

106TH CONGRESS
2D SESSION

H. R. 5640

IN THE SENATE OF THE UNITED STATES

DECEMBER 5 (legislative day, SEPTEMBER 22), 2000

Received

AN ACT

To expand homeownership in the United States, and for
other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SEC. 1. SHORT TITLE AND TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
 3 “American Homeownership and Economic Opportunity
 4 Act of 2000”.

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

Sec. 1. Short title and table of contents.

TITLE I—REMOVAL OF BARRIERS TO HOUSING AFFORDABILITY

Sec. 101. Short title.

Sec. 102. Grants for regulatory barrier removal strategies.

Sec. 103. Regulatory barriers clearinghouse.

TITLE II—HOMEOWNERSHIP FOR WORKING FAMILIES

Sec. 201. Home equity conversion mortgages.

Sec. 202. Assistance for self-help housing providers.

TITLE III—SECTION 8 HOMEOWNERSHIP OPTION

Sec. 301. Downpayment assistance.

Sec. 302. Pilot program for homeownership assistance for disabled families.

Sec. 303. Funding for pilot programs.

TITLE IV—PRIVATE MORTGAGE INSURANCE CANCELLATION AND
 TERMINATION

Sec. 401. Short title.

Sec. 402. Changes in amortization schedule.

Sec. 403. Deletion of ambiguous references to residential mortgages.

Sec. 404. Cancellation rights after cancellation date.

Sec. 405. Clarification of cancellation and termination issues and lender paid
 mortgage insurance disclosure requirements.

Sec. 406. Definitions.

TITLE V—NATIVE AMERICAN HOMEOWNERSHIP

Subtitle A—Native American Housing

Sec. 501. Lands title report commission.

Sec. 502. Loan guarantees.

Sec. 503. Native American housing assistance.

Subtitle B—Native Hawaiian Housing

Sec. 511. Short title.

Sec. 512. Findings.

Sec. 513. Housing assistance.

Sec. 514. Loan guarantees.

TITLE VI—MANUFACTURED HOUSING IMPROVEMENT

- Sec. 601. Short title; references.
- Sec. 602. Findings and purposes.
- Sec. 603. Definitions.
- Sec. 604. Federal manufactured home construction and safety standards.
- Sec. 605. Abolishment of National Manufactured Home Advisory Council; manufactured home installation.
- Sec. 606. Public information.
- Sec. 607. Research, testing, development, and training.
- Sec. 608. Prohibited acts.
- Sec. 609. Fees.
- Sec. 610. Dispute resolution.
- Sec. 611. Elimination of annual reporting requirement.
- Sec. 612. Effective date.
- Sec. 613. Savings provisions.

TITLE VII—RURAL HOUSING HOMEOWNERSHIP

- Sec. 701. Guarantees for refinancing of rural housing loans.
- Sec. 702. Promissory note requirement under housing repair loan program.
- Sec. 703. Limited partnership eligibility for farm labor housing loans.
- Sec. 704. Project accounting records and practices.
- Sec. 705. Definition of rural area.
- Sec. 706. Operating assistance for migrant farmworkers projects.
- Sec. 707. Multifamily rental housing loan guarantee program.
- Sec. 708. Enforcement provisions.
- Sec. 709. Amendments to title 18 of United States Code.

TITLE VIII—HOUSING FOR ELDERLY AND DISABLED FAMILIES

- Sec. 801. Short title.
- Sec. 802. Regulations.
- Sec. 803. Effective date.

Subtitle A—Refinancing for Section 202 Supportive Housing for the Elderly

- Sec. 811. Prepayment and refinancing.

Subtitle B—Authorization of Appropriations for Supportive Housing for the Elderly and Persons With Disabilities

- Sec. 821. Supportive housing for elderly persons.
- Sec. 822. Supportive housing for persons with disabilities.
- Sec. 823. Service coordinators and congregate services for elderly and disabled housing.

Subtitle C—Expanding Housing Opportunities for the Elderly and Persons With Disabilities

PART 1—HOUSING FOR THE ELDERLY

- Sec. 831. Eligibility of for-profit limited partnerships.
- Sec. 832. Mixed funding sources.
- Sec. 833. Authority to acquire structures.
- Sec. 834. Use of project reserves.
- Sec. 835. Commercial activities.

PART 2—HOUSING FOR PERSONS WITH DISABILITIES

- Sec. 841. Eligibility of for-profit limited partnerships.
- Sec. 842. Mixed funding sources.
- Sec. 843. Tenant-based assistance.
- Sec. 844. Use of project reserves.
- Sec. 845. Commercial activities.

PART 3—OTHER PROVISIONS

- Sec. 851. Service coordinators.

Subtitle D—Preservation of Affordable Housing Stock

- Sec. 861. Section 236 assistance.

TITLE IX—OTHER RELATED HOUSING PROVISIONS

- Sec. 901. Extension of loan term for manufactured home lots.
- Sec. 902. Use of section 8 vouchers for opt-outs.
- Sec. 903. Maximum payment standard for enhanced vouchers.
- Sec. 904. Use of section 8 assistance by “grand-families” to rent dwelling units in assisted projects.

TITLE X—FEDERAL RESERVE BOARD PROVISIONS

- Sec. 1001. Federal Reserve Board buildings.
- Sec. 1002. Positions of Board of Governors of the Federal Reserve System on the Executive schedule.
- Sec. 1003. Amendments to the Federal Reserve Act.

TITLE XI—BANKING AND HOUSING AGENCY REPORTS

- Sec. 1101. Short title.
- Sec. 1102. Preservation of certain reporting requirements.
- Sec. 1103. Coordination of reporting requirements.
- Sec. 1104. Elimination of certain reporting requirements.

TITLE XII—FINANCIAL REGULATORY RELIEF

- Sec. 1200. Short title.

Subtitle A—Improving Monetary Policy and Financial Institution Management Practices

- Sec. 1201. Repeal of savings association liquidity provision.
- Sec. 1202. Noncontrolling investments by savings association holding companies.
- Sec. 1203. Repeal of deposit broker notification and recordkeeping requirement.
- Sec. 1204. Expedited procedures for certain reorganizations.
- Sec. 1205. National bank directors.
- Sec. 1206. Amendment to National Bank Consolidation and Merger Act.
- Sec. 1207. Loans on or purchases by institutions of their own stock; affiliations.
- Sec. 1208. Purchased mortgage servicing rights.

Subtitle B—Streamlining Activities of Institutions

- Sec. 1211. Call report simplification.

Subtitle C—Streamlining Agency Actions

- Sec. 1221. Elimination of duplicative disclosure of fair market value of assets and liabilities.
- Sec. 1222. Payment of interest in receiverships with surplus funds.
- Sec. 1223. Repeal of reporting requirement on differences in accounting standards.
- Sec. 1224. Extension of time.

Subtitle D—Technical Corrections

- Sec. 1231. Technical correction relating to deposit insurance funds.
- Sec. 1232. Rules for continuation of deposit insurance for member banks converting charters.
- Sec. 1233. Amendments to the Revised Statutes of the United States.
- Sec. 1234. Conforming change to the International Banking Act of 1978.

1 TITLE I—REMOVAL OF BAR-
2 RRIERS TO HOUSING AFFORD-
3 ABILITY

4 SEC. 101. SHORT TITLE.

5 This title may be cited as the “Housing Affordability
6 Barrier Removal Act of 2000”.

7 SEC. 102. GRANTS FOR REGULATORY BARRIER REMOVAL
8 STRATEGIES.

9 (a) AUTHORIZATION OF APPROPRIATIONS.—Sub-
10 section (a) of section 1204 of the Housing and Community
11 Development Act of 1992 (42 U.S.C. 12705c(a)) is
12 amended to read as follows:

13 “(a) FUNDING.—There is authorized to be appro-
14 priated for grants under subsections (b) and (c) such sums
15 as may be necessary for each of fiscal years 2001, 2002,
16 2003, 2004, and 2005.”.

17 (b) CONSOLIDATION OF STATE AND LOCAL
18 GRANTS.—Subsection (b) of section 1204 of the Housing

1 and Community Development Act of 1992 (42 U.S.C.
2 12705c(b)) is amended—

3 (1) in the subsection heading, by striking
4 “STATE GRANTS” and inserting “GRANT AUTHOR-
5 ITY”;

6 (2) in the matter preceding paragraph (1), by
7 inserting after “States” the following: “and units of
8 general local government (including consortia of
9 such governments)”;

10 (3) in paragraph (3), by striking “a State pro-
11 gram to reduce State and local” and inserting
12 “State, local, or regional programs to reduce”;

13 (4) in paragraph (4), by inserting “or local”
14 after “State”; and

15 (5) in paragraph (5), by striking “State”.

16 (c) REPEAL OF LOCAL GRANTS PROVISION.—Section
17 1204 of the Housing and Community Development Act
18 of 1992 (42 U.S.C. 12705c) is amended by striking sub-
19 section (c).

20 (d) APPLICATION AND SELECTION.—The last sen-
21 tence of section 1204(e) of the Housing and Community
22 Development Act of 1992 (42 U.S.C. 12705c(e)) is
23 amended—

1 (1) by striking “and for the selection of units
2 of general local government to receive grants under
3 subsection (f)(2)”; and

4 (2) by inserting before the period at the end the
5 following: “and such criteria shall require that grant
6 amounts be used in a manner consistent with the
7 strategy contained in the comprehensive housing af-
8 fordability strategy for the jurisdiction pursuant to
9 section 105(b)(4) of the Cranston-Gonzalez National
10 Affordable Housing Act”.

11 (e) SELECTION OF GRANTEES.—Subsection (f) of
12 section 1204 of the Housing and Community Development
13 Act of 1992 (42 U.S.C. 12705c(f)) is amended to read
14 as follows:

15 “(f) SELECTION OF GRANTEES.—To the extent
16 amounts are made available to carry out this section, the
17 Secretary shall provide grants on a competitive basis to
18 eligible grantees based on the proposed uses of such
19 amounts, as provided in applications under subsection
20 (e).”.

21 (f) TECHNICAL AMENDMENTS.—Section 107(a)(1) of
22 the Housing and Community Development Act of 1974
23 (42 U.S.C. 5307(a)(1)) is amended—

24 (1) in subparagraph (G), by inserting “and”
25 after the semicolon at the end;

1 (2) by striking subparagraph (H); and
2 (3) by redesignating subparagraph (I) as sub-
3 paragraph (H).

4 **SEC. 103. REGULATORY BARRIERS CLEARINGHOUSE.**

5 Section 1205 of the Housing and Community Devel-
6 opment Act of 1992 (42 U.S.C. 12705d) is amended—

7 (1) in subsection (a)—

8 (A) in the matter preceding paragraph (1),
9 by striking “receive, collect, process, and assem-
10 ble” and inserting “serve as a national reposi-
11 tory to receive, collect, process, assemble, and
12 disseminate”;

13 (B) in paragraph (1)—

14 (i) by striking “, including” and in-
15 serting “(including”;

16 (ii) by inserting before the semicolon
17 at the end the following: “), and the preva-
18 lence and effects on affordable housing of
19 such laws, regulations, and policies”;

20 (C) in paragraph (2), by inserting before
21 the semicolon the following: “, including par-
22 ticularly innovative or successful activities,
23 strategies, and plans”;

24 (D) in paragraph (3), by inserting before
25 the period at the end the following: “, including

1 particularly innovative or successful strategies,
2 activities, and plans”;

3 (2) in subsection (b)—

4 (A) in paragraph (1), by striking “and” at
5 the end;

6 (B) in paragraph (2), by striking the pe-
7 riod at the end and inserting “; and”; and

8 (C) by adding at the end the following new
9 paragraph:

10 “(3) by making available through a World Wide
11 Web site of the Department, by electronic mail, or
12 otherwise, provide to each housing agency of a unit
13 of general local government that serves an area hav-
14 ing a population greater than 100,000, an index of
15 all State and local strategies and plans submitted
16 under subsection (a) to the clearinghouse, which—

17 “(A) shall describe the types of barriers to
18 affordable housing that the strategy or plan
19 was designed to ameliorate or remove; and

20 “(B) shall, not later than 30 days after
21 submission to the clearinghouse of any new
22 strategy or plan, be updated to include the new
23 strategy or plan submitted.”; and

24 (3) by adding at the end the following new sub-
25 sections:

1 “(c) ORGANIZATION.—The clearinghouse under this
 2 section shall be established within the Office of Policy De-
 3 velopment of the Department of Housing and Urban De-
 4 velopment and shall be under the direction of the Assist-
 5 ant Secretary for Policy Development and Research.

6 “(d) TIMING.—The clearinghouse under this section
 7 (as amended by section 103 of the Housing Affordability
 8 Barrier Removal Act of 2000) shall be established and
 9 commence carrying out the functions of the clearinghouse
 10 under this section not later than 1 year after the date of
 11 the enactment of such Act. The Secretary of Housing and
 12 Urban Development may comply with the requirements
 13 under this section by reestablishing the clearinghouse that
 14 was originally established to comply with this section and
 15 updating and improving such clearinghouse to the extent
 16 necessary to comply with the requirements of this section
 17 as in effect pursuant to the enactment of such Act.”.

18 **TITLE II—HOMEOWNERSHIP** 19 **FOR WORKING FAMILIES**

20 **SEC. 201. HOME EQUITY CONVERSION MORTGAGES.**

21 (a) INSURANCE FOR MORTGAGES TO REFINANCE EX-
 22 ISTING HECMS.—

23 (1) IN GENERAL.—Section 255 of the National
 24 Housing Act (12 U.S.C. 1715z–20) is amended—

1 (A) by redesignating subsection (k) as sub-
2 section (m); and

3 (B) by inserting after subsection (j) the
4 following new subsection:

5 “(k) INSURANCE AUTHORITY FOR REFINANCINGS.—

6 “(1) IN GENERAL.—The Secretary may, upon
7 application by a mortgagee, insure under this sub-
8 section any mortgage given to refinance an existing
9 home equity conversion mortgage insured under this
10 section.

11 “(2) ANTI-CHURNING DISCLOSURE.—The Sec-
12 retary shall, by regulation, require that the mort-
13 gagee of a mortgage insured under this subsection,
14 provide to the mortgagor, within an appropriate time
15 period and in a manner established in such regula-
16 tions, a good faith estimate of: (A) the total cost of
17 the refinancing; and (B) the increase in the mortga-
18 gor’s principal limit as measured by the estimated
19 initial principal limit on the mortgage to be insured
20 under this subsection less the current principal limit
21 on the home equity conversion mortgage that is
22 being refinanced and insured under this subsection.

23 “(3) WAIVER OF COUNSELING REQUIRE-
24 MENT.—The mortgagor under a mortgage insured
25 under this subsection may waive the applicability,

1 with respect to such mortgage, of the requirements
2 under subsection (d)(2)(B) (relating to third party
3 counseling), but only if—

4 “(A) the mortgagor has received the disclo-
5 sure required under paragraph (2);

6 “(B) the increase in the principal limit de-
7 scribed in paragraph (2) exceeds the amount of
8 the total cost of refinancing (as described in
9 such paragraph) by an amount to be deter-
10 mined by the Secretary; and

11 “(C) the time between the closing of the
12 original home equity conversion mortgage that
13 is refinanced through the mortgage insured
14 under this subsection and the application for a
15 refinancing mortgage insured under this sub-
16 section does not exceed 5 years.

17 “(4) CREDIT FOR PREMIUMS PAID.—Notwith-
18 standing section 203(c)(2)(A), the Secretary may re-
19 duce the amount of the single premium payment
20 otherwise collected under such section at the time of
21 the insurance of a mortgage refinanced and insured
22 under this subsection. The amount of the single pre-
23 mium for mortgages refinanced under this sub-
24 section shall be determined by the Secretary based
25 on the actuarial study required under paragraph (5).

1 “(5) ACTUARIAL STUDY.—Not later than 180
2 days after the date of the enactment of the Amer-
3 ican Homeownership and Economic Opportunity Act
4 of 2000, the Secretary shall conduct an actuarial
5 analysis to determine the adequacy of the insurance
6 premiums collected under the program under this
7 subsection with respect to—

8 “(A) a reduction in the single premium
9 payment collected at the time of the insurance
10 of a mortgage refinanced and insured under
11 this subsection;

12 “(B) the establishment of a single national
13 limit on the benefits of insurance under sub-
14 section (g) (relating to limitation on insurance
15 authority); and

16 “(C) the combined effect of reduced insur-
17 ance premiums and a single national limitation
18 on insurance authority.

19 “(6) FEES.—The Secretary may establish a
20 limit on the origination fee that may be charged to
21 a mortgagor under a mortgage insured under this
22 subsection, except that such limitation shall provide
23 that the origination fee may be fully financed with
24 the mortgage and shall include any fees paid to cor-
25 respondent mortgagees approved by the Secretary.”.

1 (2) REGULATIONS.—The Secretary shall issue
2 any final regulations necessary to implement the
3 amendments made by paragraph (1) of this sub-
4 section, which shall take effect not later than the ex-
5 piration of the 180-day period beginning on the date
6 of the enactment of this Act. The regulations shall
7 be issued after notice and opportunity for public
8 comment in accordance with the procedure under
9 section 553 of title 5, United States Code, applicable
10 to substantive rules (notwithstanding subsections
11 (a)(2), (b)(B), and (d)(3) of such section).

12 (b) HOUSING COOPERATIVES.—Section 255(b) of the
13 National Housing Act (12 U.S.C. 1715z–20(b)) is
14 amended—

15 (1) in paragraph (2), by striking “‘mortgage’,”;
16 and

17 (2) by adding at the end the following new
18 paragraphs:

19 “(4) MORTGAGE.—The term ‘mortgage’ means
20 a first mortgage or first lien on real estate, in fee
21 simple, on all stock allocated to a dwelling in a resi-
22 dential cooperative housing corporation, or on a
23 leasehold—

24 “(A) under a lease for not less than 99
25 years that is renewable; or

1 “(B) under a lease having a period of not
2 less than 10 years to run beyond the maturity
3 date of the mortgage.

4 “(5) FIRST MORTGAGE.—The term ‘first mort-
5 gage’ means such classes of first liens as are com-
6 monly given to secure advances on, or the unpaid
7 purchase price of, real estate or all stock allocated
8 to a dwelling unit in a residential cooperative hous-
9 ing corporation, under the laws of the State in which
10 the real estate or dwelling unit is located, together
11 with the credit instruments, if any, secured there-
12 by.”.

13 (c) WAIVER OF UP-FRONT PREMIUMS FOR MORT-
14 GAGES USED TO FUND LONG-TERM CARE INSURANCE.—

15 (1) IN GENERAL.—Section 255 of the National
16 Housing Act (12 U.S.C. 1715z–20) is amended by
17 inserting after subsection (k) (as added by sub-
18 section (a) of this section) the following new sub-
19 section:

20 “(1) WAIVER OF UP-FRONT PREMIUMS FOR MORT-
21 GAGES TO FUND LONG-TERM CARE INSURANCE.—

22 “(1) IN GENERAL.—In the case of any mort-
23 gage insured under this section under which the
24 total amount (except as provided in paragraph (2))
25 of all future payments described in subsection (b)(3)

1 will be used only for costs of a qualified long-term
2 care insurance contract that covers the mortgagor or
3 members of the household residing in the property
4 that is subject to the mortgage, notwithstanding sec-
5 tion 203(c)(2), the Secretary shall not charge or col-
6 lect the single premium payment otherwise required
7 under subparagraph (A) of such section to be paid
8 at the time of insurance.

9 “(2) AUTHORITY TO REFINANCE EXISTING
10 MORTGAGE AND FINANCE CLOSING COSTS.—A
11 mortgage described in paragraph (1) may provide fi-
12 nancing of amounts that are used to satisfy out-
13 standing mortgage obligations (in accordance with
14 such limitations as the Secretary shall prescribe)
15 and any amounts used for initial service charges, ap-
16 praisal, inspection, and other fees (as approved by
17 the Secretary) in connection with such mortgage,
18 and the amount of future payments described in
19 subsection (b)(3) under the mortgage shall be re-
20 duced accordingly.

21 “(3) DEFINITION.—For purposes of this sub-
22 section, the term ‘qualified long-term care insurance
23 contract’ has the meaning given such term in section
24 7702B of the Internal Revenue Code of 1986 (26

1 U.S.C. 7702B)), except that such contract shall also
2 meet the requirements of—

3 “(A) sections 9 (relating to disclosure), 24
4 (relating to suitability), and 26 (relating to con-
5 tingent nonforfeiture) of the long-term care in-
6 surance model regulation promulgated by the
7 National Association of Insurance Commis-
8 sioners (as adopted as of September 2000); and

9 “(B) section 8 (relating to contingent non-
10 forfeiture) of the long-term care insurance
11 model Act promulgated by the National Asso-
12 ciation of Insurance Commissioners (as adopted
13 as of September 2000).”.

14 (2) APPLICABILITY.—The provisions of section
15 255(l) of the National Housing Act (as added by
16 paragraph (1) of this subsection) shall apply only to
17 mortgages closed on or after April 1, 2001.

18 (d) STUDY OF SINGLE NATIONAL MORTGAGE
19 LIMIT.—The Secretary of Housing and Urban Develop-
20 ment shall conduct an actuarially based study of the ef-
21 fects of establishing, for mortgages insured under section
22 255 of the National Housing Act (12 U.S.C. 1715z–20),
23 a single maximum mortgage amount limitation in lieu of
24 applicability of section 203(b)(2) of such Act (12 U.S.C.
25 1709(b)(2)). The study shall—

1 (1) examine the effects of establishing such lim-
2 itation at different dollar amounts; and

3 (2) examine the effects of such various limita-
4 tions on—

5 (A) the risks to the General Insurance
6 Fund established under section 519 of such
7 Act;

8 (B) the mortgage insurance premiums that
9 would be required to be charged to mortgagors
10 to ensure actuarial soundness of such Fund;
11 and

12 (C) take into consideration the various ap-
13 proaches to providing credit to borrowers who
14 refinance home equity conversion mortgages in-
15 sured under section 255 of such Act.

16 Not later than 180 days after the date of the enactment
17 of this Act, the Secretary shall complete the study under
18 this subsection and submit a report describing the study
19 and the results of the study to the Committee on Banking
20 and Financial Services of the House of Representatives
21 and to the Committee on Banking, Housing, and Urban
22 Affairs of the Senate.

1 **SEC. 202. ASSISTANCE FOR SELF-HELP HOUSING PRO-**
2 **VIDERS.**

3 (a) REAUTHORIZATION.—Subsection (p) of section
4 11 of the Housing Opportunity Program Extension Act
5 of 1996 (42 U.S.C. 12805 note) is amended to read as
6 follows:

7 “(p) AUTHORIZATION OF APPROPRIATIONS.—There
8 are authorized to be appropriated to carry out this section
9 such sums as may be necessary for fiscal year 2001.”.

10 (b) ELIGIBLE EXPENSES.—Section 11(d)(2)(A) of
11 the Housing Opportunity Program Extension Act of 1996
12 (42 U.S.C. 12805 note) is amended by inserting before
13 the period at the end the following: “, which may include
14 reimbursing an organization, consortium, or affiliate, upon
15 approval of any required environmental review, for
16 nongrant amounts of the organization, consortium, or af-
17 filiate advanced before such review to acquire land”.

18 (c) DEADLINE FOR RECAPTURE OF FUNDS.—Section
19 11 of the Housing Opportunity Program Extension Act
20 of 1996 (42 U.S.C. 12805 note) is amended—

21 (1) in subsection (i)(5)—

22 (A) by striking “if the organization or con-
23 sortia has not used any grant amounts” and in-
24 serting “the Secretary shall recapture any grant
25 amounts provided to the organization or con-
26 sortia that are not used”;

1 (B) by striking “(or,” and inserting “, ex-
2 cept that such period shall be 36 months”; and

3 (C) by striking “within 36 months), the
4 Secretary shall recapture such unused
5 amounts” and inserting “and in the case of a
6 grant amounts provided to a local affiliate of
7 the organization or consortia that is developing
8 five or more dwellings in connection with such
9 grant amounts”; and

10 (2) in subsection (j), by inserting after “carry
11 out this section” the following: “and grant amounts
12 provided to a local affiliate of the organization or
13 consortia that is developing five or more dwellings in
14 connection with such grant amounts”.

15 (d) TECHNICAL CORRECTIONS.—Section 11 of the
16 Housing Opportunity Program Extension Act of 1996 (42
17 U.S.C. 12805 note) is amended—

18 (1) in subsection (b)(4), by striking “Habitat
19 for Humanity International, its affiliates, and
20 other”; and

21 (2) in subsection (e)(2), by striking “consoria”
22 and inserting “consortia”.

1 **TITLE III—SECTION 8**
2 **HOMEOWNERSHIP OPTION**

3 **SEC. 301. DOWNPAYMENT ASSISTANCE.**

4 (a) AMENDMENTS.—Section 8(y) of the United
5 States Housing Act of 1937 (42 U.S.C. 1437f(y)) is
6 amended—

7 (1) by redesignating paragraph (7) as para-
8 graph (8); and

9 (2) by inserting after paragraph (6) the fol-
10 lowing new paragraph:

11 “(7) DOWNPAYMENT ASSISTANCE.—

12 “(A) AUTHORITY.—A public housing agen-
13 cy may, in lieu of providing monthly assistance
14 payments under this subsection on behalf of a
15 family eligible for such assistance and at the
16 discretion of the public housing agency, provide
17 assistance for the family in the form of a single
18 grant to be used only as a contribution toward
19 the downpayment required in connection with
20 the purchase of a dwelling for fiscal year 2000
21 and each fiscal year thereafter to the extent
22 provided in advance in appropriations Acts.

23 “(B) AMOUNT.—The amount of a down-
24 payment grant on behalf of an assisted family
25 may not exceed the amount that is equal to the

1 sum of the assistance payments that would be
2 made during the first year of assistance on be-
3 half of the family, based upon the income of the
4 family at the time the grant is to be made.”.

5 (b) **EFFECTIVE DATE.**—The amendments made by
6 subsection (a) shall take effect immediately after the
7 amendments made by section 555(c) of the Quality Hous-
8 ing and Work Responsibility Act of 1998 take effect pur-
9 suant to such section.

10 **SEC. 302. PILOT PROGRAM FOR HOMEOWNERSHIP ASSIST-**
11 **ANCE FOR DISABLED FAMILIES.**

12 (a) **IN GENERAL.**—A public housing agency providing
13 tenant-based assistance on behalf of an eligible family
14 under section 8 of the United States Housing Act of 1937
15 (42 U.S.C. 1437f) may provide assistance for a disabled
16 family that purchases a dwelling unit (including a dwelling
17 unit under a lease-purchase agreement) that will be owned
18 by one or more members of the disabled family and will
19 be occupied by the disabled family, if the disabled family—

20 (1) purchases the dwelling unit before the expi-
21 ration of the 3-year period beginning on the date
22 that the Secretary first implements the pilot pro-
23 gram under this section;

24 (2) demonstrates that the disabled family has
25 income from employment or other sources (including

1 public assistance), as determined in accordance with
2 requirements of the Secretary, that is not less than
3 twice the payment standard established by the public
4 housing agency (or such other amount as may be es-
5 tablished by the Secretary);

6 (3) except as provided by the Secretary, dem-
7 onstrates at the time the disabled family initially re-
8 ceives tenant-based assistance under this section
9 that one or more adult members of the disabled fam-
10 ily have achieved employment for the period as the
11 Secretary shall require;

12 (4) participates in a homeownership and hous-
13 ing counseling program provided by the agency; and

14 (5) meets any other initial or continuing re-
15 quirements established by the public housing agency
16 in accordance with requirements established by the
17 Secretary.

18 (b) DETERMINATION OF AMOUNT OF ASSISTANCE.—

19 (1) IN GENERAL.—

20 (A) MONTHLY EXPENSES NOT EXCEEDING
21 PAYMENT STANDARD.—If the monthly home-
22 ownership expenses, as determined in accord-
23 ance with requirements established by the Sec-
24 retary, do not exceed the payment standard, the
25 monthly assistance payment shall be the

1 amount by which the homeownership expenses
2 exceed the highest of the following amounts,
3 rounded to the nearest dollar:

4 (i) 30 percent of the monthly adjusted
5 income of the disabled family.

6 (ii) 10 percent of the monthly income
7 of the disabled family.

8 (iii) If the disabled family is receiving
9 payments for welfare assistance from a
10 public agency, and a portion of those pay-
11 ments, adjusted in accordance with the ac-
12 tual housing costs of the disabled family, is
13 specifically designated by that agency to
14 meet the housing costs of the disabled fam-
15 ily, the portion of those payments that is
16 so designated.

17 (B) MONTHLY EXPENSES EXCEED PAY-
18 MENT STANDARD.—If the monthly homeowner-
19 ship expenses, as determined in accordance with
20 requirements established by the Secretary, ex-
21 ceed the payment standard, the monthly assist-
22 ance payment shall be the amount by which the
23 applicable payment standard exceeds the high-
24 est of the amounts under clauses (i), (ii), and
25 (iii) of subparagraph (A).

1 (2) CALCULATION OF AMOUNT.—

2 (A) LOW-INCOME FAMILIES.—A disabled
3 family that is a low-income family shall be eligi-
4 ble to receive 100 percent of the amount cal-
5 culated under paragraph (1).

6 (B) INCOME BETWEEN 81 AND 89 PERCENT
7 OF MEDIAN.—A disabled family whose income
8 is between 81 and 89 percent of the median for
9 the area shall be eligible to receive 66 percent
10 of the amount calculated under paragraph (1).

11 (C) INCOME BETWEEN 90 AND 99 PERCENT
12 OF MEDIAN.—A disabled family whose income
13 is between 90 and 99 percent of the median for
14 the area shall be eligible to receive 33 percent
15 of the amount calculated under paragraph (1).

16 (D) INCOME MORE THAN 99 PERCENT OF
17 MEDIAN.—A disabled family whose income is
18 more than 99 percent of the median for the
19 area shall not be eligible to receive assistance
20 under this section.

21 (c) INSPECTIONS AND CONTRACT CONDITIONS.—

22 (1) IN GENERAL.—Each contract for the pur-
23 chase of a dwelling unit to be assisted under this
24 section shall—

1 (A) provide for pre-purchase inspection of
2 the dwelling unit by an independent profes-
3 sional; and

4 (B) require that any cost of necessary re-
5 pairs be paid by the seller.

6 (2) ANNUAL INSPECTIONS NOT REQUIRED.—

7 The requirement under subsection (o)(8)(A)(ii) of
8 section 8 of the United States Housing Act of 1937
9 for annual inspections shall not apply to dwelling
10 units assisted under this section.

11 (d) OTHER AUTHORITY OF THE SECRETARY.—The
12 Secretary may—

13 (1) limit the term of assistance for a disabled
14 family assisted under this section;

15 (2) provide assistance for a disabled family for
16 the entire term of a mortgage for a dwelling unit if
17 the disabled family remains eligible for such assist-
18 ance for such term; and

19 (3) modify the requirements of this section as
20 the Secretary determines to be necessary to make
21 appropriate adaptations for lease-purchase agree-
22 ments.

23 (e) ASSISTANCE PAYMENTS SENT TO LENDER.—The
24 Secretary shall remit assistance payments under this sec-
25 tion directly to the mortgagee of the dwelling unit pur-

1 chased by the disabled family receiving such assistance
2 payments.

3 (f) INAPPLICABILITY OF CERTAIN PROVISIONS.—As-
4 sistance under this section shall not be subject to the re-
5 quirements of the following provisions:

6 (1) Subsection (c)(3)(B) of section 8 of the
7 United States Housing Act of 1937.

8 (2) Subsection (d)(1)(B)(i) of section 8 of the
9 United States Housing Act of 1937.

10 (3) Any other provisions of section 8 of the
11 United States Housing Act of 1937 governing max-
12 imum amounts payable to owners and amounts pay-
13 able by assisted families.

14 (4) Any other provisions of section 8 of the
15 United States Housing Act of 1937 concerning con-
16 tracts between public housing agencies and owners.

17 (5) Any other provisions of the United States
18 Housing Act of 1937 that are inconsistent with the
19 provisions of this section.

20 (g) REVERSION TO RENTAL STATUS.—

21 (1) NON-FHA MORTGAGES.—If a disabled fam-
22 ily receiving assistance under this section defaults
23 under a mortgage not insured under the National
24 Housing Act, the disabled family may not continue
25 to receive rental assistance under section 8 of the

1 United States Housing Act of 1937 unless it com-
2 plies with requirements established by the Secretary.

3 (2) ALL MORTGAGES.—A disabled family receiv-
4 ing assistance under this section that defaults under
5 a mortgage may not receive assistance under this
6 section for occupancy of another dwelling unit owned
7 by 1 or more members of the disabled family.

8 (3) EXCEPTION.—This subsection shall not
9 apply if the Secretary determines that the disabled
10 family receiving assistance under this section de-
11 faulted under a mortgage due to catastrophic med-
12 ical reasons or due to the impact of a federally de-
13 clared major disaster or emergency.

14 (h) REGULATIONS.—Not later than 90 days after the
15 date of the enactment of this Act, the Secretary shall issue
16 regulations to implement this section. Such regulations
17 may not prohibit any public housing agency providing ten-
18 ant-based assistance on behalf of an eligible family under
19 section 8 of the United States Housing Act of 1937 from
20 participating in the pilot program under this section.

21 (i) DEFINITION OF DISABLED FAMILY.—For the
22 purposes of this section, the term “disabled family” has
23 the meaning given the term “person with disabilities” in
24 section 811(k)(2) of the Cranston-Gonzalez National Af-
25 fordable Housing Act (42 U.S.C. 8013(k)(2)).

1 **SEC. 303. FUNDING FOR PILOT PROGRAMS.**

2 (a) AUTHORIZATION OF APPROPRIATIONS.—There is
3 authorized to be appropriated such sums as may be nec-
4 essary for fiscal year 2001 for assistance in connection
5 with the existing homeownership pilot programs carried
6 out under the demonstration program authorized under to
7 section 555(b) of the Quality Housing and Work Respon-
8 sibility Act of 1998 (Public Law 105–276; 112 Stat.
9 2613).

10 (b) USE.—Subject to subsection (c), amounts made
11 available pursuant to this section shall be used only
12 through such homeownership pilot programs to provide,
13 on behalf of families participating in such programs,
14 amounts for downpayments in connection with dwellings
15 purchased by such families using assistance made avail-
16 able under section 8(y) of the United States Housing Act
17 of 1937 (42 U.S.C. 1437f(y)). No such downpayment
18 grant may exceed 20 percent of the appraised value of the
19 dwelling purchased with assistance under such section
20 8(y).

21 (c) MATCHING REQUIREMENT.—The amount of as-
22 sistance made available under this section for any existing
23 homeownership pilot program may not exceed twice the
24 amount donated from sources other than this section for
25 use under the program for assistance described in sub-
26 section (b). Amounts donated from other sources may in-

1 clude amounts from State housing finance agencies and
 2 Neighborhood Housing Services of America.

3 **TITLE IV—PRIVATE MORTGAGE**
 4 **INSURANCE CANCELLATION**
 5 **AND TERMINATION**

6 **SEC. 401. SHORT TITLE.**

7 This title may be cited as the “Private Mortgage In-
 8 surance Technical Corrections and Clarification Act”.

9 **SEC. 402. CHANGES IN AMORTIZATION SCHEDULE.**

10 (a) TREATMENT OF ADJUSTABLE RATE MORT-
 11 GAGES.—The Homeowners Protection Act of 1998 (12
 12 U.S.C. 4901 et seq.) is amended—

13 (1) in section 2—

14 (A) in paragraph (2)(B)(i), by striking
 15 “amortization schedules” and inserting “the
 16 amortization schedule then in effect”;

17 (B) in paragraph (16)(B), by striking
 18 “amortization schedules” and inserting “the
 19 amortization schedule then in effect”;

20 (C) by redesignating paragraphs (6)
 21 through (16) (as amended by the preceding pro-
 22 visions of this paragraph) as paragraphs (8)
 23 through (18), respectively; and

24 (D) by inserting after paragraph (5) the
 25 following new paragraph:

1 “(6) AMORTIZATION SCHEDULE THEN IN EF-
 2 FECT.—The term ‘amortization schedule then in ef-
 3 fect’ means, with respect to an adjustable rate mort-
 4 gage, a schedule established at the time at which the
 5 residential mortgage transaction is consummated or,
 6 if such schedule has been changed or recalculated, is
 7 the most recent schedule under the terms of the note
 8 or mortgage, which shows—

9 “(A) the amount of principal and interest
 10 that is due at regular intervals to retire the
 11 principal balance and accrued interest over the
 12 remaining amortization period of the loan; and

13 “(B) the unpaid balance of the loan after
 14 each such scheduled payment is made.”; and

15 (2) in section 3(f)(1)(B)(ii), by striking “amor-
 16 tization schedules” and inserting “the amortization
 17 schedule then in effect”.

18 (b) TREATMENT OF BALLOON MORTGAGES.—Para-
 19 graph (1) of section 2 of the Homeowners Protection Act
 20 of 1998 (12 U.S.C. 4901(1)) is amended by adding at the
 21 end the following new sentence: “A residential mortgage
 22 that (A) does not fully amortize over the term of the obli-
 23 gation, and (B) contains a conditional right to refinance
 24 or modify the unamortized principal at the maturity date

1 of the term, shall be considered to be an adjustable rate
2 mortgage for purposes of this Act.”.

3 (c) TREATMENT OF LOAN MODIFICATIONS.—

4 (1) IN GENERAL.—Section 3 of the Home-
5 owners Protection Act of 1998 (12 U.S.C. 4902) is
6 amended—

7 (A) by redesignating subsections (d)
8 through (f) as subsections (e) through (g), re-
9 spectively; and

10 (B) by inserting after subsection (c) the
11 following new subsection:

12 “(d) TREATMENT OF LOAN MODIFICATIONS.—If a
13 mortgagor and mortgagee (or holder of the mortgage)
14 agree to a modification of the terms or conditions of a
15 loan pursuant to a residential mortgage transaction, the
16 cancellation date, termination date, or final termination
17 shall be recalculated to reflect the modified terms and con-
18 ditions of such loan.”.

19 (2) CONFORMING AMENDMENTS.—Section 4(a)
20 of the Homeowners Protection Act of 1998 (12
21 U.S.C. 4903(a)) is amended—

22 (A) in paragraph (1)—

23 (i) in the matter preceding subpara-
24 graph (A), by striking “section 3(f)(1)”
25 and inserting “section 3(g)(1)”;

1 (ii) in subparagraph (A)(ii)(IV), by
 2 striking “section 3(f)” and inserting “sec-
 3 tion 3(g)”; and

4 (iii) in subparagraph (B)(iii), by strik-
 5 ing “section 3(f)” and inserting “section
 6 3(g)”; and

7 (B) in paragraph (2), by striking “section
 8 3(f)(1)” and inserting “section 3(g)(1)”.

9 **SEC. 403. DELETION OF AMBIGUOUS REFERENCES TO RESI-**
 10 **DENTIAL MORTGAGES.**

11 (a) TERMINATION OF PRIVATE MORTGAGE INSUR-
 12 ANCE.—Section 3 of the Homeowners Protection Act of
 13 1998 (12 U.S.C. 4902) is amended—

14 (1) in subsection (c), by inserting “on residen-
 15 tial mortgage transactions” after “imposed”; and

16 (2) in subsection (g) (as so redesignated by the
 17 preceding provisions of this title)—

18 (A) in paragraph (1), in the matter pre-
 19 ceding subparagraph (A), by striking “mort-
 20 gage or”;

21 (B) in paragraph (2), by striking “mort-
 22 gage or”; and

23 (C) in paragraph (3), by striking “mort-
 24 gage or” and inserting “residential mortgage or
 25 residential”.

1 (b) DISCLOSURE REQUIREMENTS.—Section 4 of the
2 Homeowners Protection Act of 1998 (12 U.S.C. 4903(a))
3 is amended—

4 (1) in subsection (a)—

5 (A) in paragraph (1)—

6 (i) by striking “mortgage or” the first
7 place it appears; and

8 (ii) by striking “mortgage or” the sec-
9 ond place it appears and inserting “resi-
10 dential”; and

11 (B) in paragraph (2), by striking “mort-
12 gage or” and inserting “residential”;

13 (2) in subsection (c), by striking “paragraphs
14 (1)(B) and (3) of subsection (a)” and inserting
15 “subsection (a)(3)”; and

16 (3) in subsection (d), by inserting before the pe-
17 riod at the end the following: “, which disclosures
18 shall relate to the mortgagor’s rights under this
19 Act”.

20 (c) DISCLOSURE REQUIREMENTS FOR LENDER-PAID
21 MORTGAGE INSURANCE.—Section 6 of the Homeowners
22 Protection Act of 1998 (12 U.S.C. 4905) is amended—

23 (1) in subsection (c)—

24 (A) in the matter preceding paragraph (1),
25 by striking “a residential mortgage or”; and

1 (B) in paragraph (2), by inserting “trans-
2 action” after “residential mortgage”; and
3 (2) in subsection (d), by inserting “transaction”
4 after “residential mortgage”.

5 **SEC. 404. CANCELLATION RIGHTS AFTER CANCELLATION**
6 **DATE.**

7 Section 3 of the Homeowners Protection Act of 1998
8 (12 U.S.C. 4902) is amended—

9 (1) in subsection (a)—

10 (A) in the matter preceding paragraph (1),
11 by inserting after “cancellation date” the fol-
12 lowing: “or any later date that the mortgagor
13 fulfills all of the requirements under paragraphs
14 (1) through (4)”;

15 (B) in paragraph (2), by striking “and” at
16 the end;

17 (C) by redesignating paragraph (3) as
18 paragraph (4); and

19 (D) by inserting after paragraph (2) the
20 following new paragraph:

21 “(3) is current on the payments required by the
22 terms of the residential mortgage transaction; and”;
23 and

24 (2) in subsection (e)(1)(B) (as so redesignated
25 by the preceding provisions of this title), by striking

1 “subsection (a)(3)” and inserting “subsection
2 (a)(4)”.

3 **SEC. 405. CLARIFICATION OF CANCELLATION AND TERMI-**
4 **NATION ISSUES AND LENDER PAID MORT-**
5 **GAGE INSURANCE DISCLOSURE REQUIRE-**
6 **MENTS.**

7 (a) GOOD PAYMENT HISTORY.—Section 2(4) of the
8 Homeowners Protection Act of 1998 (12 U.S.C. 4901(4))
9 is amended—

10 (1) in subparagraph (A)—

11 (A) by inserting “the later of (i)” before
12 “the date”; and

13 (B) by inserting “, or (ii) the date that the
14 mortgagor submits a request for cancellation
15 under section 3(a)(1)” before the semicolon;
16 and

17 (2) in subparagraph (B)—

18 (A) by inserting “the later of (i)” before
19 “the date”; and

20 (B) by inserting “, or (ii) the date that the
21 mortgagor submits a request for cancellation
22 under section 3(a)(1)” before the period at the
23 end.

1 (b) AUTOMATIC TERMINATION.—Paragraph (2) of
2 section 3(b) of the Homeowners Protection Act of 1998
3 (12 U.S.C. 4902(b)(2)) is amended to read as follows:

4 “(2) if the mortgagor is not current on the ter-
5 mination date, on the first day of the first month be-
6 ginning after the date that the mortgagor becomes
7 current on the payments required by the terms of
8 the residential mortgage transaction.”

9 (c) PREMIUM PAYMENTS.—Section 3 of the Home-
10 owners Protection Act of 1998 (12 U.S.C. 4902) is
11 amended by adding at the end the following new sub-
12 section:

13 “(h) ACCRUED OBLIGATION FOR PREMIUM PAY-
14 MENTS.—The cancellation or termination under this sec-
15 tion of the private mortgage insurance of a mortgagor
16 shall not affect the rights of any mortgagee, servicer, or
17 mortgage insurer to enforce any obligation of such mort-
18 gagor for premium payments accrued prior to the date on
19 which such cancellation or termination occurred.”.

20 **SEC. 406. DEFINITIONS.**

21 (a) REFINANCED.—Section 6(c)(1)(B)(ii) of the
22 Homeowners Protection Act of 1998 (12 U.S.C.
23 4905(c)(1)(B)(ii)) is amended by inserting after “refi-
24 nanced” the following: “(under the meaning given such
25 term in the regulations issued by the Board of Governors

1 of the Federal Reserve System to carry out the Truth in
2 Lending Act (15 U.S.C. 1601 et seq.))”.

3 (b) MIDPOINT OF THE AMORTIZATION PERIOD.—
4 Section 2 of the Homeowners Protection Act of 1998 (12
5 U.S.C. 4901) is amended by inserting after paragraph (6)
6 (as added by the preceding provisions of this title) the fol-
7 lowing new paragraph:

8 “(7) MIDPOINT OF THE AMORTIZATION PE-
9 RIOD.—The term ‘midpoint of the amortization pe-
10 riod’ means, with respect to a residential mortgage
11 transaction, the point in time that is halfway
12 through the period that begins upon the first day of
13 the amortization period established at the time a
14 residential mortgage transaction is consummated
15 and ends upon the completion of the entire period
16 over which the mortgage is scheduled to be amor-
17 tized.”.

18 (c) ORIGINAL VALUE.—Section 2(12) of the Home-
19 owners Protection Act of 1998 (12 U.S.C. 4901(10)) (as
20 so redesignated by the preceding provisions of this title)
21 is amended—

22 (1) by inserting “transaction” after “a residen-
23 tial mortgage”; and

24 (2) by adding at the end the following new sen-
25 tence: “In the case of a residential mortgage trans-

1 action for refinancing the principal residence of the
 2 mortgagor, such term means only the appraised
 3 value relied upon by the mortgagee to approve the
 4 refinance transaction.”.

5 (d) PRINCIPAL RESIDENCE.—Section 2 of the Home-
 6 owners Protection Act of 1998 (12 U.S.C. 4901) is
 7 amended—

8 (1) in paragraph (14) (as so redesignated by
 9 the preceding provisions of this title) by striking
 10 “primary” and inserting “principal”; and

11 (2) in paragraph (15) (as so redesignated by
 12 the preceding provisions of this title) by striking
 13 “primary” and inserting “principal”.

14 **TITLE V—NATIVE AMERICAN**
 15 **HOMEOWNERSHIP**
 16 **Subtitle A—Native American**
 17 **Housing**

18 **SEC. 501. LANDS TITLE REPORT COMMISSION.**

19 (a) ESTABLISHMENT.—Subject to sums being pro-
 20 vided in advance in appropriations Acts, there is estab-
 21 lished a Commission to be known as the Lands Title Re-
 22 port Commission (hereafter in this section referred to as
 23 the “Commission”) to facilitate home loan mortgages on
 24 Indian trust lands. The Commission will be subject to
 25 oversight by the Committee on Banking and Financial

1 Services of the House of Representatives and the Com-
2 mittee on Banking, Housing, and Urban Affairs of the
3 Senate.

4 (b) MEMBERSHIP.—

5 (1) APPOINTMENT.—The Commission shall be
6 composed of 12 members, appointed not later than
7 90 days after the date of the enactment of this Act
8 as follows:

9 (A) Four members shall be appointed by
10 the President.

11 (B) Four members shall be appointed by
12 the Chairperson of the Committee on Banking
13 and Financial Services of the House of Rep-
14 resentatives.

15 (C) Four members shall be appointed by
16 the Chairperson of the Committee on Banking,
17 Housing, and Urban Affairs of the Senate.

18 (2) QUALIFICATIONS.—

19 (A) MEMBERS OF TRIBES.—At all times,
20 not less than eight of the members of the Com-
21 mission shall be members of federally recog-
22 nized Indian tribes.

23 (B) EXPERIENCE IN LAND TITLE MAT-
24 TERS.—All members of the Commission shall

1 have experience in and knowledge of land title
2 matters relating to Indian trust lands.

3 (3) CHAIRPERSON.—The Chairperson of the
4 Commission shall be one of the members of the
5 Commission appointed under paragraph (1)(C), as
6 elected by the members of the Commission.

7 (4) VACANCIES.—Any vacancy on the Commis-
8 sion shall not affect its powers, but shall be filled in
9 the manner in which the original appointment was
10 made.

11 (5) TRAVEL EXPENSES.—Members of the Com-
12 mission shall serve without pay, but each member
13 shall receive travel expenses, including per diem in
14 lieu of subsistence, in accordance with sections 5702
15 and 5703 of title 5, United States Code.

16 (c) INITIAL MEETING.—The Chairperson of the Com-
17 mission shall call the initial meeting of the Commission.
18 Such meeting shall be held within 30 days after the Chair-
19 person of the Commission determines that sums sufficient
20 for the Commission to carry out its duties under this Act
21 have been appropriated for such purpose.

22 (d) DUTIES.—The Commission shall analyze the sys-
23 tem of the Bureau of Indian Affairs of the Department
24 of the Interior for maintaining land ownership records and
25 title documents and issuing certified title status reports

1 relating to Indian trust lands and, pursuant to such anal-
2 ysis, determine how best to improve or replace the
3 system—

4 (1) to ensure prompt and accurate responses to
5 requests for title status reports;

6 (2) to eliminate any backlog of requests for title
7 status reports; and

8 (3) to ensure that the administration of the sys-
9 tem will not in any way impair or restrict the ability
10 of Native Americans to obtain conventional loans for
11 purchase of residences located on Indian trust lands,
12 including any actions necessary to ensure that the
13 system will promptly be able to meet future demands
14 for certified title status reports, taking into account
15 the anticipated complexity and volume of such re-
16 quests.

17 (e) REPORT.—Not later than the date of the termi-
18 nation of the Commission under subsection (h), the Com-
19 mission shall submit a report to the Committee on Bank-
20 ing and Financial Services of the House of Representa-
21 tives and the Committee on Banking, Housing, and Urban
22 Affairs of the Senate describing the analysis and deter-
23 minations made pursuant to subsection (d).

24 (f) POWERS.—

1 (1) HEARINGS AND SESSIONS.—The Commis-
2 sion may, for the purpose of carrying out this sec-
3 tion, hold hearings, sit and act at times and places,
4 take testimony, and receive evidence as the Commis-
5 sion considers appropriate.

6 (2) STAFF OF FEDERAL AGENCIES.—Upon re-
7 quest of the Commission, the head of any Federal
8 department or agency may detail, on a reimbursable
9 basis, any of the personnel of that department or
10 agency to the Commission to assist it in carrying out
11 its duties under this section.

12 (3) OBTAINING OFFICIAL DATA.—The Commis-
13 sion may secure directly from any department or
14 agency of the United States information necessary
15 to enable it to carry out this section. Upon request
16 of the Chairperson of the Commission, the head of
17 that department or agency shall furnish that infor-
18 mation to the Commission.

19 (4) MAILS.—The Commission may use the
20 United States mails in the same manner and under
21 the same conditions as other departments and agen-
22 cies of the United States.

23 (5) ADMINISTRATIVE SUPPORT SERVICES.—
24 Upon the request of the Commission, the Adminis-
25 trator of General Services shall provide to the Com-

1 mission, on a reimbursable basis, the administrative
2 support services necessary for the Commission to
3 carry out its duties under this section.

4 (6) STAFF.—The Commission may appoint per-
5 sonnel as it considers appropriate, subject to the
6 provisions of title 5, United States Code, governing
7 appointments in the competitive service, and shall
8 pay such personnel in accordance with the provisions
9 of chapter 51 and subchapter III of chapter 53 of
10 that title relating to classification and General
11 Schedule pay rates.

12 (g) AUTHORIZATION OF APPROPRIATIONS.—There is
13 authorized to be appropriated to carry out this section
14 such sums as may be necessary, and any amounts appro-
15 priated pursuant to this subsection shall remain available
16 until expended.

17 (h) TERMINATION.—The Commission shall terminate
18 1 year after the date of the initial meeting of the Commis-
19 sion.

20 **SEC. 502. LOAN GUARANTEES.**

21 Section 184(i) of the Housing and Community Devel-
22 opment Act of 1992 (12 U.S.C. 1715z–13a(i)) is
23 amended—

24 (1) in paragraph (5), by striking subparagraph
25 (C) and inserting the following new subparagraph:

1 “(C) LIMITATION ON OUTSTANDING AG-
 2 GREGATE PRINCIPAL AMOUNT.—Subject to the
 3 limitations in subparagraphs (A) and (B), the
 4 Secretary may enter into commitments to guar-
 5 antee loans under this section in each fiscal
 6 year with an aggregate outstanding principal
 7 amount not exceeding such amount as may be
 8 provided in appropriation Acts for such fiscal
 9 year.”; and

10 (2) in paragraph (7), by striking “each of fiscal
 11 years 1997, 1998, 1999, 2000, and 2001” and in-
 12 serting “each fiscal year”.

13 **SEC. 503. NATIVE AMERICAN HOUSING ASSISTANCE.**

14 (a) RESTRICTION ON WAIVER AUTHORITY.—

15 (1) IN GENERAL.—Section 101(b)(2) of the Na-
 16 tive American Housing Assistance and Self-Deter-
 17 mination Act of 1996 (25 U.S.C. 4111(b)(2)) is
 18 amended by striking “if the Secretary” and all that
 19 follows through the period at the end and inserting
 20 the following: “for a period of not more than 90
 21 days, if the Secretary determines that an Indian
 22 tribe has not complied with, or is unable to comply
 23 with, those requirements due to exigent cir-
 24 cumstances beyond the control of the Indian tribe.”.

1 (2) LOCAL COOPERATION AGREEMENT.—Sec-
2 tion 101(c) of the Native American Housing Assist-
3 ance and Self-Determination Act of 1996 (25 U.S.C.
4 4111(c)) is amended by adding at the end the fol-
5 lowing: “The Secretary may waive the requirements
6 of this subsection and subsection (d) if the recipient
7 has made a good faith effort to fulfill the require-
8 ments of this subsection and subsection (d) and
9 agrees to make payments in lieu of taxes to the ap-
10 propriate taxing authority in an amount consistent
11 with the requirements of subsection (d)(2) until such
12 time as the matter of making such payments has
13 been resolved in accordance with subsection (d).”.

14 (b) ASSISTANCE TO FAMILIES THAT ARE NOT LOW-
15 INCOME.—Section 102(c) of the Native American Housing
16 Assistance and Self-Determination Act of 1996 (25 U.S.C.
17 4112(c)) is amended by adding at the end the following:

18 “(6) CERTAIN FAMILIES.—With respect to as-
19 sistance provided under section 201(b)(2) by a re-
20 cipient to Indian families that are not low-income
21 families, evidence that there is a need for housing
22 for each such family during that period that cannot
23 reasonably be met without such assistance.”.

24 (c) ELIMINATION OF WAIVER AUTHORITY FOR
25 SMALL TRIBES.—Section 102 of the Native American

1 Housing Assistance and Self-Determination Act of 1996
2 (25 U.S.C. 4112) is amended—

3 (1) by striking subsection (f); and

4 (2) by redesignating subsection (g) as sub-
5 section (f).

6 (d) ENVIRONMENTAL COMPLIANCE.—Section 105 of
7 the Native American Housing Assistance and Self-Deter-
8 mination Act of 1996 (25 U.S.C. 4115) is amended by
9 adding at the end the following:

10 “(d) ENVIRONMENTAL COMPLIANCE.—The Secretary
11 may waive the requirements under this section if the Sec-
12 retary determines that a failure on the part of a recipient
13 to comply with provisions of this section—

14 “(1) will not frustrate the goals of the National
15 Environmental Policy Act of 1969 (42 U.S.C. 4331
16 et seq.) or any other provision of law that furthers
17 the goals of that Act;

18 “(2) does not threaten the health or safety of
19 the community involved by posing an immediate or
20 long-term hazard to residents of that community;

21 “(3) is a result of inadvertent error, including
22 an incorrect or incomplete certification provided
23 under subsection (c)(1); and

24 “(4) may be corrected through the sole action
25 of the recipient.”.

1 (e) OVERSIGHT.—

2 (1) REPAYMENT.—Section 209 of the Native
3 American Housing Assistance and Self-Determina-
4 tion Act of 1996 (25 U.S.C. 4139) is amended to
5 read as follows:

6 **“SEC. 209. NONCOMPLIANCE WITH AFFORDABLE HOUSING**
7 **REQUIREMENT.**

8 “If a recipient uses grant amounts to provide afford-
9 able housing under this title, and at any time during the
10 useful life of the housing the recipient does not comply
11 with the requirement under section 205(a)(2), the Sec-
12 retary shall take appropriate action under section
13 401(a).”.

14 (2) AUDITS AND REVIEWS.—Section 405 of the
15 Native American Housing Assistance and Self-De-
16 termination Act of 1996 (25 U.S.C. 4165) is amend-
17 ed to read as follows:

18 **“SEC. 405. REVIEW AND AUDIT BY SECRETARY.**

19 “(a) REQUIREMENTS UNDER CHAPTER 75 OF TITLE
20 31, UNITED STATES CODE.—An entity designated by an
21 Indian tribe as a housing entity shall be treated, for pur-
22 poses of chapter 75 of title 31, United States Code, as
23 a non-Federal entity that is subject to the audit require-
24 ments that apply to non-Federal entities under that chap-
25 ter.

1 “(b) ADDITIONAL REVIEWS AND AUDITS.—

2 “(1) IN GENERAL.—In addition to any audit or
3 review under subsection (a), to the extent the Sec-
4 retary determines such action to be appropriate, the
5 Secretary may conduct an audit or review of a re-
6 cipient in order to—

7 “(A) determine whether the recipient—

8 “(i) has carried out—

9 “(I) eligible activities in a timely
10 manner; and

11 “(II) eligible activities and cer-
12 tification in accordance with this Act
13 and other applicable law;

14 “(ii) has a continuing capacity to
15 carry out eligible activities in a timely
16 manner; and

17 “(iii) is in compliance with the Indian
18 housing plan of the recipient; and

19 “(B) verify the accuracy of information
20 contained in any performance report submitted
21 by the recipient under section 404.

22 “(2) ON-SITE VISITS.—To the extent prac-
23 ticable, the reviews and audits conducted under this
24 subsection shall include on-site visits by the appro-

1 piate official of the Department of Housing and
2 Urban Development.

3 “(c) REVIEW OF REPORTS.—

4 “(1) IN GENERAL.—The Secretary shall provide
5 each recipient that is the subject of a report made
6 by the Secretary under this section notice that the
7 recipient may review and comment on the report
8 during a period of not less than 30 days after the
9 date on which notice is issued under this paragraph.

10 “(2) PUBLIC AVAILABILITY.—After taking into
11 consideration any comments of the recipient under
12 paragraph (1), the Secretary—

13 “(A) may revise the report; and

14 “(B) not later than 30 days after the date
15 on which those comments are received, shall
16 make the comments and the report (with any
17 revisions made under subparagraph (A)) readily
18 available to the public.

19 “(d) EFFECT OF REVIEWS.—Subject to section
20 401(a), after reviewing the reports and audits relating to
21 a recipient that are submitted to the Secretary under this
22 section, the Secretary may adjust the amount of a grant
23 made to a recipient under this Act in accordance with the
24 findings of the Secretary with respect to those reports and
25 audits.”.

1 (f) ALLOCATION FORMULA.—Section 302(d)(1) of
2 the Native American Housing Assistance and Self-Deter-
3 mination Act of 1996 (25 U.S.C. 4152(d)(1)) is
4 amended—

5 (1) by striking “The formula,” and inserting
6 the following:

7 “(A) IN GENERAL.—Except with respect to
8 an Indian tribe described in subparagraph (B),
9 the formula”; and

10 (2) by adding at the end the following:

11 “(B) CERTAIN INDIAN TRIBES.—With re-
12 spect to fiscal year 2001 and each fiscal year
13 thereafter, for any Indian tribe with an Indian
14 housing authority that owns or operates fewer
15 than 250 public housing units, the formula
16 shall provide that if the amount provided for a
17 fiscal year in which the total amount made
18 available for assistance under this Act is equal
19 to or greater than the amount made available
20 for fiscal year 1996 for assistance for the oper-
21 ation and modernization of the public housing
22 referred to in subparagraph (A), then the
23 amount provided to that Indian tribe as mod-
24 ernization assistance shall be equal to the aver-
25 age annual amount of funds provided to the In-

1 dian tribe (other than funds provided as emer-
 2 gency assistance) under the assistance program
 3 under section 14 of the United States Housing
 4 Act of 1937 (42 U.S.C. 1437*l*) for the period
 5 beginning with fiscal year 1992 and ending
 6 with fiscal year 1997.”.

7 (g) HEARING REQUIREMENT.—Section 401(a) of the
 8 Native American Housing Assistance and Self-Determina-
 9 tion Act of 1996 (25 U.S.C. 4161(a)) is amended—

10 (1) by redesignating paragraphs (1) through
 11 (4) as subparagraphs (A) through (D), respectively,
 12 and realigning such subparagraphs (as so redesign-
 13 ated) so as to be indented 4 ems from the left mar-
 14 gin;

15 (2) by striking “Except as provided” and in-
 16 serting the following:

17 “(1) IN GENERAL.—Except as provided”;

18 (3) by striking “If the Secretary takes an ac-
 19 tion under paragraph (1), (2), or (3)” and inserting
 20 the following:

21 “(2) CONTINUANCE OF ACTIONS.—If the Sec-
 22 retary takes an action under subparagraph (A), (B),
 23 or (C) of paragraph (1)”;

24 (4) by adding at the end the following:

25 “(3) EXCEPTION FOR CERTAIN ACTIONS.—

1 “(A) IN GENERAL.—Notwithstanding any
2 other provision of this subsection, if the Sec-
3 retary makes a determination that the failure of
4 a recipient of assistance under this Act to com-
5 ply substantially with any material provision (as
6 that term is defined by the Secretary) of this
7 Act is resulting, and would continue to result,
8 in a continuing expenditure of Federal funds in
9 a manner that is not authorized by law, the
10 Secretary may take an action described in para-
11 graph (1)(C) before conducting a hearing.

12 “(B) PROCEDURAL REQUIREMENT.—If the
13 Secretary takes an action described in subpara-
14 graph (A), the Secretary shall—

15 “(i) provide notice to the recipient at
16 the time that the Secretary takes that ac-
17 tion; and

18 “(ii) conduct a hearing not later than
19 60 days after the date on which the Sec-
20 retary provides notice under clause (i).

21 “(C) DETERMINATION.—Upon completion
22 of a hearing under this paragraph, the Sec-
23 retary shall make a determination regarding
24 whether to continue taking the action that is

1 the subject of the hearing, or take another ac-
2 tion under this subsection.”.

3 (h) PERFORMANCE AGREEMENT TIME LIMIT.—Sec-
4 tion 401(b) of the Native American Housing Assistance
5 and Self-Determination Act of 1996 (25 U.S.C. 4161(b))
6 is amended—

7 (1) by striking “If the Secretary” and inserting
8 the following:

9 “(1) IN GENERAL.—If the Secretary”;

10 (2) by striking “(1) is not” and inserting the
11 following:

12 “(A) is not”;

13 (3) by striking “(2) is a result” and inserting
14 the following:

15 “(B) is a result”;

16 (4) in the flush material following paragraph
17 (1)(B), as redesignated by paragraph (3) of this
18 subsection—

19 (A) by realigning such material so as to be
20 indented 2 ems from the left margin; and

21 (B) by inserting before the period at the
22 end the following: “, if the recipient enters into
23 a performance agreement with the Secretary
24 that specifies the compliance objectives that the
25 recipient will be required to achieve by the ter-

1 mination date of the performance agreement”;
2 and

3 (5) by adding at the end the following:

4 “(2) PERFORMANCE AGREEMENT.—The period
5 of a performance agreement described in paragraph
6 (1) shall be for 1 year.

7 “(3) REVIEW.—Upon the termination of a per-
8 formance agreement entered into under paragraph
9 (1), the Secretary shall review the performance of
10 the recipient that is a party to the agreement.

11 “(4) EFFECT OF REVIEW.—If, on the basis of
12 a review under paragraph (3), the Secretary deter-
13 mines that the recipient—

14 “(A) has made a good faith effort to meet
15 the compliance objectives specified in the agree-
16 ment, the Secretary may enter into an addi-
17 tional performance agreement for the period
18 specified in paragraph (2); and

19 “(B) has failed to make a good faith effort
20 to meet applicable compliance objectives, the
21 Secretary shall determine the recipient to have
22 failed to comply substantially with this Act, and
23 the recipient shall be subject to an action under
24 subsection (a).”.

1 (i) LABOR STANDARDS.—Section 104(b) of the Na-
2 tive American Housing Assistance and Self-Determination
3 Act of 1996 (25 U.S.C. 4114(b) is amended—

4 (1) in paragraph (1), by striking “Davis-Bacon
5 Act (40 U.S.C. 276a–276a–5)” and inserting “Act
6 of March 3, 1931 (commonly known as the Davis-
7 Bacon Act; chapter 411; 46 Stat. 1494; 40 U.S.C
8 276a et seq.)”; and

9 (2) by adding at the end the following new
10 paragraph:

11 “(3) APPLICATION OF TRIBAL LAWS.—Para-
12 graph (1) shall not apply to any contract or agree-
13 ment for assistance, sale, or lease pursuant to this
14 Act, if such contract or agreement is otherwise cov-
15 ered by one or more laws or regulations adopted by
16 an Indian tribe that requires the payment of not less
17 than prevailing wages, as determined by the Indian
18 tribe.”.

19 (j) TECHNICAL AND CONFORMING AMENDMENTS.—

20 (1) TABLE OF CONTENTS.—Section 1(b) of the
21 Native American Housing Assistance and Self-De-
22 termination Act of 1996 (25 U.S.C. 4101 note) is
23 amended in the table of contents—

24 (A) by striking the item relating to section
25 206; and

1 (B) by striking the item relating to section
 2 209 and inserting the following:

“209. Noncompliance with affordable housing requirement.”.

3 (2) CERTIFICATION OF COMPLIANCE WITH SUB-
 4 SIDY LAYERING REQUIREMENTS.—Section 206 of
 5 the Native American Housing Assistance and Self-
 6 Determination Act of 1996 (25 U.S.C. 4136) is re-
 7 pealed.

8 (3) TERMINATIONS.—Section 502(a) of the Na-
 9 tive American Housing Assistance and Self-Deter-
 10 mination Act of 1996 (25 U.S.C. 4181(a)) is amend-
 11 ed by adding at the end the following: “Any housing
 12 that is the subject of a contract for tenant-based as-
 13 sistance between the Secretary and an Indian hous-
 14 ing authority that is terminated under this section
 15 shall, for the following fiscal year and each fiscal
 16 year thereafter, be considered to be a dwelling unit
 17 under section 302(b)(1).”.

18 **Subtitle B—Native Hawaiian** 19 **Housing**

20 **SEC. 511. SHORT TITLE.**

21 This subtitle may be cited as the “Hawaiian Home-
 22 lands Homeownership Act of 2000”.

23 **SEC. 512. FINDINGS.**

24 The Congress finds that—

1 (1) the United States has undertaken a respon-
2 sibility to promote the general welfare of the United
3 States by—

4 (A) employing its resources to remedy the
5 unsafe and unsanitary housing conditions and
6 the acute shortage of decent, safe, and sanitary
7 dwellings for families of lower income; and

8 (B) developing effective partnerships with
9 governmental and private entities to accomplish
10 the objectives referred to in subparagraph (A);

11 (2) the United States has a special responsi-
12 bility for the welfare of the Native peoples of the
13 United States, including Native Hawaiians;

14 (3) pursuant to the provisions of the Hawaiian
15 Homes Commission Act, 1920 (42 Stat. 108 et
16 seq.), the United States set aside 200,000 acres of
17 land in the Federal territory that later became the
18 State of Hawaii in order to establish a homeland for
19 the native people of Hawaii—Native Hawaiians;

20 (4) despite the intent of Congress in 1920 to
21 address the housing needs of Native Hawaiians
22 through the enactment of the Hawaiian Homes
23 Commission Act, 1920 (42 Stat. 108 et seq.), Native
24 Hawaiians eligible to reside on the Hawaiian home
25 lands have been foreclosed from participating in

1 Federal housing assistance programs available to all
2 other eligible families in the United States;

3 (5) although Federal housing assistance pro-
4 grams have been administered on a racially neutral
5 basis in the State of Hawaii, Native Hawaiians con-
6 tinue to have the greatest unmet need for housing
7 and the highest rates of overcrowding in the United
8 States;

9 (6) among the Native American population of
10 the United States, Native Hawaiians experience the
11 highest percentage of housing problems in the
12 United States, as the percentage—

13 (A) of housing problems in the Native Ha-
14 waiian population is 49 percent, as compared
15 to—

16 (i) 44 percent for American Indian
17 and Alaska Native households in Indian
18 country; and

19 (ii) 27 percent for all other house-
20 holds in the United States; and

21 (B) overcrowding in the Native Hawaiian
22 population is 36 percent as compared to 3 per-
23 cent for all other households in the United
24 States;

1 (7) among the Native Hawaiian population, the
2 needs of Native Hawaiians, as that term is defined
3 in section 801 of the Native American Housing As-
4 sistance and Self-Determination Act of 1996 (as
5 added by this subtitle), eligible to reside on the Ha-
6 waiian Home Lands are the most severe, as—

7 (A) the percentage of overcrowding in Na-
8 tive Hawaiian households on the Hawaiian
9 Home Lands is 36 percent; and

10 (B) approximately 13,000 Native Hawai-
11 ians, which constitute 95 percent of the Native
12 Hawaiians who are eligible to reside on the Ha-
13 waiian Home Lands, are in need of housing;

14 (8) applying the Department of Housing and
15 Urban Development guidelines—

16 (A) 70.8 percent of Native Hawaiians who
17 either reside or who are eligible to reside on the
18 Hawaiian Home Lands have incomes that fall
19 below the median family income; and

20 (B) 50 percent of Native Hawaiians who
21 either reside or who are eligible to reside on the
22 Hawaiian Home Lands have incomes below 30
23 percent of the median family income;

24 (9) $\frac{1}{3}$ of those Native Hawaiians who are eligi-
25 ble to reside on the Hawaiian Home Lands pay

1 more than 30 percent of their income for shelter,
2 and 1/2 of those Native Hawaiians face overcrowding;

3 (10) the extraordinarily severe housing needs of
4 Native Hawaiians demonstrate that Native Hawai-
5 ians who either reside on, or are eligible to reside on,
6 Hawaiian Home Lands have been denied equal ac-
7 cess to Federal low-income housing assistance pro-
8 grams available to other qualified residents of the
9 United States, and that a more effective means of
10 addressing their housing needs must be authorized;

11 (11) consistent with the recommendations of
12 the National Commission on American Indian, Alas-
13 ka Native, and Native Hawaiian Housing, and in
14 order to address the continuing prevalence of ex-
15 traordinarily severe housing needs among Native
16 Hawaiians who either reside or are eligible to reside
17 on the Hawaiian Home Lands, Congress finds it
18 necessary to extend the Federal low-income housing
19 assistance available to American Indians and Alaska
20 Natives under the Native American Housing Assist-
21 ance and Self-Determination Act of 1996 (25 U.S.C.
22 4101 et seq.) to those Native Hawaiians;

23 (12) under the treaty-making power of the
24 United States, Congress had the constitutional au-
25 thority to confirm a treaty between the United

1 States and the government that represented the Ha-
2 waiian people, and from 1826 until 1893, the United
3 States recognized the independence of the Kingdom
4 of Hawaii, extended full diplomatic recognition to
5 the Hawaiian Government, and entered into treaties
6 and conventions with the Hawaiian monarchs to gov-
7 ern commerce and navigation in 1826, 1842, 1849,
8 1875, and 1887;

9 (13) the United States has recognized and re-
10 affirmed that—

11 (A) Native Hawaiians have a cultural, his-
12 toric, and land-based link to the indigenous peo-
13 ple who exercised sovereignty over the Hawaiian
14 Islands, and that group has never relinquished
15 its claims to sovereignty or its sovereign lands;

16 (B) Congress does not extend services to
17 Native Hawaiians because of their race, but be-
18 cause of their unique status as the indigenous
19 people of a once sovereign nation as to whom
20 the United States has established a trust rela-
21 tionship;

22 (C) Congress has also delegated broad au-
23 thority to administer a portion of the Federal
24 trust responsibility to the State of Hawaii;

1 (D) the political status of Native Hawai-
2 ians is comparable to that of American Indians
3 and Alaska Natives; and

4 (E) the aboriginal, indigenous people of
5 the United States have—

6 (i) a continuing right to autonomy in
7 their internal affairs; and

8 (ii) an ongoing right of self-deter-
9 mination and self-governance that has
10 never been extinguished;

11 (14) the political relationship between the
12 United States and the Native Hawaiian people has
13 been recognized and reaffirmed by the United States
14 as evidenced by the inclusion of Native Hawaiians
15 in—

16 (A) the Native American Programs Act of
17 1974 (42 U.S.C. 2291 et seq.);

18 (B) the American Indian Religious Free-
19 dom Act (42 U.S.C. 1996 et seq.);

20 (C) the National Museum of the American
21 Indian Act (20 U.S.C. 80q et seq.);

22 (D) the Native American Graves Protec-
23 tion and Repatriation Act (25 U.S.C. 3001 et
24 seq.);

1 (E) the National Historic Preservation Act
2 (16 U.S.C. 470 et seq.);

3 (F) the Native American Languages Act of
4 1992 (106 Stat. 3434);

5 (G) the American Indian, Alaska Native
6 and Native Hawaiian Culture and Arts Devel-
7 opment Act (20 U.S.C. 4401 et seq.);

8 (H) the Job Training Partnership Act (29
9 U.S.C. 1501 et seq.); and

10 (I) the Older Americans Act of 1965 (42
11 U.S.C. 3001 et seq.); and

12 (15) in the area of housing, the United States
13 has recognized and reaffirmed the political relation-
14 ship with the Native Hawaiian people through—

15 (A) the enactment of the Hawaiian Homes
16 Commission Act, 1920 (42 Stat. 108 et seq.),
17 which set aside approximately 200,000 acres of
18 public lands that became known as Hawaiian
19 Home Lands in the Territory of Hawaii that
20 had been ceded to the United States for home-
21 steading by Native Hawaiians in order to reha-
22 bilitate a landless and dying people;

23 (B) the enactment of the Act entitled “An
24 Act to provide for the admission of the State of

Hawaii into the Union”, approved March 18,
1959 (73 Stat. 4)—

(i) by ceding to the State of Hawaii
title to the public lands formerly held by
the United States, and mandating that
those lands be held in public trust, for the
betterment of the conditions of Native Ha-
waiians, as that term is defined in section
201 of the Hawaiian Homes Commission
Act, 1920 (42 Stat. 108 et seq.); and

(ii) by transferring the United States
responsibility for the administration of Ha-
waiian Home Lands to the State of Ha-
wail, but retaining the authority to enforce
the trust, including the exclusive right of
the United States to consent to any actions
affecting the lands which comprise the cor-
pus of the trust and any amendments to
the Hawaiian Homes Commission Act,
1920 (42 Stat. 108 et seq.), enacted by the
legislature of the State of Hawaii affecting
the rights of beneficiaries under the Act;

(C) the authorization of mortgage loans in-
sured by the Federal Housing Administration
for the purchase, construction, or refinancing of

homes on Hawaiian Home Lands under the National Housing Act (Public Law 479; 73d Congress; 12 U.S.C. 1701 et seq.);

(D) authorizing Native Hawaiian representation on the National Commission on American Indian, Alaska Native, and Native Hawaiian Housing under Public Law 101–235;

(E) the inclusion of Native Hawaiians in the definition under section 3764 of title 38, United States Code, applicable to subchapter V of chapter 37 of title 38, United States Code (relating to a housing loan program for Native American veterans); and

(F) the enactment of the Hawaiian Home Lands Recovery Act (109 Stat. 357; 48 U.S.C. 491, note prec.) which establishes a process for the conveyance of Federal lands to the Department of Hawaiian Homes Lands that are equivalent in value to lands acquired by the United States from the Hawaiian Home Lands inventory.

SEC. 513. HOUSING ASSISTANCE.

The Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.) is amended by adding at the end the following:

1 **“TITLE VIII—HOUSING ASSIST-**
2 **ANCE FOR NATIVE HAWAI-**
3 **LIANS**

4 **“SEC. 801. DEFINITIONS.**

5 “In this title:

6 “(1) DEPARTMENT OF HAWAIIAN HOME LANDS;
7 DEPARTMENT.—The term ‘Department of Hawaiian
8 Home Lands’ or ‘Department’ means the agency or
9 department of the government of the State of Ha-
10 waii that is responsible for the administration of the
11 Hawaiian Homes Commission Act, 1920 (42 Stat.
12 108 et seq.).

13 “(2) DIRECTOR.—The term ‘Director’ means
14 the Director of the Department of Hawaiian Home
15 Lands.

16 “(3) ELDERLY FAMILIES; NEAR-ELDERLY FAMI-
17 LIES.—

18 “(A) IN GENERAL.—The term ‘elderly
19 family’ or ‘near-elderly family’ means a family
20 whose head (or his or her spouse), or whose sole
21 member, is—

22 “(i) for an elderly family, an elderly
23 person; or

24 “(ii) for a near-elderly family, a near-
25 elderly person.

1 “(B) CERTAIN FAMILIES INCLUDED.—The
2 term ‘elderly family’ or ‘near-elderly family’
3 includes—

4 “(i) two or more elderly persons or
5 near-elderly persons, as the case may be,
6 living together; and

7 “(ii) one or more persons described in
8 clause (i) living with one or more persons
9 determined under the housing plan to be
10 essential to their care or well-being.

11 “(4) HAWAIIAN HOME LANDS.—The term ‘Ha-
12 waiian Home Lands’ means lands that—

13 “(A) have the status as Hawaiian home
14 lands under section 204 of the Hawaiian
15 Homes Commission Act, 1920(42 Stat. 110); or

16 “(B) are acquired pursuant to that Act.

17 “(5) HOUSING AREA.—The term ‘housing area’
18 means an area of Hawaiian Home Lands with re-
19 spect to which the Department of Hawaiian Home
20 Lands is authorized to provide assistance for afford-
21 able housing under this Act.

22 “(6) HOUSING ENTITY.—The term ‘housing en-
23 tity’ means the Department of Hawaiian Home
24 Lands.

1 “(7) HOUSING PLAN.—The term ‘housing plan’
2 means a plan developed by the Department of Ha-
3 waiian Home Lands.

4 “(8) MEDIAN INCOME.—The term ‘median in-
5 come’ means, with respect to an area that is a Ha-
6 waiian housing area, the greater of—

7 “(A) the median income for the Hawaiian
8 housing area, which shall be determined by the
9 Secretary; or

10 “(B) the median income for the State of
11 Hawaii.

12 “(9) NATIVE HAWAIIAN.—The term ‘Native
13 Hawaiian’ means any individual who is—

14 “(A) a citizen of the United States; and

15 “(B) a descendant of the aboriginal people,
16 who, prior to 1778, occupied and exercised sov-
17 ereignty in the area that currently constitutes
18 the State of Hawaii, as evidenced by—

19 “(i) genealogical records;

20 “(ii) verification by kupuna (elders) or
21 kama’aina (long-term community resi-
22 dents); or

23 “(iii) birth records of the State of Ha-
24 waii.

1 **“SEC. 802. BLOCK GRANTS FOR AFFORDABLE HOUSING**
2 **ACTIVITIES.**

3 “(a) GRANT AUTHORITY.—For each fiscal year, the
4 Secretary shall (to the extent amounts are made available
5 to carry out this title) make a grant under this title to
6 the Department of Hawaiian Home Lands to carry out
7 affordable housing activities for Native Hawaiian families
8 who are eligible to reside on the Hawaiian Home Lands.

9 “(b) PLAN REQUIREMENT.—

10 “(1) IN GENERAL.—The Secretary may make a
11 grant under this title to the Department of Hawai-
12 ian Home Lands for a fiscal year only if—

13 “(A) the Director has submitted to the
14 Secretary a housing plan for that fiscal year;
15 and

16 “(B) the Secretary has determined under
17 section 804 that the housing plan complies with
18 the requirements of section 803.

19 “(2) WAIVER.—The Secretary may waive the
20 applicability of the requirements under paragraph
21 (1), in part, if the Secretary finds that the Depart-
22 ment of Hawaiian Home Lands has not complied or
23 cannot comply with those requirements due to cir-
24 cumstances beyond the control of the Department of
25 Hawaiian Home Lands.

1 “(c) USE OF AFFORDABLE HOUSING ACTIVITIES
2 UNDER PLAN.—Except as provided in subsection (e),
3 amounts provided under a grant under this section may
4 be used only for affordable housing activities under this
5 title that are consistent with a housing plan approved
6 under section 804.

7 “(d) ADMINISTRATIVE EXPENSES.—

8 “(1) IN GENERAL.—The Secretary shall, by
9 regulation, authorize the Department of Hawaiian
10 Home Lands to use a percentage of any grant
11 amounts received under this title for any reasonable
12 administrative and planning expenses of the Depart-
13 ment relating to carrying out this title and activities
14 assisted with those amounts.

15 “(2) ADMINISTRATIVE AND PLANNING EX-
16 PENSES.—The administrative and planning expenses
17 referred to in paragraph (1) include—

18 “(A) costs for salaries of individuals en-
19 gaged in administering and managing afford-
20 able housing activities assisted with grant
21 amounts provided under this title; and

22 “(B) expenses incurred in preparing a
23 housing plan under section 803.

24 “(e) PUBLIC-PRIVATE PARTNERSHIPS.—The Direc-
25 tor shall make all reasonable efforts, consistent with the

1 purposes of this title, to maximize participation by the pri-
2 vate sector, including nonprofit organizations and for-
3 profit entities, in implementing a housing plan that has
4 been approved by the Secretary under section 803.

5 **“SEC. 803. HOUSING PLAN.**

6 “(a) PLAN SUBMISSION.—The Secretary shall—

7 “(1) require the Director to submit a housing
8 plan under this section for each fiscal year; and

9 “(2) provide for the review of each plan sub-
10 mitted under paragraph (1).

11 “(b) FIVE-YEAR PLAN.—Each housing plan under
12 this section shall—

13 “(1) be in a form prescribed by the Secretary;
14 and

15 “(2) contain, with respect to the 5-year period
16 beginning with the fiscal year for which the plan is
17 submitted, the following information:

18 “(A) MISSION STATEMENT.—A general
19 statement of the mission of the Department of
20 Hawaiian Home Lands to serve the needs of
21 the low-income families to be served by the De-
22 partment.

23 “(B) GOAL AND OBJECTIVES.—A state-
24 ment of the goals and objectives of the Depart-
25 ment of Hawaiian Home Lands to enable the

1 Department to serve the needs identified in
2 subparagraph (A) during the period.

3 “(C) ACTIVITIES PLANS.—An overview of
4 the activities planned during the period includ-
5 ing an analysis of the manner in which the ac-
6 tivities will enable the Department to meet its
7 mission, goals, and objectives.

8 “(c) ONE-YEAR PLAN.—A housing plan under this
9 section shall—

10 “(1) be in a form prescribed by the Secretary;
11 and

12 “(2) contain the following information relating
13 to the fiscal year for which the assistance under this
14 title is to be made available:

15 “(A) GOALS AND OBJECTIVES.—A state-
16 ment of the goals and objectives to be accom-
17 plished during the period covered by the plan.

18 “(B) STATEMENT OF NEEDS.—A state-
19 ment of the housing needs of the low-income
20 families served by the Department and the
21 means by which those needs will be addressed
22 during the period covered by the plan,
23 including—

24 “(i) a description of the estimated
25 housing needs and the need for assistance

1 for the low-income families to be served by
2 the Department, including a description of
3 the manner in which the geographical dis-
4 tribution of assistance is consistent with—

5 “(I) the geographical needs of
6 those families; and

7 “(II) needs for various categories
8 of housing assistance; and

9 “(ii) a description of the estimated
10 housing needs for all families to be served
11 by the Department.

12 “(C) FINANCIAL RESOURCES.—An oper-
13 ating budget for the Department of Hawaiian
14 Home Lands, in a form prescribed by the Sec-
15 retary, that includes—

16 “(i) an identification and a descrip-
17 tion of the financial resources reasonably
18 available to the Department to carry out
19 the purposes of this title, including an ex-
20 planation of the manner in which amounts
21 made available will be used to leverage ad-
22 ditional resources; and

23 “(ii) the uses to which the resources
24 described in clause (i) will be committed,
25 including—

1 “(I) eligible and required afford-
2 able housing activities; and

3 “(II) administrative expenses.

4 “(D) AFFORDABLE HOUSING RE-
5 SOURCES.—A statement of the affordable hous-
6 ing resources currently available at the time of
7 the submittal of the plan and to be made avail-
8 able during the period covered by the plan,
9 including—

10 “(i) a description of the significant
11 characteristics of the housing market in
12 the State of Hawaii, including the avail-
13 ability of housing from other public
14 sources, private market housing;

15 “(ii) the manner in which the charac-
16 teristics referred to in clause (i) influence
17 the decision of the Department of Hawai-
18 ian Home Lands to use grant amounts to
19 be provided under this title for—

20 “(I) rental assistance;

21 “(II) the production of new units;

22 “(III) the acquisition of existing
23 units; or

24 “(IV) the rehabilitation of units;

1 “(iii) a description of the structure,
2 coordination, and means of cooperation be-
3 tween the Department of Hawaiian Home
4 Lands and any other governmental entities
5 in the development, submission, or imple-
6 mentation of housing plans, including a de-
7 scription of—

8 “(I) the involvement of private,
9 public, and nonprofit organizations
10 and institutions;

11 “(II) the use of loan guarantees
12 under section 184A of the Housing
13 and Community Development Act of
14 1992; and

15 “(III) other housing assistance
16 provided by the United States, includ-
17 ing loans, grants, and mortgage insur-
18 ance;

19 “(iv) a description of the manner in
20 which the plan will address the needs iden-
21 tified pursuant to subparagraph (C);

22 “(v) a description of—

23 “(I) any existing or anticipated
24 homeownership programs and rental

1 programs to be carried out during the
2 period covered by the plan; and

3 “(II) the requirements and as-
4 sistance available under the programs
5 referred to in subclause (I);

6 “(vi) a description of—

7 “(I) any existing or anticipated
8 housing rehabilitation programs nec-
9 essary to ensure the long-term viabil-
10 ity of the housing to be carried out
11 during the period covered by the plan;
12 and

13 “(II) the requirements and as-
14 sistance available under the programs
15 referred to in subclause (I);

16 “(vii) a description of—

17 “(I) all other existing or antici-
18 pated housing assistance provided by
19 the Department of Hawaiian Home
20 Lands during the period covered by
21 the plan, including—

22 “(aa) transitional housing;

23 “(bb) homeless housing;

24 “(cc) college housing; and

1 “(dd) supportive services
2 housing; and

3 “(II) the requirements and as-
4 sistance available under such pro-
5 grams;

6 “(viii)(I) a description of any housing
7 to be demolished or disposed of;

8 “(II) a timetable for that demolition
9 or disposition; and

10 “(III) any other information required
11 by the Secretary with respect to that dem-
12 olition or disposition;

13 “(ix) a description of the manner in
14 which the Department of Hawaiian Home
15 Lands will coordinate with welfare agencies
16 in the State of Hawaii to ensure that resi-
17 dents of the affordable housing will be pro-
18 vided with access to resources to assist in
19 obtaining employment and achieving self-
20 sufficiency;

21 “(x) a description of the requirements
22 established by the Department of Hawai-
23 ian Home Lands to—

24 “(I) promote the safety of resi-
25 dents of the affordable housing;

1 “(II) facilitate the undertaking of
2 crime prevention measures;

3 “(III) allow resident input and
4 involvement, including the establish-
5 ment of resident organizations; and

6 “(IV) allow for the coordination
7 of crime prevention activities between
8 the Department and local law enforce-
9 ment officials; and

10 “(xi) a description of the entities that
11 will carry out the activities under the plan,
12 including the organizational capacity and
13 key personnel of the entities.

14 “(E) CERTIFICATION OF COMPLIANCE.—
15 Evidence of compliance that shall include, as
16 appropriate—

17 “(i) a certification that the Depart-
18 ment of Hawaiian Home Lands will com-
19 ply with—

20 “(I) title VI of the Civil Rights
21 Act of 1964 (42 U.S.C. 2000d et seq.)
22 or with the Fair Housing Act (42
23 U.S.C. 3601 et seq.) in carrying out
24 this title, to the extent that such title
25 is applicable; and

1 “(II) other applicable Federal
2 statutes;

3 “(ii) a certification that the Depart-
4 ment will require adequate insurance cov-
5 erage for housing units that are owned and
6 operated or assisted with grant amounts
7 provided under this title, in compliance
8 with such requirements as may be estab-
9 lished by the Secretary;

10 “(iii) a certification that policies are
11 in effect and are available for review by the
12 Secretary and the public governing the eli-
13 gibility, admission, and occupancy of fami-
14 lies for housing assisted with grant
15 amounts provided under this title;

16 “(iv) a certification that policies are
17 in effect and are available for review by the
18 Secretary and the public governing rents
19 charged, including the methods by which
20 such rents or homebuyer payments are de-
21 termined, for housing assisted with grant
22 amounts provided under this title; and

23 “(v) a certification that policies are in
24 effect and are available for review by the
25 Secretary and the public governing the

1 management and maintenance of housing
2 assisted with grant amounts provided
3 under this title.

4 “(d) APPLICABILITY OF CIVIL RIGHTS STATUTES.—

5 “(1) IN GENERAL.—To the extent that the re-
6 quirements of title VI of the Civil Rights Act of
7 1964 (42 U.S.C. 2000d et seq.) or of the Fair Hous-
8 ing Act (42 U.S.C. 3601 et seq.) apply to assistance
9 provided under this title, nothing in the require-
10 ments concerning discrimination on the basis of race
11 shall be construed to prevent the provision of assist-
12 ance under this title—

13 “(A) to the Department of Hawaiian
14 Home Lands on the basis that the Department
15 served Native Hawaiians; or

16 “(B) to an eligible family on the basis that
17 the family is a Native Hawaiian family.

18 “(2) CIVIL RIGHTS.—Program eligibility under
19 this title may be restricted to Native Hawaiians.
20 Subject to the preceding sentence, no person may be
21 discriminated against on the basis of race, color, na-
22 tional origin, religion, sex, familial status, or dis-
23 ability.

24 “(e) USE OF NONPROFIT ORGANIZATIONS.—As a
25 condition of receiving grant amounts under this title, the

1 Department of Hawaiian Home Lands shall, to the extent
2 practicable, provide for private nonprofit organizations ex-
3 perience in the planning and development of affordable
4 housing for Native Hawaiians to carry out affordable
5 housing activities with those grant amounts.

6 **“SEC. 804. REVIEW OF PLANS.**

7 “(a) REVIEW AND NOTICE.—

8 “(1) REVIEW.—

9 “(A) IN GENERAL.—The Secretary shall
10 conduct a review of a housing plan submitted to
11 the Secretary under section 803 to ensure that
12 the plan complies with the requirements of that
13 section.

14 “(B) LIMITATION.—The Secretary shall
15 have the discretion to review a plan referred to
16 in subparagraph (A) only to the extent that the
17 Secretary considers that the review is necessary.

18 “(2) NOTICE.—

19 “(A) IN GENERAL.—Not later than 60
20 days after receiving a plan under section 803,
21 the Secretary shall notify the Director of the
22 Department of Hawaiian Home Lands whether
23 the plan complies with the requirements under
24 that section.

1 “(B) EFFECT OF FAILURE OF SECRETARY
2 TO TAKE ACTION.—For purposes of this title, if
3 the Secretary does not notify the Director, as
4 required under this subsection and subsection
5 (b), upon the expiration of the 60-day period
6 described in subparagraph (A)—

7 “(i) the plan shall be considered to
8 have been determined to comply with the
9 requirements under section 803; and

10 “(ii) the Director shall be considered
11 to have been notified of compliance.

12 “(b) NOTICE OF REASONS FOR DETERMINATION OF
13 NONCOMPLIANCE.—If the Secretary determines that a
14 plan submitted under section 803 does not comply with
15 the requirements of that section, the Secretary shall speci-
16 fy in the notice under subsection (a)—

17 “(1) the reasons for noncompliance; and

18 “(2) any modifications necessary for the plan to
19 meet the requirements of section 803.

20 “(c) REVIEW.—

21 “(1) IN GENERAL.—After the Director of the
22 Department of Hawaiian Home Lands submits a
23 housing plan under section 803, or any amendment
24 or modification to the plan to the Secretary, to the
25 extent that the Secretary considers such action to be

1 necessary to make a determination under this sub-
2 section, the Secretary shall review the plan (includ-
3 ing any amendments or modifications thereto) to de-
4 termine whether the contents of the plan—

5 “(A) set forth the information required by
6 section 803 to be contained in the housing plan;

7 “(B) are consistent with information and
8 data available to the Secretary; and

9 “(C) are not prohibited by or inconsistent
10 with any provision of this Act or any other ap-
11 plicable law.

12 “(2) INCOMPLETE PLANS.—If the Secretary de-
13 termines under this subsection that any of the ap-
14 propriate certifications required under section
15 803(c)(2)(E) are not included in a plan, the plan
16 shall be considered to be incomplete.

17 “(d) UPDATES TO PLAN.—

18 “(1) IN GENERAL.—Subject to paragraph (2),
19 after a plan under section 803 has been submitted
20 for a fiscal year, the Director of the Department of
21 Hawaiian Home Lands may comply with the provi-
22 sions of that section for any succeeding fiscal year
23 (with respect to information included for the 5-year
24 period under section 803(b) or for the 1-year period
25 under section 803(c)) by submitting only such infor-

1 mation regarding such changes as may be necessary
2 to update the plan previously submitted.

3 “(2) COMPLETE PLANS.—The Director shall
4 submit a complete plan under section 803 not later
5 than 4 years after submitting an initial plan under
6 that section, and not less frequently than every 4
7 years thereafter.

8 “(e) EFFECTIVE DATE.—This section and section
9 803 shall take effect on the date provided by the Secretary
10 pursuant to section 807(a) to provide for timely submis-
11 sion and review of the housing plan as necessary for the
12 provision of assistance under this title for fiscal year 2001.

13 **“SEC. 805. TREATMENT OF PROGRAM INCOME AND LABOR**
14 **STANDARDS.**

15 “(a) PROGRAM INCOME.—

16 “(1) AUTHORITY TO RETAIN.—The Department
17 of Hawaiian Home Lands may retain any program
18 income that is realized from any grant amounts re-
19 ceived by the Department under this title if—

20 “(A) that income was realized after the ini-
21 tial disbursement of the grant amounts received
22 by the Department; and

23 “(B) the Director agrees to use the pro-
24 gram income for affordable housing activities in
25 accordance with the provisions of this title.

1 “(2) PROHIBITION OF REDUCTION OF GRANT.—

2 The Secretary may not reduce the grant amount for
3 the Department of Hawaiian Home Lands based
4 solely on—

5 “(A) whether the Department retains pro-
6 gram income under paragraph (1); or

7 “(B) the amount of any such program in-
8 come retained.

9 “(3) EXCLUSION OF AMOUNTS.—The Secretary
10 may, by regulation, exclude from consideration as
11 program income any amounts determined to be so
12 small that compliance with the requirements of this
13 subsection would create an unreasonable administra-
14 tive burden on the Department.

15 “(b) LABOR STANDARDS.—

16 “(1) IN GENERAL.—Any contract or agreement
17 for assistance, sale, or lease pursuant to this title
18 shall contain—

19 “(A) a provision requiring that an amount
20 not less than the wages prevailing in the local-
21 ity, as determined or adopted (subsequent to a
22 determination under applicable State or local
23 law) by the Secretary, shall be paid to all archi-
24 tects, technical engineers, draftsmen, techni-
25 cians employed in the development and all

1 maintenance, and laborers and mechanics em-
2 ployed in the operation, of the affordable hous-
3 ing project involved; and

4 “(B) a provision that an amount not less
5 than the wages prevailing in the locality, as pre-
6 determined by the Secretary of Labor pursuant
7 to the Act commonly known as the ‘Davis-
8 Bacon Act’ (46 Stat. 1494; chapter 411; 40
9 U.S.C. 276a et seq.) shall be paid to all labor-
10 ers and mechanics employed in the development
11 of the affordable housing involved.

12 “(2) EXCEPTIONS.—Paragraph (1) and provi-
13 sions relating to wages required under paragraph (1)
14 in any contract or agreement for assistance, sale, or
15 lease under this title, shall not apply to any indi-
16 vidual who performs the services for which the indi-
17 vidual volunteered and who is not otherwise em-
18 ployed at any time in the construction work and re-
19 ceived no compensation or is paid expenses, reason-
20 able benefits, or a nominal fee for those services.

21 **“SEC. 806. ENVIRONMENTAL REVIEW.**

22 “(a) IN GENERAL.—

23 “(1) RELEASE OF FUNDS.—

24 “(A) IN GENERAL.—The Secretary may
25 carry out the alternative environmental protec-

tion procedures described in subparagraph (B)
in order to ensure—

“(i) that the policies of 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 (as specified in regulations issued by
the Secretary) are most effectively imple-
mented in connection with the expenditure
of grant amounts provided under this title;
and

“(ii) to the public undiminished pro-
tection of the environment.

“(B) ALTERNATIVE ENVIRONMENTAL PRO-
TECTION PROCEDURE.—In lieu of applying en-
vironmental protection procedures otherwise ap-
plicable, the Secretary may by regulation pro-
vide for the release of funds for specific projects
to the Department of Hawaiian Home Lands if
the Director of the Department assumes all of
the responsibilities for environmental review,
decisionmaking, and action under the National
Environmental Policy Act of 1969 (42 U.S.C.
4321 et seq.), and such other provisions of law
as the regulations of the Secretary specify, that

1 would apply to the Secretary were the Secretary
2 to undertake those projects as Federal projects.

3 “(2) REGULATIONS.—

4 “(A) IN GENERAL.—The Secretary shall
5 issue regulations to carry out this section only
6 after consultation with the Council on Environ-
7 mental Quality.

8 “(B) CONTENTS.—The regulations issued
9 under this paragraph shall—

10 “(i) provide for the monitoring of the
11 environmental reviews performed under
12 this section;

13 “(ii) in the discretion of the Secretary,
14 facilitate training for the performance of
15 such reviews; and

16 “(iii) provide for the suspension or
17 termination of the assumption of respon-
18 sibilities under this section.

19 “(3) EFFECT ON ASSUMED RESPONSIBILITY.—

20 The duty of the Secretary under paragraph (2)(B)
21 shall not be construed to limit or reduce any respon-
22 sibility assumed by the Department of Hawaiian
23 Home Lands for grant amounts with respect to any
24 specific release of funds.

25 “(b) PROCEDURE.—

1 “(1) IN GENERAL.—The Secretary shall author-
2 ize the release of funds subject to the procedures
3 under this section only if, not less than 15 days be-
4 fore that approval and before any commitment of
5 funds to such projects, the Director of the Depart-
6 ment of Hawaiian Home Lands submits to the Sec-
7 retary a request for such release accompanied by a
8 certification that meets the requirements of sub-
9 section (c).

10 “(2) EFFECT OF APPROVAL.—The approval of
11 the Secretary of a certification described in para-
12 graph (1) shall be deemed to satisfy the responsibil-
13 ities of the Secretary under the National Environ-
14 mental Policy Act of 1969 (42 U.S.C. 4321 et seq.)
15 and such other provisions of law as the regulations
16 of the Secretary specify to the extent that those re-
17 sponsibilities relate to the releases of funds for
18 projects that are covered by that certification.

19 “(c) CERTIFICATION.—A certification under the pro-
20 cedures under this section shall—

21 “(1) be in a form acceptable to the Secretary;

22 “(2) be executed by the Director of the Depart-
23 ment of Hawaiian Home Lands;

1 “(3) specify that the Department of Hawaiian
2 Home Lands has fully carried out its responsibilities
3 as described under subsection (a); and

4 “(4) specify that the Director—

5 “(A) consents to assume the status of a re-
6 sponsible Federal official under the National
7 Environmental Policy Act of 1969 (42 U.S.C.
8 4321 et seq.) and each provision of law speci-
9 fied in regulations issued by the Secretary to
10 the extent that those laws apply by reason of
11 subsection (a); and

12 “(B) is authorized and consents on behalf
13 of the Department of Hawaiian Home Lands
14 and the Director to accept the jurisdiction of
15 the Federal courts for the purpose of enforce-
16 ment of the responsibilities of the Director of
17 the Department of Hawaiian Home Lands as
18 such an official.

19 **“SEC. 807. REGULATIONS.**

20 “The Secretary shall issue final regulations necessary
21 to carry out this title not later than October 1, 2001.

22 **“SEC. 808. EFFECTIVE DATE.**

23 “Except as otherwise expressly provided in this title,
24 this title shall take effect on the date of the enactment

1 of the American Homeownership and Economic Oppor-
2 tunity Act of 2000.

3 **“SEC. 809. AFFORDABLE HOUSING ACTIVITIES.**

4 “(a) NATIONAL OBJECTIVES AND ELIGIBLE FAMI-
5 LIES.—

6 “(1) PRIMARY OBJECTIVE.—The national objec-
7 tives of this title are—

8 “(A) to assist and promote affordable
9 housing activities to develop, maintain, and op-
10 erate affordable housing in safe and healthy en-
11 vironments for occupancy by low-income Native
12 Hawaiian families;

13 “(B) to ensure better access to private
14 mortgage markets and to promote self-suffi-
15 ciency of low-income Native Hawaiian families;

16 “(C) to coordinate activities to provide
17 housing for low-income Native Hawaiian fami-
18 lies with Federal, State and local activities to
19 further economic and community development;

20 “(D) to plan for and integrate infrastruc-
21 ture resources on the Hawaiian Home Lands
22 with housing development; and

23 “(E) to—

24 “(i) promote the development of pri-
25 vate capital markets; and

1 “(ii) allow the markets referred to in
2 clause (i) to operate and grow, thereby
3 benefiting Native Hawaiian communities.

4 “(2) ELIGIBLE FAMILIES.—

5 “(A) IN GENERAL.—Except as provided
6 under subparagraph (B), assistance for eligible
7 housing activities under this title shall be lim-
8 ited to low-income Native Hawaiian families.

9 “(B) EXCEPTION TO LOW-INCOME RE-
10 QUIREMENT.—

11 “(i) IN GENERAL.—The Director may
12 provide assistance for homeownership ac-
13 tivities under—

14 “(I) section 810(b);

15 “(II) model activities under sec-
16 tion 810(f); or

17 “(III) loan guarantee activities
18 under section 184A of the Housing
19 and Community Development Act of
20 1992 to Native Hawaiian families who
21 are not low-income families, to the ex-
22 tent that the Secretary approves the
23 activities under that section to ad-
24 dress a need for housing for those

1 families that cannot be reasonably
2 met without that assistance.

3 “(ii) LIMITATIONS.—The Secretary
4 shall establish limitations on the amount of
5 assistance that may be provided under this
6 title for activities for families that are not
7 low-income families.

8 “(C) OTHER FAMILIES.—Notwithstanding
9 paragraph (1), the Director may provide hous-
10 ing or housing assistance provided through af-
11 fordable housing activities assisted with grant
12 amounts under this title to a family that is not
13 composed of Native Hawaiians if—

14 “(i) the Department determines that
15 the presence of the family in the housing
16 involved is essential to the well-being of
17 Native Hawaiian families; and

18 “(ii) the need for housing for the fam-
19 ily cannot be reasonably met without the
20 assistance.

21 “(D) PREFERENCE.—

22 “(i) IN GENERAL.—A housing plan
23 submitted under section 803 may authorize
24 a preference, for housing or housing assist-
25 ance provided through affordable housing

1 activities assisted with grant amounts pro-
2 vided under this title to be provided, to the
3 extent practicable, to families that are eli-
4 gible to reside on the Hawaiian Home
5 Lands.

6 “(ii) APPLICATION.—In any case in
7 which a housing plan provides for pref-
8 erence described in clause (i), the Director
9 shall ensure that housing activities that are
10 assisted with grant amounts under this
11 title are subject to that preference.

12 “(E) USE OF NONPROFIT ORGANIZA-
13 TIONS.—As a condition of receiving grant
14 amounts under this title, the Department of
15 Hawaiian Home Lands, shall to the extent
16 practicable, provide for private nonprofit orga-
17 nizations experienced in the planning and devel-
18 opment of affordable housing for Native Hawai-
19 ians to carry out affordable housing activities
20 with those grant amounts.

21 **“SEC. 810. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.**

22 “(a) IN GENERAL.—Affordable housing activities
23 under this section are activities conducted in accordance
24 with the requirements of section 811 to—

1 “(1) develop or to support affordable housing
2 for rental or homeownership; or

3 “(2) provide housing services with respect to af-
4 fordable housing, through the activities described in
5 subsection (b).

6 “(b) ACTIVITIES.—The activities described in this
7 subsection are the following:

8 “(1) DEVELOPMENT.—The acquisition, new
9 construction, reconstruction, or moderate or sub-
10 stantial rehabilitation of affordable housing, which
11 may include—

12 “(A) real property acquisition;

13 “(B) site improvement;

14 “(C) the development of utilities and util-
15 ity services;

16 “(D) conversion;

17 “(E) demolition;

18 “(F) financing;

19 “(G) administration and planning; and

20 “(H) other related activities.

21 “(2) HOUSING SERVICES.—The provision of
22 housing-related services for affordable housing,
23 including—

24 “(A) housing counseling in connection with
25 rental or homeownership assistance;

1 “(B) the establishment and support of
2 resident organizations and resident manage-
3 ment corporations;

4 “(C) energy auditing;

5 “(D) activities related to the provisions of
6 self-sufficiency and other services; and

7 “(E) other services related to assisting
8 owners, tenants, contractors, and other entities
9 participating or seeking to participate in other
10 housing activities assisted pursuant to this sec-
11 tion.

12 “(3) HOUSING MANAGEMENT SERVICES.—The
13 provision of management services for affordable
14 housing, including—

15 “(A) the preparation of work specifica-
16 tions;

17 “(B) loan processing;

18 “(C) inspections;

19 “(D) tenant selection;

20 “(E) management of tenant-based rental
21 assistance; and

22 “(F) management of affordable housing
23 projects.

24 “(4) CRIME PREVENTION AND SAFETY ACTIVI-
25 TIES.—The provision of safety, security, and law en-

1 enforcement measures and activities appropriate to
2 protect residents of affordable housing from crime.

3 “(5) MODEL ACTIVITIES.—Housing activities
4 under model programs that are—

5 “(A) designed to carry out the purposes of
6 this title; and

7 “(B) specifically approved by the Secretary
8 as appropriate for the purpose referred to in
9 subparagraph (A).

10 **“SEC. 811. PROGRAM REQUIREMENTS.**

11 “(a) RENTS.—

12 “(1) ESTABLISHMENT.—Subject to paragraph
13 (2), as a condition to receiving grant amounts under
14 this title, the Director shall develop written policies
15 governing rents and homebuyer payments charged
16 for dwelling units assisted under this title, including
17 methods by which such rents and homebuyer pay-
18 ments are determined.

19 “(2) MAXIMUM RENT.—In the case of any low-
20 income family residing in a dwelling unit assisted
21 with grant amounts under this title, the monthly
22 rent or homebuyer payment (as applicable) for that
23 dwelling unit may not exceed 30 percent of the
24 monthly adjusted income of that family.

25 “(b) MAINTENANCE AND EFFICIENT OPERATION.—

1 “(1) IN GENERAL.—The Director shall, using
2 amounts of any grants received under this title, re-
3 serve and use for operating under section 810 such
4 amounts as may be necessary to provide for the con-
5 tinued maintenance and efficient operation of such
6 housing.

7 “(2) DISPOSAL OF CERTAIN HOUSING.—This
8 subsection may not be construed to prevent the Di-
9 rector, or any entity funded by the Department,
10 from demolishing or disposing of housing, pursuant
11 to regulations established by the Secretary.

12 “(c) INSURANCE COVERAGE.—As a condition to re-
13 ceiving grant amounts under this title, the Director shall
14 require adequate insurance coverage for housing units that
15 are owned or operated or assisted with grant amounts pro-
16 vided under this title.

17 “(d) ELIGIBILITY FOR ADMISSION.—As a condition
18 to receiving grant amounts under this title, the Director
19 shall develop written policies governing the eligibility, ad-
20 mission, and occupancy of families for housing assisted
21 with grant amounts provided under this title.

22 “(e) MANAGEMENT AND MAINTENANCE.—As a con-
23 dition to receiving grant amounts under this title, the Di-
24 rector shall develop policies governing the management

1 and maintenance of housing assisted with grant amounts
2 under this title.

3 **“SEC. 812. TYPES OF INVESTMENTS.**

4 “(a) IN GENERAL.—Subject to section 811 and an
5 applicable housing plan approved under section 803, the
6 Director shall have—

7 “(1) the discretion to use grant amounts for af-
8 fordable housing activities through the use of—

9 “(A) equity investments;

10 “(B) interest-bearing loans or advances;

11 “(C) noninterest-bearing loans or ad-
12 vances;

13 “(D) interest subsidies;

14 “(E) the leveraging of private investments;

15 or

16 “(F) any other form of assistance that the
17 Secretary determines to be consistent with the
18 purposes of this title; and

19 “(2) the right to establish the terms of assist-
20 ance provided with funds referred to in paragraph
21 (1).

22 “(b) INVESTMENTS.—The Director may invest grant
23 amounts for the purposes of carrying out affordable hous-
24 ing activities in investment securities and other obliga-
25 tions, as approved by the Secretary.

1 **“SEC. 813. LOW-INCOME REQUIREMENT AND INCOME TAR-**
2 **GETING.**

3 “(a) IN GENERAL.—Housing shall qualify for afford-
4 able housing for purposes of this title only if—

5 “(1) each dwelling unit in the housing—

6 “(A) in the case of rental housing, is made
7 available for occupancy only by a family that is
8 a low-income family at the time of the initial
9 occupancy of that family of that unit; and

10 “(B) in the case of housing for home-
11 ownership, is made available for purchase only
12 by a family that is a low-income family at the
13 time of purchase; and

14 “(2) each dwelling unit in the housing will re-
15 main affordable, according to binding commitments
16 satisfactory to the Secretary, for—

17 “(A) the remaining useful life of the prop-
18 erty (as determined by the Secretary) without
19 regard to the term of the mortgage or to trans-
20 fer of ownership; or

21 “(B) such other period as the Secretary
22 determines is the longest feasible period of time
23 consistent with sound economics and the pur-
24 poses of this title, except upon a foreclosure by
25 a lender (or upon other transfer in lieu of fore-
26 closure) if that action—

1 “(i) recognizes any contractual or
2 legal rights of any public agency, nonprofit
3 sponsor, or other person or entity to take
4 an action that would—

5 “(I) avoid termination of low-in-
6 come affordability, in the case of fore-
7 closure; or

8 “(II) transfer ownership in lieu
9 of foreclosure; and

10 “(ii) is not for the purpose of avoiding
11 low-income affordability restrictions, as de-
12 termined by the Secretary.

13 “(b) EXCEPTION.—Notwithstanding subsection (a),
14 housing assisted pursuant to section 809(a)(2)(B) shall be
15 considered affordable housing for purposes of this title.

16 **“SEC. 814. LEASE REQUIREMENTS AND TENANT SELEC-**
17 **TION.**

18 “(a) LEASES.—Except to the extent otherwise pro-
19 vided by or inconsistent with the laws of the State of Ha-
20 waii, in renting dwelling units in affordable housing as-
21 sisted with grant amounts provided under this title, the
22 Director, owner, or manager shall use leases that—

23 “(1) do not contain unreasonable terms and
24 conditions;

1 “(2) require the Director, owner, or manager to
2 maintain the housing in compliance with applicable
3 housing codes and quality standards;

4 “(3) require the Director, owner, or manager to
5 give adequate written notice of termination of the
6 lease, which shall be the period of time required
7 under applicable State or local law;

8 “(4) specify that, with respect to any notice of
9 eviction or termination, notwithstanding any State
10 or local law, a resident shall be informed of the op-
11 portunity, before any hearing or trial, to examine
12 any relevant documents, record, or regulations di-
13 rectly related to the eviction or termination;

14 “(5) require that the Director, owner, or man-
15 ager may not terminate the tenancy, during the
16 term of the lease, except for serious or repeated vio-
17 lation of the terms and conditions of the lease, viola-
18 tion of applicable Federal, State, or local law, or for
19 other good cause; and

20 “(6) provide that the Director, owner, or man-
21 ager may terminate the tenancy of a resident for
22 any activity, engaged in by the resident, any member
23 of the household of the resident, or any guest or
24 other person under the control of the resident,
25 that—

1 “(A) threatens the health or safety of, or
2 right to peaceful enjoyment of the premises by,
3 other residents or employees of the Department,
4 owner, or manager;

5 “(B) threatens the health or safety of, or
6 right to peaceful enjoyment of their premises
7 by, persons residing in the immediate vicinity of
8 the premises; or

9 “(C) is criminal activity (including drug-re-
10 lated criminal activity) on or off the premises.

11 “(b) TENANT OR HOMEBUYER SELECTION.—As a
12 condition to receiving grant amounts under this title, the
13 Director shall adopt and use written tenant and home-
14 buyer selection policies and criteria that—

15 “(1) are consistent with the purpose of pro-
16 viding housing for low-income families;

17 “(2) are reasonably related to program eligi-
18 bility and the ability of the applicant to perform the
19 obligations of the lease; and

20 “(3) provide for—

21 “(A) the selection of tenants and home-
22 buyers from a written waiting list in accordance
23 with the policies and goals set forth in an appli-
24 cable housing plan approved under section 803;
25 and

1 “(B) the prompt notification in writing of
2 any rejected applicant of the grounds for that
3 rejection.

4 **“SEC. 815. REPAYMENT.**

5 “If the Department of Hawaiian Home Lands uses
6 grant amounts to provide affordable housing under activi-
7 ties under this title and, at any time during the useful
8 life of the housing, the housing does not comply with the
9 requirement under section 813(a)(2), the Secretary
10 shall—

11 “(1) reduce future grant payments on behalf of
12 the Department by an amount equal to the grant
13 amounts used for that housing (under the authority
14 of section 819(a)(2)); or

15 “(2) require repayment to the Secretary of any
16 amount equal to those grant amounts.

17 **“SEC. 816. ANNUAL ALLOCATION.**

18 “For each fiscal year, the Secretary shall allocate any
19 amounts made available for assistance under this title for
20 the fiscal year, in accordance with the formula established
21 pursuant to section 817 to the Department of Hawaiian
22 Home Lands if the Department complies with the require-
23 ments under this title for a grant under this title.

1 **“SEC. 817. ALLOCATION FORMULA.**

2 “(a) ESTABLISHMENT.—The Secretary shall, by reg-
3 ulation issued not later than the expiration of the 6-month
4 period beginning on the date of the enactment of the
5 American Homeownership and Economic Opportunity Act
6 of 2000, in the manner provided under section 807, estab-
7 lish a formula to provide for the allocation of amounts
8 available for a fiscal year for block grants under this title
9 in accordance with the requirements of this section.

10 “(b) FACTORS FOR DETERMINATION OF NEED.—
11 The formula under subsection (a) shall be based on factors
12 that reflect the needs for assistance for affordable housing
13 activities, including—

14 “(1) the number of low-income dwelling units
15 owned or operated at the time pursuant to a con-
16 tract between the Director and the Secretary;

17 “(2) the extent of poverty and economic distress
18 and the number of Native Hawaiian families eligible
19 to reside on the Hawaiian Home Lands; and

20 “(3) any other objectively measurable condi-
21 tions that the Secretary and the Director may speci-
22 fy.

23 “(c) OTHER FACTORS FOR CONSIDERATION.—In es-
24 tablishing the formula under subsection (a), the Secretary
25 shall consider the relative administrative capacities of the

1 Department of Hawaiian Home Lands and other chal-
2 lenges faced by the Department, including—

3 “(1) geographic distribution within Hawaiian
4 Home Lands; and

5 “(2) technical capacity.

6 “(d) EFFECTIVE DATE.—This section shall take ef-
7 fect on the date of the enactment of the American Home-
8 ownership and Economic Opportunity Act of 2000.

9 **“SEC. 818. REMEDIES FOR NONCOMPLIANCE.**

10 “(a) ACTIONS BY SECRETARY AFFECTING GRANT
11 AMOUNTS.—

12 “(1) IN GENERAL.—Except as provided in sub-
13 section (b), if the Secretary finds after reasonable
14 notice and opportunity for a hearing that the De-
15 partment of Hawaiian Home Lands has failed to
16 comply substantially with any provision of this title,
17 the Secretary shall—

18 “(A) terminate payments under this title
19 to the Department;

20 “(B) reduce payments under this title to
21 the Department by an amount equal to the
22 amount of such payments that were not ex-
23 pended in accordance with this title; or

1 “(C) limit the availability of payments
2 under this title to programs, projects, or activi-
3 ties not affected by such failure to comply.

4 “(2) ACTIONS.—If the Secretary takes an ac-
5 tion under subparagraph (A), (B), or (C) of para-
6 graph (1), the Secretary shall continue that action
7 until the Secretary determines that the failure by
8 the Department to comply with the provision has
9 been remedied by the Department and the Depart-
10 ment is in compliance with that provision.

11 “(b) NONCOMPLIANCE BECAUSE OF A TECHNICAL
12 INCAPACITY.—The Secretary may provide technical assist-
13 ance for the Department, either directly or indirectly, that
14 is designed to increase the capability and capacity of the
15 Director of the Department to administer assistance pro-
16 vided under this title in compliance with the requirements
17 under this title if the Secretary makes a finding under
18 subsection (a), but determines that the failure of the De-
19 partment to comply substantially with the provisions of
20 this title—

21 “(1) is not a pattern or practice of activities
22 constituting willful noncompliance; and

23 “(2) is a result of the limited capability or ca-
24 pacity of the Department of Hawaiian Home Lands.

25 “(c) REFERRAL FOR CIVIL ACTION.—

1 “(1) AUTHORITY.—In lieu of, or in addition to,
2 any action that the Secretary may take under sub-
3 section (a), if the Secretary has reason to believe
4 that the Department of Hawaiian Home Lands has
5 failed to comply substantially with any provision of
6 this title, the Secretary may refer the matter to the
7 Attorney General of the United States with a rec-
8 ommendation that an appropriate civil action be in-
9 stituted.

10 “(2) CIVIL ACTION.—Upon receiving a referral
11 under paragraph (1), the Attorney General may
12 bring a civil action in any United States district
13 court of appropriate jurisdiction for such relief as
14 may be appropriate, including an action—

15 “(A) to recover the amount of the assist-
16 ance furnished under this title that was not ex-
17 pended in accordance with this title; or

18 “(B) for mandatory or injunctive relief.

19 “(d) REVIEW.—

20 “(1) IN GENERAL.—If the Director receives no-
21 tice under subsection (a) of the termination, reduc-
22 tion, or limitation of payments under this Act, the
23 Director—

24 “(A) may, not later than 60 days after re-
25 ceiving such notice, file with the United States

1 Court of Appeals for the Ninth Circuit, or in
2 the United States Court of Appeals for the Dis-
3 trict of Columbia, a petition for review of the
4 action of the Secretary; and

5 “(B) upon the filing of any petition under
6 subparagraph (A), shall forthwith transmit cop-
7 ies of the petition to the Secretary and the At-
8 torney General of the United States, who shall
9 represent the Secretary in the litigation.

10 “(2) PROCEDURE.—

11 “(A) IN GENERAL.—The Secretary shall
12 file in the court a record of the proceeding on
13 which the Secretary based the action, as pro-
14 vided in section 2112 of title 28, United States
15 Code.

16 “(B) OBJECTIONS.—No objection to the
17 action of the Secretary shall be considered by
18 the court unless the Department has registered
19 the objection before the Secretary.

20 “(3) DISPOSITION.—

21 “(A) COURT PROCEEDINGS.—

22 “(i) JURISDICTION OF COURT.—The
23 court shall have jurisdiction to affirm or
24 modify the action of the Secretary or to set
25 the action aside in whole or in part.

1 “(ii) FINDINGS OF FACT.—If sup-
2 ported by substantial evidence on the
3 record considered as a whole, the findings
4 of fact by the Secretary shall be conclusive.

5 “(iii) ADDITION.—The court may
6 order evidence, in addition to the evidence
7 submitted for review under this subsection,
8 to be taken by the Secretary, and to be
9 made part of the record.

10 “(B) SECRETARY.—

11 “(i) IN GENERAL.—The Secretary, by
12 reason of the additional evidence referred
13 to in subparagraph (A) and filed with the
14 court—

15 “(I) may—

16 “(aa) modify the findings of
17 fact of the Secretary; or

18 “(bb) make new findings;
19 and

20 “(II) shall file—

21 “(aa) such modified or new
22 findings; and

23 “(bb) the recommendation
24 of the Secretary, if any, for the
25 modification or setting aside of

1 the original action of the Sec-
2 retary.

3 “(ii) FINDINGS.—The findings re-
4 ferred to in clause (i)(II)(bb) shall, with
5 respect to a question of fact, be considered
6 to be conclusive if those findings are—

7 “(I) supported by substantial evi-
8 dence on the record; and

9 “(II) considered as a whole.

10 “(4) FINALITY.—

11 “(A) IN GENERAL.—Except as provided in
12 subparagraph (B), upon the filing of the record
13 under this subsection with the court—

14 “(i) the jurisdiction of the court shall
15 be exclusive; and

16 “(ii) the judgment of the court shall
17 be final.

18 “(B) REVIEW BY SUPREME COURT.—A
19 judgment under subparagraph (A) shall be sub-
20 ject to review by the Supreme Court of the
21 United States upon writ of certiorari or certifi-
22 cation, as provided in section 1254 of title 28,
23 United States Code.

24 **“SEC. 819. MONITORING OF COMPLIANCE.**

25 “(a) ENFORCEABLE AGREEMENTS.—

1 “(1) IN GENERAL.—The Director, through
2 binding contractual agreements with owners or other
3 authorized entities, shall ensure long-term compli-
4 ance with the provisions of this title.

5 “(2) MEASURES.—The measures referred to in
6 paragraph (1) shall provide for—

7 “(A) to the extent allowable by Federal
8 and State law, the enforcement of the provi-
9 sions of this title by the Department and the
10 Secretary; and

11 “(B) remedies for breach of the provisions
12 referred to in paragraph (1).

13 “(b) PERIODIC MONITORING.—

14 “(1) IN GENERAL.—Not less frequently than
15 annually, the Director shall review the activities con-
16 ducted and housing assisted under this title to as-
17 sess compliance with the requirements of this title.

18 “(2) REVIEW.—Each review under paragraph
19 (1) shall include onsite inspection of housing to de-
20 termine compliance with applicable requirements.

21 “(3) RESULTS.—The results of each review
22 under paragraph (1) shall be—

23 “(A) included in a performance report of
24 the Director submitted to the Secretary under
25 section 820; and

1 “(B) made available to the public.

2 “(c) PERFORMANCE MEASURES.—The Secretary
3 shall establish such performance measures as may be nec-
4 essary to assess compliance with the requirements of this
5 title.

6 **“SEC. 820. PERFORMANCE REPORTS.**

7 “(a) REQUIREMENT.—For each fiscal year, the Di-
8 rector shall—

9 “(1) review the progress the Department has
10 made during that fiscal year in carrying out the
11 housing plan submitted by the Department under
12 section 803; and

13 “(2) submit a report to the Secretary (in a
14 form acceptable to the Secretary) describing the con-
15 clusions of the review.

16 “(b) CONTENT.—Each report submitted under this
17 section for a fiscal year shall—

18 “(1) describe the use of grant amounts provided
19 to the Department of Hawaiian Home Lands for
20 that fiscal year;

21 “(2) assess the relationship of the use referred
22 to in paragraph (1) to the goals identified in the
23 housing plan;

24 “(3) indicate the programmatic accomplish-
25 ments of the Department; and

1 “(4) describe the manner in which the Depart-
2 ment would change its housing plan submitted under
3 section 803 as a result of its experiences.

4 “(c) SUBMISSIONS.—The Secretary shall—

5 “(1) establish a date for submission of each re-
6 port under this section;

7 “(2) review each such report; and

8 “(3) with respect to each such report, make rec-
9 ommendations as the Secretary considers appro-
10 prium to carry out the purposes of this title.

11 “(d) PUBLIC AVAILABILITY.—

12 “(1) COMMENTS BY BENEFICIARIES.—In pre-
13 paring a report under this section, the Director shall
14 make the report publicly available to the bene-
15 ficiaries of the Hawaiian Homes Commission Act,
16 1920 (42 Stat. 108 et seq.) and give a sufficient
17 amount of time to permit those beneficiaries to com-
18 ment on that report before it is submitted to the
19 Secretary (in such manner and at such time as the
20 Director may determine).

21 “(2) SUMMARY OF COMMENTS.—The report
22 shall include a summary of any comments received
23 by the Director from beneficiaries under paragraph
24 (1) regarding the program to carry out the housing
25 plan.

1 **“SEC. 821. REVIEW AND AUDIT BY SECRETARY.**

2 “(a) ANNUAL REVIEW.—

3 “(1) IN GENERAL.—The Secretary shall, not
4 less frequently than on an annual basis, make such
5 reviews and audits as may be necessary or appro-
6 priate to determine whether—

7 “(A) the Director has—

8 “(i) carried out eligible activities
9 under this title in a timely manner;

10 “(ii) carried out and made certifi-
11 cations in accordance with the require-
12 ments and the primary objectives of this
13 title and with other applicable laws; and

14 “(iii) a continuing capacity to carry
15 out the eligible activities in a timely man-
16 ner;

17 “(B) the Director has complied with the
18 housing plan submitted by the Director under
19 section 803; and

20 “(C) the performance reports of the De-
21 partment under section 821 are accurate.

22 “(2) ONSITE VISITS.—Each review conducted
23 under this section shall, to the extent practicable, in-
24 clude onsite visits by employees of the Department
25 of Housing and Urban Development.

1 “(b) REPORT BY SECRETARY.—The Secretary shall
2 give the Department of Hawaiian Home Lands not less
3 than 30 days to review and comment on a report under
4 this subsection. After taking into consideration the com-
5 ments of the Department, the Secretary may revise the
6 report and shall make the comments of the Department
7 and the report with any revisions, readily available to the
8 public not later than 30 days after receipt of the com-
9 ments of the Department.

10 “(c) EFFECT OF REVIEWS.—The Secretary may
11 make appropriate adjustments in the amount of annual
12 grants under this title in accordance with the findings of
13 the Secretary pursuant to reviews and audits under this
14 section. The Secretary may adjust, reduce, or withdraw
15 grant amounts, or take other action as appropriate in ac-
16 cordance with the reviews and audits of the Secretary
17 under this section, except that grant amounts already ex-
18 pended on affordable housing activities may not be recap-
19 tured or deducted from future assistance provided to the
20 Department of Hawaiian Home Lands.

21 **“SEC. 822. GENERAL ACCOUNTING OFFICE AUDITS.**

22 “To the extent that the financial transactions of the
23 Department of Hawaiian Home Lands involving grant
24 amounts under this title relate to amounts provided under
25 this title, those transactions may be audited by the Comp-

1 troller General of the United States under such regula-
2 tions as may be prescribed by the Comptroller General.
3 The Comptroller General of the United States shall have
4 access to all books, accounts, records, reports, files, and
5 other papers, things, or property belonging to or in use
6 by the Department of Hawaiian Home Lands pertaining
7 to such financial transactions and necessary to facilitate
8 the audit.

9 **“SEC. 823. REPORTS TO CONGRESS.**

10 “(a) IN GENERAL.—Not later than 90 days after the
11 conclusion of each fiscal year in which assistance under
12 this title is made available, the Secretary shall submit to
13 Congress a report that contains—

14 “(1) a description of the progress made in ac-
15 complishing the objectives of this title;

16 “(2) a summary of the use of funds available
17 under this title during the preceding fiscal year; and

18 “(3) a description of the aggregate outstanding
19 loan guarantees under section 184A of the Housing
20 and Community Development Act of 1992.

21 “(b) RELATED REPORTS.—The Secretary may re-
22 quire the Director to submit to the Secretary such reports
23 and other information as may be necessary in order for
24 the Secretary to prepare the report required under sub-
25 section (a).

1 **“SEC. 824. AUTHORIZATION OF APPROPRIATIONS.**

2 “There are authorized to be appropriated to the De-
3 partment of Housing and Urban Development for grants
4 under this title such sums as may be necessary for each
5 of fiscal years 2001, 2002, 2003, 2004, and 2005.”.

6 **SEC. 514. LOAN GUARANTEES.**

7 Subtitle E of title I of the Housing and Community
8 Development Act of 1992 is amended by inserting after
9 section 184 (12 U.S.C. 1715z–13a) the following:

10 **“SEC. 184A. LOAN GUARANTEES FOR NATIVE HAWAIIAN**
11 **HOUSING.**

12 “(a) DEFINITIONS.—In this section:

13 “(1) DEPARTMENT OF HAWAIIAN HOME
14 LANDS.—The term ‘Department of Hawaiian Home
15 Lands’ means the agency or department of the gov-
16 ernment of the State of Hawaii that is responsible
17 for the administration of the Hawaiian Homes Com-
18 mission Act, 1920 (42 Stat. 108 et seq.).

19 “(2) ELIGIBLE ENTITY.—The term ‘eligible en-
20 tity’ means a Native Hawaiian family, the Depart-
21 ment of Hawaiian Home Lands, the Office of Ha-
22 waiian Affairs, and private nonprofit or private for-
23 profit organizations experienced in the planning and
24 development of affordable housing for Native Hawai-
25 ians.

1 “(3) FAMILY.—The term ‘family’ means one or
2 more persons maintaining a household, as the Sec-
3 retary shall by regulation provide.

4 “(4) GUARANTEE FUND.—The term ‘Guarantee
5 Fund’ means the Native Hawaiian Housing Loan
6 Guarantee Fund established under subsection (i).

7 “(5) HAWAIIAN HOME LANDS.—The term ‘Ha-
8 waiian Home Lands’ means lands that—

9 “(A) have the status of Hawaiian Home
10 Lands under section 204 of the Hawaiian
11 Homes Commission Act (42 Stat. 110); or

12 “(B) are acquired pursuant to that Act.

13 “(6) NATIVE HAWAIIAN.—The term ‘Native
14 Hawaiian’ means any individual who is—

15 “(A) a citizen of the United States; and

16 “(B) a descendant of the aboriginal people,
17 who, prior to 1778, occupied and exercised sov-
18 ereignty in the area that currently constitutes
19 the State of Hawaii, as evidenced by—

20 “(i) genealogical records;

21 “(ii) verification by kupuna (elders) or
22 kama’aina (long-term community resi-
23 dents); or

24 “(iii) birth records of the State of Ha-
25 waii.

1 “(7) OFFICE OF HAWAIIAN AFFAIRS.—The
2 term ‘Office of Hawaiian Affairs’ means the entity
3 of that name established under the constitution of
4 the State of Hawaii.

5 “(b) AUTHORITY.—To provide access to sources of
6 private financing to Native Hawaiian families who other-
7 wise could not acquire housing financing because of the
8 unique legal status of the Hawaiian Home Lands or as
9 a result of a lack of access to private financial markets,
10 the Secretary may guarantee an amount not to exceed 100
11 percent of the unpaid principal and interest that is due
12 on an eligible loan under subsection (b).

13 “(c) ELIGIBLE LOANS.—Under this section, a loan
14 is an eligible loan if that loan meets the following require-
15 ments:

16 “(1) ELIGIBLE BORROWERS.—The loan is made
17 only to a borrower who is—

18 “(A) a Native Hawaiian family;

19 “(B) the Department of Hawaiian Home
20 Lands;

21 “(C) the Office of Hawaiian Affairs; or

22 “(D) a private nonprofit organization expe-
23 rienced in the planning and development of af-
24 fordable housing for Native Hawaiians.

25 “(2) ELIGIBLE HOUSING.—

1 “(A) IN GENERAL.—The loan will be used
2 to construct, acquire, or rehabilitate not more
3 than 4-family dwellings that are standard hous-
4 ing and are located on Hawaiian Home Lands
5 for which a housing plan described in subpara-
6 graph (B) applies.

7 “(B) HOUSING PLAN.—A housing plan de-
8 scribed in this subparagraph is a housing plan
9 that—

10 “(i) has been submitted and approved
11 by the Secretary under section 803 of the
12 Native American Housing Assistance and
13 Self-Determination Act of 1996; and

14 “(ii) provides for the use of loan guar-
15 antees under this section to provide afford-
16 able homeownership housing on Hawaiian
17 Home Lands.

18 “(3) SECURITY.—The loan may be secured by
19 any collateral authorized under applicable Federal or
20 State law.

21 “(4) LENDERS.—

22 “(A) IN GENERAL.—The loan shall be
23 made only by a lender approved by, and meet-
24 ing qualifications established by, the Secretary,
25 including any lender described in subparagraph

1 (B), except that a loan otherwise insured or
2 guaranteed by an agency of the Federal Gov-
3 ernment or made by the Department of Hawai-
4 ian Home Lands from amounts borrowed from
5 the United States shall not be eligible for a
6 guarantee under this section.

7 “(B) APPROVAL.—The following lenders
8 shall be considered to be lenders that have been
9 approved by the Secretary:

10 “(i) Any mortgagee approved by the
11 Secretary for participation in the single
12 family mortgage insurance program under
13 title II of the National Housing Act (12
14 U.S.C.A. 1707 et seq.).

15 “(ii) Any lender that makes housing
16 loans under chapter 37 of title 38, United
17 States Code, that are automatically guar-
18 anteed under section 3702(d) of title 38,
19 United States Code.

20 “(iii) Any lender approved by the Sec-
21 retary of Agriculture to make guaranteed
22 loans for single family housing under the
23 Housing Act of 1949 (42 U.S.C.A. 1441 et
24 seq.).

1 “(iv) Any other lender that is super-
2 vised, approved, regulated, or insured by
3 any agency of the Federal Government.

4 “(5) TERMS.—The loan shall—

5 “(A) be made for a term not exceeding 30
6 years;

7 “(B) bear interest (exclusive of the guar-
8 antee fee under subsection (d) and service
9 charges, if any) at a rate agreed upon by the
10 borrower and the lender and determined by the
11 Secretary to be reasonable, but not to exceed
12 the rate generally charged in the area (as deter-
13 mined by the Secretary) for home mortgage
14 loans not guaranteed or insured by any agency
15 or instrumentality of the Federal Government;

16 “(C) involve a principal obligation not
17 exceeding—

18 “(i) 97.75 percent of the appraised
19 value of the property as of the date the
20 loan is accepted for guarantee (or 98.75
21 percent if the value of the property is
22 \$50,000 or less); or

23 “(ii) the amount approved by the Sec-
24 retary under this section; and

1 “(D) involve a payment on account of the
2 property—

3 “(i) in cash or its equivalent; or

4 “(ii) through the value of any im-
5 provements to the property made through
6 the skilled or unskilled labor of the bor-
7 rower, as the Secretary shall provide.

8 “(d) CERTIFICATE OF GUARANTEE.—

9 “(1) APPROVAL PROCESS.—

10 “(A) IN GENERAL.—Before the Secretary
11 approves any loan for guarantee under this sec-
12 tion, the lender shall submit the application for
13 the loan to the Secretary for examination.

14 “(B) APPROVAL.—If the Secretary ap-
15 proves the application submitted under sub-
16 paragraph (A), the Secretary shall issue a cer-
17 tificate under this subsection as evidence of the
18 loan guarantee approved.

19 “(2) STANDARD FOR APPROVAL.—The Sec-
20 retary may approve a loan for guarantee under this
21 section and issue a certificate under this subsection
22 only if the Secretary determines that there is a rea-
23 sonable prospect of repayment of the loan.

24 “(3) EFFECT.—

1 “(A) IN GENERAL.—A certificate of guar-
2 antee issued under this subsection by the Sec-
3 retary shall be conclusive evidence of the eligi-
4 bility of the loan for guarantee under this sec-
5 tion and the amount of that guarantee.

6 “(B) EVIDENCE.—The evidence referred to
7 in subparagraph (A) shall be incontestable in
8 the hands of the bearer.

9 “(C) FULL FAITH AND CREDIT.—The full
10 faith and credit of the United States is pledged
11 to the payment of all amounts agreed to be paid
12 by the Secretary as security for the obligations
13 made by the Secretary under this section.

14 “(4) FRAUD AND MISREPRESENTATION.—This
15 subsection may not be construed—

16 “(A) to preclude the Secretary from estab-
17 lishing defenses against the original lender
18 based on fraud or material misrepresentation;
19 or

20 “(B) to bar the Secretary from estab-
21 lishing by regulations that are on the date of
22 issuance or disbursement, whichever is earlier,
23 partial defenses to the amount payable on the
24 guarantee.

25 “(e) GUARANTEE FEE.—

1 “(1) IN GENERAL.—The Secretary shall fix and
2 collect a guarantee fee for the guarantee of a loan
3 under this section, which may not exceed the amount
4 equal to 1 percent of the principal obligation of the
5 loan.

6 “(2) PAYMENT.—The fee under this subsection
7 shall—

8 “(A) be paid by the lender at time of
9 issuance of the guarantee; and

10 “(B) be adequate, in the determination of
11 the Secretary, to cover expenses and probable
12 losses.

13 “(3) DEPOSIT.—The Secretary shall deposit
14 any fees collected under this subsection in the Na-
15 tive Hawaiian Housing Loan Guarantee Fund estab-
16 lished under subsection (j).

17 “(f) LIABILITY UNDER GUARANTEE.—The liability
18 under a guarantee provided under this section shall de-
19 crease or increase on a pro rata basis according to any
20 decrease or increase in the amount of the unpaid obliga-
21 tion under the provisions of the loan agreement involved.

22 “(g) TRANSFER AND ASSUMPTION.—Notwith-
23 standing any other provision of law, any loan guaranteed
24 under this section, including the security given for the
25 loan, may be sold or assigned by the lender to any finan-

1 cial institution subject to examination and supervision by
 2 an agency of the Federal Government or of any State or
 3 the District of Columbia.

4 “(h) DISQUALIFICATION OF LENDERS AND CIVIL
 5 MONEY PENALTIES.—

6 “(1) IN GENERAL.—

7 “(A) GROUNDS FOR ACTION.—The Sec-
 8 retary may take action under subparagraph (B)
 9 if the Secretary determines that any lender or
 10 holder of a guarantee certificate under sub-
 11 section (c)—

12 “(i) has failed—

13 “(I) to maintain adequate ac-
 14 counting records;

15 “(II) to service adequately loans
 16 guaranteed under this section; or

17 “(III) to exercise proper credit or
 18 underwriting judgment; or

19 “(ii) has engaged in practices other-
 20 wise detrimental to the interest of a bor-
 21 rower or the United States.

22 “(B) ACTIONS.—Upon a determination by
 23 the Secretary that a holder of a guarantee cer-
 24 tificate under subsection (c) has failed to carry
 25 out an activity described in subparagraph (A)(i)

1 or has engaged in practices described in sub-
2 paragraph (A)(ii), the Secretary may—

3 “(i) refuse, either temporarily or per-
4 manently, to guarantee any further loans
5 made by such lender or holder;

6 “(ii) bar such lender or holder from
7 acquiring additional loans guaranteed
8 under this section; and

9 “(iii) require that such lender or hold-
10 er assume not less than 10 percent of any
11 loss on further loans made or held by the
12 lender or holder that are guaranteed under
13 this section.

14 “(2) CIVIL MONEY PENALTIES FOR INTEN-
15 TIONAL VIOLATIONS.—

16 “(A) IN GENERAL.—The Secretary may
17 impose a civil monetary penalty on a lender or
18 holder of a guarantee certificate under sub-
19 section (d) if the Secretary determines that the
20 holder or lender has intentionally failed—

21 “(i) to maintain adequate accounting
22 records;

23 “(ii) to adequately service loans guar-
24 anteed under this section; or

1 “(iii) to exercise proper credit or un-
2 derwriting judgment.

3 “(B) PENALTIES.—A civil monetary pen-
4 alty imposed under this paragraph shall be im-
5 posed in the manner and be in an amount pro-
6 vided under section 536 of the National Hous-
7 ing Act (12 U.S.C.A. 1735f–1) with respect to
8 mortgagees and lenders under that Act.

9 “(3) PAYMENT ON LOANS MADE IN GOOD
10 FAITH.—Notwithstanding paragraphs (1) and (2), if
11 a loan was made in good faith, the Secretary may
12 not refuse to pay a lender or holder of a valid guar-
13 antee on that loan, without regard to whether the
14 lender or holder is barred under this subsection.

15 “(i) PAYMENT UNDER GUARANTEE.—

16 “(1) LENDER OPTIONS.—

17 “(A) IN GENERAL.—

18 “(i) NOTIFICATION.—If a borrower on
19 a loan guaranteed under this section de-
20 faults on the loan, the holder of the guar-
21 antee certificate shall provide written no-
22 tice of the default to the Secretary.

23 “(ii) PAYMENT.—Upon providing the
24 notice required under clause (i), the holder
25 of the guarantee certificate shall be enti-

1 tled to payment under the guarantee (sub-
2 ject to the provisions of this section) and
3 may proceed to obtain payment in one of
4 the following manners:

5 “(I) FORECLOSURE.—

6 “(aa) IN GENERAL.—The
7 holder of the certificate may ini-
8 tiate foreclosure proceedings
9 (after providing written notice of
10 that action to the Secretary).

11 “(bb) PAYMENT.—Upon a
12 final order by the court author-
13 izing foreclosure and submission
14 to the Secretary of a claim for
15 payment under the guarantee,
16 the Secretary shall pay to the
17 holder of the certificate the pro
18 rata portion of the amount guar-
19 anteed (as determined pursuant
20 to subsection (f)) plus reasonable
21 fees and expenses as approved by
22 the Secretary.

23 “(cc) SUBROGATION.—The
24 rights of the Secretary shall be
25 subrogated to the rights of the

1 holder of the guarantee. The
2 holder shall assign the obligation
3 and security to the Secretary.

4 “(II) NO FORECLOSURE.—

5 “(aa) IN GENERAL.—With-
6 out seeking foreclosure (or in any
7 case in which a foreclosure pro-
8 ceeding initiated under clause (i)
9 continues for a period in excess
10 of 1 year), the holder of the
11 guarantee may submit to the
12 Secretary a request to assign the
13 obligation and security interest to
14 the Secretary in return for pay-
15 ment of the claim under the
16 guarantee. The Secretary may
17 accept assignment of the loan if
18 the Secretary determines that the
19 assignment is in the best interest
20 of the United States.

21 “(bb) PAYMENT.—Upon as-
22 signment, the Secretary shall pay
23 to the holder of the guarantee
24 the pro rata portion of the

1 amount guaranteed (as deter-
2 mined under subsection (f)).

3 “(cc) SUBROGATION.—The
4 rights of the Secretary shall be
5 subrogated to the rights of the
6 holder of the guarantee. The
7 holder shall assign the obligation
8 and security to the Secretary.

9 “(B) REQUIREMENTS.—Before any pay-
10 ment under a guarantee is made under sub-
11 paragraph (A), the holder of the guarantee
12 shall exhaust all reasonable possibilities of col-
13 lection. Upon payment, in whole or in part, to
14 the holder, the note or judgment evidencing the
15 debt shall be assigned to the United States and
16 the holder shall have no further claim against
17 the borrower or the United States. The Sec-
18 retary shall then take such action to collect as
19 the Secretary determines to be appropriate.

20 “(2) LIMITATIONS ON LIQUIDATION.—

21 “(A) IN GENERAL.—If a borrower defaults
22 on a loan guaranteed under this section that in-
23 volves a security interest in restricted Hawaiian
24 Home Land property, the mortgagee or the
25 Secretary shall only pursue liquidation after of-

1 fering to transfer the account to another eligi-
2 ble Hawaiian family or the Department of Ha-
3 waiian Home Lands.

4 “(B) LIMITATION.—If, after action is
5 taken under subparagraph (A), the mortgagee
6 or the Secretary subsequently proceeds to liq-
7 uidate the account, the mortgagee or the Sec-
8 retary shall not sell, transfer, or otherwise dis-
9 pose of or alienate the property described in
10 subparagraph (A) except to another eligible Ha-
11 waiian family or to the Department of Hawai-
12 ian Home Lands.

13 “(j) HAWAIIAN HOUSING LOAN GUARANTEE
14 FUND.—

15 “(1) ESTABLISHMENT.—There is established in
16 the Treasury of the United States the Hawaiian
17 Housing Loan Guarantee Fund for the purpose of
18 providing loan guarantees under this section.

19 “(2) CREDITS.—The Guarantee Fund shall be
20 credited with—

21 “(A) any amount, claims, notes, mort-
22 gages, contracts, and property acquired by the
23 Secretary under this section, and any collections
24 and proceeds therefrom;

1 “(B) any amounts appropriated pursuant
2 to paragraph (7);

3 “(C) any guarantee fees collected under
4 subsection (d); and

5 “(D) any interest or earnings on amounts
6 invested under paragraph (4).

7 “(3) USE.—Amounts in the Guarantee Fund
8 shall be available, to the extent provided in appro-
9 priations Acts, for—

10 “(A) fulfilling any obligations of the Sec-
11 retary with respect to loans guaranteed under
12 this section, including the costs (as that term is
13 defined in section 502 of the Federal Credit Re-
14 form Act of 1990 (2 U.S.C. 661a)) of such
15 loans;

16 “(B) paying taxes, insurance, prior liens,
17 expenses necessary to make fiscal adjustment in
18 connection with the application and transmittal
19 of collections, and other expenses and advances
20 to protect the Secretary for loans which are
21 guaranteed under this section or held by the
22 Secretary;

23 “(C) acquiring such security property at
24 foreclosure sales or otherwise;

1 “(D) paying administrative expenses in
2 connection with this section; and

3 “(E) reasonable and necessary costs of re-
4 habilitation and repair to properties that the
5 Secretary holds or owns pursuant to this sec-
6 tion.

7 “(4) INVESTMENT.—Any amounts in the Guar-
8 antee Fund determined by the Secretary to be in ex-
9 cess of amounts currently required at the time of the
10 determination to carry out this section may be in-
11 vested in obligations of the United States.

12 “(5) LIMITATION ON COMMITMENTS TO GUAR-
13 ANTEE LOANS AND MORTGAGES.—

14 “(A) REQUIREMENT OF APPROPRIA-
15 TIONS.—The authority of the Secretary to enter
16 into commitments to guarantee loans under this
17 section shall be effective for any fiscal year to
18 the extent, or in such amounts as are, or have
19 been, provided in appropriations Acts, without
20 regard to the fiscal year for which such
21 amounts were appropriated.

22 “(B) LIMITATIONS ON COSTS OF GUARAN-
23 TEES.—The authority of the Secretary to enter
24 into commitments to guarantee loans under this
25 section shall be effective for any fiscal year only

1 to the extent that amounts in the Guarantee
2 Fund are or have been made available in appro-
3 priations Acts to cover the costs (as that term
4 is defined in section 502 of the Federal Credit
5 Reform Act of 1990 (2 U.S.C. 661a)) of such
6 loan guarantees for such fiscal year. Any
7 amounts appropriated pursuant to this subpara-
8 graph shall remain available until expended.

9 “(C) LIMITATION ON OUTSTANDING AG-
10 GREGATE PRINCIPAL AMOUNT.—Subject to the
11 limitations in subparagraphs (A) and (B), the
12 Secretary may enter into commitments to guar-
13 antee loans under this section for each of fiscal
14 years 2001, 2002, 2003, 2004, and 2005 with
15 an aggregate outstanding principal amount not
16 exceeding \$100,000,000 for each such fiscal
17 year.

18 “(6) LIABILITIES.—All liabilities and obliga-
19 tions of the assets credited to the Guarantee Fund
20 under paragraph (2)(A) shall be liabilities and obli-
21 gations of the Guarantee Fund.

22 “(7) AUTHORIZATION OF APPROPRIATIONS.—
23 There are authorized to be appropriated to the
24 Guarantee Fund to carry out this section such sums

1 as may be necessary for each of fiscal years 2001,
2 2002, 2003, 2004, and 2005.

3 “(k) REQUIREMENTS FOR STANDARD HOUSING.—

4 “(1) IN GENERAL.—The Secretary shall, by
5 regulation, establish housing safety and quality
6 standards to be applied for use under this section.

7 “(2) STANDARDS.—The standards referred to
8 in paragraph (1) shall—

9 “(A) provide sufficient flexibility to permit
10 the use of various designs and materials in
11 housing acquired with loans guaranteed under
12 this section; and

13 “(B) require each dwelling unit in any
14 housing acquired in the manner described in
15 subparagraph (A) to—

16 “(i) be decent, safe, sanitary, and
17 modest in size and design;

18 “(ii) conform with applicable general
19 construction standards for the region in
20 which the housing is located;

21 “(iii) contain a plumbing system
22 that—

23 “(I) uses a properly installed sys-
24 tem of piping;

1 “(II) includes a kitchen sink and
2 a partitioned bathroom with lavatory,
3 toilet, and bath or shower; and

4 “(III) uses water supply, plumbing,
5 and sewage disposal systems that
6 conform to any minimum standards
7 established by the applicable county or
8 State;

9 “(iv) contain an electrical system
10 using wiring and equipment properly in-
11 stalled to safely supply electrical energy for
12 adequate lighting and for operation of ap-
13 pliances that conforms to any appropriate
14 county, State, or national code;

15 “(v) be not less than the size provided
16 under the applicable locally adopted stand-
17 ards for size of dwelling units, except that
18 the Secretary, upon request of the Depart-
19 ment of Hawaiian Home Lands may waive
20 the size requirements under this para-
21 graph; and

22 “(vi) conform with the energy per-
23 formance requirements for new construc-
24 tion established by the Secretary under
25 section 526(a) of the National Housing

1 Act (12 U.S.C.A. 1735f–4), unless the Sec-
2 retary determines that the requirements
3 are not applicable.

4 “(l) APPLICABILITY OF CIVIL RIGHTS STATUTES.—
5 To the extent that the requirements of title VI of the Civil
6 Rights Act of 1964 (42 U.S.C. 2000d et seq.) or of the
7 Fair Housing Act (42 U.S.C.A. 3601 et seq.) apply to a
8 guarantee provided under this subsection, nothing in the
9 requirements concerning discrimination on the basis of
10 race shall be construed to prevent the provision of the
11 guarantee to an eligible entity on the basis that the entity
12 serves Native Hawaiian families or is a Native Hawaiian
13 family.”.

14 **TITLE VI—MANUFACTURED** 15 **HOUSING IMPROVEMENT**

16 **SEC. 601. SHORT TITLE; REFERENCES.**

17 (a) SHORT TITLE.—This title may be cited as the
18 “Manufactured Housing Improvement Act of 2000”.

19 (b) REFERENCES.—Whenever in this title an amend-
20 ment is expressed in terms of an amendment to, or repeal
21 of, a section or other provision, the reference shall be con-
22 sidered to be made to that section or other provision of
23 the National Manufactured Housing Construction and
24 Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.).

1 **SEC. 602. FINDINGS AND PURPOSES.**

2 Section 602 (42 U.S.C. 5401) is amended to read as
3 follows:

4 **“SEC. 602. FINDINGS AND PURPOSES.**

5 “(a) FINDINGS.—Congress finds that—

6 “(1) manufactured housing plays a vital role in
7 meeting the housing needs of the Nation; and

8 “(2) manufactured homes provide a significant
9 resource for affordable homeownership and rental
10 housing accessible to all Americans.

11 “(b) PURPOSES.—The purposes of this title are—

12 “(1) to protect the quality, durability, safety,
13 and affordability of manufactured homes;

14 “(2) to facilitate the availability of affordable
15 manufactured homes and to increase homeownership
16 for all Americans;

17 “(3) to provide for the establishment of prac-
18 tical, uniform, and, to the extent possible, perform-
19 ance-based Federal construction standards for man-
20 ufactured homes;

21 “(4) to encourage innovative and cost-effective
22 construction techniques for manufactured homes;

23 “(5) to protect residents of manufactured
24 homes with respect to personal injuries and the
25 amount of insurance costs and property damages in

1 manufactured housing, consistent with the other
2 purposes of this section;

3 “(6) to establish a balanced consensus process
4 for the development, revision, and interpretation of
5 Federal construction and safety standards for manu-
6 factured homes and related regulations for the en-
7 forcement of such standards;

8 “(7) to ensure uniform and effective enforce-
9 ment of Federal construction and safety standards
10 for manufactured homes; and

11 “(8) to ensure that the public interest in, and
12 need for, affordable manufactured housing is duly
13 considered in all determinations relating to the Fed-
14 eral standards and their enforcement.”.

15 **SEC. 603. DEFINITIONS.**

16 (a) IN GENERAL.—Section 603 (42 U.S.C. 5402) is
17 amended—

18 (1) in paragraph (2), by striking “dealer” and
19 inserting “retailer”;

20 (2) in paragraph (12), by striking “and” at the
21 end;

22 (3) in paragraph (13), by striking the period at
23 the end and inserting a semicolon; and

24 (4) by adding at the end the following:

1 “(14) ‘administering organization’ means the
2 recognized, voluntary, private sector, consensus
3 standards body with specific experience in developing
4 model residential building codes and standards in-
5 volving all disciplines regarding construction and
6 safety that administers the consensus standards
7 through a development process;

8 “(15) ‘consensus committee’ means the com-
9 mittee established under section 604(a)(3);

10 “(16) ‘consensus standards development proc-
11 ess’ means the process by which additions, revisions,
12 and interpretations to the Federal manufactured
13 home construction and safety standards and enforce-
14 ment regulations shall be developed and rec-
15 ommended to the Secretary by the consensus com-
16 mittee;

17 “(17) ‘primary inspection agency’ means a
18 State agency or private organization that has been
19 approved by the Secretary to act as a design ap-
20 proval primary inspection agency or a production in-
21 spection primary inspection agency, or both;

22 “(18) ‘design approval primary inspection agen-
23 cy’ means a State agency or private organization
24 that has been approved by the Secretary to evaluate

1 and either approve or disapprove manufactured
2 home designs and quality control procedures;

3 “(19) ‘installation standards’ means reasonable
4 specifications for the installation of a manufactured
5 home, at the place of occupancy, to ensure proper
6 siting, the joining of all sections of the home, and
7 the installation of stabilization, support, or anchor-
8 ing systems;

9 “(20) ‘monitoring’ means the process of peri-
10 odic review of the primary inspection agencies, by
11 the Secretary or by a State agency under an ap-
12 proved State plan pursuant to section 623, in ac-
13 cordance with regulations promulgated under this
14 title, giving due consideration to the recommenda-
15 tions of the consensus committee under section
16 604(b), which process shall be for the purpose of en-
17 suring that the primary inspection agencies are dis-
18 charging their duties under this title; and

19 “(21) ‘production inspection primary inspection
20 agency’ means a State agency or private organiza-
21 tion that has been approved by the Secretary to
22 evaluate the ability of manufactured home manufac-
23 turing plants to comply with approved quality con-
24 trol procedures and with the Federal manufactured
25 home construction and safety standards promulgated

1 hereunder, including the inspection of homes in the
2 plant.”.

3 (b) CONFORMING AMENDMENTS.—The National
4 Manufactured Housing Construction and Safety Stand-
5 ards Act of 1974 (42 U.S.C. 5401 et seq.) is amended—

6 (1) in section 613 (42 U.S.C. 5412), by striking
7 “dealer” each place it appears and inserting “re-
8 tailer”;

9 (2) in section 614(f) (42 U.S.C. 5413(f)), by
10 striking “dealer” each place it appears and inserting
11 “retailer”;

12 (3) in section 615 (42 U.S.C. 5414)—

13 (A) in subsection (b)(1), by striking “deal-
14 er” and inserting “retailer”;

15 (B) in subsection (b)(3), by striking “deal-
16 er or dealers” and inserting “retailer or retail-
17 ers”; and

18 (C) in subsections (d) and (f), by striking
19 “dealers” each place it appears and inserting
20 “retailers”;

21 (4) in section 616 (42 U.S.C. 5415), by striking
22 “dealer” and inserting “retailer”; and

23 (5) in section 623(c)(9), by striking “dealers”
24 and inserting “retailers”.

1 **SEC. 604. FEDERAL MANUFACTURED HOME CONSTRUC-**
2 **TION AND SAFETY STANDARDS.**

3 Section 604 (42 U.S.C. 5403) is amended—

4 (1) by striking subsections (a) and (b) and in-
5 serting the following:

6 “(a) ESTABLISHMENT.—

7 “(1) AUTHORITY.—The Secretary shall estab-
8 lish, by order, appropriate Federal manufactured
9 home construction and safety standards, each of
10 which—

11 “(A) shall—

12 “(i) be reasonable and practical;

13 “(ii) meet high standards of protec-
14 tion consistent with the purposes of this
15 title; and

16 “(iii) be performance-based and objec-
17 tively stated, unless clearly inappropriate;
18 and

19 “(B) except as provided in subsection (b),
20 shall be established in accordance with the con-
21 sensus standards development process.

22 “(2) CONSENSUS STANDARDS AND REGU-
23 LATORY DEVELOPMENT PROCESS.—

24 “(A) INITIAL AGREEMENT.—Not later
25 than 180 days after the date of the enactment
26 of the Manufactured Housing Improvement Act

1 of 2000, the Secretary shall enter into a con-
2 tract with an administering organization. The
3 contractual agreement shall—

4 “(i) terminate on the date on which a
5 contract is entered into under subpara-
6 graph (B); and

7 “(ii) require the administering organi-
8 zation to—

9 “(I) recommend the initial mem-
10 bers of the consensus committee
11 under paragraph (3);

12 “(II) administer the consensus
13 standards development process until
14 the termination of that agreement;
15 and

16 “(III) administer the consensus
17 development and interpretation proc-
18 ess for procedural and enforcement
19 regulations and regulations specifying
20 the permissible scope and conduct of
21 monitoring until the termination of
22 that agreement.

23 “(B) COMPETITIVELY PROCURED CON-
24 TRACT.—Upon the expiration of the 4-year pe-
25 riod beginning on the date on which all mem-

1 bers of the consensus committee are appointed
2 under paragraph (3), the Secretary shall, using
3 competitive procedures (as such term is defined
4 in section 4 of the Office of Federal Procure-
5 ment Policy Act), enter into a competitively
6 awarded contract with an administering organi-
7 zation. The administering organization shall ad-
8 minister the consensus process for the develop-
9 ment and interpretation of the Federal stand-
10 ards, the procedural and enforcement regula-
11 tions, and regulations specifying the permissible
12 scope and conduct of monitoring, in accordance
13 with this title.

14 “(C) PERFORMANCE REVIEW.—The
15 Secretary—

16 “(i) shall periodically review the per-
17 formance of the administering organiza-
18 tion; and

19 “(ii) may replace the administering
20 organization with another qualified tech-
21 nical or building code organization, pursu-
22 ant to competitive procedures, if the Sec-
23 retary determines in writing that the ad-
24 ministering organization is not fulfilling
25 the terms of the agreement or contract to

1 which the administering organization is
2 subject or upon the expiration of the
3 agreement or contract.

4 “(3) CONSENSUS COMMITTEE.—

5 “(A) PURPOSE.—There is established a
6 committee to be known as the ‘consensus com-
7 mittee’, which shall, in accordance with this
8 title—

9 “(i) provide periodic recommendations
10 to the Secretary to adopt, revise, and inter-
11 pret the Federal manufactured housing
12 construction and safety standards in ac-
13 cordance with this subsection;

14 “(ii) provide periodic recommenda-
15 tions to the Secretary to adopt, revise, and
16 interpret the procedural and enforcement
17 regulations, including regulations speci-
18 fying the permissible scope and conduct of
19 monitoring in accordance with subsection
20 (b);

21 “(iii) be organized and carry out its
22 business in a manner that guarantees a
23 fair opportunity for the expression and
24 consideration of various positions and for
25 public participation; and

1 “(iv) be deemed to be an advisory
2 committee not composed of Federal em-
3 ployees.

4 “(B) MEMBERSHIP.—The consensus com-
5 mittee shall be composed of—

6 “(i) 21 voting members appointed by
7 the Secretary, after consideration of the
8 recommendations of the administering or-
9 ganization, from among individuals who
10 are qualified by background and experience
11 to participate in the work of the consensus
12 committee; and

13 “(ii) 1 nonvoting member appointed
14 by the Secretary to represent the Secretary
15 on the consensus committee.

16 “(C) DISAPPROVAL.—The Secretary shall
17 state, in writing, the reasons for failing to ap-
18 point any individual recommended under para-
19 graph (2)(A)(ii)(I).

20 “(D) SELECTION PROCEDURES AND RE-
21 QUIREMENTS.—Each member of the consensus
22 committee shall be appointed in accordance
23 with selection procedures, which shall be based
24 on the procedures for consensus committees
25 promulgated by the American National Stand-

ards Institute (or successor organization), except that the American National Standards Institute interest categories shall be modified for purposes of this paragraph to ensure equal representation on the consensus committee of the following interest categories:

“(i) PRODUCERS.—Seven producers or retailers of manufactured housing.

“(ii) USERS.—Seven persons representing consumer interests, such as consumer organizations, recognized consumer leaders, and owners who are residents of manufactured homes.

“(iii) GENERAL INTEREST AND PUBLIC OFFICIALS.—Seven general interest and public official members.

“(E) BALANCING OF INTERESTS.—

“(i) IN GENERAL.—In order to achieve a proper balance of interests on the consensus committee, the Secretary, in appointing the members of the consensus committee—

“(I) shall ensure that all directly and materially affected interests have the opportunity for fair and equitable

1 participation without dominance by
2 any single interest; and

3 “(II) may reject the appointment
4 of any 1 or more individuals in order
5 to ensure that there is not dominance
6 by any single interest.

7 “(ii) DOMINANCE DEFINED.—In this
8 subparagraph, the term ‘dominance’ means
9 a position or exercise of dominant author-
10 ity, leadership, or influence by reason of
11 superior leverage, strength, or representa-
12 tion.

13 “(F) ADDITIONAL QUALIFICATIONS.—

14 “(i) FINANCIAL INDEPENDENCE.—No
15 individual appointed under subparagraph
16 (D)(ii) shall have, and 3 of the individuals
17 appointed under subparagraph (D)(iii)
18 shall not have—

19 “(I) a significant financial inter-
20 est in any segment of the manufac-
21 tured housing industry; or

22 “(II) a significant relationship to
23 any person engaged in the manufac-
24 tured housing industry.

1 “(ii) POST-EMPLOYMENT BAN.—Each
2 individual described in clause (i) shall be
3 subject to a ban disallowing compensation
4 from the manufactured housing industry
5 during the period of, and during the 1-year
6 following, the membership of the individual
7 on the consensus committee.

8 “(G) MEETINGS.—

9 “(i) NOTICE; OPEN TO PUBLIC.—The
10 consensus committee shall provide advance
11 notice of each meeting of the consensus
12 committee to the Secretary and cause to be
13 published in the Federal Register advance
14 notice of each such meeting. All meetings
15 of the consensus committee shall be open
16 to the public.

17 “(ii) REIMBURSEMENT.—Members of
18 the consensus committee in attendance at
19 meetings of the consensus committee shall
20 be reimbursed for their actual expenses as
21 authorized by section 5703 of title 5,
22 United States Code, for persons employed
23 intermittently in Government service.

1 “(H) ADMINISTRATION.—The consensus
2 committee and the administering organization
3 shall—

4 “(i) operate in conformance with the
5 procedures established by the American
6 National Standards Institute for the devel-
7 opment and coordination of American Na-
8 tional Standards; and

9 “(ii) apply to the American National
10 Standards Institute and take such other
11 actions as may be necessary to obtain ac-
12 creditation from the American National
13 Standards Institute.

14 “(I) STAFF AND TECHNICAL SUPPORT.—
15 The administering organization shall, upon the
16 request of the consensus committee—

17 “(i) provide reasonable staff resources
18 to the consensus committee; and

19 “(ii) furnish technical support in a
20 timely manner to any of the interest cat-
21 egories described in subparagraph (D) rep-
22 resented on the consensus committee, if—

23 “(I) the support is necessary to
24 ensure the informed participation of

1 the consensus committee members;
2 and

3 “(II) the costs of providing the
4 support are reasonable.

5 “(J) DATE OF INITIAL APPOINTMENTS.—

6 The initial appointments of all of the members
7 of the consensus committee shall be completed
8 not later than 90 days after the date on which
9 a contractual agreement under paragraph
10 (2)(A) is entered into with the administering
11 organization.

12 “(4) REVISIONS OF STANDARDS.—

13 “(A) IN GENERAL.—Beginning on the date
14 on which all members of the consensus com-
15 mittee are appointed under paragraph (3), the
16 consensus committee shall, not less than once
17 during each 2-year period—

18 “(i) consider revisions to the Federal
19 manufactured home construction and safe-
20 ty standards; and

21 “(ii) submit proposed revised stand-
22 ards, if approved in a vote of the consensus
23 committee by $\frac{2}{3}$ of the members, to the
24 Secretary in the form of a proposed rule,
25 including an economic analysis.

1 “(B) PUBLICATION OF PROPOSED REVISED
2 STANDARDS.—

3 “(i) PUBLICATION BY SECRETARY.—

4 The consensus committee shall provide a
5 proposed revised standard under subpara-
6 graph (A)(ii) to the Secretary who shall,
7 not later than 30 days after receipt, cause
8 such proposed revised standard to be pub-
9 lished in the Federal Register for notice
10 and comment in accordance with section
11 553 of title 5, United States Code. Unless
12 clause (ii) applies, the Secretary shall pro-
13 vide an opportunity for public comment on
14 such proposed revised standard in accord-
15 ance with such section 553 and any such
16 comments shall be submitted directly to
17 the consensus committee, without delay.

18 “(ii) PUBLICATION OF REJECTED
19 PROPOSED REVISED STANDARDS.—If the
20 Secretary rejects the proposed revised
21 standard, the Secretary shall cause to be
22 published in the Federal Register the re-
23 jected proposed revised standard, the rea-
24 sons for rejection, and any recommended
25 modifications set forth.

1 “(C) PRESENTATION OF PUBLIC COM-
2 MENTS; PUBLICATION OF RECOMMENDED REVI-
3 SIONS.—

4 “(i) PRESENTATION.—Any public
5 comments, views, and objections to a pro-
6 posed revised standard published under
7 subparagraph (B) shall be presented by
8 the Secretary to the consensus committee
9 upon their receipt and in the manner re-
10 ceived, in accordance with procedures es-
11 tablished by the American National Stand-
12 ards Institute.

13 “(ii) PUBLICATION BY THE SEC-
14 RETARY.—The consensus committee shall
15 provide to the Secretary any revision pro-
16 posed by the consensus committee, which
17 the Secretary shall, not later than 30 cal-
18 endar days after receipt, cause to be pub-
19 lished in the Federal Register a notice of
20 the recommended revisions of the con-
21 sensus committee to the standards, a no-
22 tice of the submission of the recommended
23 revisions to the Secretary, and a descrip-
24 tion of the circumstances under which the

1 proposed revised standards could become
2 effective.

3 “(iii) PUBLICATION OF REJECTED
4 PROPOSED REVISED STANDARDS.—If the
5 Secretary rejects the proposed revised
6 standard, the Secretary shall cause to be
7 published in the Federal Register the re-
8 jected proposed revised standard, the rea-
9 sons for rejection, and any recommended
10 modifications set forth.

11 “(5) REVIEW BY THE SECRETARY.—

12 “(A) IN GENERAL.—The Secretary shall
13 either adopt, modify, or reject a standard, as
14 submitted by the consensus committee under
15 paragraph (4)(A).

16 “(B) TIMING.—Not later than 12 months
17 after the date on which a standard is submitted
18 to the Secretary by the consensus committee,
19 the Secretary shall take action regarding such
20 standard under subparagraph (C).

21 “(C) PROCEDURES.—If the Secretary—

22 “(i) adopts a standard recommended
23 by the consensus committee, the Secretary
24 shall—

1 “(I) issue a final order without
2 further rulemaking; and

3 “(II) cause the final order to be
4 published in the Federal Register;

5 “(ii) determines that any standard
6 should be rejected, the Secretary shall—

7 “(I) reject the standard; and

8 “(II) cause to be published in the
9 Federal Register a notice to that ef-
10 fect, together with the reason or rea-
11 sons for rejecting the proposed stand-
12 ard; or

13 “(iii) determines that a standard rec-
14 ommended by the consensus committee
15 should be modified, the Secretary shall—

16 “(I) cause to be published in the
17 Federal Register the proposed modi-
18 fied standard, together with an expla-
19 nation of the reason or reasons for the
20 determination of the Secretary; and

21 “(II) provide an opportunity for
22 public comment in accordance with
23 section 553 of title 5, United States
24 Code.

1 “(D) FINAL ORDER.—Any final standard
2 under this paragraph shall become effective
3 pursuant to subsection (c).

4 “(6) FAILURE TO ACT.—If the Secretary fails
5 to take final action under paragraph (5) and to
6 cause notice of the action to be published in the
7 Federal Register before the expiration of the 12-
8 month period beginning on the date on which the
9 proposed revised standard is submitted to the Sec-
10 retary under paragraph (4)(A)—

11 “(A) the Secretary shall appear in person
12 before the appropriate housing and appropri-
13 ations subcommittees and committees of the
14 House of Representatives and the Senate (re-
15 ferred to in this paragraph as the ‘committees’)
16 on a date or dates to be specified by the com-
17 mittees, but in no event later than 30 days
18 after the expiration of that 12-month period,
19 and shall state before the committees the rea-
20 sons for failing to take final action as required
21 under paragraph (5); and

22 “(B) if the Secretary does not appear in
23 person as required under subparagraph (A), the
24 Secretary shall thereafter, and until such time
25 as the Secretary does appear as required under

1 subparagraph (A), be prohibited from expend-
2 ing any funds collected under authority of this
3 title in an amount greater than that collected
4 and expended in the fiscal year immediately
5 preceding the date of the enactment of the
6 Manufactured Housing Improvement Act of
7 2000, indexed for inflation as determined by
8 the Congressional Budget Office.

9 “(b) OTHER ORDERS.—

10 “(1) REGULATIONS.—The Secretary may issue
11 procedural and enforcement regulations and revi-
12 sions to existing regulations as necessary to imple-
13 ment the provisions of this title. The consensus com-
14 mittee may submit to the Secretary proposed proce-
15 dural and enforcement regulations and recommenda-
16 tions for the revision of such regulations.

17 “(2) INTERPRETATIVE BULLETINS.—The Sec-
18 retary may issue interpretative bulletins to clarify
19 the meaning of any Federal manufactured home
20 construction and safety standard or procedural and
21 enforcement regulation. The consensus committee
22 may submit to the Secretary proposed interpretative
23 bulletins to clarify the meaning of any Federal man-
24 ufactured home construction and safety standard or
25 procedural and enforcement regulation.

1 “(3) REVIEW BY CONSENSUS COMMITTEE.—Be-
2 fore issuing a procedural or enforcement regulation
3 or an interpretative bulletin—

4 “(A) the Secretary shall—

5 “(i) submit the proposed procedural
6 or enforcement regulation or interpretative
7 bulletin to the consensus committee; and

8 “(ii) provide the consensus committee
9 with a period of 120 days to submit writ-
10 ten comments to the Secretary on the pro-
11 posed procedural or enforcement regulation
12 or the interpretative bulletin; and

13 “(B) if the Secretary rejects any signifi-
14 cant comment provided by the consensus com-
15 mittee under subparagraph (A), the Secretary
16 shall provide a written explanation of the rea-
17 sons for the rejection to the consensus com-
18 mittee; and

19 “(C) following compliance with subpara-
20 graphs (A) and (B), the Secretary shall—

21 “(i) cause the proposed regulation or
22 interpretative bulletin and the consensus
23 committee’s written comments, along with
24 the Secretary’s response thereto, to be
25 published in the Federal Register; and

1 “(ii) provide an opportunity for public
2 comment in accordance with section 553 of
3 title 5, United States Code.

4 “(4) REQUIRED ACTION.—Not later than 120
5 days after the date on which the Secretary receives
6 a proposed regulation or interpretative bulletin sub-
7 mitted by the consensus committee, the Secretary
8 shall—

9 “(A) approve the proposal and cause the
10 proposed regulation or interpretative bulletin to
11 be published for public comment in accordance
12 with section 553 of title 5, United States Code;
13 or

14 “(B) reject the proposed regulation or in-
15 terpretative bulletin and—

16 “(i) provide to the consensus com-
17 mittee a written explanation of the reasons
18 for rejection; and

19 “(ii) cause to be published in the Fed-
20 eral Register the rejected proposed regula-
21 tion or interpretive bulletin, the reasons for
22 rejection, and any recommended modifica-
23 tions set forth.

24 “(5) AUTHORITY TO ACT AND EMERGENCY.—If
25 the Secretary determines, in writing, that such ac-

1 tion is necessary to address an issue on which the
2 Secretary determines that the consensus committee
3 has not made a timely recommendation following a
4 request by the Secretary, or in order to respond to
5 an emergency that jeopardizes the public health or
6 safety, the Secretary may issue an order that is not
7 developed under the procedures set forth in sub-
8 section (a) or in this subsection, if the Secretary—

9 “(A) provides to the consensus committee
10 a written description and sets forth the reasons
11 why action is necessary and all supporting doc-
12 umentation; and

13 “(B) issues the order after notice and an
14 opportunity for public comment in accordance
15 with section 553 of title 5, United States Code,
16 and causes the order to be published in the
17 Federal Register.

18 “(6) CHANGES.—Any statement of policies,
19 practices, or procedures relating to construction and
20 safety standards, regulations, inspections, moni-
21 toring, or other enforcement activities that con-
22 stitutes a statement of general or particular applica-
23 bility to implement, interpret, or prescribe law or
24 policy by the Secretary is subject to subsection (a)

1 or this subsection. Any change adopted in violation
2 of subsection (a) or this subsection is void.

3 “(7) TRANSITION.—Until the date on which the
4 consensus committee is appointed pursuant to sec-
5 tion 604(a)(3), the Secretary may issue proposed or-
6 ders, pursuant to notice and comment in accordance
7 with section 553 of title 5, United States Code, that
8 are not developed under the procedures set forth in
9 this section for new and revised standards.”;

10 (2) in subsection (d), by adding at the end the
11 following: “Federal preemption under this subsection
12 shall be broadly and liberally construed to ensure
13 that disparate State or local requirements or stand-
14 ards do not affect the uniformity and comprehen-
15 siveness of the standards promulgated under this
16 section nor the Federal superintendence of the man-
17 ufactured housing industry as established by this
18 title. Subject to section 605, there is reserved to
19 each State the right to establish standards for the
20 stabilizing and support systems of manufactured
21 homes sited within that State, and for the founda-
22 tions on which manufactured homes sited within
23 that State are installed, and the right to enforce
24 compliance with such standards, except that such
25 standards shall be consistent with the purposes of

1 this title and shall be consistent with the design of
2 the manufacturer.”;

3 (3) by striking subsection (e);

4 (4) in subsection (f), by striking the subsection
5 designation and all of the matter that precedes para-
6 graph (1) and inserting the following:

7 “(e) CONSIDERATIONS IN ESTABLISHING AND IN-
8 TERPRETING STANDARDS AND REGULATIONS.—The con-
9 sensus committee, in recommending standards, regula-
10 tions, and interpretations, and the Secretary, in estab-
11 lishing standards or regulations or issuing interpretations
12 under this section, shall—”;

13 (5) by striking subsection (g);

14 (6) in the first sentence of subsection (j), by
15 striking “subsection (f)” and inserting “subsection
16 (e)”; and

17 (7) by redesignating subsections (h), (i), and
18 (j), as subsections (f), (g), and (h), respectively.

19 **SEC. 605. ABOLISHMENT OF NATIONAL MANUFACTURED**
20 **HOME ADVISORY COUNCIL; MANUFACTURED**
21 **HOME INSTALLATION.**

22 (a) IN GENERAL.—Section 605 (42 U.S.C. 5404) is
23 amended to read as follows:

1 **“SEC. 605. MANUFACTURED HOME INSTALLATION.**

2 “(a) PROVISION OF INSTALLATION DESIGN AND IN-
3 STRUCTIONS.—A manufacturer shall provide with each
4 manufactured home, design and instructions for the in-
5 stallation of the manufactured home that have been ap-
6 proved by a design approval primary inspection agency.
7 After establishment of model standards under subsection
8 (b)(2), a design approval primary inspection agency may
9 not give such approval unless a design and instruction pro-
10 vides equal or greater protection than the protection pro-
11 vided under such model standards.

12 “(b) MODEL MANUFACTURED HOME INSTALLATION
13 STANDARDS.—

14 “(1) PROPOSED MODEL STANDARDS.—Not later
15 than 18 months after the date on which the initial
16 appointments of all of the members of the consensus
17 committee are completed, the consensus committee
18 shall develop and submit to the Secretary proposed
19 model manufactured home installation standards,
20 which shall, to the maximum extent practicable, tak-
21 ing into account the factors described in section
22 604(e), be consistent with—

23 “(A) the manufactured home designs that
24 have been approved by a design approval pri-
25 mary inspection agency; and

1 “(B) the designs and instructions for the
2 installation of manufactured homes provided by
3 manufacturers under subsection (a).

4 “(2) ESTABLISHMENT OF MODEL STAND-
5 ARDS.—Not later than 12 months after receiving the
6 proposed model standards submitted under para-
7 graph (1), the Secretary shall develop and establish
8 model manufactured home installation standards,
9 which shall, to the maximum extent practicable, tak-
10 ing into account the factors described in section
11 604(e), be consistent with—

12 “(A) the manufactured home designs that
13 have been approved by a design approval pri-
14 mary inspection agency; and

15 “(B) the designs and instructions for the
16 installation of manufactured homes provided by
17 manufacturers under subsection (a).

18 “(3) FACTORS FOR CONSIDERATION.—

19 “(A) CONSENSUS COMMITTEE.—In devel-
20 oping the proposed model standards under
21 paragraph (1), the consensus committee shall
22 consider the factors described in section 604(e).

23 “(B) SECRETARY.—In developing and es-
24 tablishing the model standards under paragraph

1 (2), the Secretary shall consider the factors de-
2 scribed in section 604(e).

3 “(4) ISSUANCE.—The model manufactured
4 home installation standards shall be issued after no-
5 tice and an opportunity for public comment in ac-
6 cordance with section 553 of title 5, United States
7 Code.

8 “(c) MANUFACTURED HOME INSTALLATION PRO-
9 GRAMS.—

10 “(1) PROTECTION OF MANUFACTURED HOUS-
11 ING RESIDENTS DURING INITIAL PERIOD.—During
12 the 5-year period beginning on the date of the enact-
13 ment of the Manufactured Housing Improvement
14 Act of 2000, no State or manufacturer may estab-
15 lish or implement any installation standards that, in
16 the determination of the Secretary, provide less pro-
17 tection to the residents of manufactured homes than
18 the protection provided by the installation standards
19 in effect with respect to the State or manufacturer,
20 as applicable, on the date of the enactment of the
21 Manufactured Housing Improvement Act of 2000.

22 “(2) INSTALLATION STANDARDS.—

23 “(A) ESTABLISHMENT OF INSTALLATION
24 PROGRAM.—Not later than the expiration of the
25 5-year period described in paragraph (1), the

1 Secretary shall establish an installation pro-
2 gram that meets the requirements of paragraph
3 (3) for the enforcement of installation stand-
4 ards in each State described in subparagraph
5 (B) of this paragraph.

6 “(B) IMPLEMENTATION OF INSTALLATION
7 PROGRAM.—Beginning on the expiration of the
8 5-year period described in paragraph (1), the
9 Secretary shall implement the installation pro-
10 gram established under subparagraph (A) in
11 each State that does not have an installation
12 program established by State law that meets
13 the requirements of paragraph (3).

14 “(C) CONTRACTING OUT OF IMPLEMENTA-
15 TION.—In carrying out subparagraph (B), the
16 Secretary may contract with an appropriate
17 agent to implement the installation program es-
18 tablished under that subparagraph, except that
19 such agent shall not be a person or entity other
20 than a government, nor an affiliate or sub-
21 sidiary of such a person or entity, that has en-
22 tered into a contract with the Secretary to im-
23 plement any other regulatory program under
24 this title.

1 “(3) REQUIREMENTS.—An installation program
2 meets the requirements of this paragraph if it is a
3 program regulating the installation of manufactured
4 homes that includes—

5 “(A) installation standards that, in the de-
6 termination of the Secretary, provide protection
7 to the residents of manufactured homes that
8 equals or exceeds the protection provided to
9 those residents by—

10 “(i) the model manufactured home in-
11 stallation standards established by the Sec-
12 retary under subsection (b)(2); or

13 “(ii) the designs and instructions pro-
14 vided by manufacturers under subsection
15 (a), if the Secretary determines that such
16 designs and instructions provide protection
17 to the residents of manufactured homes
18 that equals or exceeds the protection pro-
19 vided by the model manufactured home in-
20 stallation standards established by the Sec-
21 retary under subsection (b)(2);

22 “(B) the training and licensing of manu-
23 factured home installers; and

24 “(C) inspection of the installation of manu-
25 factured homes.”.

1 (b) CONFORMING AMENDMENTS.—Section 623(c)
2 (42 U.S.C. 5422(c)) is amended—

3 (1) in paragraph (10), by striking “and” at the
4 end;

5 (2) by redesignating paragraph (11) as para-
6 graph (13); and

7 (3) by inserting after paragraph (10) the fol-
8 lowing:

9 “(11) with respect to any State plan submitted
10 on or after the expiration of the 5-year period begin-
11 ning on the date of the enactment of the Manufac-
12 tured Housing Improvement Act of 2000, provides
13 for an installation program established by State law
14 that meets the requirements of section 605(c)(3);”.

15 **SEC. 606. PUBLIC INFORMATION.**

16 Section 607 (42 U.S.C. 5406) is amended—

17 (1) in subsection (a)—

18 (A) by inserting “to the Secretary” after
19 “submit”; and

20 (B) by adding at the end the following:

21 “The Secretary shall submit such cost and
22 other information to the consensus committee
23 for evaluation.”;

24 (2) in subsection (d), by inserting “, the con-
25 sensus committee,” after “public”; and

1 (3) by striking subsection (c) and redesignating
2 subsections (d) and (e) as subsections (c) and (d),
3 respectively.

4 **SEC. 607. RESEARCH, TESTING, DEVELOPMENT, AND TRAIN-**
5 **ING.**

6 (a) IN GENERAL.—Section 608(a) (42 U.S.C.
7 5407(a)) is amended—

8 (1) in paragraph (2), by striking “and” at the
9 end;

10 (2) in paragraph (3), by striking the period at
11 the end and inserting a semicolon; and

12 (3) by adding at the end the following:

13 “(4) encouraging the government-sponsored
14 housing entities to actively develop and implement
15 secondary market securitization programs for the
16 FHA manufactured home loans and those of other
17 loan programs, as appropriate, thereby promoting
18 the availability of affordable manufactured homes to
19 increase homeownership for all people in the United
20 States; and

21 “(5) reviewing the programs for FHA manufac-
22 tured home loans and developing any changes to
23 such programs to promote the affordability of manu-
24 factured homes, including changes in loan terms,
25 amortization periods, regulations, and procedures.”.

1 (b) DEFINITIONS.—Section 608 (42 U.S.C. 5407) is
2 amended by adding at the end the following:

3 “(c) DEFINITIONS.—For purposes of this section, the
4 following definitions shall apply:

5 “(1) GOVERNMENT-SPONSORED HOUSING ENTI-
6 TIES.—The term ‘government-sponsored housing en-
7 tities’ means the Government National Mortgage As-
8 sociation of the Department of Housing and Urban
9 Development, the Federal National Mortgage Asso-
10 ciation, and the Federal Home Loan Mortgage Cor-
11 poration.

12 “(2) FHA MANUFACTURED HOME LOAN.—The
13 term ‘FHA manufactured home loan’ means a loan
14 that—

15 “(A) is insured under title I of the Na-
16 tional Housing Act and is made for the purpose
17 of financing alterations, repairs, or improve-
18 ments on or in connection with an existing
19 manufactured home, the purchase of a manu-
20 factured home, the purchase of a manufactured
21 home and a lot on which to place the home, or
22 the purchase only of a lot on which to place a
23 manufactured home; or

1 “(B) is otherwise insured under the Na-
2 tional Housing Act and made for or in connec-
3 tion with a manufactured home.”.

4 **SEC. 608. PROHIBITED ACTS.**

5 Section 610(a) (42 U.S.C. 5409(a)) is amended—

6 (1) in paragraph (5), by striking “or” at the
7 end;

8 (2) in paragraph (6), by striking the period at
9 the end and inserting “; or”; and

10 (3) by adding at the end the following new
11 paragraph:

12 “(7) after the expiration of the period specified
13 in section 605(c)(2)(B), fail to comply with the re-
14 quirements for the installation program required by
15 section 605 in any State that has not adopted and
16 implemented a State installation program.”.

17 **SEC. 609. FEES.**

18 Section 620 (42 U.S.C. 5419) is amended to read as
19 follows:

20 **“SEC. 620. AUTHORITY TO COLLECT FEE.**

21 “(a) IN GENERAL.—In carrying out inspections
22 under this title, in developing standards and regulations
23 pursuant to section 604, and in facilitating the acceptance
24 of the affordability and availability of manufactured hous-
25 ing within the Department, the Secretary may—

1 “(1) establish and collect from manufactured
2 home manufacturers a reasonable fee, as may be
3 necessary to offset the expenses incurred by the Sec-
4 retary in connection with carrying out the respon-
5 sibilities of the Secretary under this title,
6 including—

7 “(A) conducting inspections and moni-
8 toring;

9 “(B) providing funding to States for the
10 administration and implementation of approved
11 State plans under section 623, including rea-
12 sonable funding for cooperative educational and
13 training programs designed to facilitate uniform
14 enforcement under this title, which funds may
15 be paid directly to the States or may be paid
16 or provided to any person or entity designated
17 to receive and disburse such funds by coopera-
18 tive agreements among participating States,
19 provided that such person or entity is not other-
20 wise an agent of the Secretary under this title;

21 “(C) providing the funding for a noncareer
22 administrator within the Department to admin-
23 ister the manufactured housing program;

1 “(D) providing the funding for salaries and
2 expenses of employees of the Department to
3 carry out the manufactured housing program;

4 “(E) administering the consensus com-
5 mittee as set forth in section 604;

6 “(F) facilitating the acceptance of the
7 quality, durability, safety, and affordability of
8 manufactured housing within the Department;
9 and

10 “(G) the administration and enforcement
11 of the installation standards authorized by sec-
12 tion 605 in States in which the Secretary is re-
13 quired to implement an installation program
14 after the expiration of the 5-year period set
15 forth in section 605(c)(2)(B), and the adminis-
16 tration and enforcement of a dispute resolution
17 program described in section 623(c)(12) in
18 States in which the Secretary is required to im-
19 plement such a program after the expiration of
20 the 5-year period set forth in section 623(g)(2);
21 and

22 “(2) subject to subsection (e), use amounts
23 from any fee collected under paragraph (1) of this
24 subsection to pay expenses referred to in that para-
25 graph, which shall be exempt and separate from any

1 limitations on the Department regarding full-time
2 equivalent positions and travel.

3 “(b) CONTRACTORS.—In using amounts from any fee
4 collected under this section, the Secretary shall ensure
5 that separate and independent contractors are retained to
6 carry out monitoring and inspection work and any other
7 work that may be delegated to a contractor under this
8 title.

9 “(c) PROHIBITED USE.—No amount from any fee
10 collected under this section may be used for any purpose
11 or activity not specifically authorized by this title, unless
12 such activity was already engaged in by the Secretary
13 prior to the date of the enactment of the Manufactured
14 Housing Improvement Act of 2000.

15 “(d) MODIFICATION.—Beginning on the date of the
16 enactment of the Manufactured Housing Improvement Act
17 of 2000, the amount of any fee collected under this section
18 may only be modified—

19 “(1) as specifically authorized in advance in an
20 annual appropriations Act; and

21 “(2) pursuant to rulemaking in accordance with
22 section 553 of title 5, United States Code.

23 “(e) APPROPRIATION AND DEPOSIT OF FEES.—

24 “(1) IN GENERAL.—There is established in the
25 Treasury of the United States a fund to be known

1 as the ‘Manufactured Housing Fees Trust Fund’ for
2 deposit of amounts from any fee collected under this
3 section. Such amounts shall be held in trust for use
4 only as provided in this title.

5 “(2) APPROPRIATION.—Amounts from any fee
6 collected under this section shall be available for ex-
7 penditure only to the extent approved in advance in
8 an annual appropriations Act. Any change in the ex-
9 penditure of such amounts shall be specifically au-
10 thorized in advance in an annual appropriations Act.

11 “(3) PAYMENTS TO STATES.—On and after the
12 effective date of the Manufactured Housing Im-
13 provement Act of 2000, the Secretary shall continue
14 to fund the States having approved State plans in
15 the amounts which are not less than the allocated
16 amounts, based on the fee distribution system in ef-
17 fect on the day before such effective date.”.

18 **SEC. 610. DISPUTE RESOLUTION.**

19 Section 623(c) (42 U.S.C. 5422(c)) is amended—

20 (1) by inserting after paragraph (11) (as added
21 by the preceding provisions of this title) the fol-
22 lowing:

23 “(12) with respect to any State plan submitted
24 on or after the expiration of the 5-year period begin-
25 ning on the date of the enactment of the Manufac-

1 tured Housing Improvement Act of 2000, provides
2 for a dispute resolution program for the timely reso-
3 lution of disputes between manufacturers, retailers,
4 and installers of manufactured homes regarding re-
5 sponsibility, and for the issuance of appropriate or-
6 ders, for the correction or repair of defects in manu-
7 factured homes that are reported during the 1-year
8 period beginning on the date of installation; and”;
9 and

10 (2) by adding at the end the following:

11 “(g) ENFORCEMENT OF DISPUTE RESOLUTION
12 STANDARDS.—

13 “(1) ESTABLISHMENT OF DISPUTE RESOLU-
14 TION PROGRAM.—Not later than the expiration of
15 the 5-year period beginning on the date of the enact-
16 ment of the Manufactured Housing Improvement
17 Act of 2000, the Secretary shall establish a dispute
18 resolution program that meets the requirements of
19 subsection (c)(12) for dispute resolution in each
20 State described in paragraph (2) of this subsection.
21 The order establishing the dispute resolution pro-
22 gram shall be issued after notice and opportunity for
23 public comment in accordance with section 553 of
24 title 5, United States Code.

1 “(2) IMPLEMENTATION OF DISPUTE RESOLU-
2 TION PROGRAM.—Beginning on the expiration of the
3 5-year period described in paragraph (1), the Sec-
4 retary shall implement the dispute resolution pro-
5 gram established under paragraph (1) in each State
6 that has not established a dispute resolution pro-
7 gram that meets the requirements of subsection
8 (c)(12).

9 “(3) CONTRACTING OUT OF IMPLEMENTA-
10 TION.—In carrying out paragraph (2), the Secretary
11 may contract with an appropriate agent to imple-
12 ment the dispute resolution program established
13 under paragraph (2), except that such agent shall
14 not be a person or entity other than a government,
15 nor an affiliate or subsidiary of such a person or en-
16 tity, that has entered into a contract with the Sec-
17 retary to implement any other regulatory program
18 under this title.”.

19 **SEC. 611. ELIMINATION OF ANNUAL REPORTING REQUIRE-**
20 **MENT.**

21 The National Manufactured Housing Construction
22 and Safety Standards Act of 1974 (42 U.S.C. 5401 et
23 seq.) is amended—

24 (1) by striking section 626 (42 U.S.C. 5425);
25 and

1 (2) by redesignating sections 627 and 628 (42
2 U.S.C. 5426, 5401 note) as sections 626 and 627,
3 respectively.

4 **SEC. 612. EFFECTIVE DATE.**

5 The amendments made by this title shall take effect
6 on the date of the enactment of this Act, except that the
7 amendments shall have no effect on any order or interpre-
8 tative bulletin that is issued under the National Manufac-
9 tured Housing Construction and Safety Standards Act of
10 1974 (42 U.S.C. 5401 et seq.) and published as a pro-
11 posed rule pursuant to section 553 of title 5, United
12 States Code, on or before that date of the enactment.

13 **SEC. 613. SAVINGS PROVISIONS.**

14 (a) STANDARDS AND REGULATIONS.—The Federal
15 manufactured home construction and safety standards (as
16 such term is defined in section 603 of the National Manu-
17 factured Housing Construction and Safety Standards Act
18 of 1974) and all regulations pertaining thereto in effect
19 on the day before the date of the enactment of this Act
20 shall apply until the effective date of a standard or regula-
21 tion modifying or superseding the existing standard or
22 regulation that is promulgated under subsection (a) or (b)
23 of section 604 of the National Manufactured Housing
24 Construction and Safety Standards Act of 1974, as
25 amended by this title.

1 (b) CONTRACTS.—Any contract awarded pursuant to
 2 a Request for Proposal issued before the date of the enact-
 3 ment of this Act shall remain in effect until the earlier
 4 of—

5 (1) the expiration of the 2-year period begin-
 6 ning on the date of the enactment of this Act; or

7 (2) the expiration of the contract term.

8 **TITLE VII—RURAL HOUSING**

9 **HOMEOWNERSHIP**

10 **SEC. 701. GUARANTEES FOR REFINANCING OF RURAL**

11 **HOUSING LOANS.**

12 Section 502(h) of the Housing Act of 1949 (42
 13 U.S.C. 1472(h)) is amended by adding at the end the fol-
 14 lowing new paragraph:

15 “(13) GUARANTEES FOR REFINANCING
 16 LOANS.—

17 “(A) IN GENERAL.—Upon the request of
 18 the borrower, the Secretary shall, to the extent
 19 provided in appropriation Acts and subject to
 20 subparagraph (F), guarantee a loan that is
 21 made to refinance an existing loan that is made
 22 under this section or guaranteed under this
 23 subsection, and that the Secretary determines
 24 complies with the requirements of this para-
 25 graph.

1 “(B) INTEREST RATE.—To be eligible for
2 a guarantee under this paragraph, the refi-
3 nancing loan shall have a rate of interest that
4 is fixed over the term of the loan and does not
5 exceed the interest rate of the loan being refi-
6 nanced.

7 “(C) SECURITY.—To be eligible for a guar-
8 antee under this paragraph, the refinancing
9 loan shall be secured by the same single-family
10 residence as was the loan being refinanced,
11 which shall be owned by the borrower and occu-
12 pied by the borrower as the principal residence
13 of the borrower.

14 “(D) AMOUNT.—To be eligible for a guar-
15 antee under this paragraph, the principal obli-
16 gation under the refinancing loan shall not ex-
17 ceed an amount equal to the sum of the balance
18 of the loan being refinanced and such closing
19 costs as may be authorized by the Secretary,
20 which shall include a discount not exceeding
21 200 basis points and an origination fee not ex-
22 ceeding such amount as the Secretary shall pre-
23 scribe.

24 “(E) OTHER REQUIREMENTS.—The provi-
25 sions of the last sentence of paragraph (1) and

1 paragraphs (2), (5), (6)(A), (7), and (9) shall
2 apply to loans guaranteed under this para-
3 graph, and no other provisions of paragraphs
4 (1) through (12) shall apply to such loans.

5 “(F) AUTHORITY TO ESTABLISH LIMITA-
6 TION.—The Secretary may establish limitations
7 on the number of loans guaranteed under this
8 paragraph, which shall be based on market con-
9 ditions and other factors as the Secretary con-
10 siders appropriate.”.

11 **SEC. 702. PROMISSORY NOTE REQUIREMENT UNDER HOUS-**
12 **ING REPAIR LOAN PROGRAM.**

13 The fourth sentence of section 504(a) of the Housing
14 Act of 1949 (42 U.S.C. 1474(a)) is amended by striking
15 “\$2,500” and inserting “\$7,500”.

16 **SEC. 703. LIMITED PARTNERSHIP ELIGIBILITY FOR FARM**
17 **LABOR HOUSING LOANS.**

18 The first sentence of section 514(a) of the Housing
19 Act of 1949 (42 U.S.C. 1484(a)) is amended by striking
20 “nonprofit limited partnership” and inserting “limited
21 partnership”.

1 **SEC. 704. PROJECT ACCOUNTING RECORDS AND PRAC-**
2 **TICES.**

3 Section 515 of the Housing Act of 1949 (42 U.S.C.
4 1485) is amended by striking subsection (z) and inserting
5 the following new subsections:

6 “(z) ACCOUNTING AND RECORDKEEPING REQUIRE-
7 MENTS.—

8 “(1) ACCOUNTING STANDARDS.—The Secretary
9 shall require that borrowers in programs authorized
10 by this section maintain accounting records in ac-
11 cordance with generally accepted accounting prin-
12 ciples for all projects that receive funds from loans
13 made or guaranteed by the Secretary under this sec-
14 tion.

15 “(2) RECORD RETENTION REQUIREMENTS.—
16 The Secretary shall require that borrowers in pro-
17 grams authorized by this section retain for a period
18 of not less than 6 years and make available to the
19 Secretary in a manner determined by the Secretary,
20 all records required to be maintained under this sub-
21 section and other records identified by the Secretary
22 in applicable regulations.

23 “(aa) DOUBLE DAMAGES FOR UNAUTHORIZED USE
24 OF HOUSING PROJECTS ASSETS AND INCOME.—

25 “(1) ACTION TO RECOVER ASSETS OR IN-
26 COME.—

1 “(A) IN GENERAL.—The Secretary may re-
2 quest the Attorney General to bring an action
3 in a United States district court to recover any
4 assets or income used by any person in violation
5 of the provisions of a loan made or guaranteed
6 by the Secretary under this section or in viola-
7 tion of any applicable statute or regulation.

8 “(B) IMPROPER DOCUMENTATION.—For
9 purposes of this subsection, a use of assets or
10 income in violation of the applicable loan, loan
11 guarantee, statute, or regulation shall include
12 any use for which the documentation in the
13 books and accounts does not establish that the
14 use was made for a reasonable operating ex-
15 pense or necessary repair of the project or for
16 which the documentation has not been main-
17 tained in accordance with the requirements of
18 the Secretary and in reasonable condition for
19 proper audit.

20 “(C) DEFINITION.—For the purposes of
21 this subsection, the term ‘person’ means—

22 “(i) any individual or entity that bor-
23 rows funds in accordance with programs
24 authorized by this section;

1 “(ii) any individual or entity holding
2 25 percent or more interest of any entity
3 that borrows funds in accordance with pro-
4 grams authorized by this section; and

5 “(iii) any officer, director, or partner
6 of an entity that borrows funds in accord-
7 ance with programs authorized by this sec-
8 tion.

9 “(2) AMOUNT RECOVERABLE.—

10 “(A) IN GENERAL.—In any judgment fa-
11 vorable to the United States entered under this
12 subsection, the Attorney General may recover
13 double the value of the assets and income of the
14 project that the court determines to have been
15 used in violation of the provisions of a loan
16 made or guaranteed by the Secretary under this
17 section or any applicable statute or regulation,
18 plus all costs related to the action, including
19 reasonable attorney and auditing fees.

20 “(B) APPLICATION OF RECOVERED
21 FUNDS.—Notwithstanding any other provision
22 of law, the Secretary may use amounts recov-
23 ered under this subsection for activities author-
24 ized under this section and such funds shall re-
25 main available for such use until expended.

1 “(3) TIME LIMITATION.—Notwithstanding any
 2 other provision of law, an action under this sub-
 3 section may be commenced at any time during the
 4 6-year period beginning on the date that the Sec-
 5 retary discovered or should have discovered the vio-
 6 lation of the provisions of this section or any related
 7 statutes or regulations.

8 “(4) CONTINUED AVAILABILITY OF OTHER
 9 REMEDIES.—The remedy provided in this subsection
 10 is in addition to and not in substitution of any other
 11 remedies available to the Secretary or the United
 12 States.”.

13 **SEC. 705. DEFINITION OF RURAL AREA.**

14 The second sentence of section 520 of the Housing
 15 Act of 1949 (42 U.S.C. 1490) is amended—

16 (1) by striking “1990 decennial census” and in-
 17 serting “1990 or 2000 decennial census”; and

18 (2) by striking “year 2000” and inserting “year
 19 2010”.

20 **SEC. 706. OPERATING ASSISTANCE FOR MIGRANT FARM-**
 21 **WORKERS PROJECTS.**

22 The last sentence of section 521(a)(5)(A) of the
 23 Housing Act of 1949 (42 U.S.C. 1490a(a)(5)(A)) is
 24 amended by striking “project” and inserting “tenant or
 25 unit”.

1 **SEC. 707. MULTIFAMILY RENTAL HOUSING LOAN GUAR-**
2 **ANTEE PROGRAM.**

3 Section 538 of the Housing Act of 1949 (42 U.S.C.
4 1490p-2) is amended—

5 (1) in subsection (c), by inserting “an Indian
6 tribe,” after “thereof,”;

7 (2) in subsection (f), by striking paragraph (1)
8 and inserting the following new paragraph:

9 “(1) be made for a period of not less than 25
10 nor greater than 40 years from the date the loan
11 was made and may provide for amortization of the
12 loan over a period of not to exceed 40 years with a
13 final payment of the balance due at the end of the
14 loan term;”;

15 (3) in subsection (i)(2), by striking “(A) con-
16 veyance to the Secretary” and all that follows
17 through “(C) assignment” and inserting “(A) sub-
18 mission to the Secretary of a claim for payment
19 under the guarantee, and (B) assignment”;

20 (4) in subsection (s), by adding at the end the
21 following new subsection:

22 “(4) INDIAN TRIBE.—The term ‘Indian tribe’
23 means—

24 “(A) any Indian tribe, band, nation, or
25 other organized group or community of Indians,
26 including any Alaska Native village or regional

1 or village corporation, as defined by or estab-
2 lished pursuant to the Alaska Native Claims
3 Settlement Act (43 U.S.C. 1601 et seq.), that
4 is recognized as eligible for the special pro-
5 grams and services provided by the United
6 States to Indians because of their status as In-
7 dians pursuant to the Indian Self-Determina-
8 tion and Education Assistance Act of 1975 (25
9 U.S.C. 450 et seq.); or

10 “(B) any entity established by the gov-
11 erning body of an Indian tribe described in sub-
12 paragraph (A) for the purpose of financing eco-
13 nomic development.”;

14 (5) in subsection (t), by inserting before the pe-
15 riod at the end the following: “to provide guarantees
16 under this section for eligible loans having an aggre-
17 gate principal amount of \$500,000,000”;

18 (6) by striking subsection (l);

19 (7) by redesignating subsections (m) through
20 (u) as subsections (l) through (t), respectively; and

21 (8) by adding at the end the following new sub-
22 sections:

23 “(u) FEE AUTHORITY.—Any amounts collected by
24 the Secretary pursuant to the fees charged to lenders for
25 loan guarantees issued under this section shall be used

1 to offset costs (as defined by section 502 of the Congres-
2 sional Budget Act of 1974 (2 U.S.C. 661a)) of loan guar-
3 antees made under this section.

4 “(v) DEFAULTS OF LOANS SECURED BY RESERVA-
5 TION LANDS.—In the event of a default involving a loan
6 to an Indian tribe or tribal corporation made under this
7 section which is secured by an interest in land within such
8 tribe’s reservation (as determined by the Secretary of the
9 Interior), including a community in Alaska incorporated
10 by the Secretary of the Interior pursuant to the Indian
11 Reorganization Act (25 U.S.C. 461 et seq.), the lender
12 shall only pursue liquidation after offering to transfer the
13 account to an eligible tribal member, the tribe, or the In-
14 dian housing authority serving the tribe. If the lender sub-
15 sequently proceeds to liquidate the account, the lender
16 shall not sell, transfer, or otherwise dispose of or alienate
17 the property except to one of the entities described in the
18 preceding sentence.”.

19 **SEC. 708. ENFORCEMENT PROVISIONS.**

20 (a) IN GENERAL.—Title V of the Housing Act of
21 1949 (42 U.S.C. 1471 et seq.) is amended by adding after
22 section 542 the following:

23 **“SEC. 543. ENFORCEMENT PROVISIONS.**

24 “(a) EQUITY SKIMMING.—

1 “(1) CRIMINAL PENALTY.—Whoever, as an
2 owner, agent, employee, or manager, or is otherwise
3 in custody, control, or possession of property that is
4 security for a loan made or guaranteed under this
5 title, willfully uses, or authorizes the use, of any part
6 of the rents, assets, proceeds, income, or other funds
7 derived from such property, for any purpose other
8 than to meet actual, reasonable, and necessary ex-
9 penses of the property, or for any other purpose not
10 authorized by this title or the regulations adopted
11 pursuant to this title, shall be fined under title 18,
12 United States Code, or imprisoned not more than 5
13 years, or both.

14 “(2) CIVIL SANCTIONS.—An entity or individual
15 who as an owner, operator, employee, or manager, or
16 who acts as an agent for a property that is security
17 for a loan made or guaranteed under this title where
18 any part of the rents, assets, proceeds, income, or
19 other funds derived from such property are used for
20 any purpose other than to meet actual, reasonable,
21 and necessary expenses of the property, or for any
22 other purpose not authorized by this title or the reg-
23 ulations adopted pursuant to this title, shall be sub-
24 ject to a fine of not more than \$25,000 per viola-
25 tion. The sanctions provided in this paragraph may

1 be imposed in addition to any other civil sanctions
2 or civil monetary penalties authorized by law.

3 “(b) CIVIL MONETARY PENALTIES.—

4 “(1) IN GENERAL.—The Secretary may, after
5 notice and opportunity for a hearing, impose a civil
6 monetary penalty in accordance with this subsection
7 against any individual or entity, including its own-
8 ers, officers, directors, general partners, limited
9 partners, or employees, who knowingly and materi-
10 ally violate, or participate in the violation of, the
11 provisions of this title, the regulations issued by the
12 Secretary pursuant to this title, or agreements made
13 in accordance with this title, by—

14 “(A) submitting information to the Sec-
15 retary that is false;

16 “(B) providing the Secretary with false
17 certifications;

18 “(C) failing to submit information re-
19 quested by the Secretary in a timely manner;

20 “(D) failing to maintain the property sub-
21 ject to loans made or guaranteed under this
22 title in good repair and condition, as deter-
23 mined by the Secretary;

24 “(E) failing to provide management for a
25 project which received a loan made or guaran-

1 teed under this title that is acceptable to the
2 Secretary; or

3 “(F) failing to comply with the provisions
4 of applicable civil rights statutes and regula-
5 tions.

6 “(2) CONDITIONS FOR RENEWAL OR EXTEN-
7 SION.—The Secretary may require that expiring loan
8 or assistance agreements entered into under this
9 title shall not be renewed or extended unless the
10 owner executes an agreement to comply with addi-
11 tional conditions prescribed by the Secretary, or exe-
12 cutes a new loan or assistance agreement in the
13 form prescribed by the Secretary.

14 “(3) AMOUNT.—

15 “(A) IN GENERAL.—The amount of a civil
16 monetary penalty imposed under this subsection
17 shall not exceed the greater of—

18 “(i) twice the damages the Depart-
19 ment of Agriculture, the guaranteed lend-
20 er, or the project that is secured for a loan
21 under this section suffered or would have
22 suffered as a result of the violation; or

23 “(ii) \$50,000 per violation.

24 “(B) DETERMINATION.—In determining
25 the amount of a civil monetary penalty under

1 this subsection, the Secretary shall take into
2 consideration—

3 “(i) the gravity of the offense;

4 “(ii) any history of prior offenses by
5 the violator (including offenses occurring
6 prior to the enactment of this section);

7 “(iii) the ability of the violator to pay
8 the penalty;

9 “(iv) any injury to tenants;

10 “(v) any injury to the public;

11 “(vi) any benefits received by the vio-
12 lator as a result of the violation;

13 “(vii) deterrence of future violations;

14 and

15 “(viii) such other factors as the Sec-
16 retary may establish by regulation.

17 “(4) PAYMENT OF PENALTIES.—No payment of
18 a penalty assessed under this section may be made
19 from funds provided under this title or from funds
20 of a project which serve as security for a loan made
21 or guaranteed under this title.

22 “(5) REMEDIES FOR NONCOMPLIANCE.—

23 “(A) JUDICIAL INTERVENTION.—If a per-
24 son or entity fails to comply with a final deter-
25 mination by the Secretary imposing a civil mon-

1 etary penalty under this subsection, the Sec-
2 retary may request the Attorney General of the
3 United States to bring an action in an appro-
4 priate United States district court to obtain a
5 monetary judgment against such individual or
6 entity and such other relief as may be available.
7 The monetary judgment may, in the court's dis-
8 cretion, include the attorney's fees and other
9 expenses incurred by the United States in con-
10 nection with the action.

11 “(B) REVIEWABILITY OF DETERMINA-
12 TION.—In an action under this paragraph, the
13 validity and appropriateness of a determination
14 by the Secretary imposing the penalty shall not
15 be subject to review.”.

16 (b) CONFORMING AMENDMENT.—Section 514 of the
17 Housing Act of 1949 (42 U.S.C. 1484) is amended by
18 striking subsection (j).

19 **SEC. 709. AMENDMENTS TO TITLE 18 OF UNITED STATES**
20 **CODE.**

21 (a) MONEY LAUNDERING.—Section 1956(c)(7)(D) of
22 title 18, United States Code, is amended by inserting “any
23 violation of section 543(a)(1) of the Housing Act of 1949
24 (relating to equity skimming),” after “coupons having a
25 value of not less than \$5,000,”.

1 (b) OBSTRUCTION OF FEDERAL AUDITS.—Section
2 1516(a) of title 18, United States Code, is amended by
3 inserting “or relating to any property that is security for
4 a loan that is made or guaranteed under title V of the
5 Housing Act of 1949,” before “shall be fined under this
6 title”.

7 **TITLE VIII—HOUSING FOR EL-**
8 **DERLY AND DISABLED FAMI-**
9 **LIES**

10 **SEC. 801. SHORT TITLE.**

11 This title may be cited as the “Affordable Housing
12 for Seniors and Families Act”.

13 **SEC. 802. REGULATIONS.**

14 The Secretary of Housing and Urban Development
15 (referred to in this title as the “Secretary”) shall issue
16 any regulations to carry out this title and the amendments
17 made by this title that the Secretary determines may or
18 will affect tenants of federally assisted housing only after
19 notice and opportunity for public comment in accordance
20 with the procedure under section 553 of title 5, United
21 States Code, applicable to substantive rules (notwith-
22 standing subsections (a)(2), (b)(B), and (d)(3) of such
23 section). Notice of such proposed rulemaking shall be pro-
24 vided by publication in the Federal Register. In issuing
25 such regulations, the Secretary shall take such actions as

1 may be necessary to ensure that such tenants are notified
2 of, and provided an opportunity to participate in, the rule-
3 making, as required by such section 553.

4 **SEC. 803. EFFECTIVE DATE.**

5 (a) IN GENERAL.—The provisions of this title and
6 the amendments made by this title are effective as of the
7 date of the enactment of this Act, unless such provisions
8 or amendments specifically provide for effectiveness or ap-
9 plicability upon another date certain.

10 (b) EFFECT OF REGULATORY AUTHORITY.—Any au-
11 thority in this title or the amendments made by this title
12 to issue regulations, and any specific requirement to issue
13 regulations by a date certain, may not be construed to af-
14 fect the effectiveness or applicability of the provisions of
15 this title or the amendments made by this title under such
16 provisions and amendments and subsection (a) of this sec-
17 tion.

18 **Subtitle A—Refinancing for Section**
19 **202 Supportive Housing for the**
20 **Elderly**

21 **SEC. 811. PREPAYMENT AND REFINANCING.**

22 (a) APPROVAL OF PREPAYMENT OF DEBT.—Upon
23 request of the project sponsor of a project assisted with
24 a loan under section 202 of the Housing Act of 1959 (as
25 in effect before the enactment of the Cranston-Gonzalez

1 National Affordable Housing Act), the Secretary shall ap-
2 prove the prepayment of any indebtedness to the Secretary
3 relating to any remaining principal and interest under the
4 loan as part of a prepayment plan under which—

5 (1) the project sponsor agrees to operate the
6 project until the maturity date of the original loan
7 under terms at least as advantageous to existing and
8 future tenants as the terms required by the original
9 loan agreement or any rental assistance payments
10 contract under section 8 of the United States Hous-
11 ing Act of 1937 (or any other rental housing assist-
12 ance programs of the Department of Housing and
13 Urban Development, including the rent supplement
14 program under section 101 of the Housing and
15 Urban Development Act of 1965 (12 U.S.C. 1701s))
16 relating to the project; and

17 (2) the prepayment may involve refinancing of
18 the loan if such refinancing results in a lower inter-
19 est rate on the principal of the loan for the project
20 and in reductions in debt service related to such
21 loan.

22 (b) SOURCES OF REFINANCING.—In the case of pre-
23 payment under this section involving refinancing, the
24 project sponsor may refinance the project through any
25 third party source, including financing by State and local

1 housing finance agencies, use of tax-exempt bonds, multi-
2 family mortgage insurance under the National Housing
3 Act, reinsurance, or other credit enhancements, including
4 risk sharing as provided under section 542 of the Housing
5 and Community Development Act of 1992 (12 U.S.C.
6 1707 note). For purposes of underwriting a loan insured
7 under the National Housing Act, the Secretary may as-
8 sume that any section 8 rental assistance contract relating
9 to a project will be renewed for the term of such loan.

10 (c) USE OF UNEXPENDED AMOUNTS.—Upon execu-
11 tion of the refinancing for a project pursuant to this sec-
12 tion, the Secretary shall make available at least 50 percent
13 of the annual savings resulting from reduced section 8 or
14 other rental housing assistance contracts in a manner that
15 is advantageous to the tenants, including—

16 (1) not more than 15 percent of the cost of in-
17 creasing the availability or provision of supportive
18 services, which may include the financing of service
19 coordinators and congregate services;

20 (2) rehabilitation, modernization, or retrofitting
21 of structures, common areas, or individual dwelling
22 units;

23 (3) construction of an addition or other facility
24 in the project, including assisted living facilities (or,
25 upon the approval of the Secretary, facilities located

1 in the community where the project sponsor refi-
2 nances a project under this section, or pools shared
3 resources from more than 1 such project); or

4 (4) rent reduction of unassisted tenants resid-
5 ing in the project according to a pro rata allocation
6 of shared savings resulting from the refinancing.

7 (d) USE OF CERTAIN PROJECT FUNDS.—The Sec-
8 retary shall allow a project sponsor that is prepaying and
9 refinancing a project under this section—

10 (1) to use any residual receipts held for that
11 project in excess of \$500 per individual dwelling unit
12 for not more than 15 percent of the cost of activities
13 designed to increase the availability or provision of
14 supportive services; and

15 (2) to use any reserves for replacement in ex-
16 cess of \$1,000 per individual dwelling unit for activi-
17 ties described in paragraphs (2) and (3) of sub-
18 section (c).

19 (e) BUDGET ACT COMPLIANCE.—This section shall
20 be effective only to extent or in such amounts that are
21 provided in advance in appropriation Acts.

1 **Subtitle B—Authorization of Ap-**
2 **propriations for Supportive**
3 **Housing for the Elderly and**
4 **Persons With Disabilities**

5 **SEC. 821. SUPPORTIVE HOUSING FOR ELDERLY PERSONS.**

6 Section 202 of the Housing Act of 1959 (12 U.S.C.
7 1701q) is amended by adding at the end the following:
8 “(m) AUTHORIZATION OF APPROPRIATIONS.—There
9 are authorized to be appropriated for providing assistance
10 under this section such sums as may be necessary for each
11 of fiscal years 2001, 2002, and 2003.”.

12 **SEC. 822. SUPPORTIVE HOUSING FOR PERSONS WITH DIS-**
13 **ABILITIES.**

14 Section 811 of the Cranston-Gonzalez National Af-
15 fordable Housing Act (42 U.S.C. 8013) is amended by
16 striking subsection (m) and inserting the following:

17 “(m) AUTHORIZATION OF APPROPRIATIONS.—There
18 are authorized to be appropriated for providing assistance
19 under this section such sums as may be necessary for each
20 of fiscal years 2001, 2002, and 2003.”.

1 **SEC. 823. SERVICE COORDINATORS AND CONGREGATE**
2 **SERVICES FOR ELDERLY AND DISABLED**
3 **HOUSING.**

4 There are authorized to be appropriated to the Sec-
5 retary such sums as may be necessary for each of fiscal
6 years 2001, 2002, and 2003, for the following purposes:

7 (1) GRANTS FOR SERVICE COORDINATORS FOR
8 CERTAIN FEDERALLY ASSISTED MULTIFAMILY HOUS-
9 ING.—For grants under section 676 of the Housing
10 and Community Development Act of 1992 (42
11 U.S.C. 13632) for providing service coordinators.

12 (2) CONGREGATE SERVICES FOR FEDERALLY
13 ASSISTED HOUSING.—For contracts under section
14 802 of the Cranston-Gonzalez National Affordable
15 Housing Act (42 U.S.C. 8011) to provide congregate
16 services programs for eligible residents of eligible
17 housing projects under subparagraphs (B) through
18 (D) of subsection (k)(6) of such section.

1 **Subtitle C—Expanding Housing**
2 **Opportunities for the Elderly**
3 **and Persons With Disabilities**

4 **PART 1—HOUSING FOR THE ELDERLY**

5 **SEC. 831. ELIGIBILITY OF FOR-PROFIT LIMITED PARTNER-**
6 **SHIPS.**

7 Section 202(k)(4) of the Housing Act of 1959 (12
8 U.S.C. 1701q(k)(4)) is amended by inserting after sub-
9 paragraph (C) the following:

10 “Such term includes a for-profit limited partnership
11 the sole general partner of which is an organization
12 meeting the requirements under subparagraphs (A),
13 (B), and (C), or a corporation wholly owned and
14 controlled by an organization meeting the require-
15 ments under subparagraphs (A), (B), and (C).”.

16 **SEC. 832. MIXED FUNDING SOURCES.**

17 Section 202(h)(6) of the Housing Act of 1959 (12
18 U.S.C. 1701q(h)(6)) is amended—

19 (1) by striking “non-Federal sources” and in-
20 serting “sources other than this section”; and

21 (2) by adding at the end the following new sen-
22 tence: “Notwithstanding any other provision of law,
23 assistance amounts provided under this section may
24 be treated as amounts not derived from a Federal
25 grant.”.

1 **SEC. 833. AUTHORITY TO ACQUIRE STRUCTURES.**

2 Section 202 of the Housing Act of 1959 (12 U.S.C.
3 1701q) is amended—

4 (1) in subsection (b), by striking “from the
5 Resolution Trust Corporation”; and

6 (2) in subsection (h)(2)—

7 (A) in the paragraph heading, by striking
8 “RTC PROPERTIES” and inserting “ACQUI-
9 TION”; and

10 (B) by striking “from the Resolution” and
11 all that follows through “Insurance Act”.

12 **SEC. 834. USE OF PROJECT RESERVES.**

13 Section 202(j) of the Housing Act of 1959 (12 U.S.C.
14 1701q(j)) is amended by adding at the end the following:

15 “(8) USE OF PROJECT RESERVES.—Amounts
16 for project reserves for a project assisted under this
17 section may be used for costs, subject to reasonable
18 limitations as the Secretary determines appropriate,
19 for reducing the number of dwelling units in the
20 project. Such use shall be subject to the approval of
21 the Secretary to ensure that the use is designed to
22 retrofit units that are currently obsolete or unmar-
23 ketable.”.

24 **SEC. 835. COMMERCIAL ACTIVITIES.**

25 Section 202(h)(1) of the Housing Act of 1959 (12
26 U.S.C. 1701q(h)(1)) is amended by adding at the end the

1 following: “Neither this section nor any other provision of
2 law may be construed as prohibiting or preventing the lo-
3 cation and operation, in a project assisted under this sec-
4 tion, of commercial facilities for the benefit of residents
5 of the project and the community in which the project is
6 located, except that assistance made available under this
7 section may not be used to subsidize any such commercial
8 facility.”.

9 **PART 2—HOUSING FOR PERSONS WITH**
10 **DISABILITIES**

11 **SEC. 841. ELIGIBILITY OF FOR-PROFIT LIMITED PARTNER-**
12 **SHIPS.**

13 Section 811(k)(6) of the Housing Act of 1959 (42
14 U.S.C. 8013(k)(6)) is amended by inserting after subpara-
15 graph (D) the following:

16 “Such term includes a for-profit limited partnership
17 the sole general partner of which is an organization
18 meeting the requirements under subparagraphs (A),
19 (B), (C), and (D) or a corporation wholly owned and
20 controlled by an organization meeting the require-
21 ments under subparagraphs (A), (B), (C), and
22 (D).”.

1 **SEC. 842. MIXED FUNDING SOURCES.**

2 Section 811(h)(5) of the Cranston-Gonzalez National
3 Affordable Housing Act (42 U.S.C. 8013(h)(5)) is
4 amended—

5 (1) by striking “non-Federal sources” and in-
6 serting “sources other than this section”; and

7 (2) by adding at the end the following new sen-
8 tence: “Notwithstanding any other provision of law,
9 assistance amounts provided under this section may
10 be treated as amounts not derived from a Federal
11 grant.”.

12 **SEC. 843. TENANT-BASED ASSISTANCE.**

13 Section 811 of the Cranston-Gonzalez National Af-
14 fordable Housing Act (42 U.S.C. 8013) is amended—

15 (1) in subsection (d), by striking paragraph (4)
16 and inserting the following:

17 “(4) TENANT-BASED RENTAL ASSISTANCE.—

18 “(A) ADMINISTERING ENTITIES.—Tenant-
19 based rental assistance provided under sub-
20 section (b)(1) may be provided only through a
21 public housing agency that has submitted and
22 had approved an plan under section 7(d) of the
23 United States Housing Act of 1937 (42 U.S.C.
24 1437e(d)) that provides for such assistance, or
25 through a private nonprofit organization. A
26 public housing agency shall be eligible to apply

1 under this section only for the purposes of pro-
2 viding such tenant-based rental assistance.

3 “(B) PROGRAM RULES.—Tenant-based
4 rental assistance under subsection (b)(1) shall
5 be made available to eligible persons with dis-
6 abilities and administered under the same rules
7 that govern tenant-based rental assistance made
8 available under section 8 of the United States
9 Housing Act of 1937, except that the Secretary
10 may waive or modify such rules, but only to the
11 extent necessary to provide for administering
12 such assistance under subsection (b)(1) through
13 private nonprofit organizations rather than
14 through public housing agencies.

15 “(C) ALLOCATION OF ASSISTANCE.—In de-
16 termining the amount of assistance provided
17 under subsection (b)(1) for a private nonprofit
18 organization or public housing agency, the Sec-
19 retary shall consider the needs and capabilities
20 of the organization or agency, in the case of a
21 public housing agency, as described in the plan
22 for the agency under section 7 of the United
23 States Housing Act of 1937.”; and
24 (2) in subsection (l)(1)—

1 (A) by striking “subsection (b)” and in-
2 serting “subsection (b)(2)”; and

3 (B) by striking the last comma and all
4 that follows through “subsection (n)”.

5 **SEC. 844. USE OF PROJECT RESERVES.**

6 Section 811(j) of the Cranston-Gonzalez National Af-
7 fordable Housing Act (42 U.S.C. 8013(j)) is amended by
8 adding at the end the following:

9 “(7) USE OF PROJECT RESERVES.—Amounts
10 for project reserves for a project assisted under this
11 section may be used for costs, subject to reasonable
12 limitations as the Secretary determines appropriate,
13 for reducing the number of dwelling units in the
14 project. Such use shall be subject to the approval of
15 the Secretary to ensure that the use is designed to
16 retrofit units that are currently obsolete or unmar-
17 ketable.”.

18 **SEC. 845. COMMERCIAL ACTIVITIES.**

19 Section 811(h)(1) of the Cranston-Gonzalez National
20 Affordable Housing Act (42 U.S.C. 8013(h)(1)) is amend-
21 ed by adding at the end the following: “Neither this sec-
22 tion nor any other provision of law may be construed as
23 prohibiting or preventing the location and operation, in a
24 project assisted under this section, of commercial facilities
25 for the benefit of residents of the project and the commu-

1 nity in which the project is located, except that assistance
 2 made available under this section may not be used to sub-
 3 sidize any such commercial facility.”.

4 **PART 3—OTHER PROVISIONS**

5 **SEC. 851. SERVICE COORDINATORS.**

6 (a) INCREASED FLEXIBILITY FOR USE OF SERVICE
 7 COORDINATORS IN CERTAIN FEDERALLY ASSISTED
 8 HOUSING.—Section 676 of the Housing and Community
 9 Development Act of 1992 (42 U.S.C. 13632) is
 10 amended—

11 (1) in the section heading, by striking “**MULTI-**
 12 **FAMILY HOUSING ASSISTED UNDER NATIONAL**
 13 **HOUSING ACT**” and inserting “**CERTAIN FEDER-**
 14 **ALLY ASSISTED HOUSING**”;

15 (2) in subsection (a)—

16 (A) in the first sentence, by striking “(E)
 17 and (F)” and inserting “(B), (C), (D), (E),
 18 (F), and (G)”;

19 (B) in the last sentence—

20 (i) by striking “section 661” and in-
 21 serting “section 671”; and

22 (ii) by adding at the end the fol-
 23 lowing: “A service coordinator funded with
 24 a grant under this section for a project
 25 may provide services to low-income elderly

1 or disabled families living in the vicinity of
2 such project.”;

3 (3) in subsection (d)—

4 (A) by striking “(E) or (F)” and inserting
5 “(B), (C), (D), (E), (F), or (G)”;

6 (B) by striking “section 661” and insert-
7 ing “section 671”; and

8 (4) by striking subsection (c) and redesignating
9 subsection (d) (as amended by paragraph (3) of this
10 subsection) as subsection (c).

11 (b) REQUIREMENT TO PROVIDE SERVICE COORDINA-
12 TORS.—Section 671 of the Housing and Community De-
13 velopment Act of 1992 (42 U.S.C. 13631) is amended—

14 (1) in the first sentence of subsection (a), by
15 striking “to carry out this subtitle pursuant to the
16 amendments made by this subtitle” and inserting
17 the following: “for providing service coordinators
18 under this section”;

19 (2) in subsection (d), by inserting “)” after
20 “section 683(2)”;

21 (3) by adding at the end following:

22 “(e) SERVICES FOR LOW-INCOME ELDERLY OR DIS-
23 ABLED FAMILIES RESIDING IN VICINITY OF CERTAIN
24 PROJECTS.—To the extent only that this section applies
25 to service coordinators for covered federally assisted hous-

ing described in subparagraphs (B), (C), (D), (E), (F),
 and (G) of section 683(2), any reference in this section
 to elderly or disabled residents of a project shall be con-
 strued to include low-income elderly or disabled families
 living in the vicinity of such project.”.

(c) PROTECTION AGAINST TELEMARKETING
 FRAUD.—

(1) SUPPORTIVE HOUSING FOR THE ELDER-
 LY.—The first sentence of section 202(g)(1) of the
 Housing Act of 1959 (12 U.S.C. 1701q(g)(1)) is
 amended by striking “and (F)” and inserting the
 following: “(F) providing education and outreach re-
 garding telemarketing fraud, in accordance with the
 standards issued under section 671(f) of the Hous-
 ing and Community Development Act of 1992 (42
 U.S.C. 13631(f)); and (G)”.

(2) OTHER FEDERALLY ASSISTED HOUSING.—
 Section 671 of the Housing and Community Devel-
 opment Act of 1992 (42 U.S.C. 13631), as amended
 by subsection (b) of this section, is further
 amended—

(A) in the first sentence of subsection (c),
 by inserting after “response,” the following:
 “education and outreach regarding tele-

1 marketing fraud in accordance with the stand-
2 ards issued under subsection (f),”; and

3 (B) by adding at the end the following:

4 “(f) PROTECTION AGAINST TELEMARKETING
5 FRAUD.—

6 “(1) IN GENERAL.—The Secretary, in coordina-
7 tion with the Secretary of Health and Human Serv-
8 ices, shall establish standards for service coordina-
9 tors in federally assisted housing who are providing
10 education and outreach to elderly persons residing in
11 such housing regarding telemarketing fraud. The
12 standards shall be designed to ensure that such edu-
13 cation and outreach informs such elderly persons of
14 the dangers of telemarketing fraud and facilitates
15 the investigation and prosecution of telemarketers
16 engaging in fraud against such residents.

17 “(2) CONTENTS.—The standards established
18 under this subsection shall require that any such
19 education and outreach be provided in a manner
20 that—

21 “(A) informs such residents of—

22 “(i) the prevalence of telemarketing
23 fraud targeted against elderly persons;

24 “(ii) how telemarketing fraud works;

1 “(iii) how to identify telemarketing
2 fraud;

3 “(iv) how to protect themselves
4 against telemarketing fraud, including an
5 explanation of the dangers of providing
6 bank account, credit card, or other finan-
7 cial or personal information over the tele-
8 phone to unsolicited callers;

9 “(v) how to report suspected attempts
10 at telemarketing fraud; and

11 “(vi) their consumer protection rights
12 under Federal law;

13 “(B) provides such other information as
14 the Secretary considers necessary to protect
15 such residents against fraudulent telemarketing;
16 and

17 “(C) disseminates the information provided
18 by appropriate means, and in determining such
19 appropriate means, the Secretary shall consider
20 on-site presentations at federally assisted hous-
21 ing, public service announcements, a printed
22 manual or pamphlet, an Internet website, and
23 telephone outreach to residents whose names
24 appear on ‘mooch lists’ confiscated from fraud-
25 ulent telemarketers.”.

Subtitle D—Preservation of Affordable Housing Stock

SEC. 861. SECTION 236 ASSISTANCE.

(a) EXTENSION OF AUTHORITY TO RETAIN EXCESS CHARGES.—Section 236(g) of the National Housing Act (12 U.S.C. 1715z–1(g)), as amended by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, is amended—

(1) in paragraph (2), by striking “Subject to paragraph (3) and notwithstanding” and inserting “Notwithstanding”; and

(2) by striking paragraph (3) and redesignating paragraph (4) as paragraph (3).

(b) TREATMENT OF EXCESS CHARGES PREVIOUSLY COLLECTED.—Any excess charges that a project owner may retain pursuant to the amendments made by subsections (b) and (c) of section 532 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000 (Public Law 106–74; 113 Stat. 1116) that have been collected by such owner since the date of the enactment of such Appropriations Act and that such owner has not re-mitted to the Secretary of Housing and Urban Development may be retained by such owner unless such Secretary

1 otherwise provides. To the extent that a project owner has
 2 remitted such excess charges to the Secretary since such
 3 date of the enactment, the Secretary may return to the
 4 relevant project owner any such excess charges remitted.
 5 Notwithstanding any other provision of law, amounts in
 6 the Rental Housing Assistance Fund, or heretofore or sub-
 7 sequently transferred from the Rental Housing Assistance
 8 Fund to the Flexible Subsidy Fund, shall be available to
 9 make such return of excess charges previously remitted
 10 to the Secretary, including the return of excess charges
 11 referred to in section 532(e) of such Appropriations Act.

12 **TITLE IX—OTHER RELATED** 13 **HOUSING PROVISIONS**

14 **SEC. 901. EXTENSION OF LOAN TERM FOR MANUFACTURED** 15 **HOME LOTS.**

16 Section 2(b)(3)(E) of the National Housing Act (12
 17 U.S.C. 1703(b)(3)(E)) is amended by striking “fifteen”
 18 and inserting “twenty”.

19 **SEC. 902. USE OF SECTION 8 VOUCHERS FOR OPT-OUTS.**

20 (a) IN GENERAL.—Section 8(t)(2) of the United
 21 States Housing Act of 1937 (42 U.S.C. 1437f(t)(2)), as
 22 amended by the Departments of Veterans Affairs and
 23 Housing and Urban Development, and Independent Agen-
 24 cies Appropriations Act, 2001, is amended by striking
 25 “fiscal year 1996” and inserting “fiscal year 1994”.

1 (b) EFFECTIVE DATE.—The amendment under sub-
2 section (a) shall be made and shall apply—

3 (1) upon the enactment of this Act, if the De-
4 partments of Veterans Affairs and Housing and
5 Urban Development, and Independent Agencies Ap-
6 propriations Act, 2001, is enacted before the enact-
7 ment of this Act; and

8 (2) immediately after the enactment of such ap-
9 propriations Act, if such appropriations Act is en-
10 acted after the enactment of this Act.

11 **SEC. 903. MAXIMUM PAYMENT STANDARD FOR ENHANCED**
12 **VOUCHERS.**

13 (a) IN GENERAL.—Section 8(t)(1)(B) of the United
14 States Housing Act of 1937 (42 U.S.C. 1437f(t)(1)(B)),
15 as amended by the Departments of Veterans Affairs and
16 Housing and Urban Development, and Independent Agen-
17 cies Appropriations Act, 2001, is amended by inserting be-
18 fore the semicolon at the end the following: “, except that
19 a limit shall not be considered reasonable for purposes of
20 this subparagraph if it adversely affects such assisted fam-
21 ilies”.

22 (b) EFFECTIVE DATE.—The amendment under sub-
23 section (a) shall be made and shall apply—

24 (1) upon the enactment of this Act, if the De-
25 partments of Veterans Affairs and Housing and

1 Urban Development, and Independent Agencies Ap-
2 propriations Act, 2001, is enacted before the enact-
3 ment of this Act; and

4 (2) immediately after the enactment of such ap-
5 propriations Act, if such appropriations Act is en-
6 acted after the enactment of this Act.

7 **SEC. 904. USE OF SECTION 8 ASSISTANCE BY “GRAND-FAMI-**
8 **LIES” TO RENT DWELLING UNITS IN AS-**
9 **SISTED PROJECTS.**

10 Section 215(a) of the Cranston-Gonzalez National
11 Affordable Housing Act (42 U.S.C. 12745(a)) is amended
12 by adding at the end the following new paragraph:

13 “(6) WAIVER OF QUALIFYING RENT.—

14 “(A) IN GENERAL.—For the purpose of
15 providing affordable housing appropriate for
16 families described in subparagraph (B), the
17 Secretary may, upon the application of the
18 project owner, waive the applicability of sub-
19 paragraph (A) of paragraph (1) with respect to
20 a dwelling unit if—

21 “(i) the unit is occupied by such a
22 family, on whose behalf tenant-based as-
23 sistance is provided under section 8 of the
24 United States Housing Act of 1937 (42
25 U.S.C. 1437f);

1 “(ii) the rent for the unit is not great-
2 er than the existing fair market rent for
3 comparable units in the area, as estab-
4 lished by the Secretary under section 8 of
5 the United States Housing Act of 1937;
6 and

7 “(iii) the Secretary determines that
8 the waiver, together with waivers under
9 this paragraph for other dwelling units in
10 the project, will result in the use of
11 amounts described in clause (iii) in an ef-
12 fective manner that will improve the provi-
13 sion of affordable housing for such fami-
14 lies.

15 “(B) ELIGIBLE FAMILIES.—A family de-
16 scribed in this subparagraph is a family that
17 consists of at least one elderly person (who is
18 the head of household) and one or more of such
19 person’s grand children, great grandchildren,
20 great nieces, great nephews, or great great
21 grandchildren (as defined by the Secretary), but
22 does not include any parent of such grand-
23 children, great grandchildren, great nieces,
24 great nephews, or great great grandchildren.
25 Such term includes any such grandchildren,

1 great grandchildren, great nieces, great neph-
2 ews, or great great grandchildren who have
3 been legally adopted by such elderly person.”.

4 **TITLE X—FEDERAL RESERVE**
5 **BOARD PROVISIONS**

6 **SEC. 1001. FEDERAL RESERVE BOARD BUILDINGS.**

7 The 3rd undesignated paragraph of section 10 of the
8 Federal Reserve Act (12 U.S.C. 243) is amended—

9 (1) by inserting after the 1st sentence the fol-
10 lowing new sentence: “After September 1, 2000, the
11 Board may also use such assessments to acquire, in
12 its own name, a site or building (in addition to the
13 facilities existing on such date) to provide for the
14 performance of the functions of the Board.”; and

15 (2) in the sentences following the sentence
16 added by the amendment made by paragraph (1) of
17 this section—

18 (A) by striking “the site” and inserting
19 “any site”; and

20 (B) by inserting “or buildings” after
21 “building” each place such term appears.

22 **SEC. 1002. POSITIONS OF BOARD OF GOVERNORS OF THE**
23 **FEDERAL RESERVE SYSTEM ON THE EXECU-**
24 **TIVE SCHEDULE.**

25 (a) IN GENERAL.—

1 (1) POSITIONS AT LEVEL I OF THE EXECUTIVE
2 SCHEDULE.—Section 5312 of title 5, United States
3 Code, is amended by adding at the end the fol-
4 lowing:

5 “Chairman, Board of Governors of the Federal
6 Reserve System.”.

7 (2) POSITIONS AT LEVEL II OF THE EXECUTIVE
8 SCHEDULE.—Section 5313 of title 5, United States
9 Code, is amended—

10 (A) by striking “Chairman, Board of Gov-
11 ernors of the Federal Reserve System.”; and

12 (B) by adding at the end the following:

13 “Members, Board of Governors of the Federal
14 Reserve System.”.

15 (3) POSITIONS AT LEVEL III OF THE EXECU-
16 TIVE SCHEDULE.—Section 5314 of title 5, United
17 States Code, is amended by striking “Members,
18 Board of Governors of the Federal Reserve Sys-
19 tem.”.

20 (b) EFFECTIVE DATE.—This section and the amend-
21 ments made by this section shall take effect on the first
22 day of the first pay period for the Chairman and Members
23 of the Board of Governors of the Federal Reserve System
24 beginning on or after the date of the enactment of this
25 Act.

1 **SEC. 1003. AMENDMENTS TO THE FEDERAL RESERVE ACT.**

2 (a) REPEAL.—Section 2A of the Federal Reserve Act
3 (12 U.S.C. 225a) is amended by striking all after the first
4 sentence.

5 (b) APPEARANCES BEFORE AND REPORTS TO THE
6 CONGRESS.—

7 (1) IN GENERAL.—The Federal Reserve Act
8 (12 U.S.C. 221 et seq.) is amended by inserting
9 after section 2A the following new section:

10 **“SEC. 2B. APPEARANCES BEFORE AND REPORTS TO THE**
11 **CONGRESS.**

12 “(a) APPEARANCES BEFORE THE CONGRESS.—

13 (1) IN GENERAL.—The Chairman of the Board
14 shall appear before the Congress at semi-annual
15 hearings, as specified in paragraph (2), regarding—

16 “(A) the efforts, activities, objectives and
17 plans of the Board and the Federal Open Mar-
18 ket Committee with respect to the conduct of
19 monetary policy; and

20 “(B) economic developments and prospects
21 for the future described in the report required
22 in subsection (b).

23 “(2) SCHEDULE.—The Chairman of the Board
24 shall appear—

25 “(A) before the Committee on Banking
26 and Financial Services of the House of Rep-

1 representatives on or about February 20 of even
2 numbered calendar years and on or about July
3 20 of odd numbered calendar years;

4 “(B) before the Committee on Banking,
5 Housing, and Urban Affairs of the Senate on or
6 about July 20 of even numbered calendar years
7 and on or about February 20 of odd numbered
8 calendar years; and

9 “(C) before either Committee referred to in
10 subparagraph (A) or (B), upon request, fol-
11 lowing the scheduled appearance of the Chair-
12 man before the other Committee under sub-
13 paragraph (A) or (B).

14 “(b) CONGRESSIONAL REPORT.—The Board shall,
15 concurrent with each semi-annual hearing required by this
16 section, submit a written report to the Committee on
17 Banking, Housing, and Urban Affairs of the Senate and
18 the Committee on Banking and Financial Services of the
19 House of Representatives, containing a discussion of the
20 conduct of monetary policy and economic developments
21 and prospects for the future, taking into account past and
22 prospective developments in employment, unemployment,
23 production, investment, real income, productivity, ex-
24 change rates, international trade and payments, and
25 prices.”.

1 **TITLE XI—BANKING AND**
2 **HOUSING AGENCY REPORTS**

3 **SEC. 1101. SHORT TITLE.**

4 This title may be cited as the “Federal Reporting Act
5 of 2000”.

6 **SEC. 1102. PRESERVATION OF CERTAIN REPORTING RE-**
7 **QUIREMENTS.**

8 Section 3003(a)(1) of the Federal Reports Elimini-
9 nation and Sunset Act of 1995 (31 U.S.C. 1113 note)
10 shall not apply to any report required to be submitted
11 under any of the following provisions of law:

12 (1) Section 3 of the Employment Act of 1946
13 (15 U.S.C. 1022).

14 (2) Section 309 of the Defense Production Act
15 of 1950 (50 U.S.C. App. 2099).

16 (3) Section 603 of the Public Works and Eco-
17 nomic Development Act of 1965 (42 U.S.C. 3213).

18 (4) Section 7(o)(1) of the Department of Hous-
19 ing and Urban Development Act (42 U.S.C.
20 3535(o)(1)).

21 (5) Section 540(c) of the National Housing Act
22 (12 U.S.C. 1735f–18(c)).

23 (6) Paragraphs (2) and (6) of section 808(e) of
24 the Civil Rights Act of 1968 (42 U.S.C. 3608(e)).

1 (7) Section 1061 of the Housing and Commu-
2 nity Development Act of 1992 (42 U.S.C. 4856).

3 (8) Section 203(v) of the National Housing Act
4 (12 U.S.C. 1709(v)), as added by section 504 of the
5 Housing and Community Development Act of 1992
6 (Public Law 102–550; 106 Stat. 3780).

7 (9) Section 802 of the Housing Act of 1954 (12
8 U.S.C. 1701o).

9 (10) Section 8 of the Department of Housing
10 and Urban Development Act (42 U.S.C. 3536).

11 (11) Section 1320 of the National Flood Insur-
12 ance Act of 1968 (42 U.S.C. 4027).

13 (12) Section 4(e)(2) of the Department of
14 Housing and Urban Development Act (42 U.S.C.
15 3533(e)(2)).

16 (13) Section 205(g) of the National Housing
17 Act (12 U.S.C. 1711(g)).

18 (14) Section 701(c)(1) of the International Fi-
19 nancial Institutions Act (22 U.S.C. 262d(c)(1)).

20 (15) Paragraphs (1) and (2) of section 5302(c)
21 of title 31, United States Code.

22 (16) Section 18(f)(7) of the Federal Trade
23 Commission Act. (15 U.S.C. 57a(f)(7)).

24 (17) Section 333 of the Revised Statutes of the
25 United States (12 U.S.C. 14).

1 (18) Section 3(g) of the Home Owners' Loan
2 Act (12 U.S.C. 1462a(g)).

3 (19) Section 304 of the Appalachian Regional
4 Development Act of 1965 (40 U.S.C. App. 304).

5 (20) Sections 2(b)(1)(A), 8(a), 8(c), 10(g)(1),
6 and 11(c) of the Export-Import Bank Act of 1945
7 (12 U.S.C. 635(b)(1)(A), 635g(a), 635g(c), 635i–
8 3(g), and 635i–5(c)).

9 (21) Section 17(a) of the Federal Deposit In-
10 surance Act (12 U.S.C. 1827(a)).

11 (22) Section 13 of the Federal Financing Bank
12 Act of 1973 (12 U.S.C. 2292).

13 (23) Section 2B(d) of the Federal Home Loan
14 Bank Act (12 U.S.C. 1422b(d)).

15 (24) Section 1002(b) of Financial Institutions
16 Reform, Recovery, and Enforcement Act of 1989
17 (12 U.S.C. 1811 note).

18 (25) Section 8 of the Fair Credit and Charge
19 Card Disclosure Act of 1988 (15 U.S.C. 1637 note).

20 (26) Section 136(b)(4)(B) of the Truth in
21 Lending Act (15 U.S.C. 1646(b)(4)(B)).

22 (27) Section 707 of the Equal Credit Oppor-
23 tunity Act (15 U.S.C. 1691f).

24 (28) Section 114 of the Truth in Lending Act
25 (15 U.S.C. 1613).

1 (29) The seventh undesignated paragraph of
2 section 10 of the Federal Reserve Act (12 U.S.C.
3 247).

4 (30) The tenth undesignated paragraph of sec-
5 tion 10 of the Federal Reserve Act (12 U.S.C.
6 247a).

7 (31) Section 815 of the Fair Debt Collection
8 Practices Act (15 U.S.C. 1692m).

9 (32) Section 102(d) of the Federal Credit
10 Union Act (12 U.S.C. 1752a(d)).

11 (33) Section 21B(i) of the Federal Home Loan
12 Bank Act (12 U.S.C. 1441b(i)).

13 (34) Section 607(a) of the Housing and Com-
14 munity Development Amendments of 1978 (42
15 U.S.C. 8106(a)).

16 (35) Section 708(l) of the Defense Production
17 Act of 1950 (50 U.S.C. Ap. 2158(l)).

18 (36) Section 2546 of the Comprehensive Thrift
19 and Bank Fraud Prosecution and Taxpayer Recov-
20 ery Act of 1990 (28 U.S.C. 522 note).

21 (37) Section 202(b)(8) of the National Housing
22 Act (12 U.S.C. 1708(b)(8)).

23 **SEC. 1103. COORDINATION OF REPORTING REQUIREMENTS.**

24 (a) FEDERAL DEPOSIT INSURANCE CORPORATION.—
25 Section 17(a) of the Federal Deposit Insurance Act (12

1 U.S.C. 1827(a)) is amended by adding at the end the fol-
2 lowing new paragraph:

3 “(3) COORDINATION WITH OTHER REPORT RE-
4 QUIREMENTS.—The report required under this sub-
5 section shall include the report required under sec-
6 tion 18(f)(7) of the Federal Trade Commission
7 Act.”.

8 (b) BOARD OF GOVERNORS OF THE FEDERAL RE-
9 SERVE SYSTEM.—The 7th undesignated paragraph of sec-
10 tion 10 of the Federal Reserve Act (12 U.S.C. 247) is
11 amended by adding at the end the following new sentence:
12 “The report required under this paragraph shall include
13 the reports required under section 707 of the Equal Credit
14 Opportunity Act, section 18(f)(7) of the Federal Trade
15 Commission Act, section 114 of the Truth in Lending Act,
16 and the 10th undesignated paragraph of this section.”.

17 (c) COMPTROLLER OF THE CURRENCY.—Section 333
18 of the Revised Statutes of the United States (12 U.S.C.
19 14) is amended by adding at the end the following new
20 sentence: “The report required under this section shall in-
21 clude the report required under section 18(f)(7) of the
22 Federal Trade Commission Act.”.

23 (d) EXPORT-IMPORT BANK.—

1 (1) IN GENERAL.— Section 2(b)(1)(A) of the
2 Export-Import Bank Act of 1945 (12 U.S.C.
3 635(b)(1)(A)) is amended—

4 (A) by striking “a annual” and inserting
5 “an annual”; and

6 (B) by adding at the end the following new
7 sentence: “The annual report required under
8 this subparagraph shall include the report re-
9 quired under section 10(g).”.

10 (2) TECHNICAL AND CONFORMING AMEND-
11 MENT.—Section 10(g)(1) of the Export-Import
12 Bank Act of 1945 (12 U.S.C. 635i–3(g)(1)) is
13 amended—

14 (A) by striking “On or” and all that fol-
15 lows through “the Bank” and inserting “The
16 Bank”; and

17 (B) by striking “a report” and inserting
18 “an annual report”.

19 (e) DEPARTMENT OF HOUSING AND URBAN DEVEL-
20 OPMENT.—Section 8 of the Department of Housing and
21 Urban Development Act (42 U.S.C. 3536) is amended by
22 adding at the end the following new sentence: “The report
23 required under this section shall include the reports re-
24 quired under paragraphs (2) and (6) of section 808(e) of
25 the Civil Rights Act of 1968, the reports required under

1 subsections (a) and (b) of section 1061 of the Housing
 2 and Community Development Act of 1992, the report re-
 3 quired under section 802 of the Housing Act of 1954, and
 4 the report required under section 4(e)(2) of this Act.”.

5 (f) FEDERAL HOUSING ADMINISTRATION.—Section
 6 203(v) of the National Housing Act (12 U.S.C. 1709(v)),
 7 as added by section 504 of the Housing and Community
 8 Development Act of 1992, is amended by adding at the
 9 end the following new sentence:
 10 “The report required under this subsection shall include
 11 the report required under section 540(c) and the report
 12 required under section 205(g).”.

13 (g) INTERNATIONAL FINANCIAL INSTITUTIONS
 14 ACT.—Section 701(c)(1) of the International Financial
 15 Institutions Act (22 U.S.C. 262d(c)(1)) is amended by
 16 striking “Not later” and all that follows through “quar-
 17 terly” and inserting “The Secretary of the Treasury shall
 18 report annually”.

19 **SEC. 1104. ELIMINATION OF CERTAIN REPORTING RE-**
 20 **QUIREMENTS.**

21 (a) EXPORT-IMPORT BANK.—The Export-Import
 22 Bank Act of 1945 (12 U.S.C. 635 et seq.) is amended—
 23 (1) in section 2(b)(1)(D)—
 24 (A) by striking “(i)”; and
 25 (B) by striking clause (ii);

1 (2) in section 2(b)(8), by striking the last sen-
 2 tence;

3 (3) in section 6(b), by striking paragraph (2)
 4 and redesignating paragraph (3) as paragraph (2);
 5 and

6 (4) in section 8, by striking subsections (b) and
 7 (d) and redesignating subsections (c) and (e) as sub-
 8 sections (b) and (c), respectively.

9 (b) FEDERAL DEPOSIT INSURANCE CORPORATION.—
 10 Section 17 of the Federal Deposit Insurance Act (12
 11 U.S.C. 1827) is amended by striking subsection (h).

12 **TITLE XII—FINANCIAL** 13 **REGULATORY RELIEF**

14 **SEC. 1200. SHORT TITLE.**

15 This title may be cited as the “Financial Regulatory
 16 Relief and Economic Efficiency Act of 2000”.

17 **Subtitle A—Improving Monetary** 18 **Policy and Financial Institution** 19 **Management Practices**

20 **SEC. 1201. REPEAL OF SAVINGS ASSOCIATION LIQUIDITY** 21 **PROVISION.**

22 (a) REPEAL OF LIQUIDITY PROVISION.—Section 6 of
 23 the Home Owners’ Loan Act (12 U.S.C. 1465) is hereby
 24 repealed.

25 (b) CONFORMING AMENDMENTS.—

(1) SECTION 5.—Section 5(c)(1)(M) of the Home Owners’ Loan Act (12 U.S.C. 1464(c)(1)(M)) is amended to read as follows:

“(M) LIQUIDITY INVESTMENTS.—Investments (other than equity investments), identified by the Director, for liquidity purposes, including cash, funds on deposit at a Federal reserve bank or a Federal home loan bank, or bankers’ acceptances.”.

(2) SECTION 10.—Section 10(m)(4)(B)(iii) of the Home Owners’ Loan Act (12 U.S.C. 1467a(m)(4)(B)(iii)) is amended by inserting “as in effect on the day before the date of the enactment of the Financial Regulatory Relief and Economic Efficiency Act of 2000,” after “Loan Act,”.

SEC. 1202. NONCONTROLLING INVESTMENTS BY SAVINGS ASSOCIATION HOLDING COMPANIES.

Section 10(e)(1)(A)(iii) of the Home Owners’ Loan Act (12 U.S.C. 1467a(e)(1)(A)(iii)) is amended—

(1) by inserting “, except with the prior written approval of the Director,” after “or to retain”; and

(2) by striking “so acquire or retain” and inserting “acquire or retain, and the Director may not authorize acquisition or retention of,”.

1 **SEC. 1203. REPEAL OF DEPOSIT BROKER NOTIFICATION**
2 **AND RECORDKEEPING REQUIREMENT.**

3 Section 29A of the Federal Deposit Insurance Act
4 (12 U.S.C. 1831f–1) is hereby repealed.

5 **SEC. 1204. EXPEDITED PROCEDURES FOR CERTAIN REOR-**
6 **GANIZATIONS.**

7 The National Bank Consolidation and Merger Act
8 (12 U.S.C. 215 et seq.) is amended—

9 (1) by redesignating section 5 as section 7; and

10 (2) by inserting after section 4 the following
11 new section:

12 **“SEC. 5. EXPEDITED PROCEDURES FOR CERTAIN REORGA-**
13 **NIZATIONS.**

14 “(a) IN GENERAL.—A national bank may, with the
15 approval of the Comptroller, pursuant to rules and regula-
16 tions promulgated by the Comptroller, and upon the af-
17 firmative vote of the shareholders of such bank owning
18 at least two-thirds of its capital stock outstanding, reorga-
19 nize so as to become a subsidiary of a bank holding com-
20 pany or of a company that will, upon consummation of
21 such reorganization, become a bank holding company.

22 “(b) REORGANIZATION PLAN.—A reorganization au-
23 thorized under subsection (a) shall be carried out in ac-
24 cordance with a reorganization plan that—

25 “(1) specifies the manner in which the reorga-
26 nization shall be carried out;

1 “(2) is approved by a majority of the entire
2 board of directors of the national bank;

3 “(3) specifies—

4 “(A) the amount of cash or securities of
5 the bank holding company, or both, or other
6 consideration to be paid to the shareholders of
7 the reorganizing bank in exchange for their
8 shares of stock of the bank;

9 “(B) the date as of which the rights of
10 each shareholder to participate in such ex-
11 change will be determined; and

12 “(C) the manner in which the exchange
13 will be carried out; and

14 “(4) is submitted to the shareholders of the re-
15 organizing bank at a meeting to be held on the call
16 of the directors in accordance with the procedures
17 prescribed in connection with a merger of a national
18 bank under section 3.

19 “(c) RIGHTS OF DISSENTING SHAREHOLDERS.—If,
20 pursuant to this section, a reorganization plan has been
21 approved by the shareholders and the Comptroller, any
22 shareholder of the bank who has voted against the reorga-
23 nization at the meeting referred to in subsection (b)(4),
24 or has given notice in writing at or prior to that meeting
25 to the presiding officer that the shareholder dissents from

1 the reorganization plan, shall be entitled to receive the
2 value of his or her shares, as provided by section 3 for
3 the merger of a national bank.

4 “(d) EFFECT OF REORGANIZATION.—The corporate
5 existence of a national bank that reorganizes in accord-
6 ance with this section shall not be deemed to have been
7 affected in any way by reason of such reorganization.

8 “(e) APPROVAL UNDER THE BANK HOLDING COM-
9 PANY ACT.—This section does not affect in any way the
10 applicability of the Bank Holding Company Act of 1956
11 to a transaction described in subsection (a).”.

12 **SEC. 1205. NATIONAL BANK DIRECTORS.**

13 (a) AMENDMENTS TO THE REVISED STATUTES.—
14 Section 5145 of the Revised Statutes of the United States
15 (12 U.S.C. 71) is amended—

16 (1) by striking “for one year” and inserting
17 “for a period of not more than 3 years”; and

18 (2) by adding at the end the following: “In ac-
19 cordance with regulations issued by the Comptroller
20 of the Currency, a national bank may adopt bylaws
21 that provide for staggering the terms of its direc-
22 tors.”.

23 (b) AMENDMENT TO THE BANKING ACT OF 1933.—
24 Section 31 of the Banking Act of 1933 (12 U.S.C. 71a)
25 is amended in the first sentence, by inserting before the

1 period “, except that the Comptroller of the Currency may,
 2 by regulation or order, exempt a national bank from the
 3 25-member limit established by this section”.

4 **SEC. 1206. AMENDMENT TO NATIONAL BANK CONSOLIDA-**
 5 **TION AND MERGER ACT.**

6 The National Bank Consolidation and Merger Act
 7 (12 U.S.C. 215 et seq.) is amended by inserting after sec-
 8 tion 5, as added by this title, the following new section:

9 **“SEC. 6. MERGERS AND CONSOLIDATIONS WITH SUBSIDI-**
 10 **ARIES AND NONBANK AFFILIATES.**

11 “(a) IN GENERAL.—Upon the approval of the Comp-
 12 troller, a national bank may merge with 1 or more of its
 13 nonbank subsidiaries or affiliates.

14 “(b) SCOPE.—Nothing in this section shall be
 15 construed—

16 “(1) to affect the applicability of section 18(c)
 17 of the Federal Deposit Insurance Act; or

18 “(2) to grant a national bank any power or au-
 19 thority that is not permissible for a national bank
 20 under other applicable provisions of law.

21 “(c) REGULATIONS.—The Comptroller shall promul-
 22 gate regulations to implement this section.”.

1 **SEC. 1207. LOANS ON OR PURCHASES BY INSTITUTIONS OF**
2 **THEIR OWN STOCK; AFFILIATIONS.**

3 (a) AMENDMENT TO THE REVISED STATUTES.—Sec-
4 tion 5201 of the Revised Statutes of the United States
5 (12 U.S.C. 83) is amended to read as follows:

6 **“SEC. 5201. LOANS BY BANK ON ITS OWN STOCK.**

7 “(a) GENERAL PROHIBITION.—No national bank
8 shall make any loan or discount on the security of the
9 shares of its own capital stock.

10 “(b) EXCLUSION.—For purposes of this section, a
11 national bank shall not be deemed to be making a loan
12 or discount on the security of the shares of its own capital
13 stock if it acquires the stock to prevent loss upon a debt
14 previously contracted for in good faith.”.

15 (b) AMENDMENTS TO THE FEDERAL DEPOSIT IN-
16 SURANCE ACT.—Section 18 of the Federal Deposit Insur-
17 ance Act (12 U.S.C. 1828) is amended—

18 (1) by redesignating subsection (t), as added by
19 section 730 of the Gramm-Leach-Bliley Act (Public
20 Law 106–102; 113 Stat. 1476), as subsection (u);
21 and

22 (2) by adding at the end the following new sub-
23 section:

24 “(v) LOANS BY INSURED INSTITUTIONS ON THEIR
25 OWN STOCK.—

1 “(1) GENERAL PROHIBITION.—No insured de-
2 pository institution may make any loan or discount
3 on the security of the shares of its own capital stock.

4 “(2) EXCLUSION.—For purposes of this sub-
5 section, an insured depository institution shall not be
6 deemed to be making a loan or discount on the secu-
7 rity of the shares of its own capital stock if it ac-
8 quires the stock to prevent loss upon a debt pre-
9 viously contracted for in good faith.”.

10 **SEC. 1208. PURCHASED MORTGAGE SERVICING RIGHTS.**

11 Section 475 of the Federal Deposit Insurance Cor-
12 poration Improvement Act of 1991 (12 U.S.C. 1828 note)
13 is amended—

14 (1) in subsection (a)(1), by inserting “(or such
15 other percentage exceeding 90 percent but not ex-
16 ceeding 100 percent, as may be determined under
17 subsection (b))” after “90 percent”;

18 (2) by redesignating subsections (b) and (c) as
19 subsections (c) and (d), respectively, and by insert-
20 ing after subsection (a) the following new subsection:

21 “(b) AUTHORITY TO DETERMINE PERCENTAGE BY
22 WHICH TO DISCOUNT VALUE OF SERVICING RIGHTS.—
23 The appropriate Federal banking agencies may allow read-
24 ily marketable purchased mortgage servicing rights to be
25 valued at more than 90 percent of their fair market value

1 but at not more than 100 percent of such value, if such
2 agencies jointly make a finding that such valuation would
3 not have an adverse effect on the deposit insurance funds
4 or the safety and soundness of insured depository institu-
5 tions.”; and

6 (3) in subsection (c), by striking “and” and in-
7 serting “, ‘deposit insurance fund’, and”.

8 **Subtitle B—Streamlining Activities** 9 **of Institutions**

10 **SEC. 1211. CALL REPORT SIMPLIFICATION.**

11 (a) MODERNIZATION OF CALL REPORT FILING AND
12 DISCLOSURE SYSTEM.—In order to reduce the adminis-
13 trative requirements pertaining to bank reports of condi-
14 tion, savings association financial reports, and bank hold-
15 ing company consolidated and parent-only financial state-
16 ments, and to improve the timeliness of such reports and
17 statements, the Federal banking agencies shall—

18 (1) work jointly to develop a system under
19 which—

20 (A) insured depository institutions and
21 their affiliates may file such reports and state-
22 ments electronically; and

23 (B) the Federal banking agencies may
24 make such reports and statements available to
25 the public electronically; and

1 (2) not later than 1 year after the date of the
2 enactment of this Act, report to the Congress and
3 make recommendations for legislation that would en-
4 hance efficiency for filers and users of such reports
5 and statements.

6 (b) UNIFORM REPORTS AND SIMPLIFICATION OF IN-
7 STRUCTIONS.—The Federal banking agencies shall, con-
8 sistent with the principles of safety and soundness, work
9 jointly—

10 (1) to adopt a single form for the filing of core
11 information required to be submitted under Federal
12 law to all such agencies in the reports and state-
13 ments referred to in subsection (a); and

14 (2) to simplify instructions accompanying such
15 reports and statements and to provide an index to
16 the instructions that is adequate to meet the needs
17 of both filers and users.

18 (c) REVIEW OF CALL REPORT SCHEDULE.—Each
19 Federal banking agency shall—

20 (1) review the information required by sched-
21 ules supplementing the core information referred to
22 in subsection (b); and

23 (2) eliminate requirements that are not war-
24 ranted for reasons of safety and soundness or other
25 public purposes.

1 (d) DEFINITION.—In this section, the term “Federal
2 banking agency” has the same meaning as in section 3
3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

4 **Subtitle C—Streamlining Agency**
5 **Actions**

6 **SEC. 1221. ELIMINATION OF DUPLICATIVE DISCLOSURE OF**
7 **FAIR MARKET VALUE OF ASSETS AND LIABIL-**
8 **ITIES.**

9 Section 37(a)(3) of the Federal Deposit Insurance
10 Act (12 U.S.C. 1831n(a)(3)) is amended by striking sub-
11 paragraph (D).

12 **SEC. 1222. PAYMENT OF INTEREST IN RECEIVERSHIPS**
13 **WITH SURPLUS FUNDS.**

14 Section 11(d)(10) of the Federal Deposit Insurance
15 Act (12 U.S.C. 1821(d)(10)) is amended by adding at the
16 end the following new subparagraph:

17 “(C) RULEMAKING AUTHORITY OF COR-
18 PORATION.—The Corporation may prescribe
19 such rules, including definitions of terms, as it
20 deems appropriate to establish a single uniform
21 interest rate for or to make payments of post
22 insolvency interest to creditors holding proven
23 claims against the receivership estates of in-
24 sured Federal or State depository institutions

1 following satisfaction by the receiver of the
2 principal amount of all creditor claims.”.

3 **SEC. 1223. REPEAL OF REPORTING REQUIREMENT ON DIF-**
4 **FERENCES IN ACCOUNTING STANDARDS.**

5 Section 37(c) of the Federal Deposit Insurance Act
6 (12 U.S.C. 1831n(c)) is amended—

7 (1) in paragraph (1), by striking “Each” and
8 all that follows through “a report” and inserting
9 “The Federal banking agencies shall jointly submit
10 an annual report”; and

11 (2) by inserting “any” before “such agency”
12 each place that term appears.

13 **SEC. 1224. EXTENSION OF TIME.**

14 Section 6(a)(1) of the Federal Home Loan Bank Act
15 (12 U.S.C. 1426(a)(1)) is amended by striking “1 year”
16 and inserting “18 months”.

17 **Subtitle D—Technical Corrections**

18 **SEC. 1231. TECHNICAL CORRECTION RELATING TO DE-**
19 **POSIT INSURANCE FUNDS.**

20 (a) IN GENERAL.—Section 2707 of the Deposit In-
21 surance Funds Act of 1996 (Public Law 104–208; 110
22 Stat. 3009–496) is amended—

23 (1) by striking “7(b)(2)(C)” and inserting
24 “7(b)(2)(E)”; and

1 (2) by striking “, as redesignated by section
2 2704(d)(6) of this subtitle”.

3 (b) EFFECTIVE DATE.—The amendments made by
4 subsection (a) shall be deemed to have the same effective
5 date as section 2707 of the Deposit Insurance Funds Act
6 of 1996 (Public Law 104–208; 110 Stat. 3009–496).

7 **SEC. 1232. RULES FOR CONTINUATION OF DEPOSIT INSUR-**
8 **ANCE FOR MEMBER BANKS CONVERTING**
9 **CHARTERS.**

10 Section 8(o) of the Federal Deposit Insurance Act
11 (12 U.S.C. 1818(o)) is amended in the second sentence,
12 by striking “subsection (d) of section 4” and inserting
13 “subsection (c) or (d) of section 4”.

14 **SEC. 1233. AMENDMENTS TO THE REVISED STATUTES OF**
15 **THE UNITED STATES.**

16 (a) WAIVER OF CITIZENSHIP REQUIREMENT FOR
17 NATIONAL BANK DIRECTORS.—Section 5146 of the Re-
18 vised Statutes of the United States (12 U.S.C. 72) is
19 amended in the first sentence, by inserting before the pe-
20 riod “, and waive the requirement of citizenship in the case
21 of not more than a minority of the total number of direc-
22 tors”.

23 (b) TECHNICAL AMENDMENT TO THE REVISED
24 STATUTES.—Section 329 of the Revised Statutes of the
25 United States (12 U.S.C. 11) is amended by striking “to

1 be interested in any association issuing national currency
2 under the laws of the United States” and inserting “to
3 hold an interest in any national bank”.

4 (c) REPEAL OF UNNECESSARY CAPITAL AND SUR-
5 PLUS REQUIREMENT.—Section 5138 of the Revised Stat-
6 utes of the United States (12 U.S.C. 51) is hereby re-
7 pealed.

8 **SEC. 1234. CONFORMING CHANGE TO THE INTERNATIONAL**
9 **BANKING ACT OF 1978.**

10 Section 4(b) of the International Banking Act of
11 1978 (12 U.S.C. 3102(b)) is amended in the second sen-
12 tence, by striking paragraph (1) and by redesignating
13 paragraphs (2) through (4) as paragraphs (1) through
14 (3), respectively.

Passed the House of Representatives December 5,
2000.

Attest:

JEFF TRANDAHL,

Clerk.