

In the House of Representatives, U. S.,

May 20, 2026.

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 6644) entitled “An Act to increase the supply of housing in America, and for other purposes.”, with the following

HOUSE AMENDMENT TO SENATE AMENDMENT:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the text of the bill, insert the following:

1 *SECTION 1. SHORT TITLE; TABLE OF CONTENTS.*

2 *(a) SHORT TITLE.—This Act may be cited as the “21st*
3 *Century ROAD to Housing Act”.*

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

Sec. 1. Short title; table of contents.

TITLE I—OPPORTUNITIES FOR HOUSING

Sec. 101. Reforms to housing counseling and financial literacy programs.

Sec. 102. Federal guidelines for point access block buildings.

Sec. 103. Exemption on construction or modification of residential housing located on an infill site.

Sec. 104. Database of publicly owned land.

Sec. 105. FHA Small-Dollar Mortgages.

Sec. 106. Temperature Sensor Pilot Program.

Sec. 107. Housing supply frameworks.

TITLE II—BUILDING MORE IN AMERICA

Sec. 201. Increasing housing in opportunity zones.

Sec. 202. Whole-Home Repairs Act.

Sec. 203. Community Investment and Prosperity Act.

Sec. 204. Addition of affordable housing construction as an eligible activity.

- Sec. 205. Better Use of Intergovernmental and Local Development (BUILD) Housing Act.*
- Sec. 206. Unlocking Housing Supply Through Streamlined and Modernized Reviews Act.*
- Sec. 207. Grants for planning and implementation associated with affordable housing.*
- Sec. 208. Innovation Fund.*
- Sec. 209. Accelerating Home Building Act.*
- Sec. 210. Revitalizing Empty Structures Into Desirable Environments (RESIDE) Act.*
- Sec. 211. Housing Affordability Act.*

TITLE III—MANUFACTURED HOUSING FOR AMERICA

- Sec. 301. Housing Supply Expansion Act.*
- Sec. 302. Modular Housing Production Act.*
- Sec. 303. Property Improvement and Manufactured Housing Loan Modernization Act.*

TITLE IV—ACCESSING THE AMERICAN DREAM

- Sec. 401. Creating incentives for small-dollar loan originators.*
- Sec. 402. Small-dollar mortgage points and fees.*
- Sec. 403. Appraisal Industry Improvement Act.*
- Sec. 404. Helping More Families Save Act.*
- Sec. 405. Choice in Affordable Housing Act.*

TITLE V—PROGRAM REFORM

- Sec. 501. HOME Investment Partnerships Reauthorization and Reform Act.*
- Sec. 502. Rural Housing Service Reform Act.*
- Sec. 503. Incentivizing local solutions to homelessness.*

TITLE VI—VETERANS AND HOUSING

- Sec. 601. Military Service Question.*
- Sec. 602. Housing Unhoused Disabled Veterans Act.*

TITLE VII—OVERSIGHT AND ACCOUNTABILITY

- Sec. 701. Requiring annual testimony and oversight from housing regulators.*
- Sec. 702. FHA reporting requirements on safety and soundness.*
- Sec. 703. United States Interagency Council on Homelessness oversight.*
- Sec. 704. Appraisal Modernization Act.*

TITLE VIII—ACCOUNTABILITY, COORDINATION, STUDIES, AND REPORTING

- Sec. 801. HUD–USDA–VA Interagency Coordination Act.*
- Sec. 802. Streamlining Rural Housing Act.*
- Sec. 803. Improving self-sufficiency of families in HUD-subsidized housing.*
- Sec. 804. GAO studies.*
- Sec. 805. Improving public housing agency accountability.*

TITLE IX—STRENGTHENING COMMUNITY BANKS' ROLE IN HOUSING

- Sec. 901. Community bank deposit access.*
- Sec. 902. Keeping deposits local.*

Sec. 903. Tailored regulatory updates for supervisory testing.
Sec. 904. Credit union board modernization.
Sec. 905. Systemic risk authority transparency.
Sec. 906. Least cost exception.
Sec. 907. Failing bank acquisition fairness.
Sec. 908. Advancing the mentor-protégé program for small financial institutions.
Sec. 909. American access to banking.
Sec. 910. Promoting new bank formation.
Sec. 911. Rural depositories revitalization study.
Sec. 912. Discretionary surplus fund.

TITLE X—HOME-OWNERSHIP FOR MAIN STREET AMERICA

Sec. 1001. Homes are for people, not corporations.

TITLE XI—CENTRAL BANK DIGITAL CURRENCY

Sec. 1101. Central bank digital currency.

TITLE XII—MISCELLANEOUS

Sec. 1201. Severability.
Sec. 1202. No additional funds authorized.

1 TITLE I—OPPORTUNITIES FOR 2 HOUSING

3 SEC. 101. REFORMS TO HOUSING COUNSELING AND FINAN- 4 CIAL LITERACY PROGRAMS.

5 *Section 106 of the Housing and Urban Development*
 6 *Act of 1968 (12 U.S.C. 1701x) is amended—*

7 *(1) in subsection (a)(4)(C), by striking “ade-*
 8 *quate distribution” and all that follows through “fore-*
 9 *closure rates” and inserting “that the recipients are*
 10 *geographically diverse and include organizations that*
 11 *serve urban or rural areas”;*

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

14 *“(6) REVIEWS.—The Secretary—*

15 *“(A) may conduct periodic reviews; and*

“(B) shall conduct performance reviews of all organizations receiving assistance under this section that—

“(i) consist of a review of the organization’s compliance with all program requirements; and

“(ii) may take into account the organization’s aggregate counselor performance under paragraph (7)(B).

“(7) CONSIDERATIONS.—

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

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

“(ii) guaranteed under section 184 or 184A of the Housing and Community De-

1 *velopment Act of 1992 (12 U.S.C. 1715z–*
2 *13a, 1715z–13b).*

3 “(B) *COMPARISON.—For each counselor em-*
4 *ployed by an organization receiving assistance*
5 *under this section for prepurchase housing coun-*
6 *seling, the Secretary may consider the perform-*
7 *ance of the counselor compared to the default*
8 *rate of all counseled borrowers of a covered mort-*
9 *gage loan in comparable markets and such other*
10 *factors as the Secretary determines appropriate*
11 *to further the purposes of this section.*

12 “(8) *CERTIFICATION.—If, based on the compari-*
13 *son required under paragraph (7)(B), the Secretary*
14 *determines that a counselor lacks competence to pro-*
15 *vide counseling in the areas described in subsection*
16 *(e)(2) and such action will not create a significant*
17 *loss of capacity for housing counseling services in the*
18 *service area, the Secretary may—*

19 “(A) *require continued education coupled*
20 *with successful completion of a probationary pe-*
21 *riod;*

22 “(B) *require retesting if the counselor con-*
23 *tinues to demonstrate a lack of competence under*
24 *paragraph (7)(B); and*

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

(3) in subsection (i)—

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

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

“(3) *TERMINATION OF ASSISTANCE.*—

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

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

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

“(B) *NOTICE.*—The Secretary shall give an organization or entity receiving covered assistance not less than 60 days prior written notice of any denial of renewal under this paragraph,

1 *and the determination of renewal shall not be fi-*
 2 *nalized until the end of that notice period.*

3 “(C) *INFORMAL CONFERENCE.*—*If requested*
 4 *in writing by the organization or entity within*
 5 *the notice period described in subparagraph (B),*
 6 *the organization or entity shall be entitled to an*
 7 *informal conference with the Deputy Assistant*
 8 *Secretary of Housing Counseling on behalf of the*
 9 *Secretary at which the organization or entity*
 10 *may present for consideration specific factors*
 11 *that the organization or entity believes were be-*
 12 *yond the control of the organization or entity*
 13 *and that caused the failure to comply with pro-*
 14 *gram requirements, such as a lack of lender or*
 15 *servicer coordination or communication with*
 16 *housing counseling agencies and individual*
 17 *counselors.”; and*

18 *(4) by adding at the end the following:*

19 “(j) *OFFERING FORECLOSURE MITIGATION COUN-*
 20 *SELING.*—

21 “(1) *COVERED MORTGAGE LOAN DEFINED.*—*In*
 22 *this subsection, the term ‘covered mortgage loan’*
 23 *means any loan which is secured by a first or subor-*
 24 *dinate lien on residential real property (including in-*
 25 *dividual units of condominiums and housing coopera-*

1 *tives) or stock or membership in a cooperative owner-*
 2 *ship housing corporation designed principally for the*
 3 *occupancy of between 1 and 4 families that is—*

4 *“(A) insured by the Federal Housing Ad-*
 5 *ministration under title II of the National Hous-*
 6 *ing Act (12 U.S.C. 1707 et seq.);*

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

10 *“(C) made, guaranteed, or insured by the*
 11 *Department of Veterans Affairs; or*

12 *“(D) made, guaranteed, or insured by the*
 13 *Department of Agriculture.*

14 *“(2) OPPORTUNITY FOR BORROWERS.—A bor-*
 15 *rower with respect to a covered mortgage loan who is*
 16 *30 days or more delinquent on payments for the cov-*
 17 *ered mortgage loan shall be given an opportunity to*
 18 *participate in available housing counseling.*

19 *“(3) COST.—If the requirements of sections*
 20 *202(a)(3) and 205(f) of the National Housing Act (12*
 21 *U.S.C. 1708(a)(3), 1711(f)) are met, the fair market*
 22 *rate cost of counseling for delinquent borrowers de-*
 23 *scribed in paragraph (2) with respect to a covered*
 24 *mortgage loan described in paragraph (1)(A) shall be*
 25 *paid for by the Mutual Mortgage Insurance Fund, as*

1 *authorized under section 203(r)(4) of the National*
 2 *Housing Act (12 U.S.C. 1709(r)(4)).”.*

3 **SEC. 102. FEDERAL GUIDELINES FOR POINT ACCESS BLOCK**
 4 **BUILDINGS.**

5 (a) *IN GENERAL.*—*Not later than 18 months after the*
 6 *date of enactment of this section, the Secretary of Housing*
 7 *and Urban Development shall issue guidelines to provide*
 8 *States, territories, Tribes, and localities with model code*
 9 *language, best practices, and technical guidance that could*
 10 *be used to facilitate the permitting of point-access block resi-*
 11 *dential buildings.*

12 (b) *CONTENTS.*—*When developing the guidelines under*
 13 *subsection (a), the Secretary shall consider—*

14 (1) *fire safety considerations, including sprinkler*
 15 *coverage, smoke detection, ventilation, and building*
 16 *egress performance;*

17 (2) *construction costs and potential impacts on*
 18 *housing affordability, including the potential for in-*
 19 *creasing housing supply in high-cost jurisdictions;*

20 (3) *flexibility for diverse consumer needs, includ-*
 21 *ing family sizes, unit configurations, and accessi-*
 22 *bility;*

23 (4) *examples of single-stair codes adopted or con-*
 24 *sidered by States and cities in the United States;*

1 (5) *examples of single-stair codes used in rel-*
 2 *evant international standards;*

3 (6) *research and model language relating to sin-*
 4 *gle-stair codes produced by organizations that focus*
 5 *on point-access block building design and building-*
 6 *code reform;*

7 (7) *consulting with experts, including developers,*
 8 *architects, fire marshals, researchers, economists,*
 9 *housing authorities, and officials in States that have*
 10 *enacted or piloted single-stair codes; and*

11 (8) *alternative methods of safety compliance, in-*
 12 *cluding options that utilize additional passive or ac-*
 13 *tive safety features.*

14 (c) *COORDINATION WITH THE INTERNATIONAL CODE*
 15 *COUNCIL.—The Secretary shall coordinate with the Inter-*
 16 *national Code Council to encourage the International Code*
 17 *Council to incorporate provisions about point-access block*
 18 *buildings into the International Building Code.*

19 (d) *GRANTS.—*

20 (1) *IN GENERAL.—The Secretary may establish a*
 21 *program to award competitive grants to eligible enti-*
 22 *ties to implement pilot projects that evaluate, dem-*
 23 *onstrate, or validate the safety, feasibility, or cost-ef-*
 24 *fectiveness of point-access block residential buildings.*

1 (2) *SUNSET.*—*The program established under*
 2 *paragraph (1) shall terminate on the date that is 7*
 3 *years after the date of the enactment of this sub-*
 4 *section.*

5 (e) *TREATMENT OF PROJECTS.*—*Projects assisted*
 6 *under this section shall be treated as projects assisted under*
 7 *the Community Development Block Grant program under*
 8 *title I of the Housing and Community Development Act of*
 9 *1974 (42 U.S.C. 5301 et seq.).*

10 (f) *RULE OF CONSTRUCTION.*—*Nothing in this section*
 11 *may be construed to preempt a State or local building code.*

12 (g) *DEFINITIONS.*—*In this section:*

13 (1) *ELIGIBLE ENTITY.*—*The term “eligible enti-*
 14 *ty” means a State, unit of local government, Tribal*
 15 *Government, public housing agency, nonprofit hous-*
 16 *ing organization, community development organiza-*
 17 *tion, private developer, construction firm, qualified*
 18 *design firm, engineering firm, academic institution,*
 19 *research institution, or any partnership or consor-*
 20 *tium comprised of 2 or more such types of entities.*

21 (2) *POINT-ACCESS BLOCK BUILDING.*—*The term*
 22 *“point-access block building” means a Group R–2 oc-*
 23 *cupancy residential structure, as such term is defined*
 24 *by the International Building Code, in which a single*
 25 *internal stairway provides access and egress for all*

1 *dwelling units in a building that is not greater than*
 2 *6 stories in height.*

3 **SEC. 103. EXEMPTION ON CONSTRUCTION OR MODIFICA-**
 4 **TION OF RESIDENTIAL HOUSING LOCATED**
 5 **ON AN INFILL SITE.**

6 (a) *EXEMPTION.*—*In providing assistance under sec-*
 7 *tion 501, 502, 504, 515, 533, or 538 of the Housing Act*
 8 *of 1949 (42 U.S.C. 1471, 1472, 1474, 1485, 1490m, or*
 9 *1490p-2) for the construction or modification of residential*
 10 *housing located on an infill site, the Secretary of Agri-*
 11 *culture shall not be required to carry out any study or re-*
 12 *port on the environmental effects of such assistance.*

13 (b) *REPORT.*—*Not later than the date that is 5 years*
 14 *after the date of enactment of this section, the Secretary*
 15 *of Agriculture shall submit, to the Committee on Financial*
 16 *Services of the House of Representatives and the Committee*
 17 *on Banking, Housing, and Urban Affairs of the Senate, a*
 18 *report that—*

19 (1) *determines whether the implementation of*
 20 *this section—*

21 (A) *reduced the amount of time it takes to*
 22 *review an application for assistance under the*
 23 *sections of the Housing Act of 1949 identified in*
 24 *subsection (a); and*

1 (B) reduced the administrative cost of pro-
 2 viding such assistance;

3 (2) describes how the implementation of this sec-
 4 tion affects the affordable housing sector in rural
 5 America; and

6 (3) includes any legislative recommendations
 7 from the Secretary of Agriculture.

8 (c) *DEFINITIONS.*—*In this section:*

9 (1) *GREENFIELD.*—*The term “greenfield” means*
 10 *a site that has not been developed, including a wood-*
 11 *land, farmland, and an open field.*

12 (2) *INFILL SITE.*—*The term “infill site”—*

13 (A) *means a site that is served by existing*
 14 *infrastructure, including water lines, sewer lines,*
 15 *and roads; and*

16 (B) *does not include—*

17 (i) *a site that is served by existing in-*
 18 *frastructure that only consists of a road;*

19 (ii) *a site within a census tract des-*
 20 *ignated as very high or relatively high risk*
 21 *for wildfire, coastal flooding, and riverine*
 22 *flooding under the National Risk Index of*
 23 *the Federal Emergency Management Agency*
 24 *pursuant to section 206 of the Robert T.*

1 *Stafford Disaster Relief and Emergency As-*
 2 *sistance Act (42 U.S.C. 5136); and*
 3 *(iii) a greenfield.*

4 **SEC. 104. DATABASE OF PUBLICLY OWNED LAND.**

5 *(a) IN GENERAL.*—Section 104(b) of the *Housing and*
 6 *Community Development Act of 1974 (42 U.S.C. 5304(b))*
 7 *is amended—*

8 *(1) in paragraph (5), by striking “and” at the*
 9 *end;*

10 *(2) in paragraph (6), by striking the period at*
 11 *the end and inserting “; and”; and*

12 *(3) by adding at the end the following:*

13 *“(7) the grantee maintains, on a publicly acces-*
 14 *sible website, a searchable database that identifies all*
 15 *parcels of undeveloped land owned by the grantee.”.*

16 *(b) EFFECTIVE DATE.*—The amendment made by this
 17 *subsection shall take effect on October 1, 2026.*

18 **SEC. 105. FHA SMALL-DOLLAR MORTGAGES.**

19 *(a) IN GENERAL.*—Not later than 1 year after the date
 20 *of the enactment of this section, the Secretary of Housing*
 21 *and Urban Development, acting through the Federal Hous-*
 22 *ing Commissioner, may establish a Pilot Program to in-*
 23 *crease access to small-dollar mortgages for mortgagors*
 24 *which may include—*

1 (1) *authorizing direct payments to mortgagees to*
2 *incentivize the origination of small-dollar mortgages;*

3 (2) *adjusting terms and costs imposed by the*
4 *Federal Housing Administration with respect to*
5 *small-dollar mortgages;*

6 (3) *providing direct grants for mortgagors who*
7 *obtain small-dollar mortgages to cover costs associated*
8 *with—*

9 (A) *down payments;*

10 (B) *closing costs;*

11 (C) *appraisals; and*

12 (D) *title insurance;*

13 (4) *conducting outreach to potential mortgagors*
14 *about the availability of small-dollar mortgages; and*

15 (5) *providing technical assistance for mortgagees*
16 *that originate small-dollar mortgages.*

17 (b) *REPORT.—Beginning not later than 1 year after*
18 *the establishment of the Pilot Program under subsection (a)*
19 *and ending 1 year after the sunset of the Pilot Program,*
20 *the Federal Housing Commissioner shall submit to the Con-*
21 *gress an annual report that—*

22 (1) *tracks and evaluates the outcomes of small-*
23 *dollar mortgages originated by mortgagees as a result*
24 *of support provided under subsection (a);*

1 (2) *analyzes risks of the Pilot Program to the*
2 *solvency of the Mutual Mortgage Insurance Fund;*

3 (3) *includes data with respect to—*

4 (A) *the number of small-dollar mortgages*
5 *originated in the 10-year period preceding the*
6 *date of the enactment of this section, including*
7 *small-dollar mortgages insured or guaranteed by*
8 *the Federal Government and small-dollar mort-*
9 *gages not insured by the Federal Government;*

10 (B) *the original principal balance of each*
11 *small-dollar mortgage identified under subpara-*
12 *graph (A);*

13 (C) *demographic information about the*
14 *mortgagors associated with each such small-dol-*
15 *lar mortgages; and*

16 (D) *the number and type of mortgagees that*
17 *offer small-dollar mortgages;*

18 (4) *provides a description of the fixed costs that*
19 *are associated with mortgages and the impact of such*
20 *costs on the ability of lenders to earn a market rate*
21 *return on small-dollar mortgages; and*

22 (5) *includes analysis, by regions of the United*
23 *States, including rural regions, that identifies regions*
24 *with the greatest need for, and the highest likelihood*
25 *of, the origination of small-dollar mortgages and re-*

1 *gions that could benefit the most from increased*
 2 *availability of small-dollar mortgages.*

3 (c) *SUNSET.*—*The Pilot Program established under*
 4 *subsection (a) shall terminate on the date that is 4 years*
 5 *after the date on which the Pilot Program is established*
 6 *under subsection (a).*

7 (d) *EXPIRATION OF AUTHORITY.*—*After the expiration*
 8 *of the 3-year period beginning on the date of enactment of*
 9 *this section, neither the Federal Housing Commissioner nor*
 10 *the Secretary of Housing and Urban Development may*
 11 *newly establish a Pilot Program to increase access to small-*
 12 *dollar mortgages for mortgagors.*

13 (e) *SMALL-DOLLAR MORTGAGE DEFINED.*—*The term*
 14 *“small-dollar mortgage” means a mortgage that—*

15 (1) *has an original principal balance of*
 16 *\$100,000 or less; and*

17 (2) *is secured by a 1- to 4-unit property that is*
 18 *the principal residence of the mortgagor.*

19 **SEC. 106. TEMPERATURE SENSOR PILOT PROGRAM.**

20 (a) *IN GENERAL.*—*The Secretary of Housing and*
 21 *Urban Development shall establish a temperature sensor*
 22 *Pilot Program to provide grants to public housing agencies*
 23 *and owners of covered federally assisted rental dwelling*
 24 *units to acquire, install, and test the efficacy of approved*
 25 *temperature sensors in residential dwelling units to ensure*

1 *such units remain in compliance with temperature require-*
2 *ments.*

3 (b) *ELIGIBILITY.*—

4 (1) *IN GENERAL.*—*The Secretary shall, not later*
5 *than 180 days after the date of the enactment of this*
6 *Act, establish eligibility criteria for public housing*
7 *agencies and owners of covered federally assisted rent-*
8 *al dwelling units to participate in the Pilot Program*
9 *established pursuant to subsection (a).*

10 (2) *CRITERIA.*—*In establishing the eligibility*
11 *criteria described in paragraph (1), the Secretary*
12 *shall ensure—*

13 (A) *the Pilot Program includes a diverse*
14 *range of participants that represent different ge-*
15 *ographic regions, climate regions, unit sizes, and*
16 *types of housing; and*

17 (B) *that the functionality of an approved*
18 *temperature sensor will be installed and tested*
19 *using amounts awarded under this section, in-*
20 *cluding internet connectivity requirements.*

21 (c) *INSTALLATION.*—*Each public housing agency or*
22 *owner of a covered federally assisted rental dwelling unit*
23 *that acquires 1 or more approved temperature sensors under*
24 *this section shall, after receiving written permission from*

1 *the resident of a dwelling unit, install such temperature*
 2 *sensor and monitor the data from such temperature sensor.*

3 *(d) COLLECTION OF COMPLAINT RECORDS.—*

4 *(1) IN GENERAL.—Each public housing agency*
 5 *or owner of a covered federally assisted rental dwell-*
 6 *ing unit that installs 1 or more approved temperature*
 7 *sensors under this section shall collect and retain in-*
 8 *formation about temperature-related complaints and*
 9 *violations.*

10 *(2) DEFINITIONS.—The Secretary shall, not later*
 11 *than 180 days after the date of the enactment of this*
 12 *Act, define the terms “temperature-related com-*
 13 *plaints” and “temperature-related violations” for the*
 14 *purposes of this section.*

15 *(e) DATA COLLECTION.—*

16 *(1) IN GENERAL.—Data collected from tempera-*
 17 *ture sensors acquired and installed by public housing*
 18 *agencies and owners of covered federally assisted rent-*
 19 *al dwelling units under this section shall be retained*
 20 *until the Secretary notifies the public housing agency*
 21 *or owner that the Pilot Program and the evaluation*
 22 *of the Pilot Program are complete.*

23 *(2) PERSONALLY IDENTIFIABLE INFORMATION.—*
 24 *The Secretary shall, not later than 180 days after the*
 25 *date of the enactment of this Act, establish standards*

1 *for the protection of personally identifiable informa-*
 2 *tion collected during the Pilot Program by public*
 3 *housing agencies, owners of federally assisted rental*
 4 *dwelling units, and the Secretary.*

5 *(f) PILOT PROGRAM EVALUATION.—*

6 *(1) INTERIM EVALUATION.—Not later than 12*
 7 *months after the establishment of the Pilot Program*
 8 *under this section, the Secretary shall publicly pub-*
 9 *lish and submit to the Congress a report that—*

10 *(A) examines the number of temperature-re-*
 11 *lated complaints and violations in federally as-*
 12 *sisted rental dwelling units with temperature*
 13 *sensors, disaggregated by temperature sensor*
 14 *technology and climate region—*

15 *(i) that occurred before the installation*
 16 *of such sensor, if known; and*

17 *(ii) that occurred after the installation*
 18 *of such sensor; and*

19 *(B) identifies any barriers to full utility of*
 20 *temperature sensor capabilities, including*
 21 *broadband internet access and tenant participa-*
 22 *tion.*

23 *(2) FINAL EVALUATION.—Not later than 36*
 24 *months after the conclusion of the Pilot Program es-*
 25 *tablished by the Secretary under this section, the Sec-*

1 *retary shall publicly publish and submit to the Con-*
2 *gress a report that—*

3 *(A) examines the number of temperature-re-*
4 *lated complaints and violations in federally as-*
5 *sisted rental dwelling units with temperature*
6 *sensors, disaggregated by temperature sensor*
7 *technology and climate region—*

8 *(i) that occurred before the installation*
9 *of such sensor; and*

10 *(ii) that occurred after the installation*
11 *of such sensor;*

12 *(B) identifies any barriers to full utility of*
13 *temperature sensor capabilities, including*
14 *broadband internet access and tenant participa-*
15 *tion; and*

16 *(C) compares the utility of various tempera-*
17 *ture sensor technologies based on—*

18 *(i) climate zones;*

19 *(ii) cost;*

20 *(iii) features; and*

21 *(iv) any other factors identified by the*

22 *Secretary.*

23 *(g) TREATMENT OF PROJECTS.—Projects assisted*
24 *under this section shall be treated as projects assisted under*
25 *the Community Development Block Grant program under*

1 *title I of the Housing and Community Development Act of*
 2 *1974 (42 U.S.C. 5301 et seq.).*

3 *(h) SUNSET.—The Pilot Program established under*
 4 *this section shall terminate on the date that is 3 years after*
 5 *the date of the enactment of this section.*

6 *(i) DEFINITIONS.—For the purposes of this section:*

7 *(1) APPROVED TEMPERATURE SENSOR.—The*
 8 *term “approved temperature sensor” means an inter-*
 9 *net capable temperature reporting device able to*
 10 *measure ambient air temperature to the tenth degree*
 11 *Fahrenheit and Celsius selected from a list of such de-*
 12 *vices approved in advance by the Secretary.*

13 *(2) ASSISTANCE.—The term “assistance” means*
 14 *any grant, loan, subsidy, contract, cooperative agree-*
 15 *ment, or other form of financial assistance, but such*
 16 *term does not include the insurance or guarantee of*
 17 *a loan, mortgage, or pool of loans or mortgages.*

18 *(3) COVERED FEDERALLY ASSISTED RENTAL*
 19 *DWELLING UNIT.—The term “covered federally as-*
 20 *sisted rental dwelling unit” means a residential*
 21 *dwelling unit that is made available for rental and*
 22 *for which assistance is provided, or that is part of a*
 23 *housing project for which assistance is provided,*
 24 *under—*

1 (A) the program for project-based rental as-
 2 sistance under section 8 of the United States
 3 Housing Act of (42 U.S.C. 1437f);

4 (B) the public housing program under the
 5 United States Housing Act of 1937 (42 U.S.C.
 6 1437 et seq.);

7 (C) the program for supportive housing for
 8 the elderly under section 202 of the Housing Act
 9 of 1959 (12 U.S.C. 1701q); or

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

14 (4) OWNER.—The term “owner” means—

15 (A) with respect to the program for project-
 16 based rental assistance under section 8 of the
 17 United States Housing Act of 1937 (42 U.S.C.
 18 1437f), any private person or entity, including
 19 a cooperative, an agency of the Federal Govern-
 20 ment, or a public housing agency, having the
 21 legal right to lease or sublease dwelling units;

22 (B) with respect to the public housing pro-
 23 gram under the United States Housing Act of
 24 1937 (42 U.S.C. et seq.), a public housing agency
 25 or an owner entity of public housing units as de-

1 *defined in section 905.108 of title 24, Code of Fed-*
 2 *eral Regulations;*

3 *(C) with respect to the program for sup-*
 4 *portive housing for the elderly under section 202*
 5 *of the Housing Act of 1959 (12 U.S.C. 1701q),*
 6 *a private nonprofit organization as defined*
 7 *under section (k)(4) of the Housing Act of 1959;*
 8 *and*

9 *(D) with respect to the program for sup-*
 10 *portive housing for persons with disabilities*
 11 *under section 811 of the Cranston-Gonzalez Na-*
 12 *tional Affordable Housing Act (42 U.S.C. 8013),*
 13 *a private nonprofit organization as defined*
 14 *under section 811(k)(5) of the Cranston-Gonzalez*
 15 *National Affordable Housing Act.*

16 **SEC. 107. HOUSING SUPPLY FRAMEWORKS.**

17 *(a) DEFINITIONS.—In this section:*

18 *(1) AFFORDABLE HOUSING.—The term “afford-*
 19 *able housing” means housing for which the monthly*
 20 *payment is not more than 30-percent of the monthly*
 21 *income of the household.*

22 *(2) ASSISTANT SECRETARY.—The term “Assist-*
 23 *ant Secretary” means the Assistant Secretary for Pol-*
 24 *icy Development and Research of the Department of*
 25 *Housing and Urban Development.*

1 (3) *LOCAL ZONING FRAMEWORK.*—*The term*
 2 *“local zoning framework” means the local zoning*
 3 *codes and other ordinances, procedures, and policies*
 4 *governing zoning and land-use at the local level.*

5 (4) *SECRETARY.*—*The term “Secretary” means*
 6 *the Secretary of Housing and Urban Development.*

7 (5) *STATE ZONING FRAMEWORK.*—*The term*
 8 *“State zoning framework” means the State legislation*
 9 *or State agency and department procedures, or such*
 10 *legislation or procedures in an insular area of the*
 11 *United States, enabling local planning and zoning*
 12 *authorities and establishing and guiding related poli-*
 13 *cies and programs.*

14 (b) *GUIDELINES ON STATE AND LOCAL ZONING*
 15 *FRAMEWORKS.*—

16 (1) *IN GENERAL.*—*Not later than 3 years after*
 17 *the date of enactment of this Act, the Assistant Sec-*
 18 *retary shall publish documents outlining guidelines*
 19 *and best practices to support production of adequate*
 20 *housing to meet the needs of communities and provide*
 21 *housing opportunities for individuals at every income*
 22 *level across communities with respect to—*

23 (A) *State zoning frameworks; and*

24 (B) *local zoning frameworks.*

1 (2) *CONSULTATION; PUBLIC COMMENT.*—During
2 the 2-year period beginning on the date of enactment
3 of this Act, in developing the guidelines and best
4 practices required under paragraph (1), the Assistant
5 Secretary shall—

6 (A) publish draft guidelines and best prac-
7 tices in the Federal Register for public comment;
8 and

9 (B) establish a task force for the purpose of
10 providing consultation to draft the guidelines
11 and best practices published under subparagraph
12 (A), the members of which shall include—

13 (i) urban planners and architects;

14 (ii) housing developers, including af-
15 fordable and market-rate housing devel-
16 opers, manufactured housing developers, co-
17 operative housing developers, and other
18 business interests;

19 (iii) community engagement experts
20 and community members impacted by zon-
21 ing decisions;

22 (iv) public housing agencies and tran-
23 sit authorities;

1 (v) members of local zoning and plan-
2 ning boards and local and regional trans-
3 portation planning organizations;

4 (vi) State officials responsible for hous-
5 ing or land use, including members of State
6 zoning boards of appeals;

7 (vii) academic researchers; and

8 (viii) home builders.

9 (3) CONTENTS.—*The guidelines and best prac-*
10 *tices required under paragraph (1) shall—*

11 (A) *with respect to State zoning frame-*
12 *works, outline potential models for updated State*
13 *enabling legislation or State agency and depart-*
14 *ment procedures;*

15 (B) *include recommendations regarding—*

16 (i) *the reduction or elimination of*
17 *parking minimums;*

18 (ii) *the increase in maximum floor*
19 *area ratio requirements and maximum*
20 *building heights and the reduction in min-*
21 *imum lot sizes and set-back requirements;*

22 (iii) *the elimination of restrictions*
23 *against accessory dwelling units;*

1 (iv) increasing by-right uses, including
2 duplex, triplex, or quadplex buildings,
3 across cities or metropolitan areas;

4 (v) mechanisms, including proximity
5 to transit, to determine the appropriate
6 scope for rezoning and ensure development
7 that does not disproportionately burden
8 residents of economically distressed areas;

9 (vi) provisions regarding review of by-
10 right development proposals to streamline
11 review and reduce uncertainty, including—

12 (I) nondiscretionary, ministerial
13 review; and

14 (II) entitlement and design review
15 processes;

16 (vii) the reduction of obstacles, regu-
17 latory or otherwise, to a range of housing
18 types at all levels of affordability, including
19 manufactured and modular housing;

20 (viii) State model zoning regulations
21 for directing local reforms, including mech-
22 anisms to encourage adoption;

23 (ix) provisions to encourage transit-
24 oriented development, including increased
25 permissible units per structure and reduced

1 *minimum lot sizes near existing or planned*
2 *public transit stations;*

3 *(x) potential reforms to strengthen the*
4 *public engagement process;*

5 *(xi) reforms to protest petition statutes;*

6 *(xii) the standardization, reduction, or*
7 *elimination of impact fees;*

8 *(xiii) cost-effective and appropriate*
9 *building codes;*

10 *(xiv) models for community benefit*
11 *agreements;*

12 *(xv) mechanisms to preserve afford-*
13 *ability, limit disruption of low-income com-*
14 *munities, and prevent displacement of exist-*
15 *ing residents;*

16 *(xvi) with respect to State zoning*
17 *frameworks—*

18 *(I) State model codes for directing*
19 *local reforms, including mechanisms to*
20 *encourage adoption;*

21 *(II) a model for a State zoning*
22 *appeals process, which would—*

23 *(aa) create a process for de-*
24 *velopers or builders requesting a*
25 *variance, conditional use, special*

1 *permit, zoning district change,*
2 *similar discretionary permit, or*
3 *otherwise petitioning a local zon-*
4 *ing or planning board for a*
5 *project including a State-defined*
6 *amount of affordable housing to*
7 *appeal a rejection to a State body*
8 *or regional body empowered by*
9 *the State; and*

10 *(bb) establish qualifications*
11 *for communities to be exempted*
12 *from the appeals process based on*
13 *their available stock of affordable*
14 *housing; and*

15 *(III) streamlining of State envi-*
16 *ronmental review policies;*

17 *(xvii) with respect to local zoning*
18 *frameworks—*

19 *(I) the simplification and stand-*
20 *ardization of existing zoning codes;*

21 *(II) maximum review timelines;*

22 *(III) best practices for the disposi-*
23 *tion of land owned by local govern-*
24 *ments for affordable housing develop-*
25 *ment;*

1 (IV) differentiations between best
2 practices for rural, suburban, and
3 urban communities, and communities
4 with different levels of density or popu-
5 lation distribution; and

6 (V) streamlining of local environ-
7 mental review policies; and

8 (xviii) other land use measures that
9 promote access to new housing opportunities
10 identified by the Secretary; and

11 (C) consider—

12 (i) the effects of adopting any rec-
13 ommendation on eligibility for Federal dis-
14 cretionary grants and tax credits for the
15 purpose of housing or community develop-
16 ment;

17 (ii) coordination between infrastruc-
18 ture investments and housing planning;

19 (iii) local housing needs, including
20 ways to set and measure housing goals and
21 targets;

22 (iv) a range of affordability for rental
23 units, with a prioritization of units attain-
24 able to extremely low-, low-, and moderate-
25 income residents;

1 (v) a range of affordability for home-
2 ownership;

3 (vi) accountability measures;

4 (vii) the long-term cost to residents
5 and businesses if more housing is not con-
6 structed;

7 (viii) barriers to individuals seeking to
8 access affordable housing in growing com-
9 munities and communities with economic
10 opportunity;

11 (ix) with respect to State zoning
12 frameworks—

13 (I) distinctions between States
14 providing constitutional or statutory
15 home rule authority to municipalities
16 and States operating under the Dillon
17 Rule, as articulated in *Hunter v.*
18 *Pittsburgh*, 207 U.S. 161 (1907); and

19 (II) Statewide mechanisms to pre-
20 serve existing affordability over the
21 long term, including support for land
22 banks and community land trusts;

23 (x) public comments elicited under
24 paragraph (2)(A); and

1 *(xi) other considerations, as identified*
 2 *by the Assistant Secretary.*

3 (c) *ABOLISHMENT OF THE REGULATORY BARRIERS*
 4 *CLEARINGHOUSE.*—

5 (1) *IN GENERAL.*—*The Regulatory Barriers*
 6 *Clearinghouse established pursuant to section 1205 of*
 7 *the Housing and Community Development Act of*
 8 *1992 (42 U.S.C. 12705d) is abolished.*

9 (2) *REPEAL.*—*Section 1205 of the Housing and*
 10 *Community Development Act of 1992 (42 U.S.C.*
 11 *12705d) is repealed.*

12 (d) *REPORTING.*—*Not later than 5 years after the date*
 13 *on which the Assistant Secretary publishes the final guide-*
 14 *lines and best practices for State and local zoning frame-*
 15 *works under this section, the Assistant Secretary shall sub-*
 16 *mit to the Congress a report describing—*

17 (1) *the States that have adopted recommenda-*
 18 *tions from the guidelines and best practices, pursuant*
 19 *to subsection (b);*

20 (2) *a summary of the localities that have adopt-*
 21 *ed recommendations from the guidelines and best*
 22 *practices, pursuant to subsection (b);*

23 (3) *a list of States that adopted a State zoning*
 24 *framework;*

1 (4) *a summary of the modifications that each*
 2 *State has made in their State zoning framework;*

3 (5) *a general summary of the types of updates*
 4 *localities have made to their local zoning framework;*

5 (6) *with respect to the States that have adopted*
 6 *a State zoning framework or recommendations from*
 7 *the guidelines and best practices, the effect of such*
 8 *adoptions; and*

9 (7) *a summary of any recommendations that*
 10 *were routinely not adopted by States or by localities.*

11 (e) *RULE OF CONSTRUCTION.—Nothing in this section*
 12 *may be construed to permit the Department of Housing and*
 13 *Urban Development to take an adverse action against or*
 14 *fail to provide otherwise offered actions or services for any*
 15 *State or locality if the State or locality declines to adopt*
 16 *a guideline or best practice under subsection (b).*

17 **TITLE II—BUILDING MORE IN** 18 **AMERICA**

19 **SEC. 201. INCREASING HOUSING IN OPPORTUNITY ZONES.**

20 (a) *COVERED GRANT DEFINED.—In this section, the*
 21 *term “covered grant” means any competitive grant relating*
 22 *to the construction, modification, rehabilitation, or preser-*
 23 *vation of housing, as determined by the Secretary of Hous-*
 24 *ing and Urban Development.*

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

8 **SEC. 202. WHOLE-HOME REPAIRS ACT.**

9 (a) *DEFINITIONS*.—In this section:

10 (1) *AFFORDABLE UNIT*.—The term “affordable
 11 unit” means a unit for which the monthly rental pay-
 12 ment is not more than 30 percent of the gross income
 13 of an individual earning at or below 80 percent of the
 14 area median income, as defined by the Secretary.

15 (2) *ASSISTED UNIT*.—The term “assisted unit”
 16 means a unit that undergoes repair or rehabilitation
 17 work through a whole-home repairs program adminis-
 18 tered by an implementing organization under this
 19 section.

20 (3) *ELIGIBLE HOME-OWNER*.—The term “eligible
 21 home-owner” means a home-owner—

22 (A) with a household income that—

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

1 (ii) meets the income eligibility re-
 2 quirements for receiving assistance or bene-
 3 fits under a specified program, as defined
 4 in paragraph (11); and

5 (B) who is—

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

11 (ii) an owner-occupant of the manufac-
 12 tured home on which repairs are to be con-
 13 ducted;

14 (iii) an owner-occupant of the coopera-
 15 tive housing unit on which repairs are to be
 16 conducted; or

17 (iv) an owner who can demonstrate an
 18 ownership interest in the property, or trust
 19 land leasehold, on which repairs are to be
 20 conducted, including a person who has in-
 21 herited an interest in that property.

22 (4) *ELIGIBLE LANDLORD.*—The term “eligible
 23 landlord” means an individual—

24 (A) who owns, as determined by the rel-
 25 evant implementing organization, fewer than 10

1 *eligible rental properties, with a majority of af-*
 2 *fordable units and not more than 25 total units,*
 3 *operated as primary residences in which a ma-*
 4 *jority ownership interest is held by the indi-*
 5 *vidual, the spouse of the individual, or the de-*
 6 *pendent children of the individual, or any closely*
 7 *held legal entity controlled by the individual, the*
 8 *spouse of the individual, or the dependent chil-*
 9 *dren of the individual, either individually or col-*
 10 *lectively; and*

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

13 *(5) ELIGIBLE RENTAL PROPERTY.—The term “el-*
 14 *igible rental property” means a residential property*
 15 *that—*

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

19 *(B) includes affordable units.*

20 *(6) FORGIVABLE LOAN.—The term “forgivable*
 21 *loan” means a loan—*

22 *(A) made to an eligible landlord;*

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

1 (C) that may be forgiven by the imple-
 2 menting organization not later than the date
 3 that is 3 years after the completion of the repairs
 4 if the eligible landlord has maintained compli-
 5 ance with the loan agreement described in sub-
 6 section (b)(3).

7 (7) *IMPLEMENTING ORGANIZATION.*—The term
 8 “implementing organization”—

9 (A) means a unit of general local govern-
 10 ment or a State that—

11 (i) will administer a whole-home re-
 12 pairs program through an agency, depart-
 13 ment, or other entity; or

14 (ii) enters into agreements with 1 or
 15 more local governments, Indian Tribes, mu-
 16 nicipal authorities, other governmental au-
 17 thorities, including a tribally designated
 18 housing entity, or qualified nonprofit orga-
 19 nizations, to administer a whole-home re-
 20 pairs program as a subrecipient; and

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

24 (8) *INDIAN TRIBE.*—The term “Indian Tribe”
 25 has the meaning given the term in section 4 of the

1 *Native American Housing Assistance and Self-Deter-*
 2 *mination Act of 1996 (25 U.S.C. 4103).*

3 (9) *QUALIFIED NONPROFIT.*—*The term “quali-*
 4 *fied nonprofit” means a nonprofit organization*
 5 *that—*

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

8 (i) *the Community Development Block*
 9 *Grant program under title I of the Housing*
 10 *and Community Development Act of 1974*
 11 *(42 U.S.C. 5301 et seq.);*

12 (ii) *the HOME Investment Partner-*
 13 *ships program under subtitle A of title II of*
 14 *the Cranston-Gonzalez National Affordable*
 15 *Housing Act (42 U.S.C. 12741 et seq.);*

16 (iii) *the Lead-Based Paint Hazard Re-*
 17 *duction grant program under section 1011*
 18 *of the Residential Lead-Based Paint Haz-*
 19 *ard Reduction Act of 1992 (42 U.S.C.*
 20 *4852), a grant under the Healthy Homes*
 21 *Initiative administered by the Secretary*
 22 *pursuant to sections 501 and 502 of the*
 23 *Housing and Urban Development Act of*
 24 *1970 (12 U.S.C. 1701z–1, 1701z–2), or a*
 25 *grant under the Older Adult Home Modi-*

1 *fication Grants Program authorized under*
2 *the Consolidated Appropriations Act, 2024*
3 *(Public Law 118–42), or any successor Act,*
4 *to make safety and functional home modi-*
5 *fication repairs and renovations to meet the*
6 *needs of low-income seniors to enable them*
7 *to remain in their primary residence;*

8 *(iv) the Self-Help and Assisted home-*
9 *ownership Opportunity program authorized*
10 *under section 11 of the Housing Oppor-*
11 *tunity Program Extension Act of 1996 (42*
12 *U.S.C. 12805 note);*

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

16 *(vi) the Neighborhood Reinvestment*
17 *Corporation established under the Neighbor-*
18 *hood Reinvestment Corporation Act (42*
19 *U.S.C. 8101 et seq.);*

20 *(B) has coordinated, performed, or other-*
21 *wise been engaged in weatherization, lead reme-*
22 *diation, or home-repair work for not less than 2*
23 *years;*

24 *(C) has been certified by the Environmental*
25 *Protection Agency, or by a State authorized by*

1 *the Environmental Protection Agency to admin-*
2 *ister a certification program, as—*

3 *(i) eligible to carry out activities under*
4 *the lead renovation, repair, and painting*
5 *program under section 402(c) or 404 of the*
6 *Toxic Substances Control Act (15 U.S.C.*
7 *2682(c), 2684); or*

8 *(ii) a Home Certification Organization*
9 *under the Energy Star program established*
10 *by section 324A of the Energy Policy and*
11 *Conservation Act (42 U.S.C. 6294a) or the*
12 *WaterSense program under section 324B of*
13 *that Act (42 U.S.C. 6294b), or recognized or*
14 *otherwise approved by the Environmental*
15 *Protection Agency as a Home Certification*
16 *Organization under either of those pro-*
17 *grams; or*

18 *(D) is a community development financial*
19 *institution, as defined in section 103 of the Com-*
20 *munity Development Banking and Financial In-*
21 *stitutions Act of 1994 (12 U.S.C. 4702).*

22 *(10) SECRETARY.—The term “Secretary” means*
23 *the Secretary of Housing and Urban Development.*

1 (11) *SPECIFIED PROGRAM*.—For purposes of
2 paragraph (3)(A)(ii), the term “specified program”
3 means any of the following:

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

7 (B) *The State Children’s Health Insurance*
8 *Program established under title XXI of the So-*
9 *cial Security Act (42 U.S.C. 1397aa et seq.).*

10 (C) *The supplemental security income bene-*
11 *fits program established under title XVI of the*
12 *Social Security Act (42 U.S.C. 1381 et seq.).*

13 (D) *The supplemental nutrition assistance*
14 *program established under the Food and Nutri-*
15 *tion Act of 2008 (7 U.S.C. 2011 et seq.).*

16 (E) *The temporary assistance for needy*
17 *families program established under part A of*
18 *title IV of the Social Security Act (42 U.S.C.*
19 *601 et seq.).*

20 (12) *STATE*.—The term “State” means—

21 (A) *each State of the United States;*

22 (B) *the District of Columbia;*

23 (C) *the Commonwealth of Puerto Rico;*

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

1 (E) *an Indian Tribe.*

2 (13) *TRIBALLY DESIGNATED HOUSING ENTITY.—*

3 *The term “tribally designated housing entity” has the*
 4 *meaning given the term in section 4 of the Native*
 5 *American Housing Assistance and Self-Determination*
 6 *Act of 1996 (25 U.S.C. 4103).*

7 (14) *WHOLE-HOME REPAIRS.—The term “whole-*
 8 *home repairs” means modifications, repairs, or up-*
 9 *dates to home-owner or renter-occupied units to ad-*
 10 *dress—*

11 (A) *physical and sensory accessibility for*
 12 *individuals with disabilities and older adults,*
 13 *such as bathroom and kitchen modifications, in-*
 14 *stallation of grab bars and handrails, guards*
 15 *and guardrails, lifting devices, ramp additions*
 16 *or repairs, sidewalk addition or repair, or door-*
 17 *way or hallway widening;*

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

22 (C) *energy and water efficiency, resilience,*
 23 *and weatherization.*

24 (b) *PILOT PROGRAM.—*

1 (1) *ESTABLISHMENT.*—*There is authorized a*
2 *Pilot Program to provide grants to implementing or-*
3 *ganizations to administer a whole-home repairs pro-*
4 *gram for eligible home-owners and eligible landlords.*

5 (2) *USE OF FUNDS.*—*An implementing organiza-*
6 *tion that receives a grant from appropriated funds*
7 *made available for this subsection—*

8 (A) *shall provide grants to eligible home-*
9 *owners to implement whole-home repairs not cov-*
10 *ered by other Federal home repair programs up*
11 *to a maximum amount per unit, which max-*
12 *imum amount should—*

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

15 (ii) *be calculated and approved by the*
16 *Secretary;*

17 (B) *shall provide loans, which may be for-*
18 *givable, to eligible landlords to implement whole-*
19 *home repairs not covered by other Federal home*
20 *repair programs for individual affordable units,*
21 *public and common use areas within the prop-*
22 *erty, and common structural elements up to a*
23 *maximum amount per unit, area, or element, as*
24 *applicable, which maximum amount should—*

25 (i) *reflect local construction costs; and*

1 (ii) be calculated and approved by the
2 Secretary;

3 (C) shall evaluate, or provide assistance to
4 eligible home-owners and eligible landlords to
5 evaluate, whole-home repair program funds pro-
6 vided under this subsection with Federal, State,
7 Tribal, and local home repair programs to pro-
8 vide the greatest benefit to the greatest number of
9 eligible landlords and eligible home-owners and
10 avoid duplication of benefits and redundancies
11 for the same home repairs;

12 (D) shall require that—

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

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

21 (iii) any unused grant or loan balance
22 is returned to the implementing organiza-
23 tion, and is reused by the implementing or-
24 ganization for a new whole-home repair
25 grant or loan under this subsection;

1 (E) may use not more than 5 percent of the
2 awarded funds to carry out related functions, in-
3 cluding workforce training for home repair pro-
4 fessions, which shall be related to efforts to in-
5 crease the number of home repairs performed
6 and approved by the Secretary;

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

9 (G) shall comply with Federal accessibility
10 requirements and standards under applicable
11 Federal fair housing and civil rights laws and
12 regulations, including section 504 of the Reha-
13 bilitation Act of 1973 (29 U.S.C. 794); and

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

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

1 (A) *comply with Federal accessibility re-*
 2 *quirements and standards under applicable Fed-*
 3 *eral fair housing and civil rights laws and regu-*
 4 *lations, including section 504 of the Rehabilita-*
 5 *tion Act of 1973 (29 U.S.C. 794); and*

6 (B)(i) *if the landlord is renting the assisted*
 7 *units available in the eligible rental property to*
 8 *tenants receiving tenant-based rental assistance*
 9 *under section 8(o) of the United States Housing*
 10 *Act of 1937 (42 U.S.C. 1437f(o)), under another*
 11 *tenant-based rental assistance program adminis-*
 12 *tered by the Secretary or the Secretary of Agri-*
 13 *culture, or under a tenant-based rental subsidy*
 14 *provided by a State or local government, comply*
 15 *with the program requirements under the rel-*
 16 *evant tenant-based rental assistance program; or*

17 (ii) *if the eligible landlord is not renting to*
 18 *tenants receiving rental-based assistance as de-*
 19 *scribed in clause (i)—*

20 (I)(aa) *offer to extend the lease of cur-*
 21 *rent tenants on current terms, other than*
 22 *the terms described in subclause (iv) for not*
 23 *less than 3 years beginning after the com-*
 24 *pletion of the repairs, unless the lease is ter-*
 25 *minated due to failure to pay rent, perform-*

1 *ance of an illegal act within the rental unit,*
2 *or a violation of an obligation of tenancy*
3 *that the tenants failed to correct after no-*
4 *tice; and*

5 *(bb) if the tenant of an assisted unit*
6 *moves out of the assisted unit at any point*
7 *in the 3-year period following the loan*
8 *agreement, maintain the unit as an afford-*
9 *able unit for the remainder of the 3-year pe-*
10 *riod;*

11 *(II) provide documentation verifying*
12 *that the property, upon completion of ap-*
13 *proved renovations, has met all applicable*
14 *State and local housing and building codes;*

15 *(III) attest that the landlord has no*
16 *known serious violations of renter protec-*
17 *tions that have resulted in fines, penalties,*
18 *or judgments during the preceding 10 years;*
19 *and*

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

25 *(4) APPLICATION.—*

1 (A) *IN GENERAL.*—An implementing orga-
2 nization desiring an award under this subsection
3 shall submit to the Secretary an application that
4 includes—

5 (i) *the geographic scope of the whole-*
6 *home repairs program to be administered*
7 *by the implementing organization, includ-*
8 *ing the plan to address need in any rural,*
9 *Tribal, suburban, or urban area within a*
10 *jurisdiction;*

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

13 (iii) *a description of how the imple-*
14 *menting organization plans to execute the*
15 *coordination of Federal, State, Tribal, and*
16 *local home repair programs, including pro-*
17 *grams administered by the Department of*
18 *Energy, the Department of the Interior, the*
19 *Department of Veteran Affairs, or the De-*
20 *partment of Agriculture, to increase effi-*
21 *ciency and reduce redundancy;*

22 (iv) *available data on the need for af-*
23 *fordable and quality housing within the geo-*
24 *graphic scope of the whole-home repairs*

1 program, and any plans to preserve afford-
2 ability through the term of the award;

3 (v) a description of how the imple-
4 menting organization plans to process and
5 verify applications for grants from eligible
6 home-owners and applications for loans
7 from eligible landlords; and

8 (vi) such other information as the Sec-
9 retary requires to determine the ability of
10 an applicant to carry out a program under
11 this subsection.

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

14 (i) with respect to applications sub-
15 mitted by States other than the District of
16 Columbia and the territories of the United
17 States, prioritize those applications with a
18 demonstrated plan to—

19 (I) make a good-faith effort to im-
20 plement the Pilot Program in every ju-
21 risdiction; and

22 (II) provide nonmetropolitan
23 areas, or subrecipients serving non-
24 metropolitan areas if applicable, with

1 *a share of total funds commensurate*
2 *with their population;*

3 *(ii) aim to select applicants so that the*
4 *awardees collectively span diverse geog-*
5 *raphies, with an intent to understand the*
6 *impact of the Pilot Program under this sub-*
7 *section in urban, suburban, rural, and*
8 *Tribal settings; and*

9 *(iii) not disqualify implementing orga-*
10 *nizations that were awarded grants under*
11 *the Pilot Program in prior application cy-*
12 *cles.*

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

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

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

1 (B) not more than 1 implementing organi-
2 zation in any State.

3 (7) *LOANS THAT ARE NOT FORGIVEN.*—If a loan
4 made by an implementing organization under para-
5 graph (2)(B) is not forgiven, the loan repayment
6 funds shall be reused by the implementing organiza-
7 tion for a new whole-home repair grant or loan under
8 this subsection, which shall remain subject to the
9 original terms of the assistance awarded under this
10 subsection.

11 (8) *SUPPLEMENT, NOT SUPPLANT.*—Amounts
12 awarded under this subsection to implementing orga-
13 nizations shall supplement, not supplant, other Fed-
14 eral, State, Tribal, and local funds made available to
15 those entities.

16 (9) *STREAMLINING PROGRAM DELIVERY AND EN-*
17 *SURING EFFICIENCY.*—To the extent possible, in car-
18 rying out the Pilot Program under this subsection, the
19 Secretary shall—

20 (A) endeavor to improve efficiency of service
21 delivery, as well as the experience of and impact
22 on the taxpayer, by encouraging programmatic
23 collaboration and information sharing across
24 Federal, State, Tribal, and local programs for
25 home repair or improvement, including pro-

grams administered by the Department of Agriculture, the Department of the Interior, the Department of Veterans Affairs, or the Department of Energy; and

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

(10) REPORTING REQUIREMENTS.—

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

1 (i) the number of units served, includ-
2 ing reporting on both home-ownership and
3 rental units, as well as accessible units;

4 (ii) the average cost per unit for modi-
5 fications or repairs and the nature of those
6 modifications or repairs, including report-
7 ing on accessibility in both home-ownership
8 and rental units;

9 (iii) the number of applications re-
10 ceived, served, denied, or not completed,
11 disaggregated by geographic area;

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

17 (v) the aggregated demographic data of
18 loan recipients, which may include data on
19 income range, urban, suburban, and rural
20 residency, age, and racial and ethnic iden-
21 tity;

22 (vi) an affirmation that the implemen-
23 tation organization has complied with the
24 applicable regulations, including compli-

1 *ance with Federal accessibility require-*
2 *ments;*

3 *(vii) in the first year of receiving a*
4 *grant, and as certified in subsequent re-*
5 *ports, a comprehensive plan to prevent*
6 *waste, fraud, and abuse in the administra-*
7 *tion of the Pilot Program, which shall in-*
8 *clude, at a minimum—*

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

14 *(II) a policy enacted and enforced*
15 *by the implementing organization to*
16 *detect and deter fraudulent activity,*
17 *including fraud occurring in indi-*
18 *vidual projects and patterns of fraud*
19 *by parties involved in the expenditure*
20 *of funds under this subsection;*

21 *(III) a statement setting forth any*
22 *violations detected by the implementing*
23 *organization during the previous cal-*
24 *endar year, including details about*

1 *steps taken to achieve compliance and*
2 *any remedial measures; and*

3 *(IV) a certification by the chief*
4 *executive or most senior compliance of-*
5 *ficer of the organization that the orga-*
6 *nization maintains sufficient staff and*
7 *resources to effectively carry out the*
8 *above-mentioned policies; and*

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

11 *(B) REPORTING REQUIREMENT ALIGN-*
12 *MENT.—To limit the costs of implementing the*
13 *Pilot Program under this subsection, the Sec-*
14 *retary shall endeavor, to the extent possible, to*
15 *structure reporting requirements such that they*
16 *align with the data reporting requirements in*
17 *place for funding streams that implementing or-*
18 *ganizations are likely to use together with fund-*
19 *ing from this subsection, including the reporting*
20 *requirements under—*

21 *(i) the Community Development Block*
22 *Grant program under title I of the Housing*
23 *and Community Development Act of 1974*
24 *(42 U.S.C. 5301 et seq.);*

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

5 (iii) the Weatherization Assistance
6 Program for low-income persons established
7 under part A of title IV of the Energy Con-
8 servation and Production Act (42 U.S.C.
9 6861 et seq.); and

10 (iv) the Native American Housing As-
11 sistance and Self-Determination Act of 1996
12 (25 U.S.C. 4101 et seq.).

13 (C) PILOT PROGRAM PERIOD REPORTS.—
14 Not less frequently than twice during the period
15 in which the Pilot Program established under
16 this subsection operates, the Office of Inspector
17 General of the Department of Housing and
18 Urban Development shall complete an assessment
19 of the implementation of measures to ensure the
20 fair and legitimate use of the Pilot Program.

21 (D) SUMMARY TO CONGRESS.—The Sec-
22 retary shall submit to the Committee on Bank-
23 ing, Housing, and Urban Affairs of the Senate
24 and the Committee on Financial Services of the
25 House of Representatives an annual report pro-

1 *viding a summary of the data provided under*
 2 *subparagraphs (A) and (C) during the 1-year*
 3 *period preceding the report and all data pre-*
 4 *viously provided under those subparagraphs.*

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

7 (A) *treated as assistance for a special*
 8 *project for purposes of section 305(c) of the Mul-*
 9 *tifamily Housing Property Disposition Reform*
 10 *Act of 1994 (42 U.S.C. 3547); and*

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

13 (12) *TERMINATION.*—*The Pilot Program estab-*
 14 *lished under this subsection shall terminate on Octo-*
 15 *ber 1, 2031.*

16 **SEC. 203. COMMUNITY INVESTMENT AND PROSPERITY ACT.**

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

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

1 (c) *STUDY*.—Not later than 2 years after the date of
2 the enactment of this section, and every 2 years thereafter,
3 the Comptroller of the Currency and the Board of Governors
4 of the Federal Reserve System shall each submit to the Com-
5 mittee on Financial Services of the House of Representa-
6 tives and the Committee on Banking, Housing, and Urban
7 Affairs of the Senate, a report, after consulting with the
8 other agency in the development of such report, about public
9 welfare investments that were made by associations under
10 section 5136 of the Revised Statutes of the United States
11 and State member banks under section 9(23) of the Federal
12 Reserve Act in the 2 previous calendar years, that—

13 (1) identifies the number of such investments,
14 broken down by—

15 (A) purpose;

16 (B) type;

17 (C) amount of assets of the association or
18 State member bank that made the investment,
19 using not less than 4 categories to describe the
20 amount of assets of the associations and banks;
21 and

22 (D) State, or other location;

23 (2) identifies the dollar amounts of such invest-
24 ments, broken down by—

25 (A) purpose;

1 (B) type;

2 (C) amount of assets of the association or
3 State member bank that made the investment,
4 using not less than 4 categories to describe the
5 amount of assets of the associations and banks;
6 and

7 (D) State or other location; and

8 (3) for each type of public welfare investment
9 identified under paragraphs (1) and (2), a descrip-
10 tion of the substantive and procedural requirements
11 that apply to each type of investment made under—

12 (A) in the case of a report by the Comp-
13 troller of the Currency, section 5136 of the Re-
14 vised Statutes of the United States; or

15 (B) in the case of a report by the Board of
16 Governors, section 9(23) of the Federal Reserve
17 Act.

18 **SEC. 204. ADDITION OF AFFORDABLE HOUSING CONSTRUC-**
19 **TION AS AN ELIGIBLE ACTIVITY.**

20 (a) *ELIGIBLE ACTIVITY.*—Section 105(a) of the Hous-
21 ing and Community Development Act of 1974 (42 U.S.C.
22 5305(a)) is amended—

23 (1) in paragraph (25)(D), by striking “and” at
24 the end;

1 (2) *in paragraph (26), by striking the period at*
 2 *the end and inserting “; and”; and*

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

4 “(27) *the new construction of affordable housing,*
 5 *within the meaning given such term under section*
 6 *215 of the Cranston-Gonzalez National Affordable*
 7 *Housing Act (42 U.S.C. 12745), and which shall not*
 8 *exceed 20 percent of the amounts allocated to the re-*
 9 *cipient.”.*

10 (b) *LOW- AND MODERATE-INCOME REQUIREMENT.—*
 11 *Section 105(c)(3) of the Housing and Community Develop-*
 12 *ment Act of 1974 (42 U.S.C. 5305(c)(3)) is amended by*
 13 *striking “or rehabilitation” and inserting “, rehabilitation,*
 14 *or new construction”.*

15 (c) *APPLICABILITY.—The amendments made by this*
 16 *section shall apply with respect only to amounts appro-*
 17 *priated after the date of enactment of this Act.*

18 **SEC. 205. BETTER USE OF INTERGOVERNMENTAL AND**
 19 **LOCAL DEVELOPMENT (BUILD) HOUSING ACT.**

20 (a) *DESIGNATION OF ENVIRONMENTAL REVIEW PRO-*
 21 *CEDURE.—The Department of Housing and Urban Devel-*
 22 *opment Act (42 U.S.C. 3531 et seq.) is amended by insert-*
 23 *ing after section 12 (42 U.S.C. 3537a) the following:*

1 **“SEC. 13. DESIGNATION OF ENVIRONMENTAL REVIEW PRO-**
 2 **CEDURE.**

3 “(a) *IN GENERAL.*—*Except as provided in subsection*
 4 *(b), the Secretary may, for purposes of environmental re-*
 5 *view, decision making, and action pursuant to the National*
 6 *Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.),*
 7 *and other provisions of law that further the purposes of such*
 8 *Act, designate the treatment of assistance administered by*
 9 *the Secretary as funds for a special project for purposes of*
 10 *section 305(c) of the Multifamily Housing Property Dis-*
 11 *position Reform Act of 1994 (42 U.S.C. 3547).*

12 “(b) *EXCEPTION.*—*The designation described in sub-*
 13 *section (a) shall not apply to assistance for which a proce-*
 14 *dure for carrying out the responsibilities of the Secretary*
 15 *under the National Environmental Policy Act of 1969 (42*
 16 *U.S.C. 4321 et seq.), and other provisions of law that fur-*
 17 *ther the purposes of such Act, is otherwise specified in law.”.*

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

22 (1) *by striking “State or unit of general local*
 23 *government” each place it appears and inserting*
 24 *“State, Indian Tribe, or unit of general local govern-*
 25 *ment”;*

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

(3) by adding at the end the following:

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

(c) *IMPLEMENTATION.*—

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

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

1 **SEC. 206. UNLOCKING HOUSING SUPPLY THROUGH**
 2 **STREAMLINED AND MODERNIZED REVIEWS**
 3 **ACT.**

4 (a) *DEFINITIONS.—In this section:*

5 (1) *INFILL PROJECT.—The term “infill project”*
 6 *means a project that—*

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

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

12 (C) *is located on a site of previously dis-*
 13 *turbed land of not more than 5 acres and sub-*
 14 *stantially surrounded by residential or commer-*
 15 *cial development;*

16 (D) *will repurpose a vacant or underuti-*
 17 *lized parcel of land, or a dilapidated or aban-*
 18 *doned structure; and*

19 (E) *will serve a residential or commercial*
 20 *purpose.*

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

23 (b) *NEPA STREAMLINING FOR HUD HOUSING-RE-*
 24 *LATED ACTIVITIES.—*

25 (1) *IN GENERAL.—The Secretary shall, in ac-*
 26 *cordance with section 553 of title 5, United States*

1 *Code, and section 103 of the National Environmental*
2 *Policy Act of 1969 (42 U.S.C. 4333), expand and re-*
3 *classify housing-related activities under the necessary*
4 *administrative regulations as follows:*

5 *(A) The following housing-related activities*
6 *shall be subject to regulations equivalent or sub-*
7 *stantially similar to the regulations entitled “ex-*
8 *empt activities” as set forth in section 58.34 of*
9 *title 24, Code of Federal Regulations, as in effect*
10 *on January 1, 2025:*

11 *(i) Tenant-based rental assistance.*

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

20 *(iii) Operating costs, including main-*
21 *tenance, security, operation, utilities, fur-*
22 *nishings, equipment, supplies, staff train-*
23 *ing, and recruitment and other incidental*
24 *costs.*

1 (iv) *Economic development activities,*
2 *including equipment purchases, inventory*
3 *financing, interest subsidies, operating ex-*
4 *penses, and similar costs not associated*
5 *with construction or expansion of existing*
6 *operations.*

7 (v) *Activities to assist home-buyers in*
8 *the purchase of existing dwelling units or*
9 *dwelling units under construction, includ-*
10 *ing closing costs and down payment assist-*
11 *ance, interest rate buydowns, and similar*
12 *activities that result in the transfer of title.*

13 (vi) *Affordable housing predevelopment*
14 *costs related to obtaining site options,*
15 *project financing, administrative costs and*
16 *fees for loan commitment, zoning approvals,*
17 *and other related activities that do not have*
18 *a physical impact.*

19 (vii) *Approval of supplemental assist-*
20 *ance, including insurance or guarantee, to a*
21 *project previously approved by the Sec-*
22 *retary.*

23 (viii) *Emergency home-owner or renter*
24 *assistance for the repair or replacement of*
25 *HVAC, hot water heaters, and other nec-*

1 *essary existing utilities required under ap-*
2 *plicable law.*

3 *(B) The following housing-related activities*
4 *shall be subject to regulations equivalent or sub-*
5 *stantially similar to the regulations entitled, (i)*
6 *“categorical exclusions not subject to section*
7 *58.5” and (ii) “categorical exclusions not subject*
8 *to the Federal laws and authorities cited in sec-*
9 *tion 50.4” in section 58.35(b) and section 50.19,*
10 *respectively of title 24, Code of Federal Regula-*
11 *tions, as in effect on January 1, 2025, if such*
12 *activities do not materially alter environmental*
13 *conditions and do not materially exceed the*
14 *original scope of the project:*

15 *(i) Acquisition, repair, improvement,*
16 *reconstruction, or rehabilitation of public*
17 *facilities and improvements (other than*
18 *buildings) if the facilities and improve-*
19 *ments are in place and will be retained in*
20 *the same use without change in size or ca-*
21 *capacity of more than 20 percent, including*
22 *replacement of water or sewer lines, recon-*
23 *struction of curbs and sidewalks, and re-*
24 *paving of streets.*

1 (ii) *Rehabilitation of 1-to-4 unit resi-*
2 *dential buildings, and existing housing-re-*
3 *lated infrastructure, such as repairs or re-*
4 *habilitation of existing wells, septs, or*
5 *utility lines that connect to that housing.*

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

11 (iv) *Acquisitions (including leasing) of,*
12 *disposition of, or equity loans on an exist-*
13 *ing structure, or acquisition (including*
14 *leasing) of vacant land if the structure or*
15 *land acquired, financed, or disposed of will*
16 *be retained for the same use.*

17 (C) *The following housing-related activities*
18 *shall be subject to regulations equivalent or sub-*
19 *stantially similar to the regulations entitled, (i)*
20 *“categorical exclusions subject to section 58.5”*
21 *and (ii) “categorical exclusions subject to the*
22 *Federal laws and authorities cited in section*
23 *50.4” in section 58.35(a) and section 50.20, re-*
24 *spectively, of title 24, Code of Federal Regula-*
25 *tions, as in effect on January 1, 2025, if such*

1 *activities do not materially alter environmental*
2 *conditions and do not materially exceed the*
3 *original scope of the project:*

4 *(i) Acquisitions of open space or resi-*
5 *dential property, where such property will*
6 *be retained for the same use or will be con-*
7 *verted to open space to help residents relo-*
8 *cate out of an area designated as a high-*
9 *risk area by the Secretary.*

10 *(ii) Conversion of existing office build-*
11 *ings into residential development, subject*
12 *to—*

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

15 *(II) a limitation on the change in*
16 *building size of not more than 20 per-*
17 *cent.*

18 *(iii) New construction, development,*
19 *demolition, acquisition, or disposition of 5*
20 *to 15 dwelling units where there is a max-*
21 *imum of 15 units on any 1 site. The units*
22 *can be 15 1-unit buildings or 1 15-unit*
23 *building, or any combination in between.*

24 *(iv) New construction, development,*
25 *demolition, acquisition, or disposition of 15*

1 *or more housing units developed on scat-*
2 *tered sites when there are not more than 15*
3 *housing units on any 1 site, and the sites*
4 *are more than a set number of feet apart as*
5 *determined by the Secretary.*

6 *(v) Rehabilitation of buildings and im-*
7 *provements in the case of a building for res-*
8 *idential use with 5 to 15 units, if the den-*
9 *sity is not increased beyond 15 units and*
10 *the land use is not changed.*

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

14 *(vii) The voluntary acquisition of*
15 *properties—*

16 *(I) located in—*

17 *(aa) a floodway;*

18 *(bb) a floodplain; or*

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

21 *(II) that have been impacted by a*
22 *predictable environmental threat to the*
23 *safety and well-being of program bene-*
24 *ficiaries caused or exacerbated by a*
25 *federally declared disaster.*

1 (c) *IMPLEMENTATION.*—For purposes of implementing
 2 the streamlining of environmental review for housing-re-
 3 lated activities under subsection (b), the agency actions car-
 4 ried out under that subsection—

5 (1) shall only apply with respect to funds appro-
 6 priated after the effective date of those actions; and

7 (2) shall not apply with respect to a grantee that
 8 combines funds appropriated before and after the ef-
 9 fective date of those actions to carry out a project.

10 (d) *REPORT.*—The Secretary shall submit to the Com-
 11 mittee on Banking, Housing, and Urban Affairs of the Sen-
 12 ate and the Committee on Financial Services of the House
 13 of Representatives an annual report during the 5-year pe-
 14 riod beginning on the date that is 2 years after the date
 15 of enactment of this Act that provides a summary of find-
 16 ings of reductions in review times and administrative cost
 17 reduction, with a particular focus on the affordable housing
 18 sector, as a result of the actions set forth in this section,
 19 and any recommendations of the Secretary for future con-
 20 gressional action with respect to revising categorical exclu-
 21 sions or exemptions under title 24, Code of Federal Regula-
 22 tions.

23 **SEC. 207. GRANTS FOR PLANNING AND IMPLEMENTATION**
 24 **ASSOCIATED WITH AFFORDABLE HOUSING.**

25 (a) *DEFINITIONS.*—In this section:

1 (1) *ELIGIBLE ENTITY*.—The term “eligible enti-
2 ty” means—

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

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

9 (2) *HOUSING PLAN*.—The term “housing plan”
10 means a plan to, with respect to an area within the
11 jurisdiction of an eligible entity—

12 (A) increase the amount of available hous-
13 ing to meet the demand for such housing and
14 any projected increase in the demand for such
15 housing;

16 (B) increase the affordability of housing;

17 (C) increase the accessibility of housing for
18 people with disabilities, including location-effi-
19 cient housing;

20 (D) preserve or improve the quality of hous-
21 ing;

22 (E) reduce barriers to housing development;
23 and

24 (F) coordinate with transportation-related
25 agencies.

1 (3) *HOUSING STRATEGY*.—The term “housing
2 strategy” means a housing strategy required under
3 section 105 of the Cranston-Gonzalez National Afford-
4 able Housing Act (42 U.S.C. 12705).

5 (4) *SECRETARY*.—The term “Secretary” means
6 the Secretary of Housing and Urban Development.

7 (b) *ESTABLISHMENT*.—Not later than 1 year after the
8 date of enactment of this Act, the Secretary shall establish
9 a program to award grants on a competitive basis to eligi-
10 ble entities to assist planning and implementation activi-
11 ties associated with affordable housing, except that such
12 grant awards may not be used for construction, alteration,
13 or repair work.

14 (c) *USE OF AMOUNTS*.—

15 (1) *BY REGIONAL PLANNING AGENCIES*.—If an
16 eligible entity that receives amounts under this sec-
17 tion is an eligible entity described in subsection
18 (a)(1)(B), the eligible entity shall use those amounts
19 to assist planning activities with respect to affordable
20 housing, including—

21 (A) the development of housing plans;

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

24 (C) the development of new regulatory re-
25 quirements and processes;

1 (D) updating zoning codes;

2 (E) increasing the capacity to conduct hous-
3 ing inspections;

4 (F) increasing the capacity to reduce bar-
5 riers to housing supply elasticity and housing
6 affordability;

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

9 (H) the substantial improvement of commu-
10 nity development strategies, including strategies
11 designed to—

12 (i) increase the availability of afford-
13 able housing and access to affordable hous-
14 ing;

15 (ii) increase access to public transpor-
16 tation; and

17 (iii) advance sustainable or location-ef-
18 ficient community development goals.

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

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

1 (B) implement and administer any plans to
2 increase housing choice, address disparities in
3 housing needs, and provide greater access to op-
4 portunity;

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

8 (D) implement and administer regulatory
9 requirements and processes with respect to re-
10 formed zoning codes;

11 (E) increase the capacity to conduct hous-
12 ing inspections;

13 (F) increase the capacity to reduce barriers
14 to housing supply elasticity and housing afford-
15 ability;

16 (G) implement and administer local or re-
17 gional plans for community development; and

18 (H) fund any planning to increase—

19 (i) the availability of affordable hous-
20 ing and access to affordable housing;

21 (ii) access to public transportation;

22 and

23 (iii) any location-efficient community
24 development goals.

1 (3) *USE FOR ADMINISTRATIVE COSTS.*—A eligible
 2 entity that receives amounts under this section may
 3 not use more than 10 percent of those amounts for ad-
 4 ministrative costs.

5 (d) *COORDINATION.*—To the extent practicable, the
 6 Secretary shall coordinate with the Administrator of the
 7 Federal Transit Administration in carrying out this sec-
 8 tion.

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

13 (f) *SUNSET.*—The program established under this sec-
 14 tion shall terminate on the date that is 5 years after the
 15 date of enactment of this Act.

16 **SEC. 208. INNOVATION FUND.**

17 (a) *DEFINITIONS.*—In this section:

18 (1) *ATTAINABLE HOUSING.*—The term “attain-
 19 able housing” means housing that serves households
 20 earning not more than 120 percent of the area me-
 21 dian income, if the majority of the housing units are
 22 affordable to households earning not more than 60
 23 percent of the area median income.

24 (2) *ELIGIBLE ENTITY.*—The term “eligible enti-
 25 ty” means—

1 (A) a metropolitan city or urban county, as
2 those terms are defined in section 102 of the
3 *Housing and Community Development Act of*
4 1974 (42 U.S.C. 5302), that has demonstrated
5 an objective improvement in housing supply
6 growth, as determined by the Secretary, whose
7 methodology for determining such growth is pub-
8 lished in the *Federal Register* to allow for public
9 comment not less than 90 days before the date on
10 which the notice of funding opportunity is made
11 available; or

12 (B) a unit of general local government or
13 an Indian Tribe, as those terms are defined in
14 section 102 of the *Housing and Community De-*
15 *velopment Act of 1974* (42 U.S.C. 5302), that
16 has demonstrated an objective improvement in
17 housing supply growth, as determined by the
18 Secretary, whose methodology for determining
19 such improvement is published in the *Federal*
20 *Register* to allow for public comment not less
21 than 90 days before the date on which the notice
22 of funding opportunity is made available.

23 (3) SECRETARY.—The term “Secretary” means
24 the Secretary of Housing and Urban Development.

25 (b) ESTABLISHMENT OF A GRANT PROGRAM.—

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

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

10 (3) *ELIGIBLE PURPOSES.*—An eligible entity re-
11 ceiving a grant under this section may use funds to—

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

15 (B) carry out any of the activities per-
16 mitted under the Local and Regional Project As-
17 sistance Program established under section 6702
18 of title 49, United States Code; and

19 (C) carry out initiatives of the eligible enti-
20 ty that facilitate the expansion of the supply of
21 attainable housing and that supplement initia-
22 tives the eligible entity has carried out, or is in
23 the process of carrying out, as specified in the
24 application submitted under paragraph (4).

25 (4) *APPLICATION.*—

1 (A) *IN GENERAL.*—*An eligible entity seek-*
2 *ing a grant under this section shall submit to the*
3 *Secretary an application that provides—*

4 (i) *a description of each purpose for*
5 *which the eligible entity will use the grant,*
6 *and an attestation that the grant will be*
7 *used only for 1 or more eligible purposes de-*
8 *scribed in paragraph (3);*

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

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

16 (II) *has improved the quality and*
17 *affordability of housing in the jurisdic-*
18 *tion of the eligible entity;*

19 (iii) *a description of how each eligible*
20 *purpose described in clause (i) may address*
21 *a community need or advance an objective,*
22 *or an aspect of an objective, included in the*
23 *comprehensive housing affordability strat-*
24 *egy and community development plan of the*
25 *eligible entity under part 91 of title 24,*

1 *Code of Federal Regulations, or any suc-*
2 *cessor regulation (commonly referred to as a*
3 *“consolidated plan”); and*

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

8 *(B) INITIATIVES.—Initiatives that meet the*
9 *criteria described in paragraph (3)(C) include,*
10 *but shall not be limited to—*

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

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

17 *(iii) revising minimum lot size re-*
18 *quirements, floor area ratio requirements,*
19 *set-back requirements, building heights, and*
20 *bans or limits on construction that allow*
21 *for denser and more affordable development;*

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

1 (v) passing zoning overlays or other or-
2 dinances that enable the development of
3 mixed-income housing;

4 (vi) streamlining regulatory require-
5 ments and shortening processes, increasing
6 code enforcement and permitting capacity,
7 reforming zoning codes, or other initiatives
8 that reduce barriers to increasing housing
9 supply and affordability;

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

13 (viii) using local tax incentives or pub-
14 lic financing to promote development of at-
15 tainable housing;

16 (ix) streamlining environmental regu-
17 lations;

18 (x) eliminating unnecessary manufac-
19 tured-housing or cooperative housing regula-
20 tions and restrictions;

21 (xi) minimizing the impact of over-
22 burdensome energy and water efficiency
23 standards on housing costs; and

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

4 (5) *GRANTS.—*

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

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

15 (i) *more than \$10,000,000; or*

16 (ii) *less than \$250,000.*

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

20 (i) *demonstrated the use of innovative*
21 *policies, interventions, or programs for in-*
22 *creasing housing supply; and*

23 (ii) *demonstrated a marked improve-*
24 *ment in housing supply growth, as needed.*

1 (D) *GRANT ADMINISTRATION AND TERMS.*—

2 *Projects assisted under this section for activities*
 3 *described in sector 23 of the North American In-*
 4 *dustry Classification System shall be treated as*
 5 *projects assisted under the Community Develop-*
 6 *ment Block Grant program under title I of the*
 7 *Housing and Community Development Act of*
 8 *1974 (42 U.S.C. 5301 et seq.).*

9 (c) *RULES OF CONSTRUCTION.*—*Nothing in this sec-*
 10 *tion shall be construed—*

11 (1) *to authorize the Secretary to mandate, super-*
 12 *sede, or preempt any local zoning or land use policy;*
 13 *or*

14 (2) *to affect the requirements of section 105(c)(1)*
 15 *of the Cranston-Gonzalez National Affordable Hous-*
 16 *ing Act (42 U.S.C. 12705(c)(1)).*

17 (d) *SUNSET.*—*The program established under this sec-*
 18 *tion shall terminate on the date that is 7 years after the*
 19 *date of enactment of this Act.*

20 (e) *AUTHORIZATION OF APPROPRIATIONS.*—

21 (1) *IN GENERAL.*—*There is authorized to be ap-*
 22 *propriated to carry out this section \$200,000,000 for*
 23 *each of fiscal years 2027 through 2031.*

24 (2) *ADJUSTMENT.*—*The amount authorized to be*
 25 *appropriated under paragraph (1) shall be adjusted*

1 *for inflation based on the Consumer Price Index for*
 2 *all Urban Customers published by the Bureau of*
 3 *Labor Statistics of the Department of Labor.*

4 **SEC. 209. ACCELERATING HOME BUILDING ACT.**

5 *(a) DEFINITIONS.—In this section:*

6 *(1) AFFORDABLE HOUSING.—The term “afford-*
 7 *able housing” means housing for which the total*
 8 *monthly housing cost payment is not more than 30*
 9 *percent of the monthly household income for a house-*
 10 *hold earning not more than 80 percent of the area*
 11 *median income.*

12 *(2) COVERED STRUCTURE.—The term “covered*
 13 *structure” means—*

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

16 *(B) includes—*

17 *(i) an accessory dwelling unit;*

18 *(ii) infill development;*

19 *(iii) a duplex;*

20 *(iv) a triplex;*

21 *(v) a fourplex;*

22 *(vi) a cottage court;*

23 *(vii) a courtyard building;*

24 *(viii) a townhouse;*

25 *(ix) a multiplex; and*

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

4 (3) *ELIGIBLE ENTITY*.—The term “eligible enti-
 5 ty” means—

6 (A) a unit of general local government, as
 7 defined in section 102(a) of the Housing and
 8 Community Development Act of 1974 (42 U.S.C.
 9 5302(a));

10 (B) a municipal membership organization;
 11 and

12 (C) an Indian Tribe, as defined in section
 13 102(a) of the Housing and Community Develop-
 14 ment Act of 1974 (42 U.S.C. 5302(a)).

15 (4) *HIGH OPPORTUNITY AREA*.—The term “high
 16 opportunity area” has the meaning given the term in
 17 section 1282.1 of title 12, Code of Federal Regula-
 18 tions, or any successor regulation.

19 (5) *INFILL DEVELOPMENT*.—The term “infill de-
 20 velopment” means residential development on small
 21 parcels in previously established areas for replace-
 22 ment with new or refurbished housing that utilizes ex-
 23 isting utilities and infrastructure.

24 (6) *MIXED-INCOME HOUSING*.—The term “mixed-
 25 income housing” means a housing development that is

1 *comprised of housing units that promote differing lev-*
 2 *els of affordability in the community.*

3 (7) *PREREVIEWED DESIGNS.—The term*
 4 *“prereviewed designs”, also known as pattern books,*
 5 *means sets of construction plans that are assessed and*
 6 *approved by localities for compliance with local*
 7 *building and permitting standards to streamline and*
 8 *expedite approval pathways for housing construction.*

9 (8) *RURAL AREA.—The term “rural area” means*
 10 *any area other than a city or town that has a popu-*
 11 *lation of less than 50,000 inhabitants.*

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

14 (b) *AUTHORITY.—The Secretary is authorized to*
 15 *award grants to eligible entities utilizing funds appro-*
 16 *priated for such purpose to select prereviewed designs of cov-*
 17 *ered structures of mixed-income housing for use in the juris-*
 18 *diction of the eligible entity, except that such grant awards*
 19 *may not be used for construction, alteration, or repair work.*

20 (c) *CONSIDERATIONS.—In reviewing applications sub-*
 21 *mitted by eligible entities for a grant under this section,*
 22 *the Secretary shall consider—*

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

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

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

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

8 (d) *SET-ASIDE FOR RURAL AREAS.*—*Of the amount*
 9 *made available in each fiscal year for grants under this*
 10 *section, the Secretary shall ensure that not less than 10 per-*
 11 *cent shall be used for grants to eligible entities that are lo-*
 12 *cated in rural areas.*

13 (e) *REPORTS.*—*The Secretary shall require eligible en-*
 14 *tities receiving grants under this section to report on—*

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

18 (2) *the prereviewed designs selected using the*
 19 *grant amounts in their communities;*

20 (3) *the number of permits issued for housing de-*
 21 *velopment utilizing prereviewed designs; and*

22 (4) *the number of housing units produced in de-*
 23 *velopments utilizing the prereviewed designs.*

24 (f) *AVAILABILITY OF INFORMATION.*—*The Secretary*
 25 *shall—*

1 (1) *to the extent possible, encourage localities to*
2 *make publicly available through a website informa-*
3 *tion on the prereviewed designs selected and submitted*
4 *to the Secretary by eligible entities receiving grants*
5 *under this section, including information on the bene-*
6 *fits of use of those designs; and*

7 (2) *collect, identify, and disseminate best prac-*
8 *tices regarding such designs and make such informa-*
9 *tion publicly available on the website of the Depart-*
10 *ment of Housing and Urban Development.*

11 (g) *DESIGN ADOPTION AND REPAYMENT.—The Sec-*
12 *retary may require an eligible entity to return to the Sec-*
13 *retary any grant funds received under this section if the*
14 *selected prereviewed designs submitted under this section*
15 *have not been adopted during the 5-year period following*
16 *receipt of the grant, unless that period is extended by the*
17 *Secretary.*

18 (h) *TECHNICAL ASSISTANCE.—The Secretary may set*
19 *aside not more than 5 percent of amounts appropriated in*
20 *a fiscal year to provide technical assistance to grant recipi-*
21 *ents under this section and pregrant technical assistance*
22 *to prospective applicants.*

1 **SEC. 210. REVITALIZING EMPTY STRUCTURES INTO DESIR-**
 2 **ABLE ENVIRONMENTS (RESIDE) ACT.**

3 (a) *IN GENERAL.*—Subtitle A of title II of the Cran-
 4 ston-Gonzalez National Affordable Housing Act (42 U.S.C.
 5 12741 et seq.) is amended by adding at the end the fol-
 6 lowing:

7 **“SEC. 227. REVITALIZING EMPTY STRUCTURES INTO DESIR-**
 8 **ABLE ENVIRONMENTS.**

9 “(a) *DEFINITIONS.*—In this section:

10 “(1) *ATTAINABLE HOUSING.*—The term ‘attain-
 11 able housing’ means housing that serves households
 12 earning not more than 120 percent of the area me-
 13 dian income, if the majority of the housing units are
 14 affordable to households earning not more than 60
 15 percent of the area median income.

16 “(2) *CONVERTED HOUSING UNIT.*—The term
 17 ‘converted housing unit’ means a housing unit that is
 18 created using a covered grant.

19 “(3) *COVERED GRANT.*—The term ‘covered grant’
 20 means a grant awarded under the Pilot Program.

21 “(4) *ELIGIBLE ENTITY.*—The term ‘eligible enti-
 22 ty’ means a participating jurisdiction.

23 “(5) *PILOT PROGRAM.*—The term ‘Pilot Pro-
 24 gram’ means the Pilot Program established under
 25 subsection (b).

1 “(6) *VACANT AND ABANDONED BUILDING.*—*The*
2 *term ‘vacant and abandoned building’ means a prop-*
3 *erty—*

4 “(A) *that was constructed for use as a ware-*
5 *house, factory, mall, strip mall, or hotel, or for*
6 *another industrial or commercial use; and*

7 “(B)(i) *with respect to which—*

8 “(I) *a code enforcement inspection has*
9 *determined that the property is not safe;*
10 *and*

11 “(II) *not less than 90 days have*
12 *elapsed since the owner was notified of the*
13 *deficiencies in the property and the owner*
14 *has taken no corrective action; or*

15 “(ii) *that is subject to a court-ordered re-*
16 *ceivership or nuisance abatement related to*
17 *abandonment pursuant to State or local law or*
18 *otherwise meets the definition of an abandoned*
19 *property under State law.*

20 “(b) *PURPOSE OF GRANT PROGRAM.*—*Subject to the*
21 *availability of funds appropriated for this subsection, the*
22 *Secretary is authorized to establish a Pilot Program, span-*
23 *ning from fiscal years 2027 through 2031, which shall have*
24 *the purpose of awarding grants on a competitive basis to*

1 *eligible entities to convert vacant and abandoned buildings*
 2 *into attainable housing.*

3 “(c) *AMOUNT OF GRANT.*—

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

9 “(2) *FISCAL YEARS WITH LOWER FUNDING.*—For
 10 any fiscal year for which less than \$100,000,000 is
 11 made available to carry out the Pilot Program pursu-
 12 ant to subsection (b), the Secretary shall seek to maxi-
 13 mize the number of covered grants awarded.

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

18 “(e) *PRIORITY.*—In awarding covered grants, the Sec-
 19 retary shall give priority to an eligible entity that—

20 “(1) *will use the covered grant in a community*
 21 *that is experiencing economic distress;*

22 “(2) *will use the covered grant in a qualified op-*
 23 *portunity zone (as defined in section 1400Z-1(a) of*
 24 *the Internal Revenue Code of 1986);*

1 “(3) will use the covered grant to construct hous-
 2 ing that will serve a need identified in the com-
 3 prehensive housing affordability strategy and commu-
 4 nity development plan of the eligible entity under
 5 part 91 of title 24, Code of Federal Regulations, or
 6 any successor regulation (commonly referred to as a
 7 ‘consolidated plan’); or

8 “(4) has enacted ordinances to reduce regulatory
 9 barriers to conversion of vacant and abandoned build-
 10 ings to housing, which shall not include any alter-
 11 ation of an ordinance that governs safety and habit-
 12 ability.

13 “(f) *USE OF FUNDS.*—An eligible entity may use a
 14 covered grant for—

15 “(1) property acquisition;

16 “(2) demolition;

17 “(3) health hazard remediation;

18 “(4) site preparation;

19 “(5) construction, renovation, or rehabilitation;

20 or

21 “(6) the establishment, maintenance, or expan-
 22 sion of community land trusts or housing coopera-
 23 tives.

24 “(g) *WAIVER AUTHORITY.*—In administering covered
 25 grants, the Secretary may waive, or specify alternative re-

1 *quirements for, any statute or regulation that the Secretary*
 2 *administers in connection with the obligation by the Sec-*
 3 *retary or the use by eligible entities of covered grant funds*
 4 *(except for requirements related to fair housing, non-*
 5 *discrimination, labor standards, or the environment) if the*
 6 *Secretary makes a public finding that good cause exists for*
 7 *the waiver or alternative requirement.*

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

12 “(1) *improving the tax base of local commu-*
 13 *nities;*

14 “(2) *increasing access to affordable housing, es-*
 15 *pecially for elderly individuals, disabled individuals,*
 16 *and veterans;*

17 “(3) *increasing home-ownership; and*

18 “(4) *removing blight.*”.

19 “(b) *TECHNICAL AND CONFORMING AMENDMENT.*—*The*
 20 *table of contents in section 1(b) of the Cranston-Gonzalez*
 21 *National Affordable Housing Act (Public Law 101–625;*
 22 *104 Stat. 4079) is amended by inserting after the item re-*
 23 *lating to section 226 the following:*

“Sec. 227. *Revitalizing empty structures into desirable environments.*”.

1 **SEC. 211. HOUSING AFFORDABILITY ACT.**

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

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

5 (A) *in subsection (a), in the matter fol-*
6 *lowing paragraph (7), by striking “(commencing*
7 *in 2004” and all that follows through the period*
8 *at the end and inserting the following: “, com-*
9 *mencing on July 1, 2025. The adjustment of the*
10 *dollar amounts shall be calculated by the Sec-*
11 *retary using the percentage change in the Price*
12 *Deflator Index of Multifamily Residential Units*
13 *Under Construction released by the Bureau of*
14 *the Census from March of the previous year to*
15 *March of the year in which the adjustment is*
16 *made, or by the Secretary using an alternative*
17 *indicator after publishing information about*
18 *such alternative indicator in the Federal Reg-*
19 *ister for public comment if the Price Deflator*
20 *Index of Multifamily Residential Units Under*
21 *Construction is not available or published.”; and*

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

24 “(b) *PUBLICATION.*—

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

4 “(2) *ROUNDING.*—*The dollar amount of any ad-*
 5 *justment described in paragraph (1) shall be rounded*
 6 *to the next lower dollar.”;*

7 (2) in section 207(c)(3)(A) (12 U.S.C.
 8 1713(c)(3)(A))—

9 (A) by striking “\$38,025” and inserting
 10 “\$167,310”;

11 (B) by striking “\$42,120” and inserting
 12 “\$185,328”;

13 (C) by striking “\$50,310” and inserting
 14 “\$221,364”;

15 (D) by striking “\$62,010” and inserting
 16 “\$272,844”;

17 (E) by striking “\$70,200” and inserting
 18 “\$308,880”;

19 (F) by striking “, or not to exceed \$17,460
 20 per space”;

21 (G) by striking “\$43,875” and inserting
 22 “\$193,050”;

23 (H) by striking “\$49,140” and inserting
 24 “\$216,216”;

1 (I) by striking “\$60,255” and inserting
2 “\$265,122”;

3 (J) by striking “\$75,465” and inserting
4 “\$332,046”; and

5 (K) by striking “\$85,328” and inserting
6 “\$375,443”;

7 (3) in section 213(b)(2) (12 U.S.C.
8 1715e(b)(2))—

9 (A) by striking “\$41,207” and inserting
10 “\$181,311”;

11 (B) by striking “\$47,511” and inserting
12 “\$209,048”;

13 (C) by striking “\$57,300” and inserting
14 “\$252,120”;

15 (D) by striking “\$73,343” and inserting
16 “\$322,709”;

17 (E) by striking “\$81,708” and inserting
18 “\$359,515”;

19 (F) by striking “\$43,875” and inserting
20 “\$193,050”;

21 (G) by striking “\$49,710” and inserting
22 “\$218,724”;

23 (H) by striking “\$60,446” and inserting
24 “\$265,962”;

1 (I) by striking “\$78,197” and inserting
2 “\$344,067”; and

3 (J) by striking “\$85,836” and inserting
4 “\$377,678”;

5 (4) in section 220(d)(3)(B)(iii)(I) (12 U.S.C.
6 1715k(d)(3)(B)(iii)(I))—

7 (A) by striking “\$38,025” and inserting
8 “\$167,310”;

9 (B) by striking “\$42,120” and inserting
10 “\$185,328”;

11 (C) by striking “\$50,310” and inserting
12 “\$221,364”;

13 (D) by striking “\$62,010” and inserting
14 “\$272,844”;

15 (E) by striking “\$70,200” and inserting
16 “\$308,880”;

17 (F) by striking “\$43,875” and inserting
18 “\$193,050”;

19 (G) by striking “\$49,140” and inserting
20 “\$216,216”;

21 (H) by striking “\$60,255” and inserting
22 “\$265,122”;

23 (I) by striking “\$75,465” and inserting
24 “\$332,046”; and

1 (J) by striking “\$85,328” and inserting
2 “\$375,443”;

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

5 (A) by striking “\$37,843” and inserting
6 “\$166,509”;

7 (B) by striking “\$42,954” and inserting
8 “\$188,997”;

9 (C) by striking “\$51,920” and inserting
10 “\$228,448”;

11 (D) by striking “\$65,169” and inserting
12 “\$286,744”;

13 (E) by striking “\$73,846” and inserting
14 “\$324,922”;

15 (F) by striking “\$40,876” and inserting
16 “\$179,854”;

17 (G) by striking “\$46,859” and inserting
18 “\$206,180”;

19 (H) by striking “\$56,979” and inserting
20 “\$250,708”;

21 (I) by striking “\$73,710” and inserting
22 “\$324,324”; and

23 (J) by striking “\$80,913” and inserting
24 “\$356,017”;

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

3 (A) by striking “\$35,978” and inserting
4 “\$166,509”;

5 (B) by striking “\$40,220” and inserting
6 “\$188,997”;

7 (C) by striking “\$48,029” and inserting
8 “\$228,448”;

9 (D) by striking “\$57,798” and inserting
10 “\$286,744”;

11 (E) by striking “\$67,950” and inserting
12 “\$324,922”;

13 (F) by striking “\$40,876” and inserting
14 “\$179,854”;

15 (G) by striking “\$46,859” and inserting
16 “\$206,180”;

17 (H) by striking “\$56,979” and inserting
18 “\$250,708”;

19 (I) by striking “\$73,710” and inserting
20 “\$324,324”; and

21 (J) by striking “\$80,913” and inserting
22 “\$356,017”; and

23 (7) in section 234(e)(3)(A) (12 U.S.C.
24 1715y(e)(3)(A))—

1 (A) by striking “\$42,048” and inserting
2 “\$185,011”;

3 (B) by striking “\$48,481” and inserting
4 “\$213,316”;

5 (C) by striking “\$58,469” and inserting
6 “\$257,263”;

7 (D) by striking “\$74,840” and inserting
8 “\$329,296”;

9 (E) by striking “\$83,375” and inserting
10 “\$366,850”;

11 (F) by striking “\$44,250” and inserting
12 “\$194,700”;

13 (G) by striking “\$50,724” and inserting
14 “\$223,186”;

15 (H) by striking “\$61,680” and inserting
16 “\$271,392”;

17 (I) by striking “\$79,793” and inserting
18 “\$351,089”; and

19 (J) by striking “\$87,588” and inserting
20 “\$385,387”.

21 (b) *RULE OF CONSTRUCTION.*—Nothing in this section
22 or the amendments made by this section may be construed
23 to limit the authority of the Secretary of Housing and
24 Urban Development to revise the statutory exceptions for
25 high-cost percentage and high-cost areas annual indexing.

***TITLE III—MANUFACTURED
HOUSING FOR AMERICA***

SEC. 301. HOUSING SUPPLY EXPANSION ACT.

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

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

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

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

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

1 “(i) a distinct label, with revenue gen-
 2 erated to be deposited into the Manufac-
 3 tured Housing Fees Trust Fund established
 4 under section 620(e)(1), to be issued by the
 5 Secretary distinguishing manufactured
 6 home built without a permanent chassis
 7 from manufactured homes built on a per-
 8 manent chassis;

9 “(ii) a data plate, as described in sec-
 10 tion 3280.5 of title 24, Code of Federal Reg-
 11 ulations (or any successor regulation), dis-
 12 tinguishing manufactured homes built with-
 13 out a permanent chassis from manufactured
 14 homes built on a permanent chassis; and

15 “(iii) a notation on any invoice pro-
 16 duced by the manufacturer of a manufac-
 17 tured home that is distinguishable from the
 18 invoice for a manufactured home con-
 19 structed with a permanent chassis.”.

20 (c) *MANUFACTURED HOME CERTIFICATIONS.*—Section
 21 604 of the National Manufactured Housing Construction
 22 and Safety Standards Act of 1974 (42 U.S.C. 5403) is
 23 amended by adding at the end the following:

24 “(i) *MANUFACTURED HOME CERTIFICATIONS.*—

25 “(1) *IN GENERAL.*—

1 “(A) *INITIAL CERTIFICATION.*—*Subject to*
 2 *subparagraph (B), not later than 1 year after*
 3 *the date of enactment of the 21st Century ROAD*
 4 *to Housing Act, a State shall submit to the Sec-*
 5 *retary an initial certification that the laws and*
 6 *regulations of the State—*

7 “(i) *treat any manufactured home in*
 8 *parity with a manufactured home (as de-*
 9 *finied and regulated by the State); and*

10 “(ii) *subject a manufactured home*
 11 *without a permanent chassis to the same*
 12 *laws and regulations of the State as a man-*
 13 *ufactured home built on a permanent chas-*
 14 *sis, including with respect to financing,*
 15 *title, insurance, manufacture, sale, taxes,*
 16 *transportation, installation, and other areas*
 17 *as the Secretary determines, after consulta-*
 18 *tion with and approval by the consensus*
 19 *committee, are necessary to give effect to the*
 20 *purpose of this section.*

21 “(B) *STATE PLAN SUBMISSION.*—*Any State*
 22 *plan submitted under section 623(b) shall con-*
 23 *tain the required State certification under sub-*
 24 *paragraph (A) and, if contained therein, no ad-*

ditional or State certification under subparagraph (A) or paragraph (3).

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

“(D) *LATE CERTIFICATION.*—

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

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

“(2) *FORM OF STATE CERTIFICATION NOT PRESENTED IN A STATE PLAN.*—The initial certification required under paragraph (1)(A), if not submitted with a State plan under paragraph (1)(B), shall con-

tain, in a form prescribed by the Secretary, an attestation by an official that the State has taken the steps necessary to ensure the veracity of the certification required under paragraph (1)(A), including, as necessary, by—

“(A) amending the definition of ‘manufactured home’ in the laws and regulations of the State; and

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

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

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

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

“(4) LIST.—The Secretary shall publish and maintain in the Federal Register and on the website of the Department of Housing and Urban Develop-

1 *ment a list of States that are up to date with the sub-*
 2 *mission of initial and subsequent certifications re-*
 3 *quired under this subsection.*

4 “(5) *PROHIBITION.*—

5 “(A) *DEFINITION.*—*In this paragraph, the*
 6 *term ‘covered manufactured home’ means a home*
 7 *that is—*

8 “(i) *not considered a manufactured*
 9 *home under the laws and regulations of a*
 10 *State because the home is constructed with-*
 11 *out a permanent chassis;*

12 “(ii) *considered a manufactured home*
 13 *under the definition of the term in section*
 14 *603; and*

15 “(iii) *constructed after the date of en-*
 16 *actment of the 21st Century ROAD to*
 17 *Housing Act.*

18 “(B) *BUILDING, INSTALLATION, AND*
 19 *SALE.*—*If a State does not submit a certification*
 20 *under paragraph (1)(A) or (3) by the date on*
 21 *which those certifications are required to be sub-*
 22 *mitted—*

23 “(i) *with respect to a State in which*
 24 *the State administers the installation of*
 25 *manufactured homes, the State shall pro-*

1 hibit the manufacture, installation, or sale
 2 of a covered manufactured home within the
 3 State; and

4 “(ii) with respect to a State in which
 5 the Secretary administers the installation of
 6 manufactured homes, the State and the Sec-
 7 retary shall prohibit the manufacture, in-
 8 stallation, or sale of a covered manufactured
 9 home within the State.”.

10 (d) *OTHER FEDERAL LAWS REGULATING MANUFAC-*
 11 *TURED HOMES.*—*The Secretary of Housing and Urban De-*
 12 *velopment may coordinate with the heads of other Federal*
 13 *agencies to ensure that Federal agencies treat a manufac-*
 14 *tured home (as defined in Federal laws and regulations*
 15 *other than section 603 of the National Manufactured Hous-*
 16 *ing Construction and Safety Standards Act of 1974 (42*
 17 *U.S.C. 5402)) in the same manner as a manufactured home*
 18 *(as defined in section 603 of the National Manufactured*
 19 *Housing Construction and Safety Standards Act of 1974*
 20 *(42 U.S.C. 5402), as amended by this Act).*

21 (e) *ASSISTANCE TO STATES.*—*Section 609 of the Na-*
 22 *tional Manufactured Housing Construction and Safety*
 23 *Standards Act of 1974 (42 U.S.C. 5408) is amended—*

24 (1) in paragraph (1), by striking “and” at the
 25 end;

1 (2) in paragraph (2), by striking the period at
2 the end and inserting “; and”; and

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

4 “(3) model guidance to support the submission of
5 the certification required under section 604(i).”.

6 (f) *PREEMPTION*.—Nothing in this section or the
7 amendments made by this section may be construed as lim-
8 iting the scope of Federal preemption under section 604(d)
9 of the National Manufactured Housing Construction and
10 Safety Standards Act of 1974 (42 U.S.C. 5403(d)).

11 (g) *PRIMARY AUTHORITY TO ESTABLISH MANUFAC-*
12 *TURED HOME CONSTRUCTION AND SAFETY STANDARDS*.—
13 The National Manufactured Housing Construction and
14 Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) is
15 further amended—

16 (1) in section 603(7), by inserting “energy effi-
17 ciency,” after “design,”; and

18 (2) in section 604, by adding at the end the fol-
19 lowing:

20 “(j) *PRIMARY AUTHORITY TO ESTABLISH STAND-*
21 *ARDS*.—

22 “(1) *IN GENERAL*.—The Secretary shall have the
23 primary authority to establish Federal manufactured
24 home construction and safety standards.

25 “(2) *APPROVAL FROM SECRETARY*.—

1 “(A) *IN GENERAL.*—*The head of any Fed-*
 2 *eral agency that seeks to establish a manufac-*
 3 *tured home construction and safety standard on*
 4 *or after the date of the enactment of this sub-*
 5 *section—*

6 “(i) *shall submit to the Secretary a*
 7 *proposal describing such standard; and*

8 “(ii) *may not establish such standard*
 9 *without approval from the Secretary.*

10 “(B) *REJECTION OF STANDARDS.*—*The Sec-*
 11 *retary shall reject a standard submitted to the*
 12 *Secretary for approval under subparagraph*
 13 *(A)—*

14 “(i) *if the standard would significantly*
 15 *increase the cost of producing manufactured*
 16 *homes, as determined by the Secretary;*

17 “(ii) *if the standard would conflict*
 18 *with existing manufactured home construc-*
 19 *tion and safety standards established by the*
 20 *Secretary; or*

21 “(iii) *for any other reason as deter-*
 22 *mined appropriate by the Secretary.*

23 “(C) *RULE OF CONSTRUCTION.*—*Nothing in*
 24 *this subsection may be construed to require the*
 25 *Secretary to establish new or revised Federal*

1 *manufactured home construction and safety*
2 *standards.”.*

3 **SEC. 302. MODULAR HOUSING PRODUCTION ACT.**

4 *(a) DEFINITIONS.—In this section:*

5 *(1) MANUFACTURED HOME.—The term “manu-*
6 *factured home” has the meaning given the term in*
7 *section 603 of the National Manufactured Housing*
8 *Construction and Safety Standards Act of 1974 (42*
9 *U.S.C. 5402).*

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

17 *(3) SECRETARY.—The term “Secretary” means*
18 *the Secretary of Housing and Urban Development.*

19 *(b) FHA CONSTRUCTION FINANCING PROGRAMS.—*

20 *(1) IN GENERAL.—The Secretary shall conduct a*
21 *review of Federal Housing Administration construc-*
22 *tion financing programs to identify barriers to the*
23 *use of modular home methods.*

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

1 (A) identify and evaluate regulatory and
2 programmatic features that restrict participa-
3 tion in construction financing programs by mod-
4 ular home developers, including construction
5 draw schedules; and

6 (B) identify administrative measures au-
7 thorized under section 525 of the National Hous-
8 ing Act (12 U.S.C. 1735f-3) to facilitate pro-
9 gram utilization by modular home developers.

10 (3) *REPORT.*—Not later than 1 year after the
11 date of enactment of this Act, the Secretary shall pub-
12 lish a report that describes the results of the review
13 conducted under paragraph (1), which shall include a
14 description of programmatic and policy changes that
15 the Secretary recommends to reduce or eliminate
16 identified barriers to the use of modular home meth-
17 ods in Federal Housing Administration construction
18 financing programs.

19 (4) *RULEMAKING.*—

20 (A) *IN GENERAL.*—Not later than 120 days
21 after the date on which the Secretary publishes
22 the report under paragraph (3), the Secretary
23 shall initiate a rulemaking to examine an alter-
24 native draw schedule for construction financing
25 loans provided to modular and manufactured

1 *home developers, which shall include the ability*
 2 *for interested stakeholders to provide robust pub-*
 3 *lic comment.*

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

7 *(i) issue a final rule regarding an al-*
 8 *ternative draw schedule described in sub-*
 9 *paragraph (A); or*

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

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

16 *(1) the utility of a standardized coding system*
 17 *for serializing and securing modules, streamlining de-*
 18 *sign and construction, and improving modular home*
 19 *innovation; and*

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

22 **SEC. 303. PROPERTY IMPROVEMENT AND MANUFACTURED**
 23 **HOUSING LOAN MODERNIZATION ACT.**

24 *(a) NATIONAL HOUSING ACT AMENDMENTS.—*

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

3 (A) *in subsection (a), by inserting “con-*
4 *struction of additional or accessory dwelling*
5 *units, as defined by the Secretary,” after “energy*
6 *conserving improvements,”; and*

7 (B) *in subsection (b)—*

8 (i) *in paragraph (1)—*

9 (I) *by striking subparagraph (A)*

10 *and inserting the following:*

11 “(A) \$75,000 if made for the purpose of financ-
12 *ing alterations, repairs, and improvements upon or*
13 *in connection with an existing single-family struc-*
14 *ture, including a manufactured home;”;*

15 (II) *in subparagraph (B)—*

16 (aa) *by striking “\$60,000”*

17 *and inserting “\$150,000”;*

18 (bb) *by striking “\$12,000”*

19 *and inserting “\$37,500”; and*

20 (cc) *by striking “an apart-*

21 *ment house or”;*

22 (III) *by striking subparagraphs*

23 (C) and (D) and inserting the fol-
24 *lowing:*

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

15 (IV) in subparagraph (E)—

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

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

1 (VII) by inserting after subpara-
2 graph (G) the following:

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

6 (ii) in the matter immediately pre-
7 ceding paragraph (2)—

8 (I) by striking “regulation” and
9 inserting “notice”;

10 (II) by striking “increase” and
11 inserting “set”;

12 (III) by striking “(A)(ii), (C),
13 (D), and (E)” and inserting “(A)
14 through (H)”;

15 (IV) by inserting “, or as nec-
16 essary to achieve the goals of the Fed-
17 eral Housing Administration, periodi-
18 cally reset the dollar amount limita-
19 tions in subparagraphs (A) through
20 (H) based on justification and method-
21 ology set forth in advance by regula-
22 tion” before the period at the end; and

23 (V) by adjusting the margins ap-
24 propriately;

1 (iii) in paragraph (3), by striking “ex-
 2 ceeds—” and all that follows through the
 3 period at the end and inserting “exceeds
 4 such period of time as determined by the
 5 Secretary, not to exceed 30 years.”;

6 (iv) by striking paragraph (9) and in-
 7 serting the following:

8 “(9) ANNUAL INDEXING OF CERTAIN DOLLAR
 9 AMOUNT LIMITATIONS.—The Secretary shall develop
 10 or choose 1 or more methods of indexing in order to
 11 annually set the loan limits established in paragraph
 12 (1), based on data the Secretary determines is appro-
 13 priate for purposes of this section.”; and

14 (v) in paragraph (11), by striking
 15 “lease—” and all that follows through the
 16 period at the end and inserting “lease meets
 17 the terms and conditions established by the
 18 Secretary”.

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

21 (A) DEADLINE FOR DEVELOPMENT OR
 22 CHOICE OF NEW INDEX.—Not later than 1 year
 23 after the date of enactment of this Act, the Sec-
 24 retary of Housing and Urban Development shall
 25 develop or choose 1 or more methods of indexing

1 *as required under section 2(b)(9) of the National*
 2 *Housing Act (12 U.S.C. 1703(b)(9)), as amended*
 3 *by paragraph (1) of this subsection.*

4 *(B) INTERIM INDEX.—During the period be-*
 5 *ginning on the date of enactment of this Act and*
 6 *ending on the date on which the Secretary of*
 7 *Housing and Urban Development develops or*
 8 *chooses 1 or more methods of indexing as re-*
 9 *quired under section 2(b)(9) of the National*
 10 *Housing Act (12 U.S.C. 1703(b)(9)), as amended*
 11 *by paragraph (1) of this subsection, the method*
 12 *of indexing established by the Secretary under*
 13 *such section 2(b)(9) before the date of enactment*
 14 *of this Act shall apply.*

15 *(b) HUD STUDY OF OFFSITE CONSTRUCTION.—*

16 *(1) DEFINITIONS.—In this subsection:*

17 *(A) OFFSITE CONSTRUCTION HOUSING.—*
 18 *The term “offsite construction housing” includes*
 19 *manufactured homes and modular homes.*

20 *(B) MANUFACTURED HOME.—The term*
 21 *“manufactured home” means any home con-*
 22 *structed in accordance with the construction and*
 23 *safety standards established under the National*
 24 *Manufactured Housing Construction and Safety*
 25 *Standards Act of 1974 (42 U.S.C. 5401 et seq.).*

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

8 (2) *STUDY*.—Not later than 1 year after the date
9 of the enactment of this section the Secretary of Hous-
10 ing and Urban Development shall conduct a study
11 and submit to Congress a report on the cost effective-
12 ness of offsite construction housing, that includes—

13 (A) an analysis of the advantages and the
14 impact of centralization in a factory and trans-
15 portation to a construction site on cost, preci-
16 sion, and materials waste;

17 (B) the extent to which offsite construction
18 housing meets housing quality standards under
19 the National Standards for the Physical Inspec-
20 tion of Real Estate, or other standards as the
21 Secretary may prescribe, compared to the extent
22 for site-built homes, for such standards;

23 (C) the expected replacement and mainte-
24 nance costs over the first 40 years of life of offsite

1 *construction homes compared to those costs for*
 2 *site-built homes; and*

3 *(D) opportunities for use beyond single-fam-*
 4 *ily housing, such as applications in accessory*
 5 *dwelling units, two- to four-unit housing, and*
 6 *large multifamily housing.*

7 ***TITLE IV—ACCESSING THE***
 8 ***AMERICAN DREAM***

9 ***SEC. 401. CREATING INCENTIVES FOR SMALL-DOLLAR LOAN***
 10 ***ORIGINATORS.***

11 *(a) DEFINITIONS.—In this section:*

12 *(1) DIRECTOR.—The term “Director” means the*
 13 *Director of the Bureau of Consumer Financial Protec-*
 14 *tion.*

15 *(2) SMALL-DOLLAR MORTGAGE.—The term*
 16 *“small-dollar mortgage” means a mortgage loan hav-*
 17 *ing an original principal obligation of not more than*
 18 *\$100,000 that is—*

19 *(A) secured by real property designed for 1*
 20 *to 4 dwelling units; and*

21 *(B)(i) insured by the Federal Housing Ad-*
 22 *ministration under title II of the National Hous-*
 23 *ing Act (12 U.S.C. 1707 et seq.);*

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

1 (iii) made, guaranteed, or insured by the
2 Department of Agriculture; or
3 (iv) eligible to be purchased or securitized
4 by the Federal Home Loan Mortgage Corpora-
5 tion or the Federal National Mortgage Associa-
6 tion.

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

- 16 (1) with a salary;
17 (2) with a commission reflecting a fixed percent-
18 age of the amount of credit extended;
19 (3) with a commission based on a factor other
20 than a fixed percentage of the amount of credit ex-
21 tended;
22 (4) with a combination of salary and commis-
23 sion;
24 (5) on a loan volume basis; and

1 (6) *with a commission reflecting a percentage of*
 2 *the amount of credit extended, for which a minimum*
 3 *or maximum compensation amount is set.*

4 (c) *COMMUNITY DEVELOPMENT FINANCIAL INSTITU-*
 5 *TION LOAN ORIGINATORS.—In performing the study re-*
 6 *quired under subsection (b), the Secretary shall, in coordi-*
 7 *nation with relevant Federal agencies that regulate feder-*
 8 *ally backed small-dollar mortgages and in consultation with*
 9 *the Director of the Community Development Financial In-*
 10 *stitutions Fund established under section 104 of the Com-*
 11 *munity Development Banking and Financial Institutions*
 12 *Act of 1994 (12 U.S.C. 4703), give due consideration to the*
 13 *practices for compensating loan originators that are em-*
 14 *ployed by or originate loans on behalf of community devel-*
 15 *opment financial institutions.*

16 (d) *CONTENTS.—The report required under subsection*
 17 *(b) shall include—*

18 (1) *data and other analyses regarding the effect*
 19 *of the approaches to loan originator compensation de-*
 20 *scribed in subsection (b) on the availability of small-*
 21 *dollar mortgage loans; and*

22 (2) *an analysis and a discussion regarding po-*
 23 *tential barriers to small-dollar mortgage lending.*

1 **SEC. 402. SMALL-DOLLAR MORTGAGE POINTS AND FEES.**

2 (a) *SMALL-DOLLAR MORTGAGE DEFINED.*—*In this*
 3 *section, the term “small-dollar mortgage” means a mortgage*
 4 *with an original principal obligation of less than \$100,000.*

5 (b) *AMENDMENTS.*—*Not later than 270 days after the*
 6 *date of enactment of this Act, the Director of the Bureau*
 7 *of Consumer Financial Protection, in consultation with the*
 8 *Secretary of Housing and Urban Development and the Di-*
 9 *rector of the Federal Housing Finance Agency, shall evalu-*
 10 *ate the impact of the thresholds under section 1026.43 of*
 11 *title 12, Code of Federal Regulations (as in effect on the*
 12 *date of enactment of this Act), on small-dollar mortgage*
 13 *originations.*

14 **SEC. 403. APPRAISAL INDUSTRY IMPROVEMENT ACT.**

15 (a) *APPRAISAL STANDARDS.*—

16 (1) *CERTIFICATION OR LICENSING.*—

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

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

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

24 “(A) *be certified or licensed by the State in*
 25 *which the property to be appraised is located, except*
 26 *that an appraiser who has as their primary duty*

1 *conducting appraisal-related activities and who*
2 *chooses to become a State-licensed or certified real es-*
3 *tate appraiser need only to be licensed or certified in*
4 *1 State or territory to perform appraisals on mort-*
5 *gages insured by the Federal Housing Administration*
6 *in all States and territories;*

7 *“(B) meet the requirements under the com-*
8 *petency rule set forth in the Uniform Standards of*
9 *Professional Appraisal Practice before accepting an*
10 *assignment; and*

11 *“(C) have demonstrated verifiable education in*
12 *the appraisal requirements established by the Federal*
13 *Housing Administration under this subsection, which*
14 *shall include the completion of a course or seminar*
15 *that educates appraisers on those appraisal require-*
16 *ments, which shall be provided by—*

17 *“(i) the Federal Housing Administration;*

18 *or*

19 *“(ii) a third party, if the course is ap-*
20 *proved by the Secretary or a State appraiser cer-*
21 *tifying or licensing agency.”.*

22 *(B) APPLICATION.—Subparagraph (C) of*
23 *section 202(g)(5) of the National Housing Act*
24 *(12 U.S.C. 1708(g)(5)), as added by subpara-*
25 *graph (A), shall not apply with respect to any*

1 *certified appraiser approved by the Federal*
 2 *Housing Administration to conduct appraisals*
 3 *on property securing a mortgage to be insured*
 4 *by the Federal Housing Administration on or be-*
 5 *fore the effective date described in paragraph*
 6 *(3)(C).*

7 *(2) COMPLIANCE WITH VERIFIABLE EDUCATION*
 8 *AND COMPETENCY REQUIREMENTS.—On and after the*
 9 *effective date described in paragraph (3)(C), no ap-*
 10 *praiser may conduct an appraisal on a property se-*
 11 *curing a mortgage to be insured by the Federal Hous-*
 12 *ing Administration unless—*

13 *(A) the appraiser is in compliance with the*
 14 *requirements of subparagraphs (A) and (B) of*
 15 *section 202(g)(5) of the National Housing Act*
 16 *(12 U.S.C. 1708(g)(5)), as amended by para-*
 17 *graph (1); and*

18 *(B) if the appraiser was not approved by*
 19 *the Federal Housing Administration to conduct*
 20 *appraisals on mortgages insured by the Federal*
 21 *Housing Administration before the date on*
 22 *which the mortgagee letter or guidance takes ef-*
 23 *fect under paragraph (3)(C), the appraiser is in*
 24 *compliance with subparagraph (C) of such sec-*
 25 *tion 202(g)(5).*

1 (3) *IMPLEMENTATION.*—Not later than the 240
2 days after the date of enactment of this Act, the Sec-
3 retary of Housing and Urban Development shall issue
4 a mortgagee letter or guidance that—

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

7 (B) clearly sets forth all of the specific re-
8 quirements under section 202(g)(5) of the Na-
9 tional Housing Act (12 U.S.C. 1708(g)(5)), as
10 amended by paragraph (1), for approval to con-
11 duct appraisals on property secured by a mort-
12 gage to be insured by the Federal Housing Ad-
13 ministration, which shall include—

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

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

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

1 (b) *ANNUAL REGISTRY FEES FOR APPRAISAL MAN-*
 2 *AGEMENT COMPANIES.*—*Section 1109(a) of the Financial*
 3 *Institutions Reform, Recovery, and Enforcement Act of*
 4 *1989 (12 U.S.C. 3338(a)) is amended, in the matter fol-*
 5 *lowing clause (ii) of paragraph (4)(B), by adding at the*
 6 *end the following: “Subject to the approval of the Council,*
 7 *the Appraisal Subcommittee may adjust fees established*
 8 *under clause (i) or (ii) to carry out its functions under*
 9 *this Act.”.*

10 (c) *STATE CREDENTIALLED TRAINEES.*—

11 (1) *MAINTENANCE ON NATIONAL REGISTRY.*—
 12 *Section 1103(a) of the Financial Institutions Reform,*
 13 *Recovery, and Enforcement Act of 1989 (12 U.S.C.*
 14 *3332(a)) is amended—*

15 (A) *in paragraph (3)—*

16 (i) *by inserting “and State*
 17 *credentialled trainee appraisers” after “li-*
 18 *censed appraisers”; and*

19 (ii) *by striking “and” at the end;*

20 (B) *by striking paragraph (4);*

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

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

24 (i) *by striking “year. The report shall*
 25 *also detail” and inserting “year, detailing”;*

1 (ii) by striking “provide” and insert-
2 ing “provides”; and

3 (iii) by striking the period at the end
4 and inserting “; and”.

5 (2) *ANNUAL REGISTRY FEES.*—

6 (A) *IN GENERAL.*—Section 1109 of the Fi-
7 nancial Institutions Reform, Recovery, and En-
8 forcement Act of 1989 (12 U.S.C. 3338) is
9 amended—

10 (i) in the section heading, by striking
11 “certified or licensed” and inserting “, cer-
12 tified, licensed, and credentialed trainee”;
13 and

14 (ii) in subsection (a)—

15 (I) in paragraph (1), by inserting
16 “, and in the case of a State with a su-
17 pervisory or trainee program, a roster
18 listing individuals who have received a
19 State trainee credential” after “this
20 title”; and

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

23 “(2) transmit reports on the issuance and re-
24 newal of licenses, certifications, credentials, sanctions,
25 and disciplinary actions, including license, creden-

1 *tial, and certification revocations, on a timely basis*
 2 *to the national registry of the Appraisal Sub-*
 3 *committee;”.*

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

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

16 *(A) by striking “In determining” and in-*
 17 *serting “(a) IN GENERAL.—In determining”;*
 18 *and*

19 *(B) by adding at the end the following:*

20 *“(b) USE OF STATE CREDENTIALLED TRAINEE AP-*
 21 *PRAISERS.—In performing an appraisal under this section,*
 22 *a State certified appraiser may use the assistance of a State*
 23 *credentialed trainee appraiser or an unlicensed trainee ap-*
 24 *praiser, except that the State certified appraiser assisted*

1 *by a trainee shall be liable for appraisal and valuation*
 2 *work.”.*

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

7 “(12) *STATE CREDENTIALLED TRAINEE AP-*
 8 *PRAISER.—The term ‘State credentialed trainee ap-*
 9 *praiser’ means an individual who—*

10 “(A) *meets the minimum criteria estab-*
 11 *lished by the Appraiser Qualification Board for*
 12 *a trainee appraiser credential; and*

13 “(B) *is credentialed by a State appraiser*
 14 *certifying and licensing agency.”.*

15 (d) *GRANTS FOR WORKFORCE AND TRAINING.—Sec-*
 16 *tion 1109(b) of the Financial Institutions Reform, Recov-*
 17 *ery, and Enforcement Act of 1989 (12 U.S.C. 3338(b)) is*
 18 *amended—*

19 (1) *in paragraph (5)(B), by striking “and” at*
 20 *the end;*

21 (2) *in paragraph (6), by striking the period at*
 22 *the end and inserting “; and”; and*

23 (3) *by adding at the end the following:*

24 “(7) *to make grants to State appraiser certifying*
 25 *and licensing agencies to support the carrying out of*

1 *education and training activities or other activities*
 2 *related to addressing appraiser industry workforce*
 3 *needs, including recruiting and retaining workforce*
 4 *talent, such as through scholarship assistance and ca-*
 5 *reer pipeline development, and such agencies shall re-*
 6 *port on the use of funds and outcomes.”.*

7 *(e) APPRAISAL SUBCOMMITTEE.—Section 1011 of the*
 8 *Federal Financial Institutions Examination Council Act of*
 9 *1978 (12 U.S.C. 3310) is amended, in the first sentence,*
 10 *by inserting “the Department of Veterans Affairs, the Rural*
 11 *Housing Service of the Department of Agriculture, the De-*
 12 *partment of Housing and Urban Development,” after “Fi-*
 13 *nancial Protection,”.*

14 **SEC. 404. HELPING MORE FAMILIES SAVE ACT.**

15 *Section 23 of the United States Housing Act of 1937*
 16 *(42 U.S.C. 1437u) is amended by adding at the end the*
 17 *following:*

18 *“(p) ESCROW EXPANSION PILOT PROGRAM.—*

19 *“(1) DEFINITIONS.—In this subsection:*

20 *“(A) COVERED FAMILY.—The term ‘covered*
 21 *family’ means a family that receives assistance*
 22 *under section 8 or 9 of this Act and is enrolled*
 23 *in the Pilot Program.*

1 “(B) *ELIGIBLE ENTITY*.—The term ‘eligible
2 entity’ means an entity described in subsection
3 (c)(2).

4 “(C) *PILOT PROGRAM*.—The term ‘Pilot
5 Program’ means the Pilot Program established
6 under paragraph (2).

7 “(D) *WELFARE ASSISTANCE*.—The term
8 ‘welfare assistance’ has the meaning given the
9 term in section 984.103 of title 24, Code of Fed-
10 eral Regulations, or any successor regulation.

11 “(2) *ESTABLISHMENT*.—The Secretary may es-
12 tablish a Pilot Program under which the Secretary
13 shall select not more than 25 eligible entities to estab-
14 lish and manage escrow accounts for not more than
15 5,000 covered families, in accordance with this sub-
16 section.

17 “(3) *ESCROW ACCOUNTS*.—

18 “(A) *IN GENERAL*.—An eligible entity se-
19 lected to participate in the Pilot Program—

20 “(i) shall establish an interest-bearing
21 escrow account and place into the account
22 an amount equal to any increase in the
23 amount of rent paid by each covered family
24 in accordance with the provisions of section
25 3, 8(o), or 8(y), as applicable, that is at-

1 *tributable to increases in earned income by*
 2 *the covered families during the participa-*
 3 *tion of each covered family in the Pilot Pro-*
 4 *gram; and*

5 *“(ii) notwithstanding any other provi-*
 6 *sion of law, may use funds it controls under*
 7 *section 8 or 9 for purposes of making the es-*
 8 *crow deposit for covered families assisted*
 9 *under, or residing in units assisted under,*
 10 *section 8 or 9, respectively, provided such*
 11 *funds are offset by the increase in the*
 12 *amount of rent paid by the covered family.*

13 *“(B) INCOME LIMITATION.—An eligible en-*
 14 *tity may not escrow any amounts for any cov-*
 15 *ered family whose adjusted income exceeds 80*
 16 *percent of the area median income at the time*
 17 *of enrollment.*

18 *“(C) WITHDRAWALS.—A covered family*
 19 *may withdraw funds, including interest earned,*
 20 *from an escrow account established by an eligible*
 21 *entity under the Pilot Program—*

22 *“(i) after the covered family ceases to*
 23 *receive welfare assistance; and*

24 *“(ii)(I) not earlier than the date that*
 25 *is 5 years after the date on which the eligi-*

1 *ble entity establishes the escrow account*
2 *under this subsection;*

3 *“(II) not later than the date that is 7*
4 *years after the date on which the eligible en-*
5 *tity establishes the escrow account under*
6 *this subsection, if the covered family chooses*
7 *to continue to participate in the Pilot Pro-*
8 *gram after the date that is 5 years after the*
9 *date on which the eligible entity establishes*
10 *the escrow account;*

11 *“(III) on the date the covered family*
12 *ceases to receive housing assistance under*
13 *section 8 or 9, if such date is earlier than*
14 *5 years after the date on which the eligible*
15 *entity establishes the escrow account;*

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

21 *“(V) for any reason listed under sec-*
22 *tion 984.303(k) of title 24, Code of Federal*
23 *Regulations; or*

1 “(VI) *under other circumstances in*
2 *which the Secretary determines an exemp-*
3 *tion for good cause is warranted.*

4 “(D) *INTERIM RECERTIFICATION.*—*For pur-*
5 *poses of the Pilot Program, a covered family*
6 *may recertify the income of the covered family*
7 *multiple times per year at the request of the par-*
8 *ticipating family, as determined by the Sec-*
9 *retary, and not less frequently than once per*
10 *year, unless the eligible entity has established an*
11 *alternative rent structure with approval from the*
12 *Secretary.*

13 “(E) *CONTRACT OR PLAN.*—*A covered fam-*
14 *ily is not required to complete a standard con-*
15 *tract of participation or an individual training*
16 *and services plan in order to participate in the*
17 *Pilot Program.*

18 “(4) *EFFECT OF INCREASES IN FAMILY IN-*
19 *COME.*—*Any increase in the earned income of a cov-*
20 *ered family during the enrollment of the family in the*
21 *Pilot Program may not be considered as income or a*
22 *resource for purposes of eligibility of the family for*
23 *other benefits, or amount of benefits payable to the*
24 *family, under any program administered by the Sec-*
25 *retary.*

1 “(5) *APPLICATION.*—

2 “(A) *IN GENERAL.*—*An eligible entity seek-*
 3 *ing to participate in the Pilot Program shall*
 4 *submit to the Secretary an application—*

5 “(i) *at such time, in such manner, and*
 6 *containing such information as the Sec-*
 7 *retary may require by notice; and*

8 “(ii) *that includes the number of pro-*
 9 *posed covered families to be served by the el-*
 10 *igible entity under this subsection.*

11 “(B) *GEOGRAPHIC AND ENTITY VARIETY.*—
 12 *The Secretary shall ensure that eligible entities*
 13 *selected to participate in the Pilot Program—*

14 “(i) *are located across various States*
 15 *and in both urban and rural areas; and*

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

20 “(6) *NOTIFICATION AND OPT-OUT.*—*An eligible*
 21 *entity participating in the Pilot Program shall—*

22 “(A) *notify covered families of their enroll-*
 23 *ment in the Pilot Program;*

24 “(B) *provide covered families with a de-*
 25 *tailed description of the Pilot Program, includ-*

1 *ing how the Pilot Program will impact their*
2 *rent and finances;*

3 “(C) *inform covered families that the fami-*
4 *lies cannot simultaneously participate in the*
5 *Pilot Program and the Family Self-Sufficiency*
6 *program under this section; and*

7 “(D) *provide covered families with the abil-*
8 *ity to elect not to participate in the Pilot Pro-*
9 *gram—*

10 “(i) *not less than 2 weeks before the*
11 *date on which the escrow account is estab-*
12 *lished under paragraph (3); and*

13 “(ii) *at any point during the duration*
14 *of the Pilot Program.*

15 “(7) *MAXIMUM RENTS.—During the term of par-*
16 *ticipation by a covered family in the Pilot Program,*
17 *the amount of rent paid by the covered family shall*
18 *be calculated under the rental provisions of section 3*
19 *or 8(o), as applicable.*

20 “(8) *PILOT PROGRAM TIMELINE.—*

21 “(A) *AWARDS.—Not later than 1 year after*
22 *establishing the Pilot Program, the Secretary*
23 *shall select the eligible entities to participate in*
24 *the Pilot Program.*

1 “(B) *ESTABLISHMENT AND TERM OF AC-*
 2 *COUNTS.*—*An eligible entity selected to partici-*
 3 *pate in the Pilot Program shall—*

4 “(i) *not later than 6 months after se-*
 5 *lection, establish escrow accounts under*
 6 *paragraph (3) for covered families; and*

7 “(ii) *maintain those escrow accounts*
 8 *for not less than 5 years, or until a deter-*
 9 *mination is made for termination with FSS*
 10 *escrow disbursement under section*
 11 *984.303(k) of title 24, Code of Federal Reg-*
 12 *ulations, or until the date the family ceases*
 13 *to receive assistance under section 8 or 9,*
 14 *and, at the discretion of the covered family,*
 15 *not more than 7 years after the date on*
 16 *which the escrow account is established.*

17 “(9) *NONPARTICIPATION AND HOUSING ASSIST-*
 18 *ANCE.*—

19 “(A) *IN GENERAL.*—*Assistance under sec-*
 20 *tion 8 or 9 for a family that elects not to par-*
 21 *ticipate in the Pilot Program shall not be de-*
 22 *layed or denied by reason of such election.*

23 “(B) *NO TERMINATION.*—*Housing assist-*
 24 *ance may not be terminated as a consequence of*

1 *participating, or not participating, in the Pilot*
2 *Program under this subsection for any period.*

3 “(10) *STUDY.*—*Not later than 10 years after the*
4 *date the Secretary selects eligible entities to partici-*
5 *pate in the Pilot Program under this subsection, the*
6 *Secretary shall, if awards were made, conduct a study*
7 *and submit to the Committee on Banking, Housing,*
8 *and Urban Affairs of the Senate and the Committee*
9 *on Financial Services of the House of Representatives*
10 *a report on outcomes for covered families under the*
11 *Pilot Program, which shall evaluate the effectiveness*
12 *of the Pilot Program in assisting families to achieve*
13 *economic independence and self-sufficiency, and the*
14 *impact coaching and supportive services, or the lack*
15 *thereof, had on individual incomes.*

16 “(11) *WAIVERS.*—*To allow selected eligible enti-*
17 *ties to effectively administer the Pilot Program and*
18 *make the required escrow account deposits under this*
19 *subsection, the Secretary may waive requirements*
20 *under this section.*

21 “(12) *TERMINATION.*—*The Pilot Program under*
22 *this subsection shall terminate on the date that is 10*
23 *years after the date of enactment of this subsection.*

1 “(13) *ELIGIBLE USES OF APPROPRIATIONS.*—
 2 *Subject to the appropriation of funds, the Secretary*
 3 *may use funds—*

4 “(A) *for technical assistance related to im-*
 5 *plementation of the Pilot Program; and*

6 “(B) *to carry out an evaluation of the Pilot*
 7 *Program under paragraph (10).”.*

8 **SEC. 405. CHOICE IN AFFORDABLE HOUSING ACT.**

9 (a) *SATISFACTION OF INSPECTION REQUIREMENTS*
 10 *THROUGH PARTICIPATION IN OTHER HOUSING PRO-*
 11 *GRAMS.*—*Section 8(o)(8) of the United States Housing Act*
 12 *of 1937 (42 U.S.C. 1437f(o)(8)) is amended by adding at*
 13 *the end the following:*

14 “(I) *SATISFACTION OF INSPECTION RE-*
 15 *QUIREMENTS THROUGH PARTICIPATION IN*
 16 *OTHER HOUSING PROGRAMS.*—

17 “(i) *LOW-INCOME HOUSING TAX CRED-*
 18 *IT-FINANCED BUILDINGS.*—*A dwelling unit*
 19 *shall be deemed to meet the inspection re-*
 20 *quirements under this paragraph if—*

21 “(I) *the dwelling unit is in a*
 22 *building, the acquisition, rehabilita-*
 23 *tion, or construction of which was done*
 24 *by a building owner who may be eligi-*
 25 *ble for low-income housing credits be-*

1 *cause the building had been allocated a*
2 *housing credit dollar amount under*
3 *section 42(h) of the Internal Revenue*
4 *Code of 1986 or is described in section*
5 *42(h)(4) of such Code (concerning*
6 *buildings that meet a criterion for a*
7 *certain amount of tax-exempt financ-*
8 *ing);*

9 *“(II) the dwelling unit, during the*
10 *preceding 12-month period, was phys-*
11 *ically inspected and satisfied the suit-*
12 *ability-for-occupancy requirement in*
13 *section 42(i)(3)(B)(ii) of such Code;*
14 *and*

15 *“(III) the applicable public hous-*
16 *ing agency performed the inspection*
17 *itself or is able to obtain the results of*
18 *the inspection described in subclause*
19 *(II).*

20 *“(ii) HOME INVESTMENT PARTNER-*
21 *SHIPS PROGRAM.—A dwelling shall be*
22 *deemed to meet the inspection requirements*
23 *under this paragraph if—*

24 *“(I) the dwelling unit is assisted*
25 *under the HOME Investment Partner-*

1 *ships Program under title II of the*
2 *Cranston-Gonzalez National Affordable*
3 *Housing Act (42 U.S.C. 12721 et seq.);*

4 “(II) *the dwelling unit was phys-*
5 *ically inspected and passed inspection*
6 *as part of the program described in*
7 *subclause (I) during the preceding 12-*
8 *month period; and*

9 “(III) *the applicable public hous-*
10 *ing agency is able to obtain the results*
11 *of the inspection described in subclause*
12 *(II).*

13 “(iii) *RURAL HOUSING SERVICE.—A*
14 *dwelling unit shall be deemed to meet the*
15 *inspection requirements under this para-*
16 *graph if—*

17 “(I) *the dwelling unit is assisted*
18 *by the Rural Housing Service of the*
19 *Department of Agriculture;*

20 “(II) *the dwelling unit was phys-*
21 *ically inspected and passed inspection*
22 *in connection with the assistance de-*
23 *scribed in subclause (I) during the pre-*
24 *ceding 12-month period; and*

1 “(III) the applicable public hous-
2 ing agency is able to obtain the results
3 of the inspection described in subclause
4 (II).

5 “(iv) REMOTE OR VIDEO INSPEC-
6 TIONS.—When complying with inspection
7 requirements for a housing unit located in
8 a rural or small area using assistance
9 under this section, the Secretary may allow
10 a grantee to conduct a remote or video in-
11 spection of a unit if the remote or video in-
12 spection—

13 “(I) is thorough;

14 “(II) does not misrepresent the
15 condition of the unit; and

16 “(III) provides the information
17 necessary to fully and accurately
18 evaluate the conditions of the unit to
19 ensure that the unit meets the relevant
20 standards.

21 “(v) RULE OF CONSTRUCTION.—Noth-
22 ing in clause (i), (ii), (iii), or (iv) shall be
23 construed to affect the operation of a hous-
24 ing program described in, or authorized

1 under a provision of law described in, that
2 clause.”.

3 (b) *PRE-APPROVAL OF UNITS.*—Section 8(o)(8)(A) of
4 the United States Housing Act of 1937 (42 U.S.C.
5 1437f(o)(8)(A)) is amended by adding at the end the fol-
6 lowing:

7 “(iv) *INITIAL INSPECTION PRIOR TO*
8 *LEASE AGREEMENT.*—

9 “(I) *DEFINITION.*—In this clause,
10 the term ‘new landlord’ means an
11 owner of a dwelling unit who has not
12 previously entered into a housing as-
13 sistance payment contract with a pub-
14 lic housing agency under this sub-
15 section for any dwelling unit.

16 “(II) *EARLY INSPECTION.*—Upon
17 the request of a new landlord, a public
18 housing agency may inspect the dwell-
19 ing unit owned by the new landlord to
20 determine whether the unit meets the
21 housing quality standards under sub-
22 paragraph (B) before the unit is se-
23 lected by a tenant assisted under this
24 subsection.

1 “(III) *EFFECT.*—An inspection
2 conducted under subclause (II) that de-
3 termines that the dwelling unit meets
4 the housing quality standards under
5 subparagraph (B) shall satisfy this
6 subparagraph and subparagraph (C) if
7 the new landlord enters into a lease
8 agreement with a tenant assisted under
9 this subsection not later than 60 days
10 after the date of the inspection.

11 “(IV) *INFORMATION WHEN FAMILY*
12 *IS SELECTED.*—When a public housing
13 agency selects a family to participate
14 in the tenant-based assistance program
15 under this subsection, the public hous-
16 ing agency shall include in the infor-
17 mation provided to the family a list of
18 dwelling units that have been inspected
19 under subclause (II) and determined to
20 meet the housing quality standards
21 under subparagraph (B).”.

1 ***TITLE V—PROGRAM REFORM***

2 ***SEC. 501. HOME INVESTMENT PARTNERSHIPS REAUTHOR-***
 3 ***IZATION AND REFORM ACT.***

4 (a) *AUTHORIZATION.*—Section 205 of the Cranston-
 5 *Gonzalez National Affordable Housing Act* (42 U.S.C.
 6 12724) is amended to read as follows:

7 ***“SEC. 205. AUTHORIZATION OF PROGRAM.***

8 *“The HOME Investment Partnerships Program under*
 9 *subtitle A is hereby authorized.”.*

10 (b) *DEFINITION OF COMMUNITY HOUSING DEVELOP-*
 11 *MENT ORGANIZATION.*—Section 104(6)(B) of the Cranston-
 12 *Gonzalez National Affordable Housing Act* (42 U.S.C.
 13 12704(6)(B)) is amended by striking “significant”.

14 (c) *ASSISTANCE FOR LOW-INCOME FAMILIES.*—Title II
 15 *of the Cranston-Gonzalez National Affordable Housing Act*
 16 *(42 U.S.C. 12721 et seq.) is amended—*

17 (1) *in section 214(2) (42 U.S.C. 12742(2)), by*
 18 *striking “households that qualify as low-income fami-*
 19 *lies” and inserting “families with a household income*
 20 *that does not exceed 100 percent of the median family*
 21 *income of the area, as determined by the Secretary”;*
 22 *and*

23 (2) *in section 271(c) (42 U.S.C. 12821(c))—*

24 (A) *in paragraph (1)(B), by striking “low-*
 25 *income” and inserting “families with a house-*

1 *hold income that does not exceed 100 percent of*
 2 *the median family income of the area as deter-*
 3 *mined by the Secretary with adjustments for*
 4 *smaller and larger families”; and*

5 *(B) in paragraph (2)(A), by striking “low-*
 6 *income families” and inserting “families with a*
 7 *household income that does not exceed 100 per-*
 8 *cent of the median family income of the area as*
 9 *determined by the Secretary with adjustments*
 10 *for smaller and larger families”.*

11 *(d) CHOICES MADE BY PARTICIPATING JURISDIC-*
 12 *TIONS.—Section 212(a)(2) of the Cranston-Gonzalez Na-*
 13 *tional Affordable Housing Act (42 U.S.C. 12742(a)(2)) is*
 14 *amended to read as follows:*

15 *“(2) LIMITATION.—The Secretary may not re-*
 16 *strict the choice by a participating jurisdiction of re-*
 17 *habilitation, substantial rehabilitation, new construc-*
 18 *tion, reconstruction, acquisition, or other eligible*
 19 *housing uses authorized in paragraph (1) unless the*
 20 *restriction is explicitly authorized under section*
 21 *223(2).”.*

22 *(e) USE OF AMOUNTS BY CERTAIN JURISDICTIONS FOR*
 23 *INFRASTRUCTURE IMPROVEMENTS.—*

24 *(1) IN GENERAL.—Section 212(a) of the Cran-*
 25 *ston-Gonzalez National Affordable Housing Act (42*

1 *U.S.C. 12742(a)) is amended by inserting after para-*
 2 *graph (3) the following:*

3 “(4) *INFRASTRUCTURE IMPROVEMENTS IN NON-*
 4 *ENTITLEMENT AREAS.—*

5 “(A) *IN GENERAL.—A participating juris-*
 6 *isdiction may use funds provided under this sub-*
 7 *title for infrastructure improvements, including*
 8 *the installation or repair of water and sewer*
 9 *lines, sidewalks, roads, and utility connections*
 10 *if—*

11 “(i) *such participating jurisdiction*
 12 *does not receive assistance under title I of*
 13 *the Housing and Community Development*
 14 *Act of 1974 (42 U.S.C. 5310); and*

15 “(ii) *such improvements are directly*
 16 *related to, and located within or imme-*
 17 *diately adjacent to—*

18 “(I) *housing assisted under this*
 19 *subtitle; or*

20 “(II) *housing assisted under sec-*
 21 *tion 42 of the Internal Revenue Code of*
 22 *1986.*

23 “(B) *APPLICATION OF LABOR STAND-*
 24 *ARDS.—The labor standards and requirements*
 25 *set forth in section 110 of the Housing and Com-*

1 *munity Development Act of 1974 (42 U.S.C.*
 2 *5310) shall apply to any infrastructure improve-*
 3 *ment conducted using funds provided under this*
 4 *subtitle.*

5 “(C) *RULE OF CONSTRUCTION.*—*Nothing in*
 6 *this paragraph may be construed to impose any*
 7 *requirements of the HOME Investment Partner-*
 8 *ships program on housing that benefits from an*
 9 *infrastructure improvement conducted using*
 10 *funds provided under this subtitle but was not*
 11 *otherwise assisted under the HOME Investment*
 12 *Partnerships program.”.*

13 (2) *RULEMAKING.*—*Not later than 1 year after*
 14 *the date of enactment of this Act, the Secretary of*
 15 *Housing and Urban Development shall issue rules to*
 16 *carry out the amendment made by paragraph (1).*

17 (f) *PER UNIT INVESTMENT LIMITATIONS.*—*Section*
 18 *212(e)(1) of the Cranston-Gonzalez National Affordable*
 19 *Housing Act (42 U.S.C. 12742(e)(1)) is amended by strik-*
 20 *ing the second sentence.*

21 (g) *AFFORDABLE RENTAL HOUSING QUALIFICA-*
 22 *TIONS.*—*Section 215(a) of the Cranston-Gonzalez National*
 23 *Affordable Housing Act (42 U.S.C. 12745(a)) is amended*
 24 *by adding at the end the following:*

1 “(7) *QUALIFICATION EXCEPTION.*—*Notwith-*
 2 *standing paragraph (1)(A), a rental unit shall be*
 3 *considered to qualify as affordable housing under this*
 4 *title if—*

5 “(A) *the unit is occupied by a tenant re-*
 6 *ceiving tenant-based rental assistance under sec-*
 7 *tion 8 of the United States Housing Act of 1937*
 8 *(42 U.S.C. 1437f);*

9 “(B) *the contribution of the tenant toward*
 10 *rent does not exceed the amount permitted under*
 11 *the assistance described in subparagraph (A);*
 12 *and*

13 “(C) *the total rent for the unit does not ex-*
 14 *ceed the amount approved by the public housing*
 15 *agency administering the assistance described in*
 16 *subparagraph (A).”.*

17 (h) *AFFORDABLE HOME-OWNERSHIP HOUSING QUALI-*
 18 *FICATIONS.*—*Section 215 of the Cranston-Gonzalez Na-*
 19 *tional Affordable Housing Act (42 U.S.C. 12745) is amend-*
 20 *ed—*

21 (1) *in subsection (b)—*

22 (A) *in paragraph (2), by redesignating sub-*
 23 *paragraphs (A), (B), and (C) as clauses (i), (ii),*
 24 *and (iii), respectively, and adjusting the mar-*
 25 *gins accordingly;*

1 *(B) in paragraph (3)—*

2 *(i) in subparagraph (A), by redesign-*
 3 *ating clauses (i) and (ii) as subclauses (I)*
 4 *and (II), respectively, and adjusting the*
 5 *margins accordingly; and*

6 *(ii) by redesignating subparagraphs*
 7 *(A) and (B) as clauses (i) and (ii), respec-*
 8 *tively, and adjusting the margins accord-*
 9 *ingly;*

10 *(C) by redesignating paragraphs (1)*
 11 *through (4) as subparagraphs (A) through (D),*
 12 *respectively, and adjusting the margins accord-*
 13 *ingly;*

14 *(D) by striking “Housing that is for home-*
 15 *ownership” and inserting the following:*

16 *“(1) QUALIFICATION.—Housing that is for home-*
 17 *ownership”;*

18 *(E) in paragraph (1), as so designated—*

19 *(i) in subparagraph (A), as so redesign-*
 20 *ated—*

21 *(I) by striking “95 percent” and*
 22 *inserting “110 percent”; and*

23 *(II) by inserting “(defined as the*
 24 *amount borrowed by the homebuyer to*
 25 *purchase the home, or the estimated*

1 *value after rehabilitation, which may*
2 *be adjusted to account for the limits on*
3 *future value imposed by the resale re-*
4 *striction)” after “purchase price”;*

5 *(ii) in subparagraph (B), as so redes-*
6 *ignated, in the matter preceding clause (i),*
7 *by striking “whose family qualifies as a*
8 *low-income family” and inserting “with a*
9 *family income that does not exceed 100 per-*
10 *cent of the median family income of the*
11 *area as determined by the Secretary with*
12 *adjustments for smaller and larger fami-*
13 *lies”;*

14 *(iii) in subparagraph (C), as so redes-*
15 *ignated—*

16 *(I) in clause (i)(II)—*

17 *(aa) by striking “low-income*
18 *home-buyers” and inserting*
19 *“home-buyers with a household*
20 *income that does not exceed 100*
21 *percent of the median family in-*
22 *come of the area, as determined*
23 *by the Secretary with adjustments*
24 *for smaller and larger families”;*
25 *and*

1 (bb) by striking “or” at the
2 end;

3 (II) in clause (ii), by striking
4 “and” at the end and inserting “or”;
5 and

6 (III) by adding at the end the fol-
7 lowing:

8 “(iii) maintain long-term affordability
9 through a shared equity ownership model, a
10 community land trust, a limited equity co-
11 operative, a community development cor-
12 poration, or other mechanism approved by
13 the Secretary, that preserves affordability
14 for future eligible home-buyers and ensures
15 compliance with the purposes of this title,
16 including through the use of purchase op-
17 tions, rights of first refusal, or other pre-
18 emptive rights to purchase housing;”;

19 (iv) in subparagraph (D), as so redes-
20 ignated, by striking the period at the end
21 and inserting “; and”; and

22 (v) by adding at the end the following:

23 “(E) is subject to restrictions that are estab-
24 lished by the participating jurisdiction and de-
25 termined by the Secretary to be appropriate, in-

cluding with respect to the useful life of the property, to—

“(i) require that any subsequent purchase of the property be—

“(I) only by a person who meets the qualifications specified under subparagraph (B); and

“(II) at a price that is determined by a formula or method established by the participating jurisdiction that provides the owner with a reasonable return on investment, which may include a percentage of the cost of any improvements; or

“(ii) recapture the investment provided under this title in order to assist other persons in accordance with the requirements of this title, except where there are no net proceeds or where the net proceeds are insufficient to repay the full amount of the assistance.”; and

(F) by adding at the end the following:

“(2) *PURCHASE BY COMMUNITY LAND TRUST OR COOPERATIVE HOUSING CORPORATION.*—Notwithstanding subparagraph (C)(i) of paragraph (1) and

1 *under terms determined by the Secretary, the Sec-*
2 *retary may permit a participating jurisdiction to*
3 *allow a community land trust, housing cooperative,*
4 *or a community development corporation that used*
5 *assistance provided under this subtitle for the develop-*
6 *ment of housing that meets the criteria under para-*
7 *graph (1), to acquire the housing—*

8 *“(A) in accordance with the terms of the*
9 *preemptive purchase option, lease, covenant on*
10 *the land, or other similar legal instrument of the*
11 *community land trust or housing cooperative*
12 *when the terms and rights in the preemptive*
13 *purchase option, lease, covenant, or legal instru-*
14 *ment are and remain subject to the requirements*
15 *of this title;*

16 *“(B) when the purchase is for—*

17 *“(i) the purpose of—*

18 *“(I) entering into the chain of*
19 *title;*

20 *“(II) enabling a purchase by a*
21 *person who meets the qualifications*
22 *specified under paragraph (1)(B) and*
23 *is on a waitlist maintained by the*
24 *community land trust or housing coop-*
25 *erative, subject to enforcement by the*

1 *participating jurisdiction of all appli-*
 2 *cable requirements of this title, as de-*
 3 *termined by the Secretary;*

4 *“(III) performing necessary reha-*
 5 *bilitation and improvements; or*

6 *“(IV) adding a subsidy to pre-*
 7 *serve affordability, which may be from*
 8 *Federal or non-Federal sources; or*

9 *“(ii) another purpose determined ap-*
 10 *propriate by the Secretary; and*

11 *“(C) if, within a reasonable period of time*
 12 *after the applicable purpose under subparagraph*
 13 *(B) of this paragraph is fulfilled, as determined*
 14 *by the Secretary, the housing is then sold to a*
 15 *person who meets the qualifications specified*
 16 *under paragraph (1)(B).”; and*

17 *(2) by adding at the end the following:*

18 *“(c) QUALIFICATION EXCEPTIONS FOR HOME-OWNER-*
 19 *SHIP.—*

20 *“(1) MILITARY MEMBERS.—A participating ju-*
 21 *risdiction, in accordance with terms established by the*
 22 *Secretary, may suspend or waive the income quali-*
 23 *fications described in subsection (b)(1)(B) with re-*
 24 *spect to housing that otherwise meets the criteria de-*

1 scribed in subsection (b)(1) if the owner of the hous-
2 ing—

3 “(A) is a member of a regular component of
4 the armed forces or a member of the National
5 Guard on full-time National Guard duty, active
6 Guard and Reserve duty, or inactive-duty train-
7 ing (as those terms are defined in section 101 of
8 title 10, United States Code); and

9 “(B) has received—

10 “(i) temporary duty orders to deploy
11 with a military unit or military orders to
12 deploy as an individual acting in support
13 of a military operation, to a location that
14 is not within a reasonable distance from the
15 housing, as determined by the Secretary, for
16 a period of not less than 90 days; or

17 “(ii) orders for a permanent change of
18 station.

19 “(2) *HEIRS AND BENEFICIARIES OF DECEASED*
20 *OWNERS.*—Housing that meets the criteria described
21 in subsection (b)(1)(C) prior to the death of an owner
22 of such housing shall continue to qualify as affordable
23 housing under this title if—

1 “(A) the housing is the principal residence
2 of an heir or beneficiary of the deceased owner,
3 as defined by the Secretary; and

4 “(B) the heir or beneficiary, in accordance
5 with terms established by the Secretary, assumes
6 the duties and obligations of the deceased owner
7 with respect to funds provided under this title.”.

8 (i) *ELIMINATION OF EXPIRATION OF RIGHT TO DRAW*
9 *HOME INVESTMENT TRUST FUNDS.*—Section 218 of the
10 *Cranston-Gonzalez National Affordable Housing Act (42*
11 *U.S.C. 12748) is amended—*

12 (1) *by striking subsection (g); and*

13 (2) *by redesignating subsection (h) as subsection*
14 *(g).*

15 (j) *ADJUSTED RECAPTURE AND REUSE OF SET-ASIDE*
16 *FOR COMMUNITY HOUSING DEVELOPMENTAL ORGANIZA-*
17 *TIONS.*—Section 231(b) of the *Cranston-Gonzalez National*
18 *Affordable Housing Act (42 U.S.C. 12771(b)) is amended*
19 *to read as follows:*

20 “(b) *RECAPTURE AND REUSE.*—If any funds reserved
21 under subsection (a) remain uninvested for a period of 24
22 months, the Secretary shall make such funds available to
23 the participating jurisdiction for any eligible activities
24 under this title without regard to whether a community

1 *housing development organization materially participates*
 2 *in the use of such funds.”.*

3 *(k) ASSET RECYCLING INFORMATION DISSEMINATION*
 4 *EXPANSION.—Section 245(b)(2) of the Cranston-Gonzalez*
 5 *National Affordable Housing Act (42 U.S.C. 12785(b)(2))*
 6 *is amended by striking “95 percent” and inserting “110*
 7 *percent”.*

8 *(l) ENVIRONMENTAL REVIEW REQUIREMENTS.—*

9 *(1) IN GENERAL.—Section 288 of the Cranston-*
 10 *Gonzalez National Affordable Housing Act (42 U.S.C.*
 11 *12838) is amended by adding at the end the fol-*
 12 *lowing:*

13 *“(e) CATEGORICAL EXEMPTIONS.—The following cat-*
 14 *egories of activities carried out under this title shall be*
 15 *statutorily exempt from environmental review under the*
 16 *National Environmental Policy Act of 1969 (42 U.S.C.*
 17 *4321 et seq.), and shall not require further review under*
 18 *such Act—*

19 *“(1) new construction infill housing projects;*

20 *“(2) acquisition of real property for affordable*
 21 *housing purposes;*

22 *“(3) rehabilitation projects carried out pursuant*
 23 *to section 212(a)(1); and*

24 *“(4) new construction projects of 15 units or less.*

25 *“(f) REMOVING DUPLICATIVE REVIEWS.—*

1 “(1) *IN GENERAL.*—*To the extent practicable*
2 *and permitted by law, the Secretary shall ensure that*
3 *a project that has undergone an environmental review*
4 *under this section shall not be subject to a duplicative*
5 *environmental review solely due to the addition, sub-*
6 *stitution, or reallocation of other sources of Federal*
7 *assistance, if the scope, scale, and location of the*
8 *project remain substantially unchanged.*

9 “(2) *COORDINATION OF ENVIRONMENTAL REVIEW*
10 *RESPONSIBILITIES.*—*The Secretary shall, by regula-*
11 *tion, provide for coordination of environmental re-*
12 *view responsibilities with other Federal agencies to*
13 *streamline interagency compliance and avoid unnec-*
14 *essary duplication of effort under the National Envi-*
15 *ronmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)*
16 *and other applicable laws.*

17 “(3) *RECOGNITION OF PRIOR REVIEWS BY RE-*
18 *SPONSIBLE ENTITIES.*—*A project may not be subject*
19 *to an environmental review under this section if a*
20 *substantially similar review has already been com-*
21 *pleted by an entity designated under section 104(g)(1)*
22 *of the Housing and Community Development Act of*
23 *1974 (42 U.S.C. 5304(g)(1)) or by another entity the*
24 *Secretary determines to have equivalent authority, if*

1 *the scope, scale, and location of the project remain*
2 *substantially unchanged.”.*

3 (2) *RULEMAKING.—Not later than 1 year after*
4 *the date of the enactment of this Act, the Secretary*
5 *shall issue such rules as the Secretary determines nec-*
6 *essary to carry out the amendment made by this sub-*
7 *section.*

8 (3) *APPLICABILITY.—Any activity generated*
9 *under this subsection would be subject to an author-*
10 *ization of appropriations.*

11 (4) *DEFINITION.—Section 104 of the Cranston-*
12 *Gonzalez National Affordable Housing Act (42 U.S.C.*
13 *12704) is amended by adding at end the following*
14 *new paragraph:*

15 “(27) *The term ‘infill housing project’ means a*
16 *residential housing project that—*

17 “(A) *is located within the geographic limits*
18 *of a municipality;*

19 “(B) *is adequately served by existing utili-*
20 *ties and public services as required under appli-*
21 *cable law;*

22 “(C) *is located on a site of previously dis-*
23 *turbed land of not more than 5 acres; and*

1 “(D) is substantially surrounded by resi-
2 dential or commercial development, as deter-
3 mined by the Secretary.”.

4 (m) *APPLICATION OF BUILD AMERICA, BUY AMERICA*
5 *REQUIREMENTS FOR HOME INVESTMENT PARTNERSHIPS*
6 *PROGRAM.*—

7 (1) *IN GENERAL.*—Not later than 180 days after
8 the date of the enactment of this section, the Secretary
9 of Housing and Urban Development shall complete a
10 review of the implementation of the Build America,
11 Buy America Act (title IV of division G of Public
12 Law 117–58; 42 U.S.C. 8301 note) with respect to the
13 activities assisted under title II of the Cranston-Gon-
14 zalez National Affordable Housing Act (42 U.S.C.
15 12721 et seq.).

16 (2) *UPDATED GUIDANCE.*—Not later than 90
17 days after the review described in subsection (a) is
18 completed, the Secretary shall issue updated guidance
19 to clarify the application of the Build America, Buy
20 America Act (title IV of division G of Public Law
21 117–58; 42 U.S.C. 8301 note) with respect to the ac-
22 tivities assisted under title II of the Cranston-Gon-
23 zalez National Affordable Housing Act (42 U.S.C.
24 12721 et seq.).

1 (3) *REPORT*.—Not later than 270 days after the
 2 date of the enactment of this section, the Secretary
 3 shall submit to the Committee on Financial Services
 4 of the House of Representatives and the Committee on
 5 Banking, Housing, and Urban Affairs of the Senate
 6 a report that describes—

7 (A) the results of the review required under
 8 subsection (a); and

9 (B) the guidance issued as described in sub-
 10 section (b).

11 (n) *APPLICATION OF OTHER SPECIFIED STATUTORY*
 12 *REQUIREMENTS*.—Title II of the Cranston-Gonzalez Na-
 13 tional Affordable Housing Act (42 U.S.C. 12721 et seq.) is
 14 amended by adding at the end the following:

15 **“SEC. 291. NONAPPLICABILITY OF CERTAIN REQUIREMENTS**
 16 **FOR SMALL PROJECTS.**

17 “Notwithstanding any other provision of law, the re-
 18 quirements of section 3 of the Housing and Urban Develop-
 19 ment Act of 1968 (12 U.S.C. 1701u), and any imple-
 20 menting regulations or guidance, shall not apply to an ac-
 21 tivity assisted under this title that involves rehabilitation,
 22 construction, or other development of housing if—

23 “(1) the recipient of assistance under this title
 24 is—

1 “(A) a State recipient pursuant to section
2 216; or

3 “(B) a participating jurisdiction that re-
4 ceived a total allocation of less than \$3,000,000
5 in the most recent fiscal year pursuant to section
6 216; and

7 “(2) the total number of dwelling units assisted
8 as a part of such activity is not more than 50.”.

9 (o) *REALLOCATION NOT AVAILABLE FOR CERTAIN JU-*
10 *RISDICTIONS.*—Section 217(d) of the Cranston-Gonzalez
11 *National Affordable Housing Act (42 U.S.C. 12747(d)) is*
12 *amended—*

13 (1) in paragraph (1), by striking the second sen-
14 tence and inserting the following: “Subject to para-
15 graph (4), jurisdictions eligible for such reallocations
16 shall include participating jurisdictions and jurisdic-
17 tions meeting the requirements of this title, including
18 the requirements in paragraphs (3), (4), and (5) of
19 section 216.”; and

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

21 “(4) *REALLOCATION NOT AVAILABLE FOR CER-*
22 *TAIN JURISDICTIONS.*—The Secretary may decline to
23 make a reallocation available to a jurisdiction eligible
24 for such reallocation if such jurisdiction has failed to

1 *meet or comply with any requirement under this*
 2 *title.”.*

3 (p) *AMENDMENTS TO QUALIFICATION AS AFFORDABLE*
 4 *HOUSING.—Section 215(a)(1)(E) of the Cranston-Gonzalez*
 5 *National Affordable Housing Act (42 U.S.C. 12745(a)) is*
 6 *amended by striking “except upon a foreclosure by a lender*
 7 *(or upon other transfer in lieu of foreclosure) if such action*
 8 *(i) recognizes any contractual or legal rights of public agen-*
 9 *cies, nonprofit sponsors, or others to take actions that would*
 10 *avoid termination of low-income affordability in the case*
 11 *of foreclosure or transfer in lieu of foreclosure, and (ii) is*
 12 *not for the purpose of avoiding low-income affordability re-*
 13 *strictions, as determined by the Secretary; and” and insert-*
 14 *ing the following: “except—*

15 *“(i) upon a foreclosure by a lender (or*
 16 *upon other transfer in lieu of foreclosure) if*
 17 *such action—*

18 *“(I) recognizes any contractual or*
 19 *legal rights of public agencies, non-*
 20 *profit sponsors, or others to take ac-*
 21 *tions that would avoid termination of*
 22 *low-income affordability in the case of*
 23 *foreclosure or transfer in lieu of fore-*
 24 *closure; and*

1 “(II) is not for the purpose of
2 avoiding low-income affordability re-
3 strictions, as determined by the Sec-
4 retary; or

5 “(ii) where existing affordable housing
6 is no longer financially viable due to un-
7 foreseen acts or occurrences beyond the rea-
8 sonable contemplation or control of the par-
9 ticipating jurisdiction in which the afford-
10 able housing is located or the owner of the
11 affordable housing that significantly impact
12 the financial or physical condition of the af-
13 fordable housing, as determined by the Sec-
14 retary; and”.

15 (q) *TENANT AND PARTICIPANT PROTECTIONS FOR AF-*
16 *FORDABLE HOUSING.*—Section 225 of the Cranston-Gon-
17 *zalez National Affordable Housing Act (42 U.S.C. 12755)*
18 *is amended by adding at the end the following:*

19 “(e) *EXCEPTION.*—Paragraphs (2), (3), and (4) of sub-
20 *section (d) shall not apply to housing under this section*
21 *that meets the following criteria:*

22 “(1) *The housing is affordable housing with not*
23 *more than 4 dwelling units, each of which is made*
24 *available for rental.*

1 “(2) *Each dwelling unit in the housing bears*
 2 *rent in an amount that complies with the require-*
 3 *ments described in paragraph (1)(A).*

4 “(3) *Each dwelling unit in the housing is accom-*
 5 *panied by a low-income family.*

6 “(4) *No dwelling in the housing is refused for*
 7 *leasing to a holder of a voucher under section 8 of the*
 8 *United States Housing Act of 1937 (42 U.S.C. 1437f)*
 9 *because of the status of the prospective tenant as a*
 10 *holder of that voucher.*

11 “(5) *The housing complies with the requirement*
 12 *described in paragraph (1)(E).*

13 “(6) *The participating jurisdiction in which the*
 14 *housing is located monitors the compliance of the*
 15 *housing with the requirements of this title in a man-*
 16 *ner consistent with the purposes of section 226(b), as*
 17 *determined by the Secretary.”.*

18 *(r) REVISION OF DEFINITION OF COMMUNITY LAND*
 19 *TRUST.—Section 104 of the Cranston-Gonzalez National*
 20 *Affordable Housing Act (42 U.S.C. 12704) is amended by*
 21 *adding at the end the following:*

22 “(26) *The term ‘community land trust’ means a*
 23 *nonprofit entity, a State, a unit of local government,*
 24 *or an instrumentality of a State or unit of local gov-*
 25 *ernment that—*

1 “(A) is not managed by, or an affiliate of,
2 a forprofit organization;

3 “(B) has as a primary purpose of acquir-
4 ing, developing, or holding land to provide hous-
5 ing that is permanently affordable to low- and
6 moderate-income persons;

7 “(C) monitors properties to ensure afford-
8 ability is preserved;

9 “(D) provides housing that is permanently
10 affordable to low- and moderate-income persons
11 using a ground lease, deed covenant, or other
12 similar legally enforceable measure, determined
13 acceptable by the Secretary, that—

14 “(i) keeps housing affordable to low-
15 and moderate-income persons for not less
16 than 30 years; and

17 “(ii) enables low- and moderate-income
18 persons to rent or purchase the housing for
19 home-ownership; and

20 “(E) maintains preemptive purchase op-
21 tions to purchase the property if such purchase
22 would allow the housing to remain affordable to
23 low-and moderate-income persons.”.

24 (s) SET-ASIDE FOR COMMUNITY HOUSING DEVELOP-
25 MENT ORGANIZATIONS.—Section 231(a) of the Cranston-

1 *Gonzalez National Affordable Housing Act* (42 U.S.C.
 2 12771(a)) is amended, in the first sentence, by striking “to
 3 be developed, sponsored, or owned by community housing
 4 development organizations” and inserting “when a commu-
 5 nity housing development organization materially partici-
 6 pates in the ownership or development of that housing, as
 7 determined by the Secretary”.

8 (t) *ADMINISTRATIVE REFORMS.*—

9 (1) *INCREASE IN PROGRAM ADMINISTRATION RE-*
 10 *SOURCES.*—Section 220(b) of the *Cranston-Gonzalez*
 11 *National Affordable Housing Act* (42 U.S.C.
 12 12750(b)) is amended—

13 (A) by striking “*RECOGNITION.*—” and all
 14 that follows through “A contribution” and in-
 15 serting “*RECOGNITION.*—A contribution”;

16 (B) by redesignating subparagraphs (A)
 17 and (B) as paragraphs (1) and (2), respectively
 18 and

19 (C) by striking paragraph (2).

20 (2) *MODIFICATION OF JURISDICTIONS ELIGIBLE*
 21 *FOR REALLOCATIONS.*—Section 217(d)(3) of the *Cran-*
 22 *ston-Gonzalez National Affordable Housing Act* (42
 23 U.S.C. 12747(d)(3)) is amended—

1 (A) in the paragraph heading, by striking
2 “LIMITATION” and inserting “LIMITATIONS”;
3 and

4 (B) by striking “Unless otherwise specified”
5 and inserting the following:

6 “(A) REMOVAL OF PARTICIPATING JURIS-
7 DICTIONS FROM REALLOCATION.—The Secretary
8 may, upon a finding that the participating ju-
9 risdiction has failed to meet or comply with the
10 requirements of this title, remove a participating
11 jurisdiction from participation in reallocations
12 of funds made available under this title.

13 “(B) REALLOCATION TO SAME TYPE OF EN-
14 TITY.—Unless otherwise specified”.

15 (3) HOME PROPERTY INSPECTIONS.—Section
16 226(b) of the Cranston-Gonzalez National Affordable
17 Housing Act (42 U.S.C. 12756(b)) is amended—

18 (A) by striking “Each participating juris-
19 diction” and inserting the following:

20 “(1) IN GENERAL.—Each participating jurisdic-
21 tion”; and

22 (B) by striking “Such review shall include”
23 and all that follows and inserting the following:

24 “(2) ONSITE INSPECTIONS.—

1 “(A) *INSPECTIONS BY UNITS OF GENERAL*
 2 *LOCAL GOVERNMENT.*—A review conducted under
 3 *paragraph (1) by a participating jurisdiction*
 4 *that is a unit of general local government shall*
 5 *include an onsite inspection to determine com-*
 6 *pliance with housing codes and other applicable*
 7 *regulations.*

8 “(B) *INSPECTIONS BY STATES.*—A review
 9 *conducted under paragraph (1) by a partici-*
 10 *pating jurisdiction that is a State shall include*
 11 *an onsite inspection to determine compliance*
 12 *with a national standard as determined by the*
 13 *Secretary.*

14 “(3) *INCLUSION IN PERFORMANCE REPORT AND*
 15 *PUBLICATION.*—A participating jurisdiction shall in-
 16 *clude in the performance report of the participating*
 17 *jurisdiction submitted to the Secretary under section*
 18 *108(a), and make available to the public, the results*
 19 *of each review conducted under paragraph (1).”.*

20 “(4) *REVISIONS TO STRENGTHEN ENFORCEMENT*
 21 *AND PENALTIES FOR NONCOMPLIANCE.*—Section 223
 22 *of the Cranston-Gonzalez National Affordable Hous-*
 23 *ing Act (42 U.S.C. 12753) is amended—*

24 (A) *in the section heading, by striking*

25 “**PENALTIES FOR MISUSE OF FUNDS**” and

1 inserting “**PROGRAM ENFORCEMENT AND**
2 **PENALTIES FOR NONCOMPLIANCE**”;

3 (B) in the matter preceding paragraph (1),
4 by inserting after “any provision of this sub-
5 title” the following: “, including any provision
6 applicable throughout the period required by sec-
7 tion 215(a)(1)(E) and applicable regulations,”;

8 (C) in paragraph (2), by striking “or” at
9 the end;

10 (D) in paragraph (3), by striking the pe-
11 riod at the end and inserting “; or”; and

12 (E) by adding at the end the following:

13 “(4) reduce payments to the participating juris-
14 diction under this subtitle by an amount equal to the
15 amount of such payments that were not expended by
16 the participating jurisdiction in accordance with this
17 title.”.

18 (u) *MINIMUM ALLOCATIONS*.—Section 217(b) of the
19 Cranston-Gonzalez National Affordable Housing Act (42
20 U.S.C. 12747 (b)) is amended—

21 (1) in paragraph (2), by striking “\$500,000”
22 each place that term appears and inserting
23 “\$750,000”;

24 (2) in paragraph (3)—

1 (A) by striking “jurisdictions that are allo-
 2 cated an amount of \$500,000 or more” and in-
 3 serting “jurisdictions that are allocated an
 4 amount of \$750,000 or more”;

5 (B) by striking “that are allocated an
 6 amount less than \$500,000” and inserting “that
 7 are allocated an amount less than \$500,000 be-
 8 fore the date of enactment of the 21st Century
 9 ROAD to Housing Act or less than \$750,000 on
 10 or after the date of enactment of the 21st Cen-
 11 tury ROAD to Housing Act”; and

12 (C) by striking “, except as provided in
 13 paragraph (4)”; and

14 (3) by striking paragraph (4).

15 (v) *TECHNICAL AND CONFORMING AMENDMENTS.*—
 16 *The Cranston-Gonzalez National Affordable Housing Act*
 17 *(42 U.S.C. 12701 et seq.) is amended—*

18 (1) by striking “Stewart B. McKinney Homeless
 19 Assistance Act” each place that term appears and in-
 20 serting “McKinney-Vento Homeless Assistance Act”;

21 (2) by striking “Committee on Banking, Finance
 22 and Urban Affairs” each place that term appears and
 23 inserting “Committee on Financial Services”;

24 (3) in the table of contents in section 1(b) (*Pub-*
 25 *lic Law 101–625; 104 Stat. 4079*)—

1 (A) by striking the item relating to section
2 205 and inserting the following:

“Sec. 205. Authorization of program.”;

3 (B) by striking the item relating to section
4 223 and inserting the following:

“Sec. 223. Program enforcement and penalties for noncompliance.”; and

5 (C) by inserting after the item relating to
6 section 290 the following:

“Sec. 291. Nonapplicability of certain requirements for small projects.”;

7 (4) in section 104 (42 U.S.C. 12704)—

8 (A) by redesignating paragraph (23) (relat-
9 ing to the definition of the term “to demonstrate
10 to the Secretary”) as paragraph (22); and

11 (B) by redesignating paragraph (24) (relat-
12 ing to the definition of the term “insular area”,
13 as added by section 2(2) of Public Law 102–230)
14 as paragraph (23);

15 (5) in section 105(b)(8) (42 U.S.C. 12705(b)(8)),
16 by striking “subparagraphs” and inserting “para-
17 graphs”;

18 (6) in section 108(a)(1) (42 U.S.C. 12708(a)(1)),
19 by striking “section 105(b)(15)” and inserting “sec-
20 tion 105(b)(18)”;

21 (7) in section 212 (42 U.S.C. 12742)—

22 (A) in subsection (a)(3)(A)(ii), by inserting
23 “United States” before “Housing Act”;

1 (B) in subsection (d)(5), by inserting
2 “United States” before “Housing Act”; and

3 (C) in subsection (e)(1)—

4 (i) by striking “section 221(d)(3)(ii)”
5 and inserting “section 221(d)(4)”; and

6 (ii) by striking “not to exceed 140 per-
7 cent” and inserting “as determined by the
8 Secretary”;

9 (8) in section 215(a)(6)(B) (42 U.S.C.
10 12745(a)(6)(B)), by striking “grand children” and
11 inserting “grandchildren”;

12 (9) in section 217 (42 U.S.C. 12747)—

13 (A) in subsection (a)—

14 (i) in paragraph (1), by striking “(3)”
15 and inserting “(2)”;

16 (ii) by striking paragraph (3), as
17 added by section 211(a)(2)(D) of the Hous-
18 ing and Community Development Act of
19 1992 (Public Law 102–550; 106 Stat.
20 3756); and

21 (iii) by redesignating the remaining
22 paragraph (3), as added by the matter
23 under the heading “HOME INVESTMENT
24 PARTNERSHIPS PROGRAM” under the head-
25 ing “HOUSING PROGRAMS” in title II of the

1 *Departments of Veterans Affairs and Hous-*
2 *ing and Urban Development, and Inde-*
3 *pendent Agencies Appropriations Act, 1993*
4 *(Public Law 102–389; 106 Stat. 1581), as*
5 *paragraph (2); and*

6 *(B) in subsection (b)(1)—*

7 *(i) in subparagraph (A), in the first*
8 *sentence—*

9 *(I) by striking “in regulation”*
10 *and inserting “, by regulation,”; and*

11 *(II) by striking “eligible jurisdic-*
12 *tion” and inserting “eligible jurisdic-*
13 *tions”; and*

14 *(ii) in subparagraph (F), in the first*
15 *sentence—*

16 *(I) in clause (i), by striking “Sub-*
17 *committee on Housing and Urban Af-*
18 *fairs” and inserting “Subcommittee on*
19 *Housing, Transportation, and Commu-*
20 *nity Development”; and*

21 *(II) in clause (ii), by striking*
22 *“Subcommittee on Housing and Com-*
23 *munity Development” and inserting*
24 *“Subcommittee on Housing and Insur-*
25 *ance”;*

1 (10) in section 220(c) (42 U.S.C. 12750(c))—

2 (A) in paragraph (3), by striking “Sec-
3 retary” and all that follows and inserting “Sec-
4 retary;”;

5 (B) in paragraph (4), by striking “under
6 this title” and all that follows and inserting
7 “under this title;” and

8 (C) by redesignating paragraphs (6), (7),
9 and (8) as paragraphs (5), (6), and (7), respec-
10 tively;

11 (11) in section 225(d)(4)(B) (42 U.S.C.
12 12755(d)(4)(B)), by striking “for” the first place that
13 term appears; and

14 (12) in section 233 (42 U.S.C. 12773)—

15 (A) in subsection (b)(6), by striking “to
16 community land trusts (as such term is defined
17 in subsection (f))” and inserting “to community
18 land trusts (as such term is defined in section
19 104)”;

20 (B) by striking subsection (f).

21 **SEC. 502. RURAL HOUSING SERVICE REFORM ACT.**

22 (a) APPLICATION OF MULTIFAMILY MORTGAGE FORE-
23 CLOSURE PROCEDURES TO MULTIFAMILY MORTGAGES
24 HELD BY THE SECRETARY OF AGRICULTURE AND PRESER-

1 *VATION OF THE RENTAL ASSISTANCE CONTRACT UPON*
 2 *FORECLOSURE.*—

3 (1) *MULTIFAMILY MORTGAGE PROCEDURES.*—

4 *Section 363(2) of the Multifamily Mortgage Fore-*
 5 *closure Act of 1981 (12 U.S.C. 3702(2)) is amended—*

6 (A) *in subparagraph (E), by striking “and”*
 7 *at the end;*

8 (B) *in subparagraph (F), by striking the*
 9 *period at the end and inserting “; or”; and*

10 (C) *by adding at the end the following:*

11 “(F) *section 514, 515, or 538 of the Hous-*
 12 *ing Act of 1949 (42 U.S.C. 1484, 1485, 1490p-*
 13 *2).*”.

14 (2) *PRESERVATION OF CONTRACT.*—*Section*
 15 *521(d) of the Housing Act of 1949 (42 U.S.C.*
 16 *1490a(d)) is amended by adding at the end the fol-*
 17 *lowing:*

18 “(3) *Notwithstanding any other provision of law, in*
 19 *managing and disposing of any multifamily property that*
 20 *is owned or has a mortgage held by the Secretary, and dur-*
 21 *ing the process of foreclosure on any property with a con-*
 22 *tract for rental assistance under this section—*

23 (A) *the Secretary shall maintain any rental as-*
 24 *sistance payments that are attached to any dwelling*
 25 *units in the property; and*

1 “(B) the rental assistance contract may be used
2 to provide further assistance to existing projects under
3 514, 515, or 516.”.

4 (b) *STUDY ON RURAL HOUSING LOANS FOR HOUSING*
5 *FOR LOW- AND MODERATE-INCOME FAMILIES.*—Not later
6 than 6 months after the date of enactment of this Act, the
7 Secretary of Agriculture shall conduct a study and submit
8 to Congress a publicly available report on the loan program
9 under section 521 of the Housing Act of 1949 (42 U.S.C.
10 1490a), including—

11 (1) the total amount provided by the Secretary
12 in subsidies under such section 521 to borrowers with
13 loans made pursuant to section 502 of such Act (42
14 U.S.C. 1472);

15 (2) how much of the subsidies described in para-
16 graph (1) are being recaptured; and

17 (3) the amount of time and costs associated with
18 recapturing those subsidies.

19 (c) *STAFFING AND INFORMATION TECHNOLOGY UP-*
20 *GRADES.*—Utilizing funds appropriated for such purposes,
21 the Secretary of Agriculture may increase staffing capacity
22 and upgrade information technology to support all Rural
23 Housing Service programs.

24 (d) *TECHNICAL IMPROVEMENTS.*—

1 (1) *AUTHORIZATION OF APPROPRIATIONS.—Util-*
 2 *izing funds appropriated for such purposes, the Sec-*
 3 *retary of Agriculture may make improvements to the*
 4 *technology of the Rural Housing Service of the De-*
 5 *partment of Agriculture used to process and manage*
 6 *housing loans.*

7 (2) *AVAILABILITY.—Amounts appropriated pur-*
 8 *suant to paragraph (1) shall remain available until*
 9 *the date that is 5 years after the date of the appro-*
 10 *priation.*

11 (3) *TIMELINE.—The Secretary of Agriculture*
 12 *shall make the improvements described in paragraph*
 13 *(1) during the 5-year period beginning on the date on*
 14 *which amounts are appropriated under paragraph*
 15 *(1).*

16 (e) *PERMANENT ESTABLISHMENT OF HOUSING PRES-*
 17 *ERVATION AND REVITALIZATION PROGRAM.—Title V of the*
 18 *Housing Act of 1949 (42 U.S.C. 1471 et seq.) is amended*
 19 *by adding at the end the following:*

20 **“SEC. 545. HOUSING PRESERVATION AND REVITALIZATION**
 21 **PROGRAM.**

22 “(a) *ESTABLISHMENT.—The Secretary shall carry out*
 23 *a program under this section for the preservation and revi-*
 24 *talization of multifamily rental housing projects financed*
 25 *under section 514, 515, or 516.*

1 “(b) *NOTICE OF MATURING LOANS.*—

2 “(1) *TO OWNERS.*—*On an annual basis, the Sec-*
 3 *retary shall provide written notice to each owner of*
 4 *a property financed under section 514, 515, or 516*
 5 *that will mature within the 4-year period beginning*
 6 *upon the provision of the notice, setting forth the op-*
 7 *tions and financial incentives that are available to*
 8 *facilitate the extension of the loan term or the option*
 9 *to decouple a rental assistance contract pursuant to*
 10 *subsection (f).*

11 “(2) *TO TENANTS.*—

12 “(A) *IN GENERAL.*—*On an annual basis,*
 13 *for each property financed under section 514,*
 14 *515, or 516, not later than the date that is 2*
 15 *years before the date that the loan will mature,*
 16 *the Secretary shall provide written notice to each*
 17 *household residing in the property that informs*
 18 *them of—*

19 “(i) *the date of the loan maturity;*

20 “(ii) *the possible actions that may*
 21 *happen with respect to the property upon*
 22 *that maturity; and*

23 “(iii) *how to protect their right to re-*
 24 *side in federally assisted housing, or how to*
 25 *secure housing voucher, after that maturity.*

1 “(B) *LANGUAGE*.—Notice under this para-
2 graph shall be provided in plain English and
3 shall be translated to other languages in the case
4 of any property located in an area in which a
5 significant number of residents speak such other
6 languages.

7 “(c) *LOAN RESTRUCTURING*.—Under the program
8 under this section, in any circumstance in which the Sec-
9 retary proposes a restructuring to an owner or an owner
10 proposes a restructuring to the Secretary, the Secretary
11 may restructure such existing housing loans, as the Sec-
12 retary considers appropriate, for the purpose of ensuring
13 that those projects have sufficient resources to preserve the
14 projects to provide safe and affordable housing for low-in-
15 come residents and farm laborers, by—

16 “(1) reducing or eliminating interest;

17 “(2) deferring loan payments;

18 “(3) subordinating, reducing, or reamortizing
19 loan debt;

20 “(4) providing other financial assistance, includ-
21 ing advances, payments, and incentives (including
22 the ability of owners to obtain reasonable returns on
23 investment) required by the Secretary; and

1 “(5) permanently removing a portion of the
2 housing units from income restrictions when sus-
3 tained vacancies have occurred.

4 “(d) *RENEWAL OF RENTAL ASSISTANCE.*—

5 “(1) *IN GENERAL.*—When the Secretary proposes
6 to restructure a loan or agrees to the proposal of an
7 owner to restructure a loan pursuant to subsection
8 (c), the Secretary shall offer to renew the rental as-
9 sistance contract under section 521(a)(2) for a term
10 that is the shorter of 20 years and the term of the re-
11 structured loan, subject to annual appropriations,
12 provided that the owner agrees to bring the property
13 up to such standards that will ensure maintenance of
14 the property as decent, safe, and sanitary housing for
15 the full term of the rental assistance contract.

16 “(2) *ADDITIONAL RENTAL ASSISTANCE.*—With
17 respect to a project described in paragraph (1), if
18 rental assistance is not available for all households in
19 the project for which the loan is being restructured
20 pursuant to subsection (c), the Secretary may extend
21 such additional rental assistance to unassisted house-
22 holds at that project as is necessary to make the
23 project safe and affordable to low-income households.

24 “(e) *RESTRICTIVE USE AGREEMENTS.*—

1 “(1) *REQUIREMENT.*—As part of the preserva-
 2 tion and revitalization agreement for a project, the
 3 Secretary shall obtain a restrictive use agreement that
 4 is recorded and obligates the owner to operate the
 5 project in accordance with this title.

6 “(2) *TERM.*—

7 “(A) *NO EXTENSION OF RENTAL ASSIST-*
 8 *ANCE CONTRACT.*—Except when the Secretary
 9 enters into a 20-year extension of the rental as-
 10 sistance contract for a project, the term of the re-
 11 strictive use agreement for the project shall be
 12 consistent with the term of the restructured loan
 13 for the project.

14 “(B) *EXTENSION OF RENTAL ASSISTANCE*
 15 *CONTRACT.*—If the Secretary enters into a 20-
 16 year extension of the rental assistance contract
 17 for a project, the term of the restrictive use agree-
 18 ment for the project shall be for the longer of—

19 “(i) 20 years; or

20 “(ii) the remaining term of the loan
 21 for that project.

22 “(C) *TERMINATION.*—The Secretary may
 23 terminate the 20-year restrictive use agreement
 24 for a project before the end of the term of the
 25 agreement if the 20-year rental assistance con-

1 *tract for the project with the owner is terminated*
 2 *at any time for reasons outside the control of the*
 3 *owner.*

4 “(f) *DECOUPLING OF RENTAL ASSISTANCE.*—

5 “(1) *RENEWAL OF RENTAL ASSISTANCE CON-*
 6 *TRACT.*—*If the Secretary determines that a loan ma-*
 7 *turing during the 4-year period beginning upon the*
 8 *provision of the notice required under subsection*
 9 *(b)(1) for a project cannot reasonably be restructured*
 10 *in accordance with subsection (c) because it is not fi-*
 11 *nancially feasible or the owner does not agree with the*
 12 *proposed restructuring, and the project was operating*
 13 *with rental assistance under section 521 and the re-*
 14 *cipient is a borrower under section 514 or 515, the*
 15 *Secretary may renew the rental assistance contract,*
 16 *notwithstanding any requirement under section 521*
 17 *that the recipient be a current borrower under section*
 18 *514 or 515, for a term of 20 years, subject to annual*
 19 *appropriations.*

20 “(2) *ADDITIONAL RENTAL ASSISTANCE.*—*With*
 21 *respect to a project described in paragraph (1), if*
 22 *rental assistance is not available for all households in*
 23 *the project for which the loan is being restructured*
 24 *pursuant to subsection (c), the Secretary may extend*
 25 *such additional rental assistance to unassisted house-*

1 *holds at that project as is necessary to make the*
2 *project safe and affordable to low-income households.*

3 “(3) *RENTS.*—

4 “(A) *IN GENERAL.*—*Any agreement to ex-*
5 *tend the term of the rental assistance contract*
6 *under section 521 for a project shall obligate the*
7 *owner to continue to maintain the project as de-*
8 *cent, safe, and sanitary housing and to operate*
9 *the development as affordable housing in a man-*
10 *ner that meets the goals of this title.*

11 “(B) *RENT AMOUNTS.*—*Subject to subpara-*
12 *graph (C), in setting rents, the Secretary—*

13 “(i) *shall determine the maximum ini-*
14 *tial rent based on current fair market rents*
15 *established under section 8 of the United*
16 *States Housing Act of 1937 (42 U.S.C.*
17 *1437f); and*

18 “(ii) *may annually adjust the rent de-*
19 *termined under clause (i) by the operating*
20 *cost adjustment factor as provided under*
21 *section 524 of the Multifamily Assisted*
22 *Housing Reform and Affordability Act of*
23 *1997 (42 U.S.C. 1437f note).*

24 “(C) *HIGHER RENT.*—

1 “(i) *IN GENERAL.*—Subparagraph (B)
 2 *shall not apply if the Secretary determines*
 3 *that the budget-based needs of a project re-*
 4 *quire a higher rent than the rent described*
 5 *in subparagraph (B).*

6 “(ii) *RENT.*—*If the Secretary makes a*
 7 *positive determination under clause (i), the*
 8 *Secretary may approve a budget-based rent*
 9 *level for the project.*

10 “(4) *CONDITIONS FOR APPROVAL.*—*Before the*
 11 *approval of a rental assistance contract authorized*
 12 *under this section, the Secretary shall require,*
 13 *through an annual notice in the Federal Register, the*
 14 *owner to submit to the Secretary a plan that identi-*
 15 *fies financing sources and a timetable for renovations*
 16 *and improvements determined to be necessary by the*
 17 *Secretary to maintain and preserve the project.*

18 “(g) *MULTIFAMILY HOUSING TRANSFER TECHNICAL*
 19 *ASSISTANCE.*—*Under the program under this section, the*
 20 *Secretary may provide grants to qualified nonprofit organi-*
 21 *zations, housing cooperative corporations, and public hous-*
 22 *ing agencies to provide technical assistance, including fi-*
 23 *nancial and legal services, to borrowers under loans under*
 24 *this title for multifamily housing to facilitate the acquisi-*
 25 *tion or preservation of such multifamily housing properties*

1 *in areas where the Secretary determines there is a risk of*
 2 *loss of affordable housing.*

3 “(h) *ADMINISTRATIVE EXPENSES.*—Of any amounts
 4 made available for the program under this section for any
 5 fiscal year, the Secretary may use not more than \$1,000,000
 6 for administrative expenses for carrying out such program.

7 “(i) *RULEMAKING.*—

8 “(1) *IN GENERAL.*—Not later than 180 days
 9 after the date of enactment of the 21st Century ROAD
 10 to Housing Act, the Secretary shall—

11 “(A) publish an advance notice of proposed
 12 rulemaking; and

13 “(B) consult with appropriate stakeholders.

14 “(2) *INTERIM FINAL RULE.*—Not later than 1
 15 year after the date of enactment of the 21st Century
 16 ROAD to Housing Act, the Secretary shall publish an
 17 interim final rule to carry out this section.”.

18 (f) *RENTAL ASSISTANCE CONTRACT AUTHORITY.*—
 19 Section 521(d) of the Housing Act of 1949 (42 U.S.C.
 20 1490a(d)), as amended by this section, is amended—

21 (1) in paragraph (1)—

22 (A) by redesignating subparagraphs (B)
 23 and (C) as subparagraphs (C) and (D), respec-
 24 tively;

1 (B) by inserting after subparagraph (A) the
2 following:

3 “(B) upon request of an owner of a project fi-
4 nanced under section 514 or 515, the Secretary is au-
5 thorized to enter into renewal of such agreements for
6 a period of 20 years or the term of the loan, which-
7 ever is shorter, subject to amounts made available in
8 appropriations Acts;”;

9 (C) in subparagraph (C), as so redesign-
10 nated, by striking “subparagraph (A)” and in-
11 serting “subparagraphs (A) and (B)”; and

12 (D) in subparagraph (D), as so redesign-
13 nated, by striking “subparagraphs (A) and (B)”
14 and inserting “subparagraphs (A), (B), and
15 (C)”; and

16 (2) in paragraph (2), by striking “shall” and in-
17 serting “may”; and

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

19 “(4) In the case of any rental assistance contract au-
20 thority that becomes available because of the termination
21 of assistance on behalf of an assisted family—

22 “(A) at the option of the owner of the rental
23 project, the Secretary shall provide the owner a period
24 of not more than 6 months before unused assistance
25 is made available pursuant to subparagraph (B) dur-

1 *ing which the owner may use such authority to pro-*
 2 *vide assistance on behalf of an eligible unassisted*
 3 *family that—*

4 *“(i) is residing in the same rental project in*
 5 *which the assisted family resided before the ter-*
 6 *mination; or*

7 *“(ii) newly occupies a dwelling unit in the*
 8 *rental project during that 6-month period; and*

9 *“(B) except for assistance used as provided in*
 10 *subparagraph (A), the Secretary shall use such re-*
 11 *maining authority to provide assistance on behalf of*
 12 *eligible families residing in other rental projects*
 13 *originally financed under section 514, 515, or 516.”.*

14 *(g) MODIFICATIONS TO LOANS AND GRANTS FOR*
 15 *MINOR IMPROVEMENTS TO FARM HOUSING AND BUILD-*
 16 *INGS; INCOME ELIGIBILITY.—Section 504(a) of the Housing*
 17 *Act of 1949 (42 U.S.C. 1474(a)) is amended—*

18 *(1) in the first sentence, by inserting “and may*
 19 *make a loan to an eligible low-income applicant”*
 20 *after “applicant”; and*

21 *(2) by striking “\$7,500” and inserting*
 22 *“\$15,000”.*

23 *(h) RURAL COMMUNITY DEVELOPMENT INITIATIVE.—*
 24 *Subtitle E of the Consolidated Farm and Rural Develop-*

1 *ment Act (7 U.S.C. 2009 et seq.) is amended by adding*
 2 *at the end the following:*

3 **“SEC. 3810. RURAL COMMUNITY DEVELOPMENT INITIATIVE.**

4 “(a) *DEFINITIONS.—In this section:*

5 “(1) *ELIGIBLE ENTITY.—The term ‘eligible enti-*
 6 *ty’ means—*

7 “(A) *a private, nonprofit community-based*
 8 *housing or community development organization;*

9 “(B) *a rural community; or*

10 “(C) *a federally recognized Indian Tribe.*

11 “(2) *ELIGIBLE INTERMEDIARY.—The term ‘eligi-*
 12 *ble intermediary’ means a qualified—*

13 “(A) *private, nonprofit organization; or*

14 “(B) *public organization.*

15 “(b) *ESTABLISHMENT.—The Secretary shall establish*
 16 *a Rural Community Development Initiative, under which*
 17 *the Secretary shall provide grants, subject to the avail-*
 18 *ability of appropriations, to eligible intermediaries to carry*
 19 *out programs to provide financial and technical assistance*
 20 *to eligible entities to develop the capacity and ability of*
 21 *eligible entities to carry out projects to improve housing,*
 22 *community facilities, and community and economic devel-*
 23 *opment projects in rural areas.*

1 “(c) *AMOUNT OF GRANTS.*—*The amount of a grant*
 2 *provided to an eligible intermediary under this section shall*
 3 *be not more than \$500,000.*

4 “(d) *MATCHING FUNDS.*—

5 “(1) *IN GENERAL.*—*An eligible intermediary re-*
 6 *ceiving a grant under this section shall provide*
 7 *matching funds from other sources, including Federal*
 8 *funds for related activities, in an amount not less*
 9 *than the amount of the grant.*

10 “(2) *WAIVER.*—*The Secretary may waive para-*
 11 *graph (1) with respect to a project that would be car-*
 12 *ried out in a persistently poor rural region, as deter-*
 13 *mined by the Secretary.”.*

14 “(i) *ANNUAL REPORT ON RURAL HOUSING PRO-*
 15 *GRAMS.*—*Title V of the Housing Act of 1949 (42 U.S.C.*
 16 *1471 et seq.), as amended by this section, is amended by*
 17 *adding at the end the following:*

18 **“SEC. 546. ANNUAL REPORT.**

19 “(a) *IN GENERAL.*—*The Secretary shall submit to the*
 20 *appropriate committees of Congress and publish on the*
 21 *website of the Department of Agriculture an annual report*
 22 *on rural housing programs carried out under this title,*
 23 *which shall include significant details on the health of*
 24 *Rural Housing Service programs, including—*

1 “(1) raw data sortable by programs and by re-
2 gion regarding loan performance;

3 “(2) the housing stock of those programs, includ-
4 ing information on why properties end participation
5 in those programs, such as for maturation, prepay-
6 ment, foreclosure, or other servicing issues; and

7 “(3) risk ratings for properties assisted under
8 those programs.

9 “(b) *PROTECTION OF INFORMATION.*—The data in-
10 cluded in each report required under subsection (a) may
11 be aggregated or anonymized to protect participant finan-
12 cial or personal information.”.

13 (j) *GAO REPORT ON RURAL HOUSING SERVICE TECH-*
14 *NOLOGY.*—Not later than 1 year after the date of enactment
15 of this Act, the Comptroller General of the United States
16 shall submit to Congress a report that includes—

17 (1) an analysis of how the outdated technology
18 used by the Rural Housing Service impacts partici-
19 pants in the programs of the Rural Housing Service;

20 (2) an estimate of the amount of funding that is
21 needed to modernize the technology used by the Rural
22 Housing Service; and

23 (3) an estimate of the number and type of new
24 employees the Rural Housing Service needs to mod-

1 *ernize the technology used by the Rural Housing*
 2 *Service.*

3 *(k) ADJUSTMENT TO RURAL DEVELOPMENT VOUCHER*
 4 *AMOUNT.—*

5 *(1) IN GENERAL.—Not later than 2 years after*
 6 *the date of enactment of this Act, the Secretary of Ag-*
 7 *riculture shall issue regulations to establish a process*
 8 *for adjusting the voucher amount provided under sec-*
 9 *tion 542 of the Housing Act of 1949 (42 U.S.C.*
 10 *1490r) after the issuance of the voucher following an*
 11 *interim or annual review of the amount of the vouch-*
 12 *er.*

13 *(2) INTERIM REVIEW.—The interim review de-*
 14 *scribed in paragraph (1) shall, at the request of a ten-*
 15 *ant, allow for a recalculation of the voucher amount*
 16 *when the tenant experiences a reduction in income,*
 17 *change in family composition, or change in rental*
 18 *rate.*

19 *(3) ANNUAL REVIEW.—*

20 *(A) IN GENERAL.—The annual review de-*
 21 *scribed in paragraph (1) shall require tenants to*
 22 *annually recertify the family composition of the*
 23 *household and that the family income of the*
 24 *household does not exceed 80 percent of the area*

1 *median income at a time determined by the Sec-*
2 *retary of Agriculture.*

3 (B) *CONSIDERATIONS.*—*If a tenant does not*
4 *recertify the family composition and family in-*
5 *come of the household within the time frame re-*
6 *quired under subparagraph (A), the Secretary of*
7 *Agriculture—*

8 (i) *shall consider whether extenuating*
9 *circumstances caused the delay in recertifi-*
10 *cation; and*

11 (ii) *may alter associated consequences*
12 *for the failure to recertify based on those*
13 *circumstances.*

14 (C) *EFFECTIVE DATE.*—*Following the an-*
15 *nual review of a voucher under paragraph (1),*
16 *the updated voucher amount shall be effective on*
17 *the 1st day of the month following the expiration*
18 *of the voucher.*

19 (4) *DEADLINE.*—*The process established under*
20 *paragraph (1) shall require the Secretary of Agri-*
21 *culture to review and update the voucher amount de-*
22 *scribed in paragraph (1) for a tenant not later than*
23 *60 days before the end of the voucher term.*

1 (l) *ELIGIBILITY FOR RURAL HOUSING VOUCHERS.*—
 2 Section 542 of the Housing Act of 1949 (42 U.S.C. 1490r)
 3 is amended by adding at the end the following:

4 “(c) *ELIGIBILITY OF HOUSEHOLDS IN SECTIONS 514,*
 5 *515, AND 516 PROJECTS.*—The Secretary may provide
 6 rural housing vouchers under this section for any low-in-
 7 come household (including those not receiving rental assist-
 8 ance) residing for a term longer than the remaining term
 9 of their lease that is in effect on the date of prepayment,
 10 foreclosure, or mortgage maturity, in a property financed
 11 with a loan under section 514 or 515 or a grant under
 12 section 516 that has—

13 “(1) been prepaid with or without restrictions
 14 imposed by the Secretary pursuant to section
 15 502(c)(5)(G)(ii)(I);

16 “(2) been foreclosed; or

17 “(3) matured after September 30, 2005.”.

18 (m) *AMOUNT OF VOUCHER ASSISTANCE.*—Notwith-
 19 standing any other provision of law, in the case of any
 20 rural housing voucher provided pursuant to section 542 of
 21 the Housing Act of 1949 (42 U.S.C. 1490r), the amount
 22 of the monthly assistance payment for the household on
 23 whose behalf the assistance is provided shall be determined
 24 as provided in subsection (a) of such section 542, including
 25 providing for interim and annual review of the voucher

1 *amount in the event of a change in household composition*
 2 *or income or rental rate.*

3 (n) *TRANSFER OF MULTIFAMILY RURAL HOUSING*
 4 *PROJECTS.—Section 515 of the Housing Act of 1949 (42*
 5 *U.S.C. 1485) is amended—*

6 (1) *in subsection (h), by adding at the end the*
 7 *following:*

8 “(3) *TRANSFER TO NONPROFIT ORGANIZA-*
 9 *TIONS.—A nonprofit or public body purchaser, in-*
 10 *cluding a limited partnership with a general partner*
 11 *with the principal purpose of providing affordable*
 12 *housing, may purchase a property for which a loan*
 13 *is made or insured under this section that has re-*
 14 *ceived a market value appraisal, without addressing*
 15 *rehabilitation needs at the time of purchase, if the*
 16 *purchaser—*

17 “(A) *makes a commitment to address reha-*
 18 *bilitation needs during ownership and long-term*
 19 *use restrictions on the property; and*

20 “(B) *at the time of purchase, accepts long-*
 21 *term use restrictions on the property.”; and*

22 (2) *in subsection (w)(1), in the first sentence in*
 23 *the matter preceding subparagraph (A), by striking*
 24 *“9 percent” and inserting “25 percent”.*

25 (o) *EXTENSION OF LOAN TERM.—*

1 (1) *IN GENERAL.*—Section 502(a)(2) of the
 2 *Housing Act of 1949 (42 U.S.C. 1472(a)(2))* is
 3 *amended—*

4 (A) *by inserting “(A)” before “The Sec-*
 5 *retary”;*

6 (B) *in subparagraph (A), as so designated,*
 7 *by striking “paragraph” and inserting “sub-*
 8 *paragraph”;* and

9 (C) *by adding at the end the following:*

10 “(B) *The Secretary may refinance or modify the*
 11 *period of any loan, including any refinanced loan,*
 12 *made under this section in accordance with terms and*
 13 *conditions as the Secretary shall prescribe, but in no*
 14 *event shall the total term of the loan from the date of*
 15 *the refinance or modification exceed 40 years.”.*

16 (2) *APPLICATION.*—*The amendment made under*
 17 *paragraph (1) shall apply with respect to loans made*
 18 *under section 502 of the Housing Act of 1949 (42*
 19 *U.S.C. 1472) before, on, or after the date of enactment*
 20 *of this Act.*

21 (p) *RELEASE OF LIABILITY FOR SECTION 502 GUAR-*
 22 *ANTEED BORROWER UPON ASSUMPTION OF ORIGINAL*
 23 *LOAN BY NEW BORROWER.*—Section 502(h) of the *Housing*
 24 *Act of 1949 (42 U.S.C. 1472(h))* is amended—

1 (1) by striking paragraph (10) and inserting the
2 *following:*

3 “(10) *TRANSFER AND ASSUMPTION.*—Upon the
4 transfer of property for which a guaranteed loan
5 under this subsection was made, and the assumption
6 of the guaranteed loan by an approved eligible bor-
7 rower, the original borrower of a guaranteed loan
8 under this subsection shall be relieved of liability with
9 respect to the loan.”;

10 (2) by redesignating paragraph (16) as para-
11 graph (17); and

12 (3) by inserting after paragraph (15) the fol-
13 lowing:

14 “(16) *FEE.*—

15 “(A) *IN GENERAL.*—The mortgagee may
16 charge an assuming borrower a reasonable and
17 customary processing fee for an assumption re-
18 quest made under this subsection.

19 “(B) *MAXIMUM FEE.*—The Secretary shall
20 set a maximum allowable fee described in sub-
21 paragraph (A), which may be indexed for infla-
22 tion.”.

23 (q) *DEPARTMENT OF AGRICULTURE LOAN RESTRIC-*
24 *TIONS.*—

1 (1) *DEFINITIONS.*—*In this subsection, the terms*
 2 *“State” and “tribal organization” have the meanings*
 3 *given those terms in section 658P of the Child Care*
 4 *and Development Block Grant Act of 1990 (42 U.S.C.*
 5 *9858n).*

6 (2) *REVISION.*—*The Secretary of Agriculture*
 7 *shall revise section 3555.102(c) of title 7, Code of Fed-*
 8 *eral Regulations, to exclude from the restriction under*
 9 *that section—*

10 (A) *a home-based business that is a licensed,*
 11 *registered, or regulated child care provider under*
 12 *State law or by a tribal organization; and*

13 (B) *an applicant that has applied to be-*
 14 *come a licensed, registered, or regulated child*
 15 *care provider under State law or by a tribal or-*
 16 *ganization.*

17 (r) *LOAN GUARANTEES.*—*Section 502(h)(4) of the*
 18 *Housing Act of 1949 (42 U.S.C. 1472(h)(4)) is amended—*

19 (1) *by redesignating subparagraphs (A), (B),*
 20 *and (C) as clauses (i), (ii), and (iii), respectively,*
 21 *and adjusting the margins accordingly;*

22 (2) *by striking “Loans may be guaranteed” and*
 23 *inserting the following:*

1 “(A) *DEFINITION.*—*In this paragraph, the*
2 *term ‘accessory dwelling unit’ means a single,*
3 *habitable living unit—*

4 “(i) *with means of separate ingress*
5 *and egress;*

6 “(ii) *that is usually subordinate in*
7 *size;*

8 “(iii) *that can be added to, created*
9 *within, or detached from a primary 1-unit,*
10 *single-family dwelling; and*

11 “(iv) *in combination with a primary*
12 *1-unit, single-family dwelling, constitutes a*
13 *single interest in real estate.*

14 “(B) *SINGLE-FAMILY REQUIREMENT.*—
15 *Loans may be guaranteed”; and*
16 *(3) by adding at the end the following:*

17 “(C) *RULE OF CONSTRUCTION.*—*Nothing in*
18 *this paragraph shall be construed to prohibit the*
19 *leasing of an accessory dwelling unit or the use*
20 *of rental income derived from such a lease to*
21 *qualify for a loan guaranteed under this sub-*
22 *section—*

23 “(i) *after the date of enactment of the*
24 *21st Century ROAD to Housing Act; and*

1 “(ii) if the property that is the subject
2 of the loan was constructed before the date
3 of enactment of the 21st Century ROAD to
4 Housing Act.”.

5 (s) *APPLICATION REVIEW*.—

6 (1) *SENSE OF CONGRESS*.—It is the sense of
7 Congress, not later than 90 days after the date on
8 which the Secretary of Agriculture receives an appli-
9 cation for a loan, grant, or combined loan and grant
10 under section 502 or 504 of the Housing Act of 1949
11 (42 U.S.C. 1472, 1474), the Secretary of Agriculture
12 should—

13 (A) review the application;

14 (B) complete the underwriting;

15 (C) make a determination of eligibility with
16 respect to the application; and

17 (D) notify the applicant of determination.

18 (2) *REPORT*.—

19 (A) *IN GENERAL*.—Not later than 90 days
20 after the date of enactment of this Act, and an-
21 nually thereafter until the date described in sub-
22 paragraph (B), the Secretary of Agriculture shall
23 submit to the Committee on Banking, Housing,
24 and Urban Affairs of the Senate and the Com-

mittee on Financial Services of the House of
Representatives a report—

(i) detailing the timeliness of eligibility
determinations and final determinations
with respect to applications under sections
502 and 504 of the Housing Act of 1949 (42
U.S.C. 1472, 1474), including justifications
for any eligibility determinations taking
longer than 90 days; and

(ii) that includes recommendations to
shorten the timeline for notifications of eli-
gibility determinations described in clause
(i) to not more than 90 days.

(B) *DATE DESCRIBED.*—The date described
in this subparagraph is the date on which, dur-
ing the preceding 5-year period, the Secretary of
Agriculture provides each eligibility determina-
tion described in subparagraph (A) during the
90-day period beginning on the date on which
each application is received.

**SEC. 503. INCENTIVIZING LOCAL SOLUTIONS TO HOME-
LESSNESS.**

Section 414 of the McKinney-Vento Homeless Assist-
ance Act (42 U.S.C. 11373) is amended by adding at the
end the following:

1 “(f) *FUNDING CAP WAIVER AUTHORITY.*—

2 “(1) *IN GENERAL.*—*Notwithstanding any other*
3 *provision of law or regulation, a recipient may re-*
4 *quest a waiver to the expenditure limit established*
5 *pursuant to section 415(b) for amounts provided for*
6 *each of fiscal years 2027 through 2030.*

7 “(2) *WAIVER REQUEST.*—

8 “(A) *IN GENERAL.*—*A recipient seeking a*
9 *waiver described in paragraph (1) shall submit*
10 *to the Secretary a waiver request that includes*
11 *not more than the following:*

12 “(i) *A demonstration of local needs*
13 *and circumstances that necessitate a waiver.*

14 “(ii) *A detailed plan for how the re-*
15 *cipient intends to use funds.*

16 “(iii) *A justification for how the pro-*
17 *posed use of funds supports the most recent*
18 *Consolidated Plan submitted by the recipi-*
19 *ent.*

20 “(iv) *Any public input solicited under*
21 *subparagraph (B)(ii).*

22 “(B) *NOTIFICATION.*—*Each recipient*
23 *shall—*

24 “(i) *notify all subrecipients and local*
25 *Continuums of Care that serve the recipi-*

ent’s geographic area of the availability of
waivers under this subsection; and

“(ii) prior to the submission of a waiver
request under subparagraph (A), solicit
public input regarding the potential need
for and proposed uses of such waiver.

“(C) *APPROVAL; PUBLICATION.*—The Secretary shall—

“(i) make all waiver requests submitted
under subparagraph (A) publicly available
on the website of the Department of Housing
and Urban Development;

“(ii) not later than 60 days after the
date on which the Secretary receives a waiver
request under subparagraph (A), approve
or deny the request; and

“(iii) deny any waiver request submitted
under subparagraph (A) by a recipient that
relocates or threaten to relocate individuals
or their property without providing emergency
shelter, rapid rehousing, transitional housing,
permanent supportive housing, or other permanent
housing options.

“(3) *REVOCATION.*—

1 “(A) *IN GENERAL.*—A waiver approved
2 under this subsection shall remain in effect for
3 the duration of the period of performance of fis-
4 cal year 2027 through 2030 grants, unless the re-
5 cipient notifies the Secretary in writing that the
6 recipient wishes to revoke the waiver.

7 “(B) *NOTIFICATION.*—If a recipient intends
8 to revoke a waiver under subparagraph (A), the
9 recipient shall—

10 “(i) solicit input from subrecipients re-
11 garding the revocation before submitting the
12 revocation; and

13 “(ii) provide subrecipients with a sum-
14 mary of the input and the justification for
15 the revocation in its submittal prior to noti-
16 fying the Secretary in writing.

17 “(C) *PUBLICATION.*—The Secretary shall
18 publish any revocation of a waiver under sub-
19 paragraph (A) and the justification of the recipi-
20 ent for the waiver on the website of the Depart-
21 ment of Housing and Urban Development.”.

1 ***TITLE VI—VETERANS AND***
2 ***HOUSING***

3 ***SEC. 601. MILITARY SERVICE QUESTION.***

4 (a) *IN GENERAL.*—Subpart A of part 2 of the Federal
5 *Housing Enterprises Financial Safety and Soundness Act*
6 *of 1992 (12 U.S.C. 4541 et seq.) is amended by adding at*
7 *the end the following:*

8 ***“SEC. 1329. UNIFORM RESIDENTIAL LOAN APPLICATION.***

9 *“Not later than 6 months after the date of enactment*
10 *of this section, the Director shall, by regulation or order,*
11 *require each enterprise to include a disclosure below the*
12 *military service question which shall be above the signature*
13 *line on the form known as the Uniform Residential Loan*
14 *Application stating, ‘If yes, you may qualify for a VA*
15 *Home Loan. Consult your lender regarding eligibility.’”.*

16 (b) *GAO STUDY.*—Not later than 18 months after the
17 *date of enactment of this Act, the Comptroller General of*
18 *the United States shall conduct a study and submit to the*
19 *Congress a report on whether or not less than 80 percent*
20 *of lenders using the Uniform Residential Loan Application*
21 *have included on that form the disclaimer required under*
22 *section 1329 of the Federal Housing Enterprises Financial*
23 *Safety and Soundness Act of 1992, as added by subsection*
24 *(a).*

1 **SEC. 602. HOUSING UNHOUSED DISABLED VETERANS ACT.**

2 (a) *EXCLUSION OF CERTAIN DISABILITY BENEFITS.*—

3 *Section 3(b)(4)(B) of the United States Housing Act of 1937*

4 *(42 U.S.C. 1437a(b)(4)(B)) is amended—*

5 (1) *by redesignating clauses (iv) and (v) as*

6 *clauses (vi) and (vii), respectively; and*

7 (2) *by inserting after clause (iii) the following:*

8 “(iv) *for the purpose of determining*

9 *income eligibility with respect to the sup-*

10 *ported housing program under section*

11 *8(o)(19), any disability benefits received*

12 *under chapter 11 or chapter 15 of title 38,*

13 *United States Code, received by a veteran,*

14 *except that this exclusion shall not apply to*

15 *the income in the definition of adjusted in-*

16 *come;*

17 “(v) *for the purpose of determining in-*

18 *come eligibility with respect to any house-*

19 *hold receiving rental assistance under the*

20 *supported housing program under section*

21 *8(o)(19) as it relates to eligibility for other*

22 *types of housing assistance, any disability*

23 *benefits received under chapter 11 or chap-*

24 *ter 15 of title 38, United States Code, re-*

25 *ceived by a veteran, but such amounts shall*

1 *not be excluded from income when deter-*
2 *mining adjusted income;”.*

3 **(b) TREATMENT OF CERTAIN DISABILITY BENEFITS.—**

4 **(1) IN GENERAL.—***When determining the eligi-*
5 *bility of a veteran to rent a residential dwelling unit*
6 *constructed on Department property on or after the*
7 *date of the enactment of this Act, for which assistance*
8 *is provided as part of a housing assistance program*
9 *administered by the Secretary, the Secretary shall ex-*
10 *clude from income any disability benefits received*
11 *under chapter 11 or chapter 15 of title 38, United*
12 *States Code by such person.*

13 **(2) DEFINITIONS.—***In this subsection:*

14 **(A) SECRETARY.—***The term “Secretary”*
15 *means the Secretary of Housing and Urban De-*
16 *velopment.*

17 **(B) DEPARTMENT PROPERTY.—***The term*
18 *“Department property” has the meaning given*
19 *the term in section 901 of title 38, United States*
20 *Code.*

1 **TITLE VII—OVERSIGHT AND**
2 **ACCOUNTABILITY**

3 **SEC. 701. REQUIRING ANNUAL TESTIMONY AND OVERSIGHT**
4 **FROM HOUSING REGULATORS.**

5 *Section 7 of the Department of Housing and Urban*
6 *Development Act (42 U.S.C. 3535) is amended by adding*
7 *at the end the following:*

8 “(u) *ANNUAL TESTIMONY.*—*The Secretary shall ap-*
9 *pear before the Committee on Banking, Housing, and*
10 *Urban Affairs of the Senate and the Committee on Finan-*
11 *cial Services of the House of Representatives at an annual*
12 *hearing and present testimony regarding the operations of*
13 *the Department during the preceding year, including—*

14 “(1) *the current programs and operations of the*
15 *Department;*

16 “(2) *the physical condition of all public housing*
17 *and other housing assisted by the Department;*

18 “(3) *the financial health of the mortgage insur-*
19 *ance funds of the Federal Housing Agency;*

20 “(4) *oversight by the Department of grantees and*
21 *subgrantees for purposes of preventing waste, fraud,*
22 *and abuse;*

23 “(5) *the progress made by the Federal Govern-*
24 *ment in ending the affordable housing and homeless-*
25 *ness crises;*

1 “(6) the capacity of the Department to deliver on
2 its statutory mission; and

3 “(7) other ongoing activities of the Department,
4 as appropriate.”.

5 **SEC. 702. FHA REPORTING REQUIREMENTS ON SAFETY AND**
6 **SOUNDNESS.**

7 Section 202(a) of the National Housing Act (12 U.S.C.
8 1708(a)) is amended by adding at the end the following:

9 “(8) *OTHER REQUIRED REPORTING.*—The Sec-
10 retary shall—

11 “(A) submit to Congress monthly reports on
12 the capital ratio required under section
13 205(f)(2); and

14 “(B) notify Congress as soon as practicable
15 after the Fund falls below the capital ratio re-
16 quired under section 205(f)(2).”.

17 **SEC. 703. UNITED STATES INTERAGENCY COUNCIL ON**
18 **HOMELESSNESS OVERSIGHT.**

19 Section 203(a) of the McKinney-Vento Homeless As-
20 sistance Act (42 U.S.C. 11313(a)) is amended—

21 (1) in paragraph (1)—

22 (A) by striking “Homeless Emergency As-
23 sistance and Rapid Transition to Housing Act of
24 2009” and inserting “21st Century ROAD to
25 Housing Act”; and

1 (B) by striking “update such plan annu-
 2 ally” and inserting “submit to the President and
 3 Congress a report every year thereafter that in-
 4 cludes—

5 “(A) the status of completion of the plan;
 6 and

7 “(B) any modifications that were made to
 8 the plan and the reasons for those modifica-
 9 tions;”;

10 (2) by redesignating paragraphs (10) through
 11 (13) as paragraphs (11) through (14), respectively;

12 (3) by redesignating the second paragraph (9)
 13 (relating to collecting and disseminating information)
 14 as paragraph (10);

15 (4) in paragraph (13), as so redesignated, by
 16 striking “and” at the end;

17 (5) in paragraph (14), as so redesignated, by
 18 striking the period at the end and inserting “; and”;
 19 and

20 (6) by adding at the end the following:

21 “(15) testify annually before Congress, if re-
 22 quested.”.

23 **SEC. 704. APPRAISAL MODERNIZATION ACT.**

24 (a) *RECONSIDERATION OF VALUE.*—

1 (1) *FEDERALLY BACKED MORTGAGE LOAN DE-*
 2 *FINED.*—*In this subsection, the term “federally backed*
 3 *mortgage loan” has the meaning given the term in*
 4 *section 4022 of the CARES Act (15 U.S.C. 9056).*

5 (2) *REQUIREMENT.*—*The Secretary of Agri-*
 6 *culture, the Secretary of Veterans Affairs, the Com-*
 7 *missioner of the Federal Housing Administration,*
 8 *and the Director of the Federal Housing Finance*
 9 *Agency shall each implement and maintain require-*
 10 *ments that creditors of a federally backed mortgage*
 11 *loan have a review and resolution procedure for a*
 12 *consumer-initiated reconsideration of value or subse-*
 13 *quent appraisal in connection with a consumer credit*
 14 *transaction secured by a consumer’s principal dwell-*
 15 *ing.*

16 (b) *PUBLIC APPRAISAL DATABASE.*—

17 (1) *COVERED AGENCIES DEFINED.*—*In this sub-*
 18 *section, the term “covered agencies” means—*

19 (A) *the Federal Housing Finance Agency,*
 20 *on behalf of the Federal National Mortgage Asso-*
 21 *ciation and the Federal Home Loan Mortgage*
 22 *Corporation;*

23 (B) *the Department of Housing and Urban*
 24 *Development, including the Federal Housing Ad-*
 25 *ministration;*

1 (C) the Department of Agriculture; and

2 (D) the Department of Veterans Affairs.

3 (2) *FEASIBILITY REPORT*.—No later than 240
4 days after the date of enactment of this Act, the
5 Comptroller General of the United States shall submit
6 to Congress a public report assessing the feasibility of
7 creating a publicly available appraisal database that
8 consists of a searchable and downloadable appraisal-
9 level public use file that consolidates appraisal data
10 held or aggregated by covered agencies, including—

11 (A) the costs and benefits associated with es-
12 tablishing and maintaining the public database;

13 (B) the benefits and risks associated with
14 the Federal Housing Finance Agency or the Bu-
15 reau of Consumer Financial Protection being re-
16 sponsible for the public database and whether
17 there is another Federal agency best suited for
18 implementing and administering such database;

19 (C) any safety and soundness, antitrust, or
20 consumer privacy-related risks associated with
21 making certain appraisal data factors publicly
22 available, including whether—

23 (i) there are any existing legal require-
24 ments, including under the Home Mortgage
25 Disclosure Act of 1975 (12 U.S.C. 2801 et

1 *seq.) and section 552 of title 5, United*
2 *States Code (commonly known as the “Free-*
3 *dom of Information Act”), or additional ac-*
4 *tions Federal agencies could take to miti-*
5 *gate such risks, such as modifying or aggre-*
6 *gating data or eliminating personally iden-*
7 *tifiable information; and*

8 *(ii) there are any data factors that, if*
9 *made public, may violate conduct, ethics, or*
10 *other professional standards as they relate*
11 *to appraisals and appraisal or valuation*
12 *professionals;*

13 *(D) the feasibility of consolidating or*
14 *matching appraisal data held by covered agen-*
15 *cies with corresponding data that are required*
16 *and made public under the Home Mortgage Dis-*
17 *closure Act of 1975 (12 U.S.C. 2801 et seq.);*

18 *(E) whether the publication of any ap-*
19 *praisal data factors may pose unfair business*
20 *advantages within the valuation industry;*

21 *(F) the feasibility of including all valuation*
22 *data held by covered agencies, including data*
23 *produced by automated valuation models;*

1 (G) *the feasibility and benefits of making*
2 *the full appraisal dataset, including any modi-*
3 *fied fields, available to—*

4 (i) *Federal agencies, including for pur-*
5 *poses related to enforcement and supervision*
6 *responsibilities;*

7 (ii) *relevant State licensing, super-*
8 *vision, and enforcement agencies and State*
9 *attorneys general;*

10 (iii) *approved researchers, including*
11 *academics and nonprofit organizations that,*
12 *in connection with their mission, work to*
13 *ensure the fairness and consistency of home*
14 *valuations, including appraisals; and*

15 (iv) *any other entities identified by the*
16 *Comptroller General as having a compelling*
17 *use for disaggregated data;*

18 (H) *what appraisal data are already avail-*
19 *able in the public domain; and*

20 (I) *the feasibility of incorporating legacy*
21 *data held by covered agencies during the period*
22 *beginning on January 1, 2017, and ending on*
23 *the date of enactment of this Act, and whether*
24 *there are specific data points not easily consoli-*

1 *dated or matched, as described in subparagraph*
2 *(D), with more recent data.*

3 (3) *PURPOSE.*—*The database described in para-*
4 *graph (2) shall be used to provide the public, the Fed-*
5 *eral Government, and State governments with resi-*
6 *dential real estate appraisal data to help determine*
7 *whether financial institutions, appraisal management*
8 *companies, appraisers, valuation technologies, such as*
9 *automated valuation models, and other valuation pro-*
10 *essionals are effectively serving the entire housing*
11 *market.*

12 (4) *CONSULTATION.*—*As part of the information*
13 *used in the report required under paragraph (2), the*
14 *Comptroller General of the United States shall con-*
15 *duct interviews with—*

16 (A) *relevant Federal agencies;*

17 (B) *relevant State licensing, supervision,*
18 *and enforcement agencies and State attorneys*
19 *general;*

20 (C) *appraisers and other home valuation*
21 *industry professionals;*

22 (D) *mortgage lending institutions;*

23 (E) *fair housing and fair lending experts;*

24 *and*

1 (F) any other relevant stakeholders as deter-
 2 mined by the Comptroller General.

3 (5) *HEARING.*—Upon the completion of the re-
 4 port under paragraph (2), the Committee on Bank-
 5 ing, Housing, and Urban Affairs of the Senate and
 6 the Committee on Financial Services of the House of
 7 Representatives shall each hold a hearing on the find-
 8 ings of the report and the feasibility of establishing a
 9 public appraisal-level appraisal database.

10 **TITLE VIII—ACCOUNTABILITY,**
 11 **COORDINATION, STUDIES,**
 12 **AND REPORTING**

13 **SEC. 801. HUD-USDA-VA INTERAGENCY COORDINATION**
 14 **ACT.**

15 (a) *MEMORANDUM OF UNDERSTANDING.*—The Sec-
 16 retary of Housing and Urban Development, the Secretary
 17 of Agriculture, and the Secretary of Veterans Affairs shall
 18 establish a memorandum of understanding, or other appro-
 19 priate interagency agreement, to share relevant housing-re-
 20 lated research and market data that facilitate evidence-
 21 based policymaking.

22 (b) *INTERAGENCY REPORT.*—

23 (1) *REPORT.*—Not later than 180 days after the
 24 date of enactment of this Act, the Secretary of Hous-
 25 ing and Urban Development, the Secretary of Agri-

1 *culture, and the Secretary of Veterans Affairs shall*
2 *jointly submit to the Committee on Banking, Hous-*
3 *ing, and Urban Affairs of the Senate and the Com-*
4 *mittee on Financial Services of the House of Rep-*
5 *resentatives a report containing—*

6 *(A) a description of opportunities for in-*
7 *creased collaboration between the Secretary of*
8 *Housing and Urban Development, the Secretary*
9 *of Agriculture, and the Secretary of Veterans Af-*
10 *fairs to reduce inefficiencies in housing pro-*
11 *grams;*

12 *(B) a list of Federal laws (including regula-*
13 *tions) that adversely affect the availability and*
14 *affordability of new construction of assisted*
15 *housing and single-family and multifamily resi-*
16 *dential housing subject to mortgages insured*
17 *under title II of the National Housing Act (12*
18 *U.S.C. 1707 et seq.), insured, guaranteed, or*
19 *made by the Secretary of Agriculture under title*
20 *V of the Housing Act of 1949 (42 U.S.C. 1471*
21 *et seq.), or insured, guaranteed, or made by the*
22 *Secretary of Veterans Affairs under chapter 37 of*
23 *title 38, United States Code; and*

1 (C) recommendations for Congress regard-
2 ing the Federal laws (including regulations) de-
3 scribed in subparagraph (B).

4 (2) *PUBLICATION.*—The report required under
5 paragraph (1) shall, prior to submission under this
6 subsection, be published in the Federal Register and
7 open for comment for a period of 30 days.

8 **SEC. 802. STREAMLINING RURAL HOUSING ACT.**

9 (a) *IN GENERAL.*—Not later than 180 days after the
10 date of enactment of this Act, the Secretary of Housing and
11 Urban Development and the Secretary of Agriculture shall
12 enter into a memorandum of understanding to—

13 (1) evaluate categorical exclusions under the en-
14 vironmental review process for housing projects fund-
15 ed by amounts from the Department of Housing and
16 Urban Development and the Department of Agri-
17 culture;

18 (2) develop a process to designate a lead agency
19 and streamline adoption of environmental impact
20 statements and environmental assessments approved
21 by the other Department to construct housing projects
22 funded by both agencies;

23 (3) maintain compliance with environmental
24 regulations under part 58 of title 24, Code of Federal
25 Regulations, as in effect on January 1, 2025, except

1 *as required to amend, add, or remove categorical ex-*
2 *clusions identified under section 58.35 of title 24,*
3 *Code of Federal Regulations, through standard rule-*
4 *making procedures; and*

5 *(4) evaluate the feasibility of a joint physical in-*
6 *spection process for housing projects funded by*
7 *amounts from the Department of Housing and Urban*
8 *Development and the Department of Agriculture.*

9 *(b) REPORT.—Not later than 1 year after the date of*
10 *enactment of this Act, the Secretary of Housing and Urban*
11 *Development and the Secretary of Agriculture shall submit*
12 *to the Committee on Banking, Housing, and Urban Affairs*
13 *of the Senate and the Committee on Financial Services of*
14 *the House of Representatives a report that includes rec-*
15 *ommendations for legislative, regulatory, or administrative*
16 *actions—*

17 *(1) to improve the efficiency and effectiveness of*
18 *housing projects funded by amounts from the Depart-*
19 *ment of Housing and Urban Development and the*
20 *Department of Agriculture; and*

21 *(2) that do not materially, with respect to resi-*
22 *dents of housing projects described in paragraph*
23 *(1)—*

24 *(A) reduce the safety of those residents;*

1 (B) shift long-term costs onto those resi-
2 dents; or

3 (C) undermine the environmental standards
4 of those residents.

5 **SEC. 803. IMPROVING SELF-SUFFICIENCY OF FAMILIES IN**
6 **HUD-SUBSIDIZED HOUSING.**

7 (a) *IN GENERAL.*—

8 (1) *STUDY.*—Subject to subsection (b), the Sec-
9 retary of Housing and Urban Development shall con-
10 duct a study on the implementation of work require-
11 ments implemented prior to the date of enactment of
12 this Act by public housing agencies described in para-
13 graph (4) participating in the Moving to Work dem-
14 onstration authorized under section 204 of the De-
15 partments of Veterans Affairs and Housing and
16 Urban Development, and Independent Agencies Ap-
17 propriations Act, 1996 (42 U.S.C. 1437f note).

18 (2) *SCOPE.*—The study required under para-
19 graph (1) shall—

20 (A) consider the short-, medium-, and long-
21 term benefits and challenges of work require-
22 ments on public housing agencies described in
23 paragraph (4) and on program participants who
24 are subject to such requirements, including the
25 effects work requirements have on homelessness

1 *rates, poverty rates, asset building, earnings*
2 *growth, job attainment and retention, and public*
3 *housing agencies' administrative capacity; and*

4 *(B) include quantitative and qualitative*
5 *evidence, including interviews with program*
6 *participants described in subparagraph (A) and*
7 *their respective resident councils.*

8 *(3) REPORT.—Not later than 1 year after the*
9 *date of enactment of this Act, the Secretary shall sub-*
10 *mit to the Committee on Banking, Housing, and*
11 *Urban Affairs of the Senate and the Committee on*
12 *Financial Services of the House of Representatives a*
13 *report on the initial findings of the study required*
14 *under paragraph (1).*

15 *(4) PUBLIC HOUSING AGENCIES DESCRIBED.—*
16 *The public housing agencies described in this para-*
17 *graph are public housing agencies that, as part of an*
18 *application to participate in the demonstration au-*
19 *thorized under section 204 of the Departments of Vet-*
20 *erans Affairs and Housing and Urban Development,*
21 *and Independent Agencies Appropriations Act, 1996*
22 *(42 U.S.C. 1437f note), submit a proposal identifying*
23 *work requirements as an innovative proposal.*

1 (b) *DETERMINATION.*—*The requirement under sub-*
 2 *section (a) shall apply if the Secretary of Housing and*
 3 *Urban Development determines that—*

4 (1) *there are a sufficient number of public hous-*
 5 *ing agencies described in subsection (a)(4) such that*
 6 *the Secretary of Housing and Urban Development*
 7 *can rigorously evaluate the impact of the implementa-*
 8 *tion of work requirements described in that sub-*
 9 *section; and*

10 (2) *the study would not negatively impact low-*
 11 *income families receiving assistance through a public*
 12 *housing agency described in subsection (a)(4).*

13 **SEC. 804. GAO STUDIES.**

14 (a) *WORKFORCE HOUSING STUDY.*—

15 (1) *MIDDLE-INCOME HOUSEHOLD DEFINED.*—*In*
 16 *this subsection, the term “middle-income household”*
 17 *means a household with an income above 80 percent*
 18 *but that does not exceed 120 percent of the median*
 19 *family income of the area, as determined by the Sec-*
 20 *retary of Housing and Urban Development with ad-*
 21 *justments for smaller and larger families.*

22 (2) *STUDY.*—*Not later than 1 year after the date*
 23 *of enactment of this Act, the Comptroller General of*
 24 *the United States shall conduct a study and submit*
 25 *to Congress a report that—*

1 (A) identifies obstacles middle-income
2 households face when looking to secure affordable
3 housing;

4 (B) identifies geographic areas where hous-
5 ing is the most unaffordable and unavailable for
6 middle-income households;

7 (C) includes a list of Federal housing pro-
8 grams, including Federal tax credits, grants, and
9 loan programs, that are not available to middle-
10 income households due to their income status, in-
11 cluding Federal housing programs designed to
12 promote affordability;

13 (D) recommends income and other param-
14 eters to establish a clear and consistent Federal
15 definition for the term “workforce housing” for
16 use when describing the segment of housing that
17 could be made available to those middle-income
18 households in Federal housing programs if fund-
19 ing commensurate with the additional eligibility
20 were to be made available; and

21 (E) analyzes how to modify or newly de-
22 velop new Federal housing programs and incen-
23 tives to include “workforce housing” if funding
24 commensurate with the additional eligibility
25 were to be made available.

1 (b) *HOUSING FOR ELDERLY OR DISABLED.*—Not later
2 than 1 year after the date of enactment of this Act, the
3 Comptroller General of the United States shall carry out
4 a study and submit to Congress a report that identifies op-
5 tions to remove barriers and improve housing for persons
6 who are elderly or disabled, including any potential im-
7 pacts of providing capital advances for—

8 (1) the program for supportive housing for the
9 elderly under section 202 of the Housing Act of 1959
10 (12 U.S.C. 1701q); and

11 (2) the program for supportive housing for per-
12 sons with disabilities under section 811 of the Cran-
13 ston-Gonzalez National Affordable Housing Act (42
14 U.S.C. 8013).

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

1 *Environmental Response, Compensation, and Liability Act*
2 *of 1980 (42 U.S.C. 9605).*

3 (d) *RESIDENTIAL HEIRS PROPERTY.*—Not later than
4 1 year after the date of enactment of this Act, the Comp-
5 troller General of the United States shall carry out a study
6 and submit to the Committee on Banking, Housing, and
7 Urban Affairs of the Senate and the Committee on Finan-
8 cial Services of the House of Representatives a report that—

9 (1) establishes a comprehensive definition of resi-
10 dential heirs property, or family land inherited with-
11 out a will or legal documentation of ownership;

12 (2) examines the occurrence of and consequences
13 to owners of residential heirs property, and provides
14 an estimate regarding the number of current residen-
15 tial heirs properties;

16 (3) describes the objectives and requirements of
17 the Uniform Partition of Heirs Property Act as ap-
18 proved by the National Conference of Commissioners
19 on Uniform State Laws in 2010;

20 (4) details the various resources that may be
21 available to the owners of residential heirs properties,
22 including housing counseling, legal services, and fi-
23 nancial assistance to resolve residential heirs property
24 title issues from the Federal Government, nonprofit

1 *organizations, and institutions of higher education;*
2 *and*

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

6 *(A) by incentivizing States and other juris-*
7 *dictions which enact or adopt the Uniform Par-*
8 *tition of Heirs Property Act or similar such re-*
9 *forms;*

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

15 *(C) by awarding grants to entities that—*

16 *(i) provide housing counseling, legal*
17 *assistance, and financial assistance to*
18 *home-owners and their heirs relating to title*
19 *clearing and home retention efforts of heirs'*
20 *property; and*

21 *(ii) target services to low- and mod-*
22 *erate-income persons or provide services in*
23 *neighborhoods that have a high concentra-*
24 *tion of low- and moderate-income persons;*
25 *and*

1 (D) by conducting other activities that as-
 2 sist individuals to clear title with respect to
 3 heirs' property and with general estate planning.

4 **SEC. 805. IMPROVING PUBLIC HOUSING AGENCY ACCOUNT-**
 5 **ABILITY.**

6 (a) *IN GENERAL.*—The Secretary shall require each
 7 covered public housing agency to provide a notice each year
 8 to the Secretary that—

9 (1) indicates that if a receiver or Federal mon-
 10 itor remains appointed for the covered public housing
 11 agency as of October 1 of the calendar year to which
 12 such notice relates;

13 (2) provides the date on which the receiver or
 14 Federal monitor was first appointed and the projected
 15 date, if known, the appointment of the receiver or
 16 Federal monitor will be terminated; and

17 (3) identifies the current receiver or Federal
 18 monitor appointed to oversee the public housing agen-
 19 cy.

20 (b) *FEDERAL MONITOR AND RECEIVER TRANS-*
 21 *PARENCY.*—

22 (1) Notwithstanding any other provision of law,
 23 not later than October 1 of each year, each receiver
 24 or Federal monitor that is currently appointed to
 25 oversee a covered public housing agency shall provide

1 to the Committee on Financial Services of the House
2 of Representatives and the Committee on Banking,
3 Housing, and Urban Affairs of the Senate a written
4 assessment that—

5 (A) describes the management and oversight
6 activities of the receiver or Federal monitor for
7 the covered public housing agency;

8 (B) identifies the significant factors that led
9 to the appointment of the receiver or Federal
10 monitor for the covered public housing agency;

11 (C) identifies the factors that remain unre-
12 solved at the covered public housing agency that
13 have led to the continued oversight of the receiver
14 or Federal monitor; and

15 (D) includes a timeline developed by the re-
16 ceiver or Federal monitor that projects when the
17 factors identified under subparagraphs (B) and
18 (C) will be resolved.

19 (2) In addition to the written assessment re-
20 quired in paragraph (1), upon written request by the
21 Committee on Financial Services of the House of Rep-
22 resentatives or the Committee on Banking, Housing,
23 and Urban Affairs of the Senate, each receiver or Fed-
24 eral monitor appointed to oversee a covered public
25 housing agency shall promptly furnish additional or

1 *supplemental information requested by the Committee*
2 *on Financial Services of the House of Representatives*
3 *or the Committee on Banking, Housing, and Urban*
4 *Affairs of the Senate with respect to the covered pub-*
5 *lic housing agency which such receiver or Federal*
6 *monitor is appointed to oversee, including presenting*
7 *testimony upon request.*

8 *(c) DISCLOSURE REQUIRED.—The Secretary shall, not*
9 *later than 1 year after the date of the enactment of this*
10 *section, require each covered public housing agency to pub-*
11 *licly disclose, on the website of the covered public housing*
12 *agency, with respect to each contract entered into by such*
13 *covered public housing agency in the preceding year, the*
14 *following information:*

15 *(1) All material information about the contract,*
16 *including the goods and service provided.*

17 *(2) The identity of the vendor selected to receive*
18 *the contract.*

19 *(3) The date of the solicitation of the contract.*

20 *(4) The relevant information pertaining to the*
21 *bids and quotes solicited for the contract.*

22 *(5) The name of the official who solicited the*
23 *contract.*

24 *(d) INSPECTOR GENERAL REVIEW.—Not later than*
25 *180 days after receiving a written request from the Com-*

1 *mittee on Financial Services of the House of Representa-*
2 *tives or the Committee on Banking, Housing, and Urban*
3 *Affairs of the Senate, the Inspector General shall provide*
4 *to the requesting committee an analysis of—*

5 (1) *the status of any covered public housing*
6 *agency’s compliance with any agreements entered into*
7 *between the covered public housing agency and the*
8 *Department of Housing and Urban Development, in-*
9 *cluding specific areas of deficiency and progress to-*
10 *ward compliance;*

11 (2) *a review of actions taken by the receiver or*
12 *Federal monitor appointed to oversee a covered public*
13 *housing agency and any private sector housing devel-*
14 *opment partners pursuant to such agreement, includ-*
15 *ing any gaps in oversight by the receiver or Federal*
16 *monitor;*

17 (3) *an assessment of the physical conditions of*
18 *housing provided by the covered public housing agen-*
19 *cy, including the status of the covered public housing*
20 *agency’s compliance with relevant health and safety*
21 *requirements;*

22 (4) *an examination of any allegations of waste,*
23 *fraud, abuse or violations of Federal law committed*
24 *by employees or contractors of the covered public*
25 *housing agency;*

1 (5) *any additional pertinent information, as de-*
2 *termined necessary and appropriate by the inspector*
3 *general; and*

4 (6) *any recommendations of the inspector gen-*
5 *eral that relate to how to improve the compliance of*
6 *the covered public housing agency with any agree-*
7 *ments entered into with the Department of Housing*
8 *and Urban Development or enhance the oversight of*
9 *the receiver or Federal monitor over such covered pub-*
10 *lic housing agency.*

11 (e) *DEFINITIONS.—*

12 (1) *COVERED PUBLIC HOUSING AGENCY.—The*
13 *term “covered public housing agency” means a public*
14 *housing agency (as such term is defined in section*
15 *3(b) of the United States Housing Act of 1937 (42*
16 *U.S.C. 1437a(b))) for which an administrative or ju-*
17 *dicial receiver or Federal monitor was appointed.*

18 (2) *INSPECTOR GENERAL.—The term “inspector*
19 *general” means the inspector general of the Depart-*
20 *ment of Housing and Urban Development.*

21 (3) *SECRETARY.—The term “Secretary” means*
22 *the Secretary of Housing and Urban Development.*

1 **TITLE IX—STRENGTHENING**
 2 **COMMUNITY BANKS’ ROLE IN**
 3 **HOUSING**

4 **SEC. 901. COMMUNITY BANK DEPOSIT ACCESS.**

5 (a) *IN GENERAL.*—Section 29 of the Federal Deposit
 6 Insurance Act (12 U.S.C. 1831f) is amended by adding at
 7 the end the following:

8 “(j) *LIMITED EXCEPTION FOR CUSTODIAL DEPOS-*
 9 *ITS.*—

10 “(1) *IN GENERAL.*—Custodial deposits of an eli-
 11 gible institution shall not be considered to be funds
 12 obtained, directly or indirectly, by or through a de-
 13 posit broker to the extent that the total amount of
 14 such custodial deposits does not exceed an amount
 15 equal to 20 percent of the total liabilities of the eligi-
 16 ble institution.

17 “(2) *DEFINITIONS.*—In this subsection:

18 “(A) *CUSTODIAL DEPOSIT.*—The term ‘cus-
 19 todial deposit’ means a deposit that is not depos-
 20 ited at an insured depository institution in re-
 21 turn for fees paid by the insured depository in-
 22 stitution pursuant to an agreement with a third
 23 party and that would otherwise be considered to
 24 be obtained, directly or indirectly, by or through
 25 a deposit broker, if the deposit is deposited at 1

1 *or more insured depository institutions, for the*
2 *purpose of providing or maintaining deposit in-*
3 *surance for the benefit of a third party, by or*
4 *through any of the following, each acting in a*
5 *formal custodial or fiduciary capacity for the*
6 *benefit of a third party:*

7 *“(i) An insured depository institution*
8 *serving as agent, trustee, or custodian.*

9 *“(ii) A trust entity controlled by an*
10 *insured depository institution serving as*
11 *agent, trustee, or custodian.*

12 *“(iii) A State-chartered trust company*
13 *serving as agent, trustee, or custodian.*

14 *“(iv) A plan administrator or invest-*
15 *ment advisor, acting in a formal custodial*
16 *or fiduciary capacity for the benefit of a*
17 *plan.*

18 *“(B) ELIGIBLE INSTITUTION.—The term ‘el-*
19 *igible institution’ means an insured depository*
20 *institution that accepts custodial deposits, if the*
21 *insured depository institution has less than*
22 *\$10,000,000,000 in total assets as reported on the*
23 *consolidated report of condition and income as*
24 *reported quarterly to the appropriate Federal*
25 *banking agency and—*

1 “(i)(I) when most recently examined
 2 under section 10(d) was assigned a com-
 3 posite rating of 1, 2, or 3 under the Uni-
 4 form Financial Institutions Rating System
 5 (or an equivalent rating under a com-
 6 parable rating system); and

7 “(II) is well capitalized; or

8 “(ii) has obtained a waiver pursuant
 9 to subsection (c).

10 “(C) *PLAN*.—The term ‘plan’ has the mean-
 11 ing given the term in section 3 of the Employee
 12 Retirement Income Security Act of 1974 (29
 13 U.S.C. 1002).

14 “(D) *PLAN ADMINISTRATOR*.—The term
 15 ‘plan administrator’ has the meaning given the
 16 term ‘administrator’ in section 3 of the Em-
 17 ployee Retirement Income Security Act of 1974
 18 (29 U.S.C. 1002).

19 “(E) *WELL CAPITALIZED*.—The term ‘well
 20 capitalized’ has the meaning given the term in
 21 section 38(b).”.

22 (b) *INTEREST RATE RESTRICTION*.—Section 29 of the
 23 Federal Deposit Insurance Act (12 U.S.C. 1831f), as
 24 amended by subsection (a), is further amended by adding
 25 at the end the following:

1 “(k) *RESTRICTION ON INTEREST RATE PAID ON CER-*
 2 *TAIN CUSTODIAL DEPOSITS.*—

3 “(1) *DEFINITIONS.*—*In this subsection—*

4 “(A) *the terms ‘custodial deposit’, ‘eligible*
 5 *institution’, and ‘well capitalized’ have the*
 6 *meanings given those terms in subsection (j); and*

7 “(B) *the term ‘covered insured depository*
 8 *institution’ means an insured depository institu-*
 9 *tion that while acting as an eligible institution*
 10 *under subsection (j), accepts custodial deposits*
 11 *while not well capitalized.*

12 “(2) *PROHIBITION.*—*A covered insured deposi-*
 13 *tory institution may not pay a rate of interest on*
 14 *custodial deposits that are accepted while not well*
 15 *capitalized that, at the time the funds or custodial de-*
 16 *posits are accepted, significantly exceeds the limit set*
 17 *forth in paragraph (3).*

18 “(3) *LIMIT ON INTEREST RATES.*—*The limit on*
 19 *the rate of interest referred to in paragraph (2) shall*
 20 *be not greater than—*

21 “(A) *the rate paid on deposits of similar*
 22 *maturity in the normal market area of the cov-*
 23 *ered insured depository institution for deposits*
 24 *accepted in the normal market area of the cov-*
 25 *ered insured depository institution; or*

1 “(B) the national rate paid on deposits of
 2 comparable maturity, as established by the Cor-
 3 poration, for deposits accepted outside the nor-
 4 mal market area of the covered insured deposi-
 5 tory institution.”.

6 **SEC. 902. KEEPING DEPOSITS LOCAL.**

7 (a) *AMOUNT OF RECIPROCAL DEPOSITS THAT ARE*
 8 *NOT CONSIDERED TO BE FUNDS OBTAINED BY OR*
 9 *THROUGH A DEPOSIT BROKER.*—Section 29(i) of the Fed-
 10 *eral Deposit Insurance Act (12 U.S.C. 1831f(i)) is amended*
 11 *by striking paragraph (1) and inserting the following:*

12 “(1) *IN GENERAL.*—The sum of the following
 13 amounts of reciprocal deposits of an agent institution
 14 shall not be considered to be funds obtained, directly
 15 or indirectly, by or through a deposit broker:

16 “(A) An amount equal to 50 percent of the
 17 portion of the total liabilities of the agent insti-
 18 tution that is less than or equal to
 19 \$1,000,000,000.

20 “(B) An amount equal to 40 percent of the
 21 portion, if any, of the total liabilities of the
 22 agent institution that is greater than
 23 \$1,000,000,000, but less than or equal to
 24 \$10,000,000,000.

1 “(C) *An amount equal to 30 percent of the*
 2 *portion, if any, of the total liabilities of the*
 3 *agent institution that is greater than*
 4 *\$10,000,000,000, but less than or equal to*
 5 *\$250,000,000,000.”.*

6 (b) *DEFINITION OF AGENT INSTITUTION.*—Section
 7 29(i)(2)(A)(i) of the Federal Deposit Insurance Act (12
 8 U.S.C. 1831f(i)(2)(A)(i)) is amended by striking subclause
 9 (I) and inserting the following:

10 “(I) *when most recently examined under*
 11 *section 10(d) was assigned a CAMELS rating of*
 12 *1, 2, or 3 under the Uniform Financial Institu-*
 13 *tions Rating System (or an equivalent rating*
 14 *under a comparable rating system); and”.*

15 (c) *RECIPROCAL DEPOSITS STUDY.*—

16 (1) *IN GENERAL.*—The Federal Deposit Insur-
 17 ance Corporation, in consultation with the Board of
 18 Governors of the Federal Reserve System, shall carry
 19 out a study on reciprocal deposits.

20 (2) *CONTENTS.*—The study required under para-
 21 graph (1) shall include—

22 (A) *an analysis of how reciprocal deposits*
 23 *have performed since 2018, which shall in-*
 24 *clude—*

1 (i) the use of quantitative and quali-
2 tative data;

3 (ii) a breakdown of the usage of recip-
4 rocal deposits by size of insured depository
5 institution;

6 (iii) the usage of reciprocal deposits
7 during periods of stress; and

8 (iv) an analysis, to the extent prac-
9 ticable, of end-user depositors, such as mu-
10 nicipalities, businesses, and nonprofit orga-
11 nizations, that drive demand for reciprocal
12 products;

13 (B) an analysis, to the extent practicable, of
14 how reciprocal deposits compare to other deposit
15 arrangements; and

16 (C) an analysis of the benefits and potential
17 risks of reciprocal deposits.

18 (3) *REPORT.*—Not later than 6 months after the
19 date of enactment of this Act, the Federal Deposit In-
20 surance Corporation shall issue a report to the Com-
21 mittee on Financial Services of the House of Rep-
22 resentatives and the Committee on Banking, Housing,
23 and Urban Affairs of the Senate containing all find-
24 ings and determinations made in carrying out the
25 study required under paragraph (1).

1 **SEC. 903. TAILORED REGULATORY UPDATES FOR SUPER-**
 2 **VISORY TESTING.**

3 *Section 10(d) of the Federal Deposit Insurance Act (12*
 4 *U.S.C. 1820(d)) is amended—*

5 *(1) in paragraph (4)(A), by striking*
 6 *“\$3,000,000,000” and inserting “\$6,000,000,000”;*
 7 *and*

8 *(2) in paragraph (10), by striking*
 9 *“\$3,000,000,000” and inserting “\$6,000,000,000”.*

10 **SEC. 904. CREDIT UNION BOARD MODERNIZATION.**

11 *Section 113 of the Federal Credit Union Act (12*
 12 *U.S.C. 1761b) is amended—*

13 *(1) by striking “monthly” each place such term*
 14 *appears;*

15 *(2) in the matter preceding paragraph (1), by*
 16 *striking “The board of directors” and inserting the*
 17 *following:*

18 *“(a) IN GENERAL.—The board of directors”;*

19 *(3) in subsection (a) (as so designated), by strik-*
 20 *ing “shall meet at least once a month and”; and*

21 *(4) by adding at the end the following:*

22 *“(b) MEETINGS.—The board of directors of a Federal*
 23 *credit union shall meet as follows:*

24 *“(1) With respect to a de novo Federal credit*
 25 *union, not less frequently than monthly during each*

1 of the first five years of the existence of such Federal
2 credit union.

3 “(2) Not less than six times annually, with at
4 least one meeting held during each fiscal quarter,
5 with respect to a Federal credit union—

6 “(A) with a composite rating of either 1 or
7 2 under the Uniform Financial Institutions Rat-
8 ing System (or an equivalent rating under a
9 comparable rating system); and

10 “(B) with a capability of management rat-
11 ing under such composite rating of either 1 or 2.

12 “(3) Not less frequently than once a month, with
13 respect to a Federal credit union—

14 “(A) with a composite rating of either 3, 4,
15 or 5 under the Uniform Financial Institutions
16 Rating System (or an equivalent rating under a
17 comparable rating system); or

18 “(B) with a capability of management rat-
19 ing under such composite rating of either 3, 4,
20 or 5.”.

21 **SEC. 905. SYSTEMIC RISK AUTHORITY TRANSPARENCY.**

22 (a) GAO REVIEW.—Section 13(c)(4)(G)(iv) of the Fed-
23 eral Deposit Insurance Act (12 U.S.C. 1823(c)(4)(G)(iv))
24 is amended to read as follows:

25 “(iv) GAO REVIEW.—

1 “(I) *IN GENERAL.*—*The Com-*
2 *troller General of the United States*
3 *shall, not later than 60 days after a*
4 *determination is made under clause*
5 *(i), and again 180 days thereafter, re-*
6 *view and report to the Congress on the*
7 *determination under clause (i), includ-*
8 *ing—*

9 “(aa) *the basis for the deter-*
10 *mination;*

11 “(bb) *the purpose for which*
12 *any action was taken pursuant to*
13 *such clause;*

14 “(cc) *the likely effect of the*
15 *determination and such action on*
16 *the incentives and conduct of in-*
17 *insured depository institutions and*
18 *uninsured depositors;*

19 “(dd) *any mismanagement*
20 *by the executives and board of the*
21 *insured depository institution*
22 *that contributed to the failure of*
23 *the insured depository institution;*

1 “(ee) a review of the com-
2 pensation practices of the insured
3 depository institution;

4 “(ff) any supervisory or reg-
5 ulatory shortcomings with respect
6 to the appropriate Federal bank-
7 ing agency of the insured deposi-
8 tory institution;

9 “(gg) any actions taken by
10 the Federal banking regulators,
11 Financial Stability Oversight
12 Council, Department of the Treas-
13 ury, and other relevant financial
14 regulators in relation to the fail-
15 ure of the insured depository in-
16 stitution; and

17 “(hh) any additional rel-
18 evant entities or activities that
19 may have contributed to the fail-
20 ure of the insured depository in-
21 stitution, including with respect
22 to auditing, accounting, credit
23 rating agencies, investment bank
24 underwriters, and emergency li-
25 quidity options such as loans

1 *from the Federal reserve banks or*
 2 *advances through the Federal*
 3 *Home Loan Bank system.*

4 “(II) *RULE OF CONSTRUCTION.*—
 5 *Nothing in this clause or a report*
 6 *issued pursuant to this clause may be*
 7 *construed to limit the authority of a*
 8 *Federal agency to enforce violations of*
 9 *Federal statutes, rules, or orders.’’.*

10 (b) *APPROPRIATE FEDERAL BANKING AGENCY RE-*
 11 *PORT.*—*Section 13(c) of the Federal Deposit Insurance Act*
 12 *(12 U.S.C. 1823(c)) is amended by adding at the end the*
 13 *following:*

14 “(12) *APPROPRIATE FEDERAL BANKING AGENCY*
 15 *REPORT.*—

16 “(A) *IN GENERAL.*—*The appropriate Fed-*
 17 *eral banking agency of an insured depository in-*
 18 *stitution about which a determination is made*
 19 *under paragraph (4)(G)(i) shall, not later than*
 20 *90 days after the date of such determination,*
 21 *and again 210 days thereafter, submit a report*
 22 *to the Congress that discloses the following:*

23 “(i) *Subject to such redactions as the*
 24 *appropriate Federal banking agency deter-*
 25 *mines appropriate to protect personally*

1 *identifiable information about customers*
2 *and other financial institutions (as such*
3 *term is defined under section*
4 *11(e)(9)(D))—*

5 “(I) *all reports of examination*
6 *and inspection that relate to the failed*
7 *insured depository institution in the*
8 *previous 3-year period;*

9 “(II) *all formal communications*
10 *of a material supervisory determina-*
11 *tion conveyed to the failed insured de-*
12 *pository institution in the previous 3-*
13 *year period; and*

14 “(III) *any additional exam re-*
15 *ports and correspondence that the ap-*
16 *propriate Federal banking agency de-*
17 *termines may be relevant to the failure*
18 *of the insured depository institution.*

19 “(ii) *An examination of any mis-*
20 *management by the executives and board of*
21 *the insured depository institution that con-*
22 *tributed to the failure of the insured deposi-*
23 *tory institution.*

24 “(iii) *Any supervisory or regulatory*
25 *shortcomings by such appropriate Federal*

1 *banking agency with respect to the insured*
2 *depository institution.*

3 “(iv) *Any dynamics that the appro-*
4 *priate Federal banking agency determines*
5 *may have contributed to the failure of the*
6 *insured depository institution.*

7 “(v) *Any supervisory, regulatory, or*
8 *legislative recommendations such appro-*
9 *priate Federal banking agency may have to*
10 *improve the safety and soundness of simi-*
11 *larly situated insured depository institu-*
12 *tions, the banking system, and financial*
13 *stability.*

14 “(B) *PROTECTION OF SENSITIVE INFORMA-*
15 *TION.—*

16 “(i) *EFFECT ON PRIVILEGE.—The pro-*
17 *vision of any information by a Federal*
18 *banking agency under this paragraph may*
19 *not be construed as—*

20 “(I) *waiving, destroying, or other-*
21 *wise affecting any privilege applicable*
22 *to the information; or*

23 “(II) *waiving any exemption ap-*
24 *plicable to the information under sec-*
25 *tion 552 of title 5, United States Code*

1 *(commonly known as the ‘Freedom of*
2 *Information Act’).*

3 *“(ii) TRANSPARENCY.—*

4 *“(I) IN GENERAL.—A Federal*
5 *banking agency shall publish materials*
6 *contained in a report required under*
7 *subparagraph (A) to the fullest extent*
8 *possible to promote transparency.*

9 *“(II) CONSULTATION ON OMITTING*
10 *MATERIALS.—If a Federal banking*
11 *agency determines particular materials*
12 *described under subclause (I) should*
13 *not be published, the Federal banking*
14 *agency shall consult with the chair and*
15 *ranking member of the Committee on*
16 *Financial Services of the House of*
17 *Representatives and the chair and*
18 *ranking member of the Committee on*
19 *Banking, Housing, and Urban Affairs*
20 *of the Senate.*

21 *“(III) OMITTING MATERIALS.—If,*
22 *after the consultation required under*
23 *subclause (II), the Federal banking*
24 *agency determines there is a substan-*
25 *tial public interest in not publishing*

1 *such materials, the Federal banking*
2 *agency shall provide those materials to*
3 *the Committee on Financial Services of*
4 *the House of Representatives and the*
5 *Committee on Banking, Housing, and*
6 *Urban Affairs of the Senate with a*
7 *written explanation describing the rea-*
8 *sons for not publishing those materials.*

9 “(iii) *PRIVILEGE.*—*For purposes of*
10 *this subparagraph, the term ‘privilege’ in-*
11 *cludes any work-product, attorney-client, or*
12 *other privilege recognized under Federal or*
13 *State law.*

14 “(C) *REPORT EXTENSION.*—*A Federal*
15 *banking agency may extend a deadline described*
16 *under subparagraph (A) for an additional 60*
17 *days, if the Federal banking agency—*

18 “(i) *faces ongoing circumstances that*
19 *require the Federal banking agency to*
20 *prioritize activities to promote stability of*
21 *the United States banking system; and*

22 “(ii) *notifies the Congress of such ex-*
23 *tension and the reasons for such extension.*

24 “(D) *CONSOLIDATED REPORTS.*—*A Federal*
25 *banking agency may consolidate multiple reports*

1 *required under this paragraph so long as the in-*
 2 *dividual reports being consolidated all meet the*
 3 *timing requirements under this paragraph.*

4 “(E) *RULE OF CONSTRUCTION.*—*Nothing in*
 5 *this paragraph or reports or materials provided*
 6 *pursuant to this paragraph may be construed to*
 7 *limit the authority of a Federal agency to en-*
 8 *force violations of Federal statutes, rules, or or-*
 9 *ders.”.*

10 **SEC. 906. LEAST COST EXCEPTION.**

11 (a) *IN GENERAL.*—*Section 13(c)(4) of the Federal De-*
 12 *posit Insurance Act (12 U.S.C. 1823(c)(4)) is amended—*

13 (1) *in subparagraph (A)(ii), by inserting “except*
 14 *as provided in subparagraph (I),” before “the total*
 15 *amount”;*

16 (2) *in subparagraph (E)(i), by inserting “and*
 17 *except as provided in subparagraph (I),” after “ap-*
 18 *propriate,”; and*

19 (3) *by adding at the end the following:*

20 “(I) *LEAST COST RESOLUTION EXCEP-*
 21 *TION.*—

22 “(i) *IN GENERAL.*—*With respect to an*
 23 *exercise of authority by the Corporation de-*
 24 *scribed in subparagraph (A), the Corpora-*
 25 *tion may, at the discretion of the Corpora-*

1 *tion, select an alternative method of exer-*
2 *cising such authority that is not the least*
3 *costly to the Deposit Insurance Fund, if—*

4 *“(I) the Corporation determines*
5 *that the selected alternative complies*
6 *with the requirements of clause (iii);*
7 *and*

8 *“(II) the Corporation and the*
9 *Board of Governors of the Federal Re-*
10 *serve System, after consultation with*
11 *the Secretary of the Treasury, deter-*
12 *mine that the potential additional*
13 *risks to the Deposit Insurance Fund of*
14 *the selected alternative are outweighed*
15 *by the reasonably expected benefits of*
16 *limiting further concentration of the*
17 *United States banking system in global*
18 *systemically important banking orga-*
19 *nizations.*

20 *“(ii) MAXIMUM COST TO THE DEPOSIT*
21 *INSURANCE FUND.—Not later than 1 year*
22 *after the date of enactment of this subpara-*
23 *graph, the Corporation, by rule, shall estab-*
24 *lish criteria for determining on a case-by-*
25 *case basis the maximum allowable cost*

1 *against the net worth of the Deposit Insur-*
2 *ance Fund that may be utilized to account*
3 *for any determination under clause (i).*

4 “(iii) *REQUIREMENTS DESCRIBED.—*
5 *The requirements for the selected alternative*
6 *described in clause (i) are as follows:*

7 “(I) *The selected alternative is the*
8 *least costly to the Deposit Insurance*
9 *Fund of all alternatives that do not in-*
10 *volve a transaction with a global sys-*
11 *temically important banking organiza-*
12 *tion and that do not exceed the cost of*
13 *liquidating the insured depository in-*
14 *stitution.*

15 “(II) *The difference between the*
16 *cost of the selected alternative and the*
17 *cost of a covered alternative is less*
18 *than or equal to the maximum cost to*
19 *the Deposit Insurance Fund specified*
20 *pursuant to the rule adopted under*
21 *clause (ii).*

22 “(III) *In the case of a selected al-*
23 *ternative that involves another person*
24 *purchasing assets of the insured deposi-*
25 *tory institution or assuming deposit li-*

1 abilities of the insured depository in-
2 stitution, such person agrees to pay an
3 assessment to the Corporation com-
4 prised of payments—

5 “(aa) made over a period to
6 be determined by the Corporation,
7 but which may not be less than 5
8 years; and

9 “(bb) in an amount that
10 takes into account, on a case-by-
11 case basis, criteria the Corpora-
12 tion, by rule, shall establish, in-
13 cluding a realistic discount rate,
14 the aggregate amount equal to the
15 difference calculated in subclause
16 (II), and any bid inconsistent
17 with the purposes of this Act, with
18 such rule to be established by the
19 Corporation not later than 1 year
20 after the date of enactment of this
21 subparagraph.

22 “(iv) REPORT TO CONGRESS.—Not
23 later than 30 days after selecting an alter-
24 native described in clause (i), the Corpora-
25 tion shall issue a report to the Committee

on *Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate* containing an analysis of the economic difference between the cost to the Deposit Insurance Fund of the selected alternative and the cost to the Deposit Insurance Fund of the least costly alternative that would have been selected absent the application of this subparagraph.

“(v) *COST DETERMINATIONS.*—All cost determinations required under this subparagraph shall be made in accordance with subparagraphs (B) and (C).

“(vi) *DEFINITIONS.*—In this subparagraph:

“(I) *COVERED ALTERNATIVE.*—
The term ‘covered alternative’ means a method of exercising authority described in subparagraph (A) that is the least costly to the Deposit Insurance Fund of all such methods that involve a sale of all or substantially all assets of the insured depository institution to, and assumption of all or substantially

1 *all deposit liabilities of the insured de-*
 2 *pository institution by, a global sys-*
 3 *temically important banking organiza-*
 4 *tion.*

5 “(II) *GLOBAL SYSTEMICALLY IM-*
 6 *PORTANT BANKING ORGANIZATION.*—
 7 *The term ‘global systemically impor-*
 8 *tant banking organization’ means a*
 9 *global systemically important BHC (as*
 10 *such term is defined in section 217.402*
 11 *of title 12, Code of Federal Regula-*
 12 *tions, or any successor thereto) and*
 13 *any affiliate thereof.”.*

14 (b) *RULE OF CONSTRUCTION.*—Section 13(c)(4)(H) of
 15 *the Federal Deposit Insurance Act (12 U.S.C.*
 16 *1823(c)(4)(H)) does not apply to the amendments made by*
 17 *subsection (a).*

18 **SEC. 907. FAILING BANK ACQUISITION FAIRNESS.**

19 (a) *CONCENTRATION LIMIT EXCEPTIONS ONLY AVAIL-*
 20 *ABLE TO AVOID SERIOUS ADVERSE ECONOMIC OR FINAN-*
 21 *CIAL EFFECTS.*—

22 (1) *CONCENTRATION LIMITS WITH RESPECT TO*
 23 *DEPOSITS.*—

1 (A) *FEDERAL DEPOSIT INSURANCE ACT.*—
2 *The Federal Deposit Insurance Act (12 U.S.C.*
3 *1811 et seq.) is amended—*

4 (i) *in section 18(c)(13)—*

5 (I) *by amending subparagraph*
6 *(B) to read as follows:*

7 “(B) *Subparagraph (A) shall not apply to*
8 *an interstate merger transaction if—*

9 “(i) *such interstate merger transaction*
10 *involves 1 or more insured depository insti-*
11 *tutions in default or in danger of default*
12 *and the responsible agency determines,*
13 *based on clear and convincing evidence, that*
14 *consummation of the proposed interstate*
15 *merger transaction is necessary to prevent*
16 *significant economic disruption or signifi-*
17 *cant adverse effects on financial stability,*
18 *and the Corporation has not received any*
19 *qualified bid from a company that is not*
20 *subject to the prohibition in subparagraph*
21 *(A); or*

22 “(ii) *the Corporation provides assist-*
23 *ance under section 13 to facilitate such*
24 *interstate merger transaction and the re-*
25 *sponsible agency determines, based on clear*

1 *and convincing evidence, that consumma-*
2 *tion of the proposed interstate merger trans-*
3 *action is necessary to prevent significant*
4 *economic disruption or significant adverse*
5 *effects on financial stability, and the Cor-*
6 *poration has not received any qualified bid*
7 *from a company that is not subject to the*
8 *prohibition in subparagraph (A).”; and*

9 *(II) in subparagraph (C)—*

10 *(aa) in clause (i), by striking*

11 *“and” at the end;*

12 *(bb) in clause (ii), by strik-*

13 *ing the period at the end and in-*

14 *serting a semicolon; and*

15 *(cc) by adding at the end the*

16 *following:*

17 *“(iii) the term ‘qualified bid’ means an*

18 *application, proposed application, or bid*

19 *from a company where—*

20 *“(I) if applicable, the company,*

21 *any affiliate insured depository insti-*

22 *tution, and any affiliate depository in-*

23 *stitution holding company are well*

24 *capitalized and well managed, as of*

1 *the date of the application, proposed*
2 *application, or bid; and*

3 “(II) *upon consummation of the*
4 *transaction, the resulting insured de-*
5 *pository institution is well capitalized;*
6 “(iv) *the term ‘well capitalized’—*

7 “(I) *with respect to an insured de-*
8 *pository institution, has the meaning*
9 *given such term in section 38(b) of the*
10 *Federal Deposit Insurance Act (12*
11 *U.S.C. 1831o(b));*

12 “(II) *with respect to a bank hold-*
13 *ing company, has the meaning given*
14 *such term in section 2(o)(1)(B) of the*
15 *Bank Holding Company Act of 1956*
16 *(12 U.S.C. 1841(o)(1)(B));*

17 “(III) *with respect to a savings*
18 *and loan holding company, has the*
19 *meaning given such term in section*
20 *238.2 of title 12, Code of Federal Regu-*
21 *lations; and*

22 “(IV) *with respect to a company*
23 *that is not an insured depository insti-*
24 *tution, bank holding company, or sav-*
25 *ings and loan holding company, means*

1 *maintaining equity capital that the*
 2 *Corporation determines is commensu-*
 3 *rate with the capital maintained by an*
 4 *insured depository institution that is*
 5 *well capitalized; and*

6 “(v) the term ‘well managed’ has the
 7 meaning given such term in section 2(o)(9)
 8 of the Bank Holding Company Act of 1956
 9 (12 U.S.C. 1841(o)(9)).”; and

10 (ii) in section 44, by amending sub-
 11 section (e) to read as follows:

12 “(e) *EXCEPTION FOR BANKS IN DEFAULT OR IN DAN-*
 13 *GER OF DEFAULT.—*

14 “(1) *GENERAL EXCEPTION.—The responsible*
 15 *agency may, without regard to paragraph (1), (3),*
 16 *(4), or (5) of subsection (b) or paragraph (2), (4), or*
 17 *(5) of subsection (a), approve an application under*
 18 *subsection (a)(1) for approval of a merger transaction*
 19 *if—*

20 “(A) *the merger transaction involves 1 or*
 21 *more banks in default or in danger of default; or*

22 “(B) *the Corporation provides assistance*
 23 *under section 13(c) to facilitate such merger*
 24 *transaction.*

1 “(2) *CONCENTRATION LIMIT EXCEPTION.*—The
2 *responsible agency may, without regard to subsection*
3 *(b)(2), approve an application under subsection*
4 *(a)(1) for approval of a merger transaction if—*

5 “(A) *the merger transaction involves 1 or*
6 *more banks in default or in danger of default*
7 *and the responsible agency determines, based on*
8 *clear and convincing evidence, that consumma-*
9 *tion of the proposed interstate merger trans-*
10 *action is necessary to prevent significant eco-*
11 *nomie disruption or significant adverse effects on*
12 *financial stability, and the Corporation has not*
13 *received any qualified bid from another institu-*
14 *tion that is not subject to the prohibition in sub-*
15 *section (b)(2); or*

16 “(B) *the Corporation provides assistance*
17 *under section 13(c) to facilitate such merger*
18 *transaction and the responsible agency deter-*
19 *mines, based on clear and convincing evidence,*
20 *that consummation of the proposed interstate*
21 *merger transaction is necessary to prevent sig-*
22 *nificant economic disruption or significant ad-*
23 *verse effects on financial stability, and the Cor-*
24 *poration has not received any qualified bid from*

1 *another institution that is not subject to the pro-*
 2 *hibition in subsection (b)(2).*

3 “(3) *QUALIFIED BID DEFINED.*—*In this sub-*
 4 *section, the term ‘qualified bid’ has the meaning given*
 5 *that term in section 18(c)(13)(C).”.*

6 (B) *BANK HOLDING COMPANY ACT OF*
 7 *1956.*—*The Bank Holding Company Act of 1956*
 8 *(12 U.S.C. 1841 et seq.) is amended—*

9 *(i) in section 3(d), by amending para-*
 10 *graph (5) to read as follows:*

11 “(5) *EXCEPTION FOR BANKS IN DEFAULT OR IN*
 12 *DANGER OF DEFAULT.*—

13 “(A) *GENERAL EXCEPTION.*—*The Board*
 14 *may, without regard to subparagraph (B) or (D)*
 15 *of paragraph (1) or paragraph (3), approve an*
 16 *application pursuant to paragraph (1)(A) if—*

17 “(i) *the application is for an acquisi-*
 18 *tion of 1 or more banks in default or in*
 19 *danger of default; or*

20 “(ii) *the application is for an acquisi-*
 21 *tion with respect to which assistance is pro-*
 22 *vided under section 13(c) of the Federal De-*
 23 *posit Insurance Act.*

24 “(B) *CONCENTRATION LIMIT EXCEPTION.*—
 25 *The Board may, without regard to paragraph*

1 (2), approve an application pursuant to para-
2 graph (1)(A) if—

3 “(i) the application is for the acquisi-
4 tion of 1 or more banks in default or in
5 danger of default and the Board determines,
6 based on clear and convincing evidence, that
7 consummation of the proposed acquisition
8 is necessary to prevent significant economic
9 disruption or significant adverse effects on
10 financial stability, and the Corporation has
11 not received any qualified bid from another
12 institution that is not subject to the prohibi-
13 tion in paragraph (2); or

14 “(ii) the application is for an acquisi-
15 tion with respect to which assistance is pro-
16 vided under section 13(c) of the Federal De-
17 posit Insurance Act and the Board deter-
18 mines, based on clear and convincing evi-
19 dence, that consummation of the proposed
20 acquisition is necessary to prevent signifi-
21 cant economic disruption or significant ad-
22 verse effects on financial stability, and the
23 Corporation has not received any qualified
24 bid from another institution that is not sub-
25 ject to the prohibition in paragraph (2).

1 “(C) *QUALIFIED BID DEFINED.*—*In this*
2 *paragraph, the term ‘qualified bid’ has the*
3 *meaning given that term in section 18(c)(13)(C)*
4 *of the Federal Deposit Insurance Act.*”; and

5 (ii) *in section 4(i)(8), by amending*
6 *subparagraph (B) to read as follows:*

7 “(B) *EXCEPTION.*—*Subparagraph (A) shall*
8 *not apply to an acquisition if—*

9 “(i) *such acquisition involves an in-*
10 *sured depository institution in default or in*
11 *danger of default and the Board determines,*
12 *based on clear and convincing evidence, that*
13 *consummation of the proposed acquisition*
14 *is necessary to prevent significant economic*
15 *disruption or significant adverse effects on*
16 *financial stability, and the Corporation has*
17 *not received any qualified bid (as defined in*
18 *section 18(c)(13)(C) of the Federal Deposit*
19 *Insurance Act) from another institution*
20 *that is not subject to the prohibition in*
21 *paragraph (2); or*

22 “(ii) *the Federal Deposit Insurance*
23 *Corporation provides assistance under sec-*
24 *tion 13 of the Federal Deposit Insurance*
25 *Act to facilitate such acquisition and the*

1 *Board determines, based on clear and con-*
 2 *vincing evidence, that consummation of the*
 3 *proposed acquisition is necessary to prevent*
 4 *significant economic disruption or signifi-*
 5 *cant adverse effects on financial stability,*
 6 *and the Corporation has not received any*
 7 *qualified bid (as defined in section*
 8 *18(c)(13)(C) of the Federal Deposit Insur-*
 9 *ance Act) from another institution that is*
 10 *not subject to the prohibition in paragraph*
 11 *(2).”.*

12 (2) *CONCENTRATION LIMIT WITH RESPECT TO*
 13 *CONSOLIDATED LIABILITIES.—Section 14(c) of the*
 14 *Bank Holding Company Act of 1956 (12 U.S.C.*
 15 *1852(c)) is amended—*

16 (A) *by redesignating paragraphs (1), (2),*
 17 *and (3) as subparagraphs (A), (B), and (C), re-*
 18 *spectively;*

19 (B) *by striking “With the” and inserting*
 20 *the following:*

21 “(1) *IN GENERAL.—With the*”; *and*

22 (C) *by adding at the end the following:*

23 “(2) *LIMITATION.—The Board may provide*
 24 *written consent for an acquisition described in para-*
 25 *graph (1)(A) or in paragraph (1)(B) only if the*

1 *Board determines, based on clear and convincing evi-*
 2 *dence, that consummation of the proposed acquisition*
 3 *is necessary to prevent significant economic disrup-*
 4 *tion or significant adverse effects on financial sta-*
 5 *bility, and the Corporation has not received any*
 6 *qualified bid (as defined in section 18(c)(13)(C) of the*
 7 *Federal Deposit Insurance Act) from another institu-*
 8 *tion that is not subject to the prohibition in sub-*
 9 *section (b).”.*

10 **(b) CONGRESSIONAL NOTIFICATION AND JUSTIFICA-**
 11 **TION FOR WAIVERS.—**

12 **(1) IN GENERAL.**—*Whenever the Board of Gov-*
 13 *ernors of the Federal Reserve System, the Comptroller*
 14 *of the Currency, or the Federal Deposit Insurance*
 15 *Corporation waives a concentration limit under sec-*
 16 *tion 18(c)(13)(B) or section 44(e) of the Federal De-*
 17 *posit Insurance Act or under section 3(d)(5), section*
 18 *4(i)(8)(B), or section 14(c)(2) of the Bank Holding*
 19 *Company Act of 1956, in connection with the acquisi-*
 20 *tion of a bank or insured depository institution in de-*
 21 *fault or in danger of default, or in connection with*
 22 *an acquisition with respect to which the Federal De-*
 23 *posit Insurance Corporation provides assistance*
 24 *under section 13 of the Federal Deposit Insurance*
 25 *Act, the waiving agency and the Federal Deposit In-*

1 *surance Corporation, jointly, shall, not later than 30*
2 *days after such waiver, submit a written report to the*
3 *Committee on Financial Services of the House of Rep-*
4 *resentatives and the Committee on Banking, Housing,*
5 *and Urban Affairs of the Senate containing—*

6 *(A) a justification for the waiver, including*
7 *an analysis of why it was necessary to prevent*
8 *significant economic disruption or significant*
9 *adverse effects on financial stability;*

10 *(B) a description of alternative bids or out-*
11 *comes considered, including efforts to solicit and*
12 *encourage bids from entities that would not re-*
13 *quire a waiver;*

14 *(C) an explanation of why alternative bids*
15 *were not selected, if applicable; and*

16 *(D) any recommendations for legislative or*
17 *regulatory changes to improve competition in fu-*
18 *ture insured depository institution resolutions.*

19 *(2) PUBLIC DISCLOSURE.—The waiving agency*
20 *submitting a report under paragraph (1) and the*
21 *Federal Deposit Insurance Corporation shall make the*
22 *report publicly available on their respective websites,*
23 *subject to redactions for confidential supervisory in-*
24 *formation and any other information described under*
25 *section 552(b) of title 5, United States Code.*

1 (c) *LIMITATION ON CONSIDERING BAD FAITH BIDS IN*
 2 *LEAST COST DETERMINATION.*—Section 13(c)(4) of the
 3 *Federal Deposit Insurance Act* (12 U.S.C. 1823(c)(4)), as
 4 amended by section 906(a)(3), is further amended by add-
 5 ing at the end the following:

6 “(J) *LIMITATION ON CONSIDERING BAD*
 7 *FAITH BIDS.*—In making a determination under
 8 this paragraph of whether an exercise of author-
 9 ity is the least costly to the Deposit Insurance
 10 Fund, the Corporation may not consider any ap-
 11 plication, proposed application, or bid from a
 12 company, if such application, proposed applica-
 13 tion, or bid would result in violation of—

14 “(i) section 18(c)(13) or 44(b)(2); or

15 “(ii) section 3(d)(2), 4(i)(8), or 14 of
 16 the Bank Holding Company Act of 1956.”.

17 **SEC. 908. ADVANCING THE MENTOR-PROTÉGÉ PROGRAM**
 18 **FOR SMALL FINANCIAL INSTITUTIONS.**

19 Section 308 of the *Financial Institutions Reform, Re-*
 20 *covery, and Enforcement Act of 1989* (12 U.S.C. 1463 note)
 21 is amended by adding at the end the following new sub-
 22 section:

23 “(d) *FINANCIAL AGENT MENTOR-PROTÉGÉ PRO-*
 24 *GRAM.*—

1 “(1) *IN GENERAL.*—*The Secretary of the Treas-*
2 *ury shall establish a program to be known as the ‘Fi-*
3 *ancial Agent Mentor-Protégé Program’ (in this sub-*
4 *section referred to as the ‘Program’)* under which a fi-
5 *ancial agent designated by the Secretary or a large*
6 *financial institution may serve as a mentor, under*
7 *guidance or regulations prescribed by the Secretary,*
8 *to a small financial institution to allow such small*
9 *financial institution—*

10 “(A) *to be prepared to perform as a finan-*
11 *cial agent; or*

12 “(B) *to improve capacity to provide services*
13 *to the customers of the small financial institu-*
14 *tion.*

15 “(2) *OUTREACH.*—*The Secretary shall hold out-*
16 *reach events to promote the participation of financial*
17 *agents, large financial institutions, and small finan-*
18 *cial institutions in the Program at least once a year.*

19 “(3) *EXCLUSION.*—*The Secretary shall issue*
20 *guidance or regulations to establish a process under*
21 *which a financial agent, large financial institution,*
22 *or small financial institution may be excluded from*
23 *participation in the Program.*

1 “(4) *REPORT.*—*The Secretary shall report to*
 2 *Congress information pertaining to the Program, in-*
 3 *cluding—*

4 “(A) *the number of financial agents, large*
 5 *financial institutions, and small financial insti-*
 6 *tutions participating in such Program; and*

7 “(B) *the number of outreach events de-*
 8 *scribed in paragraph (2) held during the year*
 9 *covered by such report.*

10 “(5) *DEFINITIONS.*—*In this subsection:*

11 “(A) *FINANCIAL AGENT.*—*The term ‘finan-*
 12 *cial agent’ means any national banking associa-*
 13 *tion designated by the Secretary of the Treasury*
 14 *to be employed as a financial agent of the Gov-*
 15 *ernment.*

16 “(B) *LARGE FINANCIAL INSTITUTION.*—*The*
 17 *term ‘large financial institution’ means any en-*
 18 *tity regulated by the Comptroller of the Cur-*
 19 *rency, the Board of Governors of the Federal Re-*
 20 *serve System, the Federal Deposit Insurance Cor-*
 21 *poration, or the National Credit Union Adminis-*
 22 *tration that has total consolidated assets greater*
 23 *than or equal to \$50,000,000,000.*

24 “(C) *RURAL DEPOSITORY INSTITUTION.*—
 25 *The term ‘rural depository institution’ means a*

depository institution (as defined in section 3 of the Federal Deposit Insurance Act)—

“(i) with total consolidated assets of less than \$10,000,000,000; and

“(ii) located in a rural area, as defined under section 1026.35(b)(2)(iv)(A) of title 12, Code of Federal Regulations.

“(D) *SMALL FINANCIAL INSTITUTION*.—The term ‘small financial institution’ means—

“(i) any entity regulated by the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the National Credit Union Administration that has total consolidated assets less than or equal to \$2,000,000,000;

“(ii) a minority depository institution; or

“(iii) a rural depository institution.”.

SEC. 909. AMERICAN ACCESS TO BANKING.

(a) *STREAMLINING APPLICATION PROCESS AND REVIEW OF CAPITAL RAISING BY DE NOVO REGULATED INSTITUTIONS*.—

(1) *IN GENERAL*.—Each of the Federal financial institutions regulatory agencies shall—

1 (A) for the purpose of streamlining the
2 process of applying to become a de novo regu-
3 lated institution, conduct a review of any appli-
4 cation forms related to such process;

5 (B) to the extent practicable, gather infor-
6 mation needed from applicants seeking to become
7 a de novo regulated institution from other Fed-
8 eral Government agencies or public sources to
9 minimize information requests of such appli-
10 cants; and

11 (C) in consultation with the Securities and
12 Exchange Commission, review how de novo regu-
13 lated institutions raise capital while maintain-
14 ing investor protections, including the impact
15 of—

16 (i) general capital raising restrictions;

17 and

18 (ii) capital raising restrictions related
19 to individuals who are not accredited inves-
20 tors.

21 (2) *REPORT.*—Not later than 1 year after the
22 date of the enactment of this section, and annually for
23 5 years thereafter, each of the Federal financial insti-
24 tutions regulatory agencies shall submit to the Com-
25 mittee on Financial Services of the House of Rep-

1 *representatives and the Committee on Banking, Housing,*
 2 *and Urban Affairs of the Senate and publish on a*
 3 *public website of such agency a report that con-*
 4 *tains—*

5 *(A) a description of the actions taken by*
 6 *such agency pursuant to paragraph (1); and*

7 *(B) as appropriate, any administrative or*
 8 *legislative recommendations with respect to the*
 9 *purpose described in paragraph (1)(C).*

10 *(b) IMPROVING COMMUNICATION WITH DE NOVO REG-*
 11 *ULATED INSTITUTIONS.—*

12 *(1) IN GENERAL.—Each of the Federal financial*
 13 *institutions regulatory agencies shall, at the request of*
 14 *an applicant to become a de novo regulated institu-*
 15 *tion, designate an employee of the agency as a case-*
 16 *worker, who may perform such duty in addition to*
 17 *the other duties of the employee.*

18 *(2) CASEWORKER DUTIES.—Each caseworker de-*
 19 *scribed in paragraph (1) shall, to the maximum ex-*
 20 *tent practicable—*

21 *(A) meet with the lead organizers applying*
 22 *to become a de novo regulated institution to pro-*
 23 *vide a tutorial with respect to the application*
 24 *process; and*

1 (B) be the primary point of contact of the
2 respective Federal financial institutions regu-
3 latory agency for such organizers during the ap-
4 plication process.

5 (3) *NEW CASEWORKER.*—Each agency described
6 in paragraph (1) may designate a new caseworker, as
7 appropriate, to support continuity based on staffing
8 and responsibilities assigned to the current case-
9 worker.

10 (c) *DE NOVO MENTOR-PROTÉGÉ PARTNERSHIPS.*—

11 (1) *IN GENERAL.*—At the request of an institu-
12 tion that seeks to become a de novo regulated institu-
13 tion, each of the Federal financial institutions regu-
14 latory agencies shall, to the maximum extent prac-
15 ticable, provide a list to such institution of similar
16 types of institutions that—

17 (A) were recently approved to become a de
18 novo regulated institution; and

19 (B) are interested in volunteering to serve
20 as a mentor to provide advice about the de novo
21 application process.

22 (2) *MENTORSHIP INFORMATION.*—Not later than
23 1 year after the date of the enactment of this section,
24 each of the Federal financial institutions regulatory
25 agencies shall provide public information and direc-

1 *tions on how an institution may request a mentor or*
2 *serve as a mentor as described in paragraph (1).*

3 *(d) STATE AND STAKEHOLDER ENGAGEMENT PLAN.—*

4 *(1) IN GENERAL.—Each of the Federal financial*
5 *institutions regulatory agencies shall develop a plan*
6 *to—*

7 *(A) regularly consult with State regulators*
8 *to promote cooperation between State and Fed-*
9 *eral banking and credit union agencies in the*
10 *creation of de novo regulated institutions, in-*
11 *cluding responding to any State regulator that*
12 *requests assistance on how a State-chartered fi-*
13 *nancial institution can request Federal insur-*
14 *ance;*

15 *(B) regularly consult with stakeholders, in-*
16 *cluding applicants to become de novo regulated*
17 *institutions and recently approved regulated in-*
18 *stitutions, to inform any reforms that may sup-*
19 *port the creation of de novo regulated institu-*
20 *tions, including rural institutions, community*
21 *development financial institutions, and minority*
22 *depository institutions; and*

23 *(C) provide guidance, training material,*
24 *and regular workshops to assist any interested*
25 *parties to understand such agencies' processes.*

1 (2) *SUBMISSION TO CONGRESS.*—

2 (A) *IN GENERAL.*—Not later than 2 years
3 after the date of the enactment of this section,
4 and every 5 years thereafter, each of the Federal
5 financial institutions regulatory agencies shall
6 submit to the Committee on Financial Services
7 of the House of Representatives and the Com-
8 mittee on Banking, Housing, and Urban Affairs
9 of the Senate the respective plan of such agency
10 described in paragraph (1).

11 (B) *PUBLIC COMMENT.*—With respect to de-
12 veloping the plan described in paragraph (1),
13 each of the Federal financial institutions regu-
14 latory agencies shall—

15 (i) provide an opportunity for public
16 comments; and

17 (ii) take such public comments into
18 consideration.

19 (e) *DEFINITIONS.*—

20 (1) *IN GENERAL.*—In this section:

21 (A) *FEDERAL BANKING AGENCY.*—The term
22 “Federal banking agency” has the meaning given
23 the term in section 3 of the Federal Deposit In-
24 surance Act (12 U.S.C. 1813).

1 (B) *FEDERAL FINANCIAL INSTITUTIONS*
2 *REGULATORY AGENCIES.*—*The term “Federal fi-*
3 *nancial institutions regulatory agencies” has the*
4 *meaning given the term in section 1003 of the*
5 *Federal Financial Institutions Examination*
6 *Council Act of 1978 (12 U.S.C. 3302).*

7 (C) *REGULATED INSTITUTION.*—*The term*
8 *“regulated institution” means—*

9 (i) *with respect to a Federal banking*
10 *agency, a depository institution (as such*
11 *term is defined in section 3 of the Federal*
12 *Deposit Insurance Act (12 U.S.C. 1813)) for*
13 *which the Federal banking agency is the ap-*
14 *propriate Federal banking agency (as such*
15 *term is defined in such section 3); and*

16 (ii) *with respect to the National Credit*
17 *Union Administration, an insured credit*
18 *union (as such term is defined in section*
19 *101 of the Federal Credit Union Act (12*
20 *U.S.C. 1752)).*

21 (D) *STATE.*—*The term “State” means each*
22 *of the several States, the District of Columbia,*
23 *and each territory of the United States.*

24 (E) *STATE REGULATOR.*—*The term “State*
25 *regulator” means—*

1 (i) *with respect to a Federal banking*
2 *agency, a State banking regulator; and*
3 (ii) *with respect to the National Credit*
4 *Union Administration, the State regulatory*
5 *agency having jurisdiction over a State*
6 *credit union (as such term is defined in sec-*
7 *tion 101 of the Federal Credit Union Act*
8 *(12 U.S.C. 1752)).*

9 (2) *RULE OF CONSTRUCTION.—For purposes of*
10 *this section, the process of applying to become a de*
11 *novo regulated institution shall include the process of*
12 *applying for Federal deposit insurance, Federal share*
13 *insurance, or membership in the Federal Reserve Sys-*
14 *tem.*

15 **SEC. 910. PROMOTING NEW BANK FORMATION.**

16 (a) *PILOT PHASE-IN OF CAPITAL STANDARDS.—The*
17 *Federal banking agencies may issue rules that provide for*
18 *a 2-year phase-in period for a qualifying community bank*
19 *or its depository institution holding company to meet any*
20 *Federal capital requirements that would otherwise be appli-*
21 *cable to the qualifying community bank or its depository*
22 *institution holding company, beginning on—*

23 (1) *the date on which the qualifying community*
24 *bank became an insured depository institution; or*

1 (2) *in the case of its depository institution hold-*
2 *ing company, the date on which the qualifying com-*
3 *munity bank of the depository institution holding*
4 *company became an insured depository institution.*

5 **(b) PILOT CHANGES TO BUSINESS PLANS.—**

6 (1) *IN GENERAL.—During the 2-year period be-*
7 *ginning on the date on which a qualifying commu-*
8 *nity bank became an insured depository institution,*
9 *the qualifying community bank or its depository in-*
10 *stitution holding company may request to deviate*
11 *from a business plan that has been approved by the*
12 *appropriate Federal banking agency by submitting a*
13 *request to such agency pursuant to this section.*

14 (2) *REVIEW OF CHANGES.—The appropriate*
15 *Federal banking agency shall, not later than the end*
16 *of the 90-day period beginning on the receipt of a re-*
17 *quest under paragraph (1)—*

18 (A) *approve, conditionally approve, or deny*
19 *such request; and*

20 (B) *notify the applicant of such decision*
21 *and, if the agency denies the request—*

22 (i) *provide the applicant with the rea-*
23 *son for such denial; and*

1 (ii) suggest changes to the request that,
2 if adopted, would allow the agency to ap-
3 prove such request.

4 (3) *RESULT OF FAILURE TO ACT.*—If the appro-
5 priate Federal banking agency fails to approve or
6 deny a request within the 90-day period required
7 under paragraph (2), such request shall be deemed to
8 be approved.

9 (c) *PILOT PROGRAM STUDY.*—

10 (1) *STUDY.*—The Federal banking agencies shall,
11 jointly, carry out a study on the impact of the Pilot
12 Program carried out pursuant to subsections (a) and
13 (b) of this section on the formation of de novo insured
14 depository institutions, including such institutions
15 which are rural depository institutions, community
16 development financial institutions, and minority de-
17 pository institutions, taking into account safety and
18 soundness, promoting competition, and expanding ac-
19 cess to affordable financial products and services to
20 underserved communities.

21 (2) *REPORT TO CONGRESS.*—Not later than De-
22 cember 31, 2031, the Federal banking agencies shall,
23 jointly, issue a report to the Committee on Financial
24 Services of the House of Representatives and the Com-
25 mittee on Banking, Housing, and Urban Affairs of

1 *the Senate containing all findings and determina-*
 2 *tions made in carrying out the study required under*
 3 *paragraph (1).*

4 *(d) STUDY ON DE NOVO INSURED DEPOSITORY INSTI-*
 5 *TUTIONS.—*

6 *(1) STUDY.—The Federal banking agencies shall,*
 7 *jointly, carry out a study on—*

8 *(A) the principal causes for the low number*
 9 *of de novo insured depository institutions in the*
 10 *10-year period ending on the date of enactment*
 11 *of this subsection;*

12 *(B) ways to promote more de novo insured*
 13 *depository institutions in areas currently under-*
 14 *served by insured depository institutions; and*

15 *(C) ways to ensure de novo depository insti-*
 16 *tutions, including institutions which are rural*
 17 *depository institutions, community development*
 18 *financial institutions, and minority depository*
 19 *institutions, can utilize the Community Bank*
 20 *Leverage Ratio.*

21 *(2) REPORT TO CONGRESS.—Not later than the*
 22 *end of the 1-year period beginning on the date of en-*
 23 *actment of this Act, the Federal banking agencies*
 24 *shall, jointly, issue a report to the Committee on Fi-*
 25 *nancial Services of the House of Representatives and*

1 *the Committee on Banking, Housing, and Urban Af-*
2 *fairs of the Senate containing all findings and deter-*
3 *minations made in carrying out the study required*
4 *under paragraph (1).*

5 *(e) DEFINITIONS.—In this section:*

6 *(1) APPROPRIATE FEDERAL BANKING AGENCY.—*
7 *The term “appropriate Federal banking agency” has*
8 *the meaning given the term in section 3 of the Federal*
9 *Deposit Insurance Act (12 U.S.C. 1813).*

10 *(2) DEPOSITORY INSTITUTION.—The term “de-*
11 *pository institution” has the meaning given the term*
12 *in section 3 of the Federal Deposit Insurance Act (12*
13 *U.S.C. 1813).*

14 *(3) DEPOSITORY INSTITUTION HOLDING COM-*
15 *PANY.—The term “depository institution holding com-*
16 *pany” has the meaning given the term in section 3*
17 *of the Federal Deposit Insurance Act (12 U.S.C.*
18 *1813).*

19 *(4) FEDERAL BANKING AGENCY.—The term*
20 *“Federal banking agency” has the meaning given the*
21 *term in section 3 of the Federal Deposit Insurance*
22 *Act (12 U.S.C. 1813).*

23 *(5) INSURED DEPOSITORY INSTITUTION.—The*
24 *term “insured depository institution” has the mean-*

ing given the term in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(6) *QUALIFYING COMMUNITY BANK*.—The term “qualifying community bank” means a depository institution that—

(A) including its holding company and all of its subsidiaries and affiliates, has total combined assets of less than \$10,000,000,000; and

(B) became an insured depository institution between January 1, 2026, and December 31, 2028.

SEC. 911. RURAL DEPOSITORY REVITALIZATION STUDY.

(a) *STUDY*.—The Federal banking agencies shall, jointly, carry out a study—

(1) to identify methods to improve the growth, capital adequacy, and profitability of depository institutions in the United States that primarily serve rural areas; and

(2) to identify Federal statutes (other than appropriations Acts) or regulations of the Federal banking agencies that limit—

(A) the methods identified under paragraph

(1); or

(B) the establishment of de novo depository institutions in rural areas.

1 (b) *REPORT.*—Not later than 1 year after the date of
2 enactment of this Act, the Federal banking agencies shall,
3 jointly, issue a report to Congress containing all findings
4 and determinations made in carrying out the study re-
5 quired under subsection (a).

6 (c) *STUDY ON RURAL CREDIT UNIONS.*—The National
7 Credit Union Administration shall carry out a study—

8 (1) to identify methods to improve the growth,
9 capital adequacy, and profitability of credit unions
10 in the United States that primarily serve rural areas;
11 and

12 (2) to identify Federal statutes (other than ap-
13 propriations Acts) or regulations of the National
14 Credit Union Administration that limit—

15 (A) the methods identified under paragraph

16 (1); or

17 (B) the establishment of *de novo* credit
18 unions in rural areas.

19 (d) *REPORT ON RURAL CREDIT UNIONS.*—Not later
20 than 1 year after the date of enactment of this Act, the Na-
21 tional Credit Union Administration shall issue a report to
22 Congress containing all findings and determinations made
23 in carrying out the study required under subsection (c).

24 (e) *DEFINITIONS.*—In this section:

1 (1) *DEPOSITORY INSTITUTION*.—The term “de-
 2 pository institution” has the meaning given that term
 3 in section 3 of the Federal Deposit Insurance Act (12
 4 U.S.C. 1813).

5 (2) *FEDERAL BANKING AGENCIES*.—The term
 6 “Federal banking agencies” means the Board of Gov-
 7 ernors of the Federal Reserve System, the Comptroller
 8 of the Currency, and the Federal Deposit Insurance
 9 Corporation.

10 (3) *RURAL*.—With respect to an area, the term
 11 “rural” has the meaning given that term in section
 12 1026.35(b)(2)(iv)(A) of title 12, Code of Federal Regu-
 13 lations.

14 **SEC. 912. DISCRETIONARY SURPLUS FUND.**

15 (a) *IN GENERAL*.—The dollar amount specified under
 16 section 7(a)(3)(A) of the Federal Reserve Act (12 U.S.C.
 17 289(a)(3)(A)) is reduced by \$115,000,000.

18 (b) *EFFECTIVE DATE*.—The amendment made by sub-
 19 section (a) shall take effect on September 30, 2035.

20 **TITLE X—HOME-OWNERSHIP**
 21 **FOR MAIN STREET AMERICA**

22 **SEC. 1001. HOMES ARE FOR PEOPLE, NOT CORPORATIONS.**

23 (a) *DEFINITIONS*.—In this section:

24 (1) *CONSUMER REPORTING AGENCY*.—The term
 25 “consumer reporting agency” has the meaning given

1 *the term in section 603 of the Fair Credit Reporting*
2 *Act (15 U.S.C. 1681a)).*

3 (2) *EXCEPTED PURCHASE.*—*The term “excepted*
4 *purchase” means any purchase of a single-family*
5 *home that is—*

6 (A) *newly constructed, renovated, or a rent-*
7 *al conversion for sale by a large institutional in-*
8 *vestor and not as a residence rented pending*
9 *sale;*

10 (B) *pursuant to a build-to-rent program*
11 *where the large institutional investor purchases,*
12 *constructs, or constructs and retains a newly*
13 *constructed single-family homes to be managed*
14 *as a rental property, whether as part of a com-*
15 *munity made up exclusively of renter-occupied*
16 *single-family homes or as part of a community*
17 *made up of single-family homes that are both*
18 *owner- and renter-occupied;*

19 (C) *pursuant to a renovate-to-rent program*
20 *that—*

21 (i) *substantially rehabilitates single-*
22 *family homes that do not meet structural or*
23 *core system elements of local building codes;*
24 *and*

1 (ii) makes improvements in an aggregate dollar amount of not less than 15 percent of the purchase price of the single-family home;

2 (D) pursuant to a homeownership program
3 that—

4 (i) requires rental payments and any other fees that are not greater than those collected by the large institutional investor on other similarly situated single-family homes not covered by the eligible homeownership program;

5 (ii) is subject to a contract between the large institutional investor and renter that shall be considered a consumer credit transaction secured by a dwelling or real property;

6 (iii) provides for positive reporting of rental payments to consumer reporting agencies for any renter, who shall be informed of and opts into such reporting; and

7 (iv) requires contribution of meaningful financial support from the large institutional investor, including price concessions,

1 *for the purchase of the single-family home*
2 *by the renter;*

3 *(E) pursuant to a program to boost home-*
4 *ownership that—*

5 *(i) provides for positive reporting of*
6 *rental payments to consumer reporting*
7 *agencies for any renter, who shall be in-*
8 *formed of and opts into such reporting;*

9 *(ii) provides for the right of first re-*
10 *fusal and a 30-day “first look” period; and*

11 *(iii) may entail the meaningful finan-*
12 *cial support from the large institutional in-*
13 *vestor, including price concessions, for the*
14 *purchase of a single-family home by the*
15 *renter (whether it is the home the renter oc-*
16 *cupies or another home);*

17 *(F) in connection with the satisfaction of*
18 *debts previously contracted in good faith and*
19 *where the large institutional investor has the*
20 *right to repossess the single-family home under*
21 *such contract;*

22 *(G) undertaken by a mortgage servicer,*
23 *lender, or other entity that has a legal right to*
24 *a single-family home, for the purpose of loss*
25 *mitigation or compliance with servicing or in-*

1 *vestor obligations, and not as a long-term invest-*
2 *ment strategy, and is solely as a result of—*

3 *(i) a foreclosure;*

4 *(ii) a deed-in-lieu of foreclosure;*

5 *(iii) enforcement of a mortgage, deed of*
6 *trust, or other security interest; or*

7 *(iv) operation of law following bor-*
8 *rower default;*

9 *(H) purchased from another large institu-*
10 *tional investor that either owned the single-fam-*
11 *ily home on the date of enactment of this Act or*
12 *purchased the single-family home in compliance*
13 *with this section;*

14 *(I) purchased from an investor not covered*
15 *under this section, so long as the purchase oc-*
16 *curred not more than 2 years after the effective*
17 *date under subsection (f);*

18 *(J) newly constructed, renovated, or a rent-*
19 *al conversion that is intended and operated for*
20 *occupancy as part of a community for house-*
21 *holds with 1 or more members aged 55 years or*
22 *older, and satisfies visitability standards estab-*
23 *lished by the Secretary of Housing and Urban*
24 *Development; or*

1 (K) purchased through a single purchase or
2 combination or series of purchases described in
3 subparagraphs (A) through (J).

4 (3) *SINGLE-FAMILY HOME*.—The term “single-
5 family home”—

6 (A) means a structure that contains 2 or
7 fewer dwelling units that are each intended for
8 residential occupancy by a single household; and

9 (B) does not include a manufactured home,
10 as defined in section 603 of the National Manu-
11 factured Housing Construction and Safety
12 Standards Act of 1974 (42 U.S.C. 5402).

13 (4) *LARGE INSTITUTIONAL INVESTOR*.—

14 (A) *IN GENERAL*.—The term “large institu-
15 tional investor”—

16 (i) means an investment fund, corpora-
17 tion, general or limited partnership, limited
18 liability company, joint venture, associa-
19 tion, or other for-profit entity that is a legal
20 entity structured in a manner that is not
21 aforementioned that—

22 (I) is engaged, in whole or in
23 part, in the business of investing in,
24 owning, renting, managing, or holding
25 single-family homes; and

1 (II) alone or in concert with 1 or
2 more other entities, beginning after the
3 date of enactment of this Act, directly
4 or indirectly has investment control of
5 not less than 350 single-family homes
6 in the aggregate, not including any
7 single-family home purchased in an ex-
8 cepted purchase made after the date of
9 enactment of this Act; and

10 (ii) does not include any local, State,
11 Tribal, or Federal government entity or in-
12 strumentality thereof.

13 (B) *RULE OF CONSTRUCTION.*—For pur-
14 poses of this paragraph, an entity has direct or
15 indirect investment control over a single-family
16 home if the entity—

17 (i) owns, or has primary authority or
18 fiduciary responsibility to make material
19 investment or management decisions relat-
20 ing to, the single-family home;

21 (ii) is, or directly or indirectly con-
22 trols, the general partner or managing
23 member of the entity that owns the single-
24 family home;

1 (iii) is or controls the investment man-
 2 ager, management company, or investment
 3 advisor of the entity that owns the single-
 4 family home;

5 (iv) owns or controls more than 25
 6 percent of any class of equity interests of the
 7 entity that owns the single-family home, un-
 8 less such entity is a passive investor; or

9 (v) otherwise controls the entity that
 10 owns the single-family home.

11 (5) *PURCHASE.*—The term “purchase” includes
 12 any purchase, transfer, or other acquisition of a sin-
 13 gle family home, including through mergers, acquisi-
 14 tions, construction, foreclosures, or bulk purchases,
 15 whether or not for cash consideration.

16 (b) *PROHIBITION ON PURCHASES BY LARGE INSTITU-*
 17 *TIONAL INVESTORS.*—

18 (1) *IN GENERAL.*—No large institutional investor
 19 may purchase, or enter into a contract to directly or
 20 indirectly purchase, any single-family home.

21 (2) *EXCEPTIONS.*—The prohibition under para-
 22 graph (1) shall not apply to—

23 (A) any excepted purchase; or

24 (B) any purchase of a single-family home
 25 in connection with a restructuring or other reor-

ganization of ownership of single-family homes that were owned or purchased on or before the date of enactment of this Act.

(3) *RULE OF CONSTRUCTION.*—Nothing in this section may be construed to—

(A) require any large institutional investor to divest or otherwise sell any single-family home purchased before the date of enactment of this Act; or

(B) prevent the filing of a petition, or otherwise affect any bankruptcy proceeding, under title 11, United States Code.

(4) *IMPLEMENTATION.*—

(A) *IN GENERAL.*—In consultation with the Secretary of Housing and Urban Development, the Director of Federal Housing Finance Agency, and the Chair of the Securities and Exchange Commission, the Secretary of the Treasury may issue regulations in accordance with the notice and comment rulemaking procedures under section 553 of title 5, United States Code, to carry out the purposes of this section, including regulations to—

(i) minimize market disruptions upon identifying a risk of material negative im-

1 *pact on the housing market, including an*
2 *impact on the ability of market partici-*
3 *pants to dispose of single-family homes in*
4 *an orderly fashion; and*

5 *(ii) mitigate, to the extent possible,*
6 *negative impacts on consumers and commu-*
7 *nities.*

8 *(B) RULE OF CONSTRUCTION.—For the*
9 *avoidance of doubt, no regulation issued under*
10 *subparagraph (A) may amend the definitions of*
11 *the terms defined under subsection (a), including*
12 *to—*

13 *(i) alter the scope of excepted purchases*
14 *in a manner that would undermine the goal*
15 *of expanding the number of single-family*
16 *homes available to individual households for*
17 *purchase;*

18 *(ii) alter any type of excepted purchase*
19 *in a manner that would undermine the goal*
20 *of expanding the number of single-family*
21 *homes available to individual households for*
22 *purchase;*

23 *(iii) add any category of large institu-*
24 *tional investor as an eligible class if not de-*
25 *termined by this section; or*

1 (iv) alter the quantitative threshold in
2 the definition of “large institutional inves-
3 tor”.

4 (c) *RENTER OUTREACH RESOURCE ESTABLISHED.*—

5 (1) *IN GENERAL.*—*The Secretary shall, not later*
6 *than 180 days after the date of the enactment of this*
7 *section, establish a renter outreach resource that con-*
8 *sists of a toll-free telephone number and a public*
9 *website designed to assist renters of residential prop-*
10 *erties owned by a large institutional investor in—*

11 (A) *notifying Federal agencies about dis-*
12 *putes relating to the rental of such properties,*
13 *including disputes about potential violations of*
14 *Federal law;*

15 (B) *sharing information about such dis-*
16 *putes with other Federal agencies, including*
17 *other Federal agencies that manage similar dis-*
18 *putes;*

19 (C) *monitoring such disputes; and*

20 (D) *resolving such disputes, to the extent*
21 *practicable.*

22 (2) *RESPONSE TO OUTREACH.*—

23 (A) *IN GENERAL.*—*The Secretary shall es-*
24 *tablish reasonable procedures to—*

1 (i) promptly respond, in writing where
2 appropriate, to a renter who provides infor-
3 mation to the Secretary about a dispute
4 using the renter outreach resource estab-
5 lished under paragraph (1); and

6 (ii) document such responses.

7 (B) CONTENTS.—Responses provided under
8 subparagraph (A) shall include, where appro-
9 priate, information about—

10 (i) steps that have been taken by the
11 Secretary or another Federal agency in re-
12 sponse to the information about the dispute
13 provided by the renter, including deter-
14 mining the appropriate large institutional
15 investor involved as described in paragraph
16 (3);

17 (ii) any responses received by the Sec-
18 retary or another Federal agency from the
19 large institutional investor related to such
20 dispute; and

21 (iii) any outcome of the dispute, to the
22 extent practicable.

23 (3) INVESTIGATION OF POTENTIAL VIOLATIONS
24 OF FEDERAL LAW.—

1 (A) *IN GENERAL.*—*The Secretary shall*
2 *promptly process and investigate any informa-*
3 *tion relating to a dispute received through the*
4 *renter outreach resource established under para-*
5 *graph (1) about a potential violation of Federal*
6 *law that is received from a renter of a residen-*
7 *tial property owned by a large institutional in-*
8 *vestor through the renter outreach resource estab-*
9 *lished under paragraph (1), including:*

10 (i) *Requesting information from a*
11 *large institutional investor;*

12 (ii) *Determining the appropriate large*
13 *institutional investor involved in the dis-*
14 *pute; and*

15 (iii) *Sharing information about such*
16 *potential violation of Federal law with any*
17 *relevant Federal agencies, as the Secretary*
18 *may determine appropriate.*

19 (B) *RESPONSES TO REQUESTS FOR INFOR-*
20 *MATION.*—*Upon request for information made*
21 *pursuant to subparagraph (A), the Secretary*
22 *shall provide a large institutional investor the*
23 *opportunity to respond, including regarding*
24 *whether such large institutional investor cur-*

rently owns the property described in such request for information.

(4) *INFORMATION FOR APPROPRIATE STATE AUTHORITY.*—When the Secretary receives information about a potential violation of State law or about a dispute received through the renter outreach resource, from a renter of a residential property owned by a large institutional investor through the renter outreach resource established under paragraph (1), the Secretary shall, at a minimum, provide the renter with contact information for the appropriate, State-specific, State authority authorized to process and investigate such information.

(5) *NOTICE ABOUT RENTER OUTREACH RESOURCE.*—Each large institutional investor shall—

(A) provide to each renter of a residential property owned by such investor at the time such renter first occupies such home and annually thereafter—

(i) written notice about the renter outreach resource established under paragraph (1); and

(ii) the name, phone number, and email address of the person or entity responsible for receiving and addressing

1 *renter disputes for the large institutional*
2 *investor, and update the name, phone num-*
3 *ber, and email address within 30 days if*
4 *such information changes prior to the subse-*
5 *quent time at which such notice is required*
6 *to be provided; and*

7 *(B) prominently feature information about*
8 *the renter outreach resource established under*
9 *paragraph (1) on a public website of such inves-*
10 *tor that is accessible by such renter.*

11 *(6) ANNUAL REPORT TO THE CONGRESS.—*

12 *(A) IN GENERAL.—The Secretary shall, not*
13 *later than March 31 of each year, submit to the*
14 *Congress a public report which analyzes and ag-*
15 *gregates the information received or obtained*
16 *pursuant to this subsection during the prior year*
17 *that includes—*

18 *(i) information about the types and the*
19 *number of disputes received about potential*
20 *violations of Federal law;*

21 *(ii) information about the types and*
22 *the number of disputes received about poten-*
23 *tial violations of State law;*

24 *(iii) where practicable, information*
25 *about the resolution of such disputes; and*

1 (iv) information provided to the Sec-
2 retary of Housing and Urban Development
3 under paragraph (8).

4 (B) ANONYMIZATION OF DATA.—Any data
5 included in a report that is submitted under this
6 paragraph shall be aggregated or anonymized so
7 as to protect any individual dispute or person-
8 ally identifiable information received through the
9 renter outreach resource.

10 (7) PROTECTION OF PERSONAL INFORMATION.—
11 In complying with the requirements of this subsection,
12 the Secretary shall take such measures as the Sec-
13 retary determines are necessary to provide for the
14 protection of personally identifiable information re-
15 ceived through the renter outreach resource in a man-
16 ner that conforms with existing standards for protec-
17 tion of the confidentiality of personally identifiable
18 information.

19 (8) ANNUAL NOTIFICATION.—Not later than 180
20 days after the date of the enactment of this Act, and
21 not later than December 31st of each year thereafter,
22 each person or entity that satisfies the definition of
23 a large institutional investor, as such term is defined
24 in subsection (a) shall—

1 (A) *notify the Secretary each year whether*
 2 *such owner is a large institutional investor as*
 3 *defined in subsection (a); and*

4 (B) *in such notification, identify how many*
 5 *single-family homes such large institutional in-*
 6 *vestor has direct or indirect investment control of*
 7 *as of the date of the submission of such notice,*
 8 *and the city and State where each such single-*
 9 *family home is located, unless such large institu-*
 10 *tional investor owns 10 or fewer single-family*
 11 *homes in such city.*

12 (d) *ENFORCEMENT.—*

13 (1) *CIVIL PENALTIES.—The Secretary of the*
 14 *Treasury, or the Attorney General at the request of*
 15 *the Secretary of the Treasury, may bring an action*
 16 *against a large institutional investor that violates*
 17 *subsection (b) for a civil penalty in an amount that*
 18 *is not more than \$1,000,000 per violation, or 3 times*
 19 *the purchase price of the property involved, whichever*
 20 *is greater.*

21 (2) *TRANSFER TO HUD FOR HOMEOWNERSHIP*
 22 *EXPANSION ACTIVITIES.—For fiscal year 2027 and*
 23 *each fiscal year thereafter, to the extent and in the*
 24 *amounts provided in advance in appropriations Acts,*
 25 *civil penalties assessed under this section shall be*

1 *transferred to and available to the Secretary of Hous-*
 2 *ing and Urban Development to provide additional*
 3 *funding for the HOME Investment Partnerships pro-*
 4 *gram under subtitle A of title II of the Cranston-Gon-*
 5 *zalez National Affordable Housing Act (42 U.S.C.*
 6 *12741 et seq.), to be allocated in accordance with the*
 7 *formula under that program, for new construction,*
 8 *acquisition, and rehabilitation of single-family homes*
 9 *and to provide assistance grants to first-time home-*
 10 *buyers, which may be for downpayments, closing*
 11 *costs, and interest rate buydowns.*

12 *(e) STUDIES ON LARGE INSTITUTIONAL INVESTORS.—*

13 *(1) GAO REPORT.—Not later than 2 years after*
 14 *the date on which the prohibition under subsection*
 15 *(b)(1) takes effect, and again not later than 10 years*
 16 *after that date, the Comptroller General of the United*
 17 *States shall submit to the Senate Committee on Bank-*
 18 *ing, Housing and Urban Affairs and the House Com-*
 19 *mittee on Financial Services a report on—*

20 *(A) the impact of the ownership by large in-*
 21 *stitutional investors of single-family homes on*
 22 *housing availability and affordability for renters*
 23 *and homebuyers; and*

24 *(B) the effectiveness of this section in reduc-*
 25 *ing demand by large institutional investors for*

1 *single-family homes and expanding homeownership for renters and homebuyers.*

3 (2) *HUD REPORT.*—*Not later than 2 years after*
4 *the date on which the prohibition under subsection*
5 *(b)(1) takes effect, and again not later than 10 years*
6 *after that date, the Secretary of the Housing and*
7 *Urban Development, in consultation with the Sec-*
8 *retary of the Treasury, the Administrator of the*
9 *Rural Housing Service, the Executive Director of the*
10 *Loan Guaranty Service of the Department of Veterans*
11 *Affairs, the Chair of Securities and Exchange Com-*
12 *mission, and the Director of the Federal Housing Fi-*
13 *nance Agency, shall submit to the Committee on*
14 *Banking, Housing and Urban Affairs of the Senate*
15 *and the Committee on Financial Services of the*
16 *House of Representatives a report on—*

17 *(A) whether there should be adjustments to*
18 *the definition of the term “large institutional in-*
19 *vestor”;*

20 *(B) the financial impact of this section on*
21 *large institutional investors, renters, and home-*
22 *buyers; and*

23 *(C) any legislative recommendations regard-*
24 *ing ways to improve the authorities provided*
25 *under this section to increase the supply and af-*

1 *fordability of single-family homes for purchase*
 2 *by individual homebuyers.*

3 (3) *SENSE OF CONGRESS.—It is the sense of*
 4 *Congress that—*

5 *(A) this section is intended to expand the*
 6 *number of single-family homes available to indi-*
 7 *viduals for purchase and is aimed at preserving*
 8 *and expanding the supply of single-family homes*
 9 *available to individuals; and*

10 *(B) any further study on the effectiveness of*
 11 *this section and any legislative recommendations*
 12 *therefrom should consider this sense of Congress.*

13 (f) *EFFECTIVE DATE.—The requirements and prohibi-*
 14 *tions under subsections (b) and (d) of this section—*

15 *(1) shall take effect on the date that is 180 days*
 16 *after the date of enactment of this Act; and*

17 *(2) are repealed on the date that is 15 years*
 18 *after the effective date under paragraph (1).*

19 ***TITLE XI—CENTRAL BANK***
 20 ***DIGITAL CURRENCY***

21 ***SEC. 1101. CENTRAL BANK DIGITAL CURRENCY.***

22 *The Federal Reserve Act (12 U.S.C. 221 et seq.) is*
 23 *amended by inserting after section 16 (12 U.S.C. 411 et*
 24 *seq.) the following:*

1 **“SEC. 16A. CENTRAL BANK DIGITAL CURRENCY.**

2 “(a) *DEFINITIONS.—In this section:*

3 “(1) *CENTRAL BANK DIGITAL CURRENCY.—The*
 4 *term ‘central bank digital currency’ means a digital*
 5 *asset that—*

6 “(A) *is denominated in United States dol-*
 7 *lars;*

8 “(B) *is a United States currency;*

9 “(C) *is a direct liability of the Federal Re-*
 10 *serve System; and*

11 “(D) *is widely available to the general pub-*
 12 *lic.*

13 “(2) *DIGITAL ASSET.—The term ‘digital asset’*
 14 *has the meaning given the term in section 2 of the*
 15 *GENIUS Act (12 U.S.C. 5901).*

16 “(b) *PROHIBITION.—Except as provided in subsection*
 17 *(c), the Board of Governors of the Federal Reserve System*
 18 *or a Federal reserve bank may not issue or create a central*
 19 *bank digital currency or any digital asset that is substan-*
 20 *tially similar to a central bank digital currency directly*
 21 *or indirectly through a financial institution or other inter-*
 22 *mediary.*

23 “(c) *EXCEPTION.—Subsection (b) shall not prohibit*
 24 *any dollar-denominated currency that is open,*
 25 *permissionless, and private, and fully preserves the privacy*
 26 *protections of United States coins and physical currency.*

1 “(d) *SUNSET.*—*This provisions of this section shall*
 2 *cease to be effective on December 31, 2030.*

3 “(e) *RULE OF CONSTRUCTION.*—*Nothing in this sec-*
 4 *tion shall be construed to allow the Board of Governors of*
 5 *the Federal Reserve to issue a central bank digital currency*
 6 *or any digital asset that is substantially similar to a cen-*
 7 *tral bank digital currency directly or indirectly absent au-*
 8 *thorization by an Act of Congress.”.*

9 ***TITLE XII—MISCELLANEOUS***

10 ***SEC. 1201. SEVERABILITY.***

11 *If any provision of this Act, or the application thereof*
 12 *to any person or circumstance, is held invalid, the remain-*
 13 *der of the Act, and the application of such provisions to*
 14 *other persons or circumstances, shall not be affected thereby.*

15 ***SEC. 1202. NO ADDITIONAL FUNDS AUTHORIZED.***

16 *No additional funds are authorized to be appropriated*
 17 *to carry out the requirements of this Act or any amendment*
 18 *made by this Act.*

Attest:

Clerk.

119TH CONGRESS
2^D SESSION

H.R. 6644

**HOUSE AMENDMENT TO
SENATE AMENDMENT**