragraph (1).

(D) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to require a renter to renew a lease or to affect State or local tenant-landlord laws regarding requirements related to lease renewal processes or leasing periods.

(d) ENFORCEMENT.—

(1) CIVIL PENALTIES.—Any large institutional investor that violates subsection (b) or paragraph (1) or (2)(B) of subsection (c) shall be subject to a civil penalty of not more than $1,000,000 per violation, or 3 times the purchase price of the property involved, whichever is greater, enforced by the Secretary of the Treasury.

(2) TRANSFER TO HUD FOR HOMEOWNERSHIP EXPANSION ACTIVITIES.—For fiscal year 2027 and each fiscal year thereafter, to the extent and in the amounts provided in advance in appropriations Acts, civil penalties assessed under this section shall be transferred to and available to the Secretary of Housing and Urban Development to provide additional funding for the HOME Investment Partnerships program under subtitle A of title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12741 et seq.), to be allocated in accordance with the formula under that program, for new construction, acquisition, and rehabilitation of single-family homes and to provide assistance grants to first-time homebuyers, which may be for downpayments, closing costs, and interest rate buydowns.

(e) STUDIES ON LARGE INSTITUTIONAL INVESTORS.—

(1) GAO REPORT.—Not later than 2 years after the date on which the prohibition under subsection (b)(1) takes effect, and again not later than 10 years after that date, the Comptroller General of the United States shall submit to the Senate Committee on Banking, Housing and Urban Affairs and the House Committee on Financial Services a report on—

(A) the impact of the ownership by large institutional investors of single-family homes on housing availability and affordability for renters and homebuyers; and

(B) the effectiveness of this section in reducing demand by large institutional investors for single-family homes and expanding homeownership for renters and homebuyers.

(2) HUD REPORT.—Not later than 2 years after the date on which the prohibition under subsection (b)(1) takes effect, and again not later than 10 years after that date, the Secretary of the Housing and Urban Development, in consultation with the Secretary of the Treasury, the Administrator of the Rural Housing Service, the Executive Director of the Loan Guaranty Service of the Department of Veterans Affairs, the Chair of Securities and Exchange Commission, and the Director of the Federal Housing Finance Agency, shall submit to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on—

(A) whether there should be adjustments to the definition of the term ''large institutional investor'';

(B) the financial impact of this section on large institutional investors, renters, and homebuyers; and

(C) any legislative recommendations regarding ways to improve the authorities provided under this section to increase the supply and affordability of single-family homes for purchase by individual homebuyers.

(3) SENSE OF CONGRESS.—It is the sense of Congress that—

(A) this section is intended to expand the number of single-family homes available to

individuals for purchase and is aimed at preserving and expanding the supply of single-family homes available to individuals; and

(B) any further study on the effectiveness of this section and any legislative recommendations therefrom should consider this sense of Congress.

(f) EFFECTIVE DATE.—The requirements and prohibitions under subsections (b), (c), and (d) of this section—

(1) shall take effect on the date that is 180 days after the date of enactment of this Act; and

(2) are repealed on the date that is 15 years after the effective date under paragraph (1).

TITLE X—CENTRAL BANK DIGITAL CURRENCY

SEC. 1001. CENTRAL BANK DIGITAL CURRENCY.

The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended by inserting after section 16 (12 U.S.C. 411 et seq.) the following:

''SEC. 16A. CENTRAL BANK DIGITAL CURRENCY.

''(a) DEFINITIONS.—In this section:

''(1) CENTRAL BANK DIGITAL CURRENCY.—The term 'central bank digital currency' means a digital asset that—

''(A) is denominated in United States dollars;

''(B) is a United States currency;

''(C) is a direct liability of the Federal Reserve System; and

''(D) is widely available to the general public.

''(2) DIGITAL ASSET.—The term 'digital asset' has the meaning given the term in section 2 of the GENIUS Act (12 U.S.C. 5901).

''(b) PROHIBITION.—Except as provided in subsection (c), the Board of Governors of the Federal Reserve System or a Federal reserve bank may not issue or create a central bank digital currency or any digital asset that is substantially similar to a central bank digital currency directly or indirectly through a financial institution or other intermediary.

''(c) EXCEPTION.—Subsection (b) shall not prohibit any dollar-denominated currency that is open, permissionless, and private, and fully preserves the privacy protections of United States coins and physical currency.

''(d) SUNSET.—This provisions of this section shall cease to be effective on December 31, 2030.''.

TITLE XI—MISCELLANEOUS

SEC. 1101. SEVERABILITY.

If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

SEC. 1102. NO ADDITIONAL FUNDS AUTHORIZED.

No additional funds are authorized to be appropriated to carry out the requirements of this Act or any amendment made by this Act.

SA 4309. Mr. HAWLEY (for himself and Mr. MERKLEY) submitted an amendment intended to be proposed by him to the bill H.R. 6644, a bill to increase the supply of housing in America, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. HOMES FOR AMERICAN FAMILIES.

(a) IN GENERAL.—The Sherman Act (15 U.S.C. 1 et seq.) is amended by adding at the end the following:

''SEC. 9. RESIDENTIAL REAL ESTATE CONTRACTS IN RESTRAINT OF TRADE.

''(a) DEFINITIONS.—In this section:

''(1) COVERED ENTITY.—

''(A) IN GENERAL.—The term 'covered entity' means—

''(i) real estate investment trust;

''(ii) an insurance company; or

''(iii) an investment company or private fund—

''(I) with assets under management of not less than $150,000,000; or

''(II) that is directly or indirectly owned or controlled by a person that directly or indirectly owns or controls 1 or more investment companies or private funds with total assets under management of not less than $150,000,000.

''(B) AGGREGATION RULES.—For purposes of determining the assets under management of an entity under subparagraph (A)(iii), all persons which are treated as a single employer under subsection (b) or (c) of section 414 of the Internal Revenue Code of 1986 shall be treated as one entity. For purposes of this subsection, in applying section 414(b) of such Code, section 1563 of such Code shall be applied without regard to subsection (b)(2) thereof.

''(2) INSURANCE COMPANY.—The term 'insurance company' has the meaning given the term in section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)).

''(3) INVESTMENT COMPANY.—The term 'investment company' has the meaning given the term in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a–3).

''(4) PRIVATE FUND.—The term 'private fund' means a corporation that would be considered an investment company under section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a–3) but for the application of paragraph (1) or (7) of subsection (c) of such section 3.

''(5) REAL ESTATE INVESTMENT TRUST.—The term 'real estate investment trust' has the meaning given the term in section 856 of the Internal Revenue Code of 1986.

''(6) RESIDENTIAL REAL ESTATE.—The term 'residential real estate' means—

''(A) a single-family home;

''(B) a condominium;

''(C) a townhouse; and

''(D) any land that has been zoned by a local government for the development of a property described in subparagraphs (A) through (C).

''(b) CONTRACTS IN RESTRAINT OF TRADE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), any purchase by a covered entity of residential real estate shall be deemed a contract in restraint of trade in violation of section 1, except that the violation shall be civil only and no criminal penalty under that section, including a term of imprisonment, shall apply.

''(2) EXCEPTIONS.—Paragraph (1) shall not apply to a homebuilder, developer, or redeveloper if the units of residential real estate are being or have been constructed for ownership by a person or entity that is not prohibited from purchasing residential real estate under this subsection.

''(3) APPLICATION.—Paragraph (1) shall only apply to the purchase of residential real estate on or after the date of enactment of this section.

''(c) PRIORITIZED ANTITRUST SCRUTINY AND ENFORCEMENT.—The Assistant Attorney General in charge of the Antitrust Division of the Department of Justice shall prioritize the review of purchases of residential real estate by a covered entity for anti-competitive effects and prioritize enforcement of antitrust laws, as appropriate, against coordinated vacancy, pricing strategies, and other anticompetitive practices by covered entities in local residential real estate markets.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date that is 90 days after the date of enactment of this Act.

SA 4310. Mr. THUNE proposed an amendment to amendment SA 4307 proposed by Mr. THUNE (for Mr. SCOTT of South Carolina (for himself and Ms. WARREN)) to the amendment SA 4308 proposed by Mr. SCOTT of South Carolina (for himself and Ms. WARREN) to the bill H.R. 6644, a bill to increase the supply of housing in America, and for other purposes; as follows:

At the end add the following:

''This Act shall take effect 1 day after the date of enactment.''

SA 4311. Mr. THUNE proposed an amendment to the bill H.R. 6644, a bill to increase the supply of housing in America, and for other purposes; as follows:

At the end add the following:

''This Act shall take effect 2 days after the date of enactment.''

SA 4312. Mr. THUNE proposed an amendment to amendment SA 4311 proposed by Mr. THUNE to the bill H.R. 6644, a bill to increase the supply of housing in America, and for other purposes; as follows:

Strike ''2 days'' and insert ''3 days''

SA 4313. Mr. THUNE proposed an amendment to the bill H.R. 6644, a bill to increase the supply of housing in America, and for other purposes; as follows:

At the end add the following:

''This Act shall take effect 4 days after the date of enactment.''

SA 4314. Mr. THUNE proposed an amendment to amendment SA 4313 proposed by Mr. THUNE to the bill H.R. 6644, a bill to increase the supply of housing in America, and for other purposes; as follows:

Strike ''4 days'' and insert ''5 days''

SA 4315. Mr. THUNE proposed an amendment to amendment SA 4314 proposed by Mr. THUNE to the amendment SA 4313 proposed by Mr. THUNE to the bill H.R. 6644, a bill to increase the supply of housing in America, and for other purposes; as follows:

Strike ''5 days'' and insert ''6 days''

SA 4316. Ms. HASSAN submitted an amendment intended to be proposed by her to the bill H.R. 6644, a bill to increase the supply of housing in America, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. HOUSING AND ECONOMIC DEVELOPMENT ACT.

(a) MEMORANDUM OF UNDERSTANDING.—The Secretary of Housing and Urban Development and the Assistant Secretary of Commerce for Economic Development shall establish a memorandum of understanding, or other appropriate interagency agreement, to—

(1) increase collaboration related to projects approved by and funded by amounts from both the Department of Housing and Urban Development and the Economic Development Administration to construct housing and implement economic development projects, which, where practicable, may include—